



PARLIAMENT OF UGANDA

# PARLIAMENTARY DEBATES

(HANSARD)

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OFFICIAL REPORT

THIRD SESSION - THIRD MEETING

THURSDAY, 18 APRIL 2024



## IN THE PARLIAMENT OF UGANDA

### Official Report of the Proceedings of Parliament

#### THIRD SESSION - 27TH SITTING - THIRD MEETING

Thursday, 18 April 2024

*Parliament met at 10.00 a.m. at Parliament House, Kampala.*

#### PRAYERS

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

The House was called to order.

#### COMMUNICATION FROM THE CHAIR

**THE SPEAKER:** Honourable members, I want to welcome you to this morning's sitting. Yesterday, we concluded eight RAPEX Bills. So far, we have done 10. We are moving on very well. We stood over the National Forestry and Tree Planting (Amendment) Bill, 2024, pending a question, not a debate. We will receive a response from Government, and then we will put the question and a decision will be taken to that effect. The moment we have quorum, we will do that.

Honourable members, I have noted that the strike by traders over the Electronic Fiscal Receipting and Invoicing System (EFRIS) has persisted. Today, we will receive a statement from the Minister of Finance, Planning and Economic Development on the outcome of the Government's engagement with affected traders together with a report from the Minister of Trade, Industry and Cooperatives which was uploaded yesterday. We need to have constructive dialogue to resolve this matter because we cannot have shops closed for all these days and we are just silent about it.

Honourable members, on a rather sad note, our own Dr Opio Acuti who is the Deputy Chairperson of the Committee on Health and Member of Parliament for Kole North County has lost his dear father, Dr Opio Erisari.

On behalf of Parliament and on my own behalf, we relay our condolences to the bereaved family, friends and the people of Kole. May his soul rest in eternal peace. May we rise for a moment of silence in his memory.

*(Members rose and observed a moment of silence.)*

**THE SPEAKER:** Thank you very much. Honourable members, I wish you nice deliberations. Yes, Hon. Jonathan - why are you laughing?

10.05

**MR JONATHAN ODUR (UPC, Erute County South, Lira):** In your communication about the fate of our traders downtown, I want to draw your attention to the fact that the contestation over the (EFRIS) is as a result of Section 73(a) of the Tax Procedures Code Act that we made here.

In that section, we delegated part of our responsibility to legislate to the Commissioner-General of URA. He made the regulations, which are now causing a problem among the traders. I want to request that the Ministry of Trade, Industry and Cooperatives be tasked to lay before this Parliament that regulation.

Madam Speaker, in your wisdom, you can direct one of our committees to interrogate that regulation because it is made under the delegated authority of this Parliament. If there is a problem with it, then we have to interrogate it because it has penalties –(Interjection)- yes, it has so many other aspects.

In the past, we had suggested that all statutory instruments that are made for and on behalf of Parliament should be brought here, even when it is not mandatory, so that we can ascertain whether it is the actual intention of the law that we have made. This would help us intervene in a timely manner to help the traders.

In the meantime, even this House, if it pleases you, Madam Speaker, at some point, you may be able to give some advice to Government on EFRIS. Thank you.

**THE SPEAKER:** Honourable members, we had asked the Committee on Finance, Planning and Economic Development and the Committee on Tourism, Trade and Industry to interrogate that. They have not yet finished. Therefore, we will wait for those committees. In the meantime, as we wait for the committees, what do we do? We want to hear from you, Minister of Trade, Industry and Cooperatives.

**MR SILWANY:** Madam Speaker, before the trade's minister comes in, the information I want to give is that the strike of the traders is now beyond Kampala. It has taken a trend. Shops are closed in several districts and cities in Uganda specifically Jinja, Iganga and that whole region where I come from.

Madam Speaker, it is true that the shops are closed, so when the honourable minister is responding, he should tell us how fast this matter can be sorted because it is now affecting the whole country. Revenue collections, of course, are totally down. Therefore, honourable minister, when you come, please give us the timelines so that we are sure this is going to be sorted.

**THE SPEAKER:** Honourable members, this is a substantial item on the Order Paper. After

laying of the papers, we are going to discuss the issue of traders. Yes, Hon. Allan.

10.08

**MR ALLAN MAYANJA (NUP, Nakaseke Central County, Nakaseke):** Thank you, for the opportunity. I am raising this under rule 42. On 15 March 2024, you directed the Minister of Education and Sports to engage the administration of Nakaseke District. This was on the matter where the LC V Chairperson, Mr Koomu Ignatius, subjected teachers to a PLE mock examinations.

On Monday, he released the results and the worst performance was 27 per cent in Mathematics subject and the best got 92 per cent.

**THE SPEAKER:** Did you get a copy of those results?

**MR MAYANJA:** Madam Speaker, I have not. However, I interacted with him and –

**THE SPEAKER:** Hon. Allan, kindly ask those people to give you a copy for your reference next time.

**MR MAYANJA:** Thank you, Madam Speaker, for your guidance. I will do that.

My point was that the Minister of Education and Sports did not engage the administration so that it can come out with a statement before Parliament to guide the administration of Nakaseke District in line with this activity. Information -

**THE SPEAKER:** Can we have the Minister of Education and Sports in the House?

10.10

**THE MINISTER OF STATE FOR WORKS AND TRANSPORT (WORKS) (Mr Musa Ecweru):** Madam Speaker, let us commit to cause at least one minister to be here. (*Mr Ongiertho rose* )

**THE SPEAKER:** Let us first stand over that - you are giving information to Allan - I

am saying we stand over that as they call the minister. Let the minister himself come and answer because he made a commitment. Yes, Shadow Minister of Foreign Affairs?

10.11

**MR MUWADA NKUNYINGI (NUP, Kyadondo County East, Wakiso):** Thank you, Madam Speaker. In your communication, you expressed concern over the traders' plight. In a related development, as a Shadow Minister of Foreign Affairs, I want to hear from the Minister of Foreign Affairs and Government on their readiness and preparedness because of the ongoing tensions between Israel and Iran. We have so many Ugandans in the Middle East and we do not want to land in a situation of seeking help for stranded or distressed Ugandans, resulting from the ongoing conflict.

Madam Speaker, as we speak, Uganda's ambassador to Iran-

**THE SPEAKER:** Can we have the Minister of Foreign Affairs?

10.12

**THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (INDUSTRY)(Mr David Bahati):** Madam Speaker, let us organise that the minister comes to the House before the closure of the sitting.

**THE SPEAKER:** I do not want us to start gambling like we do not have ministers in those respective ministries. Hon. Afidra?

**MR AFIDRA:** Thank you, Madam Speaker. The procedural issue I want to raise is in regard to the ongoing trade conflict-

**THE SPEAKER:** We have a substantial debate on it. It is a matter on its own.

**MR AFIDRA:** Exactly. The guidance that I would like to get from you is, as we talk now, the Committee on Tourism, Trade and Industry that you delegated, is going to sit at 10.00 a.m. and the matter is on today's Order Paper. Would you guide us, so that-

**THE SPEAKER:** What is on the Order Paper is not a report of the trade committee. It is a statement from the Government. So, we are waiting for the report from the Committee on Tourism, Trade and Industry and the Committee on Finance, Planning and Economic Development.

**MR AFIDRA:** Much obliged.

**THE SPEAKER:** Thank you. Chairman?

10.13

**MR BASIL BATARINGAYA (NRM, Kashari North County, Mbarara):** Thank you, Madam Speaker. Chairman for Ankole, but I am Basil Bataringa, Member of Parliament, Kashari North-

**THE SPEAKER:** Out of respect, I did not want to call you- That is why I am giving you the respect of chairperson.

**MR BATARINGAYA:** Thank you, Madam Speaker. I have stood to commend you on the speed and commitment with which you are working on the RAPEX Bills. It is absolutely commendable and I commend you without reservation.

**THE SPEAKER:** Thank you. Hon. Isaac Otimgiw?

10.14

**MR ISAAC OTIMGIW (NRM, Padyere County, Nebbi):** Thank you, Madam Speaker. I understand you have guided well on the issue of the traders; it is on our Order Paper. I was just bringing another issue, when the minister brings that report here, could you also let him comment on the brutality that some of these traders have been facing over a very long time from Uganda Revenue Authority (URA)?

The issue of our traders reaching the level of going on strike, is because they have been containing a lot. When members of the Uganda Revenue Authority go to these shops, the traders are not even made aware in advance, the revenue officials do not go with any documentation, they harass most of the

shopkeepers and go with soldiers. I was just wondering if the report can address all those issues.

**THE SPEAKER:** The URA people do not have identification. How do you know that you are dealing with the right person?

**MR OTIMGIW:** That is the thing, because they go with soldiers, to these shopkeepers and everything. Those people are usually scared, and that has been going on for a long time. I have heard from a number of shopkeepers who have come to me saying, “You people, can you at least straighten the system for us?”

**THE SPEAKER:** No. Let us discuss that later. Hon. Maximus Ochai?

10.15

**MR MAXIMUS OCHAI (NRM, West Budama County North, Tororo):** Thank you very much, Madam Speaker. On RAPEX, I have no doubt that this House is made up of very competent Members. As we process RAPEX, I feel that at this point, we would possibly request the honourable minister sponsoring the Bills to refresh our minds on the justification for these Bills. RAPEX as-

**THE SPEAKER:** Honourable member, bring that up when we are discussing the issue of RAPEX but if you want to refresh your mind on RAPEX - Hon. Byanyima, just give him-

10.16

**MR NATHAN BYANYIMA (NRM, Bukanga North County, Isingiro):** Thank you, Madam Speaker. All honourable members know how we went into it and you advised properly that we should have a committee to look into it. That was done and the committees are referring to our report.

I think what you are saying is what you should be telling the committee or debating the report when we reach there. The issue of refreshing is important as I have said; we must be careful in whatever we are doing so that we do not rush and at the end of the day regret the actions we have taken. This honourable House is-

**THE SPEAKER:** But so far are the committees looking at our report?

**MR BYANYIMA:** Yes, except yesterday, Uganda National Meteorological Authority (UNMA), which we all had agreed, but when the House resolved, we went with that. I thank you.

**THE SPEAKER:** Yes, honourable minister?

**MR BAHATI:** I join my colleagues, Madam Speaker, to commend you on the speed at which you are processing these RAPEX Bills. I think processing 10 Bills in two days is a great milestone. *(Applause)*

In addition to the report authored by the committee of Hon. Byanyima, each committee processing these Bills has produced reports, and I would encourage my brother to get familiar with the reports of the committees. All the details and the justification for rationalisation and mainstreaming are in those reports. Let us have time and read them, the refreshment will come as we read the reports.

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

10.18

**MS SARAH OPENDI (NRM, Woman Representative, Tororo):** Thank you, Madam Speaker. I am sad that as we are processing very important Bills -

**THE SPEAKER:** Why are you people going to Bills when we are still reacting to the communication from the chair? Hon. Sarah Opendi, you will bring that during Bills.

**MS OPENDI:** Madam Speaker, I was raising that because Members have been speaking. Committees are sitting, the House is sitting, so, I get torn and cannot participate effectively in some of the discussions here.

**THE SPEAKER:** I gave an instruction yesterday, Hon. Sarah Opendi, that can we first finish? I do not know what is that important. The only committee I expect to sit

is the Committee on Finance, Planning and Economic Development and the Committee on Tourism, Trade and Industry, on the issue of traders. Therefore, when you say committees are sitting, that is defiance.

**MS OPENDI:** Madam Speaker, they are considering the instructions you gave to complete these RAPEX Bills and while we are here in the House-

**THE SPEAKER:** You mean they have not finished?

**MS OPENDI:** The Committee on Physical Infrastructure was sitting and I was torn between the two meetings.

Madam Speaker, let me go to what I wanted to raise. We have an issue currently, and I do not want us to see children dying tomorrow, yet we know that the Government outlawed the transportation of children on trucks. We have seen some schools still transporting children on trucks and now they are into sports competitions. The championships are soon being held at the national level, and we will see children being brought here in trucks.

Madam Speaker, we need guidance from the Ministry of Internal Affairs and the Ministry of Education and Sports-

**THE SPEAKER:** There is a procedural matter.

**MR MUZAALU:** Thank you, Madam Speaker. It is standard here that we respond to your communication. I am surprised that a colleague on the Floor is raising matters of national importance. I need to be guided. Thank you.

**THE SPEAKER:** Honourable members, as we said, let us respond to what has been raised in my communication. I may forgive Hon. Opendi because I have seen it; children are being transported like cattle on those cattle trucks and I wonder which schools are doing it.

These vehicles have ended up causing accidents and children die. The Ministry of Education and Sports needs to give guidance to that effect. Members, let us go to the next item.

10.22

**MR ENOS ASIMWE (NRM, Kabula County, Lyantonde):** Thank you, Madam Speaker. In your communication, you spoke about the death of our colleague's father. - May his soul rest in peace. It reminded me of the bad accident we had on Entebbe Road yesterday, where a young man was lost, a lawyer.

In that accident, tentatively, the cause had to do with a truck which lost control and that brings me to one issue- I saw the Minister of Works here; what happened to regular inspection of vehicles to determine their road worthiness?

There was a company that had been awarded a contract to do regular inspections; SGR, but I do not know what happened. On our market, or the roads, some trucks are totally out of control. We have lost lives because of these trucks, yet the Government is silent about it. Could the Ministry of Works and Transport tell us their plan to deal with regular inspection of vehicles? Thank you, Madam Speaker.

**THE SPEAKER:** The Deputy Attorney-General.

10.23

**THE DEPUTY ATTORNEY-GENERAL (Mr Jackson Kafuuzi):** Thank you so much, Madam Speaker. In answer to - I am not the Minister of Works but I have something to say in response to what Hon. Asiimwe has raised.

There was, previously, an agreement with a company called SGS, for regular motor vehicle inspection. The 10<sup>th</sup> Parliament cancelled that agreement and as we speak as the Government, we are paying compensation to the company. That exercise stopped. Unless this Parliament sees it fit and calls upon the Government to reconsider that exercise, maybe it can be done.

**THE SPEAKER:** Are you sure we cancelled it?

**MR KAFUUZU:** Let me answer-

**THE SPEAKER:** I just need clarification.

**MR KAFUUZI:** Parliament stopped the work and caused an investigation. The investigation lasted two years and the company rescinded. They said they had been on hold for two years, with a contract of three years and they had not worked for three years, with infrastructure and that they were leaving the country. The Government is being forced to compensate them as a result.

**THE SPEAKER:** There is clarification.

**MR BASALIRWA:** I thank you, Madam Speaker. We were here in the 10<sup>th</sup> Parliament. There were issues with that company, which were raised by the public and indeed Parliament intervened. That matter went to the committee. Parliament recommended that the Government considers issues that had been brought up in the committee for purposes of streamlining operations.

he issue of stopping the company was an Executive decision. Parliament just recommended because there had been issues raised in the committee. I believe, the learned Attorney-General, when you say Parliament stopped- Parliament does not have the mandate to stop a contract between the Government and another company, but there were issues that were raised. I think the record should be put straight as far as that matter is concerned.

**THE SPEAKER:** Actually, Hon. Odur was a member of the Committee on Physical Infrastructure and I remember him forcing the Chairperson to resign. Hon. Odur, tell us what happened.

**MR ODUR:** Madam Speaker, before I come to the issue of how the chairperson left the committee voluntarily, there were serious issues regarding the procurement of the company to do inspections.

At that time, the committee sat and found that the intention of the Government to inspect vehicles was a good one; for purposes of safety. What was not acceptable to the committee and Parliament was that they had ring-fenced or monopolised the inspection yet there were

several workshops, garages and companies that were ready to inspect.

As a result, the pricing, the cost of the inspection regime were too high. For example, the trucks and buses were cost at Shs 1,000 twice a year. The saloon cars were priced at Shs 100,000. The question then arose. In terms of spending time to inspect, the two vehicles, which one would take more time?

This House advised that the Government should go back and revise the rates. The boda bodas were supposed to be inspected twice at Shs 60,000, twice a year, every six months. Those were the issues raised.

Thirdly, the company and only four testing centres; one on Bombo Road- within Kampala. How would you expect a vehicle in Moroto, Bushenyi, to be driven to Kampala, for inspection and to pay that amount of money? Those were the recommendations that this Parliament made.

There were other unethical issues that took place within the committee and also within the Ministry of Works; conflict of interest. Therefore, based upon that, the chairperson, having read the mood in the committee, offered to step back from chairing the committee. That is how we ended up there, Madam Speaker.

**MR KAFUUZI:** Thank you, Madam Speaker. I appreciate my colleagues' additional information. The investigation would have had no problem. The problem was that a company had a five-year contract. They had been here for one year and-

**THE SPEAKER:** Honourable Deputy Attorney-general, what we need to do, is to have inspection of vehicles. We are not talking about that company any more. It happened and that is now history. Let us now ensure that the Vehicles are inspected to avoid these kinds of accidents. You either empower IOV, Works or whichever, so that we have the vehicles inspected to reduce accidents.

**MR KAFUUZI:** Agreed.

**THE SPEAKER:** Thank you. Hon. Mujungu -

**MR MUJUNGU:** Thank you, Madam Speaker. I rise on a matter of procedure. Last year, we came here-

**THE SPEAKER:** Procedure on my communication.

**MR MUJUNGU:** Let me first speak, and we want your guidance, Madam Speaker. The Committee on Health visited Kasese last year on the matter of Kilembe Mines Hospital-

**THE SPEAKER:** Honourable members, I do not want you to continue smuggling in things. If you have an issue, bring it as a substantial item. You people came to my office and I told you what to do. There was a report which was adopted by this House and I have told you to write so that we write to the Ministry of Finance, Planning and Economic Development. You do not have to bring it here again because it is not part of my communication. Next item.

#### LAYING OF PAPERS

##### I) THE SUPPLEMENTARY EXPENDITURE SCHEDULE NO.2 FOR THE FINANCIAL YEAR 2023/2024

**THE SPEAKER:** Honourable members, as you are aware, Section 25 of the Public Finance Management Act, 2015 provides and stipulates the purpose for which supplementary budgets may arise. Based on that, the minister will tell us why the supplementary budget is arising. I now invite him to lay his document.

10.31

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr Amos Lugoloobi):** Thank you, Madam Speaker. In line with Article 156(2) of the Constitution of the Republic of Uganda, Section 25 of the Public Finance Management Act and Rule 153 of the Rules of Procedure of Parliament, I beg to lay the Supplementary Expenditure Schedule No. 2 for the Financial Year 2023/2024, amounting to Shs 1.101 trillion.

**THE SPEAKER:** Please lay. Let me have a look at it. Honourable members, the request is accordingly referred to the Committee on Budget, pursuant to Rule 153 of the Rules of Procedure. However, when you look at this, I do not know whether young people who have eyes like Hon. Odur can read these figures. I cannot even tell which figure is going for which Vote. Is this the original copy?

**MR LUGOLOOBI:** Madam Speaker, that is the original copy, but we can do better, in case you are not able to read the numbers.

**THE SPEAKER:** No, we cannot read. Remove your spectacles and see if you can read them. We will need a clearer copy. You see, the Chairperson of the Committee on Budget and all the members are very old people. *(Laughter)* We will forward it to the Committee on Budget for scrutiny and report back to the House. [Mr Tebandeke: *"Thank you, Madam Speaker."*]

Did I give you permission? Do not switch on a microphone before I give you permission. Please, first sit.

##### II) THE PROPOSAL TO BORROW EUROS 110.5 MILLION (APPROXIMATELY US\$ 117.26 MILLION) FROM STANDARD CHARTERED BANK TO FINANCE THE UPGRADING OF THE KITGUM-KIDEPO ROAD

**THE SPEAKER:** As you are aware, tourism is a very important aspect in generating income for this country and there is a need for us to be able to work on the tourism roads.

Today, we will receive a proposal to borrow money to finance such a tourism road which is Kitgum-Kidepo Road. *(Applause)* There is some equity now coming in. This road, if worked on, will grossly boost tourism in the northern part of this country.

I now invite the honourable Minister of Finance, Planning and Economic Development to table the proposal. Meanwhile, I do not know where the Minister of Works and Transport has gone. There is a problem. This loan has



taken more than one and a half years between the Ministry of Works and Transport, finance ministry and the Attorney-General's Chambers to be approved.

Remember, when you commit yourself to these loans, you pay commitment fees and such kind of monies. How can a loan take over a year in the approval process? You have done the feasibility study; the time value of money should be considered.

Attorney-General, you have been having this loan, tell us. You are going to lay the document. We need to correct what will come next because these are the issues that Public Accounts Committee (Local Government) is raising; that we get loans but they take a long time in the works ministry, finance ministry and the Attorney-General's Chambers.

10.38

**THE DEPUTY ATTORNEY-GENERAL (Mr Jackson Kafuuzi):** Madam Speaker, I understand the concern. Sometimes, the delays are as a result of the fact that we need some further and better particulars; that there is some kind of ping-pong. We write back and forth because we request for this and that information; we need to be sure. Sometimes, you are given a contract of many pages and you have to be very thorough or else something may be embedded and you cause a problem.

Besides the time you take to negotiate the loan, the most important thing is that you have to get the right information from the necessary entities. So, you write back and then they take time. They then write back to you and that alone causes a delay. There is nothing deliberate about it. We also want to move as soon or as fast as we can. Thank you.

**THE SPEAKER:** Thank you. Works minister –

10.39

**THE MINISTER OF STATE FOR WORKS AND TRANSPORT (WORKS) (Mr Musa Ecweru):** Madam Speaker, just on what the Attorney-General has said, what we do is my

team is always quick in causing the designs. After designing, we communicate to the finance ministry to initiate the processing of a loan.

I can report to this House that we have many roads that we have designed and sometimes, by the time the resources come, the design has been overtaken by events because of the challenges and delays. So, it is something that we, in the Ministry of Works and Transport, promise to work on with the finance ministry.

