**Email:** **mlhud@mlhud.go.ug**

**Telephones: General:** 0414342931/3

**Hon. Minister:** Direct: 04143253871

**Hon. Minister of State (Lands):** 04143231020

**Hon. Minister of State (Housing):** 04143349265

**Hon. Minister of State (Urban Development):**0414236384

**Permanent Secretary:** 04143230879

**Under Secretary:** 04143236359

**Fax:** 04143230891

The Town Clerks

USMID Program implementing Municipalities

Arua, Gulu, Lira, Soroti, Moroto, Mbale, Tororo, Jinja, Entebbe, Masaka, Mbarara, Kabale, Fort Portal, Hoima Municipal Council

**NOTIFICATION OF RELEASE OF MUNICIPAL DEVELOPMENT GRANT (MDG) AND MUNICIPAL CAPACITY BUILDING GRANT (MCBG) UNDER THE USMID PROGRAM**

The Ministry of Lands, Housing and Urban Development received US$ 19,227,750 from the World Bank/International Development Association (IDA) for allocation to Municipal Councils upon achieving three Disbursement Linked Results (DLRs) i.e DLR#1.1 (US$5,537,592), DLI#2.1, (US$11,229,000) and DLR#4.1, (US$2,461,158).

These funds have been allocated to the respective Municipal Councils using the allocation formula contained in the Program Appraisal document and discussed during the Program Technical Committee (PTC) held in December 2013. This allocation formula puts into consideration the population, poverty level, area and assessed performance of each Municipal Council.

The purpose of this letter is to advise you that the Uganda Shilling equivalent of funds allocated to your Municipal Council have been transferred to your General Fund Bank Account as per the attached schedule. You are urged to acknowledge receipt of the funds and submit original copy of an official receipt to the Program Coordinator of USMID Program.

You are reminded that the funds should be transferred to the designated USMID Development Grant and USMID Capacity Building Grant Bank accounts prior to spending. You should also use the funds only for eligible expenditures stipulated in the USMID Program appraisal document and the Program operation manual.

Thank you for your cooperation.

Gabindadde-Musoke

**PERMANENT SECRETARY**







**MINISTRY OF LANDS, HOUSING AND URBAN DEVELOPMENT**

**P.O. BOX 7096**

# KAMPALA, UGANDA

Date: 18.07.2017

Time: 10:00AM

**PRESS STATEMENT**

**MINISTERIAL STATEMENT ON THE PROPOSED CONSTITUTIONAL AMENDMENT WITH RESPECT TO ARTICLE 26 OF THE 1995 CONSTITUTION ON LAND ACQUISITION**

**Introduction:**

As you are aware, government has introduced a proposal to amend Article 26of the 1995 Constitution to facilitate faster Land Acquisition for Public infrastructure; The Amendment proposes to insert immediately after clause (2) the following:

***“(3) Where the owner of property or any person having interest in or right over property objects to the compensation awarded under the law made under clause (2)(b), the Government or Local Government shall deposit with Court for the Property owner or any person having an interest in or right over the property, the compensation awarded for the property, and the Government or Local Government shall take possession of the property pending determination by the Court of any dispute relating to compensation.***

***(4) The owner of property or person having any interest in or right over the property shall have a right to access the compensation deposited with the court referred to in clause (3), at any time during the determination of the dispute.***

***(5) Parliament shall, by law, prescribe the time within which any dispute referred to in clause (3) shall be determined.”***

**Compulsory Land acquisition is the power of government to acquire private rights in land for a public purpose, without the willing consent of its owner or occupant.**

This power is known by a variety of names depending on a country’s legal traditions, including *eminent domain, expropriation, takings*and *compulsory purchase*. Regardless of the label, compulsory acquisition is a critical development tool for governments, and for ensuring that land is available when needed for essential infrastructurea contingency that land markets are not always able to meet.

**In Uganda, the power to compulsorily acquire Land by government is enshrined in The Land Acquisition Act 1965, (Cap 226) and the 1995 Constitution Article 26.**

 The provisions in the Land Acquisition Act have facilitated government to compulsorily acquire land smoothly until a critical provision under section 7 was expunged by both the Constitutional and Supreme Court in 2014. This provision gave the Minister of Land, after an award of compensation valued has been made by an assessor, to take possession at any time after the publication of the declaration if the Minister certifies that it is in the public interest for him or her to do so.

