

Thursday, 19 December 2013

Parliament met at 11.01 a.m. in Parliament House, Kampala.

PRAYERS

(The Deputy Speaker, Mr Jacob Oulanyah, in the Chair.)

The House was called to order.

COMMUNICATION FROM THE CHAIR

THE DEPUTY SPEAKER: We will suspend the proceedings for 10 minutes and the bell should be rung for the members to come.

(The House was suspended at 11.03 a.m.)

(On resumption at 11.19 a.m., the Deputy Speaker presiding_)

COMMUNICATION FROM THE CHAIR

THE DEPUTY SPEAKER: Thank you very much. Honourable members, I welcome you to this sitting. Today is going to be a long day. We will sit, as the Speaker announced yesterday, from now and even in the afternoon we will be sitting because there is lots of business that we should complete before we go for the Christmas recess. This was communicated yesterday.

There was a statement which was supposed to come from the Leader of the Opposition but the Prime Minister has requested that they should make it when he is present. We have just had a discussion with the Leader of the Opposition and so we wait for that.

Honourable members, you will recall that yesterday, item No.9 was item No.18 on the Order Paper and it was moved to item No.8. We were able to finish up to item No.7, which was the Bill, and the next item should have been item No. 8 on the amended Order Paper, which was previously item No.18. That item is today item No.9 on the Order paper. So I will use the prerogative of the Speaker to bring this forward so that we can handle it expeditiously. It is among the business that should be completed urgently.

We shall have the statement from the Leader of the Opposition as soon as the Leader of the Opposition is here as well as the Prime Minister. I do not know about the laying of the papers-item No. 3; are the Members ready with the laying of the papers?

I am informed that the members of - I do not know whether it is Forum for Democratic Change or the entire Opposition, are in a meeting right now. Some of these people have come from outside Parliament so they are not able to change. We will see how to handle this later. Can we go to the next item? So, we bring up item No.9; are the reports ready for this particular item?

MOTION FOR PRESENTATION, CONSIDERATION AND ADOPTION OF THE REPORT OF THE COMMITTEE ON NATIONAL ECONOMY ON THE REQUEST BY GOVERNMENT TO BORROW SDR 66.1 MILLION (US\$100 MILLION) FROM THE INTERNATIONAL DEVELOPMENT ASSOCIATION OF THE WORLD BANK GROUP TO FINANCE THE COMPETITIVENESS AND ENTERPRISE DEVELOPMENT PROJECT (CEDP)

THE DEPUTY SPEAKER: Was the motion already moved? Can the minister move the motion?

MR MUKITALE: The motion was already moved when it was laid on the Table.

THE DEPUTY SPEAKER: Was it spoken to? Oh, the report was already laid on the Table.

MR MUKITALE: The motion from the Minister of Finance was laid on the Table and referred to the committee so that the committee can report.

THE DEPUTY SPEAKER: So it is now the committee to report. Okay.

11.23

THE CHAIRMAN, COMMITTEE ON NATIONAL ECONOMY (Mr Stephen Mukitale): Thank you very much, Mr Speaker. I want to report on behalf of the Committee on National Economy on the request by Government to borrow Special Drawing Rights (SDR) 66.1 million, equivalent to US\$100 million, from the IDA of the World Bank Group to finance the Competitiveness and Enterprise Development Project (CEDP).

We have copies of the reports but there are three different sets –We have responses from the Ministry of Lands, the Private Sector Foundation and the Uganda Registration Bureau, which we should look at as we present the report.

THE DEPUTY SPEAKER: You could start by laying the report and all those other documents on the Table.

MR MUKITALE: Mr Speaker, I now lay the committee report on the Table. It is signed by the members of the committee. I also want to lay on the Table responses from ministry-

THE DEPUTY SPEAKER: Honourable member, can you proceed properly with the laying of the documents?

MR MUKITALE: Mr Speaker, I would like to lay on the Table the report of the Committee on National Economy on the request by Government to borrow US\$100 million from the IDA to finance the Competitiveness and Enterprise Development Project. I lay it on the Table.

THE DEPUTY SPEAKER: Let the records capture that.

MR MUKITALE: I now want to lay the responses by the Ministry of Lands to the Committee on National Economy on the Table. The meeting was held at Parliament. We also had a field visit at Jinja Crested Crane Hotel. I now lay these on the Table, Mr Speaker.

THE DEPUTY SPEAKER: Let the records capture that.

MR MUKITALE: I also want to lay on the Table the Private Sector Foundation (PSF) responses on the follow up of the committee meeting at Parliament and the retreat at Crested Crane in Jinja. I now lay this on the Table.

THE DEPUTY SPEAKER: Let the records capture that.

MR MUKITALE: I also lay on the Table minutes of the meeting and the field reports in a file. In the same file, we have a project appraisal document, implementation plan and the financing draft agreement. Mr Speaker, I beg to lay on the Table.

THE DEPUTY SPEAKER: Let the records capture the minutes of the committee meetings, the appraisal report and the draft agreement.

MR MUKITALE: Thank you very much, Mr Speaker. This loan request was brought to Parliament. In line with rule 166(2), which requires Parliament to scrutinise loan requests, we went ahead and met the following:

- Ministry of Finance;
- Ministry of Lands;
- Ministry of Tourism, Wildlife and Antiquities;
- Ministry of Justice and Constitutional Affairs;
- Members of the Committees of Physical Infrastructure; Tourism, Trade and Industry; Legal and Parliamentary Affairs; Budget; and Finance because there were multiple beneficiaries.
- The Private Sector Foundation.

The committee had a field visit to Jinja. We visited the lands office and the Crested Crane Hotel and also looked at the challenges of the Uganda Registration Bureau.

The committee further studied and made reference to the following documents, which I have already laid on the Table:

- The Minister's brief to Parliament on the loan request;
- The project appraisal document;
- The draft loan financing agreement; and
- The implementation report.

Government of Uganda has in recent years engaged in a number of regulatory reforms aimed at alleviating poverty, fostering economic growth, ensuring private sector competitiveness and improving the business environment in Uganda. Some of the major reforms that have been undertaken include land administration reforms, business registration and business licensing reforms.

The land administration reforms led to the rehabilitation of the land sector, which started in 2002 with the initiation of a 10-year Land Sector Strategic Plan ending 2012. The land sector strategic plan had five objectives:

- i) Creating pro-poor land policy and regulations;
- ii) Putting land to sustainable productive use;
- iii) Providing more equitable distribution and secure access to land for vulnerable groups to improve livelihoods;
- iv) Improving accessibility and availability of land information for planning and implementing development programmes; and
- v) Providing transparent, accountable and efficient decentralised land administration systems.

As a result, Mr Speaker and colleagues, the Land Sector Strategic Plan 2002-2012 achieved significant progress in the areas of decentralising and computerising the land registration system. Other notable achievements were the support for: the National Land Use Policy, which was approved by Cabinet in February 2013; the National Land Use Policy, which was adopted in 2007, followed by the enactment of the Physical Planning Act, 2010; the Mortgage Act, 2009; and the Land (Amendment) Act, 2010.

Despite the reforms, land policies are still very cumbersome. Land tenure security is weak and investors cannot yet be sure of reaping the full benefits of land deals and investments. At present, only 18 percent of the country's land is registered, with registration of rural land as low as five percent only. Land administration is highly inefficient and is characterised by corruption. Risk remains very high for both investors and communities thus limiting the volume of investment.

The first phase of business registration and business licensing reforms led to the making of a comprehensive inventory of business licences. In financial year 2011/2012, Government announced a

comprehensive review of business related licences with a view of identifying the scope for simplifying requirements, reducing discretionary powers of officers, eliminating redundant procedures and cutting down on lengthy business registration processes. These imposed an unnecessary regulatory burden on businesses and de-incentivised a large number of businesses in the informal sector from pursuing business formalisation.

The Uganda private sector, including agriculture, is the major employment source of an estimated 16 million-strong workforce. The vast majority of firms, primarily micro, small and medium enterprises, which sell mostly to local market, face severe resource constraints and contribute modestly to economic growth and exports.

The majority of firms in Uganda remain primarily in low value-added labour intensive areas of production. Although wages are low, productivity is even lower and as a result, it is difficult for Ugandan firms to compete on the international market. Total factor productivity is lower in the manufacturing sector in Uganda than it is in most countries in sub-Saharan Africa. It is also far lower when compared to the East African countries that have successfully entered export-oriented manufacturing. The country is also lagging behind sub-Saharan Africa averages in agricultural productivity. Low productivity in agriculture is a function, in part, of lack of investment in business development services by many Ugandan firms.

Mr Speaker and colleagues, a number of studies and surveys of the Uganda private sector undertaken by the World Bank and other development partners have all led to the conclusion that the business environment in Uganda is not sufficiently conducive to private sector development. The country performed poorly in the World Bank's annual *Doing Business* report. In the 2012/2013 *Global Competitiveness Index* report, Uganda also ranked rather low. The major constraints affecting firms in these reports were access to land, starting a business, licensing and dealing with construction permits - this is before we add connection of utilities like water and electricity.

This proposed project builds upon the Private Sector Competitiveness Project II, which helped improve the business environment by decreasing policy constraints, strengthening institutions such as the Private Sector Foundation Uganda, enhancing private sector dialogue and providing support to firms. The project was private sector driven and major achievements included the following:

- A total of 2,700 people, 40 percent of whom were women, were trained in different skills;
- Eight new product brands were created and have already penetrated foreign markets;
- The Land Survey School was rehabilitated and re-opened. This was a very important achievement.
- The Land Information System (LIS) was developed, installed and operates in an area that covers about two-thirds of Uganda's formal land markets;
- Thirteen (13) regional zonal land offices were built.

Mr Speaker, after justifying, I will skip the project linkage on page 5 and go to the coverage – 5.0. The project physical activities will be located in Kampala, Jinja and throughout selected urban and municipal centres of Uganda namely, the districts of Luweero, Mpigi, Mityana, Soroti, Kabale, Rukungiri, Tororo, Mukono and Moroto for land offices. Project reforms in support of the land registration system, land dispute resolutions and other national reforms will have impact nationwide on improving transparency and security of land tenure.

The objective, really, is to improve competitiveness of enterprise in Uganda by supporting the implementation of business environment reforms including land administration reforms, the development of priority productive and service sectors.

The Beneficiaries

The primary direct project beneficiaries are both existing and future entrepreneurs conducting business in Uganda and owners of land who will be registered by the project. All entrepreneurs will benefit from the crosscutting business environment reforms in land administration, business registration administration bureaus, business licensing; specifically, they will be able to register a new business and obtain the necessary licence for the business quicker and more effectively. They will also have improved land security and will be able to transfer land in less than 30 days, but without another person also claiming the same land title.

THE DEPUTY SPEAKER: Mr Chairman, would you like to go to the observations and recommendations which you are giving to the House on page 17?

MR MUKITALE: You can go through the components on page 7. The biggest component is the land sector. You can also go through the details of the land sector – it speaks for itself - on pages 8 to 14 where the table shows the different percentages. Fifty-three (53) percent of the project funds, which is US\$54 million, go to lands. We also have the terms and conditions on page 15. Mr Speaker, let me go straight, as per your guidance, to page 17.

Observations and Recommendations

1. The committee did observe that this project is a follow-up of the second Private Sector Competitiveness Project II, of US\$ 70 million credit from the World Bank, which closed in February 2013. I earlier alluded to this and summarised the areas of intervention.

According to the project implementation completion report of May 2013, this project was faced with a number of challenges. Specifically, the project faced implementation delays that were attributed to poor management of procurement and environmental concerns. The project was also faced with several allegations of fraud and corruption. These challenges led to the cancellation of a major component of this project, the infrastructure for Kampala Industrial Business Park, and the subsequent cancellation of US\$ 21 million by the World Bank that was meant to finance it.

I must add here, Mr Speaker, that the US\$ 21 million was withheld by the development partner for the famous Namanve Kampala Industrial Park. This must be made very clear. That money was stopped; it was not received.

The committee recommends that Government should prioritise the strengthening of project implementation agencies, especially in the areas of procurement and finance management. All implementing agencies for this project - Private Sector Foundation and other ministries - should ensure that anti-corruption and anti-fraud provisions are embedded in all bidding plans and contracts of contractors, suppliers and other service providers that will relate to this project.

2. The committee observed the failure of investors to readily access industrial serviced land – serviced with utilities. According to the implementation completion report of May 2013, the development objectives of this project for Kampala Industrial Business Park were largely not met. As I said, the money was not released.

According to the report, some of the factors that led to the failure in meeting the development objectives of this Kampala Industrial Business Park included the country's lack of an industrial policy; - So we are again raising the issue of formulating an industrial policy – lack of an Export Processing Zone Act; and lack of a legal instrument to operationalise the Kampala Industrial Business Park.

Partial implementation of the works under this park resulted into further environmental and social issues, which also put the project's reputation at risk. With this continued trend, Uganda is likely to lose out to other countries in the region due to increased competition in the attraction of investment.

The committee recommends that Government fast tracks the formulation of an industrial policy that will guide the continued development of the private sector, given their enormous contribution to industrialisation of the country. Government should also expedite the formulation of a legal instrument to operationalise the Kampala Industrial Business Park including addressing the road infrastructure and the power and water challenges currently faced at the site.

3. The committee observed communication challenges of land reforms that will be significant to this project, particularly given the cultural and ethnic bonds associated with land ownership in several parts of this country, including customary, communal ownership. Appropriate communication and delivering of messages internally and externally so as to keep the stakeholders informed regarding the project development will absolutely be crucial.

The committee recommends that Government considers the critical importance of strategic communication and adopting policies geared towards Government commitment to protecting land rights. Information, education and communication campaigns should be carried out throughout the project's lifecycle. It is important that Ministry of Lands, Housing and Urban Development ensures that communication at all levels is sustained. This will ensure that the land reform component is successfully implemented.

4. The committee observed that despite the revival and rehabilitation of the School of Surveying and Land Management, which I said was very important, in Entebbe, some of the challenges that continue to affect the land sector are as a result of deterioration of surveys and mapping standards and lack of adherence to procedures.

The committee recommends that Government considers the need to revamp the surveys and mapping subsector starting with policy, strategy and institutional strengthening. This should include revisiting the existing Survey Act and its subsequent regulations and guidelines in order to identify its weaknesses and have this law strengthened.

Mr Speaker, can I skip the observations and just go to the recommendations?

THE DEPUTY SPEAKER: Yes, you can skip that.

MR MUKITALE: Recommendation 5: The committee recommends that the Government explores the need to make amendments to the relevant regulations to enable Uganda Registration Services Bureau to retain its revenue to ensure sustainability of a one-stop-shop system. You are aware how much gain they have made in terms of money.

The committee further recommends that Uganda Registration Services Bureau ensures that during implementation of this project, appropriate quality control mechanisms are in place to guarantee the reliability of their data. Keeping track of the success of business registration forms through a proper data collection process is important as it will help identify whether the envisaged business registration forms were sufficient in meeting the desired project goals.

6. The committee recommends that in order to boost private sector competitiveness, Parliament should urgently pass the following Bills which are already with the House:
 - i) Chattels Securities Bill.
 - ii) Public Private Partnership Bill.
 - iii) The Free Zones Bill.
 - iv) Plant Variety Bill.
 - v) Trade Licencing (Amendment) Bill, 2012.

THE DEPUTY SPEAKER: Wasn't the Free Zone's Bill passed?

MR MUKITALE: Mr Speaker, this report has been ready for the past two months. In addition, the committee recommends that Government should formulate an action plan and also set aside a fund to fast track the enactment of the following commercial Bills and urgently bring them to Parliament:

- i) Capital Markets (Amendment) Bill.
 - ii) Anti-Counterfeiting Goods Bill.
 - iii) Sale of Goods and Supply of Services Bill.
 - iv) Investment Code (Amendment) Bill.
 - v) Competition Bill.
 - vi) Consumer Protection Bill.
7. The committee recommends that the lead ministries, that is, Ministry of Justice and Constitutional Affairs, Ministry of Trade, Industry and Cooperatives, Ministry of Lands, Housing and Urban Development, Ministry of Information and Communication Technology expedite efforts to vigorously sensitise the private sector business community about these laws in order to ensure that they are effectively implemented and adhered to by the private sector and the business community at large.
 8. The committee welcomes the Government effort to reconstruct and reequip the Hotel Tourism Training Institute in Jinja under this project. However, the committee urges Government to expeditiously bring to Parliament the Bill for the re-establishment of the Hotel Tourism Training Institute. This will enable the institute to operate under a governing law.
 9. The committee recommends that Government explores efforts of ensuring that existing institutional capacity gaps are immediately addressed in order to improve the performance of on-going and future projects by implementing ministries, departments and agencies.
 10. Finally, the committee recommends that Private Sector Foundation Uganda and Ministry of Lands, Housing and Urban Development, which will have the overall responsibility of project coordination, ensure that there exist standards operating procedures among the other beneficiary institutions -that is, Ministry of Tourism and Wildlife, ICT, Ministry of Justice, Uganda Tourism Board, the tourism institution, etc. – that are well defined so that there is efficient and adequate oversight in the entire project. This will guard against the lack of guidance, laxity and ineffectiveness. So we are trying to propose a cure for the collaboration challenges faced in the previous projects.

Conclusion

Mr Speaker and colleagues, the committee noted that Government's demonstrated commitment to addressing the various issues to improve the business environment and business competitiveness in this country. However, major constraints that impede growth and competitiveness of Uganda's private sector still remain. Generally, the private sector is desirous to grow and expand but developments and reforms in the various sectors have been slow. Therefore, there is need to strengthen the joint efforts between Government and the private sector to ensure the development and implementation of policies that spur growth and vibrancy of Uganda's private sector in the regional and global markets.

This project supports Government's efforts to create sustainable conditions conducive to enterprise creation and growth, encouraging investment, facilitating private sector development, increasing micro, small and medium size enterprises, increasing competitiveness in the local and export markets and employment opportunities in the country through the reduction of cost of doing business and improvement of the business environment in the country. The committee therefore supports and recommends to this House the request by Government to borrow SDR 66.1 million, equivalent to US\$100million, from the IDA of the World Bank to finance Competitiveness and Enterprise Development project. I beg to report.

THE DEPUTY SPEAKER: Thank you very much, chairperson of the committee. Honourable members, the motion is for the adoption of the report of the Committee on National Economy on the request by Government to borrow SDR 66.1 million, equivalent to US\$ 100 million, from the IDA of the World Bank Group to finance the Competiveness and Enterprise Development Projects. That is the motion and debate is now open.

11.23

MR MATHIAS KASAMBA (NRM, Kakuuto County, Rakai): I thank you, Mr Speaker. I also would like to thank the committee for a report well done in as far as scrutinizing the application by the Ministry of Finance and the other relevant ministries for this loan facility to strengthen competitiveness in the private sector. While I support the motion, I would like to highlight a few areas.

I want to bring to the attention of the House that concerning the pending Bills, the Plant Variety Bill is already on the Order Paper. I am here to present it to the Minister of Agriculture, so that it can enhance the effectiveness of plant breeders and the private sector involvement in the seed certification, multiplication and commercialization in this country. So, that one is a done deal.

The second issue is about one of the biggest challenges that the committee has reported, and this is the challenge that we faced during the implementation of the Private Sector Competitive Project phase II. There was serious/gross abuse of funds. I can see that the committee has said that institutional strengthening is quite important as we get into the approval of this phase.

Allow me, however, to bring to the attention of this House that we have passed several loans, which are performing very poorly. One of those is the fisheries project. On Monday, we were at Kiyindi in Buikwe District where a fisheries facility was constructed almost four to five years back, but it is now non-functional. We were told that the ministry officials are threatening to close it, but there is existing infrastructure for those fishermen who are still trying to ensure they enhance fish production so that we earn revenue from that sector.

I can tell you that Government, or the ministry in charge, has failed to maintain those facilities that were put in place after we secured a loan to finance them. This is an activity that would enable us to export more fish to the European markets.

I want to bring it to the attention of the House that several other loan facilities that have been approved by this Parliament and secured by Government need a thorough financial audit to enable us facilitate smooth implementation. There are just small issues that we need to fix to enable the facilities function. Look at CAIP II, for example; there are many markets and slaughter houses that were constructed but they are in the bushes and are non-functional.

We must do due diligence and make sure we avoid preventive corruption tendencies. We must avoid loss of the resources that are dearly needed by the people to improve their productivity levels and efficient service delivery.

I support the motion although I would like to request that as we get into approving capacity building as part of institutional strengthening, next year we should acquire loans to go to the fundamentals. We need to empower production, especially in the coffee sector, that needs urgent enhancement in production. We increase productivity by structuring the economy and making sure that the smallholders are also empowered. As we carry out land reforms and policies, we must also enhance the productivity levels of the smallholders by securing productive means which will help them increase productivity and upscale production levels. I thank you.

11.56

MR EDDIE KWIZERA (NRM, Bufumbira County East, Kisoro): Thank you, Mr Speaker. I also would like to thank the committee for the good work they have done. What worries me is that this

Parliament passes a lot of loan requests, which at times are not implemented. So, I would like to caution Government that after we have passed this request, please do the needful.

Mr Speaker and honourable members, when you look at the report, I want to say that there is a tendency of people hiding vital information and making us pass loan requests based on wrong information. When we talk of development of a labour force for tourism and you relate it to the construction of buildings, those are two different things. I would not like to support a report that recommends the construction of buildings instead of building capacity, meaning training our workforce. So, at appropriate time, we want that to clearly come out. We should not be talking about the construction of hotels when we can build capacity of our workforce without such construction.

Secondly, on page 23, under the implementing agencies listed, I find duplication. Whereas we appreciate the work that is being done by Uganda Wildlife Authority, the functional mandate of implementing the duties of tourism development falls under the mother ministry and the Uganda Tourism Board. So, it means that the work that is being done by Uganda Tourism Board includes that which is being done by the Uganda Wildlife Authority. This means that Uganda Wildlife Authority is just a component of UTB.

I will, at an appropriate time, move that we delete Uganda Wildlife Authority because if you bring in this authority then you have to also bring on board museums, culture, heritage and gorillas yet we would not like to go into those details. We would rather give the money to the ministry and the functional implementing agency, which is UTB, instead of hiding it in UWA, which actually already has more money than what they want.

I am reliably informed that UWA even has money on reserve and that last financial year they even failed to utilize the Shs 50billion that had been allocated to them. There is Shs 10billion in Crane Bank. So, why would you give money to those who already have it in excess and deny those that do not have it? Even then, UWA was not in the original project appraisal, which I looked at when we had a meeting with the World Bank officials here. It was just smuggled in. Actually, this matter can even be investigated.

On land registration, I would like to say there is need to have functional district land offices. We would not want to have the loans ending up at the ministry with our colleague, hon. Daudi Migereko, manning the funds. We should see decentralisation in practice. We want all these districts of Uganda to have functional district land offices to be able to get the same facilities and services we get from Kampala.

Mr Speaker, on the Uganda Registration Services Bureau, we need capacity. We need to help them because they contribute a lot in helping us know which businesses we are doing and it is based on this that we can collect a lot of tax. Doing business without being registered does not help us. We also need to amend the law so that for you to do business in Uganda, you must have local content. We do not want people to come here to be registered even when they are foreigners and tomorrow after they have conned Ugandans, we cannot trace them. We shall be happy if we can have laws that put some local content in our businesses. Thank you.

12.00

MR MUDIMI WAMAKUYU (NRM, Bulambuli County, Bulambuli): Thank you, Mr Speaker. I also support the motion. I would like the chairperson to clarify some issues. He has listed the areas to benefit but Mbale is not among them and yet they have an office there already. Why is it not listed and yet the lands office is there? (*Laughter*)

Secondly, this project has been under Ministry of Finance for many years. Mr Speaker, I wish to get details on how it has performed previously. I have seen cases where the committee has reported issues of non-performance. The committee has pointed out that the project faced challenges like poor management, procurement and all that. It is also giving a disclaimer that they should embed anti-

corruption and anti-fraud provisions in those bids. That means that they have sighted a grey area somewhere. So we need to know about the performance of the previous projects – at a later time – so that we see what was done. If we are trying to bring this disclaimer at this initial point, it means we are not certain about what we are doing.

Mr Speaker, I have seen the component of construction of a hotel and others. Where is this going to be? Is it going to be in South Sudan? They have not indicated which country the hotel will be.

Mr Speaker and members, we need to support the Uganda Registration Services Bureau. I was reading in the newspapers that their NTR half-yearly has hit Shs 22 billion. We need to support them because it is one of the areas from which Government is earning income. We need to strengthen them and support them and they can utilise part of the NTR. I agree with the committee that we can allow them to utilise it so that they can generate more money. This is because early this year, we were trying to look at passing a supplementary and URSB was bringing in issues of salary arrears. If they are generating money but are in arrears in terms of salary, what will happen? The motivation will be low. So, we should support them.

Mr Speaker, in every project you look at here, there is money for consultancy. Is it the design of the project? I have looked at the cost of consultants and they take 10 percent at the lower side. Why can't we empower Ugandans since there are many of them who can do this work? Now we have consultants who take almost half of the budget. These are many components and if in each component the implementation agency has money for consultancy, it means half of the budget will be spent on it. Otherwise, I support the motion and Government can go ahead and implement the project.

12.04

MR EDWARD BALIDDAWA (NRM, Kigulu County North, Iganga): Thank you, Mr Speaker. I thank you for finding time on the crowded Order Paper for us to discuss this important loan request. It is a request that is close to my heart because I think part of the component that we are dealing with is critical for the development of this country, and that is tourism.

I will remind members that tourism is the biggest foreign currency earner for this country. Last year, it brought in US\$820 million and it is estimated that this financial year we will be able to get around US\$1 billion. So, for us as a country to focus on tourism, there is no other way of doing it other than enabling the environment to perform and also give us the results we need.

I want to speak about the components of this loan request, especially the US\$12 million for the labour force capacity building. I am a little bit disappointed by the committee report for not bringing out the real reason why we are borrowing the US\$12 million. The committee talks of reconstruction and re-equipping of the school in Jinja. I come from Jinja and I do welcome this proposal. However, Uganda is not short of buildings; what we need is to empower our human resource.

I think from the very beginning, even in the project appraisal document, this was brought out - the inadequacy was in the capacity of our people. The people that are trained in Jinja are not even employed by the hotel owners in Jinja. Why? This is because they consider them half-baked or substandard. People are willing to get labour from Kenya. (*Mr Migereko rose*)-I know you own a hotel but I have the facts; you will make your submission when you get your time. I have the facts, honourable minister.

The bulk of the workforce in most of the hotels in Uganda comes from Kenya. Why? This is because the Kenyan labour force is regarded as productive, committed and professional. You cannot doubt that. For us as a country to compete with the Kenyans who are here, we must empower our labour force.

I want to remind this House that Kenya has a training school for hospitality called Utalii; this school collaborated with a Swiss international company to train trainers for them to be able to produce the

products they now have. That school produces 46 percent of their students for international markets. They are the ones you will find on all airlines in Asia and the Middle East. They are the ones working in resorts and hotels in the Middle East, including the Sheikhs in the Middle East. This is simply because their output is professional, reliable and productive.

As we speak now, Rwanda has just entered into a partnership agreement with an international hospitality institute in Switzerland to start a hospitality academy at Rwemera in Rwanda. They have realised that this is a big export for the country. So, as we think of constructing a hotel in Jinja, we should look at equipping and improving the output that we produce from Jinja. I know it is lucrative for us to go for hotel construction because there are very many loopholes we can use. *(Laughter)*-Yes. However, I think we should focus on finding an international, reputable company that we can twin with to train trainers that can give us output that we can even export and also produce jobs for our people.

Mr Speaker, on the US\$10 million for tourism promotion, the mandate of UTB is to promote market tourism and to develop tourism products. However, UTB has been starved of finances. We know as a fact that UTB's budget has been US\$90,000, in fact Shs240 million. Out of the Shs240 million, they have been using, they have been earning US\$820 million.

Uganda Tourism Board shares its budget with the ministry. So, UTB has been starved and there has not been any deliberate intention to build capacity at UTB. The institution itself has been crippled. So this is an opportunity. If there is some loan facility we are getting, US\$10 million should go specifically to UTB because every dollar we invest in tourism earns us 10 additional jobs.