The truth is that the Office of the Attorney-General tries. Once it is sent there, it is sometimes easier for us to remind the Attorney-General's Office to quickly handle it with some kind of urgency, but I think finance ministry has some challenges. I suspect they must be technical in nature.

**THE SPEAKER:** Okay. Let him first lay and then you continue.

10.40

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr Amos Lugoloobi):** Before I lay, can I also say something on behalf of the Ministry of Finance, Planning and Economic Development? We have evaluated the process of acquisition and approval of these loans and their implementation.

The value chain comprises the three elements of loan acquisition, approval procedures and processes; then the actual implementation plus the evaluation of performance. We noted that there are serious delays at each of those levels.

With this particular one, we are now at the level of acquisition of the loan. In loan acquisition, you face challenges relating to the feasibility studies that are required before a project is coded by the Ministry of Finance, Planning and Economic Development to enter the budget and the Project Implementation Plan (PIP).

After that, the feasibility studies are assessed by the development committee and then

the request goes through various stages; the National Planning Authority (NPA), the Office of the Prime Minister (OPM), His Excellency the President and the Cabinet and then we have to finalise the processes with the lending agencies before coming to the Parliament. You realise that even the very initial process of acquisition involves a lot of detail that we have to accomplish.

However, one of the biggest problems then comes during the execution of this, the right of way; Hon. Musa Ecweru should have mentioned it.

Acquiring the right of way causes a lot of delays in implementing projects partly because of our land laws that say that land belongs to the people. Before the Government gains access, a lot of issues happen between the individual occupants in the right of way and the Government.

Those things take a long time before a project is implemented and they are real issues that border around legislative issues which we need to bring here and discuss very seriously, before we can successfully implement a project in the shortest time possible. With those remarks, can I go ahead and move a motion?

**THE SPEAKER:** Go ahead.

**MR LUGOLOOBI:** Madam Speaker, this is a motion for Parliament to authorise the Government to borrow up to Euros 110,543,947.52, which is equivalent to USD 117.26 million from the Standard Chartered Bank to finance the upgrading of the Kitgum-Kidepo road upgrading project.

I am moving in line with Article 159 of the Constitution of the Republic of Uganda, 1995, as amended, Sections 36 and 39 of the Public Finance Management Act (PFMA) 2015, and Rule 155 of the Parliamentary Rules of Procedure for authority to borrow the amount of money that I have just described. I beg to move.

**THE SPEAKER:** Thank you. Pursuant to Rule 155 of the Rules of Procedure of Parliament, the proposal of borrowing stands referred to the Committee on National Economy. Thank you. Yes, there is a procedural matter.

**MR TEBANDEKE:** Thank you, Madam Speaker. I am not against borrowing, more so in the issues of the Kitgum-Kidepo road. But when you look at Article 159 of the Constitution of the Republic of Uganda, 1995, "Powers of Government to borrow or Lend." must be clear, in line with clause 4(a) and (b). The honourable minister has explained to us the purpose of borrowing and all the procedures followed.

However, Article 159, Clause 4(b) requires that in cases of accumulated interest, the President be present in the House to explain about the accumulated interest and the provisions made for servicing or repayment of the loan.

And if he is not anywhere in the House- the minister has not explained to us these provisions made in loan repayment, servicing and yet the interest is becoming a very big burden to the country. When we borrow, following all the procedures but not explaining the loan repayment measures-

**THE SPEAKER:** Honourable member, these documents were laid when they were laying the Appropriation Bill and we have them. Maybe you are a lazy reader but if you want, you can go and check. Yes, Hon. Asuman Basalirwa-

**MR BASALIRWA:** Madam Speaker, my brother, Hon. Tebandeke, raises fundamental issues but with due respect, they are raised prematurely because once a matter has been referred to the relevant committee, it is going to make scrutiny of the loan and a report will be made here.

We will have an opportunity to address some of those fundamental issues either here or at the committee. That is the reason I am saying that since the matter has now been referred to the relevant committee, there is an opportunity for us to examine those issues.

**MR LUGOLOOBI:** Thank you, Hon. Asuman Basalirwa for that information. In addition, I did not present all the details relating to the terms of the loan. They are all contained in this document and the committee will have the opportunity to analyse them.

**THE SPEAKER:** Honourable members, in the public gallery this morning we have a group of petitioners from Tibet Hima Mining Company Limited based in Kampala.

They have come to listen to the presentation of their petition on the status of the implementation of the concession agreement with the Government of Uganda. You are welcome, please stand up. Thank you for coming.

STATEMENT BY THE MINISTER ON THE  
OUTCOME OF THE MEETING HELD  
WITH TRADERS ON TUESDAY, 16 APRIL  
2024

**THE SPEAKER:** Just a minute, honourable minister. I do not want us to rush the debate on the report. Can we have the petition laid and then we handle the report even if it takes hours? Is that okay, Attorney-General? We dispose of the petition and then we have time to debate the traders.

PRESENTATION OF A PETITION BY  
TIBET HIMA MINING COMPANY  
LIMITED ON THE STATUS OF  
IMPLEMENTATION OF ITS CONCESSION  
AGREEMENT WITH THE GOVERNMENT  
OF UGANDA

**THE SPEAKER:** Honourable members, as you may be aware the Parliament is a people-centred institution and as such, addressing public concerns through petitions is one of those avenues for enhancing public participation. Therefore, pursuant to Rule 30 of the Rules of Procedure, I will invite Hon. Silwany, MP Bukooli County Central, to present the petition.

10.50

**MR SOLOMON SILWANY (NRM, Bukooli County Central, Bugiri):** Madam Speaker I stand to present a petition on behalf of the

petitioners because they cannot come to this House. I move under Rule 30 of our Rules of Procedure of the Parliament of the Republic of Uganda.

*“The humble petitioners of Tibet Hima Mining Company Limited - I am presenting it on their behalf as the Member of Parliament for Bukooli Central -*

*Showeth and states:-*

1. *THAT the petitioner is a company registered in Lhasa, the Capital City of Tibet Autonomous Region, of the People's Republic of China.*
2. *THAT in 2013, through an international bidding process, Tibet Hima Mining Company Limited won a competitive bid to manage, rehabilitate, and operate Kilembe Mines for 25 years, from 2013 to 2038.*
3. *THAT on 6 September 2013, the petitioner executed a concession agreement with the Government of Uganda wherein the petitioner was required to make an upfront payment \$4,030,000, submit a written undertaking from the consortium partners pay an annual concession fee of \$1 million on each anniversary of the concession agreement, extract a minimum of 4.5 million tons of iron ore in phase one of the project within the first three years of the project, undertake exploration studies, develop the Mubuku Hydropower Generation Project and introduce modern mining technology and fostering economic growth.*
4. *THAT your petitioner in implementing the concession agreement between June 2014 and January 2017 paid \$4.2 billion to Uganda, directly employed 822 Ugandans, purchased machinery worth \$22 million, acquired mineral processing equipment, and committed \$183 million to future investments in resumption of the copper ore production for Kilembe mines.*

5. *THAT the petitioners undertook a number of activities in preparation for mining and processing of minerals from Kilembemines, including upgrading existing operation facilities, undertaking underground mine dewatering, supply of water, design of underground materials, handling systems and the processing plant, procurement, construction management for the surface and underground infrastructure.*
6. *THAT in spite of Tibet Mining Company performing its obligations, the Government failed or neglected to fulfil its contractual obligations and in particular-*
- a) *failed to hand over Kilembe Mines to the petitioner by nine months from the date of entering the agreement;*
- b) *reduced the concession period from 25 years to 15 years without any explanation.*
- c) *failed to provide the necessary permits and licenses;*
- d) *stripped assets and equipment belonging to the petitioner; and*
- e) *unlawfully and without any regard to contractual terms terminated the concession agreement.*
7. *THAT your petitioner was frustrated in performing their obligations under the contract due to technical bureaucracies and inadequate coordination without due process in the law in various Ministries, Departments and Agencies that it was required to report to.*
8. *THAT following the early termination of the concession agreement, your petitioner has suffered substantial financial losses amounting to \$980 million as a direct loss.*
9. *THAT the Government of Uganda has lost \$10 million annually due to the failure by the Government to fulfil its contractual obligations under the concession.*
- WHEREFORE, by this petition, the petitioner prays that:*
- a) *The relevant committee of Parliament investigates the implementation of the concession agreement between Tibet Hima Mining Company Limited and the Government of Uganda to establish whether the obligations in the agreement were fulfilled by both parties;*
- b) *In the interim, your petitioner further prays that Parliament-*
- (i) *halts the ongoing advertisement and subsequent procurement process related to Kilembe Mines; and*
- (ii) *investigates the reasons for the site handover delays;*
- Your humble petitioners as in duty bound, will ever pray and hereto append their signatures."*
- I beg to lay, on behalf of the petitioners -
- THE SPEAKER:** Thank you, Hon. Silwany.
- MR SILWANY:** Madam Speaker, I beg to lay the different certificates and payment obligations of the company to the ministry.
- I also beg to lay the unjust termination of concessional agreement and decisions made by the Government and all its documents addressed to the Speaker of Parliament.
- I also beg to lay the Tibet Hima Mining Company Feasibility Study for the Mubuku Phase 1 HPP Upgrade. Thank you.
- THE SPEAKER:** Thank you. Pursuant to Rule 36 of the Rule of Procedure, the petition stands referred to the Committee of Environment and Natural Resources. Report back within 45 days as prescribed under Rule 30(10) of the Rules of Procedure. Next item.

STATEMENT BY THE MINISTER ON THE  
OUTCOME OF THE MEETING HELD  
WITH TRADERS ON TUESDAY 16<sup>TH</sup>  
APRIL 2024

**THE SPEAKER:** Honourable members, as I stated in my communication, it is important for the Government to amicably resolve the standoff between the traders and the Ugandan Revenue Authority.

Pursuant to Rule 52(1) of the Rules of Procedure, I invite the Minister of Finance, Planning, and Economic Development to update this House on the outcome of the Government's engagement with the traders, because today is day four and I keep seeing them reminding other traders so let us hear from the minister on what they have resolved.

10.59

**THE MINISTER OF STATE FOR FINANCE PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr Amos Lugoloobi):** Thank you, Madam Speaker. This is a statement by the Minister of Finance, Planning and Economic Development updating this House on the outcome of the meeting held with the traders on Tuesday, 16<sup>th</sup> April 2024.

On 15 April 2024, the honourable Minister of Finance, Planning and Economic Development together with his honourable colleague, the Minister of Trade, Industry and Cooperatives and the Minister of State for Trade, Industry and Cooperative held a meeting with representatives of the traders to discuss and resolve a number of issues affecting the traders.

The following issues were raised by the traders:

**VAT threshold:** The traders requested that the Government should consider increasing the VAT threshold from Shs 150 million to Shs 1 billion and a reduction of the VAT rate from 18 to 16 per cent.

Issue number two, which they raised is the Electronic Fiscal Receipting and Invoicing

System, commonly called EFRIS. The traders expressed concerns that EFRIS presents several challenges. Notably, it imposes a high cost of compliance, most traders do not understand the system and it applies to all traders irrespective of whether they are VAT-registered or not.

Issue number three relates to the import duty on fabrics and garments. The traders argued that import duty of \$3 and the \$3.5 per kilogram or 35 per cent, whichever is higher for textile fabrics and garments, respectively is very high.

Issue number four relates to the non-standardised valuation guidelines for goods. The traders argue that Uganda Revenue Authority (URA) gives different values to different importers at different times for the same imported items. They noted the need for certainty and uniformity about the tax liability on imports.

They further recommended that Uganda Revenue Authority (URA) should as much as possible use valuation methods consistent with the World Trade Organisation (WTO) customs valuation and in special circumstances where values cannot be determined, URA should provide value guidelines on an annual basis.

Issue number five relates to the anti-competition practices by manufacturers. The traders argued that some manufacturers, notably foreign investors, are participating in distribution, wholesale, retail and hawking of their products. This results in undercutting prices and thus low sales for the Ugandan traders, which goes against the principles of fair competition.

Issue number six relates to the loss of Uganda's competitiveness. The traders argued that Uganda has lost its competitiveness as a trade hub for the region. They noted that traders from Congo, Rwanda, Sudan, South Sudan and Burundi now prefer to buy from Kenya and Tanzania because the prices in those countries are much lower than those in Uganda on account of differences in taxation of imported products.

Those were the six issues that were raised by the traders. Following a long discussion with the traders, it was agreed as follows:

1. The Ministry of Finance, Planning and Economic Development shall, within the next two weeks, study and consult on the proposal to increase the current VAT threshold and VAT rates and communicate the ministry's position on the matter taking into account the findings from the study and relevant consultations. The traders also undertook to provide their input on the matter.
2. URA shall continue to implement the EFRIS. However, emphasis shall be placed on sensitisation and hand-holding of taxpayers to appreciate the EFRIs and also ensuring that it is demystified among all taxpayers because it is part of tax administration.

To that end, URA shall do the following:

1. With immediate effect, establish an office in Kikuubo that is solely dedicated to providing EFRIS support services to all traders and other taxpayers.
2. Exercise more sensitivity in the enforcement of EFRIS and shall accordingly exercise restraint with regard to the issuance and enforcement of penalties for non-compliance to EFRIS, so as to give all taxpayers time to appreciate the EFRIS system.
3. The Commissioner-General of URA shall submit the list of traders currently having outstanding EFRIS penalties for the honourable minister's consideration for possible waiver in accordance with the law.

Regarding the anti-competitive trade practices by manufacturers, the Ministry of Trade, Industry and Co-operatives is finalising the regulations to implement the competition law that was recently assented to by His Excellency the President.

The ministry has also issued a circular to Kampala Capital City Authority and all Chief Administrative Officers and Town Clerks, directing them to ensure compliance with the provisions of the Trade Licensing Act, which prohibits the licensing of non-citizens as hawkers.

It was agreed that traders shall immediately resume normal business as Government concludes internal consultations and further engagement with the leadership of the traders. The consultations shall be concluded within two weeks.

Just to add that I now understand that the traders are meeting His Excellency the President of the Republic of Uganda tomorrow. Subject to that meeting, some of these provisions could change so we shall update the House following that meeting. Thank you very much.

This statement is signed by Hon. Matia Kasaija, the Minister of Finance, Planning and Economic Development.

**THE SPEAKER:** Thank you very much for the report.

**MR LUGOLOOBI:** May I, with your permission, lay it on the Table.

**THE SPEAKER:** Please lay it. Honourable members, you have heard the report from the Minister of Finance, Planning and Economic Development. The issue is on the revenues that the country expects. As a minister seeks for two weeks for further consultation on the proposal of revised VAT threshold, he should also ensure that the proposals contained in the Tax and Revenue Bills that are currently before the Committee on Finance, Planning and Economic Development adequately address the sticky issues that are being raised so that we do not have a repetitive kind of action by the traders.

There is also need for regular consultation and communication between URA and the taxpayers so that they improve on their understanding because there is a lot of uncertainty on the

kind of taxes that are being paid. For instance, this week we have heard several stories in the press about the proposed tax hikes. You need to educate the taxpayers on what they expect and on how it should be paid.

There is need for deliberate effort by Government to make it simpler for a taxpayer to comply with obligations. Improve on enforcement without harassment. You do not have to beat anybody to collect money. You do not need to brutalise people. Trust in the Government will be lost yet at the same time we expect to get money from these people. We need to be able to handle these people very well. As Government, you really need to do a lot.

First of all, some people do not even know what they are paying for. Secondly, they do not know how much tax they are paying. Then you want me to pay taxes and buy a machine to install in my shop at Shs 2.5, I am the same person paying taxes even in places which have no network. Most of us have *kabilitis*, you are telling me to have a smartphone. It is like telling “Panadol” to pay using a smartphone. Panadol uses a *kabiliti*.

Therefore, there are some very serious issues that we need to handle as a Government. Yes, Hon. Tonny?

11.11

**MR TONNY AYO O (NRM, Kwania County, Kwania):** Thank you, Madam Speaker. The minister has listed about five issues that they handled in the meeting yesterday with traders. But Hon. Nsereko the Member of Parliament, Kampala Central had raised an additional issue that I have not heard the minister speak about.

The traders were also complaining of high-interest rates charged by the money lenders.

The law requires the minister for finance to set the maximum lending rates at which moneylenders are supposed to lend money to anybody who wishes to borrow. I would like to know from the minister if this was just left out or if it is not necessary for you also, among

other issues, to respond to the traders on issues of the ministry, fixing the maximum lending rate because this issue will still come out if we do not include them. Thank you.

**THE SPEAKER:** Thank you. If I can recall very well, one of the amendments that we have in the Bills is on the moneylenders. Yes, honourable for workers?

11.12

**DR ABDULHU BYAKATONDA (Independent, Workers’ Representative):** Thank you, Madam Speaker. I thank the minister for the presentation of the report and your action therein. However, we want to know, as the ministry responsible for finance, what would be their input into this?

Madam Speaker, we are looking at flexibility. When we overtax and bring in a lot of details into taxation, it means we are sending people out of business. And at the end of the day, we are losing employment. So, what is their guidance in this respect? I beg to submit.

**THE SPEAKER:** Just for your information, the Committee of Trade and Finance are meeting traders now. So we will be waiting. The minister has not come- they are waiting for the same minister to go to the committee. Hon. Abed, you have something? Are you the one saying “Let him go?”

11.13

**DR ABED BWANIKA (NUP, Kimaanya-Kabonera Division, Masaka City):** No, Madam Speaker. I think he should stay for a moment. Among the issues that traders raised, was the non-standardised valuation. Different people pay different tax rates. We would like to hear from the minister for finance, how are you curing this, because it is killing business.

Secondly, we all agree that people must pay taxes, and we have no problem with that, even the traders do not have a problem with paying taxes. But our tax rates are prohibitive. They are killing business. You are telling us that you are going to study this in two weeks yet we are considering the Tax Bills. If you consider it

within two weeks, and the tax bills are already ongoing; how are we going to include that in the Tax Bills?

We would like to hear your proposals, for instance; on VAT, ours is one of the highest in the whole world. We must revise this VAT so that it is affordable for our people to do business.

Lastly, on the competition law, we passed the law and the traders are waiting for these regulations. We want to hear commitment, from trade. When are you bringing these regulations so that Ugandan traders can be saved?

I see many Chinese in the villages selling goods. Walking everywhere knocking from house to house. They came to Uganda as manufacturers, now they are everywhere doing- Information

**THE SPEAKER:** All commissioners get out- I need Members in the House for only two hours.

**MR MUZAALÉ:** Thank you, Madam Speaker. Hon. Abed Bwanika has talked about a very critical issue. Having foreign investors entering into the local business is very dangerous. These people come here as investors and manufacturers, but they are going into the retail business. If we do not protect our local citizens, it is dangerous for the economy.

Madam Speaker, Hon. Abed Bwanika emphasised the issue of competition in business. Ideally, Uganda, we are losing business, honourable minister- manufacturers are paying taxes. You want to also go down to the wholesalers, to pay taxes for the same good that has already attracted taxes. Ideally, Uganda was a business hub, but as we speak today, in the region, we are losing out.

I would like to say that honourable minister- if you want Uganda to remain in business - (*Member timed out.*)

**DR BWANIKA:** Just one last thing, Madam Speaker. The minister said that they are going to put up offices in Kikuubo to educate the

public on EFRIS- I want to remind you that even in Masaka City, Mbale City, Soroti and the entire nation, we need these offices, traders are not only in Kikuubo, the strike is countrywide; ensure that you put offices everywhere.

**THE SPEAKER:** That is why we have always said that when we pass a law, make people aware of what is expected of them. We have all these radios here. Putting an office in Kikuubo or Masaka, a person in Bukedea will not reach that office. But if you go on the radio and start popularising what you have passed and agreed upon, these people will pay because they want services, but they lack information. Yes, Attorney-General. All of you are going to speak.

11.18

**MR WILFRED NIWAGABA (Independent, Ndoorwa County East, Kabale):** Thank you, Madam Speaker. Our economy has largely been driven by our local traders. If you have been in Kikuubo 10 years ago and you go there today, you will realise the real slump in the business. Most of our people have been driven out of business. And one of the factors has been over-taxation.

When Rwanda closed its borders with Uganda, it established its own Kikuubo in Rwanda. Most of the people who shop from Kikuubo here, from Rwanda, Burundi, and Congo, have now resorted to Rwanda, others to Tanzania. If the Ministry of Finance, is interested in resolving this issue and bringing back our economy on track, there is a group of middle traders called "*Tusakimu*" I have tried to link them up with the ministry to discuss and get to know where the challenge is.

EFRIS would not have been a problem, but it is adding a cost to their business. Most of these traders are Primary Seven, Senior One or Senior Two drop outs, but they are the ones who have been driving this economy.

Now, you have the foreigners who have opened up – Yes, they are the manufacturers, but they have their own wholesale and retail shops, and they have them throughout the entire country



while our people are being driven out of business. Some of us who have been surviving on them as legal practitioners, are also running out of business.

So, the ministry needs to go down and have this dispute with the traders addressed from both a legal and a humane point of view. Thank you, Madam Speaker.

**THE SPEAKER:** Thank you. Hon. Margaret -

11.20

**MS MARGARET RWEBYAMBU (NRM, Woman Representative, Mbarara):** Thank you, Madam Speaker. I would like to thank the minister for holding the meeting with the traders. As Hon. Bwanika has said, this strike in Kampala is representative of the whole country. People up country have been waiting for the resolution that would come out of this meeting to find solutions for their respective areas.

My issue is still with – if they have opened up an office in Kikuubo, what is happening with my traders in Bwizibwera, down in Mbarara who are facing the same issue? There is something within the citizens of this country. I would like to bring it to the attention of this House; people are not refusing to pay taxes, but there is a question they are asking, “What is the tax they are paying doing for their children, their spouses and for this country?”

