

Daily Hansard (October 10, 2011)

Monday, 10 October 2011

Parliament met at 2.16 p.m. in Parliament House, Kampala.

PRAYERS

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

The House was called to order.

ADMINISTRATION OF OATHS

The oaths were administered to:

1. Muhammad Kawuma

THE SPEAKER: Hon. Members, on behalf of the House, I would like to welcome back hon. Kawuma from his short leave and to wish him a continuous tenure this time. Hon. Kawuma, since we have not had any numerical changes to our numbers, I believe you will go back to the committees where you were originally assigned to continue with your work. Good luck!

I have a lengthy communication to make, which I would want as many of the Members as possible to hear but I see a shortage on this side. Can we suspend for five minutes because I want them to hear my communication – (Interjections)- 15 minutes? Okay, I suspend the House for 15 minutes.

(The House was suspended at 2.24 p.m.)

(On resumption at 2.49 p.m., the Speaker presiding_)

COMMUNICATION FROM THE CHAIR

THE SPEAKER: Hon. Members, there has been a slight improvement on both sides of the

House and I would like to welcome His Excellency the Vice-President and all the Members.

I wish to thank you very much for responding to the notice for this special sitting. This sitting is as a result of a request presented to me in form of a petition on 20 September 2011 under Article 95(5) of the Constitution of the Republic of Uganda. On receipt of this request, I studied it to satisfy myself whether it meets the requirements of Article 95(5) of the Constitution. The request was signed by more than one-third of the Members of Parliament. However, the request was general and did not give specific issues to be discussed in the Oil Sector.

I wrote to the petitioners requesting them to provide more information about what they wanted to discuss in the Oil Sector. The petitioners initially declined to give the information but on 29 September 2011, they presented a notice of motion and so that raised the questions: "When did the request become legally effective? Did it become legally effective on 20th September or on the 29th when the specifics were provided? In the computation of time, does this include weekends or public holidays?" This leaves the matter open to many interpretations.

Hon. Members, the events leading to this sitting have convinced me of the urgent need for a rule to operationalise Article 95(5) because it is too general. The difficulty in applying Article 95(5) is not being experienced for the first time. Hon. Members should be aware that on 28 December 2006 when Parliament had been adjourned sine die, some Members invoked Article 95(5) of the Constitution by appending the appropriate number of signatures to a statement requesting the Speaker to convene Parliament within 21 days. The Speaker then observed:

"Article 95(5) has been in the Constitution since 1995. No law, by way of statute or Rules of Procedure of Parliament, has been put in place to guide us as to how this Article can be invoked. I find it necessary to have other details in the instrument other than the appropriate number of signatures.

In the absence of the appropriate law, under rule 7(2) of the Rules of Procedure of Parliament, I advise that the instrument should state the fact that the Parliament is in recess, that there is very important business required to be attended to by Parliament immediately, that details of business in form of a motion, petition or statement should also be stated in the instrument.

It should be noted that Parliament handles business in form of motions, petitions and not by general statements. It should be indicated that Parliament cannot be convened as required in any other way. The signatures could then follow.

The inclusion of the business to be handled at the requested meeting serves two purposes:

First, to assist the members from whom the signatures are being sought to know the nature and importance of business for which the request is being made; and secondly, to provide the items for the Order Paper, which has to be given to members before the proceedings commence. If the items are not indicated, the Speaker would not know what to include on the Order Paper of the day and there would be no business for the House.

He concluded by stating, "The guidance I have given on the provision of Article 95 is for future purposes".

Secondly, in July 2008, a petition was presented to the Speaker under Article 95(5). This was when Mr Peter Mayiga; Mr Lubega Seggona, now Member of Parliament; and Mrs Namboozie Bakireke, now Member of Parliament, were arrested and Members wanted a statement from the Government. The same procedure, including the need for details in the request under Article 95(5), was followed. The petitioners, despite having the requisite signatures, had to file an addendum containing the specified reasons for recall of Parliament.

Hon. Members, when I asked for specific issues for debate, some Members were arguing that it was not a requirement but you can see from the precedence I have quoted that I was following the practice as established by Parliament.

I would urge the committee on rules, since it is now studying our Rules of Procedure, to consider this issue in the proposed amendment by proposing for our consideration the detailed procedure operationalising Article 95(5). It is not possible to call a sitting of Parliament without sufficient details about the issues to be debated by Parliament. It is also necessary to sort out how the signatures are obtained, the computation of time and the format of the request.

As a lasting measure, I now direct the Clerk to compile a compendium of the Speaker's decisions and rulings so that they are available and bound in one volume and so that they are accessible for information and guidance. I have also issued guidelines for assessing the Production Sharing Agreement by Members of Parliament and authorised persons. I have additionally decided that I will dispatch five Members of Parliament to attend the arbitration proceedings in London so that they can make an independent report to us, and for the avoidance of doubt they are being fully funded by the Parliament.

I have also instructed the Clerk to Parliament to peruse through the Constitution and identify the areas that need to be activated by subsidiary legislation and bring them to my attention so that we can arrange to have the necessary enabling laws put in place. Members might recall the shock they received when the 77 had to leave the House because there was no law to deal with the transition. These are some of the issues I am talking about.

Coming back to today's business, our ultimate goal should be the interest of the people of Uganda. Before I conclude my communication, I would like to play for the House a tape of the proceedings of 29 June 2010 when, at my directive, the Executive presented the Power Purchase Agreements in this House. Please, play the tape.

(A video presentation was made.)

THAT SPEAKER: Hon. Members that was part of my communication –(Laughter)– I wanted to bring on board all Members of the House about what transpired in the Eighth Parliament in relation to these agreements. Now that we are together, I will invite hon. Ssekikubo.

MOTION FOR A RESOLUTION OF PARLIAMENT MOVED IN ACCORDANCE WITH ARTICLE 95(5) OF THE CONSTITUTION AND RULE 43 OF THE RULES OF PROCEDURE IN RESPECT OF REGULARISATION OF THE OIL SECTOR AND OTHER MATTERS INCIDENTAL THERETO

3.14

MR THEODORE SSEKIKUBO (NRM, Lwemiyaga County, Sembabule): Thank you, Madam Speaker and hon. Members for having supported the petition for the recall of the House. I thank all those Members who have enabled this Parliament to reach this far in as far as the petroleum sector is concerned. I know that it has been long since we have been on recess and one of our signatories is not here with us, Prof. Gilbert Bukenya. However, I know he must be proud of the process here and the far this motion has reached.

With humility, I beg to present a motion for a resolution of Parliament in respect of regularisation of the oil sector and other matters incidental thereto. The motion is moved under our rules of Parliament; we have the Constitution of the Republic of Uganda –(Interruption)

MR OKOT OGONG: Madam Speaker, right now we have a very important debate on the Floor of Parliament and the mover of the motion for a recall of Parliament to discuss this very important subject matter is already presenting. However, I understand all Members are not here. I am reliably informed that some Members are meeting somewhere other

than in Parliament here. Is it right for us to proceed with this important matter when I am informed other members are meeting somewhere?

MR DOMBO: Thank you, Madam Speaker. This House is governed and run according to the Rules of Procedure. One fundamental factor, which enables the House to debate, is for the quorum to be established. My strong view is that discussing people who are meeting elsewhere may be speculation and it may be diversionary. If we constitute quorum, let us proceed with the business of the House because we are fully constituted.

THE SPEAKER: Hon. Members, earlier I had suspended the House for about 15 minutes and then it became 20 minutes to enable all the Members to be here.

MR KATUNTU: Thank you, Madam Speaker. I am not very concerned about some members who may be meeting somewhere; maybe they are not interested in the issue we are discussing now. However, I actually note that the line minister is not here, the Leader of Government Business is not here and the Chief Whip is not here. That shows two things; either they are not taking this debate seriously or it is conspiracy against this debate - now that H.E. the Vice President is here, I think we can proceed. The House has taken note.

THE SPEAKER: Hon. Members, I know we have quorum but I also studied this motion and it is directed at the Government; all the actions are directed at the Government. So I think to have a middle ground, I will suspend again for 10 minutes.

MR NANDALA-MAFABI: I can see Dr Mallinga is here and he is part of Cabinet. I can see His Excellency the Vice-President is present.

Madam Speaker, I thought you invited Members of Parliament to come back today to discuss an important item, which is oil. You never said "the Cabinet"; you said, "Members of Parliament". I believe since Members of Parliament are available, we can go ahead and discuss. If they do not come, at least the Vice-President is around, hon. Okurut is here, I can see Baba here and I can see my amuran, Ecweru, is here. So there is no problem. We can go ahead; unless there will never be business if some of the ministers are not present.

THE SPEAKER: Hon. Members, the actions in the motion are all directed to the Government. I am giving the Government 10 minutes. I am suspending proceedings for 10 minutes. If they are not here, we move on. (Applause)

(The House was suspended at 3.20 p.m.)

(On resumption at 3.44 p.m., the Speaker presiding_)

THE SPEAKER: Hon. Members, please join me in welcoming the following groups that are in the gallery: students of All Saints Primary School in Lweeza. Unfortunately, I was not told who represents them, but they are welcome. We also have students of Najjanankumbi Young Christian School. Again, I have not been told who represents them. We also have a delegation from the Africa Institute for Energy Governance, a registered public policy research and advocacy NGO, and other civil society members. You are welcome. (Applause)

Maybe for the future, Sergeant-At-Arms when you are sending these messages, please indicate which constituencies the children are coming from so that their MPs can be acknowledged.

3.47

THE PRIME MINISTER AND LEADER OF GOVERNMENT BUSINESS (Mr Amama Mbabazi): Thank you, Madam Speaker. I rise on just one point; to apologise to you and to the House for the late coming of the Government side. This was due to very serious matters, which we needed to sort out for us to have a common position. I am happy to say that we are ready. I profusely apologise for coming late. Thank you.

THE SPEAKER: Thank you very much, Rt Hon. Prime Minister.

MOTION FOR A RESOLUTION OF PARLIAMENT MOVED IN ACCORDANCE WITH ARTICLE 95(5) OF THE CONSTITUTION AND RULE 43 OF THE RULES OF PROCEDURE IN RESPECT OF REGULARISATION OF THE OIL SECTOR AND OTHER MATTERS INCIDENTAL THERETO

3.48

MR THEODORE SSEKIKUBO (NRM, Lwemiyaga County, Sembabule): Madam Speaker and hon. Members, I would like to thank you for your indulgence and patience that has enabled this House to be constituted in full capacity. This is because these are critical matters that should not be reported to anybody; we should all sit in this House and candidly debate the oil sector and find a way forward for our country. I thank you, Madam Speaker. (Applause)

This is a motion for a resolution of Parliament in respect of regularisation of the oil sector and other matters incidental thereto. It is being moved under rule 43 of the Rules of Procedure of Parliament:

“WHEREAS under Article 95(5) of the Constitution of the Republic of Uganda the Speaker of Parliament is obliged to summon Parliament when one third of the Members of

Parliament request him or her to do so;

AND WHEREAS on the 20th Day of September 2011, one-third of the Members of Parliament requested the Speaker in writing to summon Parliament to deliberate on matters related to the oil sector;

AND WHEREAS in spite of the existence of the Oil Policy, Government has not presented to Parliament Bills for enactment into law, to address various crucial aspects of the oil sector and to put into effect the Oil Policy and in particular:

- i) Revenue collection and management;
- ii) Participation of Ugandans and their empowerment in as far as benefiting from the oil industry is concerned;
- iii) Social, environmental and economic aspects related to the sector and how they will be regulated together with incidental matters related thereto;

AND WHEREAS since 2004 or thereabout, Government has executed Production Sharing Agreements with various companies relating to oil exploration and production, particularly Heritage Oil and Gas Ltd, Tullow (U) Ltd inter-alia, and the Production Sharing Agreements so signed remain largely unknown to the people of Uganda and a big number of their representatives in Parliament;

AWARE that the terms of the Production Sharing Agreements so signed have a direct bearing on revenue to be collected, retained and applied by Government for the benefit of Ugandans, and continue to be in force and applicable to revenues in spite of the absence of enabling laws;

AWARE that the secretive nature of Government transactions in the oil sector may in future not augur well for the country in its quest for wholesome development;

IN RECOGNITION of the important role of Parliament to make laws for the peace, order, development and good governance of Uganda;

AND AWARE that laws in the oil sector are sine qua non for proper utilisation of the oil wealth for the country's economic development;

NOW, THEREFORE, be it resolved by the Parliament of Uganda as follows:

1. A moratorium on executing oil contracts and oil transactions be put on the Executive arm of government until the necessary laws have been passed by Parliament to put into effect the Oil and Gas Policy;

2. That Government comes up with the necessary laws and tables the same in Parliament within 30 days from the date of this resolution;

3. That Government produces to Parliament all agreements it has executed with all companies in the oil industry including the Memorandum of Understanding it executed with the Uganda Revenue Authority and Tullow (U) Ltd on 15 March 2011 in Uganda, and that it takes note of the decision of the High Court of Uganda in Civil Appeal No. 14 of 2011 (Commercial Court Division) between Heritage Oil and Gas Ltd, the appellant v. Uganda Revenue Authority, the respondent, to the effect that there shall be no arbitration on any tax dispute more so outside Uganda;

4. That Government reviews all Production Sharing Agreements already executed for purposes of harmonising them with the law and the decision of court and in particular the decision of the High Court aforementioned and in particular, the principles that:

i) Tax disputes are outside the arena of arbitration as they are statutory and not contractual.

ii) Discard clauses such as the one under clause 33(2) of the Production Sharing Agreement between Heritage Oil and Gas Ltd and Government of Uganda signed in 2004, which among others states thus: 'If following the effective date there is any change or series of changes in the laws or regulations of Uganda, which materially reduces the economic benefit derived or to be derived by the licensee hereunder, the licensee may notify the Government accordingly and thereafter the parties shall meet to negotiate in good faith and agree upon the necessary modifications to this agreement to restore the licensee to substantially the same overall economic position as prevailed hereunder prior to such change(s). In the event that the parties are unable to agree on the modifications required to restore licensee to the same overall economic position as prevailed prior to such change within 90 days of the receipt of the notice referred to herein above, then either party may refer the matter for determination pursuant to paragraph 26(1)."

