



REPUBLIC OF UGANDA

Report

ON
SECTOR ANALYSIS OF BUSINESS LICENSES IN
UGANDA

Prepared by

The Business Licensing Reform Committee
Appointed by the Minister of Finance, Planning and Economic Development

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Volume II

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1. INTRODUCTION

In accordance with its mandate and to ensure that the reforms were comprehensive and widely consultative, the Business Licensing Reform Committee undertook the following activities:

- *Comprehensive Inventory of Business Licenses.* This exercise, covered licenses issued by Government Ministries and Regulatory agencies as well as 23 selected local governments (9 Municipalities, 14 Districts). **A total of 788 licenses were identified, of which 562 are issued by Government Ministries, Departments and Regulatory Agencies while 226 are issued by local governments.**
- *Comprehensive Review Licensing Laws and Regulations.* The inventory exercise identified a **total of 87 Laws and 174 Regulations**, the majority of which were enacted before Uganda's economic liberalization in 1991.
- *Consultations with Private Sector Associations and Business.* Consultations were held with private sector business in various sectors including Agriculture, Trade, ICT & Media, Financial Sector, Transport, Manufacturing, Health, Housing, Hotel & Tourism. In addition, surveys were conducted with over 700 private sector business in 22 selected Districts and Municipalities.

1.1 CATEGORIZATION OF BUSINESS LICENSES

Following the inventory exercise, the BLRC categorized the licenses into the following 15 sectors. The categorization was largely based on the National Development Plan (NDP) sectors.

1. Agriculture (diary, coffee, fisheries, animal husbandry, cotton, sugar, tobacco)
2. Education & Sports, Skills Development, Science & Technology
3. Energy, Mining, Oil & Gas
4. Financial Services
5. Health
6. Housing Development, Physical Planning, Urban Development
7. Information & Communication, Media
8. Labour & Employment
9. Manufacturing (Processors, Small Scale Industries, Arts & Crafts)
10. Tourism, Hotels and Wild Life

11. Trade (Import & export) and Cooperatives
12. Transport & Logistics;
13. Water, Forestry, Environment & Sanitation
14. Professional Services
15. Local Government

1.2 CRITERIA FOR REVIEW OF LICENSES

The following criteria were used to review the licenses:

(i) Legality of the licence

- a. Is there sufficient legal basis for the license?
- b. Is the law outdated or complex?

(ii) Necessity of the licence

Does this license serve a regulatory purpose such as health, safety or environmental protection?

(iii) Are the procedures for the licence business friendly?

- a. Does the license have the least impact on business activity and uses a minimum of public resources or is there a more efficient way to obtain the same result?
- b. Cost of license on doing business (Standard Cost Model analysis)

2. FINDINGS

2.1 AGRICULTURE (COTTON, DIARY, FISHERIES, ANIMAL HUSBANDRY ETC)

Introduction:

The analysis in this sector covers laws and licenses pertaining to the following activities:

- 2.1.1 Cotton production
- 2.1.2 Dairy production, sale of milk and milk products
- 2.1.3 Fisheries
- 2.1.4 Animal breeding
- 2.1.5 Coffee production
- 2.1.6 Dealings in agricultural chemicals
- 2.1.7 Sugar production
- 2.1.8 Tobacco production
- 2.1.9 Cattle trading
- 2.1.10 Hides and Skins
- 2.1.11 Livestock Health and Entomology
- 2.1.12 Public Health and Sale of Meat

It should be noted that tea production is not included in this analysis in view of the Uganda Tea Authority (Repeal) Act 2006, which repealed the Uganda Tea Authority Act Cap.36 and liquidated the Uganda Tea Authority, which was the industry regulator. A regulatory framework for this sub sector is yet to be re-established.

RECOMMENDATIONS ON AGRICULTURE SECTOR

Law applicable		The Cotton Development Act Cap 30					
License Name		Recommended Actions					Compliance cost(millions)
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	
1.	Registration for dealing in cotton seed		Yes				101.8
2.	Ginnery Registration License		Yes				18
3.	Registration for exporting lint		Yes				101.8
Law applicable		The Dairy Industry Act Cap. 80					
License Name		Eliminate	Retain	Streamline	Reclassify	Amalgamate	
4.	Registration for dealing in milk production, processing and marketing		Yes				
5.	Registration for dealing in the production and marketing of dairy products		Yes				
Law applicable		The Dairy (Marketing and Processing of Milk and Milk Products) Regulations, 2003					
License Name		Recommended Action					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance cost(millions)
6.	Registration for processing, marketing, storage, transportation, import, export of milk and milk products or equipment and starter cultures		Yes				17.7
7.	License for cooler operators			Yes			41.5
8.	License for freezer operators			Yes			37.4
9.	Permit for milk transporters		Yes				
Law applicable		The Public Health Act, Cap 281 The Public Health (Condensed Milk) Rules, S.I 281 - 14 The Public Health (Sale of Milk and Milk Products) Rules, S.I 281 - 19					
License Name		Recommended Action					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance cost(millions)
10	Licence for premises to be used as a dairy	Yes					
11	Permit for milk sellers and persons delivering milk	Yes					

Law applicable		The Fish Act, Cap 197					
Recommended Action		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance cost(millions)
12.	Fishing Vessel license		Yes				604.1
13.	Non citizen special license		Yes				4.9
14.	Angling license	Yes					7.4
15.	Fish processing license		Yes				33.3
16.	License for the marketing, purchase and sale of fish		Yes				93
Law applicable		The Fish (Aquaculture) Rules 2003					
Recommended Action		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance cost(millions)
17.	Approval of aquaculture establishment		Yes				37.2
18.	Fish seed production certificate		Yes				11.2
19.	Fish breeding permit		Yes				37.2
20.	Certificate for importation of live fish into Uganda					Yes (with 21)	42.2
21.	Permit for exportation and importation of live fish into Uganda					Yes (with 20)	42.2
22.	Fish transfer permit		Yes				74.4
23.	Certificate for aquaculture inputs (fish feed, fertilizers, hormones & antibiotics)		Yes				84.4
24.	Risk Assessment / Approval of products and technology		Yes				18.6
Law applicable		The Fish (Beach Management) Rules 2003					
Recommended Action		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance cost(millions)
25.	Registration of Beach Management Unit (BMU)		Yes				18.6
26.	License for fisher or dealer in fish		Yes				18.6
Law applicable		The Fish (Quality Assurance) Rules 2008					
Recommended Action		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance cost(millions)
27.	Fish sanitary certificate		Yes				74.4

28.	Authorization for the importation of fish and fish products		Yes				8.4
29.	Approval of establishments		Yes				
30.	Approval of authorized/gazetted landing site		Yes				0.7
31.	Approval of independent ice suppliers to fish industry		Yes				1.9
Law applicable		The Fish (Fishing) Rules 2010					
Recommended Action		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance cost(millions)
32.	Fish movement permit		Yes				74.4
33.	License for the manufacture, sale and importation of fishing appliances		Yes				4.2
34.	Permit for recreational fishing			Yes			
35.	Authorization of nets		Yes				
Law applicable		The Animal Breeding Act 2001					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance cost(millions)
36.	License to import or export animal breeds		Yes				28.5
37.	Registration of animal genetic resources and related activities		Yes				28.5
Law applicable		The Uganda Coffee Development Act Cap 235					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance cost(millions)
38.	Export license			Yes			
39.	International Coffee Organization Certificate		Yes				
40.	Transport Permits		Yes				
41.	Quality Certificates		Yes				
42.	Coffee Buyer's License		Yes				
43.	Registration for international marketing		Yes				

Law applicable		The Control of Agricultural Chemicals Act Cap 29 The Control of Agricultural Chemicals (Registration and Control) Regulations SI 29-1					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance cost(millions)
44.	Registration of agricultural chemical		Yes				40.8
45.	Registration of fumigator of agricultural chemical or commercial applicator		Yes				125.3
46.	Registration of premises		Yes				
Law applicable		The Sugar (Control) Act Cap 34 The Sugar (Control) (Prescribed Forms) Rules SI 34-1					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance cost(millions)
47.	Sugar export license		Yes				54.1
Law applicable		The Tobacco (Control and Marketing) Act Cap 35					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance cost(millions)
48.	Declaration of tobacco growing area			Yes			69.1
49.	Registration of tobacco grower			Yes			69.1
50.	Authorization for distribution of tobacco seed			Yes			69.1
51.	Tobacco buying license			Yes			3.5
52.	Registration of Tobacco Activity			Yes			3.1
53.	Consent to Export Tobacco			Yes			
Law applicable		The Cattle Traders Act Cap 43 The Cattle Traders Rules SI 43 – 2					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance cost(millions)
54.	Cattle traders license		Yes				279.3
55.	Cattle export license		Yes				233.8
Law Applicable		The Hide and Skin Trade Act, Cap. 89 The Hides and Skins (Export Duty) Act, Cap. 339					

License Name		Recommended Action					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)
56.	Buyer's License			Yes			29
57.	Export Buyer's License		Yes				54
58.	Permit to Export in any manner or place	Yes					541
59.	Returns to regional Commissioner of Customs & Excise	Yes					967
60.	Veterinary Health Certificate			Yes			541
61.	Movement Permit			Yes			42
Law Applicable		The Animal Diseases Act The Animal Diseases (Importation of Dogs) Rules The Animal Diseases Rules The Rabies Act					
License Name		Recommended Action					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)
62	International Veterinary Health Certificate for Animal Products		Yes				
63	International Veterinary Health Certificate for Live Animals		Yes				
64	International Movement Permit for Dogs and Cats		Yes				
Law Applicable		The Public Health Act, Cap 281 The Public Health (Meat) Rules, S.I 281 - 18					
License Name		Recommended Action					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)
65	Permission to Slaughter animals		yes				
66	Permission in writing to		yes				

	bring animals slaughtered to town for sale						
67	Licence for premises to be used as butcheries		yes				
Sector Total	67	5	47	13		2 into 1	
Other Agriculture Sector Licenses (20)			20	-	-	-	
Total (87)		5	67	13		2 into 1	

Analysis

2.1.1 The Cotton sub sector

The Cotton Development Act Cap 30.

An Act to establish an organization to monitor the production, processing and marketing of cotton so as to enhance the quality of lint cotton exported and locally sold, to promote the distribution of high quality cotton seed and generally to facilitate the development of the cotton industry. The Cotton Development Organization (CDO) is established under the Act, with the objective of promoting and monitoring the production and marketing of cotton and represents all aspects of the cotton industry.