As a country, we should refocus our priorities. I do personally object to this notion that some US\$10 million will go to some sort of basket called a steering committee as it has been structured. They do not want to tell us but that is the fact. There is some sort of amorphous steering committee whose membership we even do not know. They are saying this money will go to those people and they are the ones who will issue it out according to their discretion.

I want to appeal to honourable members; we should ring fence this money to go specifically to UTB. It is the one which is going to market this country. It is the one which is going to develop the products we have. Moreover, 75 percent of tourism products lie out of conservation areas. Fort Patiko, for example, is out of the national park. The rock paintings in Tororo are out of the national park. The source of the Nile and so many other tourism products are not in the national parks. So, really, these are the areas that UTB will be mandated to promote, develop and market. Therefore, as hon. Kwizera said, when the time comes we should move a motion to ring fence the US\$10 million specifically for UTB. I thank you, Mr Speaker, for allowing me to submit.

12.12

DR JEREMIAH TWA-TWA (NRM, Iki-Iki County, Budaka): Thank you, Mr Speaker. I would like to support the motion. First of all, let me thank the committee for making a very good report.

From what they have presented, I take it that some of the ingredients which are necessary for good business are definitely land, human resource and the legal component. However, in Uganda, as you know, only about 18 to 20 percent of the land is registered, which makes it very difficult for the private sector to access land and start business. So, if we okay this loan, the Ministry of Lands is going to use the money to improve the performance of that ministry to ensure that the land is registered and accessible.

The other component, which I appreciate, is the issue of registration of businesses. If businesses are not registered, it is very difficult for Government and other stakeholders who want to track the business owners to ensure that taxation is effected. I have been to the offices of Uganda Registration Services Bureau and I know the constraints they are facing in terms of both human resource and space. I think they need the money to improve the management of that sector.

When you look at the intended output of the project, which I have followed, the reduction in the number of days to register land from 52 days to 25 days is an improvement, which I think would be good if we funded this project. There is also reduction in the time which is taken to register businesses from 33 days to five days, which again is a good improvement.

Also, if we fund this project, it will increase international tourist arrivals from 945,000 to about 1.5 million, which is good. That is money coming into the country to make our economy grow. It will also improve employment in the tourism sector from 225,000 to about 300,000.

One of our colleagues talked about some of our workers in the hotels. This time, we should focus on developing our human resource- the hotel managers, the catering industry. We should ensure that they are trained to perform competitively with the Kenyans and others who are coming here to get these jobs.

It will also increase export of non-traditional products. Again, this is good. There are also direct project beneficiaries, who will also increase, particularly the number of females in employment.

So I would like to support this motion that we grant this loan to the sector so that we can improve our economy. I beg to support the motion.

12.16

MR YOROKAMU KATWIREMU (NRM, Sheema County South, Sheema): Thank you, Mr Speaker. Let me thank the committee for their report.

Looking at the components of the project to be financed, I have no objection in supporting the motion to borrow money to support those components. My discomfort, however, is on the nature of the management of the project. We had PMA at one time and one of the shortcomings of that project was that with so many little components, if you wanted people to take responsibility it was difficult to pinpoint exactly who was doing what. That is my discomfort with this kind of arrangement in this project. I would have been more comfortable if we identified elements that improve competitiveness in each sector and we finance them. We could say, "Lands goes to hon. Migereko and we have identified these components for competitiveness, and you take responsibility."

The problem we are going to have here with this project is that you have a committee of various ministries sitting together and when it comes to pinpointing responsibility for lack of performance, we are going to have a problem. That is my discomfort about the arrangement of the project. Otherwise, I have no problem with financing the individual components for improving competitiveness in the country.

If I knew that the component of tourism was under the Ministry of Tourism, then we would sit down and say, "Hon. Mutagamba, something is not working well." But here, people are going to shift responsibility.

The thing will become amorphous and this is a problem. At the end of the day, some of these projects are not going to perform and we want to pinpoint where the problem is and it will be difficult for us to catch those who are not working the way they should have designed the project. Otherwise, I support the motion but the design of these projects should really change so that we are able, as Parliament, to follow systematically where the responsibility lies. Thank you, Mr Speaker.

12.19

MR STEPHEN EKUMA (NRM, Bukedea County, Bukedea): Thank you, Mr Speaker. I also rise to support the motion, which is really timely because it is in the area of trade.

Allow me to bring to light some issues that have really been outstanding and which taxpayers have been raising on registration and loss of business. You will realise that the burden of tax payment in this country has been very limited to the few companies that are registered. However, when we broaden the registration of companies, we even go for these small enterprises which are getting huge profits which are needed or they do not participate in paying taxes. This will help us when we computerise the process of licensing companies.

There is also a tendency of double taxation. You will realise that today, you will register a company in the country as a local entrepreneur but for you to begin operating, you must have a licence from different organs of government; this is double taxation. You must get a licence from KCCA and the Uganda Revenue Authority must license you to operate. Maybe when we streamline this, it will help us develop our small enterprises and it will enable us strengthen the few enterprises that we are trying to come up with because it will help us check double taxation.

Mr Speaker, I also support the motion because it really brings out the objective of building capacity in the Ministry of Lands so that they can be able to register all the land in the country. I know we are talking of popularising land registration but up to now, I do not think the process has really taken off smoothly countrywide, but it is timely. This money has been allocated and appropriated and I think about US\$10 million is set for that.

We support that because currently, we have a challenge in this country; we have conflicts. We have new districts that have emerged but the borders have not been demarcated up to now. So, we must facilitate this. We have conflicts in districts. Boundaries of the old districts really need to be re-demarcated. So, I stand to support the motion. This money should be given to Government. I thank you very much.

12.22

MR STEPHEN TASHOBYA (NRM, Kajara County, Ntungamo): Thank you so much, Mr Speaker. I would like to add my voice to those that have supported procurement of this loan and say that right from the time of inception, I am among those Members of Parliament that were consulted and we gave our support that we should have this loan to support these institutions that are mentioned in this report. However, let me make a few comments.

I think hon. Kwizera was talking about the commitment of Government in supporting and providing the counterpart funding in order to have these loans running. We would like to get the assurance of Government. I would like to urge Government, but I also want to get their assurance that the US\$2.5 million counterpart funding by Government is going to be provided for in the budget, so that we do not approve the loan only for it to remain non-performing and idle. So, having given our support, we would like that assurance that in the coming budget, we will get the US\$2.5 million to support and have this loan running.

I support the land offices but I note that on many occasions when we are strengthening offices, we look at the traditional districts. Ntungamo has been conspicuously missing especially on matters to do with land. I want to get the response of the minister as to when Ntungamo, which is one of the biggest districts in the country covering a very wide population, shall get support to upgrade and have our land offices to the level that is anticipated after this loan is implemented.

Let me also express my support for the funds being committed to the Uganda Registration Services Bureau. Mr Speaker, the Uganda Registration Services Bureau is a child of this Parliament and we have advocated that it should be supported. It is one of those few institutions that generate money and I remember when appropriating the current budget, the Minister of Finance informed us that we should not only look at spending but we should also look at areas that generate revenue for this country.

Mr Speaker, in a very short time, in about two years' time, the URSB has been able to generate money from less than Shs300 million per year to the current more than Shs21 billion per year. In that budget, we provided for money to increase the allowances and salaries of the staff at the Uganda Registration Services Bureau. So, we now need to equip them; we need to give them the capacity, the operational funds, the computerisation, so that they are able to deliver. They have demonstrated to us that they can deliver not only in terms of ease of business and attracting investments, but also in generating revenue for the country.

In the same vein, I am happy that some money is being provided for constructing an office for the Uganda Registration Services Bureau. That is the way to go. Government departments and government institutions and ministries should be housed in their own offices. This is support, but I want an assurance from Government that after approving this loan for constructing an office, Government is going to provide land. I want assurance that the Uganda Land Commission is going to give the bureau land so that the project can get moving as soon as the money is provided.

Lastly, after giving URA its capacity, we would also want assurance from the Ministry of Finance that the services of the Uganda Registration Services Bureau are going to be expanded and be of benefit to the whole country. As of now, the Uganda Registrations Services Bureau is centred in Kampala and recently, we had an office in Gulu and at least another one has been opened up in Mbarara. The whole country needs these services.

Registration of births, registration of deaths and registration of companies is very expensive. For people to come from Kisoro to register companies in Mbarara or in Kampala for that matter, for people to come from Karamoja to come and register companies here is expensive. Can we have an assurance from Government or the responsible Minister for Finance that Government is going to provide money for expansion of your services, bring services nearer to the people and also to generate more revenue out of the services they are giving to this country? I thank you, Mr Speaker, for the time.

12.28

MR MICHAEL WERIKHE (NRM, Bungokho County South, Mbale): Thank you, Mr Speaker. I would also like to join my colleagues in thanking the committee for a very good report.

I will begin with the issue of strengthening the zonal or the land administration sector. As we know, Mr Speaker, in everything that we do, whether it is businesses or infrastructure, land is very critical. In order to have all these services or areas well organised, we need to have a well-planned and organised land system in this country. Therefore, when we are talking of equipping the land sector with facilities that will improve its efficiency, it is important that we support this motion.

I know zonal offices have kicked off, but we need to expedite the process of opening up zonal offices across the country, and thereby linking these zonal offices to the land information system here in Kampala. In this way, the whole system will be connected so that every Ugandan will know what is happening in every part of this country with regard to development of land.

The institution of the school of surveys and mapping in Entebbe: It is true Government has done some work here, but we need to continue expanding and equipping this school so that we have well trained career professionals in surveys, land management and physical planning. We still have shortage of these skills. It is important that when we pass this loan request, some of the money goes to strengthening these institutions.

The issue of systematic demarcation is very critical in helping some of the areas. In the Albertine Graben, for example, we have had challenges with regard to ownership and recognising the boundaries of these communal pieces of land. If we use part of this money, we will overcome some of those challenges and avoid the clashes we have seen in some of these areas. So, it is important that we get this funding to use it in that area.

I want also to add to what hon. Tashobya said about URBS; it is very critical to the development process of this country. As we talk now, they are hopping from one place to another. In fact, recently, we interfaced with the executive director in one of our committee meetings. As we talk, they are about to be kicked out of their current offices. It is important that we accord some of this money to URBS; it can be self-sustaining if we support it. As hon. Tashobya observed, within one year or even less, URBS has managed to raise money to the tune of Shs 21 billion. This shows that if this bureau is supported, we shall see more funding and self-sustenance from its own resources.

We also need to bear in mind that land registration, registration of businesses, licensing of various business in this country are interlinked. Therefore, as we strengthen the land registration system, we also need to strengthen the registration bureau.

On the issue of the tourism board, I must say that we need to support UTB. The money we are talking about is going to the ministry and the ministry will be able to consider which activities need to be strengthened, The Uganda Tourism Board is very critical in the process of promoting tourism in this country. So, I support the acquisition of this money. Mr Speaker, I support the motion. Thank you.

12.34

MR GILBERT OLANYA (Independent, Kilak County, Amuru): Thank you, Mr Speaker. I want to thank the committee for their good recommendations.

We need to strengthen the lands department and reorganise it. I seek clarification from the chair of the committee. When you mentioned reconstruction of zonal land offices, you listed Kabale, Luweero, Mityana, Mpigi, Moroto, Rukungiri, Soroti, Mukono and Tororo. I want to know the criteria you used to identify these zonal land offices. West Nile is not there, Lango sub-region is not there and Acholi sub-region is not included. These are the areas where we have serious land conflicts. If you go to the land offices in those areas, the records are not organised and everything is a total mess. So, I want to find out from the chairperson of the committee if those areas could be included.

Mr Speaker, still on land, now in Northern Uganda there are so many problems because of land. School land, hospital land – in fact Government land – is being claimed by people. They say their grandfathers bought the land before they were born. So, it would be prudent to have the land titles of all government land for schools, health centres, etc. All Government land should be properly registered with land titles to avoid problems in future.

I thank the committee for their good recommendations and I support the motion.

12.37

THE MINISTER FOR WATER AND ENVIRONMENT (Prof. Ephraim Kamuntu): Mr Speaker, I want to thank you very much for this opportunity. I want to context the debate.

First, this report is excellent because it has linked competitiveness to the previous programmes that have been put up. The importance of competitiveness is based on the vision we have for the country. Uganda's Vision 2040 is a transformed subsistence economy. It is simply to move the country from being third world to first world. That means a movement, and movement means speed. Incidentally, if you travel today, the essence of competitiveness is the speed at which you do things. You see the whole world in motion.

When you look at page 7 of the report, this is the essence of this motion. If you reduce the number of days you are registering land, think about it. Currently, it takes 52 days and that is almost two months. If it takes you two months to register land and you are competing with businesses which register land in three days, how can you compete?

Similarly, look at how you register businesses. Currently, to register a business takes 33 days. That is unbelievable because it is more than a month. If you are competing with others who register businesses in two to three days, you have no chance whatsoever. Yet, we must compete if we are going to move from third to first world.

Equally important, you must target areas of the economy that are generating revenue both in foreign exchange and local revenue. Here it says that internationally, Uganda gets 945 arrivals of tourists. If you increased that to about 1.5million – they put the numbers high –this should also put the earnings or the foreign exchange high.

Mr Speaker, Churchill in 1908 described Uganda as paradise on earth but this paradise on earth, nobody knows about it. That is why we are not getting all this. The potential of earning foreign exchange from tourism is incredible, only that the world knows virtually little about this land gifted by nature. So, this loan is intended to at least do some marketing to make the world – *(Interjections)* – Mr Speaker, I know that we do not have enough time.

I was simply going to argue as to why we should quickly approve and adopt this motion and only add something about the speed of implementation so that there is no delay. This loan request has been talked about for almost a year and it is now coming to Parliament and I hope it will be approved. Once this motion is adopted, what we really need to do is to urge the implementing institutions to urgently handle this whole exercise.

I only want to refer to what hon. Gilbert Olanya said about the location of land offices. I can tell you that I visited his constituency in Amuru on the same subject of land but this time it was about land for wildlife conservation. I can tell you that generally, land issues in Amuru – If you located an office in Amuru, it would be redundant –*(Interjections)*– I can tell you this because even hon. Gilbert Olanya is right here. *(Laughter)* Even to just register land in Amuru is hard. We need a bit more time to sensitize the population but we should not move at the speed of the slowest; consequently locating these offices where they have been located I think is appropriate.

Mr Speaker, I support the motion for Government to borrow US\$100million for this project. Similarly, as a former Minister of Tourism, I really support the allocation of funds to promote tourism both in capacity building as well as institutional building, and making UTB a focal point in marketing Uganda in the world. I know we will earn more than the money we are investing in it if the world can get to know what Uganda can offer. Once again, thank you, Mr Speaker.

12.43

THE MINISTER OF STATE FOR TRADE AND INDUSTRY (INDUSTRY) (Dr James Mutende): Thank you very much, Mr Speaker. I also want to thank the committee for presenting a wonderful report.

I just want to make some clarification at page 18 of the report where the committee recommends that Government fast tracks formulation of the industrial policy to guide development. I want to make it clear that actually, we do have an industrial policy which was approved by Cabinet in 2008 and has been the basis of a lot of reforms in that sector.

In fact, right now we are not stopping at just having the industrial policy; we have also gone into subsector policy development. We are now developing a bottled mineral water policy, for example. We also have a grains policy coming and we already have a sugar policy in place. The textile and leather policies are also coming up soon. All these are within that industrial policy. All these policies aim at value addition, job creation, environmental management and sustainable economic development. So, I just wanted that clarified.

As we came in, Mr Speaker, the Member holding the Floor was contributing on component three - page 12 - on tourism competitive development. The Member was kind of critiquing the current

training in the tourism sector. I want to say that as a country, we are moving very well with this sector. In fact, right now we have so many new products that are unique only to Uganda. I will just mention a few. On bird watching, Uganda is known to have perhaps the largest varying species of birds on the continent. We have game hunting, eco-tourism, white water rafting, gorilla tracking and all these are unique to Uganda.

When you look at number 7.3, one of the activities will be to review and accredit the training institute's curriculum and instructional programmes. I want to say that this is very necessary if we are to tap into these resources maximally. These are not conventional courses that are being taught. So really, I also stand to support the committee's recommendation for Government to borrow US\$100 million for this component. Thank you very much, Mr Speaker.

12.45

THE MINISTER FOR LANDS, HOUSING AND URBAN DEVELOPMENT (Mr Daudi Migereko): Thank you very much, Mr Speaker. I would like to thank the committee for a job well done. They engaged us for quite some time and we tried, as much as we could, to respond to the issues. We were also able to demonstrate fairly clearly that the first phase of the project had had impact and that therefore, we needed more funding to be in a position to reach out to more parts of the country, which has been the concern expressed by the honourable member for Bukedea.

The first phase did not cover the whole country. It only covered the areas of Wakiso, Mukono, Jinja, Masaka, Mbarara, KCCA, and of course the Survey Training School and the Land Information Centre on Yusuf Lule Road. However, because there were clear benefits that were demonstrated due to the efficiency and effectiveness that has so far been registered, it was thought by Government that we should procure more funds to reach out to other districts in the country. This is what this loan is intended to achieve.

Mr Speaker, I would like to confirm that a lot has been achieved as a result of the first phase of this loan. I would like to make a commitment that we shall be able to do even better when this second phase is put on the ground and the tranche of funding being sought has been approved by Parliament for us to access this money. Mr Speaker, honourable –(*Interjections*)

MR SSEBUNYA: I just want to seek some clarification from the honourable minister. We are not always in the field, so if he gives assurance that the second phase will perform just like the first did, then he has to give a report on the performance of the first project. Otherwise, there is no way we can verify this because we are not going to get into the field to get this information.

THE SPEAKER: I thought that is what the committee was supposed to do.

MR MIGEREKO: Mr Speaker, the issue being raised by the chair of the finance committee was attended to by the ministry through the Committee on National Economy. I do not think they would have been able to come out with this kind of report if they had not been in a position to satisfy themselves that the first phase had attained its intended objectives. I want to confirm that all that was required of us was done hence this kind of report. Mr Speaker –

THE SPEAKER: Honourable minister, there is only one issue that you need to deal with, and that is the issue of UTB and UWA. If you deal with those two, we conclude.

MR MIGEREKO: Mr Speaker, I would run into a lot of problems with my colleague, the Minister of Tourism, –

THE SPEAKER: Then why don't you let the responsible minister deal with that and we conclude this matter?

MR MIGEREKO: I wanted also to assure hon. Gilbert Olanya about the districts that are of concern to him. Offices have been constructed in Arua to cover West Nile, in Gulu to cover Acholi and in Lira to cover Lango. If you took time off to study the report on page 5, you would see that the committee has reported on this. Mr Speaker, I thought I needed to give that information because I know that you would also run into problems if that did not come out clearly.

On the issue of Ntungamo, it benefited from the first phase, from the programme of systematic demarcation and titling. Right now, as far as issuance of titles is concerned, it falls under Mbarara and it is going to be put online. We should be in a position to develop a fully-fledged office once we get more resources to finance the various components under our ministry. Similarly, Mbale was covered under phase I. It is only that under this phase, we shall be in a position to avail them with equipment and other accessories that they need so that they are in a position to operate much more effectively and efficiently.

Mr Speaker, there has been concern about the physical planning in the Albertine Grabben. Hon. Mukitale and others have repeatedly raised this issue in regard to availing funding for physical planning. Under this loan, we shall be in a position to pursue the physical planning in the oil-rich region of Uganda, and I can confirm that work has started. We are in the process of procuring consultants for that work. *(Interruption)*

MR STEPHEN TASHOBYA: Thank you, Mr Speaker, for giving me an opportunity to seek clarification from the minister. It is true that Ntungamo benefited from the first phase of surveying and titling as a pilot project under which Rukarango Parish in Kibatsi Sub-county was supposed to get land titles.

In the manifesto of NRM, Rukarango and the people of Kibatsi and Kajara were promised that their land titles would be delivered in the first year of Government. Can I get the assurance from the Minister as to when these land titles are going to be delivered to conclude that first phase?

MR MIGEREKO: Mr Speaker, hon. Tashobya is right; Ntungamo was one of the pilot districts. Some work was done but it got hampered due to lack of funding. I am sure that now that we are going to access funding, we should be in position to complete the work which was started on. I will be in position to communicate to him the date when the titles will be availed to the people of Ntungamo once we have completed the work.

Mr Speaker, I also want to thank Government and the committee for this allocation to address the issue of manpower in the tourism industry. As you have already heard from hon. Baliddawa, at a personal level I have a lot of interest in the tourism sector and I know that this loan in particular will go a long way towards boosting the needs of the tourism industry and creating capacity for Uganda to be competitive in the tourism sector. Thank you. I call upon everybody to support this loan request.

12.53

THE MINISTER FOR TOURISM AND WILDLIFE (Mrs Maria Mutagamba): Thank you, Mr Speaker. I thank the members for supporting the motion and I am grateful that new ideas are emerging.

First, I want to say that this competitiveness project, especially for the tourism sector, emerged as a result of rapid assessment of the tourism sector potential that was carried out in 2012. It was realised that our potential as a country has not been fully exploited and we needed to build capacity within the ministry and all other agencies that operate so that we can be competitive within the region.

To that regard, the component for tourism, as we have already been told, has three sub-components: One, development of the labour force for the tourism sector, which is allocated US\$12 million. This is to develop the labour force, both in training and the facilities available for them.

At the moment, as it has been said, we have got rudimentary training and if we want to build capacity, we have to go to neighbouring countries. But the neighbouring countries are not going to help us develop our cuisine with our own resources. So, we need to have facilities that can help us develop our uniqueness as a country. So, I appreciate that this money has been ring-fenced for that.

Two, we have capacity building for the Ministry of Tourism and Wildlife and the Uganda Tourism Board. This one is about US\$3 million. This is to build capacity within the ministry. You will realise that the ministry is understaffed and also under-equipped and at the same time under-skilled. We need to be able to develop capacity. So, we all appreciate this component and there is no contention about it.

Three, we have the tourism products' planning, packaging and promotion, which is US\$10 million. This is a project which is meant to bring on board new products and promote them. Colleagues, I want to assure you and the rest of Ugandans that this is the project that we think is going to turn around the development of products, the marketing and promotion. This project is really important and that is why members were calling for the promotion of UTB.

I want to assure you that our biggest promotion card right now are the national parks. That is what we have been marketing and we need to consolidate that and put more emphasis on it. About two weeks ago, I was in Botswana and Uganda has been listed as one of the areas that are not responding to the African elephant conservation. We need to put in money, and I actually signed an undertaking to implement emergency measures – 13 of them – where Uganda is committed within one year to make a difference. So, those are some of the areas.

On the other hand, we also looked at other areas. I have a directive, and it is from the people of Busoga, to develop Namugongo Peninsula, where we are supposed to create new protection for animals so that we can have the people of the sub-region also access rare animals that are not in that place. So, that is one way of developing clusters. We are now trying to develop clusters and make sure that wildlife is introduced even in areas where it has not been.

Thirdly, we are also trying to encourage wildlife farmers. When I went to Zambia, we visited people who are keeping lions and elephants and they carry out tourism as people flock to those places. We have not yet started that but we also want to do something like that. People do not have to drive to Kidepo to see an elephant; we can have them somewhere in Nakasongola or elsewhere. (*Interruption*)

MR EDDIE KWIZERA: Thank you, Mr Speaker. I would like the minister to clarify to this House as to whether the absence of game ranching is because of lack of money or it is because of lack of legislation.

MRS MUTAGAMBA: Thank you very much. It is indeed not only because of this money; there is a lot that needs to be done, including the legislation. We are trying to build all that.

I want to assure this House that this money being proposed can actually be ring-fenced to the ministry. Of course, this project is not cast in stone. I want all the stakeholders, starting with Parliament – Here in Parliament we have two for a; we have got the parliamentary Committee on Trade, Tourism and Industry and we also have the Tourism Forum in this House. These are stakeholders. We have also got the lobby group outside in the private sector. We have also got the coordination committee. All these fora are going to monitor us to make sure that we utilise these funds. This is the first time we are getting this kind of money and we want to make sure that we succeed.

There was also a question about Mbale. I want to assure you that we are trying as much as possible, and I want to call upon Members of Parliament and leaders to take the lead. I will be going to Kinkiizi next week, I have been to Kigezi and I have been to Busoga. So, I call upon the people from Mt

Elgon, from Bugisu, to consolidate the initiative that you started, the Bugisu Tourism Initiative. We shall be there now that we have some money.

Somebody said this money is going to an amorphous steering committee. Mr Speaker, I want to assure the House that the steering committee is chaired by none other than the Permanent Secretary/Secretary to the Treasury, Mr Muhakanizi. Members of the committee include permanent secretaries from my ministry, Ministry of Finance and Ministry of Lands, and also top management from the private sector. So, that is the cream that is going to manage this project, and then individual ministries will also look out for their segments. Of course, with the watchful eye of this House, I am sure this money is going to be very instrumental in making a difference in our lives.

I want to thank Members for the contributions and I want to assure you that given this amount of money, we are going to make a difference. I will come back here- There was one question about UWA making money. We indeed make money but I want to come back to this House and make sure that UTB makes more money. We have in our law the tourism levy, which has not been implemented. I have been negotiating with the Ministry of Finance and I hope in the next budget cycle we shall have UTB implement a levy that is going to generate funds for the tourism sector. I thank you very much.

THE DEPUTY SPEAKER: Honourable members, the motion is for the adoption of the report – Motion?

1.01

MR EDDIE KWIZERA (NRM, Bufumbira County East, Kisoro): Mr Speaker, my motion is to amend recommendation No. 10 by deleting Uganda Wildlife Authority from the beneficiary institutions since Uganda Wildlife Authority products are a component of UTB. I beg to move, Mr Speaker.

THE DEPUTY SPEAKER: Is that a motion? What is the complication with this recommendation? Can we get some understanding on this? Is there any complication with having it the way it is, Mr Chairman?

MR MUKITALE: Mr Speaker, I thought with the minister's explanation I would stay back but let me first of all-

THE DEPUTY SPEAKER: No, is there a complication with the framing of this and what would the implication be? Does removing UWA add any value to that recommendation? That is the direct question.

MR MUKITALE: Not to my knowledge and the committee's. However, there is hegemony of UTB and UWA on who should hold the US\$ 10 million. It is a problem, which should not crop up at this level of loan scrutiny by the Committee on National Economy -(Interjections)- Can I submit?

This project was conceived three and a half years ago. It has gone through a rigorous project appraisal process. The different stakeholders in these ministries have interfaced with the project appraisal. They have submitted their project proposals to the appraisal team and the development partner.

The information we got, and I thought the minister would bring it out, is that UTB, given the challenges they have been grappling with, did not submit a document which would qualify them to take all the money. As rightly put, UWA seems to be a slightly more organised institution and as a country, we have also been using national parks as a marketing component. So, it would be wrong for us to try and fix problems of our institutions on the Floor here.

THE DEPUTY SPEAKER: Okay, Mr Chairman, what value is added by listing the beneficiary institutions? Why don't you just say, "...operating procedures among the beneficiary institutions that are well defined so that there is efficient..." instead of listing them because the list is not exhaustive?

MR MUKITALE: Mr Speaker, I have no problem with leaving it general, but I would like this matter to be handled by the relevant Committee on Tourism, Trade and Industry. That is not the mandate of the Committee on National Economy. That is why we are saying the committee should find time to scrutinise the implementation of this project. At this point, I do not see why we should-

THE DEPUTY SPEAKER: Just leave it at "...beneficiary institutions that are well defined..." Is there any value in listing them?

MR KWIZERA: Mr Speaker, I appreciate what the chairman is saying. However, when he refers to beneficiary institutions and he includes Uganda Wildlife Authority and UTB, both organisations have clear mandates; one is a conservation organisation, another is a tourism organisation.

A weakness in any Government body like UTB is a weakness of Government, so you cannot blame it on them. We would want to be very clear that we are promoting tourism and the organisation charged with the promotion of tourism is UTB. If we are to talk about beneficiary organisations, we would rather say it goes to the ministry and the ministry will take up stakeholders involved in tourism. If you bring in Uganda Wildlife Authority and then UTB, you are promoting institutional conflict and you are undermining yourself.

THE DEPUTY SPEAKER: Will what has been proposed solve the problem, of leaving the beneficiary institutions to be at the operational level rather than at this level?