This is so because such clauses oust, unconstitutionally, the powers of Parliament to make laws for the development of Uganda and put the profit making motive of companies superior to the interest of Ugandans. (Applause)

5. An account of all revenues so far received by Government from the oil industry be made to Parliament within seven days showing how much has been received, from who, for which areas (blocks) and where it is kept and in particular the following revenues: license fees, signatures bonuses, taxes, royalties, among others.

6. Government accounts for expenditures, if any, made from oil revenues and a moratorium be put on government to stop any further expenditure on oil revenue without the laws on revenue collection and management being first put in place.

7. Government, as a matter of transparency, joins the Extractive Industries Transparency Initiative and a report to that effect confirming such entry be made to Parliament.
(Applause)

8. Government sets up a commission of inquiry headed by a Justice of the Supreme Court to investigate claims and allegations that some of its officials have been compromised and received bribes from some players in the oil industry -(Applause)- and the report of the commission of inquiry be laid before Parliament for consideration.

9. Government desists from executing any contract in the oil industry with a provision/clause for confidentiality. (Applause)

10. Government explains the process of procurement of the firm of Curtis, Mallet-Prevost, Colt & Mosle LLP and furnishes a list of firms affiliated to Chambers Global giving their ranks and scale of charges vis-à-vis Curtis, Mallet-Prevost, Colt & Mosle LLP within seven days from the date hereof. (Applause)

11. Government withholds the consent to the transaction between Tullow Oil (U) Ltd and Total and CNOOC before capital gains tax assessed by URA payable by Tullow are paid in advance and a report to that effect be made to Parliament.”

Madam Speaker and hon. Members, I beg to move. (Applause)

THE SPEAKER: It is seconded.

MR SSEKIKUBO: Madam Speaker and hon. Members, as I had indicated earlier –

THE SPEAKER: Hon. Members, you are now disturbing hon. Ssekikubo. Is there a problem with his microphone?

MR SSEKIKUBO: Madam Speaker and hon. Members, the motion moved is captured well and interred within the Constitution of the Republic of Uganda, the Rules of Procedure, the Petroleum Act, 1985 and the National Oil and Gas Policy for Uganda.

I beg to read two Articles of the Constitution. Article 237 is about land ownership:

“(1) Land in Uganda belongs to the citizens of Uganda and shall vest in them in accordance with the land tenure systems provided for in this Constitution.”

Article 237(2)(b): “... the Government or a local government as determined by Parliament by law, shall hold in trust for the people and protect natural lakes, rivers, wetlands, forest reserves, game reserves”

I relate that to Article 244 which reads: “Subject to Article 26 of this Constitution, the entire property in, and the control of all minerals and petroleum in or under any land or waters in Uganda are vested in the Government on behalf of the Republic of Uganda.”

The point I am trying to make here is that there have been some statements – you know I represent that area affected by oil and I wanted to bring out this dichotomy. Whereas land in Uganda belongs to the citizens of Uganda, the framers were very careful to say that all minerals, petroleum, any land or waters in Uganda are vested in Government. So this makes it pertinent that this matter be debated by Parliament because it has no affiliation whatsoever to any region, district or tribal chauvinism. It is a property of Government. With that, Madam Speaker, and with a lot of humility, this is the right place to discuss matters of oil. (Applause)

Uganda is in advanced stages of development of the recently discovered commercially viable oil and gas resources in the Albertine Graben parts of Uganda. More than 56 wells have so far been drilled, out of which 52 have proven oil and gas reserves up to a tune of three billion barrels of oil, and with a potential capacity of up to six billion barrels.

Needless to mention, oil has the potential to transform Uganda from among the poorest of countries to the richest nations of the world. If I may give an example, right now a barrel of crude oil is between US \$125 to US \$135. If you take off the US \$35 as unit cost, that will leave you with US \$100. In most countries, the investors take 20 percent and the Government retains 80 percent. With that in mind, let us take one billion barrels as an example. If we are to go by US \$100, that is already one trillion US dollars. As we speak now, our national budget is between US \$4.5 billion to US \$5 billion. Now with that, how many years would you need to get to one trillion US dollars? This is the magnitude of the problem. So when I see people trivialising this matter, I get concern. So, it is good that you have all indicated your readiness to debate this matter.

Contrary to what has been portrayed, the science of oil in a country rotates around two principles: one principle is cost oil and the other principle is profit oil. Cost oil are the expenses incurred while producing the oil. I would like to share with honourable members the areas under discussion, that is, the status of licensing in the Albertine Graben areas in Uganda showing the wells and where they are located so that we can all

proceed together. I have laid this on the Table but I am also giving some copies to the honourable members so that they can follow. We should lead by example; there is no secrecy -(Interjections)

THE SPEAKER: Order, hon. Members! Allow the honourable member to proceed.

MR SSEKIKUBO: As you go through this map, you will see the oil concentration areas in blocks and wells. The copies are few but you can share. This will form the thrust of my presentation.

Oil science is about cost oil and profit oil. Uganda has not injected any cost, so we stand not to benefit when they are recovering their costs. Ours is profit oil. Profit oil comes in when you compute all the costs, they are audited and what remains is the profit. That is where our stake remains as a country.

There are recoverable costs. In the current circumstances where we have Tullow, Heritage and other companies that have entered into PSAs with Government, they are supposed to recoup their expenses after the production starts. Before Uganda can start earning, the costs have to be offset first and that is the economy we are handling.

I beg to lead you through the statement of recoverable expenditures. It is best for you to know what your country is paying for so that we know where we shall be. It begins with exploration expenditures and includes the following:

- Aerial, geophysical, geochemical, petrological, geological, topographical, seismic surveys and studies and their interpretation. These are undertaken by these companies prospecting for oil but at the end of the day it is you and the taxpayers that shall have to foot these bills.
- Core drilling and well drilling
- Labour, materials and services used for drilling wells with the objective of finding new petroleum reservoirs, or for the purpose of appraising the extent of, or subsequently producing petroleum reservoirs already discovered provided such wells are dry or otherwise not completed as producing wells.
- Facilities used solely for support of these purposes including access roads, purchased geological and geophysical information.
- A portion of service cost allocated to the exploration operations on equitable basis and consistently applied to the end of the calendar year.
- Any other contract expenses incurred to the commencement of the commercial production in the development areas and not otherwise covered by development expenses.

You can also go to the development and production expenditures phase, and these include – all these are recoverable costs:

Drilling wells that are completed as producing wells and drilling wells for the purpose of producing petroleum reservoirs already discovered provided such wells are completed as producing wells.

Completing wells described in 1(c) above by way of installation of casings or equipment or otherwise after a well has been drilled for the purposes of bringing the well into use as a producing well - the cost of field activities including field gathering systems, field productions, treatment units, wellhead equipment, subsurface equipment, natural gas, separation facilities, enhanced recovery systems, offshore platforms, petroleum storage facilities in the field and related facilities and access roads for production activities.

The cost of transportation facilities installed up to the delivery point including, but not limited to, pipelines, compressors, seaboard, terminals and storage facilities.

Engineering and design studies for the field facilities: a portion of service costs allocated to expressional operations on an equitable basis and consistently applied; a portion of the general administrative expenses allocated to expressional operations based on the projected budget expenditures at the end of the calendar year; any other expenditure incurred in development operations prior to the commencement of the commercial productions in the development areas other than that incurred in respect to operations carried out beyond delivery points and they have the operating expenses; all such appropriate economic expenditure incurred in petroleum operations after the start of production including intangible costs like drilling costs, includes tariff charges by the pipeline company - you have service costs; all such necessary appropriate economic direct and indirect expenditures in support of the petroleum operations but not limited to warehouses, piers, marines, vessels, vehicles, motorised rolling equipment, aircraft, fire and security stations, workshops, water, sewerage plants, power plants, housing, community and recreational facilities and that is the corporate responsibility. Even when those firms are conducting their corporate responsibility, ultimately it is you to bankroll all those expenses.

Licences, affiliated companies; even without those very companies but the affiliated companies, Ugandans will have to pay. Licences, affiliated companies, personnel and service costs incurred in connection with petroleum operations carried out related to administration, legal, accounting and treasury advice, auditing, senior management, general information systems, support research and development, taxation, insurance, public and international affairs, employees' relations, human resources, liaisons and reporting, general assistance, supervisory functions under this agreement to the extent

that even where they pay taxes on these items, it is also compiled and it is a recoverable cost, once oil –

THE DEPUTY SPEAKER: Hon. Ssekikubo, I am a bit lost. I don't know what document you are reading. Is that a general policy?

MR SSEKIKUBO: Madam Speaker, this is what is contained in the recoverable costs and I was leading the debate to the exact picture of what we intend to be paying as a country. I take the opportunity to lay this on the Table. If that was abstract, may I take this opportunity to simply –

THE SPEAKER: For the Hansard read that document that you are laying on the Table - read the title and then lay it on the Table.

MR SSEKIKUBO: This is "The Ministry of Energy and Mineral Development, the Petroleum Exploration and Production Department: A review of the oil exploration activities in Block 3A licensed to Heritage Oil and Gas (U) Limited for the two years from 8 September 2004 to 30 October 2006." I beg to lay it on the Table.

Madam Speaker and hon. Members, once you read through the statement of recoverable expenditures as prepared by management - these expenditures are not prepared by Government but the management of these companies. They sit down, compile all their costs and forward them for clearance by Government.

I beg to start with, for instance, the surface rights. This is the money they pay to Government for the areas under the drilling and exploration. In this year that I have mentioned, the budget was US \$341,385 and the total was US \$382,775 and the actual amount paid was US \$362,520.

Labour and associated labour costs; in 2004, the budgeted amount was US \$153,840. The actual paid was US \$1,753,771. I am going to pick out a few for purposes of enhancing the debate.

Charges for services; the budget in 2004 was US \$4,903,550. The actual total of that period was US \$19,667,227,000 and these are charges for services like food, accommodation, et cetera, which at the end of the day they turn and we are to pay this money for an item like insurance and losses. Your country or government must pay for insurance and losses that these companies may have suffered as they put a budget for you to clear the bill.

Training costs, general and administration expenses; for this period, the actual amount

that is to be cleared and paid is US \$31,770,351,000 and these are the ones that shall be recovered before we start getting any revenue from this.

As if this were not bad enough, let us look at who is incurring this. You will notice that if you read through the local suppliers and sub-contractors and contractors, they are all piled up even in cases where the nature of supplies and services provided are not known but the expenses are there for you to carry. And if you go through the list of suppliers - (Laughter)- Abamwe Transporters Limited - the nature of supplies and services is transportation; Abdallah Abdallah - the nature of supplies and services not known.