Licenses:

License 1 - Registration for dealing in cotton seed

Section 16 (1) (a) of the Cotton Development Act, Cap 30 makes provision for the registration of persons to undertake dealing in cotton seed for a registration validity period of one year, renewable upon the payment of a prescribed fee. The failure to meet this registration or any conditions set in that regard requirement amounts to an offence, for which a person may be liable to a fine of Ugx. 2 million or cancellation of registration.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 3,393,285 and it takes an estimate of 25.5 hours of administrative activities. The total compliance cost per year for an estimated 30 businesses established is 101.8 million

Analysis

The registration for dealing in cotton seed serves a regulatory purpose and the process of its acquisition is provided for under the law.

Recommendation

The registration for dealing in cotton seed be retained.

License 2 – Ginnery Registration License

Section 16 (1) (c) of the Cotton Development Act Cap 30 makes provision for applications for the registration of persons to undertake the operation of a ginnery. Under the Act, no person shall gin raw cotton or bale lint cotton other than a person who has been registered under section 16. A “ginnery” includes the building in which the actual ginning of raw cotton takes place and all machinery, stores, buying sheds and other buildings erected on the ginnery site.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 603,285 and it takes an estimate of 25.5 hours of administrative activities. The total compliance cost per year for an estimated 30 businesses established is UGX 18 million

Analysis

This registration serves a regulatory purpose and the process of its acquisition is provided for under the law.

Recommendation

The registration for operating a ginnery be retained.

License 3 - Registration for exporting lint

Section 16 (1) (e) of the Cotton Development Act, Cap 30, makes provision for the registration of persons to undertake the export of lint cotton. As in the case of the above registrations, failure to comply with this registration amounts to an offence for which a person may be liable to pay a fine not exceeding Ugx. 2 million or the cancellation of registration.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 3,393,285 and it takes an estimate of 25.5 hours of administrative activities. The total compliance cost per year for an estimated 30 businesses established is 101.8 million

Analysis

This registration serves a regulatory purpose and the process of its acquisition is provided for under the law.

Recommendation

The registration for exporting lint be retained.

2.1.2 The Dairy sub sector

The Dairy Industry Act Cap. 85

The Dairy (Marketing and Processing of Milk and Milk Products) Regulations, 2003

The Dairy Industry Act Cap. 85 provides for the structure and functions of the Dairy Development Authority, the promotion and control of the production, processing and marketing of milk and dairy products and the general facilitation of the development of the dairy industry. Under Section 25 of the Act, the Minister may make regulations governing registration, cess

and licenses. This is the basis of the Dairy (Marketing and Processing of Milk and Milk Products) Regulations, 2003.

Licenses:

License 4 – Registration for dealing in milk production, processing and marketing

Section 20(1) (a) of the Act makes provision for the registration of dealers in milk production, processing and marketing. The registration certificate issued is valid for one year and is renewable on payment of the prescribed fee. The contravention of this registration requirement or any registration condition amounts to an offence carrying a maximum fine of Ugx. 500,000, the cancellation of the registration by the authority or to a term of imprisonment not exceeding six months or to both a fine and imprisonment.

Analysis

The registration for dealing in milk production, processing and marketing serves a regulatory purpose and the process of its acquisition is provided for under the law.

Recommendations

The registration for dealing in milk production, processing and marketing be retained.

License 5 – Registration for dealing in the production and marketing of dairy products

Section 20(1) (b) of the Act makes provision for the registration of producers and marketers of milk products. The registration certificate issued is valid for one year and is renewable on payment of the prescribed fee. The contravention of any provisions of the Act (including registration requirements) or any registration conditions amounts to an offence carry a fine of 25 currency points, cancellation of registration or imprisonment term of 6 months.

Analysis

This registration for dealing in the production and marketing of dairy products serves a regulatory purpose and the process of its acquisition is provided for under the law.

Recommendations

The registration for dealing in the production and marketing of dairy products be retained.

License 6 – Registration for processing, marketing, storage, transportation, import, export of milk and milk products or equipment and starter cultures

Regulation 10 of the Dairy (Marketing and Processing of Milk and Milk Products) Regulations, 2003 makes provision for the registration of the following functions: processing, marketing, storage, transportation, importation or exportation or milk, milk products, equipment and

starter cultures. Failure to comply with the provisions of this registration would attract a fine of Ugx. 500,000/= and/or imprisonment for a period not exceeding six months.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 885,613 and it takes an estimate of 25 hours of administrative activities. The total compliance cost per year for an estimated 20 businesses established is 17.7 million

Analysis

The registration of importation for processing, marketing, storage, transportation, import, export of milk and milk products or equipment and starter cultures serves a regulatory purpose and the process of its acquisition is provided for under the law.

Recommendation

The Dairy Industry Act Cap. 85 be amended to make it more punitive for persons who fail to register for the functions stipulated under Regulation 10.

License 7 – License for cooler operators

The Dairy (Marketing and Processing of Milk and Milk Products Regulations, 2003 provide for the licensing of cooler operators.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 460,613 and it takes an estimate of 25 hours of administrative activities. The total compliance cost per year for an estimated 90 businesses established is UGX 41.5 million

Analysis

On the face of it, there is no technical distinction between “coolers” and “freezers”; both of which can constitute “equipment” of varying capacities. However, the purpose of the license is to monitor the activities of dealers in “raw milk” to ensure safety standards.

Recommendation

The license for cooler operators be streamlined to offer regulatory clarity as to the activity being monitored, that is the dealing in raw milk of a given capacity.

License 8 – License for freezer operators

The Dairy (Marketing and Processing of Milk and Milk Products Regulations, 2003 provide for the licensing of freezer operators.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 415, 613 and it takes an estimate of 25 hours of administrative activities. The total compliance cost per year for an estimated 90 businesses established is UGX 37.4 million

Analysis

As in the analysis above, under license 9, there is no technical distinction between “freezers” and “coolers” as far milk equipment is concerned, however the license has been used to regulate the activities of handlers of raw milk.

Recommendation

As recommended above in the case of cooler operators, the license for freezer operators be streamlined to offer regulatory clarity as to the activity being monitored, that is the dealing in raw milk of a given capacity.

License 9 – Permit for milk transporters

Regulation 17 (2) and (3) of the Dairy (Marketing and Processing of Milk and Milk Products) Regulations, 2003) make provision for a permit for milk transporters.

Analysis

The permit for milk transporters serves a regulatory purpose and the process of its acquisition is provided for under the law.

Recommendation

The permit for milk transporters be retained.

The Public Health Act, Cap 281

The Public Health (Condensed Milk) Rules, S.I 281 - 14

The Public Health (Sale of Milk and Milk Products) Rules, S.I 281 – 19

Licence 10 - Licence for Premises to be used as a dairy

The Public Health Act, Cap 281 provides for preservation of Public health. Rule 4 of the Public Health (Sale of Milk and Milk Products) Rules, S.I 281 – 19 provides for a licence for premises to be used as a dairy. Under rule 5(2), the licence is issued to the applicant only after obtaining a certificate from a medical officer certifying compliance with established standards. The licence is annual, expires on the 31st December and is not transferable.

Analysis

There is overlap between the license for premises to be used as a dairy as provided for under the Public Health (Sale of Milk and Milk Products) Rules, S.I 281 – 19 and the registration of dealers in milk production, processing and marketing, license for freezer operators, license for cooler operators and registration for processing, marketing, storage, transportation, importation or exportation of milk, milk products, equipment and starter cultures under the Dairy (Marketing and Processing of Milk and Milk Products Regulations, 2003).

Recommendation

To avoid overlap between the licence for premises to be used as a dairy and the other licenses under the Dairy Marketing and Processing of Milk and Milk Products Regulations mentioned above, the license should be eliminated and the public health components incorporated into the licenses under the Dairy Marketing and Processing of Milk and Milk Products Regulations.

Licence 11 - Permit for milk sellers and persons delivering milk

Rule 6 of the Public Health (Sale of Milk and Milk Products) Rules, S.I 281 – 19 provides for a permit for milk sellers and persons delivering milk. Holders of the permit must carry it in the course of their work. The permit is annual and expires on the 31st December of the year. The permit is not transferable.

Analysis

There is overlap between the permit for milk sellers and persons delivering milk and the permit for milk transporters under Regulation 17 (2) and (3) of the Dairy (Marketing and Processing of Milk and Milk Products) Regulations, 2003).

Recommendation

The permit for milk transporters and persons delivering milk should be eliminated as the activity it seeks to regulate is sufficiently covered by the permit for milk transporters under the Dairy (Marketing and Processing of Milk and Milk Products) Regulations, 2003).

2.1.3 The Fisheries sub sector

The Fish Act, Cap 197

The Fish (Aquaculture) Rules 2003

The Fish (Beach Management) Rules 2003

The Fish (Quality Assurance) Rules 2008

The Fish (Fishing) Rules 2010

The Fish Act, Cap 197 makes provision for the control of fishing, the conservation of fish, the purchase, sale, marketing and processing of fish, and related matters, while the above Rules make provision for the licensing and authorization of various aspects in the industry including aquaculture, beach management and quality assurance.

Licenses

License 12 - Fishing vessel license

Section 5 of the Act makes it a requirement for any person who fishes from any vessel in any waters of Uganda requires his/her vessel to be licensed by the Chief Fisheries Officer, or an authorized licensing officer. The failure to obtain this license amounts to an offence under the Act. Under Section 17 this license is not transferable. This provision is supplemented by Regulation 16 and 17 of the Fish (Fishing) Rules 2010, which provide for the certification of vessel ownership, the obtaining of a vessel identification plate and a vessel registration number.

Cost of compliance (large)

The estimated cost for a business to comply with this regulation is UGX 471,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 80 businesses established is UGX 37.8 million

Cost of compliance (small)

The estimated cost for a business to comply with this regulation is UGX 471,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 1200 businesses established is UGX 566.3 million

Analysis

This license serves a regulatory purpose and the process of its acquisition is provided for under the law.

Recommendation

The fishing vehicle license be retained.

License 13 - Non citizen special license

Section 6 (2) of the Act states that persons who are not citizens of Uganda shall require a valid specific license to be able to engage in activities described in the Act. Furthermore, under Section 11 (1), persons who are not citizens of Uganda and use vessels to engage in activities described in the Act, without a valid specific license, commit an offence. However, under Section 11 (2), it is not unlawful under the Act for persons who are not citizens of Uganda

(foreigners) to fish by angling or hand line from any vessel, whether the vessel is licensed or not. Under Regulation 11 of the 2010 Rules, a non-citizen may engage in the marketing, purchase, sale, processing, canning or freezing of fish without a specific license if the activities fall under the exemption in Schedule 2 thereof.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 2,431,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 2 businesses established is UGX 4.9 million

Analysis

This license serves a regulatory purpose and the process of its acquisition is provided for under the law.

