



PARLIAMENT OF UGANDA



**REPORT OF THE SECTORAL COMMITTEE ON DEFENCE AND INTERNAL
AFFAIRS ON THE MANAGEMENT AND UTILISATION OF UGANDA POLICE
FORCE LAND IN SELECTED AREAS IN KAMPALA**

EXECUTIVE SUMMARY

OFFICE OF THE CLERK TO PARLIAMENT

MAY, 2023

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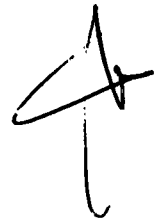
1 EXECUTIVE SUMMARY.

The Committee on Defence and Internal Affairs under Rules 189 (a), (b), (e), and (f) undertook an oversight visit to the Naguru Police barracks on 13th October 2021 and established that the Uganda Police land in Naguru was occupied by entities other than UPF, including:

- i. The United Nations African Institute for the Prevention of Crime and the Treatment of Offenders (UNAFRI)
- ii. The Ugandan Iranian Health Centre
- iii. Oscar Industries Ltd;
- iv. YUASA Investments Ltd;
- v. Future Group Co. Ltd;
- vi. Justice, Law and Order Sector; and
- vii. the East African Community Monetary Institute.

Following this discovery, the Committee deemed it prudent to inquire into the management and utilisation of the Uganda Police land in selected areas in Kampala and other incidental matters and make appropriate recommendations. The Committee's inquiry covered police land in and around these areas, including;

- i. Naguru Police Headquarters land at Naguru and Ntinda;
- ii. Nsambya Police Barracks;
- iii. Kibuli Police Station;
- iv. Kira Road Police Station;
- v. Jinja Road Police Station; and
- vi. Clock Tower Fire Brigade Unit, Nakivubo.



2 FINDINGS, OBSERVATIONS AND RECOMMENDATIONS

2.1 NAGURU-NTINDA LAND – Plots 2-96, Katalima road (140.45 acres)

Committee findings.

- i. The land is registered in the name of the Uganda Land Commission, and the user is restricted to the Police.
- ii. The land had been divided into new plots and allocated to (UNAFRI), Oscar Industries Limited, the Ugandan-Iranian Health Centre, Justice, Law and Order Sector and the East African Community Monetary Institute.



- iii. The title indicates that there are no encumbrances on the land.
- iv. Currently, the land is utilised as described in Table 1 of the report:



2.1.1 Land Allocated to UNAFRI (LRV 4221, Folio 24, Plot 3, Mukabya Road and Plot 2-8 Katalima Road measuring 16.8 acres).

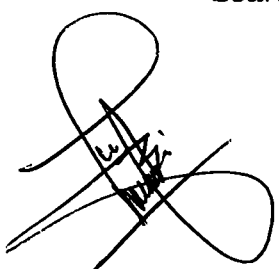
The then Minister of Internal Affairs, the Late Hon. Kirunda Kivejinja, in a letter dated 10th February 2011 to the Permanent Secretary of the Ministry, allocated 16.52 acres of land comprised in Plot 3 Mukabya Road and Plots 2-8 Katalima Road to UNAFRI. Subsequently, a Certificate of Title to UNAFRI for a lease of 99 years effective 1st March 2011 was issued on the understanding that UNAFRI would develop the land and carry out its objectives as per its statute of May 1995. The land allocated was valued at USD 1.5 million.