MR KWIZERA: I would agree that we leave them at operational level and it goes to the ministry. The ministry will then identify the agencies that are involved in tourism.

THE DEPUTY SPEAKER: Okay. It is accordingly handled like that.

MR MUKITALE: Mr Speaker, I agree with you entirely. This is largely an executive function and not that of the Committee on National Economy. So, we can leave it generally to the ministry. That is why the committee should follow it up with the ministry at implementation stage. It is really not so much our business.

THE DEPUTY SPEAKER: Should I put the question to the motion now? Let me put the question to the motion.

MR SEBUNYA: Mr Speaker, can the hon. Kwizera withdraw his motion officially now that he has allowed this to be-

THE DEPUTY SPEAKER: It is withdrawn.

MR KWIZERA: Mr Speaker, I was moving an amendment and the chairman said that we would delete all these institutions and the Government will take up from there. Our recommendation should show less of the beneficiary institutions specifically.

THE DEPUTY SPEAKER: That is fine now. We agree with that final position, that we will just stop at "...there exists standard operating procedures among the other beneficiary institutions that are well defined so that there is efficient and adequate oversight of the entire project". Is that okay?

Now I put the question to the motion for the adoption of the report of the Committee on National Economy on the request by the Government to borrow SDR 66.1 million, which is equivalent to US\$ 100 million, from the International Development Association of the World Bank Group to finance the Competitiveness and Enterprise Development Project. I put the question to that motion.

(Question put and agreed to.)

THE DEPUTY SPEAKER: Honourable members, today we have both morning and afternoon sittings. Let us see how much of this next item we can cover.

BILLS
SECOND READING

THE PLANT VARIETY PROTECTION BILL, 2010

1.09

THE MINISTER OF STATE FOR AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES (AGRICULTURE) (Prof. Zerubabel Nyiira): Mr Speaker, I beg to move that the Plant Variety Protection Bill be read for the second time.

THE DEPUTY SPEAKER: Is the motion seconded for the Bill to be read the second time? It is seconded by the Minister of Information, the Minister for Lands, and the Minister of State for Industry.

PROF. NYIIRA: Mr Speaker, the object of the Plant Variety Protection Bill, 2012 is to promote development of new varieties; improve research on development of new plant varieties; protect plants breeders' rights and sharing of benefits; and encourage innovations in the plant breeding sector.

It is also meant to benefit the scientists who are involved in producing new varieties for the improvement of the agricultural economy. It is also meant to regulate new varieties originating from outside of this country and protect the local research and seed industry.

The Plant Variety Protection Bill, 2012 will also promote the seed industry in this country. It will also help in the supply of good quality seeds and seed stock for planting materials for our farmers. Mr Speaker, it is important for us to note that there are new techniques that are being applied in the production and provision of new planting material and these go through a process that must be regulated and protected. The plant breeding industry is a business and as such, it has to be protected because there are investments in that area. It is important that we realise that it has got economic value but also in public research institutions, there is knowledge that must be regulated and protected, which bears quality and has value.

Mr Speaker, the Bill that is before us will foster agricultural science and technology. It will also enhance agricultural production and productivity and an overall agricultural based economy for this country. I beg to move.

THE DEPUTY SPEAKER: That is the motion for second reading. Honourable members, we recall that this Bill was sent to the committee and the committee is ready with their report. Mr Chairman.

1.12

THE CHAIRPERSON, COMMITTEE ON AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES (Mr Mathias Kasamba): Mr Speaker, I take this opportunity to thank Parliament. We have prepared a committee report as far as the Bill is concerned but before I submit the committee report, allow me to lay on the Table the minutes, the minister's responses, responses from the various agencies we interacted with in as far as the Bill formulation and scrutiny is concerned.

I lay on the Table the minutes of the meetings we had on the Bill and the interactions we had.

THE DEPUTY SPEAKER: Let the records capture that. Thank you.

MR KASAMBA: Mr Speaker, the Plant Variety Protection Bill, 2012 was read for the first time on 7 February 2012 and referred to the Committee on Agriculture, Animal Industry and Fisheries in

accordance with rules 112 and 113 of the Rules of Procedure of Parliament. In analysing the Bill, the committee was guided by rule 113 of the Rules of Procedure of Parliament.

During the analysis of the Bill, the committee discussed the Bill and received memoranda from the following stakeholders:

1. The Ministry of Agriculture, Animal Industry and Fisheries;
2. National Agricultural Research Organisation;
3. African Forum for Agricultural Advisory Services; 4. Uganda Forum for Agricultural Advisory Services; 5. Science Foundation for Livelihoods and Development; and
6. Plant Variety Protection Bill Stakeholders' Working Group.

The object of the Bill is to provide for the promotion of the development of new plant varieties and their protection as a means of enhancing breeders innovations and rewards through granting of plant breeders rights and for related matters.

Observations

The committee observed that:

a) On policy and the principle of the Bill:

- The Bill balances the interest of the scientists and plant breeders and the small scale farmers, who will use the varieties for non-commercial purposes.
- The Bill seeks to protect the rights of the breeders over varieties developed by them.
- The Bill creates incentives for breeders to develop new varieties.

b) There is no law to protect the plant breeders therefore Uganda cannot participate in multilateral trade in crop varieties.

c) The Bill proposes remedies to:

- recognise and protect the rights of breeders;
- promote mechanisms for sharing benefits arising from the use of the varieties;
- provide institutional mechanisms for implementation;
- promotes improvement of productivity and profitability within the breeders.

Mr Speaker, the committee recommends that the Plant Varieties Bill, 2010 be passed into law subject to amendments. I beg to move.

THE DEPUTY SPEAKER: Thank you very much, Mr Chairman, for a very precise report. Honourable members, this is a motion on the principles of the Bill. I propose the question for your debate. I propose the question that the Bill entitled "The Plant Variety Protection Bill, 2010" be read the second time.

1.16

MR ROBERT SSEBUNYA (NRM, Kyadondo County North, Wakiso): Thank you so much, Mr Speaker. This is a Bill that has been on the shelves for a very long time; I am surprised by the shortness of the report. However, that is appropriate because there is nothing much we can say. We cannot pass, or we have had problems in passing, the Biotechnology and Biosafety Bill because it was said that we should first pass the Plant Variety Protection Bill.

Given my small background in agriculture, I know that many agriculturalists, including mainly breeders, have complained for a long time that the country benefits and the individuals who put in the effort never benefit. At least if this Bill had been passed 20 years ago, one of the families that should

have been rich would be the Kibiriges –(Laughter)– because they would have earned money from clonal coffee. Many other doctors would have also benefitted.

There is a man who created the Nalubaale bean called Mukasa and Prof. Nyiira knows him very well. He died a pauper and yet he had created a bean variety that has sustained Uganda for more than 30 years until recently when they developed new varieties. The Dr Sengoobas of this world would have been rich ladies. However, that said, we need to pass this Bill.

I benefited from a trip which my chairman here of the Committee on National Economy organised to Kericho –the tea growing area - and we found researchers basking in the joy of being breeders. They breed and get varieties that they sell in the east and central region and the country benefits and there is a percentage that goes to the individual breeders.

So, I encourage us to pass this law. I have not looked at the details of the percentage mentioned in the law, but if we do not state it, people shall be haggling about how much the breeder takes, - is it 70 per cent or is it 60 per cent? –or how much the state should take. In the Bill, we should endeavour to include the specific details. I thank you, Mr Speaker.

1.19

MR WILLIAM KWEMARA (NRM, Kyaka County, Kyegegwa): Thank you so much, Mr Speaker. I equally support the motion because technology is the way to go. However, I have got some few reservations, and if these are addressed I would be a happy man.

First, I would like to comment on the synchronising of these Bills at the different legal regimes. Today we are looking at the Plant Variety Protection Bill and the other day we had issues with the GMO Bill, much as it is not yet here. I am wondering because the plant varieties we are trying to protect could be arrived at by technology and the GMOs are one component of biotechnology. So, which should come first? Is it the Plant Variety Protection Bill or the Biotechnology and Biosafety Bill?

Secondly, I think plant variety rights are a form of intellectual property. The other time we had a Bill here on industrial property rights and we had a very big argument on where registration should take place. I argued strongly on this Floor that we should have an intellectual property office. I was defeated and registration was taken to the Uganda Registrations Services Bureau. I argued that the Uganda Registration Services Bureau is not competent to handle intellectual property.

Now we are dealing with intellectual property again. Where is the registration for these plant varieties going to take place? Do we again take it to the Uganda Registration Services Bureau? If we are providing for registration within the Ministry of Agriculture, aren't we getting disjointed?

To the minister, we are talking of plant protection today, but I am aware that Uganda does not have a seed policy. Wouldn't it be prudent to have a seed policy before we even think of having this law?

Another concern is: it is true we need to support innovation, investment and research in seed production, but we have to maintain a careful balance between supporting investment and innovation and protecting seed security for the small farmers. I hope the law has provided for that.

I know we are under international obligation to pass this law. If we have to join the Union for the Protection of New Varieties of Plants (UPOV), we must have this law, but how are we providing for the needs of small farmers? We need some flexibility. To protect rights does not mean just the law; there are other means of protecting breeders' rights, like we have got biological protection. Thank you, Mr Speaker.

1.22

MS JOVAH KAMATEEKA (NRM, Woman Representative, Mitooma): Thank you, Mr Speaker. I want to associate myself with the contribution of the honourable member because he has raised very fundamental issues. I primarily rise to support the motion and the recommendations of the committee.

I believe it is high time we established plant variety protection so that we can encourage research and lay a firm foundation for effective agricultural production in this country. Up to now, we still depend on the natural element; research is still negatively impacted by the so many fears we have. Every time Bills come here promoting new technology, we express fears, wanting to preserve our natural or traditional plant varieties. So it is the fears that are keeping us back. I believe if this law is enacted, it will encourage further research.

As hon. Kibirige Ssebunya said, for the breeders to be able to enjoy the work that they do and benefit from their research, to be able to sell the varieties they come up with and watch the high yields that come from their work, they must be encouraged. We cannot continue to be held back because of lack of protection by the law. So I support the recommendations and the establishment of a plant variety protection office that will help regulate these varieties and this particular area of science. I thank you.

1.25

MR MICHAEL MAWANDA (NRM, Igara County East, Bushenyi): Thank you, Mr Speaker. I rise to join my colleagues in thanking the committee for a very good and brief report. I would like to add some one or two points to their brief report.

It is timely to have this Bill passed. It will go a long way in sorting out various problems in the agricultural sector, bearing in mind that the backbone of Uganda's economy is agriculture. I have been relating this to the Government of Zimbabwe. Recently, we were in Zimbabwe and we found out that Zimbabwe has this law in place and this has helped to increase production. In Zimbabwe, you can harvest 4000 kilograms of cotton from one acre while in Uganda it is between 80 to 120 kilograms. You can see the very big difference.

If this law is passed and the breeders are motivated to multiply seeds, it will go a long way in solving the issue of creating employment in the agriculture sector. Secondly, it will also motivate the breeders to produce resistant crops. In western Uganda, particularly in my constituency, Igara East, bananas are being wiped out by the banana wilt and the existing bananas are no longer resistant to the diseases. So, if we motivate the breeders, they can work hard knowing that if one comes up with a resistant crop, they will benefit from it. I wholeheartedly support the motion.

1.27

MR YOROKAMU KATWIREMU (NRM, Sheema County South, Sheema): Thank you, Mr Speaker, for this opportunity. I want to join my colleagues in thanking the committee for their brief but important report.

Mr Speaker, I welcome this Bill and I support the motion, especially since this Bill is coming before the GMO Bill. Our land tenure system is such that the plots are getting smaller and we need to increase the productivity of our land per acreage. When conventional methods end, then science takes over.

I would like to allay the fears of some of our colleagues who look at scientific innovation with a lot of suspicion. The fundamental issue in the Biosafety and Biotechnology Bill, which came to this House, was plant and animal innovation and varieties. When you scientifically manipulate the details inside a plant or an animal, some of the products you will come out with are genetically modified organisms. This Bill will therefore help us to deal with the GMOs in the Biosafety and Biotechnology Bill in a much better way. We will understand the plant varieties better so that we can deal with them better when we come to that Bill.

Mr Speaker, I have visited Namulonge and Kawanda research institutions. I would like to say that the frustrating thing for most of our scientists is that while they do a lot of work, other countries take up that work and they release it to the public. They have mechanisms for their scientists to develop it more and the countries benefit, but in Uganda we do not have a similar provision. This has frustrated our very good scientists, to the extent that some of our scientists have left Uganda for other countries to export knowledge and the Uganda that has trained them is not benefitting.

Mr Speaker, this is why I want to say that this Bill is very critical. It will help us in the retention of our good scientists and encourage them to do more research. I would like to encourage Members to take off time and visit our research centres that have been well equipped from the budgets we provide for them in Parliament.

Mr Speaker, we have issues of food security. As my colleague from Igara East has pointed out, for some of us who grow bananas on a large scale, because it is our main food crop, we have been having difficulties dealing with banana wilt. However, as we talk, scientists at Kawanda have come up with a variety of bananas that resist this wilt but it cannot be released to the public because we have no law. This is another reason as to why this law is very important. So, I support it because we hope that it will help in handling some of our food security problems.

Finally, I want to thank the committee for doing a good job. We shall deal with other provisions when we come to the committee stage. Otherwise, I thank the committee for doing a wonderful job. Thank you.

1.33

MR STEPHEN MUKITALE (NRM, Buliisa County, Buliisa): Thank you so much, Mr Speaker. I also would like to thank the committee for doing good research.

My first concern, however, is that this very important Bill, the Plant Variety Protection Bill, 2010 should have been fast tracked immediately. This Bill came up at a time when our bananas were being threatened and we have also just gone through coffee challenges. We have a project where Uganda is supposed to be a centre of excellence in cassava research, but some areas in this country already have problems with the cassava plant. So, I cannot over-emphasise the need to protect our plants.

I am so happy that we can now give incentives to our researchers and scientists so that we encourage them to help this country in dealing with challenges of low yields - how can we get high yield breeds? How do we deal pests? We already have a challenge of drought at a time when it is not expected. Those who expect a dry season in July experience it in May. That happened this year. So, how we deal with drought resistant breeds is a challenge. We also still have challenges of diseases. So, it is very important that we get researchers motivated.

The other challenge is that there are a lot of research findings which do not leave the laboratories and research centres. I think beyond this money, where we are trying to give them something for every finding, we should try to bring back our demonstration centres. Those DFIs were very good. Today you have to visit a model farmer in Busesa, for example, who has never practiced agriculture but just because they succeeded out of luck.

Why don't we promote these researchers by providing funding for the setup of demonstration farms instead of giving money from NAADS to people who will never succeed? These people should be assisted to set up demonstration farms, at least one in every district, so that we can replicate and multiply these technologies for the country.

Honourable minister, as we discuss this, hon. Kasule Lumumba has reminded me of a very interesting finding at Kericho tea research centre. In Uganda, one of the areas that is so promising is the tea sector, but you will realise that we have not invested enough in tea research. I hear Kigezi is also now going for tea planting. We would all like to do plant tea in most areas of Uganda where it is ideal, but

we have also got to realise that the Kericho tea centre was formerly an East African Community facility. They had then plans to work with Kituuza but we have been told that Kituuza is now going to be used for coffee and cocoa. However, because Mukwano has been doing a good job in Tooro, I think you are trying to look at Rwebitaba.

I would like to urge Government, as we try and build the East African Common Market, to try and see how we can synergize and network with the Kericho Tea Research. They are so sophisticated. We saw tea that has lasted for 75 years and it is still yielding. So, there is a lot we can do. Areas of perennial agriculture are the ones that will help fight poverty amongst our people. You can imagine finding somebody still selling tea from a plantation that was put in place by their grandfather. How I wish I can plant tea and my grandchildren, 70 years from now, can also sell it. So, this is a very important Bill. It was required yesterday.

We should try to link researchers, breeders and scientists with the private sector. Mukwano Enterprises, for example, is doing a lot in vegetable oil and those of us who are neighbours of Acholi and Lango areas can testify to that. They are also doing so well with the Kalangala project for palm oil. We need to link the private sector to these researchers to enable the informal sector benefit from this. It is very important that we link research to a nucleus project, most importantly to smallholders and out growers, for us to see transformation of the lives of our people.

I want to support the motion for adoption of the Bill that focuses on actualizing this Plant Variety Protection Bill. Thank you so much, Mr Speaker.

1.38

MS MARGARET IRIAMA (NRM, Woman Representative, Moroto): Thank you very much, Mr Speaker. I also join the rest of the members in thanking the Committee on Agriculture for coming up with this very good report.

Mr Speaker, looking at the vision of our country, Vision 2040 - ensuring our economy is growing - it is so important that we support this motion. Of course, I also know it will be advantageous, especially to farmers, to have a good income and increase their family income support.

Mr Speaker, I have reservations in regard to this Bill, even though I support the motion. First of all, I wonder whether this Bill is not going to create conflict with regard to intellectual property rights. This points out issues of identities; I do not know whether there will be conflict.

Secondly, looking at the market, when we compare the natural products to the improved products, the natural products are more expensive than the improved ones. So, my fear and question is: by having these improved products, are we not going to have issues with chemicals? I remember when we discussed the issue of GMOs recently, it caused a lot of controversy. So, that is one of the fears I have.

My last question is: Won't these improved varieties of either plants or animals interfere with our culture? How are we going to protect our culture? These are my reservations on the Bill, much as I support it. Thank you.

1.41

MR TONNY AYO O (NRM, Kwania County, Apac): Thank you, Mr Speaker. I stand to support the proposal by the committee.

First of all, we still need a lot of research in the area of agriculture in order to improve on productivity. This can only be achieved if the researchers are motivated. Most of our plant breeders were acting underground; they sit in the laboratory day and night, they produce good breeds of plants but nobody will know the brain behind *epuripur* sorghum, which is now popularly used for making beer, or the much enjoyed variety of beans. This can demotivate these scientists. So as we put science

forward, we shall begin recognising them first. We shall then have the possibility of acknowledging them for producing a good variety and Government recognises or pays them for that. That can motivate many other breeders to come up, and this will promote our productivity.

Mr Speaker, my only concern, where we would need to be careful, is where we have companies like Monsanto. We have just rejected the GMO Bill here. I think we should put a provision where we can avoid such companies using our breeders to indirectly breed products which are more or less like GMOs. This is an area where we will need to put a check. If we do not do that, they may use breeders to come up privately and then at the end of the day we end up having plants that are more or less GMOs.

This is where I would like to ask the committee chairperson to put into consideration provisions where we can check them, to avoid indirectly opening a way for GMOs. Such companies would use this law we are putting in place to enable them bring in GMOs, which we are trying to prevent. That is my main concern. Thank you.

1.43

MR AMOS LUGOLOOBI (Ntenjeru County North, Kayunga): Thank you, Mr Speaker. I wish to support this motion and make the following observations:

One, in providing these rights to the researchers, we need to recognise the importance of funding research and development (R&D) in the country. As it is today, R&D is one of the least-funded areas and yet as we appreciate, it is research which will take us to the next generation. If we are to succeed at all, we must fund research. So as we approve this Bill, my view is that the budget allocation that goes to R&D should be greatly enhanced. We are not comparable with any other country in terms of the amount of money we provide to these areas; ours is still very low.

Two, much of our research, especially in agriculture, is donor-dominated. When you talk about NARO, today their budget is, I believe, 80 percent contributed by the donors. With such domination, there is no independence as a country. How are we going to protect research products when we are not able to fund our own research activities? So, Mr Speaker, I want to move that through a separate arrangement, we consider funding R&D and making sure that the donors actually do not dominate this area.

There is the issue of availing these rights to the researchers; how does the Government that could have funded the research recoup its investment? As you know, most of these scientists are basically broke; they do not have the money to invest in research. So the Government has to come in to fund this research. I wonder whether this law has a provision on how Government is going to recoup its investment from these researchers. In a certain section, we are giving them exclusive rights to sell for over 20 years, but over the years Government has been investing money in these researchers; so, how do we recoup that investment?

Finally, I have thought about the retrospective application of this law and I do not know if that is feasible. For great researchers like those that came up with clonal coffee, which pushed this country forward, could we consider a retrospective application of this law? I rest my case.

1.47

DR KENNETH OMONA (NRM, Kaberamaido County, Kaberamaido): Thank you, Mr Speaker. I thank the committee for this very precise and concise report.

Like my colleagues, I want to say that this Bill should have come yesterday. It is a fundamental truth that the stress we have on the space available for food production, coupled with the challenges of disease, among other environmental challenges, challenges man to come up with innovations that will enable production of enough food for the subsequent generations.

It is also true that our scientists have developed capacity for greater scientific innovations and creation of varieties of plants, among others, that are important to feed our increasing population. I was recently mesmerised when I saw a name of a Ugandan scientist on the wall of fame in a South African university. They were asking how we have enabled our scientist to come up with varieties that the world will also come to see.

One farmer in South Africa told me, “You, Ugandans, have now become professional bench-markers in South Africa; I have seen very many MPs come here and now I have seen you. When will you stop coming here to benchmark or when shall we also hear that you are implementing what you have seen here?” This was just an ordinary farmer. It is important that we begin to fast track some of these efforts.

What our scientists now lack is, first of all, the law that will enable them roll out the products of their innovations. The other thing they lack is innovation per se. That is very important. Every effort by a human being, even an animal, needs motivation and this law will provide that.

Mr Speaker, like my colleagues have said, I think we should not fear names I always hear. Just like my colleague from Kwania said, there is fear about the people from Monsanto. Colleagues, I want to tell you that contrary to what you think, from a business sense Monsanto would not be happy to see our own scientists come up with innovations that will compete with their own innovations in the market. So, it is really not possible that Monsanto would promote innovations here to compete with their own dominance in the world. I think this is not right. We should begin to desist from it because, first of all, our own scientists here have done a lot.

I want to implore you, colleagues, to go to some of these research institutions and see what our scientists have done. When you talk about innovations like GMOs, for example, there are already GMOs in Uganda but they cannot be rolled out; they are under controlled field trials because the laws do not allow them. We have them.

I want to say that the challenges of food security, among others, are with us here, the answers are also with us here and the option is also with us. We either choose the solution or we live to suffer the consequences that will befall our plants. Thank you, Mr Speaker.

1.51

THE MINISTER OF STATE FOR HEALTH (GENERAL DUTIES) (Ms Sarah Kataike):
Thank you, Mr Speaker. I would like to join my colleagues to support the motion.

As a former scientist behind there in the laboratory, I would like to emphasise that I am aware that our scientists are doing a lot but they were getting frustrated that they had nowhere to place their work in a credible manner. This Bill, which hopefully we are going to pass into law very soon, will enable academic growth for our scientists and also as a nation we shall earn because as our scientists grow, we are going to earn more socially and economically.

My focus is also for us as a country to build on solving our current challenges. In Uganda today, we see that our unit productivity has greatly gone down and this can only be answered if equally, we bring in new varieties which can respond to our current challenges.

However, when I browse through the Bill, I have a little discomfort. We talk about institutional arrangements, which are going to assist in the regulation, but I do not see the Bill clearly answering the concern of people who sneak genotypes into the country which directly either dilute our current work or they bring in pests and diseases. We are aware that most of the diseases we have were brought in by people, including the water hyacinth, which was brought by people who thought they were bringing flowers. So, I would like to see this law protect not only the production of our material but also have proper regulatory mechanisms so that the work done is not affected.

Lastly, I also want to concur that it is not only this law that will help us reach the final conclusion on issues of agricultural productivity. We must also address the Biosafety and Biotechnology Bill because this is the way forward. Thank you, Mr Speaker.

THE DEPUTY SPEAKER: Thank you very much. Honourable members, those are the discussions. Honourable minister, do you want to make a quick response to some of the issues or should I put the question for the second reading?

1.54

THE MINISTER OF STATE FOR AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES (AGRICULTURE) (Prof. Zerubabel Nyiira): Mr Speaker, the views presented here are very useful indeed. I want to thank my colleagues and you, the Speaker, for supporting this motion because this Bill is long overdue.

The views, which have been given, indeed are very vital. I should perhaps mention that there will not be any conflict between this Bill and all the other Acts that will be in place. The intellectual property law clearly is on knowledge. The Industrial Property Act is on the application of that knowledge. Therefore, we find that even the innovations that will come through the Intellectual Property Act as well as the Industrial Property Act will certainly not in any way conflict. In as far as some of the other issues of publication are concerned, including the implementation or operationalisation of any of the elements in detail, those will be taken care of by the statutory instruments that will be given at different times.

I should mention that these laws, including the Biosafety and Biotechnology Bill that has been discussed for a long time, are really meant to safeguard this country. They are meant to safeguard our agricultural economy and to safeguard the economy and the country at large. Some Members have mentioned the GMO Bill, for example, which has been discussed for a long time. The whole idea is to safeguard the application and utilisation of knowledge and technology in this country. Therefore, it is in good spirit that we should be able to discuss and think very carefully and deeply on how best we can value and obtain value in these particular elements.

I am quite happy, Mr Speaker, that a Member mentioned the collaboration and co-operation that may be required within the East African Community. I believe the East African Business Council as well as the East African Council for Science and Technology, which have been in existence for quite a bit of time, should be able to give us that opportunity and the environment that should provide the opportunity to share knowledge.

There was an observation made about possible interference with culture and other elements. Mr Speaker, on the contrary, the Plant Variety Protection Bill will only consolidate indigenous knowledge to protect those varieties that are indigenous and sovereign to this country.

Members mentioned some of the companies that might bring some material around here. This is exactly what the law is meant to do - to regulate the introduction of materials that originate from outside the country and make sure that they are in line with our requirements of agricultural development in this country. Therefore, the act of sneaking in with some of these materials will be regulated. This goes to show how we should be vigilant and strengthen the system and infrastructure as well as the frameworks of implementation of this Bill.

Mr Speaker, in conclusion, I want to thank my colleagues for having supported this motion.

THE DEPUTY SPEAKER: Thank you.

1.58

THE CHAIRPERSON, COMMITTEE ON AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES (Mr Mathias Kasamba): Mr Speaker, I would also like to make just a brief clarification about what hon. Sarah Kataike has mentioned, the institutional arrangement in the Bill.

We have another Bill, the Plant Health Protection Bill, which looks at the phytosanitary standards. We hope that as we enter 2014 it will be on the Order Paper very soon, to also cater for the export and import of varieties with regard to the phytosanitary diseases and pest control mechanisms. That is in the offing.

I thank all colleagues for the comments and the submissions as far as the Bill is concerned. I thank you, Mr Speaker.

THE DEPUTY SPEAKER: Thank you very much, honourable minister and chairman for the elaborate and comprehensive report, which has guided the discussions.

In the VIP gallery this afternoon, we have the Ambassador of Uganda to the Democratic Republic of Congo, hon. James Kinobe, with Members of Parliament from the Democratic Republic of Congo led by hon. Kabila. They are here to pay a courtesy visit to the Parliament of Uganda. Please join me in welcoming them. *(Applause)* You are very welcome.

Honourable members, the motion is that the Bill entitled, “The Plant Variety Protection Bill, 2010” be read the second time. I put the question to that motion.

(Question put and agreed to.)

BILLS
COMMITTEE STAGE

THE PLANT VARIETY PROTECTION BILL, 2010

Clause 1

THE DEPUTY CHAIRMAN: I put the question that clause 1 do stand part of the Bill.

(Question put and agreed to.)

Clause 1, agreed to.

Clause 2, agreed to.

Clause 3

THE DEPUTY CHAIRMAN: Clause 3 is interpretation. Usually, we do that last.

Clause 4

MR KASAMBA: Mr Chairman, I beg to move an amendment to clause 4 as follows: Move the provisions of clauses 8, 9, 10, 11 and 12 on the Plant Variety Protection Committee forward to this point, of clause 4, and re-number the subsequent clauses accordingly. Two, re-number the clauses in their sequential order.

The justification is that logically, the Plant Variety Protection Committee is higher in hierarchy since the Plant Variety Protection Office is meant to handle the administrative part of the committee work. Also, the amendment is a consequential and editorial amendment. Thank you. I beg to move.

THE DEPUTY CHAIRMAN: Does that mean that those provisions will come after clause 4 or before?