**The ruling of the courts followed a petition in the case of: Uganda National Roads Authority vs. IrumbaAsumani&Peter Magelah, Supreme Court Constitutional Appeal No.2 of 2014**

The background to the case arose when theGovernment of Uganda commissioned a project to upgrade the Hoima-Kaiso-Tonya road, leading to Uganda’s oil fields in the Albertine Graben. Acting under the Land Acquisition Act, the Government compulsorily acquired the project land and the Uganda National Roads Authority (“UNRA”) took possession under section 7 of the Land Acquisition Act before payment of compensation to the owners. This is so because few people had rejected the compensation value and yet the rest had been paid and work was ongoing; so to avoid delay of the World Bank loan with its conditionality, Government took possession pending resolution on compensation value.

The few landowners, through an NGO challenged the constitutionality of the Land Acquisition Act that permitted the Government to compulsorily acquire land before payment of compensation since Article 26(2) of the Constitution provides that no person can be compulsorily deprived of property without prompt payment of fair and adequate compensation prior to the taking of possession or acquisition of the property.

***The current amendment is not about Compulsory acquisition of land, it is about how to resolve dispute arising out of an award by the assessor (Chief Government valuer) of the value for compensation***.

Further, **the amendment is targeting Land Acquisition for public purpose clearly defined under Article 26 (2) (a) of the 1995 Constitution which is Land for:**

**Public use**

**Public safety**

**Public order**

**Public health**

**Public morality**

**In the interest of defense**

Therefore, the fear that many Ugandans will be rendered landless and their property acquired compulsorily without fulfilling the Constitutional principles of prompt payment of fair and adequate compensation prior to the taking of possession or acquisition of the property, are unfounded.

It is critical that we expedite the process of land acquisition for strategic and development initiatives as enshrined in the constitution.Such initiatives may include public infrastructures such as roads, electrification, railway lines and social infrastructure projects including facilitating health care andschools among others, where land is needed to undertake such projects.

**SELECTED EVIDENCE OF THE DELAYED LAND ACQUISITION AND THE CONSEQUENCES**

**Projects under NWSC**

**Case 1. Kyambogo:**

In August 2015, the Private Property owner rejected a valuation amount approved by the Chief Government Valuer of UGX. 23,595,000 insisting that the appropriate compensation award to the land (0.23 acres) based on easement was UGX. Sh. 15, 880,000,000.

By end of May 2017, a joint valuation report based on an agreed upon valuation methodology, led to the Valuer of the property owner disagreeing over the issue of disturbance allowances (Shs. 316,060,000 Vs 394,132,000).

The standoff has left an isolated incomplete section of the project, without which the entire sewer project cannot work because the section is part of the trunk sewer line. **Every day of delay causes a loss of Sh. 100m in contractor claims.**

**Case 2. Kitante road and Centenary Park**

The leasehold property owner objected to NWSC’s work in the area even when the Controlling Authority (KCCA) had cleared NWSC to commence works in this section of the project area. NWSC is not sure of access to site as the leasehold property owner demands to be “compensated” for her to give a **No objection** to NWSC to lay a sewer pipeline in this section of the project area. **By 16th June 2016, this denial of access to NWSC had cost the country UGX 979,915,047=**.

**Case 3.Shoprite – Ben Kiwanuka Street**.

The management of Shoprite Ben Kiwanuka Street objected NWSC’s work of laying a sewer pipeline which connects Nakivubo sewer network to another sewer network around Goods shed – Entebbe road. They citing issues related to inconveniences that the project work will cause to the Supermarket customers and other Tenants at the ShopRite building. Their refusal to have work undertaken in this area caused the contractor to demobilize his equipment and manpower- attracting claims to NWSC. NWSC has been involved in endless discussions with the managers of Shoprite and up to date, no conclusive position has been drawn.

**Case 4.Land in Banda: Plot 1A – Plot 8A, Mukaabya – Banda close**

Aproject affected person rejected the compensation award of UGX 79 million attached to his land, as approved by the Chief Government Valuer and insisted on UGX 1,150,856,789. Several negotiations were held with the PAP and his agents but he was not willing to consent to negotiation terms. NWSC asked the PAP to allow for works to be commenced as negotiations continue. The PAP through his son accepted, but later evicted the contractor and fenced of the whole land before work was completed. NWSC acquired a court order – and, with tight protection from Uganda Police Force, worked and completed work on this site

**Case 5. Land in Kinawataka – Kasokoso**:

 Work is scheduled to commence 30th July 2017. The Chief Government Valuer approved a valuation report to compensate PAPs in this area (2.7 KMs) majority of whom had crop owners and have semi-permanent structures. This approval was backed up by the guidance of the Solicitor General, NEMA, KCCA and NFA.

NWSC has constantly created a rapport with people in this area, informing them the benefits of the proposed sewer line which is to be laid traversing their area. NWSC has assured them of fair compensation – based on easement.