Shortly after UNAFRI had been allocated the land, the institute sub-leased it to various institutions as per the table below;

Sn	Lessee	Effective Date	Duration (Yrs)	Size	Notes
1	UNDP	01/06/1993	10	2332 sq Mtrs	the lease ended in July 1995 when UNDP lost interest
2	WFP	01/08/1995	10	3.1 acres	WFP utilised the land up to 1997 and abandoned it. Subsequently, the lease was cancelled
3	Trans-Sahara International (U) Ltd (car bond)	01/06/1998	5	3.1 acres	The lease was renewed on 1st October 2003 for a term of 5 years but subsequently terminated on 1st December 2004 for non-payment of rent.
4	YUASA	01/02/2005	5	3.1 acres	The lease was subsequently surrendered and terminated. A new lease of 25 years effective 1st June 2006 was issued. Later, the parties entered into a lease agreement dated 14th September 2011 in which land measuring 1.608 hectares was leased to Yuasa Investments Ltd for a term of 49 years effective 14th September 2011.
5	Future Group Ltd	21/11/2007	25	1.192 hectares	In 2010, Future Group sued UNAFRI vide Civil Suit No. 253 of 2010 for breach of the lease agreement, particularly for failure by UNAFRI to give Future Group vacant possession of the leased land. The case culminated in a consent judgement in which judgement was entered in favour of Future Group Ltd. Consequently, UNAFRI granted Future Group Ltd a lease of 49 years comprising of the initial period of 25 years and the grant of an additional 24 years in lieu of payment of the damages and costs of the suit.

Source: Title deeds of the respective lessees

UPF argues that GOU granted UNAFRI a lease on the understanding that the institute would proceed to develop the land and carry out its objectives as per



its statute. Therefore, UNAFRI had breached the lease terms by failing to utilise the land for its allocated purpose and had instead sub-leased it to third parties. As such, UPF prayed that the land be returned for further management and that UNAFRI immediately vacate and surrender the 12 senior staff houses to UPF.

On the other hand, the Acting Director of UNAFRI informed the Committee that the institute had not been receiving the requisite funding from Member States and that, therefore, the Governing Board of UNAFRI authorised the institute to supplement its budget by sub-leasing part of the land. Further, the legal status of the institute, as provided for under Article IV of the Host Agreement, protects the dealings of the institute on its properties.



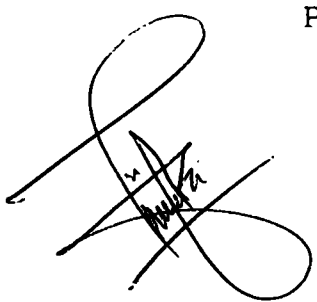
Recommendations

The Committee, therefore, recommends that;

- i. The Uganda Land Commission reopens the boundaries of the land under dispute between UPF and UNAFRI to clearly distinguish what belongs to whom.***
- ii. Regarding the excess of 5.594 hectares allocated to UNAFRI, ULC should rectify the record on the title to allocate the equivalent of 6.8 hectares that was officially allocated to UNAFRI by the government per the agreement.***
- iii. Regarding the land on which the 12 housing units are situated currently being claimed by UNAFRI, the UPF should initiate legal processes under the law to acquire quiet possession of the same.***

2.1.2 Land allocated to Oscar Industries Ltd

On 25th April 2008, H.E. the President directed the Uganda Land Commission to unconditionally allocate Oscar Industries Limited 20 acres of UPF's land along Ntinda Road, off Nakawa, for the construction of structures on the adjacent UPF land to house the Inspectorate of Vehicles (IOV) department and the residences of officers that would be affected. Subsequently, Oscar Industries was allocated land under Leasehold Register Volume 3935 Folio 11, Plot 401A-441A, measuring approximately 9.031 hectares (22.31 acres).



ULC revealed that part of the land granted to UNAFRI was erroneously allocated to Oscar Industries, culminating in a land dispute between the two parties. Further, Oscar Industries had surveyed and obtained a Certificate of Title over 9.031 hectares, equivalent to 23 acres, 3 acres more than what was entailed in the presidential directive. The Uganda Land Commission rectified the overlap, and the initial acreage allocated to Oscar Industries Ltd of 23 acres was reduced to 20 acres. The Certificate of Title was amended to read Plot 239-299 and 401-441 Ntinda Road, as opposed to the initial Plot 401A-441A Ntinda Road.



