BILLS SUPPLEMENT No. 4

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27th March, 2024

BILLS SUPPLEMENT

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Bill No. 29	National Coffee	(Amendment)) Bill	2024
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THE NATIONAL COFFEE (AMENDMENT) BILL, 2024

MEMORANDUM

1. Policy and principles of the Bill

The policy behind the Bill is to give effect to the Government Policy for Rationalisation of Government Agencies and Public Expenditure (RAPEX) which was adopted by the Cabinet on 22nd February 2021.

2. Defects in existing law

The Constitution establishes a definite number of Government agencies, including constitutional commissions, authorities, boards, local councils and other statutory bodies. These were established to perform certain specified constitutional functions. Over the years, however, there has been a proliferation of agencies established by Acts of Parliament, Executive Orders and administrative arrangements. Whereas most of the agencies are necessary due to the critical nature of the functions they perform, Government has established that a certain limited number of agencies were established without due consideration to the aspects of institutional harmony, functional duplications, overlaps and affordability. Government has also established that some agencies have served the purpose for which they were established. The mandate of a few other agencies has been overtaken by events. Such agencies need to be rationalised.

More importantly, the proliferation of agencies has created mandate overlaps and jurisdictional ambiguities among the agencies. Additionally, the high cost of administering the agencies has drained the national treasury at the expense of effective service delivery. This has overstretched the capacity of Government to sustain them. Government has also established that the generous salary structures of the agencies has created salary disparities between employees of the agencies and public officers in the traditional civil service leading to demotivation of human resources in the mainstream public service.

3. Remedies proposed in the Bill.

The intention of the Bill is to amend the National Coffee Act, 2021 Act 17 of 2021, to—

- (a) enable the mainstreaming and rationalisation of the functions of the Coffee Development Authority into the Ministry responsible for agriculture thereby, *inter alia*, relieving the Government of the financial drain on its resources and the burden of wasteful administration and expenditure on the Authority yet the Ministry may perform the functions with less cost and expenditure;
- (b) facilitate efficient and effective service delivery by clearly delineating the mandates and functions of the Ministry in relation to other government agencies and departments, thereby, avoiding duplication of mandates and functions;
- (c) promote coordinated administrative arrangements, policies and procedures for-
 - ensuring the efficient and successful management, financial accounting and budgetary discipline of government agencies and departments;
 - (ii) enabling the Government to play its proper role more effectively; and
 - (iii) enforcing accountability.

4. **Provisions of the Bill**

The Bill has 58 clauses. Clause 2 of the Bill provides for the objectives of the Bill. Clause 3 of the Bill provides for the purpose of amending the National Coffee Act, 2021, which is to mainstream the functions of the Coffee Development Authority into the Ministry responsible for agriculture. Clause 4 of the Bill seeks to abolish the Coffee Development Authority and transfer the functions of the Coffee Development Authority to the Ministry responsible for agriculture. The rest of the clauses of the Bill are consequential amendments resulting from the abolition of the Coffee Development Authority and the transfer of its functions to the Ministry responsible for agriculture.

FRANK TUMWEBAZE Minister of Agriculture, Animal Industry and Fisheries

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THE NATIONAL COFFEE (AMENDMENT) BILL, 2024

ARRANGEMENT OF CLAUSES

Clause

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- 1. Interpretation
- 2. Objectives
- 3. Purpose of amendment of Act 17 of 2021
- 4. Dissolution of Coffee Development Authority
- 5. Amendment of long title of Act 17 of 2021
- 6. Amendment of section 1 of principal Act
- 7. Amendment of section 2 of principal Act
- 8. Amendment of title of Part II of principal Act
- 9. Amendment of section 7 of principal Act
- 10. Amendment of section 4 of principal Act
- 11. Amendment of section 5 of principal Act
- 12. Amendment of section 6 of principal Act
- 13. Amendment of section 7 of principal Act
- 14. Amendment of section 10 of principal Act
- 15. Amendment of section 12 of principal Act
- 16. Amendment of section 13 of principal Act
- 17. Repeal of section 14 of principal Act
- 18. Repeal of section 15 of principal Act
- 19. Repeal of section 16 of principal Act
- 20. Repeal of section 17 of principal Act
- 21. Repeal of section 18 of principal Act
- 22. Repeal of section 19 of principal Act
- 23. Repeal of section 20 of principal Act
- 24. Repeal of section 21 of principal Act
- 25. Repeal of Part III of principal Act
- 26. Amendment of section 26 of principal Act
- 27. Amendment of section 27 of principal Act