As our people continue to pay taxes, at the end of it all, what are they gaining from these taxes? I beg to submit.

**THE SPEAKER:** Thank you. Although what you pay as tax should not be equivalent to what you receive, taxes cover hospitals, schools and roads, among others. Even paying you as a Member of Parliament is from those taxes.

11.22

**MS JULIET BASHIISHA (NRM, Woman Representative, Mitoma):** Thank you, Madam Speaker. I am not a business person, but I fell victim when I got a donation of reusable panty pads from the United States of America. The 6

per cent was paid at the airport, but when they saw those reusable panty pads, they said that they were knickers.

I went through a lot, but when I went to Uganda Revenue Authority, they found out that even knickers are charged 35 per cent and they also did not know. Imagine women knickers which are sold between Shs 2,000 and Shs 10,000 being charged 35 per cent; this is a high percentage.

I request that garments should not be generalised. They should just know which type of garment it is and for what purpose. 35 per cent is high for female knickers. The donations *-(Interjection)-* Madam Speaker, I beg for your protection.

**THE SPEAKER:** Let Hon. Bashiisha finish. *(Laughter)*

**MS BASHIISHA:** Secondly, these were donations. My donors were forced to pay Shs 20 million for those reusable panty pads, I even have samples here. They call them knickers because they are reusable panty pads. So, I request that they change and try to categorise the garments. Thank you, Madam Speaker.

**THE SPEAKER:** Thank you. Hon. Isaac –

11.24

**MR ISAAC OTIMGIW (NRM, Padyere County, Nebbi):** Thank you, Madam Speaker. I think the problem that we are facing is that the Ministry of Finance, Planning and Economic Development together with the Uganda Revenue Authority have failed to recognise our businessmen as stakeholders in generating taxation –

**THE SPEAKER:** The major stakeholders.

**MR OTIMGIW:** The major stakeholders. They only look at them in form of enforcement, but do not involve them in most of these negotiations and that is why we end up with this problem. If they could involve them right from the beginning that this is what is coming up, take their opinions as well on board and

reach a meeting point, we would not be where we are right now.

On the issue of Value Added Tax (VAT), Kenya pays VAT at 16 per cent and most of our good pass via Kenya. Our VAT at 18 per cent is high. Therefore, I understand the traders' plea that VAT should be reduced to 16 per cent.

VAT is supposed to be reclaimed back, but up to date, we do not know how many traders actually know that they can claim back VAT. Such information is not given to our traders that they can balance some of those things. I beg that we get more information like you said, that they should get more engagement through radios and sensitisation. Thank you.

**THE SPEAKER:** Thank you. You should have stakeholders' engagement for them to know what we expect of them and what they expect of us, and what their rights are.

11.25

**MR GODFREY ONZIMA (NRM, Aringa North County, Yumbe):** Thank you, Madam Speaker. We all need taxes to develop the economy. However, the issues being raised by traders are those that I would consider to be irregularities in administration of the tax.

We are a member of the East African Community and one of the reasons of joining it was to widen our market so that we become competitive in the East African region. However, when you look at our tax regimes, the decisions we make in terms of taxation, does not make us competitive.

Members have already raised here that neighbouring countries have their VAT at 16 per cent, but for us, we charge at 18 per cent.

Now, as a country, we thought we would boost our trade with countries like Congo. We even went to the extent of constructing roads in Congo in the name of trading with them. If our taxes are very high, we may realise that we constructed those roads for other countries and not for ourselves.

Therefore, to promote our competitiveness in the region, we should work together with the rest of the countries in terms of VAT.

Regarding manufacturers, most of them are treated as investors. Many of them do not pay taxes and sometimes, they have tax incentives. But the real people who pay taxes are the local ones. You will find that in those deep villages, some of those upcountry towns like Koboko, Yumbe and Moyo, among others, had local traders who were agents of these manufacturers. When these items were manufactured, they would take them and become wholesalers and distributors.

However, you will find that up to the remote village, these so-called investors go to trade there and do not pay taxes. It is these same people we expect taxes from who are struggling with them.

Some of these issues are very valid and we need to address them if we are to promote competitiveness. Thank you.

**THE SPEAKER:** Thank you. Hon. Harriet -

11.28

**MS HARRIET BUSINGE (NRM, Woman Representative, Hoima):** Thank you, Madam Speaker. I request us to interest ourselves in the number of businesses that are closing to date. As leaders, if you went through your constituency, you would actually realise that a shop that was there a year ago, is no longer there. It is not out of good will that they have got better things to do, but it is because of COVID-19 and high taxation that people are closing shops.

What does not help this country is that we have carried out tax exemptions to people who have the ability to pay taxes, and yet they continue to squeeze the ordinary person who does not have capacity to pay.

As Government, when businesses close, we do not gain anything. Even if you charge high taxes and people close shops – you would rather have many businesses open and then you charge what is available. Thank you, Madam Speaker.

**THE SPEAKER:** Thank you. Honourable member from Ntungamo?

11.29

**MR MICHAEL TIMUZIGU (NRM, Kajara County, Ntungamo):** Thank you, Madam Speaker. At the moment, what Uganda is going through is the failure for Uganda Revenue Authority (URA) to consider one of the principles of taxation, which is concerned with certainty and simplicity. For example, a good number of our traders do not understand how the Value Added Tax (VAT) operates and the new way of taxation, which was recently introduced.

And if, for so many years, they could not understand VAT, how do we expect them to understand this new methodology? We find it very difficult to deal with people who do not understand the taxes they are paying.

Secondly, the tax on imported garments and textiles is too high. We had thought that by putting that tax, we would discourage the people from importing those garments and we produce them locally as Ugandans.

However, the same industries that are producing the same items are being overtaxed; so, we cannot realise that in Uganda. Therefore, we must make sure that we reduce taxes on manufacturers who are producing garments.

Furthermore, we must think about making Uganda one of the tax hubs in the whole of Africa because it is a landlocked country. We cannot favourably compete with Tanzania and Kenya if we do not reduce our taxes.

Remember that we are targeting the Democratic Republic of Congo (DRC), which is very big. If we do not bring our taxes down and attract manufacturers, we shall not be able to sell our products to DRC and South Sudan and we shall lose out.

I propose that we think about reducing taxes in Uganda so that we can enjoy our position in DRC and South Sudan. I thank you.

**THE SPEAKER:** Thank you. What we need to do is to increase the tax base and reduce the taxes.

11.32

**MR NOAH MUTEBI (NRM, Nakasongora County, Nakasongora):** Thank you, Madam Speaker. I would like to thank the Minister of Finance, Planning and Economic Development and the Minister of Trade, Industry and Cooperatives for the engagement with the traders in Uganda. I also appreciate that there is a meeting that is going to take place between the traders and the Head of State.

I would like to zero down on sensitisation in whatever is happening in our country, there is nothing like a component of sensitisation of the traders to know the taxes and their categorisation; which category is supposed to pay which tax and which one is not supposed to pay which tax. According to the minister-

**THE SPEAKER:** Honourable member, it is not only the traders. There is a lack of awareness of any law that we pass. We pass laws here but they are kept in the drawers. I have not seen any minister coming out to say that, "we passed this law and this is what is expected of you and us."

**MR MUTEBI:** Thank you, Madam Speaker, for your guidance and addition. The Ministry of Finance, Planning and Economic Development and the Ministry of Trade, Industry and Cooperatives are supposed to conduct a country-wide sensitisation to our traders so that they get to know what taxes they are supposed to pay.

We are constructing roads in order to do trade with DRC, However, the Congolese are now bypassing Uganda to go to and trade directly with Kenya and yet in the actual sense, we are in the middle.

You wonder why they are bypassing our country. The issue is that our taxes are very high; so, we need to sit on the drawing board and do something. Otherwise, we might lag behind. I thank you.

**THE SPEAKER:** Hon. Yona Musinguzi?

11.34

**MR YONA MUSINGUZI (NRM, Ntungamo Municipality, Ntungamo):** Thank you, Madam Speaker. The tax system needs a rigorous action by this Parliament. We appreciate that we need to collect revenue for this country but if you open a company today, by tomorrow, you will find yourself with debts, arrears of VAT close to Shs 20 million and you do not know from where it has come.

We are talking of downtown traders but the people with companies are also closing down. They are also dying. When you open your URA portal, you find that they demand Shs 500 million yet you have never touched even Shs 200 and you wonder where that money has come, so sensitisation is very important.

On garments, I know of one company whose name I do not want to mention-it is a Chinese company. They import a sheet of a garment, but when they reach here, they only cut the sheet, fold it, make a bed sheet and put it on the market for sale.

They are given tax incentives by the Ministry of Finance, Planning and Economic Development. They do not pay any tax because they disguise like it as a raw material.

For example; if I were a trader in Kikuubo and I went to China and I imported bed sheets ready for sale, I would have to pay taxes, VAT with no tax incentives.

However, I would be competing with this same Chinese who has come with a big roll of sheets that he will only cut, put on a sewing machine and fold. Yet he has been given a tax holiday. It is very absurd that we are going to be enslaved by the people we have given tax holidays.

We want a tax base, but can the Ministry of Finance, Planning and Economic Development table to us the list of the people they have given tax holidays? Who are they? Those are the people who should be contributing to the tax in Uganda today and yet we have exempted them.

We have run to Kikuubo and squeezed a trader to the bone marrow leaving out these big companies that I do not want to mention, like the telecommunication companies.

We need to revisit the contracts we have with these telecom companies and charge them on the money they get from here. What is their investment *vis-à-vis* the profit that they are repatriating without even building a single school of five classrooms?

We appreciate you, Madam Speaker, because, with your mega salary, you have built a serious school in your village. What has MTN built for Uganda? It has only taken all the profits back to South Africa. I beg to submit.

**THE SPEAKER:** Thank you. For your information, I put up a mega school including the hospital in the Tenth Parliament before I became the Speaker. Hon. Bosco?

11.38

**MR BOSCO OKIROR (NRM, Usuk County, Katakwi):** I would like to thank you, Madam Speaker-

**THE SPEAKER:** Members, I am coming to this side.

**MR OKIROR:** I have a divergent view on the topic of tax. We have over time thought that the solution to some of these issues is widening the tax base. It looks very attractive and we can widen it but even with the meagre sums of money that we collect from these taxes, there is a lot of haemorrhage.

There is a bigger problem that we have got to deal with as a country and that is the issue of corruption. If we do not stamp our feet and realise that this is the biggest enemy we have as a country, we shall keep widening the tax base and always realise that we are not able to fill the basket.

Most importantly, it is very interesting and I would like to associate myself with the submission of my colleague, Hon. Yona Musinguzi. When you give tax incentives to

the people who are able to pay taxes and you tax the poor person and he is the one carrying that big basket of these people - I think we do not have a proper plan.

If Parliament resolves that any tax incentive to be given - because a tax is a breach of statute. Otherwise, if we have not approved any tax incentive, then nothing should be done. However, people have gone behind Parliament to give these tax incentives. We have requested for lists of the people who have tax incentives to be tabled in this Parliament, but I have not seen any.

Madam Speaker, if you give a timeline for the Ministry of Finance, Planning and Economic Development to table that list, we will be moving in the correct direction. I beg to submit.

**THE SPEAKER:** Honourable minister, take note. (*Hon. Rutahigwa rose*) Not you. I will tell you to stand up.

11.40

**MR JAMES MAMAWI (NRM, Adjumani East County, Adjumani):** Madam Speaker, I want to thank you for bringing this issue forward. Sometimes, I fail to understand why URA has failed to undertake voluntary tax compliance with businesses. In some places, for example, West Nile, when business owners hear about the URA, they run away. Why are businesses not operating in that way? URA should advise our people to do better businesses.

Look at a situation in West Nile where URA collects money by chasing people and death cases have been reported. We expect URA to have massive tax education because our businesses are recovering from COVID-19. Otherwise, during the COVID-19, people lost a lot of businesses. Yet, now, you are coming with a situation where you want to send traders out of their businesses.

Madam Speaker, where do they want our people to go? As Parliament, we need to help our people so they are in businesses. Thank you.

11.42

**DR ELISA RUTAHIGWA (NRM, Rukungiri Municipality, Rukungiri):** Thank you, Madam Speaker. I also want to talk about the tax holiday given to big companies and investors. When they are given the tax holiday, they do the manufacture of items. However, as my honourable colleagues have already alluded to, the issue is the manufacturers or investors taking the same items directly to the villages where they sell their items without paying tax. We need to note that our traders - For example, in Rukungiri, recently, a trader called me and complained about manufacturers who make items and the traders come and buy the items from them but when these traders sell items, that is, when we get our Value Added Tax (VAT).

Also, there are items they buy and put in their stock, which become dead stock because the manufacturers come directly and sell to the supposed customers. I think Government needs to pronounce itself on this to stop manufacturers from taking items to the districts directly to the people in the communities. Thank you.

**THE SPEAKER:** Thank you. Hon. Nyakikongoro and Hon. Flora.

11.43

**MS ROSEMARY NYAKIKONGORO (NRM, Woman Representative, Sheema):** Thank you very much, Madam Speaker. This issue of EFRIS is good for widening the tax base. However, it came at a time when traders are suffocated with taxes. I believe this is their opportunity to come up and speak about their challenges.

Members have talked about the high taxes on garments - Sometimes, I wonder how the Ministry of Finance, Planning and Economic Development plans for the country. They say they are raising taxes in order to stop Ugandans from importation of these other clothes but as we are seated here, I wonder, who is putting on a cloth made in Uganda. They are very few.

If you look at our Budget, how much money have we budgeted for cotton production and silk

growing in our country so we can manufacture these clothes within the country as we continue to suffocate the importation of garments.

Madam Speaker, as we plan for increased taxes on certain materials, let us look at the substitution we have back at home in order to suffocate the other items we import from outside.

Over the weekend, I attended a function where there were traders from Kikuubo. When they invited me to talk, they almost said “shut up”, because I think they are tired of the taxes. They said, “Members of Parliament, you are not helping us. What are you going to talk about?”

The traders are complaining about the same things Members have talked about. These manufacturers are given tax holidays for a very long period yet they focus on very few traders. This is why they are squeezing some and at the end of the day, our traders are running out of business.

Madam Speaker, I think the Ministry of Finance, Planning and Economic Development needs to revise the taxes they are imposing on our people. They should also be looking at those manufacturers that are given tax holidays for so long which is putting our members out of business.

Madam Speaker, when Government releases money, it trickles down to the consumers – and we are capable of buying things from Kikuubo and retail shops. I have been complaining about how Government has defaulted in paying people that do business with them. If Government can default paying people that do business with it - For four or five years, people are demanding for their money. How do you expect business to take off? People are suffocated. This is why they are even crying.

EFRIS is not bad because it is supposed to bring many people on board but people are suffocated and are complaining because they have run out of business. Government has even defaulted; they are not paying people. Where should people go right now? Thank you.

**THE SPEAKER:** Thank you. Since the Government is not paying, people end up running to the money lenders - [Honourable members: “Yes”] – yet these money lenders charge very highly. Hon. Flora and Hon. Catheline.

11.46

**MS FLORA NATUMANYA (NRM, Woman Representative, Kikuubo):** Thank you, Madam Speaker. I have been a businesswoman in Kampala for the last twenty years but I had to close one of my businesses beginning of this year because of VAT and many people are closing businesses. There are more than 20 women I know that I started with business in Kampala but they have run out.

Last financial year, URA failed to collect taxes by Shs 50 billion because people were getting out of business. Let me give an example of a caterer so that the last person down can understand me. If you are doing catering, you go to a market and buy sweet potatoes, irish, matooke - you are buying all these without any receipt.

Yet, when you produce and supply, they tell you to pay VAT. You are paying VAT and yet when you were purchasing, there was nothing charged on those things; so, you find people are running out of business.

We are seeing investors who come, go to districts like Nwoya and buy square miles of land. You find they are planting soya beans, putting up factories and doing business from grassroots up to production. They even have supermarkets. They produce and take to their supermarkets. You find we are competing with such people.

**THE SPEAKER:** Honourable minister, I hope you have left someone to take notes.

**MS NATUMANYA:** Madam Speaker, VAT has become a problem and investors who come start with zero up to the-

**THE SPEAKER:** Thank you. Hon. Catheline and then Hon. Felix.

11.49

**MS CATHELIN NDAMIRA (NRM, Woman Representative, Kabale):** Thank you, Madam Speaker. Allow me to thank the minister for trying to come up with a solution. It seems that Uganda has become a dumping place. A few months back, I was in China. When they saw us, they said, “These people have come for their usual business”. They would even ask, “Are you from Uganda? This is your rate.” “Are you from Kenya? This is your rate.” Even business people have learnt that they have to go for cheap things to bring to Uganda because of over-taxation. The URA is scaring away all the natives that are trying to join business because of over-taxation.

If one goes to the business community and asks, the taxes imposed on them are even higher than the capital they have invested in their business. In so doing, they have been forced to run away because of the loans they have incurred, and now, they are in hiding.

Where are we taking the country? If the charges are more than the capital, are we really acting humanely? I beg that the Ministry of Finance, Planning and Economic Development should also get involved and rescue our business communities. Thank you.

**THE SPEAKER:** Thank you. Hon. Felix Okot-Ogong?

11.51

**MR FELIX OKOT-OGONG (NRM, Dokolo South County, Dokolo):** Madam Speaker, the issue that we are handling today is deeper than what the minister presented.

I think Uganda is becoming a destination that is not good for investors, especially local investors. There are about five issues that we need to address.

The first is the Government policy. We are talking of import substitution. We are protecting investors who have put their investment in Uganda, but now we are over-taxing imports. That is why, right now, these people produce, distribute, and retail, knocking

out our local traders. That is a very serious matter of protecting foreign investors. We are overprotecting them.

For example, foreign investors are given more support than the local investors. This is especially so in the construction industry. They import their vehicles, which are tax-free. Everything that they bring into the country is not taxed. This is in addition to the tax holidays that they are given. They are actually knocking out all the local investors.

Madam Speaker, when you go to Kampala Road now, we used to trade there – Ugandans used to be there after we removed the Indians but now, they have all come back. When you go to Kampala Road, you find that all the shops are owned by – you see their colours – we are being knocked out.

We are now coming to supermarkets. These people import and then they take to their own supermarkets. In other countries, this does not exist. When you go to Ethiopia, a foreigner is not allowed to operate a supermarket. It is only reserved for local participation.

Madam Speaker, Government is the one failing our people. Government makes you to supply them and you are not paid. The honourable minister knows the level of domestic arrears he has. The people he has not paid for many years. You have locked their capital, they borrowed from the banks, their properties have been sold, and you never think about them.

Apart from that, all Government contracts, especially big contracts, are only a reserve for foreign investors. When you come to roads, local participation is not there. Big contracts: Ugandans are not there. Even the supplies, these consumables are being done by foreigners. The minister should come here in Parliament, to tell us how they are going to handle domestic arrears, the money that the Government owes our people.

The other thing is the Government policy on business. Why should Government start competing with our local traders? For example,

I have been seeing here, Uzima. It is a water company that is owned by Government but now they have instructed all Government institutions to buy Uzima water. What about those who have invested in water? Even in Parliament now, they have changed, I am now seeing Uzima. When you go to State House, you see Uzima. Uzima is everywhere you go. Why is Government knocking out –

**THE SPEAKER:** We are promoting Buy Uganda Build Uganda (BUBU).

**MR OKOT-OGONG:** You say BUBU but that is Government. It is a Government company. If you are promoting BUBU, why not let local people participate and compete? Let them come – and the supplies should be given to people who have competed. Not getting blue letters from State House. That should not happen.

**THE SPEAKER:** By the way, it is not water by Hon. Onzima.

**MR OKOT-OGONG:** It is not by Hon. Onzima. We know Onzima. I think it is by a Government institution, whatever they call them. I think that is also being unfair to our local people. Madam Speaker, they have even directed that all construction should be done by UPDF. UPDF is a Government institution. Now, you have locked out all local contractors. They are not there. They have invested. They have equipment. They have everything. Where do you want to take these people?

The UPDF is being paid by our Government. It is being paid by the people. They are already being employed. We have increased their salaries. They are surviving. What about those that our local people are employing? Now, you are throwing them out of business. This is wrong. I do not think this is the Government that our country deserves. We must think about our people. Not about ourselves, knocking people so that we can enslave them –

**THE SPEAKER:** Hon. Felix?

**MR OKOT-OGONG:** Anyway, I am sorry.

**THE SPEAKER:** No, you do not have to be sorry. Is the UPDF a local company? The engineering brigade, is it local?

**MR OKOT-OGONG:** I am simply saying –

**THE SPEAKER:** What I am saying, is it local?

**MR OKOT-OGONG:** What I am saying, Madam Speaker, Government as an institution –

**THE SPEAKER:** We have a choice, like now, if you are selling water, we as Parliament – you are saying even Parliament is using Uzima. We have a choice. We are not forced. We can go and buy from Rwenzori. We are in a free market economy. What we need to do is to support our local contractors, not just saying – we cannot start attacking our own. We should be talking about external people who are coming here, hawking in the streets. You are all the way from China and you are hawking in the streets. I might find somebody all the way from China roasting maize. I would be happy if I found a UPDF person roasting because he is a Ugandan.

**MR OKOT-OGONG:** I respect your opinion and with due respect –

**THE SPEAKER:** UPDF has even built for us a stadium. *(Laughter)*

**MR OKOT-OGONG:** Madam Speaker, what I am saying, if UPDF is operating as a company, doing business, let it be a fair competition. Let us all bid. We do not want blue letters from State House, giving them exclusive rights, exclusive position, over our people.