Out of 135 project affected persons who were cleared by the office of the Chief Government Valuer – for receiving approved compensation awards, 43 have contested and rejected the approved compensation awards and so work cannot proceed.

**Projects under Electrification**

**Case 6:Wayleaves compensation claims**

The current outstanding compensation claims for various power lines for Rural Electrification Agency during 2010 and 2016 now stands at UGX 18 billion. For instance, on the Ntenjeru-Nakisunga-Mpatta-Naama power line, a Property owner has demanded diversion of the line. The estimated cost for the diversion is UGX 280 million.

**Projects under Ministry of Works and Transport**

**Case 7: Standard Gauge Railway cases causing delays**

1. Ochieng Lawrence Vs Attorney General & Coordinator SGR HCCS 25 of 2016 at Mbale High Court. The complaint is about under valuation of his property. Hearing scheduled for 22nd Aug 2017;
2. Apollo JaramojiOllo Vs Attorney General and Coordinator SGR HCCS 24 of 2016 at Mbale High Court. The issue is that the complaint is about inadequate compensation by SGR. Hearing scheduled for August, 2017.

**Case 8: UNRA Projects that have suffered delays due to Contestation of Compensation Awards**

| **No** | **Project** | **Name Of Land Owner** | **Location** | **Type Of Land Tenure** | **Amount Approved****(By CGV) (UGX)** | **Amount Wanted By Client** | **Type Of Dispute** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1 | Kampala Entebbe Expressway | Pearl Development Group Limited | KIGO-LUNYA | Leasehold On BLB Land |  1,515,903,090  |  | Rejected The Compensation Amount |
| 2 | Kampala Entebbe Expressway | Fredrick Kitaka | MUNYONYO | Private Mailo |  284,300,000  |  | Rejected Compensation Amount |
| 3 | Kampala Northern Bypass | Lwanga Edith | BUKOTO/KNBP | Private Mailo | 41,551,225 |  | Under Valuation |
| 4 | Kampala Northern Bypass | Katabazi Joshua | KYEBANDO/KNBP | Private Mailo |  308,723,892  |  | Undervaluation |
| 5 | Kampala Northern Bypass | Katabazi Joshua | KYEBANDO/KNBP | Private Mailo |  40,872,000  |  | Undervaluation |
| 6 | Kampala Northern Bypass | Byangwamu Godfrey | MASANAFU/KNBP | Kibanja |  3,381,000  |  | Undervaluation |
| 7 | Kampala Northern Bypass | Bongole Noel | MASANAFU/KNBP | Kibanja |  138,584,212  |  | Undervaluation |
| 8 | Kampala Northern Bypass | NakayimaKorutaro Alice | namungoona | Lease Frm BLB |  398,568,482  |  | Undervaluation |
| 9 | Kampala Entebbe Expressway | Pearl Development Group Limited | KIGO-LUNYA | Leasehold On Blb Land |  1,515,903,090  |  | Rejected The Compensation Amount |
| 10 | Kampala Entebbe Expressway | Fredrick Kitaka | MUNYONYO | Private Mailo |  284,300,000  |  | Rejected Compensation Amount |

**Case 9: Other Delayed Government Projects**

1. The delay of Kaiso Tonya road in Hoima District;
2. The acquisition of land in Buliisa district for international oil companies in Uganda: Tullow, Total and CNOOC and for other petroleum activities and mid-stream operations;
3. Acquisition of land by Uganda Electricity Distribution Company for the power line to Kitgum district.

There may be some cases of misrepresentation and mis-information of the intentions of this Constitutional Amendment 2017 to the public to frighten them that the Constitutional Amendment is meant to grab their land. This is not true and the good intentions of this Constitutional Amendment should not be overshadowed by false allegations of land grabbing.

In conclusion, the proposed amendment of article 26 of the 1995 Constitution will enable Government to take possession of or acquire property upon payment of the compensation awarded by the Government while any resolution of disputes to determine the additional amount claimed by the property owner is ongoing. This will curb delays in implementation of Government infrastructure thus investment projects will be completed on time. The Bill is also expected to allow for persons dissatisfied with the compensation amount awarded to resolve the dispute in court.

All land owners and other stakeholders are therefore urged to support this Bill, which does not have any additional cost implications.

I therefore seek your support in disseminating the reasons and other information about the constitutional Amendment proposed above, which will benefit the entire country as we strive to attain the middle income status as per the Uganda vision 2040.

**I THANK YOU ALL**

Amongi Betty Ongom (MP)

**MINISTER OF LANDS, HOUSING AND URBAN DEVELOPMENT.**