Amendment of section 28 of principal Act 28. 29. Amendment of section 29 of principal Act 30. Amendment of section 30 of principal Act 31. Amendment of section 31 of principal Act 32. Amendment of section 32 of principal Act Amendment of section 34 of principal Act 33. 34. Amendment of section 35 of principal Act Amendment of section 36 of principal Act 35. Amendment of section 37 of principal Act 36. Amendment of section 38 of principal Act 37. 38. Amendment of section 39 of principal Act 39. Amendment of section 40 of principal Act 40. Amendment of section 41 of principal Act 41. Amendment of section 42 of principal Act 42. Repeal of section 43 of principal Act Amendment of section 44 of principal Act 43. 44. Repeal of section 45 of principal Act 45. Repeal of section 46 of principal Act 46. Repeal of section 47 of principal Act 47. Repeal of section 48 of principal Act 48. Repeal of section 49 of principal Act 49. Amendment of section 50 of principal Act 50. Amendment of section 51 of principal Act 51. Repeal of section 52 of principal Act 52. Amendment of section 53 of principal Act 53. Amendment of section 54 of principal Act 54. Amendment of section 56 of principal Act 55. Repeal of section 57 of principal Act 56. Repeal of section 58 of principal Act 57. Repeal of Schedule 2 to principal Act Savings 58.

2024

A Bill for an Act

ENTITLED

THE NATIONAL COFFEE (AMENDMENT) ACT, 2024

An Act to amend of the National Coffee Act, 2021, Act 17 of 2021, to dissolve the Coffee Development Authority and transfer the functions of the Coffee Development Authority to the Ministry responsible for agriculture in order to give effect to the Government Policy on Rationalisation of Government Agencies and Public Expenditure, and for related purposes.

BE IT ENACTED by Parliament as follows:

1. Interpretation

In this Act, unless the context otherwise requires-

"agency" means a body established by an Act of Parliament and includes an authority;

"commission" means a body established by the Constitution;

"currency point" has the value assigned to it in the Schedule to this Act;

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"Government" means the Government of Uganda;

"Ministry" means the ministry responsible for agriculture.

2. Objectives

(1) The main objective of this Act is to give effect to the Government Policy for Rationalisation of Government Agencies and Public Expenditure adopted by the Cabinet on 22nd February, 2021 and contained in Cabinet Minute No. 43(CT 2021).

(2) Without prejudice to the general effect of subsection (1), the following objectives shall be deemed to fall under the objective specified in that subsection—

- (a) the merging, mainstreaming and rationalisation of agencies, commissions, authorities and public expenditure thereby, *inter alia*, relieving the Government of the financial drain on its resources and the burden of wasteful administration and expenditure;
- (b) the facilitation of efficient and effective service delivery by clearly delineating the mandates and functions of government agencies and departments and thereby avoiding duplication of mandates and functions;
- (c) the promotion of coordinated administrative arrangements, policies and procedures for—
 - (i) ensuring the efficient and successful management, financial accounting and budgetary discipline of government agencies and departments;
 - (ii) enabling the Government to play its proper role more effectively; and

- (iii) enforcing accountability; and
- (d) the restructuring and re-organisation of agencies and departments of Government by eliminating bloated structures and functional ambiguities in Government agencies and departments.

3. Purpose of amendment of Act 17 of 2021

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The purpose of amendment of the National Coffee Act, 2021 is to-

- (a) mainstream the functions of the Coffee Development Authority into the Ministry responsible for agriculture; and
- (b) abolish the Coffee Development Authority and transfer the functions of the Coffee Development Authority to the Ministry responsible for agriculture.

4. Dissolution of Coffee Development Authority

On the commencement of this Act, the Coffee Development Authority established by Act 17 of 2021 shall be dissolved.

5. Amendment of long title of Act 17 of 2021

For the long title to Act 17 of 2021, hereinafter referred to as the "principal Act", there is substituted the following—

"An Act to abolish the Coffee Development Authority; to transfer the functions of the Coffee Development Authority to the Ministry responsible for agriculture; to provide for the Ministry responsible for agriculture to regulate, promote and oversee the coffee subsector; to provide for the Ministry responsible for agriculture to regulate all on farm and off-farm activities in the coffee value chain; to provide for a coffee auction system; and for other related matters."

6. Amendment of section 1 of principal Act

Section 1 of the principal Act is amended by repealing the definitions of "Authority" and "Board".