MR KASAMBA: Yes, they will come after the establishment of the protection office and accompanying subsequent provisions within the office. The committee comes before the office.

THE DEPUTY CHAIRMAN: The question is: does this come before clause 4?

MR KASAMBA: It takes up clause 4 -the establishment of the protection committee.

THE DEPUTY CHAIRMAN: So, you want to delete clause 4?

MR KASAMBA: No, we are realigning the sequence – the Plant Variety Protection Committee comes before the Plant Variety Protection Office.

THE DEPUTY CHAIRMAN: So, what do we do with clause 4?

MR KASAMBA: Clause 4 comes after clause 12. So, it is the sequencing, which is changing. We will request that the Committee of the Whole House realigns such that the provisions on establishing the Plant Variety Protection Committee come before those on the establishment of the Plant Variety Protection Office.

THE DEPUTY CHAIRMAN: So, you have no problem with clause 4 as it is now?

MR KASAMBA: No. We are just realigning the sequencing of the provisions.

THE DEPUTY CHAIRMAN: So, can we take a vote on clause 4 as it is and when we reach those clauses, we can move them back here? How would you process it?

MR KASAMBA: We have no problem.

THE DEPUTY CHAIRMAN: Because we have not yet discussed clause 8.

MR KASAMBA: If you say clause 4, it will –

THE DEPUTY CHAIRMAN: No, it will be consequential. You will then propose, when you reach clause 8, that clauses 8, 9 10 11 and 12 be moved. For now, we have no issue with clause 4.I put the question that clause 4 stands part of the Bill.

(Question put and agreed to.)

Clause 4, agreed to.

Clause 5, agreed to.

Clause 6, agreed to.

THE DEPUTY CHAIRMAN: Honourable members, are we following?

MR KASAMBA: Mr Chairman, clause 5-

THE DEPUTY CHAIRMAN: We have already taken a vote on it. We will have to come back to that. We have also taken a vote on clause 6.

Clause 7

MR KASAMBA: Mr Chairman, I beg that we delete the entire clause. Justification: consequential to amendments proposed in clause 5. This will come when we make a referral to clause 5.

THE DEPUTY CHAIRMAN: We should then defer clause 7.

Clause 8

THE DEPUTY CHAIRMAN: Clause 8 is where your proposal for moving them up comes.

MR KASAMBA: Mr Chairman, I beg to move that the provisions of clause 8, 9, 10, 11 and 12 on the Plant Variety Protection Committee be inserted immediately after clause 3 to provide for the importance of the committee coming in before the Plant Variety Protection Office. I beg to move.

MR KWEMARA: Mr Chairperson, I seek clarification. Before we move all these clauses, where we have issues with these clauses, can't we bring them up now?

THE DEPUTY CHAIRMAN: We are dealing with the principle of moving them first and then we can deal with the clauses. I put the question to the rearrangement of those sections.

(Question put and agreed to.)

THE DEPUTY CHAIRMAN: Let us deal with clause 8 as it is now.

MR KASAMBA: Mr Chairman, at the end of sub-clause (1), insert the phrase "constituted by the Minister."

Insert a new sub-clause (2) to read as follows: "In constituting the committee, the Minister shall-

- a) where there exists a nationally recognised association of professionals in a specific field, consult the respective associations.
- b) in any other case, take into consideration professional and public interests"

In sub-clause (4), replace the word "one" with the word "three."

The justification is: to give clarity on how the committee shall be constituted and by whom, and for consistency with the tenure of the members of the committee and for more effectiveness.

It was stipulated that the chairperson of the committee would be serving for one year. So, we are changing it to three years to make it consistent with the membership of the committee. I beg to move, Mr Chairman.

THE DEPUTY CHAIRMAN: Honourable members, the committee is proposing three amendments in clause 8(1). The phrase "constituted by the minister" is proposed to be added immediately after sub-clause (1). So, it will read, "There shall be a Plant Variety Protection Committee constituted by the Minister". That is the amendment. I put the question to that amendment.

(Question put and agreed to.)

THE DEPUTY CHAIRMAN: The next amendment is in sub-clause (2) of that provision in the terms read by the chairperson. Is that acceptable?

MR KWEMARA: Mr Chairman, I am wondering about the composition of the committee. We have an association that puts all people engaged in the seed sector together; wouldn't it be prudent to have them added here? Also, when we talk of a representative of the plant breeders, don't we have a recognised institution that brings those people together?

THE DEPUTY CHAIRMAN: Let us deal with this first. The committee is proposing that we insert a new sub-clause (2), which if adopted will form the basis for the discussion on the constitution, which will now be sub-clause (3). Is that correct, Mr Chairman? You are proposing to insert a new sub-clause (2), so if we agree with what the committee is proposing, we shall adopt it and then we come to the existing sub-clause (2). I put the question to the amendment on the insertion of a new sub-clause (2).

(Question put and agreed to.)

THE DEPUTY CHAIRMAN: Now, let us go to the existing sub-clause (2).

MR KWEMARA: Thank you for that guidance, Mr Chairman. We have got an association which brings people in the seed sector together; wouldn't it be prudent to have them as part of the plant variety protection? Also, a representative of plant breeders is too generic –

THE DEPUTY CHAIRMAN: Why don't you just propose the amendment? Propose what you want to insert.

MR KWEMARA: I propose we insert the Uganda seed association. I do not know the exact name they use, but we can get them.

MR KASAMBA: Mr Chairman, a representative of plant breeders is taken care of among the members of the committee.

MR KWEMARA: They are different; these people may belong to the seed association but may not necessarily be breeders.

MR KASAMBA: Under the composition of the committee, we have a plant pathologist and a plant breeder and then in paragraph (k), we have a representative of the plant breeders. I suppose this takes care of the association of plant breeders, who even came and made their contribution during the interface with the committee.

THE DEPUTY CHAIRMAN: Under paragraph (c), we have a seed technologist. The Member is saying that there is an association of such people, people who deal with seeds; can they be taken care of.

MR KASAMBA: Mr Chairman, under (f) we have a representative of the commodity association. These are the seed suppliers and commodity applicants.

MR NYIRA: Mr Chairman, when you say, "a representative of the commodity association", you are being generic. Which commodity association are you talking about? Two, we are providing for individuals but somewhere we should also provide for institutions. Let us be clear on what we want for individuals like plant pathologists, breeders and so on, but also provide for the institutions that are stakeholders in this sector.

MR KASAMBA: Mr Chairman, that is why we are inserting this new sub-clause which says, "In constituting the committee, the minister shall, where there exists a nationally recognised association of professionals in a specific field, consult the respective association". This is where we are not tying ourselves specifically. We are saying if the breeders have an association or if there are commodities of different varieties that have associations, the minister is obliged to consult with them. That is the motive of this consideration.

In part (b), it says, "in any other case take into consideration professional and public interests." These are the provisions which we thought would help us avoid having individuals being appointed by the minister rather than having to look at the institutional arrangements in the various bodies.

THE DEPUTY CHAIRMAN: So, there is an amendment in sub-clause (4) and the justification is given. I put the question to that amendment.

(Question put and agreed to.)

Clause 8, as amended, agreed to.

Clause 9, agreed to.

Clause 10, agreed to.

Clause 11, agreed to.

Clause 12, agreed to.

Clause 13, agreed to.

Clause 14, agreed to.

Clause 15

MR KWEMARA: Mr Chairperson, clause 15 deals with the rights of breeders. I seek clarification from the committee. Here they list exceptions to the rights of breeders and I wonder if they thought of compulsory licensing. I will give an example. The Government may want to use a protected variety and the individual who has had the variety protected may not be in a position to supply. So the Government in such a case can come up with what is called “compulsory licensing”. Has the committee thought of such a scenario?

MR KASAMBA: Mr Chairman, I think compulsory licensing is acceptable.

THE DEPUTY CHAIRMAN: That is okay, but how do you propose the amendment? How will it be framed?

MR KWEMARA: We can have a sub-clause or a clause on compulsory licensing.

MR KASAMBA: Mr Chairman, clause 15 gives exceptions to the rights of the breeder where Government feels that there is public interest in the breeder’s variety and he or she had been granted exclusive rights. In the interest of food security in the country or in the interest of propagation of that variety in the interest of the public, Government can waive or exempt the rights of exclusivity already provided. So, it does not enforce taking over or accessing. So, I do not think that proposal would rhyme with these exemptions, where government would seek to acquire those rights for propagating those materials.

DR BITEKYEREZO: Thank you very much, Mr Chairman. I had gone to pick a copy of this Bill so that I can follow the debate properly on clause 14 –

THE DEPUTY CHAIRMAN: We are now handling clause 15.

DR BITEKYEREZO: I want us to go back to clause 14 here where it says, “maybe imported into Uganda”. There is something in that clause and I kindly request that we get back to it.

THE DEPUTY CHAIRMAN: You know the procedure on how to get back to that clause 14.

DR BITEKYEREZO: Okay, Mr Chairman.

MR KWEMARA: Mr Chairman, the minister should be able to guide us on this. What I am talking about is a pertinent issue because compulsory licensing is very vital. If we are not –

THE DEPUTY CHAIRMAN: The question here is: Does it fit here, because this is about exemption to the rights of the breeders?

MR KWEMARA: Yes, it does.

THE DEPUTY CHAIRMAN: Okay, now propose a draft. Can we stand over this as you draft the amendment.

Clause 16

THE DEPUTY CHAIRMAN: I put the question that clause 16 stand part of the Bill.

(Question put and agreed to.)

Clause 16, agreed to.

Clause 17

MR KASAMBA: Mr Chairman, I propose that we insert a new sub-clause (4) under clause 17 to read as follows: “A plant breeder shall be entitled to appeal any decision made under this section within three months of such a decision.” The justification is that recourse to court is a constitutional right especially where the plant private property is restricted unreasonably. I beg to move.

THE DEPUTY CHAIRMAN: Honourable members, there is the proposed amendment. I now put the question to the amendment.

(Question put and agreed to.)

Clause 17, as amended, agreed to.

Clause 18, agreed to.

Clause 19, agreed to.

Clause 20, agreed to.

Clause 21

MR KASAMBA: Mr Chairman, I beg to propose that we replace the word “registrar” appearing in sub-clause (1) with the word “committee” and delete the phrase “in consultation with the Plant Variety Protection Committee.”

The justification is: to give the power to determine an application for a breeder’s rights to the committee. Also, the registrar is an official of the committee in terms of administration. So, this clause had originally provided for the registrar to be the sole determinant in an application for a breeder’s rights. Now we are saying that the committee has more powers to determine that application. I beg to move.

THE DEPUTY CHAIRMAN: Honourable members, I put the question to that amendment.

(Question put and agreed to.)

Clause 21, as amended, agreed to.

Clause 22

MR KASAMBA: Mr Chairman, I beg to move that we replace clause 22(1) with the following:
“The registrar shall receive an application filed in respect of plant breeders’ rights on being satisfied that-

- (a) The application is in the prescribed form;
- (b) The prescribed application fees have been paid; and
- (c) The national variety testing and evaluating requirements prescribed in the regulations made under this Act have been complied with.”

We also propose the replacement of the word “accept” appearing in sub-clause (2) with the word “receives”.

The justification is that the role of the registrar should be limited to receiving the application. The power to accept or reject an application is vested in the committee, which is endowed with that technical competence. The registrar’s role is to administer and manage the office. I beg to move.

THE DEPUTY CHAIRMAN: Thank you. Honourable members, there are two proposals for amendment as moved by the chairman of the committee. I now put the question to the first amendment.

(Question put and agreed to.)

THE DEPUTY CHAIRMAN: I now put the question to the second amendment.

(Question put and agreed to.)

Clause 22, as amended, agreed to.

Clause 23

MR KASAMBA: Mr Chairman, I beg to move that we delete clause 23. The justification is that this is consequential to the amendment in clause 22. I beg to move.

THE DEPUTY CHAIRMAN: Is that correct? Okay, I now put the question to that amendment.

(Question put and agreed to.)

Clause 23, deleted.

Clause 24, agreed to.

Clause 25, agreed to.

Clause 26

MR KWEMARA: Thank you, Mr Chairman. When you read through this clause, there is some repetition. It says, “A variety shall be taken to be uniform if it is sufficiently uniform in its relevant characteristics.” I think that is somehow redundant. We can say, “A variety shall be taken to be uniform subject to the variations that may be expected from the particular features of its propagation if its characteristics are consistent from plant to plant within a variety.” That is what we mean by uniformity in a variety.

THE DEPUTY CHAIRMAN: Is that clear? Committee chairperson, is that clear? I put the question to the amendment.

(Question put and agreed to.)

Clause 26, as amended, agreed to.

Clause 27, agreed to.

Clause 28, agreed to.

Clause 29

MR KASAMBA: Mr Chairman, I beg to move that we amend paragraph (b) by deleting the phrase “the Office with the advice of”. The justification is that it is the committee to be satisfied and not the office, whose role is administrative. This is part of the consequential amendment which puts the committee in charge rather than with the advice of the office. I beg to move.

THE DEPUTY CHAIRMAN: Is that clear, honourable members? I put the question to that amendment.

(Question put and agreed to.)

Clause 29, as amended, agreed to.

Clause 30

MR KASAMBA: Mr Chairman, under sub-clause (1), replace the word “Office” appearing in the second line with the word “Committee”. Justification: it is the committee to make an assessment and not the office, whose role is administrative. I beg to move.

THE DEPUTY CHAIRMAN: Is that clear, honourable members? I put the question to the amendment as proposed by the committee chair.

(Question put and agreed to.)

Clause 30, as amended, agreed to.

Clause 31, agreed to

MR NATHAN NANDALA-MAFABI: Mr Chairman, I have been looking through this law. First, I want to apologise for coming late because of other commitments. The way it is phrased, there is no difference with this and the GMO law *-(Interjection)* -Yes, it is not different. Mr Chairman, I wish to raise an objection that for now, since we are about to grant rights to people, we need to review it a bit. In that regard, I want to beg your indulgence, Mr Chairman.

THE DEPUTY CHAIRMAN: Honourable minister, is this the same as the GMO Bill?

PROF. NYIIRA: Mr Chairman, I did not understand the Leader of the Opposition’s problem.

MR NANDALA-MAFABI: Mr Chairman, if you just looked at provisional protection – clause 32(2) - it says, “Steps to protect genetic materials of new varieties under testing shall be taken so as to prevent their use for non-research purposes.”

Mr Chairman, this law is coming in when we are discussing GMOs and I can tell you there is no difference between the two. Tomorrow someone will say, "But you passed a law that gives people rights to genetically produce materials to be used." I would prefer that at this time, since we are about to consider the time of protection and granting rights, we should review it. In that regard, I will later raise a procedural issue at an appropriate time, unless the Minister concedes before I raise it.

MR VINCENT SSEMPIJJA: Thank you, Mr Chairman. I wish to inform the Leader of the Opposition that some of us also had similar feelings. These biases were caused by these words, which you cannot avoid, "genetic", "varieties" etcetera. However, the content of this law that we are trying to come up with is to reward our scientists.

Mr Chairman, our committee travelled to some countries, especially neighbouring ones, and we found out that most of our researchers have fled for greener pastures within the neighbouring countries where their work is rewarded. Some of these countries – I will not mention their names – are using the research work that has been done in our institutions here. So, it is high time we came up with a law to protect and reward our scientists. Thank you.

PROF. NYIIRA: Mr Chairman, I wish to draw the attention of the honourable member to the objectives of this Bill. If you look at them, they include: to recognise and protect the rights of the plant breeders; to promote appropriate mechanisms for fair and equitable sharing of benefits; to provide for institutional mechanisms for effective implementation and enforcement of the rights, and so forth.

Therefore, in fact it is in good spirit that what is put in here protects rather than what is being considered. Furthermore, as far as genetic material is concerned, it is very clear in clause 32 that the steps to protect genetic materials of new varieties under testing shall be taken so as to prevent their use for non-research purposes. So, Mr Chairman, I do not think that what is being put forward as an objection holds any water at all.

MR NANDALA-MAFABI: Mr Chairman, what we are trying to do is for the good of the entire country. I can tell you that when I was coming in, I heard you ask, "Members, is that clear?" but nobody responded.

THE DEPUTY CHAIRMAN: That is because they did not speak to the microphone.

MR NANDALA-MAFABI: Okay, Mr Chairman, they did not speak to the microphone. However, given all those facts, this is agriculture we are talking about, on which 80 percent of our population depends and I would imagine that we need to understand this. This Bill came in 2010 and has been around for long; if it was very urgent, it should have been passed in 2011. Since it could not be passed in 2011, it has come at the end of 2013.

Mr Chairman, I would request, before I raise a procedural issue, that the Minister makes the House turn up because this law is very dangerous. I know why the Minister is interested; there may be some people he now wants to protect.

This Bill is not different from that one on GMOs. I am happy that my colleague says he travelled to neighbouring countries. We have known how they do things these days; if they want to pass a law here, they will say, "Go and study this issue somewhere." When the Speaker looks for the sponsors of the trip, they are the ones interested in the law. So if we are not careful, tomorrow we shall regret why we passed a law which is not good for all of us.

Mr Chairman, if the Minister is still hesitant, I want to raise a procedural issue that we do not have quorum to pass this law. I thank you.

MR WANGOLO: Mr Chairman, I want to take this opportunity to thank the Leader of the Opposition, but I also want to get some information from him. What is wrong with GMOs? This Bill is about protecting the rights of the breeders, and breeding of plants and other crops has been going on for so many years in our country but without a law. Thank you, Mr Chairman.

MR NANDALA-MAFABI: Mr Chairman, my colleague has asked me, “What is wrong with GMOs?” I want to tell you that when a law has no problem with the people of Uganda, whether we are three or four, we will pass it. Yesterday, for example, we passed a law when we were 11 people because we knew that it was very vital for the people of Uganda. In this case, for a law which is very dangerous, we shall raise objections.

Now, why I am raising all this, Mr Chairman? My colleague is asking what is wrong with GMOs. I want to say that GMO means genetically modified organisms. I am very sure- (*Interruption*)

MR SSEMPIJJA: Mr Chairman, we are discussing a totally different subject, to be exact, the Plant Variety Protection Bill. Is it in order for the Leader of the Opposition to divert us and take us into GMOs, which is not a subject of our discussion now? Is it in order, Mr Chairman?

THE DEPUTY CHAIRMAN: Honourable member, the honourable Leader of the Opposition was responding to a question he was asked directly; it was not his own creation.

MR NANDALA-MAFABI: Mr Chairman, I want to thank you for that wise ruling. I would ask my colleague who has been a chairman of a district for many years to always be attentive. If that is what you have been doing as a chairman, then I am so worried.

Mr Chairman, I was raising the issue of genetically modified organisms. The best person to answer this would be Dr Bitekyerezo because he knows what it takes. It is very dangerous. People who have eaten food called GMOs are in a dangerous state.

I am very surprised that the Minister for the Luwero Triangle, whom I met recently when I was doing a small consultancy in Washington, said they are studying about health issues in the world and one of the topics I saw was about GMOs. If she never heard what the presenter from India said, then I am sorry that we are wasting resources to send people out of the country to go and study and they do not come and tell us what they have studied.

They were saying that unless there is another method to deal with genetically modified organisms, they are going to wipe out the whole world. These are things I read and I feel so bitter about it. Having said that, in Uganda we still have free land; I went to Acholi recently and I am also getting land there to grow maize. The land is still abundant. If you want more land, it –(*Interruption*)

MS KATAIKE: Thank you, Mr Speaker. I would like to clarify that the meeting we were attending in Washington was about donor funding to health and nothing was discussed about GMOs and anything of the sort. Is the Leader of the Opposition in order to come here and insinuate that I was not attentive yet the conference we attended was about donor funding? Is he in order to lie to this august House?

THE DEPUTY CHAIRMAN: Do you have the programme of that meeting so that I can look through and- (*Laughter*)

MS KATAIKE: I can produce it.

MS ROSE NAMAYANJA: I thank you very much, Mr Chairman. The Bill we are looking at is the Plant Variety Protection Bill. Whereas the Leader of the Opposition says Uganda still has a lot of land, and whereas he can have that land in abundance, there are Ugandans who do not even have a place to plant what to eat.

We are talking about creating innovations. Mr Chairman, the issue is about ensuring that we have innovations from our scientists, and balance the interests of scientists and plant breeders and the small scale farmers who will use the varieties for non-commercial purposes.

Mr Chairman, if the honourable Leader of the Opposition finds a provision in the Bill that is particularly addressing issues of GMOs, then he is at liberty to delete, amend or do otherwise. We cannot fail to protect or to provide for innovation in agriculture just because there is a provision that we do not like. If there is a provision that we all feel uncomfortable with or the Leader of the Opposition is uncomfortable with, Mr Chairman, I would beg that the Leader of the Opposition amends or deletes any of those provisions other than derailing the entire debate on such an important Bill.

THE DEPUTY CHAIRMAN: Honourable member, what this House needs is a proper explanation about what this Bill is about. Now, you have cassava; are there varieties of cassava? You have sweet potatoes; are there varieties of sweet potatoes? Can more varieties be created? Can somebody explain properly to the House what this Bill is about?

PROF. KASIRIVU-ATWOOKI: Mr Chairman, hon. Nandala-Mafabi has just told us he is going to Acholi to grow maize and there are varieties of maize present - Longe 2, Longe 3, Longe 5 and others. Now, this Bill is supposed to organise the people who have been involved in creating these varieties and give them benefits, if any.

Mr Chairman, one of our colleagues here, the late Dr Esele, was involved in creating a very important variety of sorghum but this information only came out when we were paying tribute to him here. If this Bill had been in existence, he would already have been recognised and the beer companies that are using his sorghum would be paying him, and his family would now be getting some money even when he was long recalled by the Creator. This is the intention of the Bill.

I want to support hon. Namayanja; if there is any provision or clause that anybody thinks is injurious, then it can be amended or deleted so that we go on with the intention of the Bill - recognising our scientists and giving rewards that are due to them.

MR KASAMBA: Thank you, Mr Chairman. I would like to appreciate the very good, and I think well intentioned, efforts by the Leader of the Opposition. However, the intentions of this Bill are very clear as my colleague, Dr Kasirivu, has stated.

I am the one who moved the motion to pay tribute to Dr Esele who was a renowned researcher in Serere Research Station. He served this country very diligently and one of the innovations he came up with, through the NARO Serere Research Station, was a breed of sorghum called *epuripur*. It is now commercially used in making beer. It is used for commercial purposes. Companies are reaping millions and billions of money but the returns to the breeder are nowhere.

National Agricultural Research Organisation, as an engine of research for this country, is churning out new varieties. They have cassava mosaic resistant varieties, orange-fleshed sweet potato varieties where vitamin A is added to sweet potatoes, etc. These are taken up by companies which multiply them and sell them without any returns to the breeders. That is the purpose of this Bill.

These are the rights, the exclusive rights, to motivate the researchers. It is done world over. We are not operating in isolation. That is why we have two separate Bills - the GMOs and the Plant Variety Protection Bill. Government is not earning anything from the various varieties engineered in our research stations.

This is the time this Bill comes on board to protect those rights both at individual level and institutional level, to make sure that we are able to earn royalties when these varieties are used for

commercial purposes. There are so many varieties that the honourable colleague is going to invest in Northern Uganda to plant maize, so the seed company which will produce those varieties will pay a royalty to the originator of those varieties. Mr Chairman, this is the motive of this Bill, to protect these rights. I thank you.

MS KABAHENDA: Thank you very much, Mr Speaker. I want to appreciate what the chairperson of the committee was trying to explain about the Plant Variety Protection Bill. However, I become a bit uncomfortable when he does not bring out the rights of the farmers to exchange, to save, to breed new varieties using these very hybrids and how we are going to protect the other forms of traditional seeds. If he brought that out, then the Bill should pass.

MS AMODING: Mr Chairman, I sat here and listened, and the unfortunate thing is that I do not have a copy of that Bill, but when somebody talks about GMOs, we suddenly wake up because we know what is being talked about here. I have been battling while sitting here to understand two things; if we are saying that we are protecting the breeders, why is this Bill called “The Plant Variety Protection Bill”? I think there is a problem in terms of the framing.

The second issue that I want the Minister of Agriculture to clarify is: when does a plant begin to become harmful because of the effects that genetically modified organisms bring? When the chairman gave examples of plant varieties that we have, we do certainly know that the cassava and potatoes, for example, are not very different from the original plants or varieties –(Interjections)- Let me just conclude this because I might lose the thought that I am putting across. The difference in taste and also perhaps the health aspect are not very different. So, when talking about genetically modified organisms, when do they become harmful?

I know that there are plants like *epuripur* from my region and other plant varieties of potatoes and the like. They are not harmful per se to the health of the people. They only talk about the productivity to the farmer. So, that issue, to me, is problematic.

I do not know if the minister can try to explain to Members this issue. If we are trying to give rights to plant breeders and these breeders come with breeds which are harmful to Ugandans, which may not be known as GMOs now, and we grant them rights to breed such plants in this country, that is where the problem comes from. (Interruption)

DR OMONA: Thank you, colleague, for giving me an opportunity to give information.

Mr Chairman, it is important for honourable colleagues to understand what we mean by plant varieties. Plants or animals belong to a certain category or group of living organisms that almost resemble but with very slight variations. Those variations can occur naturally or can occur through some basic technology, like the conventional technology that we have like breeding. I just want to give an example. There are almost over 40 varieties of cassava. You may know them or you may not know them. Some of these varieties, by the way, have occurred naturally or some people have crossed them to enable them attain the characteristics we now like them for.

Let me just talk about cassava. Mr Chairman, the primitive cassava plant that existed before does not look like what we have now. The primitive maize plant is actually a small plant that does not bear a cob like the one we enjoy now. Now, some of these variations occur naturally or they are conventionally crossed to get what we have now.

In my understanding, the objective of this Bill is to protect those who have put in intellectual efforts and knowledge to cause those varieties. There is *epuripur*, for example, developed by the late Dr Esole who was a scientist; supposing he had such rights that we are talking about now, first of all he would be motivated. Dead or alive, there are those who would inherit those property rights. Maybe those would benefit from his intellectual efforts that produced this variety. But as we speak, who has the right over that variety? Even now, I can pick *epuripur*, go somewhere else and do what I want.

Supposing we had such a law, it would motivate and would also pay him for the efforts that he put in place. So, when we mix this with GMOs, this is where we get lost.

In the same vein, if you have a copy of the Bill, just look at clause 32 (2), which says, “Steps to protect the genetic materials of new varieties under testing shall be taken so as to prevent their use for non-research purposes.” Let me also inform you that in Uganda here there is a lot of research going on, including research on GMOs, but it is still at research level. It exists; take time and trouble to find out.

In fact, we have GMOs but under controlled trials, not out anywhere. I do not think any of us has seen a GMO growing anywhere in this country. What we are talking about here is: motivate our scientists with those innovations; protect their rights so that they can benefit from those innovations. This would probably, give energy to the mentor to develop –

PROF. NYIIRA: Mr Chairman and honourable members, we are being derailed from the object of this particular Bill. The object of this Bill is to protect the plant varieties that our researchers and scientists come up with. It is also meant to protect the country from getting dangerous material or materials which are not accepted from outside.

Now, the Leader of the Opposition has raised the issue of GMOs. First of all, this has nothing to do with GMOs. There are provisions, which are already existent and which I cited, that protect the country from such. It is protected from non-research material. If research is being undertaken and it involves genetic modification, that is taken care of in this particular Bill when we indicate that this is not going to be applied; it is part of research and we cannot stop innovations because that is knowledge.

Secondly, there was an issue raised about indigenous materials. This is taken care of by clause 25, which is on distinct variety – “A variety shall be taken to be distinct if it is clearly distinguishable from any other variety whose existence is a matter of common knowledge at the time of filling of the application”. That was also considered.

Thirdly, the Food and Agricultural Organisation has a plant genetic resource for food and agriculture. They have been guiding different countries on how to handle issues of plant genetic resources both in terms of conservation and utilisation. So, again, that is taken care of and we are members of the United Nations.

Another colleague from the other side asked when a plant becomes harmful. Obviously, it is harmful because it is harmful. We know that if it is incompatible with the systems of the agriculture in the country, then it is considered harmful. That is why we have weeds; weeds are dangerous and harmful. So, that question should not even arise.