Recommendation

The Non Citizen's Special License be retained.

License 14 - Angling license

Background

Under Section 11(3) of the Act, anyone who fishes by angling without a valid angling license commits an offence except as permitted by 11(2) (described in License 2 above). "Angling" refers to fishing for pleasure with a single rod, reel or line where any fish caught are not intended for sale or barter.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 371, 907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 20 businesses established is UGX 7.4 million

Analysis

This license is idle and is currently not being issued. The department issues a recreational license.

Recommendation

The Angling License be repealed as it serves no regulatory purpose.

License 15 - Fish processing license

Under Section 6(1)(a) of the Act, all persons engaging in fish processing are required to have a valid specific license. In addition, Rule 13 and Schedule 2 of the 2010 Rules makes provision

for applications for fish processing, as one of the fishing activities outlined under a single application form. Under Section 13 of the Act, the application is made to the Chief of Fisheries or other authorised licensing officer. The license application may be denied in public interest.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 3,331,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is UGX 33.3 million

Analysis

This license serves a regulatory purpose and the process of its acquisition is provided for under the law.

Recommendation

That the fish processing license be retained.

License 16 - License for marketing, purchase or sale of fish

Section 6(1)(b) of the Act provides that any person who, without a valid license, engages in the marketing, sale or purchase of fish, commits an offence. The license is issued by the Chief of Fisheries or other authorized licensing authority and may be denied in public interest.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 371,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 250 businesses established is UGX 93 million

Analysis

This license serves a regulatory purpose and the process of its acquisition is provided for under the law.

Recommendation

The license for marketing, purchase and sale of fish be retained.

License 17 - Approval of aquaculture establishment

Regulation 6 of The Fish (Aquaculture) Rules 2003 provide that the management of an intensive or semi-intensive production type of establishment shall before constructing, reconstructing or adapting, submit to the Chief Fisheries Officer for his or her approval, a plan of the establishment and a list of the activities to be carried out by the establishment. Under

Rule 30, failure to comply with the Rules amounts to an offence which carries a fine not exceeding 3,000/= or an imprisonment term not exceeding 3 months.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 371,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 37.2 million

Analysis

This approval serves a regulatory purpose and the process of its acquisition is provided for under the law. However, the penalty under the law is not punitive enough as to compel compliance.

Recommendation

The approval of aquaculture establishment be streamlined by amending the Rules to provide for appropriate penalties that will ensure compliance with the licensing provisions.

License 18 - Fish seed production certificate

Rule 11(1) of the 2003 Aquaculture Rules states that no person or establishment shall produce and distribute or sell fish seed to fish farmers without a Fish Seed Production Certificate issued by an Aquaculture Inspector. Further, Rule 11(2) states that a person or establishment intending to carry out fish seed production shall apply to the Chief Fisheries Officer for a certificate in Form A set out in the Second Schedule to the Rules. Under Rule 30, failure to comply with the Rules amounts to an offence which carries a fine not exceeding 3,000/= or an imprisonment term not exceeding 3 months.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 371,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 30 businesses established is UGX 11.2 million

Analysis

This certificate serves a regulatory purpose.

Recommendation

The Fish Seed Production Certificate should be retained.

License 19 - Fish Breeding Permit

Rule 14 of the Aquaculture Rules of 2003 states that no person or establishment shall engage in fish breeding without a permit issued by the Chief Fisheries Officer. Under Rule 30, failure to comply with the Rules amounts to an offence which carries a fine not exceeding 3,000/= or an imprisonment term not exceeding 3 months.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 371,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 37.2 million

Analysis

This permit serves a regulatory purpose and the process of its acquisition is provided for under the law. However, the penalty under the law is not punitive enough as to compel compliance.

Recommendation

The Fish Breeding Permit be streamlined by amending the Rules to provide for appropriate penalties that will ensure compliance with the licensing provisions.

License 20 - Certificate for importation of live fish into Uganda

Rule 16(2) of the 2003 Aquaculture Rules states that no person shall import live fish into Uganda for purposes of aquaculture without a certificate of import of live fish into Uganda. Under Rule 30, failure to comply with the Rules amounts to an offence which carries a fine not exceeding 3,000/= or an imprisonment term not exceeding 3 months.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 421,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 42.2 million

Analysis

There is a regulatory overlap between Rules 16(1) and 16 (2) of the Aquaculture Rules in as far as the importation of live fish into Uganda, is concerned.

Recommendation

The certificate for importation of live fish under Rule 16(2) and the permit for exportation and importation of live fish under Rule 16(1) of the Aquaculture Rules, 2003 be amalgamated to eradicate the overlap in as far as importation of live fish is concerned.

License 21 - Permit for exportation and importation of live fish into Uganda

Rule 16(1) of the 2003 Aquaculture Rules states no person shall export or import live fish for purposes of aquaculture without a permit issued by the Chief Fisheries Officer. This is alongside Rule 16(2) which states that no person shall import live fish into Uganda for purposes of aquaculture without a certificate of import of live fish into Uganda.

Costs of Compliance

The estimated cost for a business to comply with this regulation is UGX 421,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 42.2 million

Analysis

There is a regulatory overlap between Rules 16(1) and 16 (2) of the Aquaculture Rules in as far as the importation of live fish into Uganda, is concerned.

Recommendation

The certificate for importation of live fish under Rule 16(2) and the permit for exportation and importation of live fish under Rule 16(1) of the Aquaculture Rules, 2003 be amalgamated to eradicate the overlap in as far as importation of live fish is concerned.

License 22 - Fish Transfer Permit

Rule 16(5) of the 2003 Aquaculture Rules states that a person or establishment intending to transfer fish within Uganda for aquaculture purposes shall apply to the Chief Fisheries Officer for a permit in the form set out in Form C of the Ninth Schedule to these Rules. Under Rule 30, failure to comply with the Rules amounts to an offence which carries a fine not exceeding 3,000/= or an imprisonment term not exceeding 3 months.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 371,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 200 businesses established is UGX 74.4 million

Analysis

This permit serves a regulatory purpose and the process of its acquisition is provided for under the law. However, the penalty under the law is not punitive enough as to compel compliance.

Recommendation

The Fish Transfer Permit be streamlined by amending the Rules to provide for appropriate penalties that will ensure compliance with the licensing provisions.

License 23 - Certificate for aquaculture inputs (fish seed, fertilizers, hormones and antibiotics)

Rule 20 of the 2003 Aquaculture Rules states that a person or establishment intending to engage in production for sale and distribution or importation of inputs including fish feeds, aquaculture fertilizers, hormones, antibiotics and others for aquaculture use, shall be required to certify their products with a competent agency.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 421,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 200 businesses established is UGX 84.4 million

Analysis

This certificate serves a regulatory purpose.

Recommendation

The Certificate for Aquaculture Inputs be retained.

License 24 - Risk assessment / Approval of products and technology

Rule 24(1) of the 2003 Aquaculture Rules states that the Chief Fisheries Officer shall not certify or approve the generated products and technology for aquaculture production purposes, unless a risk assessment has been done and approved by the Uganda National Council of Science and Technology. Under Rule 30, failure to comply with the Rules amounts to an offence which carries a fine not exceeding 3,000/= or an imprisonment term not exceeding 3 months.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 371,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 18.6 million

Analysis

This approval serves a regulatory purpose and the process of its acquisition is provided for under the law. However, the penalty under the law is not punitive enough as to compel compliance.

Recommendations

The approval of products and technology be streamlined by amending the Rules to provide for appropriate penalties that will ensure compliance with the licensing provisions.

License 25 – Registration of Beach Management Unit

Under rule 5 of the Fish (Beach Management) Rules 2003, every Beach Management Unit shall apply for registration through local governments (Parish Chief, Sub-county Chief and Chief Administrative Officer) to the Chief Fisheries Officer. A Beach Management Unit is charged with the responsibility of fisheries resource management in partnership with Local government and Central government Department or Institution responsible for Fisheries Regulations and Control.

The Chief Fisheries Officer is given power to design an appropriate form for the purpose of application for registration of a Beach Management Unit. Under Rule 26, a person who contravenes these Rules is liable, on conviction, to a fine not exceeding 3000 shillings or to a term of imprisonment not exceeding three months, or both.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 371,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 18.6 million

Analysis

This approval serves a regulatory purpose and the process of its acquisition is provided for under the law. However, the penalty under the law is not punitive enough as to compel compliance.

Recommendations

The registration of Beach Management Unit be streamlined by amending the Beach Management Rules to provide for appropriate penalties that will ensure compliance with the licensing provisions.

License 26 – Licensed fisher or dealer in fish /Member registration with BMU

Under rule 17 of the Beach Management Rules, a person shall not be licensed as fisher or dealer in fish unless that person is a registered member of a Beach Management Unit. Under Rule 26, a person who contravenes these Rules is liable, on conviction, to a fine not exceeding three thousand shillings or to a term of imprisonment not exceeding three months, or both.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 371,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 18.6 million

Analysis

This registration serves a regulatory purpose, however, the process of its acquisition is not provided for under the law. In addition, the penalty under the law is not punitive enough as to compel compliance.

Recommendation

The Registration with a BMU be streamlined by amending the Beach Management Rules to provide for the registration process. In addition, the amendment should provide for appropriate penalties that will ensure compliance with the registration requirements.

License 27– Fish sanitary certificate

Rule 7 of the Fish (Quality Assurance) Rules of 2008 provides that a person shall not place on the market or export out of Uganda a batch or consignment of fish or fish products without a fish sanitary certificate issued by a fish inspector in respect of the batch or consignment. A fish sanitary certificate is either the local health certificate as set out in the first schedule to the Rules or the sanitary health certificate issued for the export of product from Uganda as set out in the first schedule.

Under sub rule 4 of the same rule, a person shall not import a batch or consignment of fish or fish products into Uganda without a completed official sanitary health certificate issued by the competent authority of the exporting country, in respect of the batch or consignment.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 371, 907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 200 businesses established is UGX 74.4 million

Analysis

This certificate serves a regulatory purpose and the process of obtaining it is stipulated in the legal framework

Recommendation

The Fish sanitary certificate be retained.

License 28 – Authorization for the importation of fish and fish products

Rule 11(5) of the Fish (Quality Assurance) Rules 2010 provides that the management of a fish processing establishment shall not import into Uganda any fish or fish product without prior authority of the Commissioner. Under sub rule 6, Fish and fishery products being imported into Uganda shall be assessed by the competent authority or those authorities as delegated by the Commissioner, at the point of entry into Uganda.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 421, 907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 20 businesses established is UGX 8.4 million

Analysis

This authorization serves a regulatory purpose and the process of obtaining it is stipulated in the legal framework

Recommendation

The Authorization for the importation of fish and fish products be retained.