Agric Enterprises – the nature of supplies and services provided not known; AH Sakal – auditing; AIG Uganda - insurance cover; Amrat Group Limited - not known. Aquava International Limited - office supplies; Amor Group Uganda – security; Autotec – electrical supplies; BMK - motor vehicle maintenance; Baguma Crescent – not known. Bakawa and Sons Holdings - not known; Bemuga Forwarders Limited - freight and forwarders; Benon Kamugisha – not known; Big Enterprises – not known; Dott Services Uganda Limited - not known. BODEP – not known; British Airways - international air travel; BADMED – not known; Buhuka Coasts – not known; Bulayi General Agencies – office supplies; Bunga Engen Service station – petroleum; Bushnet – internet services; Butambala Transporters – transportation; Caltex - supply of petroleum; Celtel Uganda Ltd – communication; Centrack Machine Spares and Services - vehicle maintenance; Cignatel Telco - communication services; Civicon Ltd - manufacturers and construction materials; Claude’s Wic International - not known; Covmo Uganda Ltd - not known; Cranmer Kayizzi - not known; Datanet.com - data services; Davis and Shirtliff - mechanical and offices; Dembely Enterprises Ltd - office supplies; Desbro Uganda Ltd - paint, chemicals and varnish.

THE SPEAKER: Hon. Member, can you again - because you have not told us the title. You are going into the details without telling us the title - what is the title of that thing?

MR SSEKIKUBO: Madam Speaker, the list of the local suppliers and the nature of supplies and services provided remains as such and I beg to lay this on the Table of Parliament.

I would like to end by coming out on two points. The two points I wanted to emphasise are about the employment in these ventures. As you may note, many of the employees in these oil ventures are in western Uganda - in the top and even manual, about 80 percent of the employees are non-Ugandans but they are saying they are being paid, as you will be hearing, quite exorbitantly. But at the back of your mind, you may wish to note that at the end of the day, it is we Ugandans to bear this cost and pay.

In Tullow, I wish to point out, Brian William Glover; until recently was the General

Manager and Director of Tullow in Uganda, responsible for overseeing all aspects of business in Uganda especially government liaison and responsible for the overall budget they request each year; he joined Tullow in January 2008.

I go to Andy Oliver -(Interjections)- I am bringing the composition of the labour then I will go into the payments. There is Andy Oliver, otherwise known as Andrew Oliver who is the Production and Operations Manager and responsible is for the execution of all operational activities in the field. As I read these names you can be able to say whether this could be anyone amongst us. (Laughter)

There is Mariam Nampeera Mbowe, the General Counsel, but she has not been there for more than four months. She leads the legal team and department for the Uganda business unit - not even the international aspect but the Uganda business unit.

There is Eoin Cameron Meike. This is the Finance Manager, Uganda. He heads the main finance team in Kampala and also a small team in London. He joined Tullow in October 2010.

We have Laura Hughes. The name is Laura Elizabeth Alice Hughes a senior commercial advisor for Tullow responsible for supporting the Uganda leadership team in decision making and day to day management.

We have David Michael Newton. He is the EHS Manager which stands for Environment, Health, Safety and Security Manager. He joined last year.

We have Paul Coward. He is an environmental manager Uganda. Then somewhere in between there is Jimmy Kiberu, the Corporate Affairs Manager to help Tullow to be recognised as a responsible company in the country's oil and gas sector.

Abdul Kibuuka, human resource manager.

Then we have Michael Gaughan. He worked for Shell for eight years but he heads contracts for infrastructure, logistics and pipelines and you realise that out of 10, you have three so it translates into 30 percent local component and 70 percent foreign.

But there are some shocking revelations. There is Simon Byrne the head of security, health and safety. This one earns Shs 42 million per month. We have John Morley, who by qualification is a Caterpillar Driver -(Interjections)- and his qualification is a certificate in catering -(Laughter)- he earns Shs 54 million -

THE SPEAKER: Order, Members; allow him to proceed!

MR SSEKIKUBO: We have Andy Demetriou who is in the external relations but he is earning a cool Shs 36 million. But this is also a holder of a certificate in catering.
(Laughter)

THE SPEAKER: Order, Members!

MR SSEKIKUBO: Hon. Members, there is an insight I would wish to give you. Contracts in these companies have been shared. For instance, a contract for camp establishment and management is by MSL Logistics and this is a company of one Alfred Kabuchu. Each camp has 250 residents and people are sleeping in tents in these camps but they are made in such a way that they are even air conditioned. They do not mix with local communities, they have a fully-fledged bar at their disposal to keep them comfortable in their rooms and each person pays between US \$92 and US \$95 per night.

The contract for food is paid separately but at the end of the day, this is your money because you will pay it anyway. Regarding food, the caterer is Just Kicking and I think this was formerly at Kisementi. When the oil deal came, the person left and is no longer at Kisementi; he is down there making money. Every day, each resident is charged US \$106 for feeding only. In addition, there is also the US \$95 for accommodation. You can imagine that is the expense on each and every employee.

For these many years, the absurdity goes that there is even a yard where they park the equipment; the big mechanical trucks et cetera; but this particular yard is not in Hoima. The yard is here in the East of Kampala. It is at Kira and it is owned by Matthew Rukikaire Junior and Nina Mbabazi –

HON. MEMBERS: Shame!

THE SPEAKER: Can we have some order, Members? Allow the Member to make his presentation.

MR SSEKIKUBO: One wonders about the rationale of having a yard East of Kampala yet the field is - from here to Hoima is about 220 kilometres and from Hoima to the oil wells is another 80 kilometres. What rationale do you have to set up a yard in Kiira when you have to - it does not make any economic sense but it is just used for minting money?

I wish to point out that whereas there are opportunities derived from the Oil Sector, the inhabitants of Hoima are near the lakes but fish has to be transported from Kampala to these areas. Nothing, not even Matooke, is purchased from these areas so where is the trickledown effect out of this economy? The local people are left as spectators to the

extent that even beers - these employees cannot be allowed to go out in those small towns. They are put in comfort and enjoy their beers and bars courtesy of the Uganda Government that pays and clears all the bills.

Permit me to move to the question of the cost and this is about the rigs. We have several rigs and these are used to drill oil. We have Ogek IRR 600 and this is in the areas of Ngara and Ngege extension. We have Ogek 750 in Ngiri field; we have Weatherford 721 in Kigogole; Ngege D, Ngege CH, Ngege F. We have Ogek K 900; we have Rig 5; we have Workover Unit, Weatherford well testing Unit and Shramburg Well Testing Unit. Of course Shramburg Slickline Unit has no rig.

Hon. Members, each day these rigs cost taxpayers US \$120,000 for each rig. But that is not the point. The point is that these rigs stay idle for months without doing any work and we continue paying for them. For instance, there is Ogek 750. This was supposed to start mid July to September and October but apparently, these were involved in well testing. It is expected to have some activity up to mid October and end of November but for the rest of the time up to December, it is idle. Even the work it was supposed to have done has not been done. If you say US \$120,000 per day times ten, that is US \$1,200,000. A month costs US \$3,600,000 per rig that you have in this country.

Of course that is hiring without transporting, fuel and et cetera and it is being left idle. This is as a result of the fact that these companies bring in these rigs before securing licenses. So we end up losing this amount of money.

I can give you another example. Ogek K900 was brought here and it is idle. It was supposed to be working from September to October but it has not worked yet. The oil well was not drilled and even the expected drilling of Kanywataba will not be done because they have no licence for drilling Kanywataba. It is here on our land and the moment it is here whether is idle or working, you clear the bills and this one is going all the way to December.

What confidentiality are you talking about? It does not make sense. This is nonsense really. The opposite of making sense is being nonsense. How do you justify this? You bring a rig, it is lying idle, each day Ugandans are paying US \$120,000 and it is idle for one month, two months; three months. Of course, there are some lapses when they need to relocate the rigs from one well to another. They dismantle it for transportation purposes and that is understandable but where they say is that, "We are keeping it to drill Kanywataba", and Kanywataba has no licence, how will they go about it?

This is what is going on there but I wanted to point out one. We have one disturbing case of a rig brought -(Interjections)- do not worry, you will have everything. I believe in

transparency as there is no hiding of any information here. (Applause) A rig to drill Ngasa was imported. Ngasa alone cost US \$39 million. Drilling one well, Ngasa, cost US \$39 million and as we speak now, it has leakages. Another US \$5 million has been set aside to re-do the same well so the troubles are not over yet. A US \$39 million well is the highest and most expensive well. Even those mined under the sea cannot reach this amount of money. In the whole world, this has entered the Guinness Book of Records. Despite the staggering amount of US \$39 million, it still has leakages and the cost of US \$5 million taking it to US \$44 million, not adding any other costs and expenses.

What does this imply hon. Members? It implies that at the end of the day, by the time we Ugandans start receiving money - because when oil production starts, these are the costs that will have to be offset first before you can talk of sharing.

So, this is why, Madam Speaker, you are wise. You allowed this motion because Members were waiting to look at agreements. (Applause) We thank you for your wise decision in this, the ambush was on agreements but this is again more shaming that even the agreements - I will not talk about the licences and blocks. At an appropriate time, my colleagues, the seconders of the motion, hon. Abdu Katuntu, hon. Niwagaba, hon. Karuhanga, hon. Dennis Obua, will come up to feed into this but if - I hope once I finish my seconders, including hon. Nsereko Muhammed, will have the opportunity to fill in these issues.

We are all Ugandans, why do we do this? (Laughter) There has been a question as to why we should not wait for - of course we are aware we have here the committee report of Parliament also urging Government to come up with laws by the end of the year. We are aware of that and indeed we participated but there is an urgent matter. Between now and 15 October this very month, this week I hope, there is the second round of Production Sharing Agreements II that are due to be signed.

That is why we could not wait any more and whereas the initial stage was the exploration where you had fortune hunters, they had Hardman and all these companies. Now this stage is where the real sharing of money is. Our pre-occupation has been with taxes. Those are crumbs, those are small matters. Taxes; those are small but this is a stage where we are reaching Production Sharing Agreements and as my colleagues will point out, is it tenable that we proceed as Government to sign to bind ourselves under the Production Sharing Agreements II when indeed we have failed in the first place? I want to tell you that when all these licences are put to strict scrutiny, hon. Members will wonder that we have been dealing with kiwaani. (Laughter) There is nothing tenable. The nearest word to a "kiwaani" is "sham". These are sham agreements that we have on our hands!

We thought that it is at this critical stage that as a country we should move together as one either to make this oil a blessing or a curse. We need to be very careful in the way we handle our oil sector. When you look at this National Oil and Gas Policy, it is such a wonderful policy. It is a good document that had we followed it as Ugandans, we would be where we want to go. The policy is clear from the word go and this is a policy of Government and I do not hope Government would want to run away from its own policy. The policy talks about having in place the necessary legal framework before you can come with these agreements. Now if Government goes ahead to sign the Production Sharing Agreements II and this is one of the issues that had led to a snag - these companies are insisting that in case Government comes up with laws, they should not affect their interests.

We now want to sign agreements without a legal framework in place yet these agreements should be undertaken under the ambit of the law. So, we are more or less putting the cart before the horse and this is really - I do not think that my Government can afford to make such a mistake because it will be reckless!

As you read through, on page 6 of our policy, it reads: "The Petroleum Act has served adequately in the promotion, licencing and exploration of the petroleum in the country but it will need to be reviewed after this Oil and Gas Policy is put in place so as to operationalise the policy, make the Act more suitable to handle the development and production of oil and gas and appropriately capture the recent trends in the industry. A new Act will among other things include provisions for the development of production of natural gas" We are talking about oil; we are not talking about natural gas.

"It should bring on board international best practises in areas like improved oil recovery together with health and safety standards; provide harmonious relationship with the proposed law on management of petroleum revenues; provide for national participation as an effort to enhance value creation by oil and gas activities and provide for a more competitive licencing process."

If I may ask, since when have these potential wells been advertised for competition? How can you get fairness when you do not put it up for competition? And this is the policy; on page 17, they talk about national participation. Development of an Oil and Gas Sector will lead to receipt of significant investments by the country.

Whereas most of these investments will be for the development of the Oil and Gas Sector, others will be for the resulting opportunities in other sectors of the economy. It is necessary to use these investments to create as much value as possible in the country. National participation through shareholding in licences and provision of goods and services by the country's entrepreneurs shall be some of the key avenues to achieve the

desired value creation in the country from these investments.

It means we shall have an oil sector that has run and left Ugandans behind. And yet a policy, to put it in simpler terms, is a decision of what to do and what not to do. And Government came up with a policy on its own accord on what to do; why then is it abandoning the set out principles and positions within this policy?

I will not go through the details of this, but it covers environment, it covers competitiveness and transparency and accountability; that is on page 18: "Openness and access to information are fundamental rights in activities that may positively or negatively impact on individuals, communities and state. It is important that information that will enable stakeholders assess how their interests are being affected is disclosed ..." and the right place is this Parliament. (Applause)

This policy recognises the important roles different stakeholders have to play in order to achieve transparency and accountability in the oil and gas activities. The policy shall, therefore, promote high standards in transparency and accountability in licensing, procurement, exploration, development and production operations as well as management of revenues from oil and gas.