However, I implore colleagues to understand why we are bringing this particular Bill; it is so that we improve our seed industry and protect our researchers. If we simply leave this out, naturally, and this has been raised, these materials will be taken away after the country has invested and we shall lose. So, in order to protect our breeders’ rights and the country, this Bill has to be applied to ensure that the rights of the breeders over the varieties developed by them here locally are protected. Thank you, Mr Chairperson.

THE DEPUTY CHAIRMAN: Honourable members, we are now going back to the second reading of this Bill and yet we passed that stage. The amount of discussion coming in now is at the wrong time. You are raising fundamental issues on the principle of the Bill instead of dealing with the actual provisions. It might be an appropriate time now to suspend the proceedings and then we see how to move forward with this.

MOTION FOR THE HOUSE TO RESUME

3.01

THE MINISTER OF STATE FOR AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES (AGRICULTURE) (Mr Zerubabel Nyiira): Mr Chairman, I beg to move that the House do resume and the Committee of the whole House reports thereto.

THE DEPUTY CHAIRMAN: Honourable members, the motion is for the resumption of the House to enable the Committee of the whole House report. I put the question to that motion.

(Question put and agreed to.)

(The House resumed, the Deputy Speaker presiding_)

REPORT FROM THE COMMITTEE OF THE WHOLE HOUSE

3.01

THE MINISTER OF STATE FOR AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES (AGRICULTURE) (Mr Zerubabel Nyiira): Mr Speaker, I have the honour to report to the House that the Committee of the whole House considered the report of the Committee on Agriculture on the Plant Variety Protection Bill and recommended that the report be adopted with the appropriate amendments. I beg to move.

THE DEPUTY SPEAKER: Honourable minister, you are now reporting from the Committee of the whole House. What happened in the Committee of the whole House? Which clauses were passed and which ones were stood over?

MR NYIIRA: Mr Speaker, I beg to report that the Committee of the whole House considered the Plant Variety Protection Bill clause by clause, from clause 1, and stood over clause 30. I beg that the report be adopted.

THE DEPUTY SPEAKER: Honourable members, the Committee of the whole House has examined the Plant Variety Protection Bill, 2010 and passed clause 1, clause 2, stood over clause 3, passed clauses 4, 5,6, deferred clause 7, passed clauses 8,9,10,11,12,13,14, stood over clause 15, passed clauses 16,17,18,19,20,21,22, deleted clause 23, passed clauses 24,25,26,27,28,29,30 and 31 with amendments. So you can now move your motion for the adoption of the report.

MR NYIIRA: Mr Speaker, with those clauses that have already passed with amendments and those stood over, I now move that we adopt the report of the Committee of the whole House.

MR NANDALA-MAFABI: Mr Speaker, we understand the problem that the minister is going through. It is good the Prime Minister entered at the right time. These retreats you have should be meaningful and they should instruct our ministers on how to do business, because your minister has really suffered. If the Speaker did not come in to assist, your minister would now be down flat.

Maybe you should reconsider the following: one, conduct retreats where they can understand; and two, look for young energetic men to handle the *—(Interruption)*

MR TODWONG: Thank you, Mr Speaker. Whereas I appreciate the Leader of the Opposition's concerns, it is imperative to note that definitely, ministers are aware of what they do and they are informed on what they do. Is it, therefore, in order for the Leader of the Opposition to insinuate in this august House that a whole professor and minister of state in the Ministry of Agriculture is not aware of what he is doing, yet he is a crop scientist?

THE DEPUTY SPEAKER: Honourable member, we had some difficulties and we are just trying to go over them. So, please let us now get into that.

MR NANDALA-MAFABI: Mr Speaker, thank you very much. So, hon. Todwong, I hope you now understand.

THE DEPUTY SPEAKER: Can we proceed with the process?

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

3.05

THE MINISTER OF STATE FOR AGRICULTURE, ANIMAL INDUSTRY AND FISHERIES (AGRICULTURE) (Mr Zerubabel Nyiira): Mr Speaker and honourable members, I beg to move that the report from the Committee of the whole House be adopted.

THE DEPUTY SPEAKER: Honourable members, the motion is for the adoption of the report of the Committee of the whole House. I now put the question to that motion.

(Question put and agreed to.)

Report adopted.

MR NANDALA-MAFABI: Mr Speaker, I beg for your indulgence. Yes, the issue of quorum is real and is very vital, but I know of one item that we had suspended because the Prime Minister was not around. Since he has now come in, and you know that he is quite a very busy man, I beg your indulgence that in 20 minutes we resolve this item.

THE DEPUTY SPEAKER: You mean in 20 minutes?

MR NANDALA-MAFABI: Yes, we can do it in 20 minutes.

THE DEPUTY SPEAKER: You know, we have been here since morning without a break. There was a statement that was supposed to come from the Leader of the Opposition but the Rt Hon. Prime Minister requested that it be made in his presence. So, we deferred it. Now the Leader of the Opposition is requesting that it be made now. However, you realise that we have not taken a break since we started. Can we receive this statement before we take a break? It is not a very long statement; it is only five pages.

The Rt Hon. Prime Minister is saying he has not even seen a copy of the statement. Are you prepared to proceed?

MR NANDALA-MAFABI: Mr Speaker, the Prime Minister is privy to what I am going to present. We just want to report to the House.

THE DEPUTY SPEAKER: Don't you think it should be him to say he is privy to it?

MR NANDALA-MAFABI: No, because I have been with him in all the meetings and he knows the content of the meetings we have held.

DR BITEKYEREZO: Mr Speaker, allow me seek guidance on something. Is this statement going to be debated or not? I am asking this because if it is going to be subjected to debate, then we will need to have some good levels of understanding in our brains so that we can debate very precisely after we have received. We also need copies. I thank you.

THE DEPUTY SPEAKER: Honourable members, can we suspend the House for 45 minutes and have some lunch before we come back?

THE PRIME MINISTER (Mr Amama Mbabazi): Thank you, Mr Speaker. I can say that I have just received this statement. I have in one second scanned through it and seen the gist and I am ready to respond to it now.

STATEMENT BY THE LEADER OF THE OPPOSITION ON THE NEGOTIATION WITH THE PRIME MINISTER AND LEADER OF GOVERNMENT BUSINESS ON THE KCCA AFFAIRS

3.12

THE LEADER OF THE OPPOSITION (Mr Nathan Nandala-Mafabi): Thank you very much, Mr Speaker and colleagues. On 25 November 2013, I brought to the attention of this House the political impasse at KCCA following the refusal by Government to respect an order of court halting a process that was commencing at the council on the impeachment of the Lord Mayor of the Authority. We proposed to hold meetings to discuss this issue and see how to dialogue in an effort to settle this matter.

My negotiation team, which included hon. Matthias B. Nsubuga, the MP for Bukoto South; hon. Abdu Katuntu, the Shadow Attorney-General; hon. Medard Seggona, the Shadow Minister for Justice and Constitutional Affairs; Mr Peter Walubiri and Mr Caleb Alaka, the lawyers for the Lord Mayor, commenced negotiations with a view that Government respects the order of the court. The Government side was led by the Prime Minister, the Rt Hon. Amama Mbabazi; the Attorney-General, Mr Peter Nyombi and a team from his Chambers; and a one Kiryowa Kiwanuka, the lawyer for KCCA and Umeme –(Interjections)– I know why we brought in Umeme.

Mr Speaker and honourable members, we proceeded with negotiations with the sincere hope that the Government side was as committed as ourselves to dialogue as a means of resolving conflict and allowing normalcy to reign, as opposed to impunity and asserting the rule of the mighty. Together with a number of stakeholders, we hoped that the voice of reason would prevail. Unfortunately, it turned out to be a game of tricks.

It was evident from the proceedings that Government was engaging in a game of delaying tactics to defeat reason, which we were very keen to giving a chance. We have endured the pain and agony of being called names. The people of Kampala who elected their leader have maintained their patience with the hope that the negotiations were genuine. Alas, the Government approach was, and remains, insisting on claims of the illegality of the court process as they buy time to prepare for a bye-election. We could not be a party to this.

Mr Speaker and honourable colleagues, allow me to register my profound disappointment with the state for its failure to sustain and engage in meaningful negotiations about the impasse in Kampala. The talks have thus collapsed.

For the last two weeks or so, we have been meeting with the Prime Minister, Rt Hon. Amama Mbabazi – him and I and also with our teams - to see if we could get a solution on the standoff between the Lord Mayor on one hand and the Executive Director of KCCA and the Minister for Kampala Affairs on the other hand. These are some of the things to note: the forgery of the report by the chairperson and the vice-chairperson of the Committee on Public Service; the beating up of the lawyer of the Lord Mayor; the beating up of Kampala area MPs, and so forth.

In our view, the negotiations were supposed to be preceded by total and unconditional respect for the court order that restrained the state from engaging in an unlawful activity. However, this illegality continues to manifest even now in the heavy deployment of the Police and other paramilitary forces at the Lord Mayor's offices, making it difficult for him to smoothly operate.

Mr Speaker and colleagues, the talks were envisaged on the grounds that for harmonious development of Kampala Capital City Authority and peace of our country, we needed to have a cohesive

administration for the Authority. This we did, even when we knew that the courts and therefore the law were on our side. We were willing to compromise and that is the reason why we went for dialogue. It has, however, come out very clearly now that harmony and peace are not the least of the intentions on the part of the Government.

Mr Speaker and honourable members, the cause of the collapse of the talks seems to be founded on sheer bad faith and the need to remain oppressive to the elected leadership of the city. I am saddened to note that the notion that nobody needs chaos in Kampala is no longer tenable. It is fast becoming clear that Government has an interest in a chaotic Kampala. There is definitely something Government wants about Kampala that is beyond the negotiations.

You will recall that the first major dialogue that the NRM regime had with the Opposition in 1996 failed. This was as a result of the demand by the Government that the then National Political Commissar, hon. Crispus Kiyonga, chairs the proceedings all through yet the other parties in the dialogue argued for rotational chairmanship. Of course, inevitably, the talks collapsed.

In case my big brother and friend, Rt Hon. Amama Mbabazi, Madam Jennifer Musisi and our President, Yoweri Museveni, thought we would go into negotiations for anything because we were feeling a defeated lot, they will be called to think again. However, they will be advised to note the following:

1. Kampala does not belong to only them but to all of us.
2. We know that their approach to dealing with issues and situations is often guided by a must-win mentality.
3. We are also aware that their perspective of handling anything is that of violence, abuse and crude brutality.
4. As the days go by, we are more prepared to deal with them in this test in manners that may shock them.
5. That above all, we are all a peaceful and straightforward lot but we have immeasurable capacities to engage in tricks, violence and even force in the same manner that any other group of human beings would.

Mr Speaker, it should be noted that the Opposition has over the years been very open to dialogue. We have consistently called for a national dialogue and this remains the ideal need for this country.

Mr Speaker, we must have an all-inclusive dialogue involving all interest groups like all political parties, the civil society, the media, the religious fraternity, the traders and indeed the academia. We need to have this conversation on how we want to move this country forward. However, the uncertainty being caused by Government's operation in trickery will not help this country. For God and my Country.

3.21

THE PRIME MINISTER AND LEADER OF GOVERNMENT BUSINESS (Mr Amama Mbabazi): Thank you, Mr Speaker and colleagues. I have the duty, as a leader of experience practically and someone who has gathered knowledge, to help out. This is because we have tried as a government to do everything possible to create mechanisms, platforms, for constructive dialogue.

Prof. Karl Popper is an Austrian-born professor who was in Britain. He is an anti-determinist metaphysicist. He said, "The value of dialogue is not to be found solely in the results of the dialogue." It is not only the outcome that determines the importance of dialogue, but the process itself. The process of dialogue enables two human spirits to engage with each other and to elevate each other to a higher realm. It is sharing one's perspectives and experiences with another about difficult issues. The main point is not judging or making decisions but understanding and learning.

I am happy to report, as my good friend, the Leader of the Opposition, hon. Nathan Nandala-Mafabi, has said, that we have held several meetings with those people he listed, except Caleb Alaka because I did not see him. If he was there, he was invisible. My assessment, as I told them, was that the true spirit of dialogue was emerging because what it turned out to be was an exchange among professional lawyers about the issues in this matter.

We were courteous – those of us who were professional lawyers in that meeting – to each other. We behaved as proper lawyers behave and I left with the impression that the interaction or the dialogue had dispelled stereotypes. I did say in the last meeting that some level of trust had been built and that we had been open to each and as I said, very courteous in our exchange.

I must say that we have so far conducted the dialogue with absolute humility and respect for each other. I got the impression that both sides wish to understand and shed light on the truth of this matter. I gained the impression that there was a common and shared intention, not necessarily to convince each other of the correctness of either argument but to try and get to the truth.

I am happy to inform you that we went to every detail about what happened in court - who said what, who was in which court because there was the registrar, there was the court, there were the chambers and there was open court. All this happened and all these people- the lawyers who had been participating- each one gave us their account of actually what happened and I was really happy.

I must inform the nation that our ease of communicating with each other- because we spoke very freely as I said before- is the true hallmark of behaviour in civilised society of rational beings as opposed to animals. So, we have come together. We have been able to talk deeply. We have increased our understanding of each other. I have greater respect, for instance, for some of these people I had not interacted with even if we still had different opinions.

At the end of the day, we came to the conclusion together that there are two issues: one is a question of facts and the other one is interpretation of the law. The question of fact is: was the order by court given before the Kampala Capital City Authority resolved the issue of impeachment of the Lord Mayor or not? We all contributed on this - those who were there. He knows that very well, because he was there all the time. So, the question of fact is: Yes, we all agree there was an order given by an assistant registrar of the High Court, but was this order given before the Kampala Capital City Authority took the decision to impeach the Lord Mayor or not?

Two is a question of law: Even if it was, even if in fact the registrar gave the order, when does the order take effect in terms of its implementation? Was it necessary or is it necessary for an order of court to be served on the party that is supposed to implement it or not? If the answer is “yes”, was it served on the authorities before the decision to impeach the Mayor was reached?

We had reduced our discussions just to those two and reached an agreed position. So it is true that the Leader of the Opposition himself was beginning to fall out of line because he said, “You people, if we do not agree now, then we better leave these things.” However, the lawyer in us- he is a bit of a lawyer as well- and the bit in him, and the lawyer in the rest of us were clearly in agreement that we should not give up so easily.

As I said, dialogue is the best way out because dialogue can bring about real solutions. These threats, which the Leader of the Opposition unfortunately is- Now he is different from the one I heard in the discussions because he was gentle and rational. Now, I do not know. You see, he threatens force, he threatens what he calls immeasurable violence; this is not the language of dialogue, this is not the language of rational thinking and acting.

I would like to assure this House and the country that we are determined to continue this course of dialogue because we think it is the right way. Of course, we do not take seriously threats of force and violence because you know that is where we are coming from. If I were to recount to you how many

have tried it in the last 28 years, you would clearly see that this route is not opened to anyone and it is not necessary for my brother, Nathan, to take that route.

When we chose to be pluralistic, we knew that this was the right way. In our discussions, we looked at different opinions and obviously, our hope was that this effort would lead us to collaborative action - that we would come up with a common position which we would push together. However, even if we do not agree, the whole essence of humanity- the rationality of human beings- is that we are diverse, but it is in our interest to live united in our diversity. We live in a diverse society but we must all pursue a common goal because we have to live together.

We need to work together to overcome all sorts of obstacles, different opinions and prejudices. We have to consciously work together to overcome this. In a society where the value of dialogue depends on competing opinions and where diversity is a synonym for richness, there is no place for dogmatism. So, we do not have to threaten violence- “We are going to violate”; in Parliament of all places, the home of democracy, the home of absolute freedom!

As someone said, Mr Speaker, it is only death which brings uniformity. As long as we are living beings, we will always have differences. So, what we must endeavour to do as civilised people is to see how we can achieve unity in that natural and inevitable diversity.

I did not know that they had decided to break the contact because as far as I am concerned, we last met two days ago and we agreed to meet again. So, I am surprised that my brother with whom I have constant and direct contact – I talk to Nathan Nandala-Mafabi more than I talk to anyone else; he is open to me and I am open to him. So, I am surprised that he chose to come to Parliament to announce the pull out of the Opposition from the dialogue.

I would like to urge him and his colleagues to reconsider this position. As far as we are concerned, we are open. We are making very good progress. As I said, we had reduced this to those two issues and actually, our discussions were going on very well. So, I would like to assure the country first, that the dialogue was doing very well; and two, if anyone threatens violence, they should remain calm because we are more than able to handle. Thank you.

THE DEPUTY SPEAKER: Honourable members, what I need to confirm from the Leader of the Opposition is whether there is a possibility that you are going to have another meeting. Is that what the position is? If that is the position, then this House would be more than ready to wait for the next outcome of your discussion than take a line that might just bring a stop to it.

MR NANDALA-MAFABI: Mr Speaker, I want to thank my brother, the Prime Minister. Well, when he says he talks to me more than any other person, I do not know the measure because he knows that once in a blue moon, we talk.

I want to make some corrections. It is true Caleb Alaka was not in our meetings. I am told he came but he was not directed to the place. You are right, he never appeared but he was supposed to be in the last meeting. He is the lawyer for the Lord Mayor.

As he said, we really accorded everybody cordial respect during the talks. It is unfortunate that some people are not available but, Mr Prime Minister, you are aware that there came a time when from your side, the Attorney-General seemed to say “that is it”. So, when he said “that is it” - Unless you convince him to open up his mind but according to us, he seemed to say, “that is it”. So because you had closed, we thought that was the end and some of us left thinking that that was the end, unless you tell me that he has opened up. You were trying to say that the proceedings looked like they had closed.

I mentioned Kiwanuka Kiryowa and I want to confess that in the last meeting, he was not there. We suspect he was not there because we had raised an issue touching on his integrity. I want to thank the

Prime Minister because he has gone through everything very well. While in court, he was on *Whatsapp* and he was photographed and we have a printout of what he was doing. The person behind him was photographing. He was busy sending messages to the Executive Director of KCCA and the last message he sent said, "The order has been granted; how do you handle it?" The Executive Director of KCCA replied, "I will handle."

We have all that evidence and that is why the people who were there were refused entry. We even raised this with the Prime Minister. We asked why they beat up our Members of Parliament who are *exofficio* members of the council. Why did they beat up the lawyer? What happened? All those were issues we raised. That is why we want to say, if we can resolve some of these problems, we could deal with him.

We raised the issue that if there were 29 councillors, you could do it better because they will always remain there if you want to do it well. We said we can then continue with the process. So, Mr Speaker, we left at the point when, more or less, the talks had collapsed. Unless my brother the Prime Minister, who I have high respect for - By the way, he says I have changed but I have not changed; I have been candid. What I told you when explaining are the same things we continue to explain. If they changed -

THE DEPUTY SPEAKER: Well, now that the Prime Minister has communicated to the House that they are preparing for the next meeting, can you go and have the next meeting so that we expect a report and move forward with this issue?

MR NANDALA-MAFABI: No, unless he comes and tells me because -

THE DEPUTY SPEAKER: He has just said that he had adjourned for the next meeting.

MR NANDALA-MAFABI: I even tried to call him and he was not picking; I even sent him an SMS -

THE DEPUTY SPEAKER: Please, honourable member, is there still a possibility of a next meeting? That is the question because the House would be happy to -

MR NANDALA-MAFABI: The only person who can talk about this meeting is the Prime Minister and I, who were there and we are telling the truth. How can the Minister for Lands, hon. Migereko, come and say I am lying when he wasn't there? Is he used to telling lies? (*Laughter*)

THE DEPUTY SPEAKER: Please, honourable members, let us see; if there is a possibility of a next meeting, then let us leave it to them to continue the dialogue.

MR AMAMA MBABAZI: Thank you, Mr Speaker. I had not given this detail, but I should inform this House actually, that I was on a course of discovery in the discussions as to what exactly happened. I was pushing hardest especially from - if I can call it my side. I was acting as the chairman -

MR NANDALA-MAFABI: Mr Chairman, the Prime Minister is right. He came in and said, "I confess I had heard from one side and as we continue, I am understanding and becoming more educated." I want to confirm that because it was the two of us who were there.

MR AMAMA MBABAZI: When we finished the last meeting, I said I would hold a meeting on our side because I wanted to sort out a few things. They wanted us to meet this week but it was impossible and we agreed that we would meet after the festive season. I told them what I was going to do on my side.

In this case, we are not negotiating the outcome of the contestation in court because that was done. There is another miscellaneous application, actually, coming up for hearing tomorrow on the same matter in court. So, we are not contesting that and we are not going to resolve it through dialogue because a fact is a fact and the law is law.

What we said was that if a court gives an order - What they had applied for was an interim or temporary injunction; an injunction is an order by court to order an individual do something or to refrain from doing something. The purpose of a temporary injunction is to grant what you could call "temporary relief" to maintain the status-quo, until the matter has been resolved by court. So it is a temporary thing. That is the purpose - to refrain one from doing this. So, if a court gives an order, that order must be before the action, because if it is after the action it is too late.

Point two is about service. For those of us who have had some practice, when you file documents in court the first item in your documents must be the address for service. It is imperative that you give the address so that the other party knows where to serve. It was a case against the Attorney-General, so it was the Attorney-General to be served.

As someone said, if it is a service against the Attorney-General, you cannot meet his young brother on the street and say, "I know you are related to the Attorney-General, take it". It does not happen like that. Let me not go into that argument because these are the things we have been discussing. I said that we lawyers consider ourselves officers of court; even when you are on the opposite side, we respect each other and share all these.

The last thing we agreed on was for me to meet our people. They had said that one of our lawyers was actually in court; two, they said that hon. Ssegona Lubega went to the Attorney-General for service in his chambers but he did not serve him and there was an effort to frustrate service. So, that is actually, what I wanted to dig out -Was there an effort to frustrate service?

As I said, we were going very well and my brother, Nathan, and his team should inform the other people who may be impatient that patience is a virtue. Let them be patient. I am sure we will find a common ground even in our diversity, which we will agree on. It is not necessary to take any other line because I do not think that will help. Thank you.

THE DEPUTY SPEAKER: Honourable members, proceedings suspended for 30 minutes. We will resume after that.

(The House suspended at 3.51 p.m.)

(On resumption at 4.45 p.m., the Speaker, Ms Rebecca Kadaga presiding_)

LAYING OF PAPERS

THE SPEAKER: I think there is a dangerous substitute.

4.47

MS ALICE ALASO (FDC, Woman Representative, Serere): Madam Speaker, I beg to lay on the Table the statement for the year ended 30 June 2012 for Ntoroko District local government. I beg to lay.

I beg to lay on the Table the audited accounts and the opinion of the Auditor-General for Agago District local accounts for the year ended 30 June 2012. I beg to lay.

Madam Speaker, I wish to lay on the Table the district local government financial statements for the year ended 30 June 2012 for Buikwe District local government.

Madam Speaker, I beg to lay on the Table the audited accounts for the year ended 30 June 2012 together with the report and the opinion thereon of the Auditor-General for Kapchorwa District local government.

Madam Speaker, I wish to lay on the Table the district local government financial statements for the year ended 30 June 2012 for Bukwo District local government.

Madam Speaker, I wish to lay on the Table the district local government financial statements for the year ended 30 June 2012 together with the report and the opinion thereon of the Auditor-General for Manafwa District local government.

Madam Speaker, I wish to lay on the Table the district local government financial statement for the year ended 30 June 2012 together with the report and the opinion thereon of the Auditor-General for Lira District local government.

Madam Speaker, I beg to lay on the Table the district local government financial statements for the year ended 30 June 2012 for Aleptong District local government.

Madam Speaker, I wish to lay on the Table the district local government financial statement for the year ended 30 June 2012 together with the report and the opinion thereon of the Auditor-General for Kole District local government.

Madam Speaker, I beg to lay on the Table the town council financial statement for the year ended 30 June 2012 for Amolatar Town Council.

Madam Speaker, I beg to lay on the Table the town council financial statement for the year ended 30 June 2012 together with the report and opinion of the Auditor-General for Bududa Town Council.

Madam Speaker, I wish to lay on the Table the town council financial statement for Kijura Town Council for the year ended 30 June 2012 together with the report and opinion of the Auditor-General.

Madam Speaker, I beg to lay on the Table the town council financial statement for Kasese Municipal accounts for the year ended 30 June 2012.

Madam Speaker, I beg to lay on the Table the town council financial statement for Bukomero Town Council accounts for the year ended 30 June 2012.

Madam Speaker, I beg to lay on the Table the town council financial statement for Busia Municipal Council accounts for the year ended 30 June 2012.

Madam Speaker, I wish to lay on the Table the town council financial statements for Budadiri Town Council accounts for the year ended 30 June 2012.

I wish to lay on the Table town council financial statements for Kalangala Town Council accounts for the year ended 30 June 2012.

Madam Speaker, I beg to lay on the Table the town council financial statements for Buwenge Town Council accounts for the year ended 30 June 2012.

Madam Speaker, I beg to lay on the Table the town council financial statements for Tororo Municipal Council accounts for the year ended 30 June 2012.

Madam Speaker, I beg to lay on the Table the town council financial statements for Masaka Municipal Council accounts for the year ended 30 June 2012

Madam Speaker, I wish to lay on the Table financial statements for Kapchorwa Town Council accounts for the year ended 30 June 2012.

Madam Speaker, I wish to lay on the Table financial statements for Butemba Town Council accounts for the year ended 30 June 2012.

Madam Speaker, I wish to lay on the Table financial statements for Rakai Town Council accounts for the year ended 30 June 2012.

Madam Speaker, I wish to lay on the Table financial statements for Kalungu Town Council accounts for the year ended 30 June 2012.

Madam Speaker, I wish to lay on the Table financial statements for Kyazanga Town Council accounts for the year ended 30 June 2012.

Madam Speaker, I wish to lay on the Table financial statements for Kibuku Town Council accounts for the year ended 30 June 2012.

Madam Speaker, I wish to lay on the Table financial statements for Busolwe Town Council accounts for the year ended 30 June 2012.

Madam Speaker, I wish to lay on the Table financial statements for Kibaale Town Council accounts for the year ended 30 June 2012.

Madam Speaker, I wish to lay on the Table financial statements for Aduku Town Council accounts for the year ended 30 June 2012. I beg to lay.

THE SPEAKER: Thank you very much, hon. Alaso, for standing in. All the statements are admitted to the Committee on Local Government Accounts for expeditious perusal and report back within the provisions of the Constitution.

STATEMENT BY THE UGANDA PARLIAMENTARY FOOTBALL CLUB
EAC 2013 CHAMPIONSHIP

5.00

MR PATRICK NSANJA (Ntenjeru County South, Kayunga): Madam Speaker, thank you very much. This is a statement on Uganda's victory in the 2013 EAC Parliamentary football tournament held in Kampala. I stand to make a statement on the performance of Uganda Parliament in the East African Inter- parliamentary Football Tournament 2013, which was held in Kampala.

Madam Speaker and honourable members, every year the EAC organises an inter-parliamentary football tournament where all the East African Parliaments participate. It is hosted on a rotational basis and Uganda hosted this year's tournament after Kenya last year.

Madam Speaker, as the team captain for the Uganda Parliamentary Football Club, I have the pleasure to inform this House that Uganda, for the third consecutive year, won this trophy after defeating EALA in the final game played on the 14 December 2013 at Namboole National Stadium, to retain the trophy. *(Applause)* In addition, Uganda's hon. Muhamed Nsereko scooped the top scorer's golden boot, having scored a total of six goals in the tournament.

I, therefore, take this opportunity to thank the following people who have contributed tremendously to our success:

- H.E the President of the Republic of Uganda for gracing the occasion;

- The office of the Speaker and Parliament of Uganda generally, for the moral and financial support;
- The Rt Hon. Speakers of Rwanda and Kenya for the moral support given to the players and making an effort to attend in person;
- The participants, who include Members of Parliament and some staff, for the strong solidarity, discipline and hard work exhibited during the training and at the tournament;
- The team coach, Mr Tom Lwanga, and the trainer, Mr Haruna Mawanda, for the fitness and wellness of the members as well as guidance of the team;
- The management of Nakivubo Stadium for providing a venue for training and for the entire tournament, and of Namboole Stadium where we played the final game;
- The Uganda Parliament netball team for their moral support and solidarity.