What I am saying is that UPDF is a Government institution with the –

**THE SPEAKER:** You know, with due respect, my elder, Felix, you are diverting our debate. Instead of us discussing how best we can help the local traders down there, you have gone on to UPDF. I do not know what problem UPDF has. But let us see how we can help our traders.



I think you must have been denied some business.

**MR OKOT-OGONG:** No *-(Laughter)-* Madam Speaker, you know -

**THE SPEAKER:** Let us discuss how to help the traders.

**MR OKOT-OGONG:** Madam Speaker, I suffered, I think in 2011- I am not going to bring that one when I lost a lot of money, I am not going to delay the debate here.

Lastly, Madam Speaker, it is about the cost of doing business in Uganda. Right now, everything is electronic and everything is about money. When you register with URSB, you are filing your returns, every time you must file, all the time and that is all money. You must get licenses; from the local governments, it is everywhere and you have to pay. The cost of doing business, Madam Speaker, is very high. The Government has to come up with a position on that.

Madam Speaker, I thank you, especially the new management of URA. I want to note that they are pro-people. That one, I want to state. When you appeal to them, they answer your appeal. That is the best that you can do for our country. Let us support the new management of URA. They are supporting our local people by listening to our local investors. Thank you, Madam Speaker.

**THE SPEAKER:** Honourable Aol, former Leader of the Opposition, Commissioner- I am now coming to the current. I am first sorting out the former.

12.01

**MS BETTY AOL (FDC, Woman Representative, Gulu City):** Thank you, Madam Speaker. Emphasis has been made to instead widen the tax base, instead of us putting off our people from their businesses. The traders are suffering-

**SPEAKER:** Let us give two minutes each.

**MR AOL:** As they suffer, some of them have even lost their lives. Sometimes, they want to close business, but loans; the loans are killing our people. The Ministry of Trade should go back to the drawing board and see how best to help our people. If it is policies, then the policies have to be revisited, in order to help the local traders.

When Hon. Okot-Ogong talked about the UPDF, you know those people already have jobs. Our people are suffering because the jobs are not there. Opportunities should be given to people who create jobs for themselves first.

Let me go to the women in the markets. Sometimes they pay indirect tax and they also suffer a lot. We need to help women- *(Interruption)*

**THE SPEAKER:** Information from *Afande*.

**MAJ. GEN. MASIKO:** Thank you, Madam Speaker and honourable colleagues. I would like to inform this House that we have a Constitution. When you go to Article 209, it spells out the functions of UPDF. Among the main functions is that UPDF should participate in activities for national development.

The other point I want Members to educate themselves about is that, worldwide, Ugandans should also follow what goes on in the world. There are what we normally call defence economies. Uganda is still lagging. In the most organised countries, armies are in the lead of building national economies. I want to inform you that what is happening is not unique in the world.

**MS AOL:** Thank you, General, for the information. But it is also to tell you, General, that I saw in Gulu, when they were trying to build the immigration office. It would have offered our poor people the opportunity to participate in the building but it was UPDF, and you know how UPDF already has salaries. I do not know but it is subject to discussion. I wanted to go-

**THE SPEAKER:** Honourable members, what the General is saying is that what the UPDF Engineering Brigade is doing is not anything that is outside their role. When you look at Article 209(d), the functions of the Uganda People's Defence Forces are to engage in productive activities for the development of the country; that is what he is saying. Even when they are doing that, you never know, they could have also gone through the bidding process and won.

**MS AOL:** Thank you, Madam Speaker. The problem is our market women, the women in business. Even when something was brought here, we were sensitised about the GROW Project, it would even widen the tax base. It is supposed to help women register their businesses, but you wait forever and it is not there.

Our women in the market selling fish- even fish are being blocked, and yet women have loans. Let us see how best we can help widen the tax base and help the women maintain their businesses instead of getting out of their businesses. Tax and again, even the support which they are normally promised are never there.

The Ministry of Gender, Labour and Social Development needs to also help us in getting the GROW Project for our women. Thank you.

12.07

**MR MATHIAS MPUUGA (NUP, Nyendo-Mukungwe Division, Masaka City):** Much obliged, Madam Speaker. A year ago, I presented to the country the better model of allocating resources to Government entities and I implored the Parliament that we needed to get into an arrangement where we vote for an entity's money depending on the jobs they are going to create.

Apparently, if you ask the Minister of Finance, who also does planning, to inform Parliament how many jobs were created in the last financial year, I am very sure they would not have that information to submit to Parliament; how many jobs were lost, so that we have a

comparative analysis of jobs gained and lost, then you would know why we are where we are.

In other jurisdictions that are better democracies, governments fall because of jobs created and jobs lost. Here we do not care because that is not the matter. It depends on how much energy you have.

Madam Speaker, URA submitted to Parliament in this Budget process its policy statement and they are reporting that they are going to register a decline in revenue growth. Even during COVID-19, we had a trajectory of growth of 9 per cent. They are projecting a decline of almost 4 per cent in this period.

When you follow what is happening in that entity, there is a huge job turnover; many senior employees are leaving and nobody explains why? We are seeing that Uganda Revenue Authority (URA) has turned into a target entity who are preoccupied with their targets, not a facilitator of stability of growth of the country. When you are preoccupied with a target, you lose sight of who you are targeting. They do not care as long as they collect money from you and you close, and they achieve their target. Whether they will get money next year is not their concern.

Madam Speaker, we need to interest ourselves in how URA operates. Right now, the Committee on Finance, Planning and Economic Development is considering Tax Bills. The Ministry of Finance, Planning and Economic Development is reporting to Parliament that they will give their views on the view that the threshold of Value Added Tax should change as a percentage in two weeks' time. Is Parliament going to work backwards?

When we were beginning the debate on the reports of the committees, I advised that we needed the Committee on Finance, Planning and Economic Development to report urgently on the revenue side of their report, so that we are able to do the final budget aware of the resource envelope.

Now, what will happen to the reports of the Committee on Finance, Planning and Economic Development on the Tax Bills, if the finance minister is thinking about revisiting VAT threshold and the percentage? There are issues and I think the supervision of URA is a bit lax and the planning is not consistent. This is because in the medium-term, what does the finance ministry plan to achieve in terms of tax revenue growth?

Secondly, as Uganda, are we a manufacturing country or a net importer? If we are really a net importer like I know – We are net importers. If you look at our revenue base, we are not manufacturers as a nation. We are just trying to grow manufacturing through import substitution. So, if we don't facilitate the importers that are holding, babysitting and midwifing this economy, we are in danger.

Finance ministry must supervise URA consistently to rhyme with the medium-term plan of revenue generation and growth. Otherwise, URA and finance ministry seem to be at cross purpose in their targets and the person suffering is the trader, business person and common man, because they have different targets.

They have a plan and URA has their own plan, which is just a target of revenue, and it is a problem. Madam Speaker, the finance minister should tell us, finally, what we are going to do with the Tax Bills before Parliament, now that they have a view of revisiting the threshold of VAT from Shs 150 million to another figure, and then the percentage from 18 to another figure. Is that coming or you gave the traders some bluff to calm down the pressure? Thank you.

**THE SPEAKER:** Thank you. Hon. Sarah Aguti –

12.12

**MS SARAH AGUTI (UPC, Woman Representative, Dokolo):** Thank you, Madam Speaker. I would like to add my voice on the high tax rate which is killing our business. Our businessmen and women should be sensitised

on the tax they are paying, for example, VAT. They do not know much about it, but they just hear about tax.

Secondly, high interest rates charged by the money lenders. I think the Government should come up with policies which protect our businessmen and women, so that when they borrow, they pay low interest rate or they should be protected by the policies of the Government.

Thirdly, I would like to talk about over taxation on goods. If it can be reduced, this would help our businessmen and women to get something so that they also help themselves with the income that they generate.

You have talked about widening the tax base but I think this will also fall on us, for example, which areas are we going to widen the tax base? Maybe they will also begin taxing our nails when we paint. I do not know, but -

**THE SPEAKER:** You need to know what is taxable. Once you know what is taxable, then you can be able to see. Instead of you triple taxing land, then you should tax what Hon. Musinguzi said, that you have the telecom companies and you are not taxing them.

You are taxing Mobile Money but you are not taxing agent banking. That is a tax bed, unless you want to tell me that they tax nails. That is not a taxable item. You need to know what is taxable in tax laws.

**MS SARAH AGUTI:** Madam Speaker, I had not yet finished but I was saying that maybe tapping into areas that are outside the tax right now, which you have mentioned. With this, we should not only look at Kikuubo but we have businessmen and women outside Kikuubo. For example, my business people in Dokolo are also crying about these taxes and the moneylenders. Thank you.

12.16

**MR SANTA ALUM (UPC, Woman Representative, Oyam):** Thank you, Madam Speaker. I thank the minister for endeavouring

to sit down with the traders. The plight of the traders have been disregarded for quite a long time. There are a lot of problems that the traders are facing. This time round, I think we are going to use this opportunity to solve the problem.

Secondly, when the minister was presenting, there were issues that the traders raised. One of them that I did not see coming up clearly, was about the non-standardisation of value guidelines for goods. Madam Speaker, the principle of good taxation is well known to the ministry and to the minister himself.

I wonder how some importers are charged highly while others are charged less. This in itself, discourages some of the traders. I would like to see a way forward on how the ministry is going to deal with this situation. Thirdly, what are the policies for our local businesses? In your submission, you said that the regulation is coming soon. How soon is soon?

Finally, Madam Speaker, we are talking about EFRIS, which is supposed to work across the country. We have businessmen and women in the villages and some other towns, but you are establishing an office in Kikuubo. What about the businessmen and women in Lango, Acholi and Teso? Are they going to come up to Kikuubo to get the assistance that they need or you are going to give them transport to access these services?

Lastly –(Member timed out.)

12.18

**MR PETER OKOT (DP, Tochi County, Omoro):** Thank you, Madam Speaker. From the submission of the minister, it appears that the ministry is shooting and then aiming later –(Laughter)– This is what I have got from the presentation.

Currently, URA projects that they are about four million taxpayers but there is a potential of growing this to about 12 million taxpayers. However, with all these tax increments, they are scaring the inclusion of about 8 million taxpayers.

Madam Speaker, on the issue of tax holidays given to the manufacturers, some of these manufacturers who are given tax holidays switch businesses at the time they are clocking the years for which they were given tax holidays. They move from one business to another and then regain another fresh tax holiday.

The Government is losing there. If we are doing that to foreign investors and not to our local investors and traders, then we automatically expect what we are seeing the traders in Kikuubo doing. You are being fair to the foreign manufacturers and investors, but unfair to them.

We only hope that this discussion you had with the traders bears fruit and an amicable solution is reached, so that we are fair to every Ugandan trader. Thank you.

12.20

**MR ABDALLAH KIWANUKA (NUP, Mukono County North, Mukono):** Thank you, Madam Speaker. Uganda is among the several countries comprising of the East African Community and among the objectives was to ensure that there is a “Common Customs Union”.

I have failed to get an explanation from the minister’s statement on why VAT in Kenya Rwanda and Tanzania is at 16 per cent. Did you have to first wait for these people to protest to know that we have to get a uniform VAT rate? Thank you, Madam Speaker.

12.21

**MS HOPE NAKAZIBWE (NRM, Woman Representative, Mubende):** Thank you, Madam Speaker. I would like to appreciate the ministers who sat with the traders and agreed on a few aspects that will be looked at to sort out the issues of trade. However, there are a number of issues that were agreed upon but are not nationalistic.

One, they agreed to set up - let me call it an office that is going to help the traders in Kikuubo concerning the EFRIS. However, the

honourable ministers need to know that we have traders all over Uganda. So, the people in Mubende, Gulu and Mbale also need to be educated.

We have many traders who are not able to write or read but these people who invest a lot of money in the suburbs of Uganda, let me call it that. They need to be guided on how to use this machine. It is not that they are not willing to comply but do not have the capability to operate these machines.

This means that they have to employ someone literate to help them operate the machines and you never know, it is another expense and yet some of these people that they employ may end up cheating them.

The other issue –

**THE SPEAKER:** It is actually an expense plus fraud because if I am not educated and I tell you to put Shs 100,000, you will add another zero, not so? It will lead to fraud.

**MS NAKAZIBWE:** I would like to thank you for the addition. As I conclude, we believe that since they held this meeting in the interest of the traders, they will also listen to what we bring to their attention and consider. Thank you.

12.23

**MS MARGARET RWABUSHAIJA (Independent, Workers Representative):** Thank you, Madam Speaker, for giving me this opportunity. On the same issue that we are talking about, we should know that the majority of the low-calibre businessmen in Kikuubo do not have anything.

These are people trying to gamble due to unemployment. People have gone to school but they have failed to find anything to do because they have not been employed. The parents and friends then contribute for them so that they can have something to do.

They begin with Shs 3 million or Shs 5 million but the taxes are very high and as a

representative of the workers, I get concerned because there is a social divide.

I have seen Egyptians selling saucepans across the country on foot. They can even come three times a month, asking whether you want to buy those saucepans and then pay later. We have those people who come here and give you things to buy-

I moved around on a Saturday and saw small bags in a shop. I paid for two but when I asked for the receipt, the Indian grabbed what he had sold to me and told me to go to another shop. I asked him why he does not have receipt – *(Member timed out.)*

**THE SPEAKER:** Let her conclude.

**MS RWABUSHAIJA:** Thank you, very much. We are being cheated and we agree. There is no communication. It is only when people strike that the concerned ministry runs to cool them down. But for how long? They do not understand what is happening but you are saying, “You must. If not, you are going to be penalised.”

I know the case of a woman who bakes cookies in a garage. Recently, URA asked for Shs 2 million in tax because they moved around several shops and supermarkets and they saw them. So, they looked for the number and asked for Shs 2 million because they have not been paying. They have been paying Shs 400,000 every month but they said they have not been paying. So, these things surprise.

I also pray that you give me two minutes to bring my other message. My mother passed away on Sunday last week. Many people prayed for us and others gave financial contributions. We do not take it for granted.

Others sent encouraging and comforting messages, while others came physically to be with us at the time of burial on Tuesday. I cannot just keep quiet; I thank all those who reached out to us in any way because even prayers matter to me. May the good Lord richly bless all of you. Thank you. *(Applause)*

**THE SPEAKER:** Thank you.

12.27

**MR DAVID ZIJJAN (Independent, Butembe County, Jinja):** Thank you, Madam Speaker. In my view, Uganda Revenue Authority (URA) is tightening the tax noose on the small tax base of the formal sector, in order to meet the taxation deficiencies that they have. However, there is a large informal sector that consumes services but hardly contributes to the tax basket - the unregistered businesses-for example, I think agriculture accounts for over 80 per cent of the informal sector. It is largely unregulated and untaxed.

The URA needs to find a way of regularising the informal sector and widening the tax base, so that the informal sector also contributes fairly to the tax basket, so that all Ugandans share their tax burden across the board, as opposed to unfairly squeezing the little formal sector that is contributing to the tax base. Thank you.

**THE SPEAKER:** An example, Hon. Zijjan, for the number of cows that one has. Are they taxed? We are talking about increasing the tax base.

**MR ZIJJAN:** Yes, part of the informal sector.

**THE SPEAKER:** Yes, it is an informal sector. When you ask how we increase the tax base, go for the cows. I have over 2,000 cows and nobody charges me. *(Applause)* Yes, nobody even wants to know how much I get out of it. Let us increase the tax base instead of making the traders suffer. People have cows; Hon. Enos Asiimwe has so many cows.

12.29

**MS KENNY AUMA (UPC, Woman Representative, Kwanja):** Thank you, Madam Speaker. I thank the minister for the submission that he made. He talked about the anti-competition, where foreigners who come to our country come like investors and they deal in each and everything.

They are the ones doing manufacturing, distribution, wholesaling, retailing and even

hawking. We have seen the Chinese who are going to the villages to sell things that were meant for our local people. It is our sole mandate as the Parliament of this country to protect the local traders who are out there. If we cannot protect them, who will then protect them?

I am urging the URA to give uniform tax liability on imports. When you go to the market, you see that people are selling the same product but with different prices. There is price discrimination in the market because other people are highly taxed while others are not taxed. Thank you.

**THE SPEAKER:** Thank you. Hon. Moses Kabuusu-

12.30

**MR MOSES KABUUSU (FDC, Kyamuswa County, Kalangala):** Thank you, Madam Speaker. I thank the ministry for engaging with the traders. I want to know whether the ministers who engaged the traders are aware that the shops are still closed.

**THE SPEAKER:** They are aware.

**MR KABUUSU:** If they are aware, are they in charge of the problem? My concern, Madam Speaker, it is high time the many ministers we have who handle a problem are in charge. They should provide solutions to these people who always demonstrate and strike.

I know the traders want to meet another senior person in Government and my call is that you, honourable ministers, when you swore, you took an oath to provide solutions; you should be felt. When these traders started communicating that they would strike, ministers were hiding and avoiding these people; at long last you have done so.

**THE SPEAKER:** Do they want to meet a higher person?

**MR KABUUSU:** Yes, Madam Speaker.

**THE SPEAKER:** I am informed that they are supposed to meet the President tomorrow. They will meet the highest person.

**MR KABUUSU:** Yes, Madam Speaker, that was my concern. Now these people who went to interact with the traders, had they done so early enough, probably even the traders would not have desired to meet with the President.

Lastly, the URA, as all Members of Parliament have talked about is their indiscrimination. URA lacks records. The fishermen, the people I represent, since the army interfered with fishing, do not go fishing but URA sends them demand notes and messages asking for money from them.

These people have not been fishing for two to three years, but their records assume that these people are in business. The ministry that regulates URA must come in and ensure there are proper records and the right people are taxed; they should not send messages to people who are not working like my fishermen. Thank you.

**THE SPEAKER:** Thank you. Hon. Emmanuel Ongiertho -

12.33

**MR EMMANUEL ONGIERTHO (FDC, Jonam County, Pakwach):** Thank you, Madam Speaker. We are here in this debate because of an immediate problem and trying to see how it can be resolved but from the debate, I have realised that there are so many other problems that people are going through, particularly our business people.

I will go back a little bit to what my brother has said; the process that is used to resolve this immediate problem. The minister has presented a report of their meeting and we can state clearly that the meeting has not resolved anything because the strike is on.

As we speak, the Committee on Trade, Tourism and Industry is having a meeting. I do not know what it is resolving now since these traders are supposed to meet the President tomorrow which means-

**THE SPEAKER:** Hon. Emmanuel Ongiertho, the meeting between the ministers and the traders, and the meeting between the Committee on Trade, Tourism and Industry and the traders are two different meetings. This House is doing its oversight role.

It is finding out what the problem is between the traders and the collecting body in the tax administration. What our committee is doing is on behalf of the Legislature while what the ministers did was Executive; we do the oversight role.

**MR ONGIERTHO:** Madam Speaker, the reason I am bringing this angle to this discussion is because I am worried about the process of resolving issues. If eventually, the traders think it is only after meeting the President that they can respond and open, then there is a problem.

I appeal to them to start trusting the other systems in the Government. We should not be waiting only for the head of state to resolve issues. There are so many other things that the President has to look at and there are so many other complaints in different sectors. If all that has to be laid before the President for them to be resolved, then there is a problem.

Finally, when we talked about the traders, particularly in Congo, Uganda and Kenya, I bring one example of what used to happen in the whole West Nile.

We used to have traders in Congo -

**THE SPEAKER:** You are talking about the traders meeting the President but I think they are using their last bullet. Assuming they do not get what they expect of the President, what happens? Where will they go next? To God?

We needed to resolve this thing before going to the President because that is the last person they should go to. Our people also need to have trust in us; that is how we resolved the Kampala Capital City Authority (KCCA) issue; the cleaners did not go to the President.

We had to resolve and agree that this is how it should be done. Now, if you go to the President and you do not get what you want, what happens? Will you open or keep closed? Hon. Emmanuel Ongiertho, continue.

**MR ONGIERTHO:** Thank you, Madam Speaker. I gave an example of the trade between Uganda and Congo, particularly in the West Nile. We used to have a time when businesses and businessmen from Congo would come and buy their products from wholesalers in West Nile.

Eventually, they left the wholesalers in the West Nile and came to Kampala. Now, they are moving beyond Kampala to Kenya or Tanzania. When you look at that trend, you realise that there is a problem that needs to be solved and I believe it will be.

**THE SPEAKER:** Thank you.

**MR ONGIERTHO:** Finally, just like you allowed my honourable colleague, Hon. Margaret Rwebyambu, I take this opportunity to thank you, Rt Hon. Speaker, the Deputy, and my colleagues here and every other person for standing with me when I lost my wife. If it was not for you, I do not know how I would have handled myself. I am grateful, and I want to make one appeal.

Members, I know that there are issues here that sometimes divide us but I am so proud of you and to be part of you because at that point, you could see clearly that we are one and we need to look at that as being more important than the issues that divide us. *(Applause)* Thank you.

**THE SPEAKER:** Thank you. Politics aside, we remain one people and one family. We should be able to help each other whether in times of good or bad. We can disagree here but when we reach that door, we should be able to hug. Our disagreement can be within but when you reach there, we forget about this. Life is very short. The other day we lost a clerk out of nowhere. He was communicating to come for a meeting and out of nowhere he died.

Assuming he had hurt someone and then the person said, "It is even good, that one has died" - let us live a free life, let us not have that heart of hatred; let us have that awareness that life is too short, and live it to the fullest. Hon. Fred Kayondo, Hon. Eric. You do not need to stand; do not waste your energy.

12.40

**MR FRED KAYONDO (DP, Mukono County South, Mukono):** Thank you, Madam Speaker. One of the hardest things in life is walking the talk. I thank you for walking the talk of unity. You have talked about it and you have done it. It is the hardest thing you can find in life. Thank you very much for that.