The policy will also support disclosure of payments and revenues from oil and gas using simple and easily understood principles in line with accepted national and international financial reporting standards.

Lastly on the policy, this policy will guide oil and gas; the policy has two components: one, on page 23 it talks about roles of the Petroleum Authority in Uganda (PAU) - but you, as Government, cannot run the affairs of petroleum, you need a regulator.

According to Prof. Stigman, oil is one of the most secretive businesses in the world. We are saying that we are to produce 250,000 barrels of oil per day. Without an authority to regulate this, how will you be able to regulate the daily productions of this oil, the shipment of this oil? We are operating in darkness without an authority and we shall end up being cheated.

For instance, have we had independent assessment and confirmation of our oil deposits? From the US Embassy, we got to know that we have a potential of up to 6 billion barrels. But these firms so far point to only 2.5 to 3 billion barrels. Just reducing it by one billion is enough for you to lose US \$1 trillion. Where is the authority to regulate the Oil and Gas Sector? We are operating in darkness and nobody can explain this lacuna. We are in a hurry to start production, but we are producing in void; there is nothing; it is just guess work. We are told, you have 2 million barrels and we clap.

It was disheartening to hear that the information about our oil was obtained from the US Embassy when they held a cocktail dinner where honourable ministers were present. An embassy announced to Ugandan ministers about the potential of oil they have in their own country! (Laughter)

Lastly, I move to the Uganda National Oil Company. This policy also talks about the Uganda National Oil Company known as UNATOIL; this is on page 44. "In addition to policy and regulation, the state will require an entity to handle its commercial interests in the sub sector. For example state participation in the licences and marketing the countries share of oil and gas production received in kind.

Although this entity will become more relevant when production begins, the period before production shall be used to build its capacity so that it is able to play its role when production starts. Specific roles of UNATOIL include the following:

- a) Managing the business aspects of state participation.
- b) Developing in-depth expertise in the oil and gas industry.
- c) Optimising value for its shareholders.
- d) Administering contracts with co-ventures.
- e) Participating in contractor operator meetings amongst others."

It is important at this point because in other countries, the dealings are between the oil sector and companies and not between Government and companies. I can give you an example. We have the Nigerian National Petroleum Company; we have the Libyan National Oil Corporation; we have SOCAR in Azerbaijan, amongst others. The beauty about this is that if there is any default; this is a limited company held liable in its own capacity. But now, we as a country are dealing with these oil companies. The other ones are companies and we are acting as a state and operator. In case of any dispute and I would not wish to talk about the disputes in London - and Government comes to lose; it means the judgement debtor will go for the assets of Government. Even this Parliament can be properly attached -(Interjections)- unlike in circumstances where it is company and company -(Interjections)- I tell you hon. Members, our embassies abroad are not safe.

Consignments of coffee can be intercepted en-route - even our presidential jets can be grounded for that matter. (Laughter) So, it is better that we agree and set up the Uganda National Oil Company early so that Government is cushioned from these vagaries and so that our assets and interests are covered - this is the danger we are following without looking ahead.

My last point is to appreciate - where credit is due. One of the remaining issues – these

production sharing agreements have not been concluded too because the President is insisting on having a refinery in Uganda. I must thank him for that -(Applause)- because these companies are sponsoring the pipeline. Our oil is about three kilometres underground. It is solid in form and is the best oil because others have sedimentary but ours is solid and it is the best. [HON. MEMBERS: "Ours."] The Ugandan oil is the best. That is why one wonders why we are being held at ransom.

Anybody will be interested in our oil but the importance of having a refinery here is the by-product. This is where the spin-off can take place. You have phosphates, you have pharmaceuticals, you have plastics, you have bitumen, you have employment opportunities; you can have oil fields and air fields and every activity will be here. But if you chose to take it as crude oil; first of all, that has technical problems because our oil is solid; it is not liquid. It means you will need a heating pipeline all the way from Bunyoro to Mombasa and you have to put heating boosters. It is only in India where they have, so far, the longest heated pipeline. But this one of Uganda will also hit the records because from Kampala to Mombasa is 1,300 kilometres; plus Hoima, you add another 240 plus the oil wells, that is another 80 kilometres away. Ours will be the longest heated pipeline -(Interjections) - and you can imagine the cost. What has come up so far is that this conglomerate, CNOOC, Total and Tullow have come up with a proposal to build a refinery of 20,000 litres -(Interjection)- which is not even enough for Uganda's consumption so that they build a pipeline for the rest. They have come up with a wish to build a 20,000-litre refinery which is too small and they say it will have the capacity to increase to 60,000 by 2020 -(Interjections)- yet Uganda is projected to produce 250 barrels. You can see that they are creating room for the pipeline.

We must thank the President and we must urge him to stand firm on this patriotic move -(Applause)- I take this opportunity to lay "The Development of Oil Potential in Uganda: A notional studies case by licensees EA1, 2 and 3A," on the Table, Madam Speaker.

Hon. Members, my job is done. (Applause) I have fought a good fight; I have not abandoned the struggle. We are all for this country. We need to come out. The patriotism shouldn't be in bimeezas alone, the barazas; it should be sown now. I want to reiterate my strong commitment to the President, thank him and urge him not to sign these on the 15th and not to allow them to be signed whatsoever. We have indicated a warning. Do not sign it because it is disadvantageous to our interests as a country. Stay firm your Excellency, we are behind you. [HON. MEMBER: "He is hearing."] The option the President took is the best but as you know, he is being surrounded -(Laughter)- any blink of the eye, the deal will be done.

At this point in time, I beg to circulate to Members, copies of the rigs which are idle and redundant but each day, Ugandans pay through the nose. We are paying US \$120,000

per day for every idle rig.

THE SPEAKER: You can lay them on Table? It will be our responsibility to reproduce and circulate.

MR SSEKIKUBO: I lay on Table the documents, Madam Speaker. This is the time to stand to be counted. (Applause) I also request that the seconders of this motion are given ample opportunity, including hon. Alice Alaso and hon. Felix Okot, amongst others - (Laughter)- they should be enabled to lead through the areas I have not thoroughly covered.

I know we all have Uganda at heart but this is the time we either make or break this country. A stitch in time saves nine. We would rather do it now than in the coming – in case in future you come and say, “Yes, the PSAs too have been signed.” Even if you look at them; they will have no meaning to us. We are the representatives of the people of Uganda.

I would like to thank all Members who participated, who stood by this motion. I want to thank the Leader of Government Business who never came out to oppose the motion - (Laughter)- I also thank Members from my side and my President Museveni who never, in anyway, indicated that I should not move ahead with the motion; he didn't at any one time do that. I further would like to thank Ugandans and community-based organisations and the media; this has not been for us alone, but for all Ugandans.

Lastly, Madam Speaker, take my commitment and strong words to you that we are all fully behind you. (Applause) We stand to be corrected by you as we move the agenda of this country forward. You know very well that as back benchers, we cannot move anywhere without you. That anything that touches the Speaker touches all of us. (Applause) Thank you so much.

I also would like to thank the Leader of the Opposition for his efforts. This has been a quite bi-partisan matter that has touched and involved all of us as Ugandans. I would like to implore you that we should proceed by this; this is the minimum agenda. You can see that while I belong to the NRM, the seconder of my motion belongs to the FDC. That is why I said that in the first place, we are Ugandans. (Applause) After the minimum agenda, one is free to belong to FDC; I am free to belong to the Movement; one is free to belong to UPC and DP political parties because that is the democracy and you know that our Constitution gives us the mandate to enjoy these rights.

With those comments, I would like to add that I look forward to our entire patriotism in this debate. I beg to move. Thank you very much. (Applause)

THE SPEAKER: Thank you very much –(Interjections)- no he presented the motion and later justified it. At the time you arrived he was giving the House the justification of his motion. I want to thank hon. Ssekikubo. You know I didn't know there was an Oil and Gas Forum in this Parliament until they came to present that petition. So, I think they have been doing some research. (Applause) But I would like to urge you to always bring the Speaker with you. Don't hide things from the Speaker. (Laughter)

Okay, hon. Members, as you have seen, the motion had five seconders. However, I would like to invite only three of them – hon. Abdu Katuntu, hon. Wilfred Nuwagaba and hon. Gerald Karuhanga, in that order, to speak to it.

5.18

MR ABDU KATUNTU (FDC, Bugweri County, Iganga): Thank you very much, Madam Speaker -(Mr Peter Nyombi rose_)

HON. MEMBERS: No, no, no!

THE SPEAKER: Yes, what is it, Attorney-General?

5.18

THE ATTORNEY-GENERAL (Mr Peter Nyombi): Madam Speaker, I want to raise a preliminary objection.

HON. MEMBERS: No, no, under what rule?

THE SPEAKER: Please, let us listen to him then we shall make a ruling.

MR PETER NYOMBI: Madam Speaker, as I was saying, I want to raise a preliminary objection under rule 60 of our Rules of Procedure but before I do that, let me first thank this House for the vigour, enthusiasm and commitment with which they are handling this matter. I also believe that all of us would like to handle this new-found wealth properly. So, I would like to assure this House that Government is willing and ready to discuss the issues that have been raised in this motion because we all want to ensure that this new-found wealth –

THE SPEAKER: Can we have order in the House?

MR PETER NYOMBI: Madam Speaker, I have carefully studied this motion and got to realise that the grounds that are contained in this motion are subjudice.

HON. MEMBERS: No!

THE SPEAKER: Can we have order in the House? Please let us listen to the Attorney-General before we take a decision.

MR PETER NYOMBI: Madam Speaker, rule 60 provides that reference shall not be made to any matter on which judicial decision –(Interjections)- is pending in a way as may –

THE SPEAKER: Can we have order in the House? Let us listen to one another.

MR PETER NYOMBI: Madam Speaker, as I was saying, paragraph 1 of Rule 60 of our Rules of Procedure provides that reference shall not be made to any matter on which judicial decision is pending, in such a way as may in the opinion of the Speaker prejudice the interest of any parties in the action. (Interjections)

MR MAGYEZI: Thank you, Madam Speaker. I move under our Rules of Procedure, Rule 47(1), which requires that no question or consideration on any motion be made before it is seconded. I would like to ask whether the hon. Member is in order to proceed to raise a question or debate on this motion before it is seconded.

THE SPEAKER: I have listened very intently to the submission of hon. Ssekikubo, and I think he was careful not to touch – yes it is written; it was spoken to but justification did not touch on those issues. (Applause) If I find them straying into the areas which are subjudice, I will bring them to order. But I think we should listen to the seconder. (Applause)

MR KATUNTU: Thank you very much, Madam Speaker and hon. colleague. I know for sure that today is the 10 October 2011, and just yesterday we were celebrating our 49th Independence anniversary. On that note I wish to congratulate His Excellency the President, the Speaker of Parliament, the Chief Justice, the Rt Hon. Prime Minister and indeed all of us, all protocol observed – including the Attorney-General, of course. (Laughter)

As we were celebrating our Independence, a question came into my mind. Many years ago, our forefathers, for small pleasantries like hunting rifles, gumboots, mirrors, cosmetics, blankets, mortgaged this continent to colonialists. When I studied history – I thought we were supposed to pick lessons from our history to better our future. But what surprises these days is that some people studied history to pass exams. There are no lessons which we got out of history. It took blood to be shed; lives to be lost for us to gain our Independence because of the mistakes our forefathers made. As we debate this, aren't we having some of our leaders, again, picking a few pleasantries and

mortgaging away the most valuable resource we have.

Madam Speaker, when I stood up to speak, I had two other points, but one came to my mind – the learned Attorney-General disrupted my flow of speech. Under Article 119 of the Constitution, it provides that the Attorney-General shall be a Cabinet Minister appointed by the President with the approval of Parliament.

Under Article 119(3) it says that, “The Attorney-General shall be the principal legal adviser of the Government.” Under 119(4), it says that, “The functions of the Attorney-General shall include the following: 119(4)(b)...to draw and peruse agreements, contracts, treaties, conventions and documents by whatever name called, to which the Government is a party or in respect of which the Government has an interest.” Maybe if the office of the Attorney-General had done a good job, as envisaged by the Constitution, we would not be where we are today. (Applause)

Rt. Hon. Speaker, I am going to lay evidence now to actually show you that the office of the Attorney-General absconded from its constitutional duty. I have a letter before me from Tullow Oil Plc. It is dated, 2 December 2010. I will read it and then later on table it.