In conclusion, as echoed by the Rt Hon. Speaker of Uganda in her remarks at Imperial Royale Hotel Kampala, we thank the Government and Parliament of Uganda for the successful organisation of this year's tournament in Kampala. Sports provides an opportunity to create unity, solidarity and physical fitness for our bodies. We humbly appeal to more Members of Parliament and staff to take keen interest and join the team so that they can participate in these tournaments. Generally, we appeal to Government to prioritise sports at the national level so that more youth can promote their talent.

Madam Speaker, I now go to the final activity, which is laying of the trophy on the Table. This is the trophy, which shows a clear and true reflection of the inter-parliamentary football tournament that was held here in Kampala. *(Applause)* The Uganda Parliament team, particularly the Ninth Parliament, has won this trophy three times. We first won it in Burundi in 2011. Last year we went to Kenya and we won the same trophy for the second time. Now when we hosted this year, we have won it for keeps. *(Applause)*

This trophy is now property of Parliament of Uganda for keeps. Therefore, I take the opportunity to lay on the Table the EAC inter-parliamentary football trophy, now property of Parliament of Uganda. I lay it on the Table.

Madam Speaker, this portrait is of the team of players who represented the Uganda Parliament in the tournament. We have hon. Nsereko our top scorer, hon. Mugema Panadol, hon. Balikuddembe Joseph, hon. Kasolo Haruna, hon. Benard Atiku, hon. Odonga Otto, hon. Tom Aza, hon. Bbosa Kiyingi, hon. Patrick Nsanja, hon. Paul Mwiru, hon. Awongo, hon. Fred Badda, hon. Peter Okello, hon. Denis Obua, hon. Peter Ogwang and hon. Johnson Bagole. This portrait is now a souvenir and it is entitled "the EAC Inter-Parliamentary Games held on 8th – 14th December 2013 at Kampala. I beg to lay it on the Table. *(Applause)*

MR ALERO AZA: Madam Speaker, I am the chief elder of this team and I would like to, therefore, lay this golden ball that has brought the golden trophy to the Parliament of the Republic of Uganda on the Table. *(Applause)*

MR NSANJA: Thank you very much, Madam Speaker.

THE SPEAKER: Congratulations. Thank you very much. You can see how sports cuts across party lines. I think let us receive the second one and then we have a few contributions.

MS ALASO: Madam Speaker, I am very excited. You know, I am also a morale booster. So, I was very excited and I thought the team captain was going to formally give you the trophy as we watch. That is what I thought. If it will be okay, please can he give you the trophy?

THE SPEAKER: Can the team captain bring the trophy and hand it to the Speaker? *(Laughter)*

MR NSANJA: Madam Speaker and honourable members, I now take the opportunity to officially hand over this golden trophy, which we won for keeps, to the Speaker of the Parliament of Uganda. *(Applause)*

5.09

MS WINIFRED KIIZA (FDC, Woman Representative, Kasese): Thank you, Madam Speaker. On behalf of the Parliamentary netball team, a team which you, Madam Speaker, head in this Parliament, I wish to take this opportunity to thank you for leading us since last year when the netball teams of the East African Community, through your wise counsel, also decided to join the parliamentary sports activities.

I wish to thank our coach, Fred Mugerwa, who has seen us through thick and thin to ensure that he comes up with a formidable force that was not easy to be handled by the other teams. I thank the management of Sheraton Hotel where Parliament has ensured the girls are kept fit– *(Interjections)* - the girls of this Parliament. *(Laughter)*

I cannot forget to thank our boys, the Parliamentary Football Club, who were all there with us every time we went to the ground. It is unfortunate that most of our members were not there, but our boys were always with us to give us morale and to give us support. For sure, we are so proud of you, boys. *(Applause)*

Given what we go through as Members of Parliament, it is very necessary for us to have such activities that help us fight stress, that bring us together as members of one family and help us to fight the big size that does not allow us to do other activities. Sports helps us to keep healthy and fit. Sports activities have helped us to achieve some of these things that I have mentioned above. Madam Speaker, I want to thank you, the Parliamentary Commission and the Clerk to Parliament for supporting us and ensuring that we are financially supported.

Today reminds me of what happened this year, on 5th February, when we were performing this activity that we are performing right now. I remember laying the trophies here on the Table and I was also carrying another trophy inside me. I finished laying the trophies on this Table and when I reached home, the other trophy inside me said, “Why didn’t you lay me on the Table?” *(Laughter)* I immediately went to Kampala International Hospital and at 6.15 a.m., in the morning of *TareheSita*, I laid on the tables of the maternity ward a baby boy whom I named Victor. *(Laughter)*

Madam Speaker, that boy was laid in style on those tables. When the others were celebrating *Tarehe Sita*, we were also as a family celebrating the arrival of a new boy. So, today reminds of the moment when I was laying these trophies on the Table and the other one was also fighting to be laid on table. If it were possible, I would have laid him today, to prove that really, this is a son of this Parliament.

Madam Speaker, I wish to report to the Members that last year, when we participated in this tournament, we were ill-prepared. We had not trained and actually, Tanzania beat us terribly. They beat us 56 goals to 27. It was a big difference. The goals we were scoring then were in the ranges of 15 to 7 and 20 to around 15. This time, the Ugandan Parliamentary netball team was scoring in 50s and some teams decided to dodge us and we had 50 goals to nil. I thank you, the netballers, and I want to thank you, Madam Speaker, for preparing us for this. *(Applause)*

Madam Speaker, there are some issues we faced that really caused us not to come up with the gold as the ladies. I think in our rules, we forgot one item. We agreed, when we were coming up with the rules and regulations governing the tournament, that the host country would provide the umpires and referees. We said that since this was a rotational tournament, all the countries where the tournament was going to take place would do the same.

Unfortunately, when our colleagues from Tanzania saw that we were going to beat them badly, they changed the rules of the game at the last minute. When we reached the court, we found they had put

their guns around to say, “We cannot allow only Ugandan umpires to officiate this match when we are playing the finals with Uganda.” They brought their coach to be the umpire of the game together with the professional umpire of Uganda. The umpire from Uganda officiated at the match professionally but the Tanzanian umpire was just in defence of her team *-(Interjections)-* That was for your information. Unfortunately, Madam Speaker, your Ugandan team was beaten by a difference of just two goals.

Madam Speaker, I feel proud that my team performed better this time - from a difference of 20 goals to only two goals and after unfair play being exhibited. I want to thank you, Madam Speaker, because you led us to this victory.

It is unfortunate my members are not here, but we also managed to scoop the top scorer award of the tournament through Nalongo Sarah Netalisire Kayagi *-(Applause)-* who scored almost all the goals of the tournament. *(Applause)* I was humbly selected the best centre player of the tournament. *(Applause)* If hon. Kayagi was here, I would have requested her to lay her medal on the Table. I humbly wish to lay mine on the Table for purposes of recognition, Madam Speaker, having been recognised as the best centre player *-(Interjections)-* Let me just inform this Parliament, and possibly, I will tell them that I will go and lay it where I laid the other trophy that was in the tummy last year because that is not a property of Parliament.

My team was awarded silver medals but we make a sincere pledge to this Parliament that come next year and the other years, the Ugandan parliamentary team will bring the trophy for keeps. It is a sincere pledge I am making because I know the capacity of my team.

I invite most of you, honourable colleagues who have not joined this team, to join us. I saw old people in the EALA team and even the Tanzanian team, including Cabinet ministers. So, I would be happy if we joined. I would like to say that our Speaker showed a different kind of individual because she was our first centre player. Had it not been for the state duties, the Rt Hon. Speaker Kadaga would have been the best centre player. *(Applause)* I am sure she is glad that I scooped this trophy because I assisted her. *(Laughter)*

Madam Speaker, I wish on behalf of the parliamentary netball team, together with my colleagues who are here- hon. Connie Galiwango, hon. Mariam Nalubega, hon. Kevinah Taaka and hon. Alum Santa - I do not see the others - to lay these trophies on the Table.

Madam Speaker, you can see that in addition to keeping us together, sports is proving to be a uniting factor in this Parliament of Uganda. Members across the political divide have at least another issue that brings them together to fight for the cause of Uganda and make us one Uganda, one people. *(Laughter)*

I wish at this material moment, together with my colleagues, to hand over to you, Madam Speaker, this trophy which the Uganda Parliamentary Netball Team won for being the second in the East African Inter-Parliamentary Games that were held in Kampala in 2013. We were awarded this trophy as the first runners up in netball.

While receiving this trophy, I realised I was receiving it on your behalf and there and then, I had to hand it over to you as the leader of the team. The Rt Hon. Speaker is our patron. I immediately handed it over to you and I wish to hand over to the Parliament this portrait where I was handing over to you this trophy, Madam Speaker. I beg to lay them on the Table.

I also wish to report that we had very many serious fans that were supporting the Parliamentary netball team. I wish to lay on the Table a portrait of the super girls who brought us this victory and one of the serious supporters together with our children who also came to support us. I beg to lay.

Also, I wish to thank the chief morale booster, hon. Katoto. Hon. Katoto was there to cheer us when things were getting tough. He would move from the boys' department to the girls' department all in the name of morale boosting. We want to thank you, brother, and we appreciate your work.

Hon. Susan Amero could not make it but we want to thank her for giving us guidance and counsel. We thank the chairperson of the Committee on Natural Resources who ensured the netball team had water to cool our throats.

Of course, we will not forget the able leadership of hon. Baryomunsi who spearheaded us to this victory by ensuring that the management was okay. I am sure the teams went without complaining. I want to thank you. It was not an easy task but you put in all the effort that you had to, to make the tournament what it was. I thank you, Madam Speaker.

THE SPEAKER: Thank you very much. I think the Government Chief Whip wanted to say something small.

5.23

THE GOVERNMENT CHIEF WHIP (Ms Kasule Lumumba): Thank you very much, Madam Speaker. Honourable members, on behalf of the Executive, I take this opportunity to congratulate everybody for the victory you delivered to the whole country. This is not a simple achievement; if it had gone to our neighbours, we would cry for it but now we have it.

As we rejoiced, I noticed that when the presenters were presenting the trophies, they did not clearly mention their names and the names of their colleagues and their constituencies. So, I request, for record purposes, that let us have this clearly done by the *Hansard* department so that it goes on record who was on the team and who delivered victory to us as a country.

I thank everybody for the work done. I thank you, Madam Speaker, and the Parliamentary Commission. I want to thank the Clerk and the staff. I also request my colleague, hon. Winfred Kiiza, the Opposition Chief Whip, that as she talks about issues of laying on table, we have to recognise all the team players. So, as I request us to recognise all the players in Namboole, we should also recognise hon. Bihande Bwambale for the work well done. *(Laughter)* It is even by God's grace that we have the two here. So, we have to be proud of them.

I thank you very much, fellow ladies. It would also have been unfair to take the two trophies at once. In the East African spirit, we have got enough to share. So, we should cheer up as ladies and be grateful to God. Thank you very much.

5.25

MR KASSIANO WADRI (FDC, Terego County, Maracha): Thank you very much, Madam Speaker. Since yesterday, we have been surrounded by nothing but the aura of praises and appreciation, for which I am very grateful. However, I want to seek guidance from you because it has been mentioned that one of our partner member states has continuously shown animosity and walked out of the principles of football and netball.

You will agree with me that netball and football as a uniting factor was a practice that started in 2002 in the Seventh Parliament, when we travelled to play for the first time as members of the East African Community countries in Arusha. At that time, our captain was hon. Nsambu and I remember the Rt Hon. Deputy Speaker was a member of the football team then.

While we were in Arusha then, after the match we were woken up at night when we heard one of our own cry in Luganda, "*Banangebanzita*", *-(Laughter)* – literally saying, "People, they are killing me." We opened our doors from Saba Saba Complex - there used to be a building in Arusha called Saba Saba where we were being accommodated –and we ran out. When we ran out, we found our colleagues from Tanzania pouncing on our colleague, hon. Nsambu, who was our captain. Yes! Hon.

Nsambu was in tears. Sorry to say, but he was crying like a small boy. However, he was right to cry because the type of people who had really pounced on him were what you would call *kanyamas*. Today again, hon. Kiiza insinuated that during their match, the Tanzanians did not respect the rules of the game and the same thing also happened in the main football ground.

As organisers of this event, which should bring the five East African Community countries together, is there a way, before we go into these matches, to debrief and agree on the rules of the game? Is there a way to do that so that we really look at these things as one of the strategies of fast-tracking the East African Community? Otherwise, what will be the point of coming together for such a joyous thing and at the end of the day, people are stepping on one another, at our level as Members of Parliament? I think it is not proper.

Madam Speaker, I seek your indulgence that in future, let this be brought up because it is only one country. We have never had this from Burundi neither have we had it from Rwanda or from Kenya. Even when we traversed through Kenya, the Parliament of Kenya received us. They received us in their Chamber, they conducted us around and we travelled as if we were members of the same team going to play on the same side, but whatever happened there was different. So, really, we should use sports as one of the strategies to fuse together the five member countries so that we are seen as brothers and sisters, rather than coming to such events and then we begin wishing each other bad and stepping on one another. I think that is unbecoming of us as Members of Parliament

Madam Speaker, I seek your indulgence that the organisers really make this known to our errant brothers and sisters from the neighbouring countries. I thank you, Madam Speaker.

5.29

DR CHRIS BARYOMUNSI (NRM, Kinkiizi County East, Kanungu): Thank you, Madam Speaker. I also add my voice to thank our two teams, the footballers and netballers, for the victory they achieved.

Madam Speaker, you appointed me to chair the organising committee for this tournament and thank you for the support that you extended to this whole tournament. As hon. Nsanja said, Uganda has been doing very well in football for three years now. However, netball is a little bit recent. It is football, which has been consistent in the tournament. Netball had gone weak until last year, when it was rejuvenated. I am sure next year, when we go to Tanzania, our team should be able to bring the trophy. Maybe in the spirit of integration, even if we share the trophies, it is still okay so that other countries can take something.

To respond to what hon. Wadri is raising, I think it is a serious issue because we take these games as friendly, to promote the integration process and not a do-or-die affair. It was unfortunate that the umpires from the other countries left early when the final games were to be played between Uganda and Tanzania. There was that issue where Tanzania was not happy that the umpires were coming from Uganda and they fronted their coach. This brought bias to the extent that it annoyed the Ugandan supporters, who were in the pavilion, and they almost caused some incident but we were around and we were able to restore normality in the pitch.

I think next time we should do better in terms of engaging each other before the game. We had a number of meetings. One meeting was held here between all the countries and also in Nairobi, about two weeks before, and we thought all was well. However, next time we should hold more meetings to set the rules and ensure that all the players go by the rules.

Within the region, I think Uganda is already being recognised. We have already received an invitation from Parliament of Zanzibar to the footballers and netballers to go and celebrate with them in mid-January. I hope the Speaker and the Parliamentary Commission will facilitate our members to go to Zanzibar.

The tournament is played on a rotational basis, so the next one will be in Dar-es-salaam next year. We are engaging the other Parliaments to see whether we could introduce other forms of sports in addition to football and netball. We want to see if we can introduce volleyball, basketball, athletics and others.

I think the message to the Members is that let us train. The Commission will facilitate Members to ensure that they can regularly train in the various fields, but we also have a parliamentary gym, which is functional. So, let us train so that we are able to defeat the other teams in the East African region and beyond.

I want to thank you, Madam Speaker, for facilitating the team and building this capacity in the Parliament of Uganda.

THE SPEAKER: Thank you. Honourable members, maybe I will say just the last word. I did not realise how expensive it is to play in these places until we were hosting. That is when I woke up to the fact that we even have to pay for the stadium. We had to pay for the coverage. It is quite expensive. So, if our budget comes, please, understand that we require a lot of money to promote these sports.

They are really good. It was beautiful to see hon. Netalisire scoring almost effortlessly, and hon. Connie Galiwango. They are great. The Kenyans were relieved that hon. Amero was not playing. The Speaker told me that they were very relieved that hon. Amero was not playing; she gave them hell in Nairobi.

So, congratulations. We thank you. Those who are not in the football and netball teams, we have improved the gym. I think we have six treadmills there and we have got bicycles but each time I pass there, I do not see people. Please, use them. There are more facilities now in our gym. Thank you very much and congratulations. Let us move to the next item.

BILLS SECOND READING

THE ANTI-PORNOGRAPHY BILL, 2011

5.33

THE MINISTER OF STATE FOR ETHICS AND INTEGRITY – OFFICE OF THE PRESIDENT (Fr Simon Lokodo): Thank you, Madam Speaker. I beg to move that the Bill entitled, “Anti-Pornography Bill, 2011” be read the second time.

THE SPEAKER: It is seconded by the Government Chief Whip and hon. Bahati. Can you justify, hon. Lokodo?

FR SIMON LOKODO: Madam Speaker, the Anti-Pornography Bill, 2011 is for a law that is going to define and create the offence of pornography and provide for the prohibition of pornography. It also establishes the anti-pornography committee and prescribes its functions and other matters related. I beg to move.

THE SPEAKER: Have you finished? (*Laughter*) Okay, Chair.

5.36

THE CHAIRPERSON, COMMITTEE ON LEGAL AND PARLIAMENTARY AFFAIRS (Mr Stephen Tashobya): Thank you, Madam Speaker and honourable members. Before proceeding with this Bill, I would say that following your instructions to us that we should conclude the Bills, I am happy to report that in addition to this Anti-Pornography Bill, 2012, the Chattels Securities Bill is ready, the report on the Marriage and Divorce Bill is also due for debate and the Anti-Homo-sexuality Bill is also ready. So, as a committee, I think we are proceeding well in responding to your instructions.

Madam Speaker, before I read my report, permit me to lay on the Table the minutes and submissions to the committee on the Anti-Pornography Bill, 2012. I beg to lay.

In the same vein, I would like to report to Members that this is a matter that has been subject to extensive debate. For those of us who have been here longer, up to the Seventh and Sixth Parliament, you will recall that this matter came up in Parliament and Parliament set up a select committee to consider this matter of pornography. We were reading through this report, which was adopted on 4 October 2005. I think this was a very good report from an ad hoc committee chaired by hon. Sarah Kiyingi at that time. I hope honourable members will have time to look through it. It is a very comprehensive and thorough report, whose work gave birth to the Bill that is before us. Madam Speaker, permit me to lay this report, which I am asking Members to read, on the Table.

Madam Speaker, this is the report of the Sectoral Committee on Legal and Parliamentary Affairs on the Anti-Pornography Bill 2011, which came out in December. The committee considered the Anti-Pornography Bill, 2011 and now wishes to report.

This is a Bill for a law that prohibits pornography, which in the Bill is defined to cover cultural practices, radio or television programmes, publications, advertisement, uploads on the internet, a display, entertainment, music, dance, picture or audio among others, which depict a person engaged in explicit sexual activities or conduct, sexual parts of a person, erotic behaviour or an indecent act intended to corrupt morals.

The Bill also provides for the creation of the Anti-Pornography Committee responsible for the implementation of the law. Among its functions, the Anti-Pornography Committee will be responsible for taking the necessary measures to ensure there is detection and prohibition of pornography, and when it has occurred, collect and destroy pornographic objects.

On page 3, we list the number of institutions that we interacted with. However, as I have already pointed out, Members will benefit greatly from this report that was adopted by Parliament, in which very many institutions, both within and outside, gave their submissions on this subject. I am sure they will also be of interest to Members and the people of this country.

The Objective of the Bill

The object of the Bill is to create the offence of pornography, which has become an insidious social problem. In the Bill, pornography is defined and prohibited because of the dangers it poses to individuals, families and communities. One of the dangers highlighted is that it fuels sexual crimes against women and children including rape, child molestation and incest. It is, therefore, necessary to pass a law that specifically deals with the offence of pornography and drives the reforms necessary to stamp out pornography from Uganda.

Observations and Recommendations

Madam Speaker, the committee made the following observations and recommendations:

1. While pornography in its different forms is already prohibited in Uganda in different laws, there is no single law to compressively deal with the problem of pornography.
2. The current provision that specifically deals with the issue of pornography is section 166 of the Penal Code Act, Cap.120, which penalises trafficking in obscene publications. The committee observed that this provision is restricted to publications while pornography goes beyond publications to include communication, speech, entertainment, plays, motion pictures, art, nude dancing and the increased publication of pornographic materials in the country's mass media.

3. There are some aspects of pornography control already covered in the current legal regime but none of them comprehensively deals with the vice; for example, the Computer Misuse Act, 2011 caters for child pornography albeit not comprehensively.
4. The Prevention of Trafficking in Persons Act, 2009 also offers protection for those trafficked to engage in pornography related activities, but it does not specifically deal with the issue of pornography in the country.
5. In conclusion, there is currently no law to specifically provide for the protection of the populace against pornography and children exploited in child pornography. This law is expected to shield the masses against pornography and especially protect children from being used in these acts.

The committee recommends that the Bill be passed into law, subject to the proposed amendments. The report was dully signed as required by our Rules of Procedure. I beg to move.

THE SPEAKER: Thank you very much, hon. Tashobya and your colleagues, for that good work. Let us now have a few comments. Three minutes only, please.

5.45

MS FLAVIA KABAHENDA (NRM, Woman Representative, Kyegegwa): Thank you very much, Madam Speaker. I would like to thank the chairperson of the committee for the preamble and for doing good work on this Anti-pornography Bill.

When most of us hear the word “addiction”, we always think about drugs and not images. However, the images that are portrayed in a pornographic manner are very addictive and this is rising by day. This particular Bill should have actually come yesterday.

I want to appreciate our grandfathers and great grandfathers who used to hide some of what we think are facts or some of what we think today as information from the children. We thought they were closing them out of information but what I now notice is that they were only trying to guard children against getting addicted at that early age and failing to discern what would be right or wrong for their future.

Madam Speaker, this Bill will assist the people who struggle with pornography addiction and unwanted sexually compulsive behaviour. If Government would use this Bill, we would provide a combination of group therapy, education, tools and resources to help overcome the unwanted sexually compulsive behaviour.

I support the motion and I do not know whether there will be anyone to dissent from this. I beg that we pass it omnibus. I thank you.

MR KATOTO: Thank you, Madam Speaker. I would like to seek your guidance. We should not go for this Bill while we leave a very essential Bill, which is destroying our children, most especially the boys – I mean –

THE SPEAKER: What is the guidance you are seeking?

MR KATOTO: Madam Speaker, I would like to seek your guidance. Why should we begin with this Bill before handling the Anti-Homosexuality Bill? Homosexuality is a terror and is punishable by God. It can bring us catastrophes. Why shouldn't we begin with the Anti-Homosexuality Bill?

THE SPEAKER: Thank you for morale-boosting the cause. All of them will be done. *(Laughter)*

5.48

MR VINCENT SSEMPIJJA (Independent, Kalungu County East, Kalungu): Thank you very much, Madam Speaker. I stand to support this motion and I also want to thank the committee for a noble job done.

Pornography should have been handled in this country yesterday. Why? As rightly put by the committee, the dangers that we have in our society because of pornography are enormous. People have started businesses where they operate rooms - I do not know what to call it but somebody calls it “*bimansulo*” - without anybody, without government, coming up to do anything. You know, we have no arm of Government that can really handle these people and it has been very painful to most of us, especially the parents of this country.

The danger that we get through these people who get money through pornographic shows is really too much. In my area, for example, we have sports betting, pornographic shows and this is where you find many people especially the youth, girls and boys, in the evening, even during the day, and all these rooms are full.

These days everybody, from the LCI to Members of Parliament, cannot easily come up and say, “This is wrong” because we want votes. It is high time we had a law, which enforcement officers can use to really catch up with this device. I, therefore, support the motion and I would like to say that I think we should have decided on pornography way back.

Madam Speaker, the last time you sent us to China, they told us that these are non-issues. They said that in their media - radio, television - you cannot put these pornographic things. You cannot. They said that these are things that they think cannot foster development. They think media should be used for positive development issues and not pornography. Even talking about a minister who was drunk is not allowed. According to them, these are things which do not help society. So, Madam Speaker, we need to come up very strongly and have a law on pornography. Thank you very much.

THE SPEAKER: Members, I think it is a straight forward Bill. Let us have hon. Baryomunsi and then go to the committee stage. The rest, we will capture during committee stage.

5.52

DR CHRIS BARYOMUNSI (NRM, Kinkiizi County East, Kanungu): Thank you very much, Madam Speaker. I also want to thank the chairperson and members of the committee for the report. We fully support the motion.

As my colleagues have stated, this problem is real in Uganda. It is difficult today to raise children in Uganda because they are exposed to all these indecent acts, which corrupt their morals. We have cases they are referring to as *bimansulo* all over Kampala. I understand there is one particular notorious place in Kabalagala, which is run by Asian investors, where they bring young girls through trafficking from Asia and they dance naked from around 1.00 a.m. and many Ugandans go there to watch this kind of naked dancing.

All these issues are happening. I think the minister is not using the existing provisions of the law to check on some of these. So, we hope that once this law has been put in place, it will be implemented and enforced so that some of those acts can be checked.

Madam Speaker, we believe pornography is contributing to lots of sexual crimes and promiscuity in Uganda. The reports, which we have, indicate that the HIV infection rate which had been brought down in the 1990s is now going up. I am sure pornographic behaviour and the exposure to pornographic materials is contributing to this kind of unfortunate event.

I hope we have sufficient provisions in the law to enforce the measures that are provided. How shall we, for instance, be able to block some of the internet channels, which are not controlled locally but these materials and pictures are uploaded from elsewhere? How shall we be able to control external

channels like DStv and others, which may post pornographic material that is being accessed? I hope the law provides sufficiently on how to deal with some of these materials, which are extrinsically owned.

Madam Speaker, I fully support the motion and we hope that the Bill will be passed expeditiously and the minister will be ready to implement the law as soon as possible. I thank you.

5.55

MS MARIAM NALUBEGA (Independent, Woman Representative, Butambala): Thank you, Madam Speaker. I fully support the motion but I have a challenge. When I look at the definition of pornography, I think that there are some elements of pornography we are ignoring here.

When it comes to 7.30 p.m. around Serena Hotel, Imperial Royale or Mackinnon, the new suites, you find women and girls squatting on the roadside trying to attract customers and they are totally naked. Isn't that pornography, Madam Speaker? *(Laughter)*

Like hon. Baryomunsi has said, on our local TV stations, they show us new videos of music and our children are there to see the dancing in those videos which are all exhibitions of pornography sexual excitement. How are we going to control content? We have the *Red Pepper*, the *Kamunyes*, which we wake up to everyday, and somebody is waving a paper with pictures of nude women; how are we going to take measures in this law to punish such exhibitions of pornography?

If we are not going to deal with the production and sale of pornography, I think this Bill will not solve the problem. Where does this pornography come from? I can procure my pornography and watch it at home; are you going to stop me? If it is out there on sale, can't I access it? I do not know if we have real measures in this Bill to tackle all these challenges.

However, we need this Bill and I will support it, but I want it to be implementable. I want it to cater for all the challenges we are facing when it comes to pornography, not just saying we have an Anti-Pornography Bill when it cannot address the prostitutes who squat at 7.30p.m. and they are naked. We need to address all this.

THE SPEAKER: Honourable members, I think most of the questions you are asking will be answered during the committee stage. If you feel that the provisions are not sufficient, you can move amendments. I now put the question that this Bill be read for the second time.

(Question put and agreed to.)

BILLS
COMMITTEE STAGE

THE ANTI-PORNOGRAPHY BILL, 2011

Clause 1

THE CHAIRPERSON: Honourable members, I put the question that clause 1 stand part of the Bill.

(Question put and agreed to.)

Clause 1, agreed to.

Clause 2

THE CHAIRPERSON: I think let us skip clause 2 until we have finished the rest. Let us go to clause 3.

Clause 3

MR TASHOBYA: Madam Chair, the committee proposes to substitute the words “Anti-Pornography Committee”, which is the heading of clause 3, with the words, “Pornography Control Committee.”

The justification is that the word “anti” is ambiguous and the core function of the committee is to prevent and control the production and dissemination of objects and materials with pornographic content.

THE CHAIRPERSON: Honourable members, the proposal is to change the name of the committee. Is that okay, Members?

MS AMONGI: Thank you, Madam Chair. I would like the chair to clarify more about the phrase, “or by whatever means”. I would have felt comfortable if we left it as “exhibition, cinematography, indecent show, information technology, of a person”. When you say “or by whatever means”, what are you anticipating?