7. Amendment of section 2 of principal Act

Section 2 of the principal Act is amended by substituting for paragraph (b) the following—

"(b) to provide for the Ministry to regulate, promote and oversee the coffee subsector;"

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8. Amendment of title to Part II of principal Act

For the title to Part II of the principal Act there is substituted the following-

"PART II – ADMINISTRATION OF ACT"

9. Amendment of section 3 of principal Act

For section 3 of the principal Act, there is substituted the following-

"3. Administration of Act

This Act shall be administered by the Ministry.".

10. Amendment of section 4 of principal Act

Section 4 of the principal Act is amended—

(a) by substituting for the head note the following-

"4. Objectives of Ministry";

- (b) by substituting for "Authority" in the introduction to section 4 the word "Ministry"; and
- (c) by substituting for "Authority" in paragraph (g) the word "Minister".

11. Amendment of section 5 of principal Act

Section 5 of the principal Act is amended-

(a) by substituting for the head note to section 5 the following-

"5. Functions of Ministry";

- (b) by substituting for "Authority" in the introduction to section 5 the word "Ministry"; and
- (c) by substituting for paragraph (j) the following—
 - "(j) to coordinate the provision of coffee specific extension services;".

12. Amendment of section 6 of principal Act

Section 6 of the principal Act is amended by substituting for the word "Authority wherever it appears, the word "Ministry".

13. Amendment of section 17 of principal Act

Section 7 of the principal Act is amended by substituting for the word "Authority wherever it appears, the word "Minister".

14. Amendment of section 10 of principal Act

Section 10 of the principal Act is amended by substituting for the word "Authority" wherever it appears the word "Minister".

15. Amendment of section 12 of principal Act

Section 12 of the principal Act is amended in paragraph (1) by substituting for the word "Authority" the word "Minister".

16. Amendment of section 13 of principal Act

Section 13 of the principal Act is amended---

(a) in subsection (1) by substituting for the word "Authority" the word "Ministry";

- (b) in subsection (2) by repealing the words "the Authority and"; and
- (c) in subsection (3) by substituting for the word "Authority" wherever it appears the word "Ministry".

17. Repeal of section 14 of principal Act

Section 14 of the principal Act is repealed.

18. Repeal of section 15 of principal Act Section 15 of the principal Act is repealed.

19. Repeal of section 16 of principal Act Section 16 of the principal Act is repealed.

20. Repeal of section 17 of principal Act

Section 17 of the principal Act is repealed.

21. Repeal of section 18 of principal Act Section 18 of the principal Act is repealed.

22. Repeal of section 19 of principal Act Section 19 of the principal Act is repealed.

23. Repeal of section 20 of principal Act Section 20 of the principal Act is repealed.

24. Repeal of section 21 of principal Act Section 21 of the principal Act is repealed.

25. Repeal of Part III of principal Act

Part III (sections 22, 23, 24, 25) of the principal Act is repealed.

26. Amendment of section 26 of principal Act

Section 26 of the principal Act is amended in subsection (1) by substituting for the word "Authority", the word "Ministry".

27. Amendment of section 27 of principal Act

Section 27 of the principal Act is amended-

- (a) in subsection (1) by substituting for the word "Authority", the word "Ministry";
- (b) in subsection (2) by substituting for the word "board", the word "Minister"; and
- (c) by substituting for the word "Authority", wherever it appears in subsection (3), (4) and (5) the word "Ministry".

28. Amendment of section 28 of principal Act

Section 28 of the principal Act is amended-

- (a) in subsection (1) by substituting for the word "Authority", the word "Minister";
- (b) in subsection (2) by substituting for the word "Authority", the word "Ministry";
- (c) in subsection (3) by substituting for the word "Authority", the word "Minister".

29. Amendment of section 29 of principal Act

Section 29 of the principal Act is amended in subsection (1) by substituting for the word "Authority", the word "Ministry".

30. Amendment of section 30 of principal Act

Section 30 of the principal Act is amended by substituting for the word "Authority" wherever it appears, the word "Ministry".

31. Amendment of section 31 of principal Act

Section 31 of the principal Act is amended by substituting for the word "Authority" wherever it appears, the word "Ministry".

32. Amendment of section 32 of principal Act

Section 32 of the principal Act is amended by substituting for the word "Authority" wherever it appears, the word "Ministry".

33. Amendment of section 34 of principal Act

Section 34 of the principal Act is amended by substituting for the word "Authority" wherever it appears, the word "Ministry."

34. Amendment of section 35 of principal Act

Section 35 of the principal Act is amended by substituting for the word "Authority" wherever it appears, the word "Ministry".