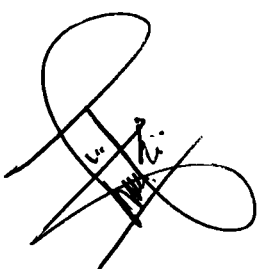
UPF reported that Oscar Industries did not fulfil the building covenants in the lease. Upon the five-year expiration, the land automatically reverted to the Uganda Land Commission with UPF as the user. However, the Committee established that the ULC subsequently extended the lease to 49 years vide Minute 13/293(a)(221) of 13th July 2013 to 2nd August 2013. ULC could not justify the extension, explaining that in the past, the extension of leases by the Commission was solely based on the technical advice of the Secretary of the ULC.

Oscar Industries stated that ULC extended the lease to allow them time to relocate the offices and for ULC to find a solution to the illegal allocations and alienation of part of their land and further that upon relocation of the offices, Oscar Industries would then be free to have its lease extended to the full 99 years as indicated in the lease agreement.

The Committee, while conducting a visit to the *locus in quo*, established that ULC, instead of allocating Oscar Industries the residue of the land after deducting the 3 acres of UNAFRI which had been erroneously included in the Certificate of Title for Oscar Industries Ltd, allocated Oscar Industries Plot 239-299, which is far away from the location of the land initially allocated to it. The Committee further established that the land contains a school, which Oscar Industries Ltd is expected to relocate before it can develop the land.

Recommendations

The Committee recommends that;



- i. ULC and Oscar Industries should, in consultation with UPF, renegotiate the lease terms to implement the original project on the unincumbered portion of land on which Oscar Industries Ltd is to build the replacement houses for Uganda Police to effect the spirit of the lease agreement. The renegotiations should be done and concluded within three months from this report's adoption date.***
- ii. Any renegotiation with Oscar Industries should not include compensation because there was no justification as the error committed by ULC on the encroached UNAFRI land was rectified.***

2.2 The Ugandan-Iranian Health Centre situated at Plot 2, Katalima Road, Naguru.

The government of Uganda (GoU) and the Government of the Islamic Republic of Iran signed a Memorandum of Understanding (MoU) on 24th April 2010, in which the Islamic Republic of Iran agreed to provide the Republic of Uganda with US\$ 1.5m as a grant to be spent on a project to be proposed by GoU after consideration of the Iranian side. To operationalise the grant, GOU and the Government of the Islamic Republic of Iran another MoU on Health Cooperation on 24th April 2010. GoU agreed to contribute sufficient land out of Naguru Police land for the Iranian government to establish a health centre for the people of Uganda based on a Public Private Strategy (currently referred to as a Public Private Partnership) in a phased manner, beginning with establishing a Polyclinic. However, the Iranian government replaced Azad University with Muslim Physicians without Borders Association (MPWB), a private sector entity, to implement the project.

Consequently, on 25th May 2017, an MoU was signed between the Ministry of Internal Affairs represented by UPF and MPWB, which, among other things, provided for profit sharing, skills transfer and treatment of police staff, their spouses, children and immediate dependants at favourable rates. Thus, the Ugandan-Iranian Health Centre was constructed in Naguru, Katalima Road, on land owned by the Uganda Police Force (UPF). The hospital was commissioned by H.E., the President of Uganda, on 26th October 2017.

2.2.1 Irregular change of Ownership of the Health Centre

UPF and MoFA reported that whereas the project was to be established for the people of Uganda based on a Public Private Strategy (currently known as “Public Private Partnership”), in 2020, UPF discovered that their Iranian counterparts had registered the project as a private limited liability company wherein two Iranians owned 98% and 2% shares respectively, without the knowledge of UPF. This created mistrust between the parties to the extent that by the time of the inquiry, UPF revealed that it was contemplating the withdrawal of the courtesies it had extended to the hospital, namely the ambulance, fuel, and payment of utility bills – noting that it was legally not tenable to continue spending government resources on a privately owned entity. In addition, the change of ownership caused a stalemate in the hospital's management to the extent that no board meeting has been held since October 2018.