“Private and confidential.

Eng. Hillary O. Onek, MP, Minister of Energy and Mineral Development.

Dear Honourable Minister,

RE: Gulu meeting package proposal

Further to our constructive meeting in Gulu two weeks ago chaired by H.E. the President, we would like to take this opportunity to respond formally to the package proposal that was offered to us at those meetings within the two-weeks frame that was agreed.” You can ignore the second paragraph (Interjections)

“We summarise our understanding of the package proposal in the correspondence with the government negotiating team dated 23rd November, a copy of the summary is attached to this letter as appendix 1 (the package), and have based our subsequent discussions with our board and prospective new partners, CNOOC and Total, on this principles.

Having discussed the package with our board and with CNOOC and Total, we are able to confirm as follows:

We are pleased to confirm our agreement in principle with the package offered. Subject

to agreeing on a formal memorandum of understanding with the Government and URA, which will reflect the package and receive the relevant consent. The amount of money is USD 470 million will be paid to the government and URA -USD 327 million to Government - under the terms of the agreed package. We would hope that the above mentioned payment could be deposited in a Ugandan bank account very soon. In order to assist in promptly formalising the package, please find attached.” And this now I need to emphasise.”

1. A proposed draft memorandum of understanding that we believe reflects the package.

2. A draft form of letter from the minister providing the requisite consent in relation to the matters addressed in the package and the memorandum of understanding.

Our agreements agreed on are being drafted in London by the oil company including a ministerial consent as provided for under The Petroleum Exploration and Production Act.”

Where is the Attorney General’s Office?

How do you get justice, fair terms, when actually, the businessmen you are dealing with have taken over, including state duties of drafting documents. This is the situation we are in and we cry that there is something wrong going on. I would like Ugandans to listen to us.

Things have gone pretty wrong; we have been left at the vagaries of these companies. Government officers who are supposed to be doing their duties are either asleep or deliberately in connivance with these people. I do not want to go into details, but I lay this document on Table. It is a letter from 3rd Floor, Building 11 Chiswick Park 566, Chiswick High Road, London - W4 5YS, Tullow Oil.

I will now tackle one issue, which has been a subject of discussion; confidentiality. It has become a song; everybody who wishes to explain something is going to talk about confidentiality, and let me give you the genesis.

Before 1995, we did not have a right enshrined in our constitution to provide access to information by citizens. The framers of the 1995 Constitution should really be praised. They realised that in circumstances like these, citizens are entitled to information being held by the state and they, therefore, provided for it under Article 41; the right to access to information.

I read it; "Every citizen has a right of access to information in the possession of the state or any other organ or agency of the state except where the release of the information is likely to prejudice the security, sovereignty of the state or interfere with the right to privacy of any other person."

There are only three circumstances envisaged by our constitution where the state can deny its citizens information. Number one is security; number two, state sovereignty; and number three is the right to privacy of any other person.

Whoever cites a law, they should start with the constitution then you can go down and cite all other laws because the constitution is very clear. It says that it is the supreme law and any other law which is inconsistent with this constitution is null and void.

I have seen people when they are quoting confidentiality, they have gone to PSAs. PSA is not a law for heaven's sake. They have also gone to the Petroleum Exploration and Production Act. Mind you this was an Act of 1985 before coming into force of this constitution, and this constitution provides that when it comes into force, all these laws should now be read in conformity with the constitution. What is the problem?

I am looking at section 59, which in my view goes beyond what is provided for under the constitution. It is quite clear, whoever is citing confidentiality should start with the constitution.

In my life in this House, I have believed in transparency, accountability and open Government. In fact as you know Rt Hon. Prime Minister, I am the one who drafted the Access to Information Bill. It took a whole year to draft that Bill. I came to this House and presented it. The following day, the then Minister of Information came and said that he had taken it over and he is a doctor with a PhD. There is what we call plagiarism. What he did is he removed the names and changed a few things and brought the same documents with some other funny provisions in it.

I have been fighting for open Government all my life and I think this is the time when we should all be together. We as citizens and leaders need to know what goes on in Government. That is the only way we can have confidence in our Government.

When you do things behind a closed door, even if you are doing it in good faith, it leads to speculation. The oil companies have said that they have no reason to hide. In fact they are saying that for them they want to release the agreements. But why doesn't Government want its citizens to know what it is doing.

I have another second leg to my argument. I have seen those agreements; so what are

you hiding? What are you hiding, because these agreements are everywhere? It is actually in your interest to release them.

It has now come to our attention that the exploration license for area 3A actually expired in September 2010, while that of area A expired in July this year. Expiry of this exploration licence means that Heritage Oil loses the exclusive rights on operations and to execute any such works in those areas. When we go back to the Act again, clause 59(2)(a) says - there is nothing in sub-section one that talks about confidentiality – “...operates to prevent the disclosure of information when the disclosure is made after the licence concerned has ceased to have effect or has ceased to have effect over the land to which the disclosure would relate.” Some of these agreements which are being hidden have actually ceased to have effect -(Laughter)- because the licences have expired. Can you now tell me why you are hiding them?

The law is here and Madam Speaker, I do agree that we should follow the law to the letter. I am aware that there is some arbitration case pending. I am a lawyer and I am not ready to prejudice the interests of my country to say anything that will prejudice that case. The only problem is that people patronise this country and imagine they love it more than others.

I want to say that from this information which some of us have, we should be proud of the Commissioner General of URA - (Applause) I think she is doing a great job. The situation could have been worse. Hon. colleagues, if it were not for that lady - and I want to tell you that we actually know the details of what was going on. We know to the minute detail and we brought this motion in good faith and there is no politics about it; other people who are bringing in politics want to divert us from the truth.

We are interested in a national resource and because it is not our generational property or source alone, even after we are gone, the effects of this exploitation will be there for our children to bear and if we do not invest these monies properly, we will have done a big disservice to our children and grandchildren. Oil is not there indefinitely like copper was. After some time, there was no more copper in Kasere and so is oil. What will your children do?

Madam Speaker, there are many provisions within this agreement, which are clearly unconstitutional and if our Attorney General's office had done a thorough job, there is no way we would have those provisions. One of the notorious provisions is the so-called stabilisation clause which we search in our motion, which says that we cannot do anything as a country, including enacting laws that affect the profitability of this company. What that means is that we have actually subjected our laws to the production sharing agreement. So, even the Constitution is subjected to those PSAs.

So, in these matters, the PSAs are supreme. Should Parliament ever amend a law, then we will go back and say, since it has affected our profits and we had said we are going to share 70-60, can't our shares go up such that we are in the same position? Is that right? It is not right and I will give you the principle of taxation. In taxation, in principle targets, in their wisdom, Parliament may want to impose a tax on all foreign oil companies and if it does –

THE SPEAKER: Hon. Members, you are disturbing hon. Katuntu. Please listen.

MR KATUNTU: Madam Speaker, the mandate to impose a tax is by Constitution given to this House and in our wisdom, we may say we want to impose a tax on all foreign oil companies operating in Uganda. That is within our constitutional mandate, but according to the PSAs that they entered into, if that happens, then they go back and sit and renegotiate such that they are not put in a disadvantaged position. How do you run a country like that?

We have frozen any law which affects the profits of this company and there has been some blackmail; that once you talk about this thing, you scare away investors. Hon. Members, you can only scare away a quack investor, but real investors would actually want to come to a place where everything is transparent. Hon. Ssekikubo calls them fortune hunters. They are going away of course and the real investors are coming, and I am not so sure whether they are interested in this sort of thing. Obviously, I am happy for hon. Ssekikubo and his neighbours –(Laughter)– I am really happy for them and happy for Ssembabule.

Lastly, I implore colleagues to support this motion. Just look at our first prayer; to say that can we stop transactions until we have a legal regime in place? How can you say that that is unreasonable? After all, the legal regime is coming from the Executive and it will come to Parliament for debate and we shall pass a good law and all further oil transactions will be premised on a very well thought out view.

There is this transaction, which hon. Ssekikubo is talking about, before 15 October 2011. What is the hurry? Why can't we wait for the law? Why can't Government speed up the law such that we have a policy which we already have in place? Madam Speaker, in my view, we have one of the best oil and gas policies. I have read that policy in and out and I am happy with it. So, what we want –(Interruption)

MR TINKASIIMIRE: Thank you very much, hon. Katuntu for giving way and for having told us that the Executive needs to bring a legal regime to regulate this. We are on record for passing the Cultural Institutions Law into an Act of Parliament in a single day. (Laughter)

And I am sure that with the urgency of the oil matter, we can do it even in record time of half a day. (Applause)

MR KATUNTU: The point the hon. Tinkasiimire is emphasising is that we shall treat that law with utmost urgency. That is the point he is making. We are ready as Parliament or as Members to shelve all other duties we have such that we consider this law, pass it and the Executive Arm of Government goes ahead with its functions or entering into contracts. That one we are ready.

Lastly, because there has been talk - I heard about it on radio - the other day I was on a talk show with hon. John Nasasira and he mentioned some judgement - Izama Angelo against the Attorney-General - and I heard the learned Attorney-General also referring to this judgement some time.

Let me tell you this. The case originated in my law firm when two journalists sought to have this agreement opened up and it was filed before a magistrate's court. A magistrate's court, lawyers will tell you, is not a court of record. It is not a court of record. For you to start parading that judgement as if it is from a court of record - (Laughter)- I want to tell you, Madam Speaker, that actually magistrates' courts are courts like, for example, having an LC I court sitting in Bulambuli. You cannot carry this Bulambuli LC Court judgment and take it to Kanungu. (Laughter) That is why in law, a decision from a court of record is actually binding even on all subordinate courts and then between them it is persuasive.

This judgement they are parading around -(Interjections)- is not only not binding, but it is not even persuasive. It is only a judgement between the Attorney-General and Mr Angelo Izama and Mr Charles Mwanguhya. It is simple ordinary law. (Laughter) So, do not just start carrying things to confuse honourable members.

By the way, Madam Speaker, the good news is that that decision has been appealed to a court of record and eventually when the High Court takes a decision - because the High Court has unlimited jurisdiction - you can come and lay it anywhere in Uganda. Alternatively, it could even go higher up to the Supreme Court and it would be binding to all subordinate courts.

It is not good to go into legal engineering when you are dealing with national issues. (Laughter) Madam Speaker, I would like to end by saying that my colleagues - those of you who signed this petition - personally, I think you did a great job and you did a big service to your country. (Applause) That we have brought this debate at least to this level, is progress made.

I can also say that this debate is unstoppable. Let alone these things called our rules. You cannot use the rules to stop this debate because it has come and it will always be there. Whatever anybody is doing in this industry, people will be looking on and people will demand accountability. Good enough, nobody can say they were lured into signing that petition because when you look at the pages with the signatures, there was a heading on all pages which were signed to actually show everybody who was signing why he or she was signing.

Madam Speaker, as you can see, it was on all the pages and it was, "Signatures for Members in support of the petition to recall Parliament from recess to hold a special sitting to discuss the oil sector." It was there. Somebody has vulgarised this debate that it is all about agreements. No! In fact we have moved away from that agreement position and have moved far. (Laughter) We are far; after all, some of them actually are expired.

I may end here, but it will really not be fair on my part not to thank you, Madam Speaker, and not correct the impression of what went on at the beginning of this petition, especially the correspondences between us and your office. It was a difference in interpretation of the law then, which we harmonised and we still have the highest respect for you as an individual and for your office. (Applause)

As I resume my seat, I joined this House in June 2001. If there is any contribution which I have made to this House and indeed to this country which I treasure most, it is this business. I thank you, Madam Speaker.

THE SPEAKER: Thank you very much. Can I now invite hon. Karuhanga. I have started with the signatories.

6.03

MR WILFRED NIWAGABA (NRM, Ndorwa County East, Kabale): I want to join my colleagues -

THE SPEAKER: I am starting with the signatories to the motion.

MR NIWAGABA: I want to join my colleagues to thank you, Madam Speaker, for playing your constitutional role soberly and allowing to invite and recall this Parliament to debate this very important motion. I would also like to thank my colleagues, especially those who moved day and night to get the information, which is coming in bits, but which you will get in full. I thank those who signed the petition for doing a noble duty. I thank you very much.

Madam Speaker, the sector we are talking about is primarily governed by two laws; the

Constitution of the Republic of Uganda as amended, and the 1985 Act entitled, "The Petroleum (Exploration and Protection) Act". Under that Act, particularly Section 13, a licence given to an explorer is for a period of only four years, and under Section 14, it is renewable twice and each term of only two years. This means, therefore, that a licence given to any explorer has a lifespan of only eight years.