**THE SPEAKER:** It is only you I have heard say so.

**MR KAYONDO:** Madam Speaker, I am sorry I might divert like my brother Hon. Kabuus did. I pity the taxpayers. When we are voted Members of Parliament, there is a level we are put at but when you look at the utterances we make outside there, it discourages the taxpayers. We depict a picture of Parliament that is there to misuse taxpayers' money. Instead of encouraging people to pay taxes, we are discouraging them. For example, one MP was on the TV and said that each MP gets Shs 2 million every day. Imagine a taxpayer on that day –

**THE SPEAKER:** He apologised.

**MR KAYONDO:** Secondly, my former Leader of the Opposition talked about the supervision. If you can go to URSB, you can see the number of companies that are registering and when you go to the deactivation portal of URA, you can see the number of companies that are being deregistered.

Madam Speaker, it is a performance indicator in URA that to show that you have performed, you must show the companies you have deactivated. When you look at the interest, the penalties, the assessments that are given to Ugandan companies, we cannot survive.



Therefore, I implore the Minister of Finance, Planning and Economic Development to increase on the supervision of URA. Otherwise, URA is a shark that is killing Ugandans in the business waters. Thank you.

**THE SPEAKER:** It is not a shark. It is helping us in getting taxes. Only that, maybe the way it is being done is not managed well but URA is not a shark. It is one of our entities; a formation of this Parliament and when you call URA a shark, then we are equally –

12.43

**MR MUWADA NKUNYINGI (NUP, Kyadondo County East, Wakiso):** Thank you, Madam Speaker. A few days ago when these traders were meeting the Leader of the Opposition, they raised an issue that was also captured by the minister, without a specific way forward. The issue of charging them, especially the traders in garments and fabrics, charging them \$3.5 or 35, 38 per cent per kilo, whichever is higher. I have not heard from the minister what was resolved and what the way forward is in terms of the traders' concerns.

Lastly, it is to do with the Ugandans. As the Shadow Minister of Foreign Affairs, I know there are several Ugandans who travel abroad, but they are complaining about the way URA handles their luggage and properties. People cannot come back with gifts. There is no clear criteria on how travelers can return with their donations and gifts, among others. We need an explanation.

Lastly, I am seeing the Minister of Foreign Affairs around. There is only -

**THE SPEAKER:** Do not divert us there. Let us first finish on the issue of taxes. What you are saying is that when people come back from abroad, they are subjected to very high taxes. I was actually surprised one day, just my mere clothes, they told me to pay taxes and the taxes were more than the cost of the clothes. I was surprised. Hon. Eric Musana -

12.45

**MR ERIC MUSANA (Independent, Buyaga East County, Kagadi):** Thank you, Madam Speaker. Allow me to present an issue that has to do with the cost of doing business in Uganda. The cost of doing business in Uganda is a little bit difficult and when you look at the business mortality rate, it is too high.

If you look at how businesses can survive even for a year; we are looking at the other issues that help a business to survive, say water and electricity connectivity, among others. That is why we are looking at several businesses across business centres collapsing.

Honourable minister, I would implore you to look into a system of enabling business practitioners to manage business because we are fighting the high level of unemployment in Uganda and the only way out is to support these people to run these businesses, and then see how we can move on. Lower taxes, and let taxes be regulated very well. Do not look at Kampala only, but other areas including these other upcoming towns. I was surprised to see these people in my town of Kagadi; URA moving and closing shops so you can imagine such a situation, Madam Speaker.

**THE SPEAKER:** Thank you. Honourable members, in the public gallery this afternoon, we have students and teachers from Bukomansimbi Secondary School in Bukomansimbi District. They are represented by Hon. Christine Nandagire Ndiwalana and Hon. Veronica Nanyondo. You are most welcome and thank you for coming. (*Applause*) They are here to observe the proceedings. Hon. Christine Ndiwalana, on that note, therefore.

12.47

**MS CHRISTINE NDIWALANA (NUP, Bukomansimbi North County, Bukomansimbi):** Thank you, Madam Speaker. I am very grateful to be with you, my dear students, and my voters. Thank you for coming.

Madam Speaker, concerning this issue which we are discussing today, Bukomansimbi District is the leading coffee farming district,

but we find that we are the poorest in Uganda simply because the farmers are being squeezed. The coffee prices are too low. At least the prices are not so low today but the traders are gaining so much more than the farmer who is being disturbed in the gardens all the time concerning the weather changing. We do not have irrigation systems. We want to see the farmer being thought of so that when the traders go down there to get coffee from the farmers, the prices are not so fluctuating all the time.

Coffee is the major cash crop here in Uganda but at times you find that cows and milk are at a higher price and are not as much charged as coffee. Thank you.

**THE SPEAKER:** So we should charge the cow at the time of sale. Dr Lulume – honourable members, you talked, but when it comes to this side you say, “Motion.” Let us be fair to each other.

12.49

**DR LULUME BAYIGGA (DP, Buikwe County South, Buikwe):** Thank you, Madam Speaker. I have just been having a communication with one of the traders and I was asking about the cost of implementing EFRIS. He said that you need an EFRIS machine, which is at Shs 1.9 and a computer at Shs 1.8. You must employ somebody who operates it at a certain cost. You also need software, internet, and stable power supply and so on. Therefore, it makes it difficult to implement this and I believe that Government should listen to our traders.

The second thing that I would like to bring to the attention of this House is the implementation of the Trade Licensing Act. When we are talking about trade licences, we are not talking about here in the capital city alone but also, our small towns in rural constituencies. The implementation of the Trading Licensing Act usually does not discriminate whether you are in a municipality, city or a small town like Nkokonjeru where our in-law Hon. Haruna knows.

Therefore, when URA comes and engages, they simply put charges to the various businesses regardless of whether they have found them in the rural town or city. As such, it makes business very difficult, especially for rural businessmen. I would like to implore – *(Member timed out.)*

12.51

**MR ALLAN MAYANJA (NUP, Nakaseke Central County, Nakaseke):** Thank you, Madam Speaker for the opportunity. Unfortunately, I do not see the minister because when you read the statement, he says that it was agreed –

**THE SPEAKER:** The ministers are all here.

**MR MAYANJA:** But what he reported is not sincere.

**THE SPEAKER:** Did you attend the meeting?

**MR MAYANJA:** Madam Speaker, let me finish this. In the morning, I talked to Mr Isa Ssekito, the Spokesperson for KACITA. He said that he even left the meeting before it was concluded. However, according to the statement, the minister is sanitising the situation. That is the problem with these ministers. They sanitise the condition. Right now, he is reporting that, “We agreed.” He is not sincerely saying that they failed to agree on these matters.

The traders are saying that EFRIS should be stopped for some time so that the ministry reorganises itself. Secondly, that the ministry should stop charging taxes in kilograms on garments and textiles.

**THE SPEAKER:** What law did you make? I am just asking what law you made says.

**MR MAYANJA:** Madam Speaker, it is within the ability of this House to consider what the traders are facing, all the harassment when they are charging these taxes.

**THE SPEAKER:** You know that there is a difference between making a law and tax administration. That is why I was asking what

you agreed to in this House. Are they doing exactly that?

**MR MAYANJA:** Madam Speaker, what I am reporting is from the traders.

**THE SPEAKER:** If these traders thought it wise to meet you as a solution, then they should have only met you other than reporting that what the minister is reporting is not correct. That is unfair to our colleagues.

**MR MAYANJA:** Thank you, Madam Speaker for the guidance but what I am about –

**THE SPEAKER:** It is this House that sent those ministers to meet the traders.

**MR MAYANJA:** Madam Speaker, it could have been fair if the minister made a statement that “We didn’t agree.”

**THE SPEAKER:** Anyway, we shall hear from the minister. Hon. Gorreth.

12.54

**MS GORRETH NAMUGGA (NUP, Mawogola County South, Ssembabule):** Thank you, Madam Speaker. We agree that we have multiple taxes in Uganda but I would like to propose other sources of revenue in line with increasing our tax base.

From the Government payroll, we realise that the Government is staffed up to an average level of 56 per cent. If we filled all those positions, the youth would get employed and pay taxes in the form of PAYE. Let us fill the staffing gaps in the positions of Government.

Two, is the Non-Tax Revenue (NTR) from all the agencies of Government. Before the Government seeks the public to pay taxes, it should put in the effort to collect the taxes within these ministries and agencies.

Ministries, departments and agencies (MDAs) of Government should pay taxes. It is on record that the Ministry of Finance is the highest defaulter of taxes so it is unfair for Governments to go down looking for taxes

when they have failed to pay. If I were URA, I would get padlocks and close the Ministry of Finance to increase the revenues of this country.

Three, the exemptions on taxes. Gold is tax-exempt. It had an estimate of over Shs 451 billion but we only got Shs 47 billion. I implore the Uganda Revenue Authority to stop exempting areas where the Government can get money. The bigwigs do not pay taxes. We found out that most of the big hotels in this country do not pay taxes. Therefore, it is prudent that we ensure that all people who are meant to pay taxes pay.

Lastly, one of the principles of taxation is benefit and the capacity to pay. We should look at the line of service delivery. Ugandans will pay taxes as long as we – *(Member timed out.)*

**THE SPEAKER:** Thank you. The bigwigs include you because you are the big wigs of this country. *(Laughter)*

12.56

**MR DAVID SSERUKENYA (NUP, Makindye-Ssabagabo Municipality, Wakiso):** Thank you, Madam Speaker. I propose that we should go back to the drawing board about this new system of taxation. For example, they left out the main stakeholders, which are the traders. They had to be trained to prepare themselves because this tax is laborious and also needs some gadgets like computers.

Two, this tax is not going to work only in Kampala but across the country, whereby we need to work on the infrastructure like the internet and electricity.

Three, these traders need time to make sure that all the items in the supermarkets are included in the system. You can find one supermarket having 800 items.

Lastly, I would like to talk about the penalties. They are very expensive. People are not trained but, for example, they can tell you that if you default, you are going to pay 300 currency points – *(Member timed out.)*

12.57

**MS JOAN ACOM (FDC, Woman Representative, Soroti City):** Thank you, Madam Speaker. I would like to thank the minister for this report but also to request that we implore the minister to produce a comprehensive report on all the taxes that we have as a country.

As we all know, previously, there have been very many tax proposals, including Land Tax, where both the buyer and seller are supposed to pay 10 per cent each. All these have not been brought on board.

So, we request for a comprehensive report so that the issue of taxes is debated and concluded at once. Look at the Property Tax, many schools are suffering. The more buildings you have, the more taxes you pay. As a House, how can we help our people who are producing the country's future leaders?

We also have a proposal on building taxes. All these taxes are underway by the ministers to bring them into work. Even on the Building Tax, grass thatched houses have been proposed to pay Shs 30,000 per year. All these taxes should be brought on the Floor so that we debate them as a whole, other than having piecemeal debates on one activity.

Madam Speaker, I would like to give an example from where I represent –

**THE SPEAKER:** Minister of RAPEX, we are going to your item. We need a brief justification from you. So, do not go very far. I am told there is some demobilisation because they do not want us to have quorum. We shall have quorum. *(Applause)* This business of demobilising Members not to come, we shall have Members – I have them.

**MS ACOM:** Thank you, Madam Speaker. I am requesting to bring an example of where I represent. I think the tax base is already good enough, but the collection of these taxes is where we have a challenge. I landed on three different people from where I come from. For the last three years, these people have been paying taxes every month.

When I looked into the revenue portal and I tried to get the details, I realised that in the system, one of these people had only paid for four months in the last three years and the other had paid for three months in the last three years. They have the receipts of payment for all the three years.

When I asked them where they have been paying, they told me, “We have been paying to so and so in the city council.”

I think corruption as a disease is what we need to wipe first. Let many of these individuals be brought to book. Let, at least, one act as an example in the country to ensure that the money we collect gets into our system. Soroti alone is capable of collecting more than Shs 15 billion in a year. However, as we speak, we are only collecting Shs 1 billion as a city. We were collecting more when we were a municipal council than now when we are a city council. Thank you.

**THE SPEAKER:** What happens is that some of these officers tell them that instead of you paying the two or something, just give me this and they give them a receipt. This is a very serious matter.

1.02

**MR JONATHAN EBWALU (Independent, Soroti West Division, Soroti City):** Thank you, Madam Speaker. Just like someone observed here, I am very disturbed when the issues that should be handled by the ministers, are handled by the President.

**THE SPEAKER:** Hon. Amero, you are going to speak next.

**MR EBWALU:** The President should be handling strategic matters of the country. This issue of negotiating with the traders should solely be the Minister of Finance, Planning and Economic Development. If we cannot handle the issue and sort out with the traders, then the best would be for you to resign. Everything we say, the President, the President is thinking of the strategic issues of the country. Do you want to kill the President with pressure? *(Laughter)*

If there are three or four ministers in the ministry, and you cannot handle this issue, then why are you there?

**THE SPEAKER:** Honourable members, whoever is out, come in. We need you here.

**ME EBWALU:** Madam Speaker, this country collects a lot of money. We would even survive without donor funding and loans. We collect a lot of money. However, what pains me in most cases, is that the poor people collect money, and then we give money to rich companies or people in terms of bailouts.

Not long ago, we collected money from the poor people in Kikuubo, in Soroti, in Kagadi, and bailed out Roofings Limited with Shs 200 billion. The poor people collect money and we pay ROKO Construction Limited Shs 200 billion. *(Applause)* The poor people collect money from Nakasero and we pay Isimba Hydropower Station Shs 200 billion.

Madam Speaker, not long ago, this Government paid Shs 26 billion to give Abubaker Technical Services and General Supplies Limited.

Not long ago, this Government gave money to a private pharmacy in Ntungamo and the poor people are suffering in Kikuubo, yet the ministers cannot help them.

I would like to ask this question – *(Interjection)* – No, let me ask this question before I allow information. What criteria does finance ministry or Government use to bail out particular companies or people in Uganda, yet the poor people are suffering?

I request this Parliament to task finance minister to bring a list here of the people that we have paid money with our taxpayers' money in terms of grants and loans. I am aware that Basajjabalaba has not paid money to the Government up to now. He took money and has not paid. I am aware that there are a number of companies –

**THE SPEAKER:** Which money did Basajjabalaba take?

**MR EBWALU:** He was given a bailout in his hides and skin company. Up to now, he has not paid.

**THE SPEAKER:** We do not speak about people who are not in the House.

**MR EBWALU:** I am talking about a company, Madam Speaker. And these companies can be traced. This is taxpayers' money. That is why I am asking that even as we are continuing –

**THE SPEAKER:** There is procedural matter –

**MR ENOS ASIIMWE:** Thank you, Madam Speaker –

**MR EBWALU:** Now, those are the companies. *(Laughter)*

**MR ENOS ASIIMWE:** Yes, these are the companies. Madam Speaker, I am wondering whether my honourable colleague is proceeding right, because he knows very well that all the monies he is talking about or incentives or tax exemptions are approved by this Parliament. So, is he proceeding right to keep referring to unknown people without mentioning who actually gives out money well knowing that it is actually this Parliament that approves this money and it goes wherever it does?

**THE SPEAKER:** Honourable members, some of the monies that is being talked about is given under 3 per cent. It comes for retrospective approval. So, we cannot say that we approved it as Parliament, but we do retrospective approval.

However, what is important is that I do not mind local people being bailed out. When I hear Abubaker Technical Services and General Supplies Limited, I do not know who owns it, and I do not mind him being bailed out. We only need to define the criteria of who should be bailed out and of what benefit is it to this country?

How many people are they going to employ? How much taxes are they going to collect once they are bailed out and they are in business? As

a country, the only way you can sustain your people is through a bail out. However, there are people who should not really be bailed out.

**MR EBWALU:** Thank you, Madam Speaker. I am not against bailout. What we are asking is that a clear criterion must be followed and known by the taxpayers. If you are going to pay so-and-so, are you going to pay even the other person, not particular people?

We are asking for a criterion. Thank you, my brother, Hon. Enos; you are driving a duty-free car-

**THE SPEAKER:** Excuse me, do not address Hon. Enos. If you also want to drive a duty-free car, you can do it. Please, let us not go personal.

**MR EBWALU:** In conclusion, we are talking about empowering the local people. I have seen our roads being made by Chinese and Arabs and yet Makerere University produces well-qualified engineers.

We have engineers in this country but how does the Government award contracts to these foreign companies- the Chinese and Arabs and yet we have our local companies here in the country? This is how we would plough back the money into our economy.

**THE SPEAKER:** Hon. Ebwalu, you see now the contradiction we are having. *(Laughter)* When the local company called the "Engineering Brigade" comes, you complain. When Abu Baker comes - a local company - you complain again. Now you are talking about the Chinese - *(Laughter)*

**MR EBWALU:** Madam Speaker, I am not contradicting myself at all. If we are going to give money to the local people, it must be uniform. Let there be a clear criterion, not at the wisdom of the minister. It must be known.

**THE SPEAKER:** Thank you Hon. Elijah Okupa; two minutes.

1.09

**MR ELIJAH OKUPA (Independent, Kasilo County, Serere):** Thank you Madam Speaker. Let us focus ourselves on how we can get the traders back to work such that we are able to collect more revenue.

Since biblical days, it has been very difficult to pay taxes but we have to ensure that we pay taxes. Let me ask the Minister to clarify; when I was watching the news yesterday at 9.00 p.m., on NBS TV and NTV, it contradicts what the taxpayers were saying. They were saying that they did not agree but today we have this statement saying that you agreed. Who is telling the truth?

Two, I think people are mixing invoicing and e-receipting as tax. It is not a tax. It is an administration-based system of collecting taxes. So, we must know the difference, who qualifies and who does not qualify.

That is why I agree with the taxpayers that a lot of sensitisation needs to be done to enable them to understand how this system can be used.

When VAT was introduced, it was not an easy thing but it was through slowly educating and encouraging the taxpayers to understand and that way they embraced VAT.

The same should apply to this system. Let us not use it because the financial year is coming to an end and you want money; Uganda Revenue Authority (URA) needs to meet their targets.

Please, let us sensitise our local traders to understand how they can use the system. And I also agree with them on the issue of raising the VAT threshold because it has been a long time since we set the threshold.

We started with Shs 50 million, went Shs 150 million. I think it is a high time- because the value has deteriorated. We should be able to raise it such that we know who should qualify for the e-receipting and e-invoicing. That way we would solve this problem that we are seeing today.

Finally, Hon. Nsereko here has been year in and year out talking about taxing of 3 percent or 35 percent on the fabrics. I thought the Ministry of Trade, Industry and Cooperative and the Ministry of Finance, Planning and Economic Development had taken it seriously. There is an anomaly in the taxation on fabrics which must be addressed. Thank you.

**THE SPEAKER:** Thank you. Masaba, Luttaguzi -

1.12

**MR KARIM MASABA (NRM, Mbale Industrial Division, Mbale City):** Thank you Madam Speaker. My first point concerns one of the key issues that the minister talked about regarding enforcement. Which I think is the biggest challenge as to why the traders have come out to demonstrate. Someone carrying a box from Kikuubo will be harassed, the box confiscated because of a receipt and yet when you go maybe to a supermarket - it is optional for you to either go with your receipt or not.

By law, you cannot force me a final consumer, to have a receipt because I can decide to have it or not. I think that it is wrong and URA should stop harassing people.

Let them target the goods that are coming into Kikuubo, perhaps it will help solve some of these issues, because they can track these vehicles that bring in goods, compute the input VAT, and determine how much these people have sold.

Secondly, the former Leader of the Opposition raised an issue that we need to take very seriously. We have statutory deadlines as to when we are making budgets and one of the key things that determine our budget-

**THE SPEAKER:** Hon. Gorreth, I am joking.

**MR MASABA:** One of the key issues that we use while determining the budget is the revenues and two weeks from now, we will have processed and finished the tax Bills as a finance committee and it will be very hard to come back to it. I beg with your indulgence

that we handle this issue simultaneously-the revision of the amendment to this clause.

**THE SPEAKER:** We do not do revision in the House before we are given a Bill. We need a proposal.

**MR MASABA:** Madam Speaker. we are dealing with the income tax and there are clauses that we are amending and when you look at CAP-

**THE SPEAKER:** Now, that is against the rule. You do not come and discuss what is before the committee when it is not yet in the House.

**MR MASABA:** We are already dealing with the Bill and this is part of the clause that we can look at as a committee, so I am not debating about it but proposing that we deal with it since we are handling this same law.

**THE SPEAKER:** We have not stopped you from looking at it. Look at it and report to us.

**MR MASABA:** The Minister had requested for two weeks to consult. That is why I am proposing because next week you expect us to present this report.

**THE SPEAKER:** I am waiting to hear from the Chairman because I have given you a deadline. Now, I am not sure whether you are reporting as the chairperson of the committee, a Member of the committee, a business person, a shadow or whichever-

**MR MASABA:** My last point concerns the EFRIS, it has its own challenges and we have tried to raise several concerns but unfortunately, many of them have not been picked up. For example-

**THE SPEAKER:** Let us have a moment please, so that we pass at least two Bills.

**MR MASABA:** I am concluding in a minute. For example, this system cannot capture me selling a good at a loss. Many of our traders who resort to selling some of these commodities, probably because it is going to go bad or needs

money to go and clear a loan somewhere but URA will want you to declare a profit.

Once you try to input that you are selling it below the cost price, they will not allow and will want you to input in the system a price that you are not receiving and in the end they will want VAT on that and assess your –(Member timed out.)

1.16

**MR PAULSON LUTTAMAGUZI (DP, Nakaseke South County, Nakaseke):** Thank you, Madam Speaker, way forward. (Laughter) Every new tax policy in any Government is sensitised to the population gradually, which is not happening in our country.

They usually use what we call the SWOT analysis, you look at the strength of the tax, the weakness of the tax, the opportunity of the tax and then the threats.