Following this discovery, engagements with the affected parties were initiated, leading to a consensus that the Iranian side deregisters the company as a Private Limited Liability Company and returns to the spirit of the MoU before any constructive engagements could be made on the way forward. To date, the Iran Uganda Hospital Limited, situated at Plot 2, Katalima road, Naguru (i.e., Police land), is still a Private Limited Liability Company incorporated on 15th March 2018 under registration no. 80020000721028, whose shareholders are Shahram Pourjahani (98 shares) and Karimi Ali (02 shares), as per the companies registered at the Uganda Registration Services Bureau (URSB).

Recommendations

The Committee, therefore, recommends that;

- i. UPF should liaise with URSB and any other relevant actors to take the appropriate legal steps to safeguard the funds and assets of the health to mitigate the possibility or effect of the resources being transferred to unscrupulous persons.***
- ii. UPF should engage the hospital's management to develop guidelines for the implementation of the subsidy and to implement the clauses on profit sharing and skills transfer to ensure value for money for the project. The UPF should ensure that the guidelines clearly state that the subsidy to the UPF staff***

on the services offered by the health facility is determined as a percentage of the cost of the services.

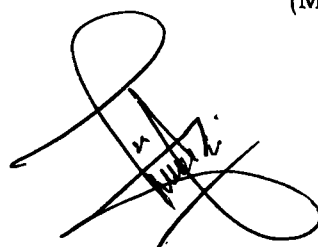
- iii. The representatives of the Health Facility Board from Uganda, i.e. the Minister of Internal Affairs, the Minister of Foreign Affairs, and the three members from UPF, should take action to ensure that the board is vibrant enough to oversee the proper implementation of the MOU and that the health centre is run efficiently and effectively.*
- iv. The Ministries of Internal Affairs and Foreign Affairs of Uganda should follow up to ensure that the full amount of USD 1.5Bn in development aid was remitted to the project and documentary evidence be provided to Parliament within three months upon adoption of this report.*
- v. The Criminal Investigations Department should expedite its investigations on the proceeds that the facility generates from the services rendered.*
- vi. The DPP investigates the individuals involved in the fraudulent change of ownership of the health facility to a private limited liability company with a view of prosecution.*



2.3 Land Allocated to the East African Monetary Institute – situated at Plot 10A-14A Katalima Road FRV- KCCA 545, Folio 4, measuring 0.9900 hectares.

Uganda is a signatory to the protocol for the establishment of the East African Monetary Union, which was signed on 30th November 2013 and, among others, provides for the establishment of the East African Monetary Institute (EAMI), which will evolve into the East African Central Bank, East African Statistics Bureau, the East African Surveillance, Compliance and Enforcement Commission and the Institution responsible for financial services.

Pursuant to a Cabinet Directive of a meeting held on 25th August 2021, three (3) acres of land were carved out of UPF land at the Naguru Police Barracks for the EAC Monetary Institute in the names of the Uganda Land Commission (Ministry of East African Community Affairs).



Recommendation.

The Committee recommends that the Ministry of EAC Affairs updates Parliament on bidding progress to house the EAC Monetary Institute.

2.4 LAND OTHER THAN THAT AT NAGURU-NTINDA

Land at Kibuli-Nsambya – situated at Plots 31-51 (ODD) Kibuli Road, Plots 1-11, Press House Road and Plot 20-50 (EVEN) Kibuli Road all under FRV 212, Folio 7 measuring 49 acres. UPF informed the Committee that this land houses the Nsambya police barracks.