35. Amendment of section 36 of principal Act

Section 35 of the principal Act is amended by substituting for the word "Authority", the word "Ministry".

36. Amendment of section 37 of principal Act

For section 37 of the principal Act, there is substituted the following-

"37. Right of appeal.

Any person aggrieved by the decision of the Ministry under subsection 35(4) may, within thirty days after being notified of the decision, appeal to a competent court for judicial review."

37. Amendment of section 38 of principal Act

Section 38 of the principal Act is amended-

- (a) in subsection (1), by substituting for the word "Authority", the word "Minister";
- (b) by substituting for subsection (2) the following—

"(2) For the purposes of this section, the Ministry and other stakeholders shall develop a strategy for promoting the cultivation of recommended types and varieties of coffee in Uganda."; and (c) in subsection (3), by substituting for the word "Authority", the word "Ministry".

2024

38. Amendment of section 39 of principal Act

Section 39 of the principal Act is amended by substituting for the word "Authority wherever it appears, the word "Minister".

39. Amendment of section 40 of principal Act

Section 40 of the principal Act is amended by substituting for the word "Authority" wherever it appears, the word "Ministry".

40. Amendment of section 41 of principal Act

Section 41 of the principal Act is amended by substituting for the word "Authority" wherever it appears, the word "Ministry".

41. Amendment of section 42 of principal Act

Section 42 of the principal Act is amended by substituting for the word "Authority" wherever it appears, the word "Ministry".

42. Repeal of section 43 of principal Act

Section 43 of the principal Act is repealed.

43. Amendment of section 44 of principal Act

Section 44 of the principal Act is amended by substituting for the word "Authority" the word "Minister".

44. Repeal of section 45 of principal Act

Section 45 of the principal Act is repealed.

45. Repeal of section 46 of principal Act Section 46 of the principal Act is repealed.

46. Repeal of section 47 of principal Act Section 47 of the principal Act is repealed.

47. Repeal of section 48 of principal Act Section 48 of the principal Act is repealed.

48. Repeal of section 49 of principal Act

Section 49 of the principal Act is repealed.

49. Amendment of section 50 of principal Act

Section 50 of the principal Act is amended

(a) in subsection (1), by substituting for the word "Authority", the word "Ministry";

2024

- (b) in subsection (2), by repealing the words "and validated by the Board"; and
- (c) in subsection (4), by substituting for the word "Authority", the word "Ministry".

50. Amendment of section 51 of principal Act

Section 51 of the principal Act is amended in subsection (1) by substituting for the word "Authority", the word "Minister".

51. Repeal of section 52 of principal Act

Section 52 of the principal Act is repealed.

52. Amendment of section 53 of principal Act

Section 53 of the principal Act is amended by substituting for the word "Authority" wherever it appears, the word "Ministry".

53. Amendment of section 54 of principal Act

Section 54 of the principal Act is amended by substituting for the word "Authority" wherever it appears, the word "Ministry".

54. Amendment of section 56 of principal Act

Section 56 of the principal Act is amended in subsection (1) by repealing the words "on the recommendation of the Board".

55. Repeal of section 57 of principal Act

Section 57 of the principal Act is repealed.

56. Repeal of section 58 of principal Act

Section 58 of the principal Act is repealed.

57. Repeal of Schedule 2 to principal Act

Schedule 2 to the principal Act is repealed.

58. Savings

(1) All pending applications for any kind of registration under the Act shall be continued under the Ministry.

(2) The board members and staff of the Coffee Development Authority shall be paid their terminal benefits in accordance with the terms and conditions of their service.

(3) Compensation is not payable to any member of the board of the Coffee Development Authority for loss of office resulting from the dissolution of the Coffee Development Authority.

(4) The staff of the Coffee Development Authority may be redeployed to serve in the public service subject to availability of positions.

(5) On the commencement of this Act, all the property, assets, rights, obligations, and liabilities of the Coffee Development Authority shall vest in the Government of Uganda under the Ministry.

(6) Any proceedings commenced by or against the Coffee Development Authority may be continued by or against the Attorney General.

(7) A licence, permit, certificate or authorisation issued by the Coffee Development Authority under the Act which is in force immediately before the commencement of this Act shall have effect from the commencement of this Act as if granted by the Minister. (8) The terms and conditions including the rights and obligations under a licence, permit, certificate or authorisation in force immediately before the commencement of this Act, shall not be less favourable than those that applied immediately before the commencement of this Act.

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