However, in our country, Uganda, things are totally different because we are in an abnormal situation. That is why we are having abnormal taxes since the situation is totally-

**THE SPEAKER:** Which taxes are abnormal? You mean this House is abnormal? You passed those laws and the taxes. The problem is the administration of the taxes. You must differentiate between legislation and collection which is administration.

**MR LUTTAMAGUZI:** Yes, that is why, Madam Speaker, I was advocating for the gradual sensitisation of traders. Uganda is not ending today and neither is it going to shift, so we should give these traders time and sensitise them. When they come to understand the e-policy, they may comply. Thank you.

**THE SPEAKER:** Thank you.

1.18

**MR ABUBAKER KAWALYA (NUP, Rubaga Division North, Kampala):** Thank you, Madam Speaker. There is one thing I would like the Minister of Finance, Planning

and Economic Development to understand. When we are discussing GDP in this country, we need to consider most of these traders who are complaining right now. They are not only in Kampala but all over the country.

Most of the big companies that we know are exempted and do not pay taxes. A matter that concerns the low-income earners who are trying to earn a living should be treated –

**THE SPEAKER:** What do we understand by most? Can we have just two or three of them?

**MR KAWALYA:** Telecommunications companies pay little tax compared to what they earn from the locals.

**THE SPEAKER:** That is not an exemption.

**MR KAWALYA:** Most of the companies that are owned by foreigners, especially, the Chinese and Indians, have tax holidays and do not pay taxes. Most of them have developed a tendency where you find someone who has owned a company for only ten years and upon realising that the ten years are about to elapse, they create other companies.

**THE SPEAKER:** Honourable minister, could we have a list of those companies who are tax-exempt? When will you give it to us? Bring the list.

1.19

**THE MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (PLANNING) (Mr Amos Lugoloobi):** Yes, we shall bring that small list, but I thought that I should clarify that we sat in this House and agreed that we transfer most of these exemptions in the various tax laws. For example, for transparency purposes, you find these exemptions within the Income Tax Act, the Excise Duty Act and the various Acts including Stamp Duty. Therefore, whoever meets the requirements automatically qualifies. The requirements are within the Law.

The second -



**THE SPEAKER:** We are not saying that you have done something wrong. We are saying give us the list.

**MR LUGOLOOBI:** Madam Speaker, what I am simply saying is that probably many people automatically qualify when they file their returns with the Uganda Revenue Authority (URA). We shall generate that list as to who has qualified and is meeting those criteria, both local and foreign. The law is not discriminatory. In fact, this law favours Ugandans because the thresholds are lowered in favour of Ugandans. Thank you.

**THE SPEAKER:** Thank you.

**MR KAWALYA:** Thank you for your indulgence, but again there is a tendency that has developed in this country. What most of these companies do upon realising that the ten years are about to elapse, they open up other new companies. These people are not aware. It is deliberate.

There are very many companies that we know in Kampala that had some names but after 10 years, they closed the companies and they opened up other new companies. They are exploiting Ugandans, so I call upon URA together with finance to wake up and do their work. Instead of exploiting low-income earners who even complain of double taxation because most of the traders in Kampala do not have the capacity to import. They buy from the companies that have already paid the Value Added Tax (VAT) and they are the same companies that are being exploited by URA because they do not have where to report. Therefore, I call upon this House –(*Member timed out.*)

**THE SPEAKER:** Thank you. Hon. Evans, Hon. Muhammad, Hon. Jonathan?

1.22

**MR EVANS KANYIKE (NUP, Bukoto County East, Masaka):** Thank you, Madam Speaker. The first issue was lifting the VAT threshold. This is very key. When you look at what the traders are complaining about – Shs

150 million. You will even find that traders who own kiosks also have the capacity to sell Shs 150 million. In simple Mathematics, someone who owns a butcher and can sell 30 kilogrammes of meat, if a kilogramme of meat is Shs 1500, that will be Shs 450,000 per day in sales. It will amount to a total of Shs 160 million per year. That very trader will be required to pay VAT, something problematic.

Madam Speaker, as the ministry is considering the issues of the traders, they should lift the threshold to a billion. This will enable our traders to have the capacity to pay the taxes, but if you go down –(*Member timed out.*)

**THE SPEAKER:** Hon. Muhammad -

**MR KANYIKE:** Just a minute. If you go down - and part of those who cannot pay VAT, it will affect the whole system. As a country, we run a cash income, you are aware, Madam Speaker –

**THE SPEAKER:** I am not aware.

**MR KANYIKE:** We run a cash economy. If traders are closing shops and they are not able to raise the taxes, you will find that the ministers will come here complaining that they do not have the money to pay the teachers, health workers and this will lead to more strikes going forward. I beg to submit.

**THE SPEAKER:** Thank you. Hon. Muhammad?

1.25

**MR MUHAMMAD NSEREKO (Independent, Kampala Central Division, Kampala City):** Thank you, Madam Speaker. Honourable colleagues, I would like to draw your attention to the three most important entities in this country towards taxation. I think we are over-blaming the Uganda Revenue Authority in exercising its mandate.

The issue and solution lie with the Front Bench and the Parliament. The Ministry of Finance, Planning and Economic Development proposes the taxes. Every single financial year, we sit in this House and legislate to impose taxes on the people.

Madam Speaker, I thank you this time for bringing such a level of awareness and the traders for rising at this critical moment in time because it offers an opportunity.

Madam Speaker, the highest burden towards the taxpayers is the number of taxes imposed on them. Uganda is one of those countries with deterrent taxes that are very high levied by this House. That is why businesses are not able to survive without asking for tax cuts. If you are to pay every single tax diligently, you will find that you will have no growth as a company.

When you have high taxes, you will have low growth because you will have low savings for future investments. Therefore, we as Parliament should advocate for low taxes that are easy to understand. In that way, we shall create a solution for our traders. Otherwise, continuously sending them to the President will not help because the solution lies with us here in the House.

If you are talking about Value-Added Tax (VAT) being at 18 per cent, it is legislated by us. It is us with the powers to lower it to 14, 13 or even 10 per cent depending - because we have the mandate of our people. However, there is a big disconnect between us and Ministry of Finance, Planning and Economic Development.

The ministry and the legislators of the people must box ourselves into a room and say this to ourselves: that we need revenue, we need to support a budget, but how do we achieve it? Shall we go for high direct taxes or expand the tax base like the Speaker said? Should someone sell a cow at Shs 4 million and not pay a single tax and someone sells a cup at Shs 1,000 and pays a tax? Is that a fair taxation system? You understand what I am saying?

If we do not have an equitable taxation system, should I sell land and get Shs 300 million in form of profit and not pay even 0.5 per cent in tax? Then someone sells a flask and pays 30 per cent taxes; VAT, excise duty, etcetera. Or we should go to broaden the tax base, but lower taxes, so that we attract many people to

pay and remain with a gap for profitability that will spur growth.

Therefore, I would like to thank the House, that for the first time, we are now seated discussing the real economics where politics meets economics and this is taxation and appropriation.

I would like to suggest, Madam Speaker, that today might not be the time to debate conclusively the matter of taxation.

Finally, as I conclude, since today is not the time to talk fully about taxation, I request that we constitute ourselves into a Committee of the Whole House, and not leave it to only the Committee on Finance, Planning and Economic so that we can talk about taxes, values, and everything, including subsidiary legislation that we have delegated.

Subsidiary legislation is what will involve the gatekeeper, Uganda Revenue Authority (URA). URA only works on your rate and goes to farm taxes. It is like when you tell a gatekeeper to tell the people that I am not inside, they will definitely turn them away. Remember the policy will be coming from you.

**THE SPEAKER:** Thank you.

**MR MUHAMMAD NSEREKO:** Finally, Madam Speaker, you have always asked the Ministry of Finance, Planning and Economic Development to tell us other sources of Non-Tax Revenue (NTR). Government companies have been the biggest defaulters of tax and those choosing to be exempted from taxation because they also know that there is no sane company in this environment that can be profitable with such taxation. That is why we are here to bail out Uganda Telecom, Uganda Broadcasting Corporation (UBC), Uganda Railways, and etcetera.

**THE SPEAKER:** New Vision-

**MR MUHAMMAD NSEREKO:** Because they also know that with this kind of tax regime, no single company can break even or even

register growth because this taxation levies a huge burden on those that invest. Thank you, Madam Speaker.

**THE SPEAKER:** Thank you. Hon. Jonathan Odur, then the Leader of the Opposition-

1.31

**MR JONATHAN ODUR (UPC, Erute County South, Lira):** Madam Speaker, the first proposal I would like to make is that any tax proposal that comes to this House without evidence that it has been studied extensively, should be rejected. If we do not do that, the Ministry of Finance, Planning and Economic Development and the people proposing taxes appear to be sleeping. They just wake up and think there is land somewhere, let us go and tax it, without extensively studying the impact of such taxation on our economy.

Secondly, on the urgent matter with the traders, I would like to reiterate that the instrument operationalising Electronic Fiscal Receipting and Invoicing System (EFRIS) made under delegated authority does have some aspects that are not within the control of the traders. For example, it penalises you for not maintaining power in your premises. Power is generated, distributed, and connected by a different company. A trader is penalised because power has gone off.

Thirdly, Madam Speaker, last year or the year before, Government came here and made an amendment. In that amendment, they sought to protect suppliers to Government from the cost, penalties and interest associated with VAT. That time, the traders had argued that because they supply Government, and it has not paid them, and they are required to file monthly returns, and when you file the returns you are expected to remit and you have nothing to remit, the Government tactfully came and secured that class of traders.

In this invoicing system, the traders are arguing that not all the supplies that they make are actually received in cash. When you file your returns, URA does not recognise that you have not yet collected the money. The moment the

monthly deadline for filing passes, penalties and interest are slapped on you.

Last year, a law was brought here, and we agreed that companies and individuals who have not paid income tax and the rest, they would waive. The most immediate and relieving remedy for the traders would be for Government right now to say, we are going to waive, or we are going to stop pursuing the penalties and interest and concentrate in recovering the tax until you resolve with the traders on this issue of EFRIS.

The second one is on the issue of weighing. Madam Speaker, I listened to arguments of the traders that instead of assessing the quality of the garment I have brought and attaching the value to the quality of the garment, we are using the weighing system. This weighing system also extended to motor vehicle parts; at URA they bring the motor vehicle parts; the spares and weigh them and charge you according to the weight. Not knowing there are some smaller items, like a computer of a motor vehicle, may actually be weighing less but costing much more.

Then a spare part like a rim of a vehicle can weigh much and attract more taxes, and when you go to the market, you fail to sell. This has made people who are importing containers, like 10 containers of motor vehicle spare parts, if you go, you find out they cannot even bring one container. This is something that can be handled administratively. I implore that the people at URA should take this in good faith.

Madam Speaker, I want to end on Article 152 of the Constitution of the Republic of Uganda, 1995. No tax is imposed unless it is under the authority of an Act of Parliament. Article 152 (2) says where we have delegated that authority; that authority must report to this Parliament periodically as required. I want to go back and implore you, Madam Speaker, that we cannot run away from interrogating this instrument that is now causing a problem downtown.

This House should therefore sit and look critically at that instrument and where we can

intervene as a House, we should because we have the original version and the powers for us to levy taxes. I want to implore the ministry, if they are honest they should bring that instrument here and then we can discuss and advise you as the Legislature so that you have a regulation that is efficient, acceptable and that the traders can find themselves paying taxes willingly.

**THE SPEAKER:** Thank you. Hon. Jonathan, are you suspicious that what could be charged is not what we approved?

**MR JONATHAN ODUR:** Madam Speaker, for example, we never decided here that we should penalise somebody for not having electricity in their premises but in that regulation, there is a penalty for it. If you do not maintain electricity-

**THE SPEAKER:** Where did they get that regulation from? Because you get a regulation out of a law that is passed.

**MR JONATHAN ODUR:** Yes, in the Tax Procedures Code, we provided powers to the Commissioner-General to go and make regulations for better carrying into effect the EFRIS system we agreed in principle, which is okay.

However, the Commissioner-General went and made some provisions that are not in tandem with our thinking at that time. This House now has the duty to intervene on that matter. Where required, we can even recall that instrument and ask the Executive to make a better instrument. It has happened before, and there is no way we can fail to act at this moment. Thank you.

1.37

**THE LEADER OF THE OPPOSITION (Mr Joel Ssenyonyi):** Thank you, Madam Speaker. I am glad you talked about the issue of brutalising the traders. It is important that we call Government to order. Let us not treat these traders like they are terrorists.

In the past, we have had issues with KCCA, the way it interfaces with traders, with a very

totalitarian hand. It is not acceptable. You have a duty, that is important, the traders have got a duty, but they are still citizens. Let us treat them as such. When we mete out a lot of violence against them, then there gets to be a pushback, which is unnecessary. I am glad you addressed that matter.

Madam Speaker, as I informed you, last week, traders came to interact with me and a couple of Members of Parliament, and they had critical concerns. I would like to appreciate the minister – not many people have appreciated you for your statement – I want to appreciate you because for starters you took time to meet the traders. They have been looking for you people in vain. I am glad that meeting happened. Never mind that you are not agreeing. At least there is a start. Hopefully, you will have several engagements so that you get to a meeting of minds because that has not yet happened as far as the traders are concerned.

One of the concerns the traders had was the question of service delivery. They put it to us and I have colleagues who I was with; they were saying, for starters, we pay heavy taxes but there is poor service delivery. They told us that when they go to hospital, there is no medicine. When they are sick, they have to go to private hospitals. They take their children to private schools. The roads on which their trucks operate to supply commodities, then they have to keep going to the garages because the roads are terrible. The traders are saying, wait a minute, can we have value for this tax money?

And that is not a clarion call from just the traders, but the people of Uganda generally. They are saying that they want to pay taxes, but let there be value for this tax money.

Second, again raised by these traders, they told us they are bothered when they see how their tax money is used or misused. They told us that if we can be serious about fighting corruption, there will be a lot more money available for service delivery. That way, we will not be pressing them so hard.

The Inspectorate of Government, which reports to this House, produced a report which said that on an annual basis, we lose over Shs 10 trillion to corruption. That is a lot of money. Think about what it can do. Therefore, the traders and the people of Uganda are saying that there should be value for this tax money. That is why they are struggling. They are saying, but wait a minute, this money we pay, there is no service delivery, it is stolen, and so there is a real struggle. That is why you struggle to engage with them because of these issues.

Tax waivers. You see, any jurisdiction has got to have some modus operandi for tax waivers. We need to clarify that for ourselves here. There is a proposal which is before the Committee on Finance by the Ministry of Finance. There are particular businesses which they are seeking to waive taxes for. Some of the reasons being given are ill health of the proprietors of these businesses, second, indebtedness of the businesses.

The traders are asking, who is not indebted? Those traders go to banks, they get loans, and that is why they are up in arms. Their businesses are crumbling, just like many other Ugandans. Again, I would like to reiterate what colleagues are saying: Can we have that list, so that we know who is qualifying and the proper modus operandi? If you are saying, this business is heavily indebted, let us salvage it. There are several other businesses that are heavily indebted. How are we extending help to them?

The other concern that the traders have, which has been mentioned here, is foreign investors. We need foreign investors as a country and we should be able to welcome them. But you see, as we are welcoming them, we are granting them tax holidays, we give them free land, of late we are even guaranteeing them money. They get all of these incentives, but then they are engaging in retail trade.

Traders are saying, wait a minute, these guys have already been cushioned with all these incentives. Why are they now playing in the

same league with us? It is a problem which Government needs to address. We need the investors. We have availed some incentives to them, but can they play in their league? You cannot come from your league, based on the incentives we have given you, and now you are engaging in retail, scrambling for the same pennies as the traders. It is not acceptable.

Finally, Electronic Fiscal Receipting and Invoicing Solution (EFRIS). I do not want us to attempt to do a census here but even colleagues here, I have had some anyway – yesterday one of them was saying, “I need to understand these things, so that I can explain it to my voters”. It is a challenge even here.

The traders are saying that it is convoluted for them. That is why they see it as double taxation or triple taxation. What is so difficult about Government suspending this EFRIS? You have given time; two weeks. I do not think two weeks is going to be adequate time, but that is what you are proposing. What is hard about suspending it? Putting it on hold for even a month? There is nothing you lose as Government. This is so that you engage properly with the traders, hear out their concerns and then we find some modus operandi that works.

You are saying in your statement that you agreed with them but they are still on strike. And it is not just here downtown Kampala, but across the country. So what did you agree with them about? Government, we can put EFRIS to a halt, engage with the traders, come to a meeting of minds, come to a common ground, even on the modus operandi, because they are finding this modus operandi problematic. That is why they are up in arms. They are not saying we do not want to pay taxes, but they are saying, listen to us. But are we listening? Thank you, Madam Speaker.

**THE SPEAKER:** Hon. Patrick?

1.44

**MR PATRICK BINGI (NRM, Butembe County, Kyankwanzi):** Thank you very much, Madam Speaker.

I associate myself with the submissions of my colleagues, but additionally, I would like to state that the problem we are discussing is actually bigger than we are seeing.

In my view, the higher taxes are translating into high commodity prices. The high commodity prices definitely will be accompanied by low purchasing power. The low purchasing power will mean low sales. And of course if we have low sales that means we shall have less tax collections.

I would like to put it to the honourable minister, how about having a fairer tax system so that the cost of commodities is affordable. That way, people will buy more commodities so we shall be able to get tax from the majority of the public and that means that our tax base will definitely broaden.

I am not an economist, but in my view, it does not make sense to buy a single commodity where the tax is perhaps Shs 8,000 just stating, and then I also compare with a system where 10 people have bought, but they are paying tax of Shs 2,000. Where is the net collection higher? I put it to you- Thank you, Madam Speaker.

**THE SPEAKER:** Actually, when you refer to what Hon. Ebwalu was saying, on top of the taxes, we need to build capacity for our local contractors, to be able to do the work. The companies that Uganda owns should be able to do its work.

The unfortunate bit with the Ugandans is that when it is a local company, they try to undermine and say they do substandard work. We really need to build our own capacities. Can we hear from the minister now that you have spoken?

**MR LUGOLOOBI:** Thank you very much, Madam Speaker. I would like to, first of all, thank you for availing this time, to discuss issues pertaining to the revenues of this country. More than often, we have been discussing expenditure; "My road, my this, my school, my that," and we have not been discussing where the money comes from to establish or construct or deliver that infrastructure.

Today has been a very big opportunity for us to discuss issues relating to revenue. When I talk about revenue, I am going beyond tax to discuss other sources of money that run this country. We can all appreciate that, for example, we have a budget of Shs 52-point-something trillion. Out of that budget, you have about Shs 29-point-something trillion as tax revenue, which means that you have a huge fiscal deficit and how have you been funding that deficit? It is by borrowing.

When you borrow, you have to pay back with interest. Where do you get the money to pay back? You use your tax revenues and after you have paid from your tax revenues, then you remain with very limited discretionary resources, from which you pay wages, among other things. How to get out of this quagmire is by maximising your tax revenues.

This is where the devil is, because for a long time, our tax to GDP ratio has been hovering around 13 per cent, far lower than the Sub-Saharan average. In fact, on the continent, we are performing poorer than many other countries. You feel that we are overtaxed, but we are not yet able to mobilise the resources, almost equivalent to the Sub-Saharan average. It is a challenge for us because the tax effort is still very low.

This EFRIS measure is intended to broaden the tax base. People who have been running away from paying tax, this is when we get them to pay tax. There are advantages to this when you pay VAT, because VAT, unlike other taxes, has got the input and output component, and it is about the value added. It is not that the entire 18 per cent, as stated, affects you. It depends on how you operate your input versus output VAT, and it is on the value that is added.

So, the more you file, the more you take advantage of the VAT system and people are running away from this huge opportunity, for them to be able to claim the refunds. They are not claiming these refunds because they have failed to comply with the system. This EFRIS is therefore, very good reasons.

First, to benefit these people themselves, but also to benefit the entire country; our economy to be able to mobilise resources so that we limit the level of borrowing. Here we are, in each budget we present here, we say that we want to borrow more than 50 per cent of the budget, but for how long can we borrow? We cannot survive like that. At some point, we shall end up extinguishing the revenues that we are collecting in terms of debt redemption, interest payments, etc.

I thank you, Madam Speaker, for this opportunity that we have discussed and many speakers here have appreciated EFRIS. The challenge is on the implementation of the EFRIS. Those are the issues. Of course, for any policy or policy implementation, there will be challenges and it is important that we get this kind of feedback. This strike has offered an opportunity to get feedback on the performance of EFRIS.

Let me make the following clarifications because this EFRIS is largely about VAT. VAT is not a new tax, it was introduced in 1996. I do not know how many years those are. EFRIS as an administrative mechanism, was introduced in 2019, but we did not implement it because of COVID-19. So, we started implementing it in 2021 after COVID-19. For the benefit of Ugandans who do not know about EFRIS, it is simply a system that monitors business transactions, primarily sales and VAT paid on sales. We are monitoring your sales versus the VAT paid on those sales.

In short, EFRIS is not a tax because I have been hearing people saying the tax is too high. VAT was passed here, so many years ago and it has been in place for very many years. The complaints should not necessarily be about VAT because the tax has been with us for many years. The problem is with the administration of that tax; the enforcement to make sure that that tax is paid *-(Mr Nsereko rose)* Madam Speaker, I did not stand up to interrupt anybody when the entire House was presenting. Can I be allowed to respond?

**THE SPEAKER:** Continue.

**MR LUGOLOOBI:** Thank you, Madam Speaker. Can the Member sit down, because I get intimidated? *(Laughter)* I would like to submit that there are several EFRIS channels, including the EFDs, that is a shorter acronym for Electronic Fiscal Devices which we are using to implement EFRIS and that device costs Shs 1.1 million. I had people putting it at Shs 1.9 million. If you are getting it at Shs 1.9 million, do not go to those sources.