Additionally, UPF reported that it owns another 60.86 acres on lease at Nsambya from the Registered Trustees of St. Joseph's Mission of Mill Hill, detailed below:

Table 2: Details of UPF Land at Nsambya

S/N	Description	Size	Tenure	Lease Period	Remaining Period
a.	LRV 528, Folio 17, Plot at Nsambya	45.9 Acres	99 years	1/01/1954-31/12/2052	30 years
b.	LRV 418, Folio 20, Plot at Nsambya	14.95 Acres	99 years	1/01/1957-31/12/2055	33 years

Source: UPF

Observation.

During the oversight visit, the Committee observed that this land was being encroached upon.

Recommendation.

The Nsambya UPF land will be surveyed, titled and fenced off within three months upon adoption of this report.

2.5 UNRA LAND UPTAKE AND COMPENSATIONS

GoU, in conjunction with Japan International Cooperation Agency (JICA) and Kampala Capital City Authority, is implementing the Kampala Flyover Project at the clock tower, Nsambya, Mukwano, Kitgum House and Garden City junctions. The project is being implemented in two phases: Lot 1 and Lot 2. The construction of phase 1 of the project started in May 2019.

Accordingly, UNRA has acquired and seeks to develop sections of police land at Kibuli, Nsambya and Nakivubo (Fire Brigade) to create a construction corridor for the Kampala Flyover Construction and Road Upgrading Project. The first land uptake by UNRA was already implemented, and affected parties have to date duly been compensated.

Table 3: Details of properties affected by the first land uptake by UNRA

S/N	Details of Land (Registered under ULC for use by UPF)	Affected Area	Compensation Award (UGX)
1.	Plot 27, Entebbe Road	0.194 acres	707,163,750
2.	Plot 1-5 Press House Road	0.179 acres	823,400,000
3.	Plot 7-11, Press House Road	0.645 acres	2,933,880,000
4.	Plot 31-51 Kibuli Road	2.825 acres	12,816,980,000
	Total	3.843 acres	17,281,423,750

2.5.1 Second Land Uptake by UNRA

UPF and UNRA reported that according to the detailed design changes of the Kampala Flyover Project, there was a need for additional land taken for the new Kibuli-Nsambya Link Road, Mukwano Flyover and road widening. Accordingly, UNRA acquired additional UPF land measuring approximately 1.2686 acres for which UPF is to be compensated UGX. 8.883 Bn, as indicated in the table below.

Table 4: Details of Properties affected by the second land uptake by UNRA

S/N	Details of Land (Registered under ULC for use by UPF)	Affected Area	Compensation Award
1.	Plot 1-5 Press House Road	0.0879 acres	526,479,200
2.	Plot 7-11, Press House Road	0.2246 acres	2,623,140,390
3.	Plot 30-50 Kibuli Road	0.8638 acres	5,254,108,145
4.	Plot 31-51 Kibuli Road	0.0923 acres	479,960,000
	Total	3.843 acres	8,883,687,735

Source: UPF and UNRA

The 2nd land take will displace 206 police personnel and their families. When paid, the compensation amount will be utilised to acquire strategically positioned land to construct new barracks, low-cost housing units and accompanying infrastructure.

Recommendation.

The Committee recommends that the Ministry of Finance, Planning and Economic Development expedites the release of the funds for

compensation of UPF for the land to facilitate relocation of the affected police facilities and secure alternative accommodation for the affected personnel.

Table 5: Details of other UPF properties to be affected by UNRA Projects in Kampala

S/N	Plot No.	Acreage Affected	Remarks
1	Plots 58,60,62,64 along Jinja Road	0.198	Assessed but not yet compensated
2	Plot 401-441 Mukabya Road	0.9420	Assessed but not yet compensated
3	Plot U5 Ntinda Road	N/A	The title provided by the Police and cadastral information obtained from the lands office do not match

2.2 Objective 2: CONSIDERATION OF OTHER INCIDENTAL MATTERS

2.5.2 Governance issues at the Uganda Land Commission

Findings.

