

RECOMMENDATIONS OF THE SELECT COMMITTEE ON NSSF:

EXECUTIVE SUMMARY

1. The committee recommends that disciplinary action be taken against the implicated officials.
2. The committee recommends that CMA be held responsible for facilitating UMEME Ltd to violate its concession obligations, a situation that puts the interests of Uganda at risk.
3. The committee recommends that the responsibility of the Minister of Finance should stop at appointing the regulatory bodies and leave other layers to play their part as good as corporate governance dictates.
4. The committee recommends that government should explore the possibilities of having the stock market a public company in order to enhance transparency and separate the rights and responsibilities of traders and owners of the market which are currently fused.
5. The committee further recommends that the requirements of consulting the Minister on or during investment decision-making should be abolished. The Board and Management of the pension fund or system should take full responsibility. Instead, the Minister should engage in policy build, regulation and audit.

CHAPTER TWO

1. The committee recommends that the Minister of Finance and the Attorney General should urgently institute reforms to enable quick and efficient investment of social security funds in equity markets.
2. The Committee recommends that Mr. Ivan Kyayonka forced to vacate the Board of NSSF due to his irregular action in pushing NSSF to purchase UMEME IPO shares without the approval of the Solicitor General.
3. In light of the above, the committee recommends that Mr. Ivan Kyayonka and Mrs G. Ssali should be reprimanded for their dubious and irregular actions in the acquisitions of shares.
4. The committee recommends that the MD NSSF should be faulted and punished for avoiding the advice and proper procedure.
5. The committee recommends that African Alliance Uganda ltd should be visited with sanctions by the Capital Markets Authority for having conflicted its interests by working both as a seller for UMEME Ltd and buyer for NSSF.
6. The committee recommends that the Management and Board of CMA should be reprimanded for their complacency.
7. The committee recommends that the Income Tax Act be reviewed to address the loophole that concession holders in Uganda will use to avoid capital gains tax payment.

8. The committee recommends that Hon Gerald Ssendaula should be forced to relinquish one of the positions in either URA or UMEME Ltd to avoid conflict of interest.
9. The committee recommends that the concession Agreement with UMEME Ltd be reviewed given the major changes that have occurred in the ownership of the company.
10. The committee further recommends that the Minister of Energy should audit the effect of the violation of the concession agreement as a result of the reduction of the shares of the original shareholding below the acceptance limits as per the concession agreement.
11. The committee further recommends that the Minister of Finance should reprimand the leadership of CMA (Management and the Board) for its failure to do a comprehensive due diligence that would have safeguarded the interests of Uganda in the UMEME Concession Agreement.
12. The committee recommends that this possible fraud should be further investigated by the relevant Government agencies.
13. The committee further recommends that the performance of ERA be critically evaluated.

CHAPTER THREE:

1. The committee recommend that the Managing Director , Mr. Richard Byarugaba and the Chairperson NSSF Board Mr. Ivan kyayonka be compelled to make good the loss the fund incurred of UGX 56,170,001/= that resulted from the sale of Namirembe land below the cost price.

CHAPTER FOUR:

1. The committee recommends the Minister of Finance, Planning and Economic Development be held responsible for the loss of UGX 500,000,000/= that was spent on the recruitment process whose results were largely ignored.
2. The committee recommends that the NSSF Board should reprimand Mr. Birungi, Ms. Catherine Byakika and Ms Geraldine Ssali for flouting the recruitment guidelines.
3. The committee recommends that Ms Geraldine Ssali, the former Ag Managing Director and now the Deputy Managing Director NSSF and Ms Catherine Byakika the Human Resources should be seriously reprimanded by the appointing authority for mismanaging the human resources and dismissing staff without following the law.

4. The committee further recommends that the staff should be reinstated on their jobs or an out of court settlement at the cost of Ms Geraldine Ssali and Ms Catherine Byakika is quickly done to protect the workers savings from being spent on huge compensation costs likely to be paid to the irregularly dismissed staff.

CHAPTER FIVE

1. The committee recommends that Government enacts a robust social security policy and legislation to facilitate expansion of social security coverage in Uganda.
2. The committee recommends that the responsibility of the Minister of Finance should stop at appointing the regulatory bodies and leave other layers to play their part as good governance dictates.
3. The committee further recommends that, as is the practice in other countries, the responsibility of investing pension funds should be vested into the Board of Trustees. The BOT should be the final authority on matters of pension fund investment.
4. The committee recommends that Government should explore the possibilities of having the stock market a public company in order to enhance transparency and separate the rights and responsibility of traders and owners of the market which are currently fused.
5. The committee recommends that the lessons from Tanzania be considered for possible adoption.
6. The committee further recommends that the PPP bill be urgently enacted to create a conducive environment for profitable and long term investment of pension funds.
7. The committee further recommends that strategies be devised urgently to expand social security coverage to include Ugandans currently engaged in informal sector.