We have a document, which my colleague hon. Ssekikubo laid on table that shows that actually, the first licence was given in respect of exploration area 3A Semiliki Basin to Heritage Oil and Gas Limited on 15 January 1997. I happen to be a lawyer and, therefore, my mathematics is not the best. I only know how to calculate my fees, but you can tell from simple mathematics that that licence, eight years from 1997, expired around 2004.

When a licence has expired under the law, it has expired, but we got information again that around 8 September 2004, without Heritage surrendering the licence, it gets re-licensed and we are talking about matters of transparency.

As we speak, the fresh licence for Heritage expired on 19 February 2010. It attempted to apply for a renewal on 14 June 2010. Section 14 of the Act that I have told you about, and particularly sub-section 2 reads: "An application for the renewal of a Petroleum Exploration Licence shall be made not later than 90 days before the day on which the licence is due to expire. But the minister may, where he or she deems fit, accept an application for renewal of a Petroleum Exploration licence made later than 90 days before but not in any case, after the date of the expiry of the licence."

You cannot make an application for renewal of a licence when it has expired. Now, one of the reasons we brought this motion is because there is an attempt by Heritage to sell what it does not have. People are sitting and making memorandums sent by Tullow for Government to sign what is not in existence legally.

That notwithstanding, you have Tullow whose licence expired as a matter of fact, this year in June, and the information we have is that at the time this licence expired, Tullow had also not applied for renewal. What is it trying to sell?

It is for those reasons that if we are to have transparency for the next phase of our oil exploration and production, let us have a law that will regulate this sector. Let us stop relying on the whims of Government officials, some of whom my hon. colleague, Karuhanga is going to expose, from discussing for us. Let us have a law and let us stop the Executive arm of Government from signing any other agreement until a law is in place.

Madam Speaker, that covers ground one of our motion and I will now address you on

ground four; revenues. The monies collected in the petroleum industry are by way of revenues and are provided for under this Act of Obote II's Government incidentally.

When you go to Section 46 of the said Act, the first revenue mentioned are annual charges in respect of licences. Hon. Members, has any of you ever received accountability for annual charges in respect of licences issued to the numerous companies since 1997? [Members, "No."]

The second payment under Section 47 is royalties. The third payment is taxes. The Minister of Energy, I presume, under Section 70 of the 1985 Act particularly sub-section 1(p) and (u), is given discretion to make regulations or what we normally call statutory instruments to prescribe the charges payable and the fees to be paid in respect of any matter.

One thing that has become more apparent and common in the oil industry is the question of signature bonuses. May I inform you, hon. Members, that ever since the enactment of this Act, there has been no regulation made by the successive Ministers of Energy to regulate fees charged and any fees payable under this Act for this industry? How do they determine the signature bonuses?

You have a country like Congo, recently, I think a year or two ago, it charged signature bonuses of \$3.5 million in a place without any infrastructure and very insecure, but here you hear of an oil well and we charge a minimal meagre \$200,000. Why? Where is the difference? Have we ever got accountability for these signature bonuses? Have we ever got accountability for licences? If the Commissioner General of URA had not moved fast to get our taxes recently, had you ever heard of any corporation taxes being paid; maybe because they had not informed URA?

Let me tell you now -(Interruption)

MR OKUPA: Thank you, Madam Speaker and colleague. As Ms Allen Kagina is busy collecting this money, this money has disappeared in Bank of Uganda. On 6th October, that is last week, in the account where this money was deposited, Account 003410158400000, the closing balance was zero as of 6th last week. Where has this money gone?

MR NIWAGABA: Madam Speaker, I believe the honourable members now see the reason why we need a law that will even establish a regulatory authority for this sector. I want now to inform honourable members how most of these exploration areas have changed hands and accordingly Corporation Tax supposed to be paid either has not been paid or if it has been paid; we do not know. We have the Rhino Camp Basin. It was licensed to

Neptune Petroleum, and Neptune Petroleum subsequently sold its interests to Tower Resources. Was Capital Gains Tax paid? Do we know?

We have the Pakwach Basin; it was licensed to Heritage Oil sometime in July 2004, with Energy Africa. Subsequently, their licence was sold to Tullow Oil. Was Corporation Tax paid and do we know where it went?

We have the Bulisa discoveries. Hardman Resources and Energy Africa got the licence in October 2001 and subsequently sold to Tullow Oil? Do you know where money went and this particular licence has also expired and how do they want to give out fresh licences; under the table?

We have the Butiaba discoveries. This was licensed to Hardman Resources Limited and Energy Africa, and subsequently sold to Tullow. Any money that is known to have been collected? This licence too expired in October 2009.

We have the Kaiso-Tonya discoveries licensed to Hardman Resources and Energy Africa, which subsequently sold to Tullow and again nobody knows where money went. Then we have the Semiliki Basin area, which was licensed to Heritage. Heritage did not surrender, but somehow its time expired and it got a fresh re-license, of course irregularly and contrary to the law, but what is very interesting now, Heritage came in with Energy Africa and subsequently sold their interests to Tullow. Does anybody know where the money went?

Lastly, we have come across a document showing that actually, some of the oil is being exported allegedly for testing purposes. The oil that has been exported for testing purposes, nobody knows in what quantity, and by who, and whether it is actually for testing purposes. When we require Government to come and account for all this money, we are doing a noble duty because we must explain to our voters and to our citizens that yes -(Applause)- We will, therefore, require Government, in addition to these revenues mentioned in our motion, to account for the exports made of the oil allegedly for testing purposes.

Madam Speaker and my colleagues, we beg you to stand on the right side of history to support this motion which is bi-partisan. No politics in it. We are only talking about matters to regulate the oil industry and matters of transparency for the benefit of ourselves and our futures. I thank you. (Applause)

6.19

MR GERALD KARUHANGA (Independent, Youth Representative, Western): Thank you, Madam Speaker. I want to begin on a point of appreciation for you and this Parliament,

for one reason that this Parliament is nothing, but the Ninth Parliament. (Applause)

What I am going to talk about is quite sensitive, but I have gone through the Constitution; I have gone through the Parliament Powers and Privileges Act; I have also gone through the famous Whistle Blowers Protection Act and I have also gone through our Rules of Procedure, and there is nothing that stops me from saying what I am going to say. (Applause)

THE SPEAKER: Order Members. Allow him to speak. Proceed.

MR KARUHANGA: Madam Speaker, I stand to fortify and buttress particularly, point 8 and I want to re-read it.

“Government sets up a Commission of Inquiry headed by a Justice of the Supreme Court to investigate claims and allegations that some of its officials have been compromised and received bribes from some players in the oil industry and the report of the Commission of Inquiry be laid before Parliament for consideration”. (Applause)

After reading through the documents available, one thing I want to say is that, everything I am going to talk about, I have documentary evidence that I would want to lay on Table at some point.

THE SPEAKER: Maybe, you come down and present from here. (Applause)

MR KARUHANGA: Madam Speaker, we have a situation here where corruption is glaring. (Laughter) We have individuals that sit with us here and serve in this Government that we must expose on this matter. It is on record and I have evidence which I am going to lay on this Table that the hon. Kutesa Kahamba Sam, through his company called East Africa Development Ltd Nairobi, Kenya received €17 million through his bank called EFK in Zurich.

Madam Speaker, this money was leaving a Tullow Account No.40037242019 – (Interjections)– in the Bank of Valetta in Malta routed through the Bank of Mellon, New York, the recipient bank in United Arab Emirates, Dubai. Now, most of the transactions I am going to talk about, that was the process –(Interruptions)

MR KUTESA: Thank you, Madam Speaker. I heard hon. Karuhanga prefix his address to this House by saying he has read the Constitution, he has read the Whistle Blowers Act and that he is going to talk about sensitive issues.

Hon. Karuhanga has alleged here that I received money through my company called East

Africa Development Ltd, and he said the money went into an account that belongs to me in Zurich. Is it in order for him to use this House and the privileges it attaches to Members to tell falsehoods –(Interjections)– is it in order for an honourable member of this House to use the privileges attached to him in this House to make defamatory – (Interruptions)

THE SPEAKER: Order, hon. Members, allow him to make his point. Let us listen to one another.

MR KUTESA: Is it in order for hon. Karuhanga to use the privileges in this House to utter defamatory statements, which are false, well knowing that he cannot repeat them outside this Chamber –(Interjections)– I do not want anybody heckling because I am not heckling anybody.

Madam Speaker, is he also in order to rely on false documents that have been making rounds in this city, some of which I have myself, forged documents – there he is talking about €17 million, there is another forged document talking about half a million in cash; I have these documents and they have been circulating –(Interjections)

THE SPEAKER: Order, order Members. Hon. Members, order. Hon. Members, let us listen to one another. Please conclude.

MR KUTESA: Madam Speaker, I am seeking your ruling whether it is in order - (Interjections)- for hon. Karuhanga to make defamatory statements that are false and quotes forged documents which we all know have been circulating in this town and not substantiate.

THE SPEAKER: Hon. Members, of course, I seriously take allegations made. Can I now ask hon. Karuhanga to substantiate? (Applause)

MR KARUHANGA: Madam Speaker, I am extremely impressed that the debate indeed can begin to unveil and release more information. (Applause) The honourable member has come here and told us that there is more information; he has more documents alleging that he got money which he cannot put on Table. Lay them on Table –(Applause)

At the beginning of my presentation, I made it clear that everything I mention here has documentary evidence. I am also very sure that indeed, the framers of the Constitution, the enactors of our laws, particularly the Whistle Blowers Protection Act had foreseen a situation like this. (Applause) This is not a court of law and by the way, I stand to challenge the honourable that I can make the same statements outside this House. (Applause)

THE SPEAKER: Order Members, order.

MR KARUHANGA: Madam Speaker, in the interest of time; number two; the hon. Hillary Obaloker Onek -(Interjections)- and for him, I even have print-outs of his bank statement. It was earlier stated that Mr Brian Glover was the country manager of Tullow a few years ago. On the 21 June 2010, from Tullow on Account No. 400372420191 from the same bank I earlier mentioned and now to Emirates Bank, Dubai, United Arab Emirates, the honourable, then Minister of Energy, received €500,000. Today, it is about Shs 2 billion. (Applause)

The hon. Hillary Onek on the 6 July 2010, received another €500,000 on his account No.034450627007 Emirates Bank Dubai, United Arab Emirates. That is another Shs 2 billion. (Interjections)

The same hon. Hillary Onek received another €500,000 on the 17 July 2010. That is another 2 billion, still the same bank, same account, same person.

It appears the hon. Member was not satisfied -(Laughter)- and on the same day, 17 July 2010, received €1.5 million, an equivalent of Shs 6 billion today, on the same account, same day -(Interjections)- The hon. Hillary Onek still -[HON. MEMBER: "Shame!"]-

Madam Speaker, the honourable was not done. The same hon. Hillary Onek, then Minister of Energy, on the 10 August 2010, received €3 million on the same account and it is still the same person; an equivalent of 12 billion today. (Interjections)

Madam Speaker -

THE SPEAKER: Order, order Members.

MR KARUHANGA: These hot issues have gone beyond Uganda's jurisdiction and other countries have become interested. [Ms Amongi: "Interpol."] The insecurity of Uganda is certainly a concern of other countries. There have been countries which have been so interested in what has been going on considering that oil has been a very critical issue and has been a cause of turmoil, the world over. Therefore, the American Embassy, the British High Commission and the Irish Embassy have gotten very interested. What the officer of the American Embassy writes here is this and I will just read two or three paragraphs.

"Tullow Vice-President for Africa, Tim O'Hanlon identified the security minister then, the honourable Amama Mbabazi and Energy and Mineral Development minister, Hillary

Onek, as Ugandan officials who benefited from the sale of the production rights by Heritage Oil and Gas to Eni.” (Interjections)

Tim O’Hanlon stated that Minister Mbabazi and Energy Minister Onok received payments from Heritage and Eni in exchange for their support.

Tim refers to Minister Mbabazi who facilitated an August 2009 meeting between Eni and Tullow as Eni’s patron in Uganda and said that Eni created a shell company in London called TKL Holdings through front men Mark Christian and Moses Serugye to funnel Money to Mbabazi.

After a detailed discussion the American Embassy approached the British High Commission and Irish Embassy and wrote a letter to the President expressing their concern about these very troubling signs of high level of corruption in Uganda’s oil sector. They were advocating for the open and transparent sale of oil assets and management of future oil revenues. Depending on the outcome of this major deal, we believe it could be time to consider tougher visa guidelines for senior officials like Mbabazi who are consistently linked to corruption scandals impacting the international activity of US business, foreign assistance goals and the stability of democratic institutions. It is signed Jerry Lanier, US Embassy.