THE CHAIRPERSON: Is that clause 3? We have left clause 2 until the end, just in case there are changes in the body. I put the question to clause 3-

MS KABAHEMBA: Madam Chair, something disturbs me about the Pornography Control Committee, and you will bear with my problem. I want to know how it is going to work; is it going to work like the VCCU?

MR TASHOBYA: Madam Chair, the answer to that can be found in clause 7, which is about the functions of the committee.

THE CHAIRPERSON: Honourable members, I put the question that clause 3 be amended as proposed.

(Question put and agreed to.)

Clause 3, as amended, agreed to.

Clause 4, agreed to.

Clause 5

MR TASHOBYA: Madam Chair, the committee proposes to amend clause 5 by deleting the words appearing at the end of the provision starting from the word “except”, which is in the second line of the provision. It would, therefore, read as follows:

“Tenure of office of members of the committee

A member of the committee shall hold office...”-in the subsequent proposal we are proposing five and not three years- “...for five years and is eligible for reappointment for one more term” and we stop at that.

THE CHAIRPERSON: So, we delete the rest? Honourable members, the proposal is that we delete all the words after “term”. I put the question that clause 5 be amended-

MR KASULE SSEBUNYA: Madam Chair, sorry for interrupting when you were about to put the question; I just want to know why four years or five years. Yesterday, people were complaining about the length of the time. Why don't we say, “four years, eligible for one more term”?

THE CHAIRPERSON: Honourable chair, what is the rationale of raising this from three to five years?

MR TASHOBYA: Thank you very much, Madam Chair. Our reason was based on the mandate given and functions of the board. This is an institution that is new, it has a very wide mandate and people should be given time to exercise this mandate. The committee is open to proposals, if Members think that it should be lowered, but that was our thinking.

THE CHAIRPERSON: Do Members have serious objection to five years?

HON. MEMBERS: No.

THE CHAIRPERSON: Okay. Honourable members, I put the question that clause 5 be amended as proposed.

(Question put and agreed to.)

Clause 5, as amended, agreed to.

Clause 6, agreed to.

Clause 7, agreed to.

Clause 8, agreed to.

Clause 9, agreed to.

Clause 10, agreed to.

Clause 11

MR TASHOBYA: Thank you very much, Madam Chair. We have a simple amendment to clause 11 - Powers and duties of the Committee. Clause 11(1) (f) reads as follows: *“The Committee may, in the performance of its duties under this Act or any regulations made under this Act, at all reasonable times and without warrant - (f) close, indefinitely, any internet service provider who promotes, publishes, sells or imports pornography contrary to this Act.”*

We are saying that we should delete the word “indefinitely” because it creates uncertainty, especially to people who are conducting business.

THE CHAIRPERSON: Honourable members, I put the question that clause 11 be amended as proposed.

(Question put and agreed to.)

MR TASHOBYA: Madam Chair, we propose a further amendment to delete clause 11(2). It reads as follows: *“The committee may, at any time, install any equipment on land, premises or in a vehicle for the purpose of monitoring compliance with this Act.”*

The justification is that the provision can lead to infringement of Article 27 of the Constitution on the right to privacy and is subject to abuse.

THE CHAIRPERSON: Honourable members, the proposal is that clause 11(2) be deleted. I put the question.

(Question put and agreed to.)

Clause 11, as amended, agreed to.

Clause 12, agreed to.

Clause 13

MR TASHOBYA: Madam Chair, we are proposing an amendment to clause 13(1), which reads, “A person shall not produce, traffic in, publish, broadcast, procure, import, export...” - we are also adding “sale” –“...or abet any form of pornography.” The justification is: to prohibit the selling of pornographic materials.

THE CHAIRPERSON: Is that “sale”? Isn’t it supposed to be “sell”? It should be “sell” if you are selling.

MR TASHOBYA: It should be “sell”, Madam Chair - *(Interjections)* -Yes.

THE CHAIRPERSON: Read the whole sentence, Members. You cannot say a person shall not “sale”. It is “sell”.

Honourable members, I put the question that clause 13 be amended as proposed.

(Question put and agreed to.)

Clause 13, as amended, agreed to.

Clause 14, agreed to.

Clause 15, agreed to.

Clause 16, agreed to.

Clause 17, agreed to.

Clause 18, agreed to.

Clause 19, agreed to.

Clause 20, agreed to.

Clause 21, agreed to.

Clause 22, agreed to.

Clause 23, agreed to.

Clause 24, agreed to.

Clause 25, agreed to.

Clause 26, agreed to.

Clause 27, agreed to.

Clause 28, agreed to.

Schedule 1, agreed to.

Schedule 2, agreed to.

Clause 2

THE CHAIRPERSON: Now Members who had issues with definitions can raise them. Hon. Amongi, did you have something on definition? Hon. Mariam Nalubega, you also had issues on definition. This is where you can bring them up.

MS AMONGI: Madam Chairperson, the clarification I sought from the chair is in respect to the phrase “by whatever means”. This is again not defined and very ambiguous. Somebody might be at the beach and if you say “by whatever means”, it can be misunderstood.

THE CHAIRPERSON: Which part are you looking at?

MS AMONGI: Clause 2, which is the interpretation.

THE CHAIRPERSON: I know but which part of it or which words are you looking at?

MS AMONGI: “By whatever means”. The amendment says, “‘pornography’ means any representation, through publication, exhibition, cinematography, indecent show, information technology or by whatever means...” “By whatever means” is too ambiguous and it can really extend to certain – *(Interjections)*-It says, “...of a person engaged in real or stimulated explicit sexual activities or any representation of the sexual parts of a person for primarily sexual excitement.”

So, if you are at the beach and you are walking, so long as you can defend yourself, that you are at the beach and it is not for sexual excitement, or you are cat-walking– *(Interjections)*-I need clarification because we need to make this targeted in such a way that people who are doing certain activities that can easily expose certain body parts are not caught by this. We have things like fashion shows. Can the chairman try to help me?

Even here you talked of indecent shows? What is an indecent show because if again you leave it as “indecent show” and people are on a catwalk, people are doing a fashion show or a swimming costume show, it may be termed as an indecent – *(Interjections)* – No; culture is not one of them because here they say they have removed it due to cultural ambiguity. I really want clarification because we have many businesses –*(Interruption)*

MS MARIAM NALUBEGA: Thank you, honourable colleague, for giving way. I want to give information that in much as there is justification that they are trying to remove ambiguity by removing culture, when you say “exhibition” in the east during the *Imbalu* ceremony, there is an exhibition of those to be circumcised. Normally, the way they are dressed causes sexual excitement. So, I do not think that this definition excludes such cultures.

Even for the Baganda dance, sometimes women do not tie the waist and the Karimojong do not even cover the breasts. So, this definition will cause controversy. That is the information I want to give.

THE CHAIRPERSON: Honourable chairperson, please clarify. You know, the debate may run out of hand. Let the chairperson tell us what he meant by this proposal before hon. Amongi concludes.

MR TASHOBYA: Thank you very much, Madam Speaker. It seems my friend wanted the thing to run out of hand, but the most important thing now is to attach, because the Bill attaches motive. We

are talking about the people in Karamoja going naked when dancing. It says, “primarily to arouse sexual excitement”; that is really the catchword.

MR NIWAGABA: I would like to give information. We actually deleted reference to cultural practices for purposes of protecting our cultural practices that are not repugnant to natural justice and good conscience.

Two, the phrase “by whatever means”, is read *ejusdem generis* from the means that are being represented through publication and the like. So, it attaches to that, and any such representation must relate necessarily to sexual excitement. If it is not relating to sexual excitement, then you are not covered under pornography.

THE CHAIRPERSON: If you are just walking in your *empale* on the beach, then there is no problem. Please, conclude.

MS AMONGI: Thank you, Madam Chairperson. I am comfortable with the explanation that it has to be attached to sexual acts –“...engaged in real or stimulated explicit sexual activities or any representation of the sexual parts of a person for primarily sexual excitement”. The issue, however, would be that actually, if you have still made it very broad, even implementing this law will be very difficult.

I will give an example. People who attend shows go for different reasons, but you can [Hon. Member: “Even netball”] – Not netball. (*Laughter*)By and large, so long as I, the individual who is committing that act, believes or can go and justify that it is not for sexual excitement, so long as I deny, is it okay? If it is okay then I can go with that.

MS EMMA BOONA: Thank you, Madam Chair. We were talking about the intent as being sexual excitement and I think in all the African dances I know, there is a lot of that. The purpose is dancing but in the end it is sexual excitement. (*Interjections*) I will give an example –(*Interjections*)- If you have done art.

You have seen cultures where they are dancing and the other partner is raising the breasts of the woman up and down; what is the purpose? Why are all the dances purposely between man and woman? This is art; it is in books. I am not creating the definition.

THE CHAIRPERSON: Order, Members! If it is part of their culture, who will complain? Nobody is going to complain.

MS FRANCA AKELLO: Thank you, Madam Chair. I rarely get up on a point of order but this was really too much. I am an Acholi and in Acholi, we have over seven different cultural dances and each of those cultural dances has a purpose, which may not necessarily have to be, at the end of the day, for sexual excitement. So, is the honourable Member for Mbarara District in order to insinuate that all cultural dances are actually at the end of the day for sexual excitement? Is she in order?

THE CHAIRPERSON: No. Honourable members, the dances are okay. If they are part of our culture, actually, nobody is going to complain.

MR GILBERT OLANYA: Thank you, Madam Chair. I would like to find out from the chairman of the committee how they would measure sexual excitement, for example when a lady is in a miniskirt and she is not intending to arouse the interest of anybody. I think it is very difficult to measure sexual excitement according to the behaviour or activities of someone.

THE CHAIRPERSON: Honourable member, during the earlier debate, someone said that there are women who squat naked on the road. What is the purpose of those who squat naked on the road? It is to incite you so that you look and you are excited and you go. (*Laughter*)

Honourable members, I put the question that clause 2 be amended as proposed.

Question put and agreed to.

Clause 2, as amended, agreed to.

The Title, agreed to.

MOTION FOR THE HOUSE TO RESUME

6.23

THE MINISTER OF STATE FOR ETHICS AND INTEGRITY, OFFICE OF THE PRESIDENT (Fr Simon Lokodo): Madam Chair, I beg to move that the House do resume and the Committee of the whole House reports thereto.

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

(Question put and agreed to.)

(The House resumed, the Speaker presiding_)

REPORT FROM THE COMMITTEE OF THE WHOLE HOUSE

6.24

THE MINISTER OF STATE FOR ETHICS AND INTEGRITY, OFFICE OF THE PRESIDENT (Fr Simon Lokodo): Madam Speaker, I beg to report that the Committee of the whole House has considered the Bill entitled, “The Anti-Pornography Bill, 2011” and passed it with amendments.

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

6.25

THE MINISTER OF STATE FOR ETHICS AND INTEGRITY, OFFICE OF THE PRESIDENT (Fr Simon Lokodo): Madam Speaker, I beg to move that the report of the Committee of whole House be adopted.

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

(Question put and agreed to.)

Report adopted.

BILLS THIRD READING

THE ANTI-PORNOGRAPHY BILL, 2011

6.26

THE MINISTER OF STATE FOR ETHICS AND INTEGRITY, OFFICE OF THE PRESIDENT (Fr Simon Lokodo): Madam Speaker, I beg to move that the Bill entitled “The Anti-Pornography Bill, 2011” be read the third time and do pass.

THE SPEAKER: I put the question.

(Question put and agreed to.)

A BILL FOR AN ACT ENTITLED “THE ANTI-PORNOGRAPHY ACT, 2013”

THE SPEAKER: Title settled and Bill passed. *(Applause)* I would like to thank the Committee of Legal and Parliamentary Affairs. I think they have had the biggest workload during the Ninth Parliament. We thank you very much for doing it.

MR TASHOBYA: Thank you very much, Madam Speaker. On behalf of my colleagues, we would like to thank all the institutions and all the persons that participated in bringing amendments and discussing this Bill. We would like to thank you, colleagues, for the intensive discussions that we have had in handling the Bill.

Madam Speaker, as usual, the committee would like to thank you for the support you normally give us in handling these Bills. We also thank the minister for working with us and coming up with this Bill. We hope it will help him and the country to check on this vice. I thank you, Madam Speaker.

THE SPEAKER: Thank you very much.

FR LOKODO: Madam Speaker, I stand to register my thanks to you for ably concluding the enactment of this Bill. I came to see you a couple of times, urging you that this Bill be expedited because the damage from pornography in the country is very destructive. Today, my dream and that of my directorate has been fulfilled - the enactment of the Anti-Pornography Bill.

I wholeheartedly thank the committee, specifically, the chairman who guided the committee through its deliberations, and the committee entirely because in the beginning I thought it was not going to be given leeway. The first time I went there, I was kind of thrown out but I am very grateful that after ample time, Members reconsidered and they have eventually debated very well on the Bill. To you all, my dear colleagues, I thank you for supporting me. Thank you.

THE SPEAKER: Thank you. Now, the honourable Minister of Agriculture has been writing to me to say that he thought we should complete his Bill. However, from the briefing I got from the Deputy Speaker, the debate had moved from the actual Bill to now whether we actually need the Bill or whether it is not related to GMOs. So, I thought we should probably leave it for a while before we get back to it.

You will give us a presentation on it and then we can conclude but I think today, it will be difficult. You take into account the other arguments, which came during the committee stage, so that you can respond formally to the satisfaction of the Members.

6.28

THE MINISTER OF STATE FOR AGRICULTURE AND ANIMAL IDUSTRY (AGRICULTURE) (Mr Nyiira Zerubabel): Madam Speaker, I agree with the ruling, only that I did not indicate that when the Bill was discussed, it strayed into something totally different. However, we were able to discuss the issues that were raised and I thought it would be possible for us to resume as a committee of the House. However, I accept that we can bring it later.

THE SPEAKER: Okay, thank you.

BILLS
SECOND READING

THE CHATTELS SECURITIES BILL, 2009

6.28

THE MINISTER OF STATE FOR JUSTICE AND CONSTITUTIONAL AFFAIRS (Mr Fred Ruhindi): Madam Speaker, I beg to move that the Bill entitled, “The Chattels Securities Bill, 2009” be read for the second time.

THE SPEAKER: It is seconded by the Minister of State for Trade, Minister of State for Ethics and the Government Chief Whip.

MR RUHINDI: Madam Speaker, the object of this Bill is to regulate the making and enforcement of security interests in chattels, to repeal the Chattels Transfer Act, Cap.70, and for other related purposes.

The Chattels Security Bill deals with giving of personal property or chattels other than land as security for a loan or debt, secure transactions in this area and generally, dealing with guaranteeing and giving security either for a debt, credit or property.

The essence of the security in relation to chattels is to secure performance of an obligation usually in the repayment of a debt arising from leased property.

The overall purpose of the security is to improve the chances of getting repayment. This area of law is not very well developed because much of it has been in the area of titled property in terms of mortgages and not particularly in movable property. So, the Bill is intended to develop and cover that gap.

I do not want to pre-empt the content of the report of the committee that handled this matter, but I very well support it to present its report. Madam Speaker, I beg to move.

6.31

THE VICE-CHAIRPERSON, COMMITTEE ON LEGAL AND PARLIAMENTARY AFFAIRS (Mr Stephen Baka Mugabi): Thank you, Madam Speaker. I wish to present the report of the Sectoral Committee on Legal and Parliamentary Affairs on the Chattels Securities Bill, 2009. I have a copy of the minutes of the committee in respect of the meetings that were held, which I wish to lay on the Table.

The committee considered the Chattels Securities Bill, 2009 and now wishes to report. The Chattels Securities Bill, 2009 was read for the first time on 20 October 2009 in the Eighth Parliament. It was then reintroduced by a resolution of Parliament in the Ninth Parliament on 31 October 2011 and read for the first time on 23 February 2012. It was referred to the Committee on Legal and Parliamentary Affairs in accordance with rules 117 and 118 of the Rules of Procedure of Parliament.

In analysing the Bill, the committee was guided by rule 118 of the Rules of Procedure of Parliament.

Background

A “chattel” in the Bill is defined as, “*any movable property that can be completely transferred by delivery and includes machinery, book debts, stock and the natural increase of stock, crops and wool but does not include title deeds, shares or interests in the stock, funds or securities of any government or local authority or corporate body and debentures and interest coupons issued by a Government, local authority, company or local body.*” The Chattels security deals with giving of personal property or chattels other than land as security for a loan or debt.

Methodology

In the process of analysing the Bill, the committee discussed it and received memoranda from the following stakeholders -

THE SPEAKER: Members can read that.

MR BAKA: Thank you. The committee conducted benchmarking tours to Nairobi, Kenya; Accra, Ghana; Port Louis, Mauritius; Kuala-Lumpur, Malaysia; London, United Kingdom; and Harare, Zimbabwe.

The committee would like to acknowledge and appreciate the Justice Law and Order Sector (JLOS) for availing funds for it to conduct a study tour in Kenya. We also would like to appreciate the Uganda Bankers' Association for funding the committee's visits. Of course, we also appreciate the Parliamentary Commission for funding the other study tours that had not been funded by the listed organisations.

Objective of the Bill

The Objective of the Bill is to regulate the making and enforcement of security interests in chattels; to repeal the Chattels Transfer Act, Cap. 70; and for other related matters.

Observations and Recommendations

1. The committee observed that the Bill is necessary since the current law governing transfer of chattels, that is, the Chattels Transfer Act, Chap. 70, is archaic and obsolete.
2. The current law has also not been put to use since the use of chattels as collateral for payment of a debt is not well developed in Uganda.
3. While the current law has been in place since 1978, it has rarely been applied due to its archaic and complex provisions.
4. This law will achieve the intended overhaul of the present legal regime and provide adequately for a chattels securities law commensurate with Uganda's state of development, commercial and social circumstances and promotion of private investment.
5. It is critical to pass this law to address the concerns raised by citizens, particularly in the rural areas where the use of chattels as security is more in keeping with the local situation.

Before I go to the recommendation, allow me to inform the House that this is one of the last laws in the reformation of the commercial laws. You may recall, honourable members, that we passed the Companies Act, the Insolvency Act, the Geographical Indications Act, the Contracts Act and Mortgage Act. So, this is just one of those commercial laws that have undergone reforms to improve our competitiveness as a country in the area of business.

Recommendation

The committee recommends that the Bill be passed into law subject to the proposed amendments. I beg to move.

THE SPEAKER: Thank you very much, honourable chair and members of the committee. The report has been signed by the necessary minimum number and so, Members are free to debate, if they so wish.

6.36

MR VINCENT SEMPIJJA (Independent, Kalungu County East, Kalungu): Thank you very much, Madam Speaker, and thank you, Mr Chairman, for bringing back the issue of chattels. I would

like to request the chairman or the Attorney-General to throw some light on whether this stock exchange and even –

THE SPEAKER: Where is that minister going? No, please, come back. You need to support other colleagues. Please, continue, hon. Sempijja.

MR SEMPIJJA: Under the definition, the report refers to “any movable property that can be completely transferred by delivery, and includes machinery, book debts, stock and the natural increase of stock, crops and wool” We have been talking about the stock exchange recently.

I remember we wanted to come up with – you will guide me – a provision where people storing their stock or crops in the warehouses could even get money from banks using this stock in the warehouses. So, is that part of the Chattels Securities Bill? I would like some clarification from the Attorney-General. Is it part of this law?

THE SPEAKER: Honourable members, we made a separate law on the warehouse receipting system. There is a complete law on that.

6.39

MR ROBERT SEBUNYA (NRM, Kyadondo County North, Wakiso): Thank you, Madam Speaker. The only observation I want to make is: now that we are going to pass this law on chattels, what should come at the heels of this law is the amendment to the Money Lenders’ Act, I think it is of 1958 or something like that. Now that we are going to use machinery to get loans, the money lenders may become even more versatile than they have been by duping people who want money.

There has been an outcry that people’s property is being attached and they are deliberately avoiding the customers so that they take their assets. People have been photographed next to their TV sets, vehicles and after some time elapses, say three months, the man avoids the customer and at the end of the day, he takes the vehicle. So, I think that immediately after this, we should –

MR NIWAGABA: Thank you, honourable colleague. As a matter of fact, this particular law that we are trying to make now covers those customers who have been dealing with the money lenders better. This is because the chattels which they will pledge to moneylenders or any bank, this law makes it clear that it remains only security and can only be attached in specific conditions. Although I agree with him that we shall need to amend the Money Lenders’ Act, this law protects our people who are using chattels with these financiers better.

6.41

MS ALICE ALASO (FDC, Woman Representative, Serere): Thank you, Madam Speaker. I thank the committee. I am reading the definition of a chattel and it includes, among other things, crops. The concern I have, which is the assurance I seek, is whether the committee has taken due regard to consider particularly women’s concerns in regard to crops.

In most of our rural communities, it is very common for a man to decide that he will use cassava as security and he will borrow money and yet that cassava does not belong to him. He does not even care how you, as a woman, will feed the family the next day. When we were going through the Mortgage Bill here, we took due regard and we said that before one uses a house where a family ordinarily lives, one must seek the spouse’s consent.

So, I want the committee to assure me that they have taken care to protect such families from unscrupulous men who may decide to mortgage the very food, which the family is going to eat. That is a very big concern in the countryside and I hope that that assurance is there. If not, we are better off striking off certain kinds of subsistence crops to keep people having food security.

6.43

MR MICHAEL MAWANDA (NRM, Igara County East, Bushenyi): Thank you, Madam Speaker. I thank the committee chairperson for the report. However, before I can ably contribute to the debate, I would like to seek clarification from the chairperson.

I have seen the background of the Bill and what it is trying to do. I would like to get clarification on the difference between a debenture and this chattel security. What he has defined in the background seems to be covered by a debenture; most of the things are covered by a debenture. I want to be enlightened about the difference between the chattel security and the debenture before I can contribute. I thank you.

THE SPEAKER: I will ask the Attorney-General to answer that so that we can continue – (*Mr Niwagaba rose*) - or does hon. Niwagaba want to answer? Okay, go ahead.

MR NIWAGABA: When you talk about debentures generally, you are talking about registering securities under the Companies Act. This particular law does not deal with debentures; it deals with chattels of individuals pledging them with credit institutions and has nothing to do with debentures. That is why registration of debentures is under a separate law and these chattels will be registered under a specific registry of chattels.

In respect of crops, although a lender may have an interest and pledges this crop, it only remains a pledge. The lender still has an obligation to ensure that the person who is pledging solely owns that particular chattel. It still remains a security; it does not attach until specific conditions are met. So, even if a woman has not consented to the crops being pledged, this particular law still has provisions for protecting those interests.

MR BAKA: Additionally, with the exception of business people, the other chattels are mostly from homes and these are mainly household property like TVs, refrigerators and so on. So, the law here – I am just not sure which provision – provides that they must consult the spouses before the money lender or the bank perfects the interest in that chattel.

MR NANDALA-MAFABI: Madam Speaker, if you look at clause 11(6), it clearly mentions what hon. Alaso is raising. It says, “*For the purposes of subsection (2)(c), a debtor does not have rights in (a) crops until they become growing crops.*” The moment they become growing crops, the debtor has an interest. So, what you are raising is that the moment cassava starts growing, the debtor will have an interest. It also talks of the young ones of animals until they are conceived. That means the moment a cow conceives, the debtor has an interest.

THE SPEAKER: Yes, because if you have pledged them, that is what it is. If you have not pledged them, how will he get involved in your issues?

Honourable members I put the question that the Bill be read for a second time.

(Question put and agreed to.)

BILLS
COMMITTEE STAGE

THE CHATTELS SECURITIES BILL, 2009

Clause 1

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

(Question put and agreed to.)

Clause 1 agreed to.

Clause 3, agreed to.

Clause 4, agreed to.

Clause 5, agreed to.

Clause 6

MR BAKA: Madam Chairperson, the committee proposes that we amend clause 6(1)(a)(ii) by substituting the provision with the following: “receives actual or has constructive notice of the fact.”

The second proposal is to delete clause 6(1) (b), (c) and (d). If you have the Bill, the provisions are down at the bottom of the page.

The justification is: to provide for a wider definition of “knowledge” in clause 6 to include actual or constructive knowledge in express terms in order to address clauses 23(2) and 24(1).

If the Bill limits the meaning of “knowledge” to actual notice, then holders of security interests shall be seriously prejudiced by the provisions of clauses 23 and 24 of the Act. This is because the effect of these provisions shall be to render the perfection of security nugatory. This position should be addressed by amending clause 6, which provides for the meaning of “knowledge”.

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

(Question put and agreed to.)

Clause 6, as amended, agreed to.

THE CHAIRPERSON: There is something that you have left behind.

MR BAKA: Sorry, Madam Chair. Can I just finish it? The proposal is to substitute clause 6(2) with the following provisions:

“6(2) A person shall be deemed to have received constructive notice of a fact if the circumstances are such that, that person would be reasonably expected to have been aware of the fact.”

For 6(3), the proposal reads as follows: “6(3) Circumstances from which constructive notice under this section can be imputed shall include the following:

- (a) where an agent or employee of that person has actual notice of the fact;
- (b) where notice is in respect of the existence of a security interest, the whole public shall be deemed to have constructive notice of that security interest upon registration of the relevant instrument.”

The justification is: to provide for the effect of registration so that registration can be deemed to impart constructive notice of the security interest upon the public. Thank you.

THE CHAIRPERSON: Honourable members, I put the question that the new sub-clauses 6(2) and 6(3) be introduced as proposed.

(Question put and agreed to.)

Clause 6, as amended, agreed to.

Clause 7

MR BAKA: The committee proposes an amendment to replace “section 16” with “section 15”. That is to correct an error in cross-referencing.

THE CHAIRPERSON: Honourable members, I put the question that clause 7 be amended as proposed.

(Question put an agreed to.)

Clause 7, as amended, agreed to.

Clause 8, agreed to.

Clause 9

MR BAKA: The committee proposes that we delete clause 9(2). The justification is that the provision states that a security interest may be created by a transfer of receivables, even where the transfer does not secure a payment. Transfer receivables that do not secure payments should not be considered for purposes of creating a security interest. A security interest that does not secure payment or the performance of an obligation does not serve the purpose of creating a security interest and should, therefore, not be covered by the Bill.

THE CHAIRPERSON: Honourable members, I put the question that clause 9 be amended as proposed.

(Question put and agreed to.)

Clause 9, as amended, agreed to.

Clause 10, agreed to.

Clause 11

MR BAKA: Madam Chairperson, the committee proposes that we delete the comma appearing after the word “charge” in the first line of the provision.

Two, insert a new clause 11(3) to read as follows: “A floating charge shall not seek to cover the assets of the debtor generally, but shall relate only to assets that are either ascertainable, ascertained or form a portion of a divisible stock or collection of assets whether similar or diverse and can be segregated from and existed separately from the stock or collection.”

The justification is: to ensure that a floating charge is not stretched to cover the debtor’s personal assets.

THE CHAIRPERSON: Leader of the Opposition, you had something to say on clause 11.

MR NANDALA-MAFABI: Madam Chair, on sub-clause (6) before we can go up, I want to-

THE CHAIRPERSON: Sub-clause (6)? Can we first deal with 11(3)? Let us finish.

MR BAKA: It is a new proposal and then there will be consequential numbering of clauses.

THE CHAIRPERSON: Honourable members, I put the question that the new clause 11(3) be introduced into the Bill.

(Question put and agreed to.)

MR NANDALA-MAFABI: Madam Chair, I want to understand from the committee what they mean by “crops until they become growing crops” and “the young of animals until they are conceived.” I want to understand what you mean here. What are crops and what are growing crops? What are young animals until they are conceived?

MR BAKA: You need to qualify your clarification further because I do not seem to understand it.

THE CHAIRPERSON: I think you should be asking the mover of the Bill, who is the Minister, rather than the chair.

MR NANDALA-MAFABI: Madam Chair, I thought the chairman had read the Bill. It is clause 11(6). You look at it.

THE CHAIRPERSON: It says, *“For the purposes of subsection (2)(c), a debtor does not have rights in –*

(a) crops until they have become growing crops...” So, if they are seeds, they are not crops.

“(b) the young of animals until they are conceived.” So, if they are just there and they have not conceived, he has no rights.

“(c) minerals until they are extracted.” If they are in the ground, you have no right.