The other one is a mobile app that is very user-friendly to the traders. In fact, you can use your phone to conduct this EFRIS. URA rolled out EFRIS in a phased manner. It is not just starting today.

Starting with the manufacturers, actually most of them are already using EFRIS. We then used it on importers, large distributors and wholesalers. It has been implemented, and now, we are down there in Kikuubo. So, it has been a phased process. We are only hitting a slight snag with the traders in Kikuubo, and we have not heard complaints in other areas where we have applied it and people have appreciated it.

You have not heard the manufacturers complain. In fact, they appreciate us for implementing this system because they are able to pay their input VAT and collect their output VAT. They are enjoying the benefits and I will come them.

We have sensitised the taxpayers, for over two years, including popular campaigns which you have also been seeing on TV like *Mpa Receipt Yange*. You have been seeing those jingles on TV, you have been hearing them, *“Mpa receipt yange.”* It has been popularising EFRIS. Maybe, some people have not seen it yet. We may have to continue popularising it and we believe that over time, people will get to appreciate EFRIS.

There is a lot of teaching about Jesus. For the last 2,000 years, people have been teaching about Jesus and up to now, people are still teaching about Jesus, *Nabbi Muhammad swalalewa tanama* *-(Laughter)*- I have withdrawn that one.

**THE SPEAKER:** He has withdrawn. Summarise, honourable minister. (*Laughter*)

**MR LUGOLOOBI:** Madam Speaker, I want to further submit that in the last three months, we trained over 20,000 taxpayers in this central business district - Hon. Nsereko's constituency - including the traders in Kikuubo. And the Commissioner-General (CG) has held over five meetings with the traders, their leadership, in the last three months.

He has been going to talk and educate them about International Financial Reporting Standards (EFRIS). This has also included door-to-door sensitisation and holding meetings to ensure adoption and compliance with EFRIS.

We shall continue training the stakeholders by opening taxpayers' service offices close to them in Kikuubo and many other areas like members have proposed. We have service offices all over the country where taxpayers can get taxpayers' services and information on Uganda Revenue Authority (URA) systems and taxes. So it is not true that this is going to be only in Kikuubo like some members were indicating.

We shall also continue with the engagements on televisions, radios and social media. It is there. EFRIS can be used even in the absence of the internet, using the offline mode and this is available on all EFRIS channels and platforms.

So, do not get worried, Hon. Odur, when the power goes off. These channels are available. We knew about the challenges of power supply in this country.

The current challenges of EFRIS that we are talking about started in 2024. URA undertakes to perform its operations with professionalism and due care.

And with this advice that we have collected, I am very sure that we are going to improve on the way we collect the taxes. And we really appreciate it. Therefore, all issues of unethical behaviour by staff shall be investigated and handled appropriately.

We have been listening to the complaints that have been raised by traders and your good selves, we shall definitely investigate them.

Value-Added Tax (VAT) registered taxpayers are gazetted to use EFRIS. And you saw the threshold is Shs 150 million.

Traders are demanding that it should be Shs 1 billion, but certainly by doing that, you can imagine how much money would be lost in terms of tax revenue. We need to sit down and discuss that extensively.

For the record, we have 32,000 VAT-registered taxpayers and this is very important information. However, the EFRIS register has 56,000 taxpayers. 24,000 taxpayers have voluntarily adopted EFRIS because of the benefits of EFRIS because of the advantages and I will mention them.

1. The simplified record keeping, you do not even need auditors or to waste money with accountants.
2. Simplification of tax filing, people have been struggling with tax filing, employing tax experts, etcetera. In this case, you do not need those tax experts, since it allows for pre-population of the return forms.
3. Accurate tax assessment; since URA has the visibility of the business transactions, URA is monitoring those transactions you get an accurate tax assessment. URA does not get back to you to do all these detailed audits, where they end up penalising you very heavily.
4. Finally, the expedited refund, we make a lot of refunds, especially on the VAT. Once you have this system, you can be assured that within a very short period of time, you will get your refund because sometimes you end up paying more VAT than the VAT you are collecting.

In that case, you get refund; if we are to generate the list for you, of people who are benefiting from these refunds, it is really long



and the people are taking advantage of that. So, tax payers, not registered for VAT, are not required to use EFRIS.

The argument that investors should not engage in hawking and retail trade; It is true that these people should not be licensed to do retail trade and the laws exist.

It has been a matter of enforcement. We shall all urge the Ministry of Trade to enforce the law. In fact, even the Investment Act had a negative list of areas where investors should not get involved. And one of them is retail trade.

I worked for the Uganda Investment Authority (UIA), for a long time and during that time, we never licensed anybody to do trading, but you know that trading licences are issued by the various local governments. There must be instructions to these agencies to ensure that they do not licence these-I think I was given the opportunity to continue uninterrupted.

**MR MUHAMMAD NSEREKO:** Madam Speaker, Hon. Lugolobi just wants to hide behind your protection all the time and we appreciate it but without subsidiary legislation, you are only giving us lip-service.

Bring the subsidiary legislation here, let Parliament go through it-lay it on the Table of Parliament because whatever you say impacts us directly. Without legislation saying that you are barred from doing such and such a business, it will only be promissory even those you send to enforce will be using nothing.

**THE SPEAKER:** Maybe, let us hear from the Minister of Trade.

**MR MUHAMMAD NSEREKO:** He has never tabled any legislative-, subsidiary legislation, including that of penalties.

**THE SPEAKER:** Let us hear about it from the Minister of Trade.

2.05

**THE MINISTER OF STATE FOR TRADE, INDUSTRY AND COOPERATIVES (INDUSTRY) (Mr David Bahati):** Thank you, Madam Speaker. Thank you, colleagues for your input on how we can find a solution to the current strike but also in a way to facilitate the businessmen and women of our country.

We did pass the Competition Bill here, which was assented to by the President in February. And this Bill, among other things, will clarify the relationship between a manufacturer, a wholesaler and a retailer.

To do this, we need to do regulations. I would like to inform the House that we are now in the process of making regulations to the Competition Act, and they will be ready within the next two months from now because we need to consult in the next two months, so that and we come and lay regulations on the Table. So that can have an input in that.

Madam Speaker, let me conclude with two points which were raised by other Members, regarding manufacturing.

One Member of the House said that manufacturers do not pay tax. I would like to give information that out of the Shs 21 trillion we collected as tax in the 2021/2022 financial year, manufacturers contributed Shs 5.6 trillion, meaning that they paid 30 per cent of the Shs 21 trillion that we collected.

As we speak, manufacturers contribute 16.5 per cent to our GDP of Shs 55 billion, meaning that Shs 10 billion of our GDP is contributed by them. So, it is important to note that they pay taxes.

There is something that we need to clarify. In Uganda, some people are manufacturing and there are also those who are assembling. We know that but at the moment, where the stage of our economy is, we need both manufacturing and assembling.

While there are a few jobs created when you are assembling, it is at least better than importing

because you will be able to employ one or two people and pay taxes. So, we appreciate both and hope that assembling can gradually become proper manufacturing.

The last one was on the issue of the cost of capital. Honourable members, all of us know that high interest rates affect a return on businesses. The cost of capital is a big issue in our country and together with you, Members, we have been doing something about it.

The best way is to capitalise Uganda Development Bank because you know we liberalised the economy for commercial banks. We have not capped the interest rate, therefore, we do not expect much from that side.

Where we can control is by through the Uganda Development Bank, where we invested money to the tune of Shs 491 billion two years ago. I am sure that by now, the Ministry of Finance, Planning and Economic Development has given you the figures; we are almost at Shs 700 billion.

The capitalisation of Uganda Development Bank is the only way to reduce the cost of capital and together with the Microfinance Support Centre, we can decide that if we gradually put money in UDB, we will cap the interest rate and be able to help the businessmen and – *(Interruption)*

**MR MPUUGA:** Thank you, Hon. Bahati, for yielding the Floor. Madam Speaker, in the 10<sup>th</sup> Parliament, which you and I were part of, the Ministry of Finance, Planning and Economic Development withdrew a Bill that we had extensively discussed to liberalise social security, as a mechanism for mobilising more savings in the country.

The minister is here telling the House that actually, the best way of bringing down interest rates is by capitalising UDB. The little economics I know is that the savings function is a small component of the income function.

Would you like to clarify to this Parliament that indeed, you will capitalise UDB without

savings? Do you think that with the problem we are in, you can now rethink returning that Bill to the House and we raise social security to mobilise more savings?

Madam Speaker, the minister knows that NSSF has mobilised the biggest savings in this country and, therefore, most of the banks are actually thriving on monies from NSSF. Do you think at this stage, you can advise the Government to rethink that Bill, return it, we mobilise more savings through social security and bring down interest rates, like it was done in Kenya and other jurisdictions, other than telling the House that capitalising UDB will bring down interest rates?

**THE SPEAKER:** Honourable minister, on the issue of capitalising UDB, first of all, you need to understand the clients that UDB handles. It is on high development financing, which is far from the local traders that we are talking about here in Kikuubo. I also want you to interest yourself in the recovery rate of UDB. Understand which clients are in UDB. When I was in COSASE, we looked at a report on UDB. These people were not paying; who are they?

**MR BAHATI:** Madam Speaker, on the issue of mobilising savings as a means of reducing the interest rates, it is true that when we increase our national savings, we increase liquidity within the market. Therefore, a lot of liquidity can lead towards reduction in interest rate. I am not quite sure about liberalising NSSF because we had that debate on social security and you know how it ended.

Anyway, what I know is that if we are going to reduce the interest rate, we need to offer alternatives to commercial banks. The only alternative I know is to have a cooperative bank that we are now proposing, under the Microfinance Support Centre, and plug the gaps within the Uganda Development Bank.

For example, we now want to propose that we ring-fence some money under UDB to specifically target Small and Medium Enterprises at a capped interest rate near to

the PDM. So, the option we have is to look at Uganda Development Bank as a bank that we can control. Any other means might remain academic theory.

**THE SPEAKER:** Actually, talking about UDB, is more academic than realistic. You would rather think about a bank that will look at the smallest business person. If you looked at a bank that operates the way the Centenary Bank does, you would be talking.

**MR BAHATI:** Madam Speaker, that is why we are now proposing the revival of a cooperative bank and we hope that that will probably go deeper to the cooperatives in the country. Thank you.

**THE SPEAKER:** Yes, Minister of Finance, Planning and Economic Development.

**MR LUGOLOOBI:** I would like to add that regarding the interest rates that we are talking about, is a function of how much savings we have. Therefore, we needed to enhance our efforts in mobilising savings.

Indeed, this House amended the NSSF Act to ensure that even people in the category below the threshold of five employees and the informal sector can now voluntarily contribute to NSSF. They are now tapping into that opportunity. We have recently seen a rise in terms of savings on that front.

Additionally, we have the Uganda Retirement Benefits Regulatory Authority. In other words, we have a regulator that can actually license more retirement benefits schemes, including the Parliamentary Pension Scheme and a couple of others – *(Interjections)* - I do not know why Hon. Niwagaba is laughing. *(Laughter)* It is because he has raised an issue.

Anyway, let me go –

**THE SPEAKER:** Can you finalise?

**MR LUGOLOOBI:** Let me finalise, Madam Speaker, with the issue of the 35 per cent tax on garments and fabrics. It is one of the issues

that I included in the statement, which has been discussed here.

In introducing this tax of \$3.5 per kilo, we are trying to implement one policy –

**THE SPEAKER:** Honourable minister, how do you determine this? For instance, you have been talking about the high interest rates. How do you determine the high interest rates charged to these traders? How do you determine the interest rate under Tier 4, which is not regulated by the Central Bank?

**MR LUGOLOOBI:** The interest rates, apart from those under Tier 4; the moneylenders, etcetera because those are difficult, by and large, interest rates are market-driven -

**THE SPEAKER:** You cannot -

**MR LUGOLOOBI:** Can I complete this statement?

**THE SPEAKER:** Do you know the reason I stopped moneylenders from coming to Parliament? You cannot talk about “market-driven” when somebody is going to charge another 30 per cent. We should have a regulation that should be able to manage that interest rate rather than making people suffer. *(Applause)*

**MR LUGOLOOBI:** Madam Speaker, we admit that the regulator has to do his job and Hon. Haruna Kasolo is here, in that particular area; he will give more information.

However, talking generally about interest rates, you know that the private sector and the Government borrow from the same source; we borrow from the same resource; the same savings.

**THE SPEAKER:** Anyhow, honourable -

**MR LUGOLOOBI:** I am giving the economic argument; Madam Speaker, allow me to complete this statement so that whoever reads the *Hansard* -

**THE SPEAKER:** Complete the economic argument.

**MR LUGOLOOBI:** The economic argument is that the Government and the private sector are borrowing from the same source. We, as the Government, each time we talk about domestic borrowing, we are going to that source -

**THE SPEAKER:** To the moneylenders?

**MR LUGOLOOBI:** Therefore, we end up taking away the limited savings that are available leaving a vacuum for the private investors. That is what creates these high interest rates; we are competing with the private sector. Largely, that is the economic argument.

However, for the moneylenders, it is an issue of regulation, So -

**THE SPEAKER:** We need a regulation on moneylenders.

**MR LUGOLOOBI:** Yes, once we have the regulations, then that problem will be dealt with.

Madam Speaker, I should be allowed to talk about the garments because this problem has been severally raised and it is one of the main reasons some of the shops, especially for people in the textile industry, are on strike.

We have been struggling to get a balance between importing finished goods versus manufacturing the same products locally. Our policy has been to impose higher taxes to create an opportunity for production in the local economy.

Indeed, this is the reason we have been promoting these integrated textile mills that utilise our cotton to produce fabric, which we would want the local producers like the tailors, to utilise. We want to move the economy into the area of value addition to the extent that we minimise imports into this economy because we require dollars to import these goods.

You already know that our imports far exceed what we are capable of exporting and this creates a very big problem for the Bank of Uganda, especially in terms of our reserves. When we get to debt servicing, the foreign exchange is very limited and we have a problem there because the importers are taking away this foreign exchange.

We, therefore, need to promote production, minimise imports and maximise exports; it is a strategy. However, in doing so, it creates certain challenges like rendering some people unemployed and it is not something that happens overnight, but a matter that has come under consideration and I am very sure that His Excellency, the President should be able to guide on this matter.

**MR MUHAMMAD NSEREKO:** Thank you, Hon. Amos Lugolobi for accepting and being courteous. I want us to be logical –(Interruption)- no, I am only being fair and honest to you. I will not debate you, but I will start with you; the tie, shirt, and suit you are wearing.

Our role and aim is to try to promote Buy Uganda, Build Uganda (BUBU). Assuming you are to walk the talk, tell me, which one of those materials other than the shirt you are wearing, would we be able to produce? Your suit is probably a mixture of potentially nylon and silk. How much silk can we produce on this market to tax those ones higher?

It is being fair; if we can have it on cotton, which we can produce, then you can increase the tax on cotton, but spandex, jeans, and such materials that you cannot produce, wool - what level of sheep production because wool is from sheep -

**THE SPEAKER:** Hon. Muhammad Nsereko -

**MR MUHAMMAD NSEREKO:** Yes, Madam Speaker.

**THE SPEAKER:** We are going to have a debate on this when the other report comes. For now, can we have the next item before Hon. Wilson Muruli goes away?

BILLS  
SECOND READING

THE NATIONAL FORESTRY AND TREE  
PLANTING (AMENDMENT) BILL, 2024

**THE SPEAKER:** Honourable members, whoever is outside can we have you in for the second reading of this Bill? You recall that yesterday the motion for the second reading of the National Forestry and Tree Planting (Amendment) Bill, 2024, was moved. The committee report was presented and the motion was extensively debated.

We, however, stood over the final decision on the Bill until today. I am reliably informed that the minister in charge of the Rationalisation of Agencies and Public Expenditure (RAPEX) and the Minister of Water and Environment would want to submit to that effect. Therefore, could we hear from the minister in charge of RAPEX and then the Minister of Water and Environment?

He is making a rejoinder to his Bill.

2.24

**THE MINISTER OF PUBLIC SERVICE (Mr Wilson Muruli Mukasa):** Thank you very much, Madam Speaker. Before I make just very brief remarks on this Bill, let me start with a disclaimer.

There was some impression created in the House that there are some people who have been lobbying Members of Parliament not to come to and attend the House to deny Parliament the requisite quorum. The disclaimer is that the Ministry of Public Service is not part of that group –(Laughter)- wishing to deny it.

**THE SPEAKER:** I also bring this to the notice of Members of Parliament that there is a perception that you have - where you say that Members of Parliament have been compromised to reject the rationalisation and this has persisted; no Member has been compromised to do that. (Applause)

We are doing what we ought to do and we cannot continue with the mentality of Members

being compromised. Compromised on what? We are here to legislate for our people. The same people went and told the Chief Executive that we were being compromised.

Therefore, much as you make that disclaimer, we are also saying as Parliament, we are not compromised. We are doing what we ought to do.

**MR MURULI MUKASA:** Thank you, Madam Speaker. Disclaimers have been made and I think they are laid to rest.

There was indeed a vigorous debate regarding this Bill yesterday and I would like to say that the impression was that there was a feeling of alarm, that if NFA is mainstreamed into the Ministry of Water and Environment, then either hell will break loose or even maybe the heavens will just be perforated and there will be a deluge. Definitely whatever semblance of forest resources and forest control that we have will just be destroyed.

I would like to say that if we look at our proposal as the Ministry of Public Service regarding the Cabinet decision that was taken to mainstream the National Forest Authority (NFA), we find that all the good things that were mentioned in the committee report are going to be saved, including the new other good things that are likely to come.

In other words, the role of NFA –(Interjection)- I am just making brief concluding remarks - and those good things that were being done and the mandate of what has been done by NFA will remain, and all those good benefits that so far we have got under NFA but also those we expect to get, and all those other aspects that need strengthening so that the forest resources in our country are not only preserved, but also expanded and grow; these will remain.

Therefore, there will be no danger or there is no need to be alarmed. It appeared that the Ministry of Water and Environment, which appeared in some of the debates and remarks that were made, turned out to be very incompetent and very dangerous altogether, and a danger even

to the forest reserves. It was cited that land has been given away in the past by the ministry or by the Government as such.

What is clear, and from the practice that we have observed is that some of these evils and so on, are not just limited to a few other people, but they cut across and also some of the good - it is not that the workers of NFA are angels and then those of Government or ministry are the devils.

Here and by –

**THE SPEAKER:** You are putting words in Members' minds because no Member said there was a devil somewhere and there was an angel somewhere. Only give us a justification as to why you want NFA to be mainstreamed; it is not about a blame game.

**MR MURULI MUKASA:** It is not and I quite agree and please, excuse my imagery. I spent a lot of time reading some literature and images, and if you want to put ideas across sometimes - ideas of course sometimes you may just -

**THE SPEAKER:** That literature must have misled you *-(Laughter)* Go straight to the problem.

**MR MURULI MUKASA:** I will go straight to the problem. The thing is there are angels in the ministry like there are angels at the NFA. There are devils in the ministries and they are devils in NFA. That notwithstanding –

**THE SPEAKER:** Not in our country.

**MR MURULI MUKASA:** Otherwise, if there were no devils, we would not have churches. *(Laughter)* What we are proposing is that we are simply replacing the board with the minister or the ministry but the rest remains really as it is, and what is being done and the management will go to a very powerful division, which will manage these resources.

Secondly, by replacing the board, we are going to make significant savings, which savings are required to run other aspects, not

only expanding and strengthening the forestry resources but maybe going towards motivating our workers in the ministry so that they perform better when they are properly satisfied.

Therefore, I would like to appeal to Members of the House, that let us accept the proposed Bill regarding the NFA and we definitely mainstream NFA into the Ministry of Water and Environment. Thank you very much.

**THE SPEAKER:** There is a rejoinder from the chairperson of the committee. Can we have water before we can have a rejoinder from - honourable members, please listen because I am going to put a question. Somebody is talking about quorum; I have 129 here and 63 virtually. I have a quorum. Thank you,

2.35

**THE MINISTER OF STATE FOR WATER AND ENVIRONMENT (ENVIRONMENT) (Ms Beatrice Anywar):** Thank you, Madam Speaker, for this opportunity. I thank the Chairperson, committee members, and the whole House for processing this Bill and the resilience of debating it thoroughly yesterday.

However, colleagues raised several issues that need to be clarified. While the senior minister has already alluded to most of them, but I just want to let all of us know that the National Forest Authority is not an entity outside the ministry or Government.

All efforts that have been alluded to here by colleagues have been under the supervision of the ministry. As we justified much earlier, NFA will continue to do its function. We are dissolving NFA and transferring the functions – *(Interjection)* – Madam Speaker, I need your protection. Members debated –

**THE SPEAKER:** Honourable members, let us hear from the minister.

**MS BEATRICE ANYWAR:** Madam Speaker, to recap, Members were concerned about the management of the carbon credit, which is on board. I would like to assure you that in the ministry we have the climate

change department, which is the focal point for UNFCCC in the country. Secondly, NFA will comfortably work together with that department to ensure that the process of carbon credit is handled well.

Lastly, regarding the fears of Members about who will manage the forest when NFA is put back here, I also want to give you information that we are already in the advanced stage of having environmental courts in place. These are the arms of the Government that will work together to ensure that the forests are safe. Maybe, I would like you, honourable colleagues, to ensure that implementation – *(Interruption)*

**THE SPEAKER:** There is a procedural matter.

**MR BASALIRWA:** Thank you, Madam Speaker –

**THE SPEAKER:** Before you come up with your procedural matter, does the Uganda Wildlife Authority (UWA) do the same kind of work that NFA does?