At this point, I lay the quoted documents on table for Parliament to refer to for further investigations.

MR TINKASIIMIRE: I want to thank hon. Karuhanga for that stamina. I know Ugandans outside there must be saying there is a man. I want all men and women in this Parliament to stand up and be counted.

The information I want to give is that there is a man called John Mulley, who is a truck driver in the oil fields. He is currently running a company called SLL after changing from a company called Kasese Nile and Wood. This company controls the construction of the camp and this is where each worker is charged \$95 every night. I understand that he has a very close relationship with the hon. Minister seated in front of me here. His name is hon. Kutesa.

Hon. Onok influenced the employment of three of his relatives in the Oil Company. I, therefore, move that there should an investigation, a commission of inquiry, I want honourable members to stand up and be counted.

MS BEATRICE ATIM: Thank you hon. colleague for giving way. The information I want to give to this House is that His Excellency the President was quoted saying that he stopped

the powers of dealing with the oil agreements from his Ministers because they got excited with little bribes. Even the President had to relieve my brother from his duties, unfortunately, the one from Lamwo, because he was getting excited with small bribes.

MR KARUHANGA: In conclusion, 49 years ago, our forefathers sacrificed their limbs and blood to save this country and liberate it from the colonialists. It would be extremely painful that over the years, we got to discover that there are other persons in our country dressed in similar clothing like we are, in a similar skin colour like we are, but who are worse than colonialists.

The citizens of this country are dying every day because they cannot get malaria treatment of only Shs 5,000; the teachers have no salaries, and the doctors get a meagre fee of about Shs 700,000. I would be the happiest man if I died today when I have said this because I know that history will record me marvellously.

We all belong to a generation and in the words of Dr Frank Fanon, "Every generation must move out of relative obscurity to discover its mission and either betray it or fulfil it."

Our generation, both young and old, must stand and be counted for having fought corruption today. (Applause) Hon. Members, let our children, our grandchildren and our great grandchildren, stand up in confidence and decorate each one of us in the Ninth Parliament as heroes and heroines for having stood up against corruption.

Madam Speaker, I thank you and I stand to second the motion. (Applause)

6.56

MR DENIS OBUA (NRM, Ajuri County, Alebtong): Thank you, Madam Speaker and hon. Members. I consider this debate a moment of truth for Uganda. I consider this debate a moment of political liberation of our country. The only consolation that all Ugandans out there have is one. The named ministers should show cause why Article 118 of the Constitution of the Republic of Uganda should not apply to them. And for purposes of emphasis, Article 118 talks about vote of censure. Article 118(1) says, "Parliament may, by resolution supported by more than half of all members of Parliament, pass a vote of censure against a Minister on any of the following grounds —

- (a) Abuse of office or willful violation of the oath of allegiance or oath of office;
- (b) Misconduct or misbehavior..."

I think it rotates around Article 118(1)(a). It is a truth beyond any reasonable doubt that this country is being subjected to both national and international conspiracies. Why are we signing these bad agreements? Why are we signing these bad agreements on behalf

of the people of Uganda? The question that keeps hovering over my mind is that what country will my generation inherit from the current generation of leaders? This is the fundamental question that keeps hovering over my mind. (Applause)

The Ninth Parliament must stand to fight corruption. The Ninth Parliament must move an extra inch on its constitutional obligations. If it means censuring the entire Frontbench, we can do it. (Applause)

Madam Speaker, those who feel they are innocent, their only relief is to support our prayers for a commission of inquiry. That is where they will prove their innocence. But with all these bare facts laid on Table, I think even the appointing authority, wherever he is now, should be pondering on the next move. How can one Ugandan from one village receive over Shs 6 billion, over Shs 10 billion - one individual!

If I had executive powers, like the late President Idi Amin, I would execute all these individuals while the public is looking on. (Applause) In my culture, there is a saying that when you see a frog jumping up and down in broad daylight, do not ignore that frog, there is a problem. And the problem here is a snake running after the frog. When you see Members of Parliament signing a petition to recall Parliament, there is something fundamentally wrong. And that is the reason we are here.

We are here under the command of Article 95(5) of the Constitution. This is not a normal session of Parliament. This is an extraordinary session of Parliament. And to me, the final outcome of our debate is what will relieve me; it is what will relieve the people of Uganda; it is what will relieve this Parliament.

Madam Speaker, I thank you because at a critical time - I do not know whether some people just wanted to fight you indirectly. This must be emphasised and I want to appeal to them never to do it again. The Constitution is the supreme law of the land.

I thank you for the courage and stamina and for respecting the Constitution of the Republic of Uganda. You are indeed our iron lady. You are indeed our Speaker. You are indeed part of this generation that must fight the vices in Government. (Applause)

I salute you, Madam Speaker. Thank you very much.

7.03

MR MUHAMMAD NSEREKO (NRM, Kampala Central Division, Kampala): Madam Speaker and hon. Members, today is the day that men and women seated in this august House shall rise to be counted and their names hanged in the archives of this country and the Museum of Uganda.

Hon. Ssekikubo clearly articulated the motion. I stand to second the motion on the Floor. The oil sector is too broad and the issues therein included, amongst others, how people are being sourced and employed in this sector. Where is the regional balance? Where is the patriotism? Where is the equal share of this oil for the entire people of this country? If this is our national asset as enshrined in Article 244 of the Constitution, where is the local content? Where is the protection of the environment of the Republic of Uganda? Where is the protection of our people in the future generation to come? When you hear that national oil companies are being formed, who are they employing? Who are these people that are being sourced and educated? What is the criterion used to outsource these people?

Can you imagine that we Members of Parliament do not know what is going on? Now compare us to the common man in Kapchorwa or Katakwi, Karamoja and Kigezi. We are bamboozled by the utter corruption that is going on in this country. I have always said that for every thief, the days are numbered.

We, the young men and women of this country, have stood up in unity to build a great pillar and rise up against injustice. We know our way to the land of enlightenment. Hon. Karuhanga, that way has got thorns, veils, creepers and mountains, but come what may, we shall overcome it to build our motherland. Let nobody intimidate us in standing up for the rights and liberties of our people in protection of the revenues of the people of this country; we shall not trip back; we shall not limp and we shall not fall on the ground; the world will live to count on us.

Madam Speaker, I would like to second the entire motion and that if need be, let us, in fact, leave this august today, having committed ourselves to putting in place a commission of inquiry to immediately expedite these matters so that Ugandans can see full and not selective justice in this country. For God and my Country. I beg to move.

7.07

MR FELIX OKOT OGONG (NRM, Dokolo County, Dokolo): Madam Speaker and hon. Members, today is a day that we should determine the destiny of our country. It is a day that as Members of Parliament, we should stand to be counted. Generations come and go, but this generation should not feel ashamed to take the right cause for the destiny of our country.

Oil, petroleum and whatever product you name, are very important resources to our country. But it is now clear that there are people within our midst who would like to turn Uganda into a limited company; that the country that is only meant for their own benefits; resources that are only meant for them and their families, but not the people.

Madam Speaker, I wonder when people keep saying that oil and gas were discovered recently. These resources were discovered long time ago. We were just waiting for the right moment to extract it for the benefit of our people.

It is laughable that people who claim they love this country more than us are the ones looting it. Madam Speaker, you remember the CHOGM deal? We knew that CHOGM would come to Uganda four years before it came, but people waited for the last moment to put laws and regulations in place. So, they ended up looting CHOGM resources.

There are many things happening in this country. You remember last time, I made it clear to you, young people, that we need to rule this country. I also made it clear that we needed to have the young people enjoy the resources of their country. When you look at the development of Uganda, you realise that it is vertical and not horizontal with only 10 percent of the people enjoying on behalf of a whole 90 percent of our population. So, we cannot just sit here and wait.

I would like to propose that those who have been mentioned and those who feel they are corrupt and they have not been honest to this country, should just walk to Luzira. (Laughter) There are Members who have been mentioned - and in the Sixth Parliament, we censured some of the people we are talking about now. But you can imagine, they are doing the same today. So, what do we do? Even if we pray for them, they will not change. The best thing for them to do is to walk - and I am just appealing to them, because Ugandans are watching me say this - if they do not walk to Luzira, we shall get them from wherever they will be. (Applause)

Fellow Ugandans, the day is today for us to redesign and direct the vision to save our people. I also want to say the Movement is a very strong political party that I support, but we have to help this Movement by removing those who are working hard to bring it down. I want to ask all Members to help us in this effort.

Madam Speaker, as a lawyer - I am just a paralegal lawyer -(Laughter)- but the way I understand law is that when you are signing an agreement on behalf of somebody, you do not arrogate the powers of doing that to yourself. You -(Member timed out.)

THE SPEAKER: Okay, you have been given more five minutes.

MR OKOT OGONG: I was talking about the agreements. Actually, Government is the custodian of everything on behalf of the people. And so, if you are asked to represent Government as a minister, you actually act on behalf of the people. So, you must let the people know what you are doing. In law, if you are negotiating on behalf of the people,

you must seek their consent.

But like for these particular oil agreements, we were never consulted. We are just being told there is already an agreement signed on our behalf, but we shall not allow you to know the contents of the agreement. Is that fair to the people of Uganda? Is that fair for Parliament? Is that fair for our children? Therefore, the clause of confidentiality is against the spirit of our Constitution and no agreement should have that clause.

Secondly, Madam Speaker, we have been hearing that an agreement was signed between Heritage Oil Uganda and then they turned their rights to Tullow Oil and in that process, they got \$1.7 billion. What have they invested to get \$1.7 billion? It is not even 10 percent. (Interruption)

MR MUGUME: Thank you, hon. colleague, for giving way. If this is the real time for Ugandans to be counted, I also want to be counted among my fellow Ugandans – (Laughter)- and if there is anyone out there who still has doubt in the Ninth Parliament, tonight is your answer. Our people are out there dying of ignorance because of not knowing what is happening. Parliamentarians are here, also ignorant.

Mine is simple; What is Tullow Oil? How did Tullow Oil come on board? First and foremost, Tullow Oil is known as an exploration company and not a production company. It is not even among the top 500 producing companies in the world and does not exist as a producing company. When the President of Ghana heard that Tullow Oil had gained a contract in Uganda in production, he said that if he were Uganda, he would not even risk wearing a glove to greet any of the directors of Tullow Oil because he had tested Tullow Oil in Ghana and it had failed him.

At the same time, Tullow Oil was sent out of six African countries. It is on record and the technical people behind this should dig deep into these issues. There are very many things we have not talked about today. Already, Total was ready to start works on 15th of this month yet they have not even paid the taxes and even then, it is illegal for them to start work. Sincerely, hon. Members, it is now or never for us to stand and make decisions that will help our country for eternity. We have very many people who are lying to our President. We have very many people who are ready to sniff our oil away. Thank you, hon. Members.

MR OKOT OGONG: Madam Speaker, I thank him for that information but hon. Members, we signed agreements with Heritage Uganda. We clearly know how much they have invested, but I want to tell you that they are now going away with \$1.7 billion. Not only that, they gave their rights to Tullow Oil and it is the same Tullow Oil that has given it to Total and a company from China. Hon. Members, are we getting the right deal?

I want to appeal to President Museveni to help this country. I know he means very well to this country, but the people around him are misguiding him. Remember that we, as Ugandans, lost blood for the unity of our people and these are the same people – (Member timed out.)

7.19

MS ALICE ALASO (FDC, Woman Representative, Serere): Thank you very much, Madam Speaker. I join my colleagues in thanking you for ensuring that the demands of the Constitution are adhered to and that the House is reconvened as provided for. I think what is happening here is what we popularly sing in church where the people say, “Where duty calls or danger, don’t be wanting” and I think the House has decided that today, duty has called. Even if it becomes dangerous for some individuals, none of us should be found wanting in the matters of oil.

At the core of this whole thing is the transparency in the oil industry. That is the bottom line. I have stood up a number of times on this same microphone and said that the debate on oil should be brought here and Ugandans must know what is happening in the sector. Even if I do not speak tonight, I think I will rest very peacefully because what has happened in the last two or three hours has exposed what we have been worried about. We have seen here attempts to connive with companies – an actual connivance to rob Ugandans of the proceeds of oil. What our ancestors did in the 1930s was that they saved the oil for a rainy day. They said we will not exploit it tonight, technology notwithstanding; let us save it for a rainy day. The oil sector, unfortunately, has the capacity once you start exploration and production now. The consequences, if you misuse that money today, will be for 100 or 200 years ahead. That is why we must get the money and apply it prudently so that in the years to come, we have something to benefit from because the oil will not be there.