License 29 - Approval of establishments

Under Rule 13 of the Quality Assurance Rules, the management of an establishment shall, before constructing, reconstructing or adapting an establishment, submit to the Commissioner, for his or her approval, a plan of the establishment and a list of the activities to be carried out by the establishment. Upon this submission the Commissioner may approve a plan if it meets the requirements concerning lay out, product flow and other matters as prescribed in the seventh schedule to the Rules. Under sub rule 3, the Commissioner is empowered to provisionally approve the activities of an establishment which meet the requirements prescribed in the second, third, fourth and fifth Schedules to the Rules. The provisional approval shall last for a period of three months after which time, provided that, the establishment complies with requirements of these rules, as verified by Competent Authority audits, full approval for export shall be granted, the establishment certified and an Establishment Approval Number (EAN) issued.

Under sub rule 5 the EAN is renewed annually subject to continued compliance to the requirements set out in the rules.

Analysis

This approval serves a regulatory purpose and the process of obtaining it is stipulated in the legal framework

Recommendation

The Approval of establishments be retained.

License 30- Approval of authorized landing sites

Under rule 14 of the Quality Assurance Rules, the Commissioner may approve official fish landing sites which meet conditions as prescribed in sixth schedule and the guide-lines for Beach Management Units 2003 issued by the Commissioner.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 371,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 2 businesses established is UGX 0.7 million

Analysis

This license applies to landing sites that are specifically gazetted for export of fish and are required to comply with international standards.

Recommendation

The Approval of authorized landing sites be retained.

License 31 - Approval of independent ice suppliers

Under rule 15 of the Quality Assurance rules the Commissioner may approve independent suppliers of ice to the fishing industry which meet such conditions as may be prescribed in the second Schedule and fifth Schedule to the rules.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 371,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 5 businesses established is UGX 1.9 million

Analysis

This license serves a regulatory purpose and the process of its acquisition of stipulated in the legal framework.

Recommendation

The Approval of independent ice suppliers be retained.

License 32- Fish Movement Permit

Under Rule 18 of the 2010 Rules, a person shall not, for the purposes of trade, move fish products from one place to another without a valid fish movement permit, unless the person is

a licensed fisherman or a fish farmer. The fish movement permit is not transferable between persons, vessels, batches or consignments.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 371,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 200 businesses established is UGX 74.4 million

Analysis

This permit serves a regulatory purpose and the process of obtaining it is stipulated in the legal framework

Recommendation

That the Fish movement permit be retained.

License 33 – License for the manufacture, sale and importation of fishing appliances

Under Rule 19 of the Fish (Fishing) Rules 2010, a person cannot manufacture, import, sale or display for sale, nets or other fishing appliances unless authorized in writing by the Chief Fisheries Officer.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 421,907 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is UGX 4.2 million

Analysis

This license serves a regulatory purpose.

Recommendation

That the License for the manufacture, sale and importation of fishing appliances be retained.

Licence 34 – Permit for recreational fishing

Under Rule 20 of the 2010 Rules, a person shall not engage in recreational fishing without a recreational fishing permit issued by the Chief Fisheries Officer.

Analysis

This license serves the same regulatory purpose.

Recommendation

That the Permit for recreational fishing be retained.

License 35- Authorization of nets

Rules 4 and 5 of the Fish (Fishing) Rules 2010 prohibit specific nets and fishing methods from being used in any waters of Uganda, unless authorised in writing by the Chief Fisheries Officer.

Analysis

This license serves a regulatory purpose.

Recommendation

The Authorization of nets should be retained.

2.1.4 The Animal Breeding sub sector

The Animal Breeding Act 2001

The Animal Breeding Act 2001 establishes the National Animal Genetic Resources Centre and Data Bank, to provide for the promotion, regulation and control, marketing, import and export, and quality assurance of animal and fish genetic materials and generally to provide for the implementation of the national breeding policy in Uganda.

Licenses

License 36 - License to Import or Export Animal Breeds

Section 7 of the Animal Breeding Act 2001 states that no imports or exports of animal breeds and genetic material shall be done without obtaining a permit from the Commissioner, Livestock Health and Entomology.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 569,041 and it takes an estimate of 21.5 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 28.5 million

Analysis

There is an overlap in the regulation of the fisheries sub sector between the Fish Act and the Animal Breeding Act and the subsidiary legislation there under. This presents a complicated licensing and authorization regime for a business operator since the authorizations between the two Acts are similar and maybe even overlapping. A worse situation would emerge if there were to be fishing regulations under the Animal Breeding Act.

Recommendation

Animal Breeding Act 2001 should be amended to delete all reference to fisheries in order to eradicate the overlap and confusion in the licensing frameworks of the animal breeding and the fisheries sub sectors. Otherwise, the above licenses should be retained.

License 37 – Registration of animal genetic resources and related activities

Section 6 of the Animal Breeding Act provides that the Commissioner, Animal Production and Marketing in the Ministry shall be responsible for registration of animal genetic resources and related activities. The functions are the following— the registration and certification of all breeds and animal genetic resources in Uganda; the registration and certification of animal breeders or associations or both; the registration and certification of artificial insemination technicians and inoculators; the registration and issue of licenses for animal breeding training schools and institutes and the registration and issue of animal brands. In addition, Section 12 of the same Act makes provision for the issuance of import and export permits for fish breeds and genetic materials by the Commissioner of Fisheries.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 569,041 and it takes an estimate of 33.5 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 28.5 million

Analysis

There is an overlap in the regulation of the fisheries sub sector between the Fish Act and the Animal Breeding Act and the subsidiary legislation there under. This presents a complicated licensing and authorization regime for a business operator since the authorizations between the two Acts are similar and maybe even overlapping. A worse situation would emerge if there were to be fishing regulations under the Animal Breeding Act.

Recommendation

Animal Breeding Act 2001 should be amended to delete all reference to fisheries in order to eradicate the overlap and confusion in the licensing frameworks of the animal breeding and the fisheries sub sectors. Otherwise, the above licenses should be retained.

2.1.5 The Coffee sub sector

The Uganda Coffee Development Act Cap 235

The Coffee regulations, 1994

The Uganda Coffee Development Act Cap 235 establishes a public authority to promote and oversee the coffee industry as a whole by developing research and controlling the quality and improving the marketing of coffee in Uganda.

The Regulations provide for registration of players dealing in internal and export marketing of the coffee, inspection and quality control including issuance of quality certificates, grade analysis, mode of coffee export sales, publication of indicative prices of various grades of coffee to all sector participants, repatriation of foreign exchange, books, records and accounts, administrative guidelines, offences, penalties as well as arbitration in case of disputes between the sellers and buyers.

Licenses

License 38 – Registration for internal marketing

Regulation 5 provides that no person shall market coffee, buy coffee, process coffee, operate a coffee processing factory, operate a coffee pulperly, control a store for coffee storage and roast coffee except under a valid registration certificate for internal marketing of coffee.

Regulation 6 stipulates the procedure for applying for a registration certificate. The application is in Form 1 of the first schedule accompanied by a fee as set out in the second schedule.

Upon satisfying the requirements, a certificate may be issued under regulation 7.

Analysis

Per regulation 14, an application for the certificate of registration for internal marketing shall be processed within a maximum of 14 days from the date of receipt of the application.

The certificate is valid for a period of twelve months ending 30th day of September in any year.

The certificate serves a regulatory purpose and has an efficient procedure for processing applications.

Recommendation

The Certificate of registration for internal marketing should be retained.

License 39 - Coffee exporter license

Regulation 10 prohibits export of coffee without a registration certificate. The application for a certificate for registration as a coffee exporter is stated in regulation 11. The application takes the nature of Form 3 of the first Schedule of the regulations.

The annual fee for the certificate is stated in the second schedule of the regulations to be at UGX. 1.5 million.

The certificate is issued under regulation 12 and takes the form of Form 4 of the first schedule.

Analysis

Per regulation 14, an application for the certificate of registration for internal marketing shall be processed within a maximum of 21 days from the date of receipt of the application. The certificate is valid for a period of twelve months ending 30th day of September in any year and may be renewable.

The certificate serves a regulatory purpose and has an efficient procedure for processing applications.

However, regulation 15 (2) states that the certificate is issued in respect of the current coffee year irrespective of the fact that part of the coffee year has already expired.

Recommendation

The Coffee exporter license serves a regulatory purpose. However, regulation 15(2) should be reviewed and streamlined such that the license is valid for 12 months from the date of issue.

License 40 - Transport permits

Regulation 21 states that no person shall export coffee unless that person has applied for pre-shipment, inspection and has been issued with a valid road or rail permit by the Authority in respect of the coffee to be exported.

The permit shall be in form 8 of the first Schedule and shall be issued within a period not exceeding 24 hours after receipt of the application by the Authority.

Analysis

The transport permit serves a regulatory purpose.

Recommendation

The transport permit should be retained.

License 41 - Quality certificate

Regulation 22 provides that no person shall export coffee unless they possess a valid quality certificate in respect of the coffee to be exported.

An application for a quality certificate shall be in a pre-shipment inspection requisition form set out in the first schedule to the regulations.

A certificate shall be issued within a period not exceeding forty eight hours after receipt of the application. The certificate takes form 7 of the first schedule of the regulations.

Analysis

The quality certificate serves a regulatory purpose as it looks at the quality of coffee to be exported.

Recommendation

The quality certificate should be retained.

License 42 - International Coffee Organization (ICO) Certificate

This certificate is issued in accordance with Chapter XII, Article 32-33 of the International Coffee Agreement (ICA) by the Authority in a format established by the ICO to cover an export of coffee by a Member country. The certificate states the country of origin of the coffee and provides information required under the relevant control rules, for instance; the country of destination and the volume of coffee exported.

Analysis

The ICO certificate is an international standard certificate that serves a regulatory purpose in regulating the trade and obtaining statistics relating to the trade.

Recommendation

The ICO certificate should be retained.

License 43 - The Coffee Buyers license

In order to decentralize operations at the district and lower levels, a Memorandum of Understanding (MOU) between Uganda Coffee Development Authority (UCDA) and local governments was signed in 1998 to allow local councils to collect registration fees from coffee buying stores the proceeds of which would be utilized to develop coffee at the grass root. The local councils are obligated to notify UCDA the number of buying stores registered in a particular year.

Analysis

The license serves a regulatory purpose. Guidelines are in place for coffee traders to enable them obtain this license.

Recommendation

The license should be retained.