**MR BEATRICE ANYWAR:** Madam Speaker, UWA has its mandate. We only work together because the habitat of our wildlife is within our forest. What makes it a little bit different is that –

**THE SPEAKER:** So, why don't you bring UWA also to the ministry so that we have a lean system? It is okay – please say your procedural matter.

**MR BASALIRWA:** Thank you, Madam Speaker. Uganda has commitments that it has made under our international obligations, especially in the areas of forestry. One of the requirements in all the international agreements on forestry, demands that protection of forestry must be by an independent forestry agency.

I would like to find out from the minister whether this debate of you as the opposition will not be renegeing on our international obligations that require an independent agency to preserve and protect forests. How are you

going to be a party to all those international agreements in the absence of an independent agency that you undertook to have?

2.40

**THE DEPUTY ATTORNEY-GENERAL (Mr Jackson Kafuuzi):** Thank you, Madam Speaker. I have listened to my colleague, Hon. Asuman. As they say, “learning never ceases,” I would like him to enlighten us further. He has made reference to international instruments, out of which he says the Government made commitments. I humbly pray that he lays them on the Table so that as Government, we see how much and far we are bound, then we shall adjust accordingly. Thank you.

**THE SPEAKER:** Hon. Odur - Hon. Asuman is going to respond.

2.41

**MR JONATHAN ODUR (UPC, Erute County South, Lira):** Madam Speaker, when you invited the minister responsible for these Bills, Hon. Muruli-Mukasa, and the Minister of Water and Environment, my understanding was that there was a position we took yesterday and they were coming to give some clarification.

Two areas came up. The minister did mention that they are seeking to only dissolve the Board. That came from the Minister of Public Service. It is on the record that all they want to do is to dissolve the Board –

**THE SPEAKER:** And give powers to the minister.

**MR ODUR:** Exactly! Then, the minister responsible for the environment said, NFA will be transferred to the ministry. The Bill under clause 6 seeks to dissolve NFA. Is this the new position that they are now conceding to the spirit of the debate so that the House can take a decision based on this new position?

**THE SPEAKER:** I am happy you are seeing all those inconsistencies. So, you will vote based on the inconsistencies that you are seeing. *(Laughter)* Hon. Asuman, please clarify.

**MR BASALIRWA:** Madam Speaker, I would like to confirm that Uganda is a signatory at both regional and international levels on all environmental treaties, conventions and concordats related to forestry.

**MR KAFUZI:** Madam Speaker, I have not said that Uganda is a signatory. Hon. Asuman said that Uganda is committed to establishing an independent body. I want the instrument out of which that commitment arose; let him lay it.

**THE SPEAKER:** Honourable minister, signing is a commitment. You can even get the treaty online. Motion –

2.44

**MR MUHAMMAD NSEREKO (Independent, Kampala Central Division, Kampala):** Madam Speaker, I would like to move a motion that a question be put as to whether we proceed to the second reading of this Bill or not. I beg to move.

There is a lot of derailment. The debate was done and concluded yesterday, and you stated clearly that we are here to move. The issue was the quorum. Now, the quorum is here and clarifications have been made –*(Interjection)*– the issue is for the question to be put. That is where we want your ruling.

**THE SPEAKER:** Honourable members, those in favour that I put the question - stand up and I see. I have Dr Keefa, Hon. Sam, Hon. Kubeketya, the honourable member for Ntungamo, Hon. Harriet, Hon. Odur, Hon. Asuman, Hon. Cissy, the honourable member for Sheema, Hon. Milton, Hon. Rwakajara and Hon. Margaret.

Honourable members, okay, all of you sit. The question that we are going to put is whether to allow us to go to the next stage, which will be the Committee Stage. If you do not want us to continue so that NFA remains where it is, you say “nay” – honourable members, listen - but if you want us to go to the next stage to disband NFA, then you say, “aye.”

I have not put the question yet, why are you making – Hon. Harriet - that is why you are cutting down Bungoma Forest. Honourable members, let us finish this, we have the quorum. We are more than 200 now. Honourable members, who has not understood?

I now put the question that the National Forestry and Tree Planting (Amendment) Bill, 2024 be read for the second time.

*(Question put and negated.)*

**THE SPEAKER:** Honourable members, standing up will not make me see you. All I wanted was your voices and if you continue like that, I will ask you to raise your hands.

Honourable members, it seems the Minister charge of RAPEX still has some work to do on forestry and based on what I have heard, and what members said, the “nays” have it.

THE UGANDA REGISTRATION  
SERVICES BUREAU (AMENDMENT)  
BILL, 2024

2.50

**MR MATHIAS MPUUGA (NUP, Nyendo-Mukungwe Division, Masaka City):** Thank you, Madam Speaker. The decision the House has just made -

**THE SPEAKER:** Honourable members, we have only one Bill – URSB - do not go away.

**MR MPUUGA:** The decision that the House has just made, communicates a lot to our environmental situation. When I saw the minister in charge of RAPEX speaking in riddles, I knew that his “goose was in the cooking pot.”

Having taken that decision as the House, I would like to put the House on notice for the NFA Act (amendment) Bill with a view to decentralising some of the functions of the NFA to the districts that are suffering with negligence because we have a very big problem.



The Central Forest Reserve as we know it have been depleted. Those that are suffering are the local people that take benefit out of the forests. So, I rise on a procedure to put the House on notice and ask members that when I rise on a motion for amendment, I seek your support. I thank you, Madam Speaker.

**THE SPEAKER:** Thank you. Yes, Chairperson?

**DR OTAALA:** Thank you, Madam Speaker. The information I would like to give to this House, following the submission of my senior brother, the former LOP and now a Commissioner, is that the district forest reserves are not under the purview of NFA; I want to state that very clearly. That is why yesterday we proposed an amendment in the Act to empower NFA to oversee all forests in Uganda. Thank you.

## BILLS SECOND READING

### THE UGANDA REGISTRATION SERVICES BUREAU (AMENDMENT) BILL, 2024

**THE SPEAKER:** Honourable Minister of Justice and Constitutional Affairs. Can I have some silence?

2.53

**THE MINISTER OF JUSTICE AND CONSTITUTIONAL AFFAIRS (Mr Norbert Mao):** Madam Speaker, I beg to move a motion that the Bill entitled, “The Uganda Registration Services Bureau (Amendment) Bill, 2024 be read the second time.

**THE SPEAKER:** Thank you. Is the motion seconded for the second reading of the Bill? *[Members rose]* Okay, it is seconded by the Attorney-General, Minister for Bunyoro Affairs, Member for Veterans Affairs, the Chairperson of National Resources, Hon. Okiror, Hon. Adeke, Hon. Afoyochan, Hon. Fred, Hon. Abed, Hon. Aol, Hon. Luttaguzi, Hon. Emigu – okay, seconded by the whole House.

Would you want to speak to your motion and a little bit on the objective?

**MR MAO:** Madam Speaker, this is about the domicile of registration services. As it is said, life is like a book with two covers. The front cover is the birth certificate and the back cover is the death certificate. And in between there are other things; you acquire property and the title is registered in your name, you get married and you get a marriage certificate.

As I talk, the purpose of this Bill is to transfer the registration of marriages to NIRA. We have already transferred the registration of births and deaths to the National Identification & Registration Authority (NIRA). So, the straightforward purpose of this Bill is to move this same part of the book I talked about, to its proper address and this is a decision that the Cabinet took on 22 February 2021, before I was minister. I agree with the decision.

And so, we are here to ask for Parliament to pass this amendment so that the civil registration function with respect to marriages currently performed by the Uganda Registration Services Bureau (URSB) is transferred to the National Identification and Registration Authority. Cabinet met the directive and it is contained in the Bill.

I urge Members to support this amendment to enable the placement of all civil registration functions under one agency. Thank you.

**THE SPEAKER:** Chairperson of the committee, give us a summarised brief.

2.57

**MR RICHARD OSEKU (NRM, Kibale County, Pallisa):** Madam Speaker, the leadership of the Committee on Legal and Parliamentary Affairs is still the same. However, I am here to present its report on the Uganda Registration Services Bureau (Amendment) Bill, 2024. We held the meetings. Permit me to lay both minutes and a copy of the report on the Table.

This is the report of the Committee on Legal and Parliamentary Affairs on the Uganda Registration Services Bureau (Amendment) Bill, 2024.

The introduction is contained in the Bill, and this was read for the first time in accordance with Rule 128 of the Rules of Procedure.

The object of the Bill is also contained in the Bill. I am going through this because it is uploaded and we received this some time back.

In the interest of time, and being a very brief and short Bill, you will permit me to go to the methodology we used as a committee in considering this Bill.

### 3.0. Methodology

In the process of analysing the Bill, we met with the –

- (1) Minister of Justice and Constitutional Affairs;
- (2) The National Identification and Registration Authority (NIRA); and
- (3) Uganda Registration Services Bureau (URSB).

This was for purposes of harmonising. The findings of the committee are found on page 3.

#### 4.1 Transfer of the civil registration functions from URSB to NIRA

Clauses 3 and 4 of the Bill proposes to amend the Uganda Registration Services Bureau Act, Cap. 210 to transfer to the National Identification and Registration Authority (NIRA), the power to administer and give effect laws governing civil registration in Uganda, specifically, the Children Act, Cap. 59, the Customary Marriage (Registration) Act, Cap. 248 and the Marriage Act, Cap. 251.

The committee is aware that the civil registration function of Government in relation to natural persons is performed by two agencies of Government, namely URSB and NIRA.

For a long time, all the civil registration services of Government were performed by URSB, a Government agency created under the law by this House with its functions as stipulated in the report to do with the births, marriages, both civil and customary marriages.

In addition, URSB was also responsible for administering and giving effect to the relevant laws and for providing registration services and collection of and account for all revenue provided for under those laws.

- a) Listed here, under the Act are the laws that were being administered by URSB. They are: The Bankruptcy Act;
- b) The Births and Deaths Registration Act;
- c) The Building Societies Act;
- d) The Business Names and Registration Act;
- e) The Partnerships Act;
- f) The Patents Act;
- g) The Registration of Documents Act; and
- h) The Trademarks Act among others.

Most of you, honourable members, have gone through some of this.

In 2015, Parliament enacted the Registration of Persons Act. In section 2 of that Act, the purpose was:

- a) to remove duplication from the processes and laws relating to the registration of persons. That is the Act under which NIRA was established;
- b) to harmonise and consolidate the law on registration of persons; and
- c) to establish a central registration body for the registration of all persons.

Effectively, that law gave NIRA the authority and the mandate to undertake those functions.

The Registration of Persons Act, 2015 created in section 4, the NIRA, as I have said, gives it the mandate to undertake the functions I have listed above, and also to register the citizens of Uganda and non-citizens who are lawful residents in Uganda.

Following the enactment of the Registration of Persons Act, of 2015, the civil registration

function had been shared between NIRA and URSB with URSB carrying out functions of registration of all marriages, licensing churches to celebrate those marriages, solemnising civil marriages and adoptions and issuance of letters of single status, while NIRA was solely responsible for registration of all aspects in relation to a person, right from birth, change of name and death of an individual—*(Interruption)*

**THE SPEAKER:** There is a procedural matter. Can you summarise?

**MR OTIMGIW:** Thank you, Madam Speaker. My procedural matter is in regard to the same. You guided the chair to summarise but he is giving us the history of NIRA and how it was done.

Chairperson, you could just summarize and give us recommendations because this is a straightforward Bill? Thank you.

**THE SPEAKER:** Actually, the minister said it all.

**MR OSEKU:** Madam Speaker, as it has been already hinted by Members, there is no contradiction in this Bill. The one giving out, which is URSB to NIRA conceded to the amendment and then NIRA, which is receiving the Bill equally accepted that they are going to take this.

In light of the above, the committee recommends that the Uganda Registration Services (Amendment) Bill, 2024, be read for a second time and be passed into law, but subject to the following amendments. We have two amendments which the committee recommended -

**THE SPEAKER:** We will have amendments when we go to the Committee Stage.

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

3.04

**DR ABED BWANIKA (NUP, Kimaanya-Kabonera Division, Masaka City):** Madam Speaker, the object of the Bill is very clear

and the justification speaks for itself. I want to move that we go straight to the Committee Stage and consider -

**THE SPEAKER:** Honourable members, I have seen Hon. Kavuma here. Why I am saying I have seen him is because he has just given out his daughter.

Honourable members, the report is informative and what matters is us going clause by clause.

There is a motion here on whether we should go to the second reading, and it is seconded by Hon. Isaac, Hon. Peter, Hon. Harriet, the honourable Member of Parliament for Mitooma, Hon. Afoyochan, Hon. Milton Muwuma, Hon. Alobo, Hon. Katabaazi - you are still a “*Ssabakurisito*.” Hon. Felix, Hon. Alanyo, Hon. Kavuma, Hon. Mbayo, Hon. Okwir, Hon. Fred, Hon. Luttamaguzi, Hon. Aguti, Hon. Aol, Hon. Kenny, Hon. Yona, Hon. Zijjan and the whole House, including Hon. Bahati. Thank you so much.

I now put the question that the Uganda Registration Services Bureau (Amendment) Bill, 2024 be read for the second time.

*(Question put and agreed to.)*

## BILLS COMMITTEE STAGE

### THE UGANDA REGISTRATION SERVICES BUREAU (AMENDMENT) BILL, 2024

New clause

**THE CHAIRPERSON:** New clause, committee chairperson?

3.08

**MR RICHARD OSEKU (NRM, Kibale County, Pallisa):** Madam Chairperson, the Bill is amended by inserting, immediately before clause 1, the following:

## Commencement

This Act shall commence on a date appointed by the minister in consultation with the Minister responsible for Internal Affairs by a statutory instrument.

The justification, Madam Chairperson, is to stagger the commencement date of the Bill in order to afford the National Identification Registration Authority (NIRA) adequate time to deliver on the new mandate. This will minimise disruption and ensure a smooth transfer of the civil registration function from the Uganda Registration Services Bureau (URSB) to NIRA.

Secondly, it will ensure that NIRA only takes over the civil registration functions that have been hitherto performed by URSB when the Minister of Justice and Constitutional Affairs, in consultation with the Minister of Internal Affairs, is satisfied that NIRA can deliver on the new mandate. I beg to move.

**THE CHAIRPERSON:** Thank you. Yes, honourable minister.

**MR MAO:** Madam Chairperson, with appreciation, the Government agrees with the proposed amendment. Thank you.

**THE CHAIRPERSON:** Thank you. Hon. Jonathan Odur - (*Hon. Opendi rose*) Okay, yes?

**MSOPENDI:** Thank you, Madam Chairperson. I would like to agree with the proposal and I am comforted by the statement that the Minister of Justice and Constitutional Affairs will consult with the Minister of Internal Affairs and when they are ready, the service can be removed.

However, we all know the challenges that Ugandans go through to get National Identity cards from NIRA. Madam Chairperson, the Uganda Registration Services Board has been very efficient, and it is one of the best institutions currently in this country that is operating and generating a lot of income for this Government.

Therefore, I hope that the minister will come and inform us of the appropriate date when Ugandans can shift to NIRA, but that will be after capacity has been built on the other side. Thank you, Madam Chairperson.

**THE CHAIRPERSON:** Thank you. Yes, Attorney-General.

**MR KAFUZI:** I concede to the proposed amendments.

**THE CHAIRPERSON:** I put the question that the proposed clause stands part of the Bill.

*(Question put and agreed to.)*

*New clause, agreed to.*

## Clause 1

**THE CHAIRPERSON:** Clause 1, is there any amendment?

**MR OSEKU:** Madam Chairperson, clause 1 is on interpretation. This clause is amended by inserting, immediately after the definition of the word "Government" the following: "Minister means the Minister responsible for Justice."

The justification, Madam Chairperson, is to define the minister responsible for commencing the provisions of the Bill once assented to by the President. I beg to move.

**THE CHAIRPERSON:** Yes, honourable minister.

**MR MAO:** Madam Chairperson, once again with deep appreciation, the Government accepts the proposed amendment. Thank you.

**THE CHAIRPERSON:** Thank you. Yes, Attorney-General.

**MR KAFUZI:** Madam Chairperson, we agree with the committee's position.

**THE CHAIRPERSON:** Thank you. I put the question that Clause 1 be amended as proposed.

*(Question put and agreed to.)*

*Clause 1, as amended, agreed to.*

*Clause 2, agreed to.*

*Clause 3, agreed to.*

*Clause 4, agreed to.*

*The Title, agreed to.*

MOTION FOR THE HOUSE TO RESUME

**THE CHAIRPERSON:** Yes, honourable minister.

3.13

**THE MINISTER OF JUSTICE AND CONSTITUTIONAL AFFAIRS (Mr Norbert Mao):** Madam Chairperson, I beg to move that the House resumes and the Committee of the whole House reports thereto.

**THE CHAIRPERSON:** Thank you. I put the question that the House do resume and the Committee of the whole House reports thereto.

*(Question put and agreed to.)*

*The House resumed, the Speaker, presiding.)*

REPORT FROM THE COMMITTEE OF  
THE WHOLE HOUSE

**THE SPEAKER:** Yes, honourable minister.

3.14

**THE MINISTER OF JUSTICE AND CONSTITUTIONAL AFFAIRS (Mr Norbert Mao):** Madam Speaker, I beg to report that the Committee of the whole House has considered the Bill entitled, “The Uganda Registration Services Bureau (Amendment) Bill, 2024” and passed it with amendments. I beg to report.

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

**THE SPEAKER:** Yes, honourable minister.

3.15

**THE MINISTER OF JUSTICE AND CONSTITUTIONAL AFFAIRS (Mr Norbert Mao):** Madam Speaker, I beg to move that the report from the Committee of the whole House be adopted. I beg to move.

**THE SPEAKER:** I put the question that the report of the Committee of the whole House be adopted by this honourable House.

*(Question put and agreed to.)*

*Report adopted.*

BILLS  
THIRD READING

THE UGANDA REGISTRATION  
SERVICES BUREAU (AMENDMENT)  
BILL, 2024

**THE SPEAKER:** Yes, honourable minister.

3.15

**THE MINISTER OF JUSTICE AND CONSTITUTIONAL AFFAIRS (Mr Norbert Mao):** Madam Speaker, I beg to move that the Bill entitled, “The Uganda Registration Services Bureau (Amendment) Bill, 2024” be read the third time and do pass. I beg to move.

**THE SPEAKER:** Thank you. I put the question that the Uganda Registration Services Bureau (Amendment) Bill, 2024 be read the third time and do pass.

*(Question put and agreed to.)*

A BILL FOR AN ACT TITLED THE  
UGANDA REGISTRATION SERVICES  
BUREAU (AMENDMENT) ACT 2024

**THE SPEAKER:** Title settled and the Bill is passed. Thank you and congratulations, honourable minister.

Honourable members, we have three Bills to be withdrawn. Can we have the minister in charge of RAPEX? We have the National Tribunal Bill, 2023, the Arbitration and Conciliation (Amendment) Bill, 2024 and the Constitutional (Amendment) Bill, 2023.

3.17

**THE MINISTER OF PUBLIC SERVICE (MR Wilson Muruli):** Madam Speaker, I would like to move that the Bills that you have very clearly enunciated before the House be withdrawn.

**THE SPEAKER:** Please, can you withdraw them one by one?

**MR MURULI MUKASA:** I would like to move that the Bill entitled, “The Constitution (Amendment) Bill, 2023” be withdrawn.

**THE SPEAKER:** I put the question that the Bill entitled, The Constitution (Amendment) Bill, 2023” be withdrawn.

*(Question put and agreed to.)*

*Bill withdrawn.*

**THE SPEAKER:** The Bill stands withdrawn. Next - You want to ask why it is being withdrawn. It is his Bill. By the time I let him to withdraw it, I have accepted on behalf of Parliament.

**MR MURULI MUKASA:** Madam Speaker, I would like to move that, The Arbitration and Conciliation (Amendment) Bill, 2024” be withdrawn. I beg to move.

**THE SPEAKER:** I put the question that the Bill entitled, “The Arbitration and Conciliation (Amendment) Bill, 2024” be withdrawn.

*(Question put and agreed to.)*

*Bill, withdrawn.*

**THE SPEAKER:** The Bill stands withdrawn. Hon. Muzaale of Buzaaya Constituency, I want to refer you to Rule 140 of the Rules of Procedure on the withdrawal of Bills, which

says, in parts, thus: “*A member in charge of a Bill may at any time...*”

**MR MURULI MUKASA:** Madam Speaker, I beg to move that the Bill entitled, “The National Tribunal Bill, 2023” be withdrawn. I beg to move.

**THE SPEAKER:** I put the question that the Bill entitled, “The National Tribunal Bill, 2023” be withdrawn.

*(Question put and agreed to.)*

*Bill withdrawn.*

**THE SPEAKER:** The National Tribunal Bill, 2023 stands withdrawn.

3.21

**MR MUHAMMAD NSEREKO (Independent, Kampala Central Division, Kampala):** Thank you, Madam Speaker. I think in the same spirit, I would like to implore the senior legislator and honourable Minister in charge of Public Service to consider withdrawing as many RAPEX Bills as possible.

**THE SPEAKER:** What do you mean by many?

**MR MUHAMMAD NSEREKO:** As many, including the Uganda Road Fund Bill. You can hear Uganda coffee - I am not anticipating but only imploring him.

**THE SPEAKER:** Honourable members, we have so far passed over 14 RAPEX Bills meaning that we have the will to pass these Bills. There is no need for the minister to withdraw the Bills without a reason. This one had a reason.

I thank all of you, honourable members, for creating time to come to do your constitutional obligation. Based on that, I adjourn the House to tomorrow, Friday at 10.00 a.m. and for the avoidance of doubt, the House is adjourned to tomorrow, which is a Friday.

*(The House rose at 3.23 p.m. and adjourned until Friday, 19 April 2024 at 10.00 a.m.)*