There are cases of failed oil production where people have not benefitted. There are countries like Angola and Nigeria, who, with all the oil have more poor people living below absolute poverty than those who are benefitting. In Gabon, Equatorial Guinea, whatever you can think of; those are failed cases where the oil industry has not seen transparency but there are good cases, the new ones including Ghana and Norway, where we are talking about transparency.

Madam Speaker, I would like to use a few examples to illustrate the issue of transparency. I would like to illustrate the issue of signature bonuses. Ordinarily, if all these companies in Uganda were paying the signature bonuses and upfront payment for a contract for which Government has entered into, we would be getting at least 15 percent of the total value of the production sharing that is entered into. Unfortunately,

on this side of the Albert, which is Uganda, in one case for Block 3A - and that is the area around Buliisa and Hoima – we charged for one contract only \$300,000. On the other side of the Democratic Republic of Congo, which has problems of war, bad governance and everything, they charged \$3.5 million. Who is causing Uganda these massive losses in terms of money?

If you look at the Capital Gains Tax, the transfers from one company, to Heritage, to Tullow Oil, Tullow Oil to another are not a problem. The problem is that while they gain from selling off the licence, Ugandans should be gaining from the appreciation of the licence.

That is the problem; and in this case, if you look at Block 3 which was first licensed in 1997 on 15 January and then re-licensed to Energy Africa, from the time it shifted to Energy Africa from Hardman on 8 September 2004, nothing was obtained as Capital Gains Tax. We should have got 30 percent of the total money which is equivalent to \$1 billion, but we did not get it. When it shifted from Hardman to Tullow, we also did not get another \$1 billion. Madam Speaker, how much money did we need the other day to pay the teachers of this country? (Member timed out_)

THE SPEAKER: Three minutes more, hon. Also, to finish your point.

MS ALASO: Madam Speaker, I was saying that we just needed only Shs 155 billion not \$1 billion. How much money did we need to pay our doctors? A paltry sum.

Therefore, I think that while we have debated very well, we need a national oil fund to manage this money. And we must immediately pass the Anti-Money Laundering Bill because in the business of oil, the moment the money crosses to an offshore account - these monies that were being read in the House - it is not dirty money. For them, they will accept it. We cannot even recover it with ease. We can only recover money if we can stop the thieves here and now.

7.26

MS CERINAH NEBANDA (NRM, Woman Representative, Butaleja): Thank you very much, Madam Speaker, for giving me this opportunity. I am giving my point from the saddest part that I have seen in the House. When I was coming to the House, I was told that matters concerning oil should not be discussed; they are confidential because they will interfere with our security in the country.

And as I was coming, I had strongly come to object because of the security part. But when I heard the presentation, I even wanted to cry. I had come to protect thugs! (Laughter) I realised that we are just working -(Interjections)- on a serious note, I realised

that we are just working for four people and I came to realise that I was coming to be used to protect thugs.

As Nebanda, I am standing up -(Interruption in power supply)- As Nebanda, I stood up because of the presentation that has been made here. To add even more information, I have got a message that the person who has been given the post as the managing director of the company given to manage the oil reserves in Jinja is called Kutesa Iga. He is the MD of the reserves in Jinja. That means we are working for families here.

Members, it is high time that we stood up. If it means going to the bush to fight corruption I am ready. (Applause) We have to fight corruption. I am saying this because if you go to my district, I was given Shs 5 billion for the whole financial year and one individual is stomaching Shs 20 billion. We do not have medicines in the hospitals and our work is to come here and protect thugs! Members, it is high time we stood up and fought for freedom. We got Independence, but if you read the book called Animal Farm where they say all animals are equal but some are more equal than others, we are independent but there are those who are more independent than others. (Interruption)

MR MUJUNI: Thank you very much for giving way. Today is historical that if you do not stand up to be counted, then you will never. I thank you for giving way.

When we started this liberation movement in the NRM, they called us rebels, but now Members, you can see who the rebels of this country are. I want to thank you colleagues for being liberators. In NRM, this is what we need more than anything else.

The oil sector has exposed the fact that actually, those who they call rebels are liberators and those who are the so-called liberators are rebels. (Laughter) A lot will be done to us. We are intimidated left and right. They talk this and that, but we shall not give up. We are the voice of the people and the time is now and it is historical. What man has learnt from history is that man does not learn from history. I want to tell you Members, when Mandela was going to prison he said, "You can take me to prison but you will not take the spirit of the people." You can take me to prison, you can kill me, but you will not kill the spirit we have planted in Ugandans now. (Applause) And this is why I am saying we must be counted.

The information I want to give you, the Frontbench is, what lessons do you learn from what you hear? You must learn from experience, otherwise, if you do not, then experience will learn from you and you will not find it. I thank you. (Laughter)

MS NEBANDA: Thank you for that information. To add more information to that, I am just calling upon the Frontbench that I think you can now see where our former Vice

President, Hon. Bukenya, is. You may end up being sacrificed by the way. So, it is high time that you also stood up and fought for the right thing. Here, we are fighting for the whole country, our generation and the generation to come.

As I wind up, I am calling upon you that from today, if it means voting let us vote. We do not want any agreements to be signed without Members of Parliament being informed and without us knowing what is in it. A committee should be formed to investigate everything that is happening in the oil sector.

Madam Speaker, that was my presentation, thank you.

7.33

MS CHRISTINE BAKO (FDC, Woman Representative, Arua): Thank you, Madam Speaker. If God were to be physically present today –(Interjections)- I repeat, if God were to be physically present today, this would have been the absolute judgement day. It is just a total definition that for once, we have a Government that has lacked principle. Why? On page 18 of the guiding principles of the same Oil and Gas Policy it is stated, “These resources shall therefore also be used to provide intergenerational equity.” But when I look at the generation that has been labelled in the dubious deals of the oil and gas and hydro-carbons of this country, I see a generation that is extensively careless, selfish and absolutely wanting.

Why do I say this? It is because if you know that these are finite resources, these are exhaustible resources, you will think about your grandchildren; but unfortunately, the grandparents who are here, who are the big men in Museveni’s administration, are nothing but a bunch of thieves; proven thieves and extraordinary thieves. I dare say, shame on you, you are big for nothing. In fact, to be precise, you are talented thieves.

But now, Madam Speaker, what does it mean to say that we should manage our resources efficiently? Efficiency starts with nothing but efficiency of trust of your conscience –(Interjections)- I seek your protection.

THE SPEAKER: Order, Members.

MS BAKO: How many people who have been named in this scandal can prove to this nation today that they have their conscience with them? How many? And we sit here, year in, year out, complaining of shortfalls in our budget. But Madam Speaker, look at our country for now. Look at all the sectors. You go to the energy sector and it is the same fraud. You go to Hydro Carbon and it is another scandal. You go to the Ministry of Finance and it is another terrible scenario. Where can we get liberators for this country? People went to the bush, they liberated themselves, their stomachs and their families

and they are right here seated before us and telling the world that they care about this country.

I am a young mother and I would probably be getting more children, but these are grandparents without a grain of shame and they are here. They want to prove to the world that Uganda is a country where corruption does not prevail. The President's table is full of corrupt and big thieves. Unfortunately, they treat others with kid gloves, give them high profile positions in Government, adore and celebrate them and yet they are the biggest looters.

How do I walk to Arua to explain to my teachers that we received no money for them in the budget and that one man walked away with \$2,000,000? What explanation can I give?

I cannot imagine that they are seated here and decorated with so many titles and they still face us that, you know what? Things are better. They want to be counted as heroes. How can you be a hero when your family and your great grandchildren have a secure future and my children have none?

Anyway, to peg numbers like hon. Nsereko said on the thieves, we would have no Cabinet and no Government. I dare tell you, gentlemen who are not gentle anymore - thank God that I have not heard the name of a lady here. (Laughter) I pray that I will not hear the name of any lady. There was only Nina Mbabazi I heard, but because of Mbabazi the man, I can appreciate that.

This boils down to one thing. I can assure you that you might want to steal through the pen or using your influence. You might want to steal because you think you are pegged to the right toe of the President, but there shall come a day when you will be answerable to your own conscience. I want to remind you that the growing horizontal and vertical inequalities in this country will take your grandchildren hostage.

Imagine a scenario where your great grandchild is living in a palace and my great grandchild is in the slums. If my great grandchild gets a bullet and shoots your PhD great grandchild down, that will be the equality and the inter-generational equity that you have put in this government -(Member timed out.)

7.38

MS BETTY AMONGI (UPC, Oyam County South, Oyam): Thank you, Madam Speaker. I want to thank the mover of the motion and those who have seconded it.

This is my 11th year in this Parliament. I have sat here and heard names of corrupt

officials on the front bench and the same names for ten years keep on coming; Amama Mbabazi, Sam Kuteesa. Why can't it be Betty Amongi or any other – Ruhindi is there, he has been with me since the last Parliament. (Laughter) Madam Speaker, I have been here with Ndugu Rugunda. I sat with him in Juba. (Applause) I have been here and Kategaya has sat there. Why is it that it is always Amama Mbabazi and Kuteesa, why?

Now, Hon. Hilary Onek has joined them. It is so unfortunate that some of these people who year in, year out have their names coming as corrupt here, are masquerading to be President of this country. There are people who are even making sure that those who are nearing the succession and who can be before them are sent to Luzira. (Laughter)

Madam Speaker, it is unfortunate and sad and I urge Ugandans to get stuck with two names as long as you live. I urge the NRM Members who vote in the NEC to get stuck with these names; hon. Mbabazi, hon. Kutesa as well as hon. Onek. In case they try to come to contest for the Presidency, please, do us a favour, but if you do not do us a favour, we shall mobilise Ugandans against them.

Today, what has happened and what hon. Katuntu has indicated and what the mover of the motion has indicated is an abrogation of this Constitution. I want to read Article 3(2). It reads, "Any person who singly or in concert with others, by any violent or unlawful means, suspends, overthrows, abrogates or amends this Constitution or any part of it or attempts to do any such act commits the offence of treason and shall be punished according to law."

Hon. Mbabazi and hon. Kutesa should be put in Luzira for treason because according to the agreement, they have already sold Ugandans. Where they are saying in the agreement that it should not contradict with any other law and if any other law contradicts that Production Sharing Agreement, that it is null and void. Isn't that abrogation of the Constitution? (Interjections) Who wants to give me information? (Laughter)

MS ALASO: Thank you very much. I wanted to give you, hon. Amongi the information that besides the stabilisation clause as presented here, even the costs - if we find ourselves in any court with any of those companies, the costs for them to defend themselves and the cost, if they lose, are supposed to be paid by Ugandans. We pay for their legal costs and also if by any chance the petition is lost by them and court awards them costs against us, that is also supposed to be recovered from the recoverable costs of production in the Production Sharing Agreement.

MS AMONGI: Thank you for the information. As Col. Katirima is walking out, I want to talk to the UPDF. How much does a UPDF officer get? Every time there is a debate to

protect any corrupt minister, especially hon. Amama Mbabazi and hon. Kuteesa, all the UPDF are mobilised to come and vote. You can see in the corridors of Parliament that they are all there. I walked out and all the UPDF Army officers, the ones who got sworn in and disappeared today, are all here. Where are you going - I said some of them.
(Laughter)

LT GEN. TUMWINE: Madam Speaker, the mood of Parliament is against corruption. The mood of Parliament is against saying anything that is not going to build our country. The UPDF has been struggling for all this. Is it in order for the honourable member holding the Floor to say that UPDF comes here only when we are going to talk about hon. Mbabazi and hon. Kutesa when UPDF has been coming here on very strong and serious national issues like this one; and demean UPDF as only coming to support when they are going to talk about corrupt Members, when we are here to defend the whole country against anything?

Is she in order to impute improper motives against us who have been standing to fight corruption?

THE SPEAKER: Hon. Members, I think what the honourable member said is that there are some Members she does not see very often. That is what she said. She knows everybody. Please conclude. (Applause)

MS AMONGI: Thank you, Madam Speaker. I thank hon. Tumwine for being consistent, but what I want to state is that, what will you tell the UPDF who are sacrificing for this country? They are paid meagre salaries and they are sleeping in mama ingia pole. What will you tell the Police who cannot afford a meal a day -(Member timed out.)

THE SPEAKER: Hon. Members, I had scheduled some meetings of the Commission for tomorrow, but in view of the importance of the debate, I have put off the meeting of the Parliamentary Commission. We reconvene at 11 O'clock. House adjourned to 11 tomorrow.

(The House rose at 7.47 p.m. and adjourned to Tuesday, 11 October 2011 at 11.00 a.m.)