2.1.6 Agricultural Chemicals sub sector

The Control of Agricultural Chemicals Act Cap 29

The Control of Agricultural Chemicals (Registration and Control) Regulations SI 39 - 1

The Control of Agricultural Chemicals Act Cap 29 provides for the control and regulation and the manufacture, storage, distribution and trade in, use, importation and exportation of, agricultural chemicals while the register and control regulations make licensing and registration provision in this sub sector.

Licenses

License 44 – Registration of agricultural chemical

Under Regulation 4 (1) of the above regulations, no agricultural chemical, whether imported or manufactured in Uganda shall be used, stored, distributed or dealt with in Uganda by way of business unless it is duly registered in the register of agricultural chemicals and a certificate is issued in respect of it. The process for application for registration is provided for under Regulation 8 and the registration is valid for a period of three years subject to a renewal for a period of two years.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 407,625 and it takes an estimate of 25.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 40.8 million

Analysis

This registration serves a regulatory purpose in view of the sensitivity of agricultural chemicals and their impact on food and agricultural quality

Recommendation

The Registration of agricultural chemical be retained.

License 45 – Registration of fumigator of agricultural chemical or commercial applicator

Under regulation 4(2) no person shall manufacture, import, export, store, use, distribute or otherwise deal in an agricultural chemical by way of business, unless he or she is duly registered in the register of fumigators and commercial applicators as a fumigator or

commercial applicator. The application process for this license is stipulated under regulation 17 and the registration shall remain valid until revoked or suspended.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 417,623 and it takes an estimate of 25.5 hours of administrative activities. The total compliance cost per year for an estimated 300 businesses established is UGX 125.3 million

Analysis

This registration serves a regulatory purpose in view of the sensitivity of agricultural chemicals and their impact on food and agricultural quality

Recommendation

The Registration of fumigator of agricultural chemical or commercial applicator be retained.

License 46 – Registration of premises

Regulation 4(3) of the Control of Agricultural Chemicals (Control and Registration) Regulations provides that no person shall use premises for the manufacturing, formulating, packaging, storing or selling of any agricultural chemicals or be the owner or occupier of any premises shall permit the premises to be used for the manufacturing, storing or selling of any agricultural chemical unless the premises are registered for that purpose and a certificate of registration is issued.

Regulation 20 makes provision for the application process for premises certification.

The Certificate is issued by the Agricultural Chemicals Board and is valid for a period of five years. The failure to obtain this certification amounts to an offence under Regulation 44.

Analysis

This registration serves a regulatory purpose in view of the sensitivity of agricultural chemicals and their impact on food and agricultural quality

Recommendation

The Registration of premises be retained.

2.1.7 Sugar sub sector

The Sugar (Control) Act Cap 34

The Sugar (Control) (Prescribed Forms) Rules SI 34-1

The Sugar Control Act Cap. 34 makes provision for the export and production of sugar. The rules there under prescribe the detailed procedures envisaged under the Act.

Licenses

License 47 – Sugar export license

Section 2(4) of the Act provides that no person shall export sugar to a destination outside the East African territories except under a license issued by the Commissioner for agriculture. Subsection (5) makes provision for the application process for this license and under subsection (6), the Commissioner may impose conditions on this license.

Under Section 7, any person exporting or attempting to export sugar in contravention of the Act or any conditions in a sugar export license commits an offence and is liable to a fine not exceeding ten thousand shillings or an imprisonment term not exceeding 12 months.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 540,583 and it takes an estimate of 33.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 54.1 million

Analysis

The export license serves a regulatory purpose in that it ensures desired supply levels within the country.

Recommendation

The Sugar export license be retained.

2.1.8 Tobacco sub sector

The Tobacco (Control and Marketing) Act Cap 35

The Tobacco (Control and Marketing) Regulations SI 35-1

Licenses

License 48 – Declaration of tobacco growing area

Section 2(1) and (2) of the Act provides that the Minister may, on the advice of the Commissioner, by statutory instrument, declare any area of land to be a growing area. Further, no person shall grow tobacco for sale in an area other than in an area declared under subsection (1) to be a growing area.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 690,583 and it takes an estimate of 33.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 69.1 million

Analysis

As observed above, the licensing responsibilities in this sector are shared between the Commissioner and the Minister. Moreover, in some of these instances, the licensing responsibilities actually clash, for example, the Minister has the powers to issue a tobacco buying license under the Act, but under the regulations, the registration of persons who buy tobacco is done by the Commissioner.

Recommendation

The above license should be retained; however, the Tobacco (Control and Marketing) Act Cap 35 and the Tobacco (Control and Marketing) Regulations SI 35-1 should be amended to streamline these licenses by giving the licensing responsibility to the Commissioner, who is technically versed to act as a licensing authority. In addition, the streamlining should offer clarity to the licensing requirements for certain activities, such as buying tobacco. The buying tobacco licensing requirements under the Act and under the regulations should be amalgamated.

License 49 – Registration of Tobacco Grower

Under section 3 of the Act, any person who wishes to grow tobacco for sale in an area declared to be a growing area shall apply to be registered as a grower in accordance with regulations made for that purpose under the Act.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 690,583 and it takes an estimate of 33.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 69.1 million

Analysis

As observed above, the licensing responsibilities in this sector are shared between the Commissioner and the Minister. Moreover, in some of these instances, the licensing responsibilities actually clash, for example, the Minister has the powers to issue a tobacco buying license under the Act, but under the regulations, the registration of persons who buy tobacco is done by the Commissioner.

Recommendation

The above license should be retained; however, the Tobacco (Control and Marketing) Act Cap 35 and the Tobacco (Control and Marketing) Regulations SI 35-1 should be amended to streamline these licenses by giving the licensing responsibility to the Commissioner, who is technically versed to act as a licensing authority. In addition, the streamlining should offer clarity to the licensing requirements for certain activities, such as buying tobacco. The buying tobacco licensing requirements under the Act and under the regulations should be amalgamated.

License 50– Authorization for Distribution of Tobacco Seed

Under section 4(1) and (2) of the Act, the Commissioner shall cause to be distributed to growers through such persons as he or she shall authorize in writing, tobacco seed for purposes of planting. In addition, no person, other than a person authorized by the Commissioner in writing, may distribute tobacco seed to any grower for the purpose of planting.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 690,583 and it takes an estimate of 33.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 69.1 million

Analysis

As observed above, the licensing responsibilities in this sector are shared between the Commissioner and the Minister. Moreover, in some of these instances, the licensing responsibilities actually clash, for example, the Minister has the powers to issue a tobacco buying license under the Act, but under the regulations, the registration of persons who buy tobacco is done by the Commissioner.

Recommendation

The above license should be retained; however, the Tobacco (Control and Marketing) Act Cap 35 and the Tobacco (Control and Marketing) Regulations SI 35-1 should be amended to streamline these licenses by giving the licensing responsibility to the Commissioner, who is technically versed to act as a licensing authority. In addition, the streamlining should offer clarity to the licensing requirements for certain activities, such as buying tobacco. The buying tobacco licensing requirements under the Act and under the regulations should be amalgamated.

License 51– Tobacco Buying License

Section 8 of the Act provides that no person shall buy tobacco unless he or she has a valid license issued by the Minister. The license shall be valid only for the buying season in respect of which it is issued and shall not be transferrable except with the written permission of the

Minister. In addition, the Minister shall, before each buying season, publish the number of licenses which may be used in respect of each tobacco market.

Under Section 16 of the Act, any person who buys tobacco without a license commits an offence and is liable on conviction to an imprisonment term not exceeding six months or to a fine not exceeding two hundred and fifty pounds or both.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 690,583 and it takes an estimate of 33.5 hours of administrative activities. The total compliance cost per year for an estimated 5 businesses established is UGX 3.5 million.

Analysis

As observed above, the licensing responsibilities in this sector are shared between the Commissioner and the Minister. Moreover, in some of these instances, the licensing responsibilities actually clash, for example, the Minister has the powers to issue a tobacco buying license under the Act, but under the regulations, the registration of persons who buy tobacco is done by the Commissioner.

Recommendation

The above license should be retained; however, the Tobacco (Control and Marketing) Act Cap 35 and the Tobacco (Control and Marketing) Regulations SI 35-1 should be amended to streamline these licenses by giving the licensing responsibility to the Commissioner, who is technically versed to act as a licensing authority. In addition, the streamlining should offer clarity to the licensing requirements for certain activities, such as buying tobacco. The buying tobacco licensing requirements under the Act and under the regulations should be amalgamated.

License 52 – Registration of Tobacco Activity (buying tobacco, processing tobacco, operating a factory in which tobacco is processed, controlling a store used for storing tobacco, sponsoring the growing of tobacco)

Under Regulation 4 of the Tobacco (Control and Marketing) Regulations, no person shall carry out any activity specified in the regulations without a valid registration certificate, issued by the commissioner in respect of that activity. These activities include: buying tobacco, processing tobacco, operating a factory in which any type of tobacco is processed or intended to be processed, controlling a store used or intended to be used for the storage of tobacco and sponsoring the growing of tobacco.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 622,623 and it takes an estimate of 25.5 hours of administrative activities. The total compliance cost per year for an estimated 5 businesses established is UGX 3.1 million

Analysis

As observed above, *the licensing responsibilities in this sector are shared between the Commissioner and the Minister. Moreover, in some of these instances, the licensing responsibilities actually clash, for example, the Minister has the powers to issue a tobacco buying license under the Act, but under the regulations, the registration of persons who buy tobacco is done by the Commissioner.*

Recommendation

The above license should be retained; however, the Tobacco (Control and Marketing) Act Cap 35 and the Tobacco (Control and Marketing) Regulations SI 35-1 should be amended to streamline these licenses by giving the licensing responsibility to the Commissioner, who is technically versed to act as a licensing authority. In addition, the streamlining should offer clarity to the licensing requirements for certain activities, such as buying tobacco. The buying tobacco licensing requirements under the Act and under the regulations should be amalgamated.

License 53– Consent to Export Tobacco

Under Regulation 16, no person shall export any unprocessed or dried tobacco without the consent, in writing, of the Minister.

Analysis

As observed above, *the licensing responsibilities in this sector are shared between the Commissioner and the Minister. Moreover, in some of these instances, the licensing responsibilities actually clash, for example, the Minister has the powers to issue a tobacco buying license under the Act, but under the regulations, the registration of persons who buy tobacco is done by the Commissioner.*

Recommendation

The above license should be retained; however, the Tobacco (Control and Marketing) Act Cap 35 and the Tobacco (Control and Marketing) Regulations SI 35-1 should be amended to streamline these licenses by giving the licensing responsibility to the Commissioner, who is technically versed to act as a licensing authority. In addition, the streamlining should offer clarity to the licensing requirements for certain activities, such as buying tobacco. The buying tobacco licensing requirements under the Act and under the regulations should be amalgamated.