- i. The ULC was not fully constituted since the Chairperson and Secretary of the Commission are currently on interdiction pending investigations by the Inspector General of Government (IGG) on corruption-related allegations.
- ii. The administrative affairs of the Commission are being superintended over by an interim Chairperson appointed by the Minister of Lands, Housing and Urban Development. This position is non-existent in the legal framework of the ULC.
- iii. To ensure the continuity of the operations of ULC, members of the Commission were utilising the window provided under Section 51 of the Land Act, Cap. 227 to appoint from amongst themselves a Chairperson for each sitting since the substantive chairperson was absent.
- iv. ULC that the Commission was composed of nine (9) Commissioners, but one of the Commissioners had refrained from participating in the activities of the Commission until its legal status was clarified.
- v. The current state of affairs at ULC is not only concerning, given the enormous mandate of the Commission and the sensitivity of land matters in Uganda, but is also unsustainable and poses legal challenges.

Recommendation

The Committee, therefore, recommends that the IGG expedites its ongoing investigations of corruption-related allegations against the ULC.

2.5.3 Structure, Staffing and Remuneration of ULC

The Committee noted that whereas ULC is a Constitutional Commission, it is operated like a government department. The Commission is understaffed and lacks essential departments such as the legal and survey departments, notwithstanding that land matters are legal and technical. The Committee was informed that ULC relies on the Attorney General for legal services were withdrawn. Consequently, cases are heard by court *ex parte* (in the absence of ULC/Government), resulting in over 418 court cases and claims against the government totalling UGX 1.470 trillion as of 27th October 2022.

Recommendation.

The Committee recommends that;

- i. The Ministry of Lands, Housing and Urban Development revises the budgetary allocations regarding the remuneration of the ULC members per the Public Service Circular 2022 on Salaries and Remuneration.***
- ii. The Ministry of Public Service addresses the inadequacies in the structure and staffing of the Uganda Land Commission to make the ULC more effective and efficient.***
- iii. The government tables the Uganda Land Commission Bill in Parliament to streamline the operations of the Commission and accord it the much-desired operational and financial independence to enable the Commission to exercise its functions independently, effectively and efficiently.***

2.5.4 Failure to conduct due diligence

ULC informed the Committee that in the past, the Commission was not conducting due diligence on land, i.e. physical inspection of the land in respect to which an application for a lease or extension of a lease was made to establish the status quo, a practice which had since changed. The Committee was further informed that the Commission was making decisions based on the technical advice of the Secretary of the Commission without referring to

the documents on the file of the matter under consideration. The Committee notes that the above practice is a recipe for the creation of overlapping interests on land, fraudulent land transactions and land conflicts.

Recommendation.

The Committee recommends that the ULC incorporates, as part of its procedures, the mandatory inspection of the land in respect of which it intends to transact to mitigate the rampant practice of allocating the same land to different parties and the possibility of fraudulent land transactions.

2.5.5 Mismanagement of the Affairs of ULC

While interfacing with ULC, the Committee was informed of allegations of staff forging minutes of the Commission and fraudulently dealing in government land. In addition, the Committee was advised of the possibility that some of the missing files of the Commission, such as the file for UNAFRI, were hidden by the said staff to cover up the fraudulent transactions. The mismanagement at the ULC is further evident from the inadequate manner in which the minutes of the Commission are drafted, as well as the irregular land transactions facilitated by the Commission. For instance, the irregular variation of the lease of Future Group from 49 to 99 years is the entire term of the head lease of UNAFRI.

Recommendation.

The Committee recommends that the ongoing investigation of allegations against the Chairperson and Secretary of the ULC by the IGG should be expedited for the smooth running of the organisation.

3.0 CONCLUSION

The continuous contestations on the ownership and utilisation of public land by Police and other parties demonstrate the inadequacies of ULC in allocating and managing public land. As such, the Committee calls upon Parliament to compel the ULC and other relevant stakeholders to reopen the boundaries of contested land belonging to the UPF.