“(d) trees until they are severed.” If they are in the forest, what right do you have?

MR NANDALA-MAFABI: Madam Chair, you have answered my question. What I wanted to say is that I thought crops are crops-*(Interjections)* - You are in the garden. Here you say, “until they are growing crops”.

DR BARYOMUNSI: I think here, the reference is that you plant seeds in the ground and maybe you might commit your field before there is germination. So, what the law means is that the crops, which are visible, which have sprouted out of the ground, are where you can claim a right but not in the seeds, which are still underground. This is just for clarity’s sake.

MR NANDALA-MAFABI: I think then, Doctor, you do not know that “a crop” means it has germinated and it is growing. The moment it is under the ground, it is still seed. So, unless you are saying, “seeds until they are growing crops.”

MR RUHINDI: Madam Chairperson, the Leader of the Opposition may wish to wait for clause 2 where definitions are, because there is a definition of “crops”. You may wish to adjust that definition at an appropriate time.

However, essentially, what it means is: when does the right accrue? There is a general definition of crops, which says, *“‘crops’ means crops, whether matured or otherwise, and whether naturally grown or planted, attached to land by roots or forming part of trees or plants attached to land, but does not include trees.”*The clause we are considering is indicative of when the right actually accrues.

MR NANDALA-MAFABI: Madam Chairperson, I have already gone to clause 2 and that is why I was asking this question. Even clause 2 says, “whether matured or otherwise” - those are crops. Now here, you are saying until they become growing crops; it does not make sense. You can say, “seeds or seedlings until they become growing crops”. I think we should define a crop. What is a crop? So, if it is a plant, when it is young, it is growing.

MS RUTH NANKABIRWA: Thank you very much, Madam Chairperson. Where would you place suckers, bananas and pineapples? They are not seeds and they are not crops unless they are mature and they are not cuttings. Where do we place them?

MR NANDALA-MAFABI: I think this minister has a problem. She even came here and asked where you place suckers. Why didn't they call them crops? (*Laughter*) You have even defined them as suckers.

MS KAMATEEKA: Thank you, Madam Chairperson, and thank you, honourable member, for giving way. As the honourable Attorney-General said, the purpose of this is that you do not have to wait for the crops when they have ripened or when they are at a much later stage but that as soon as they are growing, then you can have a claim on the crops. They are not pledged when they are still seeds but when they have started growing.

THE CHAIRPERSON: If Members want to amend the definition, we shall do it under clause 2, the definition clause.

MS AMONGI: Madam Chairperson, I still want to come back to the point raised by hon. Alaso earlier. Here, we are giving a creditor the right to your crops from the garden, and the point she raised is a reality in the villages where women toil. They are the ones who will plant, they will weed and yet they are weeding something that somebody has already mortgaged. You have already given a right – (*Interruption*)

MR RUHINDI: Madam Chairperson, it is good to live a bit longer than usual; I was a member of the Seventh Parliament and there were amendments in 2004 to the Land Act and there was a stalemate in this House on family land rights. A select committee was appointed and I chaired that select committee and its recommendations were adopted.

In that particular law, family land is properly defined extensively; unless something is excluded by an Act of Parliament, say in the case of minerals, whatever is on the land, above it, under it, is part of that land. So, if you are actually dealing in the crops, which are on the land, by necessary implication under that law – I do not have it here with me – you must get the consent of your spouse. That is my understanding.

You can put it beyond doubt; let me help you. You can propose an amendment and say that the relevant provisions in the Act will apply when dealing with crops on the land. I do not think I would have any problem with that; it would actually put the matter beyond doubt.

MS AMONGI: Thank you for the information. I would be comfortable with being explicit and making certain that it is dealt with. So, I agree with his proposal because that particular provision in the Land Act is really about land where you derive sustenance. So, I would be comfortable with any provision related to cross-referencing to exclude that. I now support your proposal to protect that.

THE CHAIRPERSON: We will find a right form for it.

MR NANDALA-MAFABI: I think that is fine. However, Madam Chairperson, while seated I remembered something, which I also gave as an example. If I have a *shamba* of coffee and this year, maybe as it grows, I come to you and say, "Give me money now. I am pledging my coffee and when it is ready next year, you will take the coffee." I think that is what this law is trying to look at.

MR SEMPIJJA: Thank you, honourable member, for giving way. Madam Chairperson, pineapples have a lot of market in Kenya and Juba and currently, in my area in Masaka, the buyers come when the pineapples are still young and they pay the owner some money. Sometimes the farmers may want money to buy fertilisers. The buyers then wait until the pineapples are mature. So, there have been

many conflicts sometimes because by the time the pineapples mature, the prices have gone up or down or something like that. So, I think this is where this Act would help us.

MR BAKA: Let me just clarify. This law has no provision of that nature, where you are going to say, “give me one million and when my coffee matures, you will take this coffee.” That is what this law is actually coming in to block.

What has been happening in the market is that when you give a chattel, it is almost transferred and it is taken by the creditors even when you are ready to pay the money. So, this law says a chattel must strictly act as security; you are going to harvest your coffee yourself and pay the money.

However, there are provisions that I think have been created under part 3 where if you have failed to pay, that is when that situation can come into play. However, initially, the chattel must be intended to act as security strictly.

MR NANDALA-MAFABI: That is why I came up in the first place, Madam Chairperson. He is making it complicated. Why? Currently, in villages people are not comfortable with banks, so someone goes to one villager and says, “You will harvest my coffee; give me money now and I take my kid to school.” Now you are saying that cannot apply. If that does not apply, then you will make the life of people who cannot go to the banks hard. So, here, I would need to move a proposal to remove “does not have”.

“For the purposes of subsection (2) (c), a debtor does not have rights...” A debtor has rights. So, I want to say, “...a debtor has rights in crops until they become...” This is because there are people who have been transacting in what my brother has mentioned – pineapples - and I also gave an example of coffee, and we have people who can get a cow and say –*(Interruption)*

MR NIWAGABA: Madam Chairperson, I think we may be confusing separate branches of the law. This particular Bill does not relate to transactions that are safe in nature. The example hon. Sempijja has given relates to a person selling. I would invite Members to look at – we have already passed that clause - clause 9 (3). This also goes to the proposal by hon. Betty Amongi, which the Attorney-General has agreed to.

It is not applicable because the interest created under this Act and how it is applied for, and how it is finally resolved, has nothing to do with any other Act. This particular Bill is only in respect of pledging a chattel as a security and it remains a security; it is not a sale. It only becomes perfected under the provisions of this Bill, which we are yet to reach.

If you are looking at that particular clause you want to amend, clause 11(6), it only relates to the rights of a debtor in the collateral. The collateral that they are mentioning is the crops, the young of animals, the minerals and trees, in as far as a debtor has interest in only those.

THE CHAIRPERSON: Honourable members, if you are a debtor and someone has pledged security, why should we stop that person – [*Hon Member: “from selling”*] - No, it is not selling. Supposing you pledge your garden to me and then I say, “From today, do not enter there for the next six months because it is my garden”. There are no crops, the seeds are underground, but I say it is mine now. This is what the law is saying, that you have no right until the crops have started coming up. That is when your rights accrue.

If they are trees, you cannot say, “All these trees are mine”; no. Unless they have been specific - tree No. 1, 2, 3 or 4. That is what this is saying. If I go to Kitgum, for example, and say that all the minerals underground are mine when I do not even know whether it is gold or other minerals - that is why they are saying until they are extracted, your rights do not accrue. That is what they are saying.

MR NANDALA-MAFABI: Madam Chair, I have no problem with the minerals and trees. They are saying, “trees until they are severed”; that means when they have matured, you then cut. That is why I am saying for the crops, I think it should be “seeds until they have grown up”.

THE CHAIRPERSON: Okay. If you are worried about the seeds, let us amend in the definition clause; we can amend the definition of a crop in the definition section. Otherwise, I put the question that clause 11 do stand part of the Bill.

(Question put and agreed to.)

Clause 11, as amended, agreed to.

Clause 12, agreed to.

Clause 13, agreed to.

Clause 14, agreed to.

Clause 15, agreed to.

Clause 16, agreed to.

Clause 17, agreed to.

Clause 18, agreed to.

Clause 19, agreed to.

Clause 20, agreed to.

Clause 21, agreed to.

Clause 22, agreed to.

Clause 23, agreed to.

Clause 24, agreed to.

Clause 25, agreed to.

Clause 26, agreed to.

Clause 27, agreed to.

Clause 28, agreed to

Clause 29, agreed to.

Clause 30, agreed to.

Clause 31, agreed to.

Clause 32, agreed to

Clause 33, agreed to.

Clause 34, agreed to.

Clause 35

MR NANDALA-MAFABI: We have the registrar of businesses; does the minister want to create more offices? It says, “The Minister shall designate a public officer as a registrar of chattels securities for the whole of Uganda...” So, are you creating another office or the current officer in the ministry is the one going to remain as registrar?

THE CHAIRPERSON: Minister, where is this registrar going to be?

MR RUHINDI: Madam Chairperson, just give me a few minutes to consult on this.

THE CHAIRPERSON: Okay, let us stand over clause 35. They will find of him, but he will have to have his own seal; he cannot use the one of the other registrar.

MR NANDALA-MAFABI: Madam Chairperson, supposing we delete this because currently, there is a registrar of businesses?

MR BAKA: The minister is consulting but as a committee, we had concluded on this. This function is going to the Uganda Registration Services Bureau. A new definition of “minister” has been proposed in the interpretation clause because originally, it had gone to Minister of Trade, which meant creating another registrar. So, we are proposing that it goes to the Ministry of Justice - if you look at the definition of “minister” in the interpretation clause – and that automatically means it will fall under URSB, which falls directly under the Ministry of Justice. Unless you want to be explicitly clear, we can do that, but as a committee, we had agreed that it is URSB.

THE CHAIRPERSON: But will the minister not say, “This is the registrar of births; this is the registrar of deaths; this is the registrar of...” -

MR RUHINDI: Madam Chairperson, it is now clear. I think at that time, there was a transition and restructuring of Uganda Registration Services Bureau and it was not clear, but it should be clear in this law. There is no designation; we should be specific that for the purposes of this Act, registration shall be conducted by the Uganda Registration Services Bureau.

THE CHAIRPERSON: So, you are now proposing an amendment?

MR RUHINDI: Yes.

HON. MEMBER: Delete it.

THE CHAIRPERSON: No, you cannot just delete it. Someone must know where to go. There are many registrars – business names, births, deaths, patents, companies-

MR NIWAGABA: I can give some background. When we were reviewing this Bill, we had a battle between the Uganda Bankers Association, which wants registration to be under Bank of Uganda, and other stakeholders who want registration to be under Uganda Registration Services Bureau. I believe as a committee, we finally resolved that registration be under Uganda Registration Services Bureau because it would internally designate an officer and have a register for purposes of this particular law.

I think the committee forgot when we were making amendments to be specific on that. That is why there was this issue of an officer, but Uganda Bankers Association wanted the Bank of Uganda to have and host the registry.

THE CHAIRPERSON: So, we can say the registrar shall be the registrar –

MR BAKA: The Registrar-General of URSB shall designate a public officer as a registrar of chattels securities, so that it is a department in URSB.

THE CHAIRPERSON: “The registrar shall be the Registrar-General of URSB.” He can then look for the officer.

HON. MEMBERS: Yes.

THE CHAIRPERSON: Okay. So, we propose that amendment for clause 35. I put the question that clause 35 be amended as proposed.

(Question put and agreed to.)

Clause 35, as amended, agreed to.

Clause 36, agreed to.

Clause 37

MR BAKA: Madam Chair, the committee proposes to amend clause 37 by inserting a new sub-clause (2) to read as follows: “The register shall clearly specify the nature of the security interest registered and details of the chattel over which the interest is created.”

The justification is: to specify the contents of the register.

THE CHAIRPERSON: Honourable members, I put the question to that proposal.

(Question put and agreed to.)

Clause 37, as amended, agreed to.

Clause 38

MR BAKA: Madam Chair, we have an amendment. It is on the last page of the report, amendment No. 11.

THE CHAIRPERSON: You have an amendment on Clause 38?

MR BAKA: Yes, if you look at page 8 of our report, the last amendment, No.11, says, “creation of an electronic registry”. It comes under clause 38. We propose to insert a new clause 38(2) to read as follows: “The register may be maintained as an electronic records system”. The provision here was for a manual system but now, since we are *dot com*, we are providing for an electronic records system.

The justification is: to provide for creation of an electronic register. Thereafter, re-number the clause consequentially.

THE CHAIRPERSON: Honourable members, I put the question that clause 38 be amended as proposed.

(Question put and agreed to.)

Clause 38, as amended, agreed to.

Clause 39

MR BAKA: The committee proposes to amend clause 39 by deleting the words appearing after the words “statutory declaration” in 39(b). The justification is that photocopies of documents cannot be used to register an instrument. If original copies are misplaced before registration, then it is advisable for the parties to sign fresh documents. If registration of photocopies were allowed, they would promote fraud and forgeries.

If you look at clause 39 (b), there was a provision for a statutory declaration and photocopies of instruments. So, we propose that we end only at “statutory declaration”.

MR NANDALA-MAFABI: Madam Chair, I thought if you can swear an affidavit on a photocopy to say that they are genuine, that should be a statutory declaration.

THE CHAIRPERSON: If you read the sentence it says, “*Registration of an instrument shall be effected upon payment of the prescribed fee and submission to the Registrar, of - a statutory declaration...*” and then you add “photocopies”! I think you cannot.

MR NIWAGABA: Madam Chair, the Bill was referring to photocopies of the instruments and yet the instruments, the schedules, annexes and references are all under (a) and are presented in original form. So, it was even a repetition to say you have already registered originals and now get photocopies.

THE CHAIRPERSON: Okay, Members, I put the question that clause 39 be amended as proposed.

(Question put and agreed to.)

Clause 39, as amended, agreed to.

Clause 40

MR BAKA: The committee proposes that we amend clause 40 (4) by inserting the word “one” between the words “twenty” and “working” in the second line of the provision. I think that is to provide for twenty-one working days. It should say, “The registration of a financing statement registered more than twenty-one working days...” The justification is: for consistency with the timeframe stipulated in clause 40 (1), which is just above.

THE CHAIRPERSON: So, instead of twenty days, we have twenty-one as in clause 40 (1). Honourable members, I put the question that clause 40 be amended as proposed.

(Question put and agreed to.)

Clause 40, as amended, agreed to.

Clause 41, agreed to.

Clause 42, agreed to.

Clause 43, agreed to.

Clause 44, agreed to.

Clause 45, agreed to.

Clause 46, agreed to.

Clause 47, agreed to.

Clause 48, agreed to.

Clause 49, agreed to.

Clause 50, agreed to.

Clause 51, agreed to.

Clause 52, agreed to.

Clause 53, agreed to.

Clause 54, agreed to.

Clause 55, agreed to.

Clause 56, agreed to.

Clause 57, agreed to.

Clause 58, agreed to.

Clause 59, agreed to.

Clause 60, agreed to.

Clause 61, agreed to.

Clause 62, agreed to.

Clause 63, agreed to.

Clause 64, agreed to.

Clause 65, agreed to.

Clause 66, agreed to.

Clause 67, agreed to.

Clause 68, agreed to.

Clause 69, agreed to.

Clause 70, agreed to.

Clause 71, agreed to.

Clause 72, agreed to.

Clause 73, agreed to.

Clause 74, agreed to.

Clause 75, agreed to.

Clause 76, agreed to.

Clause 77, agreed to.

Clause 78, agreed to.

Clause 79

MR BAKA: Madam Chair, the committee proposes to amend clause 79(3)(a) by substituting the provision with the following: “any other secured party.” Justification: There is no need for a secured party to give notice of sale to him or herself.

THE CHAIRPERSON: Honourable members, I put the question that clause 79 be amended as proposed.

(Question put and agreed to.)

Clause 79, as amended, agreed to.

Clause 80, agreed to.

Clause 81, agreed to.

Clause 82, agreed to.

Clause 83, agreed to.

Clause 84, agreed to.

Clause 85, agreed to.

Clause 86, agreed to.

Clause 87, agreed to.

Clause 88, agreed to.

Clause 89, agreed to.

Clause 90, agreed to.

Clause 91, agreed to.

Clause 92, agreed to.

Clause 93, agreed to.

Clause 94, agreed to.

Clause 95, agreed to.

Clause 96, agreed to.

Clause 97, agreed to.

Clause 98, agreed to.

Clause 99, agreed to.
The First Schedule, agreed to.

The Second Schedule, agreed to.

MS BETTY AMONGI: Madam Chair, we had agreed with the Attorney-General that he moves the amendment.

THE CHAIRPERSON: Will they incorporate it? So, it is accepted? Please, speak to the microphone so that the *Hansard* can capture it.

MR NIWAGABA: Madam Chair, I had brought to the attention of the Attorney-General and the honourable member proposing the amendment that clause 9(4) very clearly states, “A security interest does not include- (a) a lien, charge or interest created by another Act.” So, reference to any security interest under this particular Bill that would be cross-referenced with the Land Act would be inconsistent.

THE CHAIRPERSON: What it means is that if a lien or a charge or an interest is by another Act, then it will not be included here; it does not say that any lien cannot be included.

MS AMONGI: Madam Chair, if he wanted it to be under (4), where it says, “A security interest does not include...” then we would include a paragraph after (a) to say, “crops grown on matrimonial land as defined under the Land Act.”

THE CHAIRPERSON: No, what I understand by clause 9(4) is that if a lien is created under the Companies Act, it would not apply here or if it is created under the Mortgage Act, it would not apply here. That is the way I understand it. I think we cannot just run away from land. I want someone to formulate it properly; we need to protect the interests of the family specifically.

MR NANDALA-MAFABI: If you talk about matrimonial land only, you could have a house here but the land for growing food is somewhere else – it is not matrimonial land. So you have to be careful with crops. That is why I had wanted to delete crops because crops –

MS AMONGI: My issue is that under the Land Act, matrimonial land is defined as land where the family derives sustenance. So it is very broad, and by cross-referencing that, it would protect at least the basic food crops for food security. So in that respect, I do not know why the Attorney-General does not want to help me. *(Laughter)*

THE CHAIRPERSON: I think the legal draftsman should capture that.

MR RUHINDI: Madam Chair, I have been very helpful and in clause 11 – *(Mr Sempijja rose_)* – Before I even say anything –

MR SEMPIJJA: Yes. Madam Chair, thank you. The practice these days is that the land may not be owned by this family but they go somewhere and hire a portion of land and they produce their cassava or maize. That is where the concern is.

THE CHAIRPERSON: We are talking of land from which you derive sustenance.

MR NANDALA-MAFABI: Madam Chair, I think he has brought in another angle.

THE CHAIRPERSON: Hon. Nandala, why don't you want the land? (*Laughter*)

MR NANDALA-MAFABI: Madam Chair, even if you go to the bank, even if the woman's name is not on that land title, they will say you must make sure that she signs somewhere before you are lent money. That is what the banks require all over the world. However, now when it comes to moneylenders, it is dangerous because they do not ask for your spouse's consent. So, that is the problem with the land.

THE CHAIRPERSON: Maybe we leave out the word "matrimonial" and say, "Land from which the family derives sustenance."

MR RUHINDI: Madam Chair, that is why I was careful. This is what you should have done before because there was a committee, which was considering this Bill, and you should have made proposals there. It is certainly, very difficult to draft on the Floor of the House. That is why we should capture the principle under clause 11, that for anyone dealing in crops, the provisions of the Land Act on family land rights shall apply. Then they will definitely put it in a better language, that cross-referencing will be captured.

THE CHAIRPERSON: Okay. So I instruct the Clerk to make sure that when you are proofreading, that clause must be there, specifically. The drafts-people should capture it and when you are proofreading, make sure that it has found a clear home in this Bill. Let us go to clause 2.

Clause 2

MR BAKA: The committee proposes to amend the definition of "chattel" by inserting the words, "property in respect of which a valid document of title exists" after the word "wool" in the fourth line of the provision. Those who have the Bill, it is page 6, the fourth line.

To make it flow grammatically, however, we would also need to insert the word "and" before "property". So, it would read, "'chattel' means any movable property that can be completely transferred by delivery, and includes machinery, book debts, stock and natural increase of stock, crops or wool, and property in respect of a valid document of title exists..."

Our second proposal is to substitute the word "and" in the third line of the provision with "or" after "crops."

THE CHAIRPERSON: Honourable members, those are the proposals. Is there any other proposal?

MR BAKA: The other proposal in clause 2 is to substitute the word "Trade" with the words, "Justice and Constitutional Affairs." That is under definition of "minister".

MR RUHINDI: Madam Chairperson, in the Second Schedule there is a typographical error that needs to be corrected, under No.7. "That the grantee shall..." the word "not" after "shall" is missing. It should be, "The grantee shall not possess, sell or dispose of the chattels or part of the chattels by public auction without consent of the grantor, or by private treaty where the consent of the grantor has been obtained, where- (a) the grantor defaults in payment..."

THE CHAIRPERSON: "...shall not possess, sell or dispose of the chattels or part of the chattels by public auction without consent of the grantor, or by private treaty where the consent of the grantor has been obtained, where-

- (a) the grantor defaults in payment of the secured money;
- (b) the grantor breaches a covenant..."

Yes, I think the "not" should be there.

MR RUHINDI: Yes.

THE CHAIRPERSON: I put the question that the second schedule be amended as proposed.

(Question put and agreed to.)

MR NIWAGABA: Madam Chair, there is also another typing error in the Second Schedule, No.19. It should be, “That the grantor shall manage the land and stock without any interference from the grantee...” not from the grantor.

THE CHAIRPERSON: Yes, the grantee. So, I think we substitute the second “grantor” with “grantee”. I put the question that part 19 of the Second Schedule be amended as proposed.

(Question put and agreed to.)

THE CHAIRPERSON: Now, I put the question that clause 2 be amended as proposed.

(Question put and agreed to.)

Clause 2, as amended, agreed to.

The Title, agreed to.

MOTION FOR THE HOUSE TO RESUME

7.44

THE MINISTER OF STATE FOR JUSTICE AND CONSTITUTIONAL AFFAIRS (Mr Fred Ruhindi): Madam Chairperson, I beg to move that the House do resume and the Committee of the whole House reports thereto.

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

(Question put and agreed to.)

(The House resumed, the Speaker presiding_)

REPORT FROM THE COMMITTEE OF THE WHOLE HOUSE

7.45

THE MINISTER OF STATE FOR JUSTICE AND CONSTITUTIONAL AFFAIRS (Mr Fred Ruhindi): Madam Speaker, I beg to report that the Committee of the whole House has considered the Bill entitled “The Chattels Securities Bill, 2009” and passed it with amendments.

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

7.45

THE MINISTER OF STATE FOR JUSTICE AND CONSTITUTIONAL AFFAIRS (Mr Fred Ruhindi): Madam Speaker, I beg to move that the report from the Committee of the whole House be adopted.

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

(Question put and agreed to.)

Report adopted.

7.47

THE MINISTER OF STATE FOR JUSTICE AND CONSTITUTIONAL AFFAIRS (Mr Fred Ruhindi): Madam Speaker, I am extremely sorry. This does not normally happen to me but I think some friends really misled me. Under the Second Schedule, this word “not” should not be there. I beg to recommit that small part and have it properly corrected. I apologise.

Madam Speaker, I move that the second schedule to this Bill be recommitted to remove the word “not” from item No. 7 for the correctness of record.

THE SPEAKER: Honourable members, I put the question that the Schedule be recommitted.

(Question put and agreed to.)

BILLS
COMMITTEE STAGE

THE CHATTELS SECURITIES BILL, 2009

MR RUHINDI: Madam Chairperson, as I had pointed out, there was just a small typographical error and I beg to move that the word that we had inserted after “shall” in item No. 7 of the Second Schedule be accordingly deleted. I beg to move.

MR BAKA: The justification is that if you look at No. 7, it says, “*That the grantee shall possess, sell or dispose of the chattels or part of the chattels by public auction without the consent of the grantor...*” If he has consent of the grantor, then it shall be by private treaty. So, the “not” should not be there.

THE CHAIRPERSON: I put the question that part No. 7 of the schedule do stand part of the Bill.

(Question put and agreed to.)

The Second Schedule, as amended, agreed to.

MOTION FOR THE HOUSE TO RESUME

7.49

THE MINISTER OF STATE FOR JUSTICE AND CONSTITUTIONAL AFFAIRS (Mr Fred Ruhindi): Madam Chairperson, I beg to move that the House do resume and the Committee of the whole House reports thereto.

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

(Question put and agreed to.)

(The House resumed, the Speaker presiding_)

REPORT FROM THE COMMITTEE OF THE WHOLE HOUSE

7.50

THE MINISTER OF STATE FOR JUSTICE AND CONSTITUTIONAL AFFAIRS (Mr Fred Ruhindi): Madam Speaker, I beg to report that the Committee of the whole House has considered the amendment in the recommitted Second Schedule of the Bill and passed it.

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

7.51

THE MINISTER OF STATE FOR JUSTICE AND CONSTITUTIONAL AFFAIRS (Mr Fred Ruhindi): Madam Speaker, I beg to move that the report of the committee of the whole House be adopted.

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

(Question put and agreed to.)

Report adopted.

BILLS
THIRD READING

THE CHATTELS SECURITIES BILL, 2009

7.52

THE MINISTER OF STATE JUSTICE AND CONSTITUTIONAL AFFAIRS (Mr Fred Ruhindi): Madam Speaker, I beg to move that the Bill entitled “The Chattels Securities Bill, 2009” be read the third time and do pass.

THE SPEAKER: Honourable members, I put the question that Chattels Securities Bill be read for the third time and so pass.

(Question put and agreed to.)

A BILL FOR AN ACT ENTITLED “THE CHATTELS SECURITIES ACT, 2013”

THE SPEAKER: Title settled and Bill passed. *(Applause)*

MR BAKA: Thank you, Madam Speaker. Mine is just, on behalf of the committee, to thank the House for staying here up to now so that we could conclude this important business.

As a committee, we are happy we have concluded two important Bills from our committee today. I want to thank the members for the hard work they put into the Bill. Most importantly, Madam Speaker, I thank you and the Commission for the support you gave us. This was a technical Bill that required us to move extensively to get to understand the Bill, and you supported us in that. I wish to thank you on behalf of the committee. I thank you.

MR RUHINDI: Madam Speaker, first of all, let me thank the Committee on Legal and Parliamentary Affairs for their constant co-operation and commitment in the work of the justice, law and order sector. *(Applause)*

I thank you, Madam Speaker, also for championing this commercial reform programme. From the first prioritised batch of laws, at least from our ministry, this is the last in that particular batch. *(Applause)* This exercise started way back in 1997/1998 and has included the transition of enactments

- the Companies Act, the Trade Secrets Act, the Hire Purchase Act, the Trademarks Act, Industrial Property Act and so many others that have been passed.

I can assure you this is going to greatly improve our economic welfare because it is going to improve our investment climate in this country. So, thank you very much, Madam Speaker, and we look forward to your continued co-operation even in the implementation. It is not so much about passing these laws but so much about the implementation and enforcement. Certainly, the process is as good as the result, but you have done so much in terms of the process to that effect. Thank you very much. I wish you a happy Christmas and prosperous New Year.

THE SPEAKER: Let me thank the Committee on Legal and Parliamentary Affairs. I think they had the biggest backlog of Bills. There are some still remaining but I thank you for the bulk we have done. I thank them.

Honourable minister, during our visits in the countryside, the issue of dissemination of the laws that we have enacted is a very big challenge. You need to find a solution for how the public can access these laws and understand them. It is an area where we have not done well. I hope that you can do something about it.

Honourable members, although the calendar says we are supposed to rise today, there are still some issues on the Order Paper. So, I want to appeal to you to come back tomorrow at 10.00 a.m. - I will not keep you after 2.00 p.m. - so that we can run through some remaining work. For now, I think we have earned the right to go and *kyamuket*. Let us go straight to the ground floor so that we can dance.

Thank you, Government side, and thank you, Leader of the Opposition, for always being here and martialling all the Members. I thank you for sitting in until late so that we can do work for the country. Thank you very much, honourable members. House adjourned to 10 O'clock tomorrow.

(The House rose at 7.56 p.m. and adjourned until 20 December 2013 at 10.00 a.m.)