2.1.9 Cattle trading sub sector

The Cattle Traders Act Cap 43

The Cattle Traders Rules SI 43 – 2

The Cattle Traders Act Cap 43 makes provision for the regulation of cattle trading in Uganda and the rules there under offer detailed provisions on who this regulation is enforced.

Licenses

License 54 – Cattle Traders License

Section 2 of the Cattle Traders Act Cap 43 provides that no person shall engage in the business of a cattle trader in any area in Uganda unless he or she is in possession of a valid license issued to him or her by a veterinary officer and no person shall have more than one license. However, the veterinary officer, may in his discretion, endorse a license for use in an additional area. Under Section 3(4) where this license is refused by the veterinary officer, the applicant may appeal to the Minister. The application process for the Cattle Traders license is provided for under Rule 2 of the Cattle Traders Rules SI 43 – 2. The cattle traders license is valid until the following 31st day of December.

Under Section 8 of the Act, it is an offence for any person to engage in the business of a cattle trader without a valid license.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 558,543 and it takes an estimate of 41.5 hours of administrative activities. The total compliance cost per year for an estimated 500 businesses established is UGX 279.3 million.

Analysis

This license serves a regulatory purpose and are efficiently administered since the licensing authority is the local veterinary officer.

Recommendation

That the Cattle Traders License be retained.

License 55 – Cattle Export License

Section 4 of the Act provides that no person shall export cattle from any declared area unless he or she is in possession of an exporting license issued by the Commissioner of livestock and entomology and the Commissioner may declare any area in Uganda to be a declared area. An

appeal for this application also lies to the Minister. Rule 7 of the Cattle Traders Rules makes provision for the application process of this license.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 467,623 and it takes an estimate of 25.5 hours of administrative activities. The total compliance cost per year for an estimated 500 businesses established is UGX 233.8 million

Analysis

This license serves a regulatory purpose and are efficiently administered since the licensing authority is the local veterinary officer.

Recommendation

That the Cattle export license be retained.

2.1.10 The Hide and Skin subsector

The Hide and Skin Trade Act, Cap. 89

This is an Act to consolidate the law relating to the trade in hides and skins.

Section 1(c) “commissioner” means the commissioner of livestock and entomology.

Licenses

License 56: Buyer’s license.

Section 3(1) provides that no person shall in any region whether on their own account or on behalf of any other person purchase for resale or tanning in Uganda any hide or skin unless they possess a valid buyers license in the prescribed form within the region in respect of which the license is issued and at premises licensed under this Act or at a hide and skin market approved as such.

Subsection (2) further states that no person shall in any region whether on his or her own account or on behalf of any other person engaged in the trade of buying, cleaning or preparing any green hides or green skins for the purpose of resale unless they possess a buyer’s license.

Section 5 outlines the process of obtaining a buyers license and conditions attached to the license. Subsection (1) states that a licensing officer may upon receipt of an application in the form and manner prescribed under section 15(1)(a) issue or renew a buyers license if satisfied that the applicant possesses sufficient knowledge of the hides and skins trade and has suitable premises for buying and storing hides and skins among other requirements.

The buyer's license is granted with conditions as stated under section 5 (3) relating to maintenance of the premises, of the hide and skin purchased and conditions on the weighing and selling of hide and skin.

Section 5(4) states that every buyers license shall specify the premises to which it relates and subject to subsection (8), shall not be valid except in relation to those premises.

The duration of the license under subsection 6 is one year, after which application shall be required to be made for its renewal.

Subsection (7) further provides that a separate buyers license shall be required in respect of each of two or more premises owned or occupied by a single licensee.

The transfer of a license to another premise may occur as prescribed in section 6(8) upon application, if the licensing officer is satisfied that the applicant licensee continues to possess the qualifications required by subsection (1).

This license may be cancelled under any of the conditions mentioned in section 6.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 490,583 and it takes an estimate of 33.5 hours of administrative activities. The total compliance cost per year for an estimated 60 businesses established is UGX 29 Million.

Analysis

The buyers licence sets conditions for the control of the quality of hides and skins. However the procedure of obtaining this licence is inefficient as despite the fact that Veterinary officers inspect the premises of the applicant and payment for the licence is made at the local Government level but the licence is granted at the ministry by the commissioner livestock and entomology in Entebbe. Therefore, no matter which region of the country an applicant is located, they have to make trips to Entebbe to obtain this licence which unnecessarily increases the cost of business.

Recommendation

The buyer's licence be streamlined to the effect that it is localised and issued by the Veterinary officer who inspects the premises as the current practice of issuance of the licence by the ministry of Agriculture in Entebbe is a technicality that places an increasing burden on businesses.

License 57: Export-buyer's license

Section 4 (3) and section 8 state that any person, whether he or she is a citizen of Uganda or not, may be issued with an exporters-buyers license for the purposes of purchasing the hides and skins required for any export business he or she may wish to undertake under the provisions of Part III of this Act.

Section 9 provides for the process of obtaining an exporters-buyers license and conditions attached to the license. Every application for the issue or renewal of an exporters-buyers license shall be made to the licensing officer in the form and manner prescribed.

Subsection (2) mentions the conditions for every exporter-buyers license that include maintaining premises with storage, packing and pressing facilities, grading of all purchased hides or skins, branding to denote the region of origin and proper books of transaction entries.

Section 9(5) further provides that every exporters-buyers license when issued shall be endorsed in respect of all premises at which the exporter is licensed to carry on the business of exporter, and, shall not be valid except in relation to those premises.

Subsection (7) states the validity of the license as one year after which application shall be required to be made for its renewal.

Offences

Section 4 (5) creates an offence where any person who exports hide and skin without an export-buyer's license and is liable to a fine not exceeding five thousand shillings or to imprisonment for a term not exceeding twelve months or to both, and in addition to that penalty the court by or before which the person is convicted may, in its discretion, revoke any license issued to him or her under this Act.

A license may also be cancelled under Section 10 for breach of the conditions of the license.

Section 14 (2) further provides that any person who commits an offence against this Act or any rules made under this Act is liable on conviction to a fine not exceeding two thousand shillings or to a term of imprisonment not exceeding six months or to both such fine and such imprisonment, and the court in convicting any person under this section may in addition to any penalty it may impose order that all or any hides and skins in respect of which the offence or breach has been committed shall be forfeited to the Government; except that where the person charged with an offence is a body corporate, the body corporate is liable to a fine not exceeding ten thousand shillings.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 540,583 and it takes an estimate of 33.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 54 Million.

Analysis

- 1. The consultations revealed that the licence serves a phyto-sanitary (SPS) purpose and enables obtaining statistics on hide and skin exports.*
- 2. Further that regarding raw hide & semi-processed leather, the Ministry of Agriculture together with the Ministry of Trade, Industry and Cooperatives issued the Leather Development Policy which places a levy of 80 cents per kilogram of raw skin and hide for export. The objective of this policy is to encourage businesses to process the skin and hide within the country and obtain higher returns. Consultations of the Committee revealed that this levy has significantly reduced the exports of raw skin and hide.*

Recommendations

- 1. There is need to align the provisions in the Hides and Skins Act with the Leather Development Policy**

License 58: Permit to export in any manner or place

Section 7 places restrictions on export of hides and skins to places appointed by the commissioner to be known as hides and skins exporting centers, and after the exporting centers have been so appointed, no exporter shall export any hides or skins except through a hides and skins exporting centre or through a place specified under section 3 of the Hides and Skins (Export Duty) Act.

Further to the above, section 3 of **the Hides and Skins (Export Duty) Act, Cap. 339** provides that no hide, skin or game hide shall be exported from Uganda except by rail from Kampala and Mbale railway stations or through a hides and skins exporting centre appointed under section 7 of the Hide and Skin Trade Act; except that the commissioner of customs and excise may, in his or her discretion, give permission for the export of any particular lot or lots of hides, skins or game hides in any manner or from any place to be named by him or her.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 540,583 and it takes an estimate of 33.5 hours of administrative activities. The total compliance cost per year for an estimated 1000 businesses established is 541 Million

Analysis

1. *The objective of the Permit to export in any manner or place was to regulate trade by controlling the region of origin of the hide and skin because each region has different kinds of animals. Three hide and skin regions were recognized; thus Kampala, Mbarara & the Northern region of Uganda. However with liberalization of the economy, export centers are no longer in existence; businesses may export from any region which renders this license redundant.*
2. *The railway is also no longer the only means of transporting hides and skins therefore reference to it as the only acceptable means of transporting hides for export section 3 of the **Hides and Skins (Export Duty) Act** should be eliminated.*

Recommendations

The Permit to export in any manner or place be eliminated as it's relevance ceased to exist.

The Hides and Skins (Export Duty) Act, Cap. 339

License 59: Returns to regional commissioner of customs and excise.

Section 4 of the Hides and Skins (Export Duty) Act, Cap. 339 states that any person who exports hides, skins or game hides shall furnish monthly to the regional commissioner of customs and excise, Kampala, within thirty days of the close of the last preceding month a return in the form and manner specified by the commissioner showing the total weight, number, kind and destination of all hides, skins and game hides exported by him or her.

Offences and penalties.

Section 5 of the Hides and Skins (Export Duty) Act provides that any person who—

- (a) furnishes a false return under section 4; or
- (b) contravenes or fails to comply with any of the provisions of this Act, commits an offence and is liable on conviction to a fine not exceeding five thousand shillings or to imprisonment not exceeding six months or to both such fine and imprisonment.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 420,583 and it takes an estimate of 33.5 hours of administrative activities. The total compliance cost per year for an estimated 2300 businesses established is UGX 967 million.

Analysis

1. *Returns to regional commissioner of customs and excise are not remitted to the Directorate of animal resources who should be receiving these returns.*

2. *The requirement on businesses to furnish monthly reports to the commissioner of customs and excise creates an increasing and yet unnecessary cost on businesses. The returns are not necessary as the information required should be collected by the commissioner with every export.*

Recommendations

1. **The return to the commissioner customs and excise should be eliminated.**
2. **The Uganda Revenue Authority should retain the Statistics on trade in hide and skin at the time of export.**

License 60: Veterinary Health Certificate

This licence is issued by the Department of veterinary health. This certification has international recognition according to the World Organisation for Animal Health (OIE) standards.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 540,582 and it takes an estimate of 33.5 hours of administrative activities. The total compliance cost per year for an estimated 1000 businesses established is UGX 541 million.

Analysis

The procedure for obtaining the Veterinary health certificate is not provided for in the law.

Recommendation

The procedure for obtaining the veterinary health certificate in Uganda should be provided for in the law.

License 61: Movement Permit

Section 15 (h) of the Hide and Skin Trade Act states that the minister may make rules for the purpose of prohibiting or controlling the movement of hides and skins—

- (i) from one part of Uganda to any other part of Uganda;
- (ii) from any part of Uganda to any neighbouring territory; or
- (iii) from any neighbouring territory through Uganda to any place of export;

This licence is issued by the District Veterinary officer for each individual trip of hide or skin or both.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 417,623 and it takes an estimate of 33.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 42 million.

Analysis

The movement permit is aimed at controlling the spread of disease through the transportation of hide and skin. However the current practice involves no inspection but simply payment of a fee. Inspection of hide and skin being transported needs to be effected.

Recommendations

- 1. To efficiently serve the regulatory purpose of the movement permit, the regulations regarding the issuance of the movement permit for hides and skin need to be enacted.**
- 2. Inspection of hide and skin being transported needs to be effected.**

General Sub-sector Analysis

- 1. The monetary penalty of Ug. Shs. 5,000/= that is attached to breach of various licences or their conditions are too low to enforce compliance.*
- 2. It is important to note that although 15 (h) of the Hides and Skin Trade Act provides for regulations regarding the movement of hide and skin; currently, no such regulations exist.*

General subsector recommendations

- 1. The monetary penalty for breach of the provisions of the Act should be strengthened to increase compliance.**
- 2.Regulations should be enacted to improve transparency and implementation of the licenses and provisions of the Act.**

2.1.11 The Livestock Health and Entomology subsector

The Animal Diseases Act

The Animal Diseases (Importation of Dogs) Rules

The Animal Diseases Rules

The Rabies Act

Licenses

62.International Veterinary Health Certificate for Animal Products

63.International Veterinary Health Certificate for Live Animals

64. Interstate movement permit for dogs and cats

Analysis

The above licenses in the health and entomology sub-sector serve a regulatory purpose

Recommendation

The above licenses should be retained

2.1.12 Public Health and Sale of Meat

The Public Health Act, Cap 281

The Public Health (Meat) Rules, S.I 281 - 18

Licences

Licence 65 – Permission to slaughter animals in a slaughterhouse

Rule 6 of the Public Health (Meat) Rules, S.I 281 – 18 provides for Slaughter fees (for the slaughter of animals in a slaughterhouse). Rule 4 provides that no animal shall, except with the permission of the authority, be slaughtered within the boundaries of the city, municipality or town elsewhere than in the slaughterhouse. Rule 8 provides for the examination of animals before they are slaughtered. Animals found to be unfit for food for human beings are destroyed.

Licence 66 - Permission in writing to bring animals slaughtered to town for sale

Rule 10 of the Public Health (Meat) Rules, S.I 281 – 18 provides for permission in writing to bring animals slaughtered outside city, municipality or town for sale. The purpose, under sub rule 2 is to verify whether the animals are examined and marked.

Licence 67 – Licence for premises to be used as butcheries

Rule 15 of the Public Health (Meat) Rules, S.I 281 – 18 provides for a licence for premises to be used as butcheries. The purpose of licensing is to ensure that that the premises are inspected and passed by a medical officer who upon satisfaction issues a certificate. The licence is not transferable. The procedure for obtaining the licence is obtained.

Analysis

The above licenses in the public health and sale of meat sub-sector serve a regulatory purpose

Recommendation

The above licenses should be retained

2.2 EDUCATION AND SKILLS DEVELOPMENT

Introduction:

The analysis in this sector covers laws and licenses pertaining to the following levels of Education¹.

2.2.1 Pre-primary education, Primary education and Post primary education

2.2.2 Tertiary and university education

¹Section 10 of the Education (Pre-Primary, Primary And Post-Primary) Act, 2008

RECOMMENDATIONS ON EDUCATION AND SKILLS DEVELOPMENT

Law applicable		The Education (Pre-Primary, Primary And Post-Primary) Act, 2008					
		Recommended Actions					
License Name		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance cost(millions)
1.	Provisional permit to operate a new school			Yes			132
2.	Classification of private school		Yes				881
3.	Permission to re-open institution		Yes				440
4.	Change of ownership of school approval		Yes				440
5.	Notification of Closure by owner		Yes				62.2
6.	Teacher Registration		Yes				
Law applicable		Universities And Other Tertiary Institutions Act, 2001 (As Amended in, 2003 and 2006) -The Universities and Other Tertiary Institutions (Letters of Interim authority for Private Universities and Provisional licences for Private other Degree Awarding Institutions) Regulations, 2007 -Universities and Other tertiary Institutions (Quality Assurance) Regulations 2008					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance cost(millions)
7.	Permit for the letter of interim authority			Yes			10.5
8.	Provisional license to establish and Operate a University		Yes				15.2
9.	Grant of Charter and Accreditation		Yes				
10.	Permit to establish Constituent Colleges and Affiliation to a Private University			Yes			84.1
11.	Provisional licence for a Tertiary Institution		Yes				14.2
12.	Grant of Certificate of Classification and Registration		Yes				622
13.	Accreditation of institutions and their academic		Yes				17.6

	and professional programs						
14	Change of Name of Institution			Yes			
Law applicable		The Universities and other Tertiary Institutions Act, 2001 (Naming of Universities, other Degree Awarding Institutions, and other tertiary Institutions) Regulations, 2007					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance cost(millions)
15	Reservation of Name		Yes				4.4
Sector Total	15		11	4			

2.2.1 The Pre-primary education, Primary education and Post primary education

The Education (Pre-Primary, Primary and Post-Primary) Act, 2008

An Act to amend, consolidate and stream line the existing law relating to the development and regulation of education and training, to repeal the Education Act and to provide for other related matters.

Section 3 mentions the role of the minister responsible for Education in implementing this Act and it is further provided by section 24 that there shall be appointed a Director of Education, education officers, inspectors of schools and other officers as are necessary for the purpose of this Act.

In addition to the above, section 26 states that the District or Municipal Councils' Standing Committees for Education shall be responsible for the over sight role of all educational services decentralized to a district, municipal, town council, division and sub-county.

Licences

License 1 - Provisional Permit to Operate A New School

Section 31 sets out the requirements for establishing a private school.

The first requirement in subsection (1) is an application by a person desirous of setting up a private school to the Permanent Secretary, chief administrative officer or town clerk, to be approved as a suitable person, community or organization to establish a private education institution. The applicant shall be of good repute with the necessary funds to manage the institution proposed and shall in that application seek advice and approval of the Ministry responsible for education, district or urban council, as the case may be, in respect of the following matters—

- (a) whether the proposed school forms or will form part of the education development plan prepared or approved by the committee responsible for education for a given area; and
- (b) whether the proposed school meets or will meet the educational needs of the country or area, as the case may be.

Subsection (2) requires that an application is supported by at least three persons of high integrity and good standing in the area where the education institution is to be established.

Further, subsection (3) lists more requirements that should be presented before approving an application;

- (a) have the building plans, lease offers, agreements and land titles for the proposed new school or for extension or alterations to some existing building, approved by the district education committees;

- (b) have the completed buildings inspected and approved by the appropriate authorities;
 - (c) undertake to engage a head teacher who is suitable for the type of intended school;
 - (d) satisfy that teachers to be engaged in the education institution are eligible to teach in the intended school and that facilities for the school are adequate;
 - (e) ensure that the physical, health and moral welfare of the pupils are or will be adequately provided for;
 - (f) undertake that the school will not refuse admission to any pupil on discriminatory grounds;
 - (g) ensure that school environment is conducive for pupils with special needs;
 - (h) in case of registering a school, show evidence of land ownership; and
 - (i) satisfy that the terms and conditions of service of employment for teaching and non-teaching staff are adequate.
- (4) For the purpose of this section, buildings in semi- permanent material shall be acceptable as suitable if they are approved by the appropriate authorities.

Section 32(1) provides that permission to operate a new school shall be given in the first instance, in the form of a license to operate a provisionally classified school for two school years.

Subsection (2) states that a school shall be licensed and registered under a specific location and name but where a school has more than one site under one name, subsection 3 provides that each site shall have at all times a responsible person in charge of it.

Section 38 states that if the Permanent Secretary, chief administrative officer or town clerk, is satisfied that a proposed extension to an existing registered school cannot properly be administered as part of the existing registered education institution, he or she may require the school owner to apply for classification of the proposed extension as a new school.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 880,670 and it takes an estimate of 60 hours of administrative activities. The total compliance cost per year for an estimated 150 businesses established is UGX 132 million.

Analysis

1. *This licence is necessary to uphold education standards by restricting entry into the education sector to fit and proper persons.*
2. *The licensing and registration of private Secondary School Assessment form² lists requirements that an applicant should obtain prior to obtaining the provisional licence to operate a private school. These requirements include contact with several Local Government*

² Form is contained in annex 1.

officials in obtaining pre-registration approvals to establish a private school which not only encourage “rent seeking behaviour” but also places indefinite delays in the process.

- 3. Consultation with the private schools and institution department revealed the concern that the provisional permit is supposed to be transitional towards meeting requirements for registration but a hindrance for those who from the beginning are able to meet registration requirements upfront.*

Recommendations

- 1. The provisional permit be retained but the process for obtaining it be streamlined as further explained below.**
- 2. Instead of requiring the applicant to present approvals from different Government and Local Government departments that are listed on the assessment form, the process should be reviewed such that the applicant should submit information relating to the school to the Town clerk or Chief administrative Officer which officer will subsequently request the concerned departments carry out the following inspections and submit their reports to the instructing officer.**
 - District education officer’s report**
 - District School Inspector’s report**
 - District health Inspector’s report**
 - Directorate of Education Standards report**
- 3. Regarding the same Local Council approvals required, since these approvals are not about the technical competence of the applicant to operate a school, only reference from the LCI chairperson is necessary; which reference should contain the opinion of the LCI secretary for education. The LCIII letter confirming that the school is within the sub county education plan and the reference of a local religious or opinion leader be eliminated.**
- 4. The provisional permit requirement needs to be streamlined to reduce the duration of the provisional permit from two years to a year.**

License 2 - Classification of Private School

Section 33 (1) provides that after a period of two school years, an application for the classification of the provisionally licensed school shall be made in writing to the Permanent Secretary, chief administrative officer or town clerk, and shall contain the particulars mentioned therein.

(2) The Permanent Secretary, chief administrative officer or town clerk, shall adopt a system of classification which shall distinguish pre-primary and primary schools from other schools and which may further distinguish, with appropriate nomenclatures—

(a) different types of schools according to the education to be provided therein; and

(b) different classes, standards or forms within the school according to the stage, nature or method of education to be provided therein.

Section 34 provides that if, after a period of two school years, the Permanent Secretary, chief administrative officer or town clerk, is satisfied that the school provisionally licensed is properly run and organized, then, he or she shall issue a certificate of registration and classification;

Consultation with the Private Schools and institution department revealed that no fee is charged when applying for any of these licences and it takes two hours to process this licence if all requested documents are available.

If the Permanent secretary, chief administrative officer or town clerk is not satisfied any of the conditions set under this Act have not been fulfilled, they may under section 34 (b);

- (i) extend the provisional license for a further period not exceeding one school year; or
- (ii) order the school to be closed.

This registration may be cancelled under section 36 if the institution no longer fulfills the requirements of a private school as set out in section 31 of the Act or closed temporarily under subsection (4), in the interest of health and security of the pupils.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 880,670 and it takes an estimate of 60 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is 881 million

Analysis

The classification of Private schools ensures the quality and standard of the education institutions as well as the welfare of pupils and students.

Recommendation

The classification of private schools be retained.

License 3 - Permit to Re-Open Institution

Section 36 (4) states that an education institution closed as an emergency in the interest of health and security of pupils shall not be reopened without the express permission in writing from the Permanent Secretary, chief administrative officer or town clerk.

Section 41 further provides that an owner of a school which has been closed under section 36, and which has remained closed for a period of not less than six months, may be permitted to reopen and to be entered again in the register of private schools with such classification as the Permanent Secretary, chief administrative officer or town clerk, thinks fit, without any application being made for the purpose by the school owner.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 880,670 and it takes an estimate of 60 hours of administrative activities. The total compliance cost per year for an estimated 500 businesses established is UGX 440 million

Analysis

The permit to re-open a school serves a regulatory purpose in protecting the health and safety of pupils and teachers in a school where the closing of the school was an emergency health measure.

Recommendation

The permit to reopen schools be retained.

License 4 - Change of Ownership of School Approval

Section 37 (1); no school owner shall change the ownership of his or her school without the prior approval in writing of the Permanent Secretary, Chief Administrative Officer or Town Clerk.

If the ownership of a School is changed without the required prior approval, the Permanent Secretary, chief administrative officer or town clerk shall immediately cancel its registration and may order such school to be closed as subsection (2) prescribes.

(3) Every school owner who changes the ownership of a school without the required prior approval commits an offence and shall be liable on conviction to a fine not exceeding four currency points.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 880,670 and it takes an estimate of 60 hours of administrative activities. The total compliance cost per year for an estimated 500 businesses established is UGX 440 million.

Analysis

The approval is necessary to ensure proper management and ownership of schools.

Recommendation

The approval of change of ownership should be retained.

License 5 - Notification of Closure by Owner

Section 43(1) If a private school remains closed at the instance of the school owner for a period exceeding thirty working days, other than during normal school holidays, the school owner shall immediately notify the Permanent Secretary, chief administrative officer or town clerk, in writing of the same.

(3) Every school owner who fails to furnish the information required by sub-section (1) of this section commits an offence and shall be liable on conviction to a fine not exceeding ten currency points or to imprisonment for a term not exceeding five months or both.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 621,670 and it takes an estimate of 60 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 62.2 million.

Analysis

The notification ensures that private school proprietors do not arbitrarily close schools at the expense of the communities they serve.

Recommendation

The notification be retained.

1.2.2 Teaching Professionals

Section 11 of the Act states that no person shall teach in any public or private school of any description unless he or she is registered as a teacher or licensed to teach under this Act.

Licence 1 - Teacher Registration

Section 13(1) A person who completes successfully as a teacher a course of training approved by the Ministry responsible for education shall be entitled, on application made to the Director of Education, to be registered as a teacher.

Subsection (2) states that an application for registration as a teacher shall be made to the Director of Education in Form B as specified in the Fourth Schedule to this Act.

Section 11 (2) further provides that every teacher whose name is entered in the register shall pay the registration fee specified in the Fifth Schedule to this Act.

Under section 11 (3), a registered teacher shall also pay in respect of the issue to him or her of a duplicate certificate the fee specified in Fifth Schedule to this Act.

Section 11(4) states that the Director of Education may, in appropriate cases, endorse on a certificate of registration issued in Form A as specified in the Fourth Schedule to this Act.

(6) The register and all copies and extracts of the register certified under the hand of the Director of Education to be correct shall be received in evidence in all courts per section 11 (6) of the Act.

Upon refusal to register a person as a teacher, section 14 provides that the Director of Education shall serve a written notice of refusal upon the applicant stating in the notice the reasons why the Director of Education has refused to register the applicant and shall inform him or her of his or her right of appeal to the appeals tribunal provided for by section 53.

(2) An applicant who is aggrieved by the decision of the Director of Education made under this section may appeal to the Appeals Tribunal within forty five days beginning with the day of the service of the notice upon him or her.

Penalty

Section 23 lists offences under this Act liability on conviction to a fine not exceeding twenty currency points (Ug. Shs. 400,000) or to a term of imprisonment not exceeding ten months.

Analysis

The registration under this Act serves a purpose of regulating the teaching profession and maintaining standards of education.

Recommendation

The registration be retained.

General subsector Analysis

1. *Consultations of the Committee revealed the following as reasons why the registration process for private schools may take longer than is anticipated;*
 - (a) *There is lack of sensitization about the procedure*
 - (b) *Districts are not well facilitated to carry out inspections and there a general lack of human resource at the regional centres.*

2. *Section 39 provides for an appeal procedure by a school owner who is aggrieved by a decision of the Permanent Secretary, chief administrative officer or town clerk—*
 - (a) *by refusing to classify his or her school;*
 - (b) *by requiring an extension to an existing registered school to be classified as a new school; or by closing his or her school or cancelling the classification or registration and ordering the closure of his or her school, may, within thirty working days beginning with the day on which the decision was communicated to him or her, appeal to an appeals tribunal as established under section 53 of the Act.*

3. *Section 40 lays out offences and penalties. It states that a person who—*
 - (a) *establishes or maintains a school which is not classified and registered in accordance with the provisions of this Act;*
 - (b) *conducts or permits to be conducted a school, the classification and registration of which are cancelled; or*
 - (c) *administers or permits to be administered an extension as part of an existing registered school in contravention of section 38, commits an offence and shall be liable on first conviction to a fine not exceeding twenty currency points and on second or subsequent conviction, to a term of imprisonment not exceeding twelve months*

4. *The penalties set out in section 40 for violation of the Act are not grave enough to compel enforcement of the Act. The section penalty provided is as follows; on first conviction to a fine not exceeding twenty currency points and on second or subsequent conviction, to a term of imprisonment not exceeding twelve months.*

General subsector Recommendations

1. **The Government should increase the human resource at the regional level to facilitate inspection of education institutions and increase sensitization on the procedures prior to actual application to register a private school.**

2. **Through electronic sharing of information some requirements should be obtained from other regulatory authorities and not the applicants for instance: Articles of Association.**

3. The Act needs to be reviewed to strengthen the sanctions for violation of the provisions of the Act to enforce compliance.

1.2.3 Tertiary and University Education

Universities and Other Tertiary Institutions Act, 2001 (As Amended in, 2003 and in, 2006)

An Act to provide for the establishment of the National Council for Higher Education (NCHE), its functions and administration and to streamline the establishment, administration and standards of Universities and other institutions of Higher Education in Uganda and to provide for other related matters.

Section 4 establishes The National Council For Higher Education to implement the objects of this Act including receiving, considering and processing applications for :- i) The establishment and accreditations of Private Tertiary Institutions, private Other Degree Awarding Institutions and Private Universities and register all institutions of Higher Education established under this Act.

Establishment of a Public University

Section 22 states that the Minister may by statutory instrument, on the recommendation of the National Council and by resolution of Parliament, establish a Public University.

(2) The National Council shall within thirty days of the publication of the statutory instrument in the *Gazette* register the Public University established under subsection (1).

Constituent Colleges of Public Universities

Section 29(1) states that the National Council may, after consultation with the relevant institution

and with the approval of the University Council and the Senate of a Public University, by statutory order –

(a) establish any college or institution as a constituent college of that Public University.

(b) declare any Public Tertiary Institution as a constituent college of that Public University

The Universities and Other Tertiary Institutions (Letters of Interim authority for Private Universities and Provisional licences for Private other Degree Awarding Institutions) Regulations, 2007

These regulations give procedures and particulars of applications mentioned in the Universities And Other Tertiary Institutions Act and therefore are referred to interchangeably as the 'Act' and the 'Regulations' respectively.

Licences

License 1 - Permit for the Letter of Interim Authority.

Regulation 3 states that a promoter of a private university shall apply for a letter of interim authority to establish and operate a private university in form 7 of schedule 2 accompanied by the prescribed fee.

The National Council stated that the cost of this permit is Ug. Shs. 2,000,000/= upon payment of which the letter is issued.

Regulation 4 states that the letter is valid for up to three years during which the holder shall not admit students but shall mobilise funds, acquire infrastructure and academic facilities and further develop the university to maturity.

During this period, the National Council shall monitor the private university project to establish its viability for grant of a provisional licence.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 2,621,670 and it takes an estimate of 60 hours of administrative activities. The total compliance cost per year for an estimated 4 businesses established is UGX 10.5 million.

Analysis

- 1. The letter of interim authority permits a person or a group of people or a firm to begin to plan to establish a university; it facilitates mobilizing funds, acquiring infrastructure and advancement of the university project.*
- 2. Officials of the NCHE stated that it takes three months to a year to obtain the licence after submission of the documentation. This time is uncertain and the wait frustrates proprietors in this sector as they cannot further university projects until the permit is granted.*

Recommendations

- 1. The letter of interim authority be retained.**
- 2. The process for obtaining this letter be streamlined to provide a specific and shorter time frame within which to obtain the letter following submission of the application.**

License 2 - Provisional License to Establish and Operate a University

Section 96 of the Act provides for the application to establish and operate a Private University. Subsection (1) states that a person, proposing to establish and operate a Private University or a post secondary institution proposing to constitute itself into a private University may, in a prescribed form, make an application to the National Council for Higher Education for a provisional license to establish and operate a University.

The application shall be accompanied by the requirements listed in sub section (2) as follows;

- (a) the proposed name, physical location and academic character of the University;
 - (b) the aim and objectives for which the University is to be established;
 - (c) the detailed financial base of the proposed University;
 - (d) the form of governance through which the academic and administrative affairs of the university are to be conducted;
 - (e) an outline of the academic programs intended to be conducted by the University;
 - (f) the academic facilities including library services and property equipment proposed for the academic program and the manner in which they are to be maintained;
 - (g) existing or proposed human resources including academic and senior administrative staff;
 - (h) existing or proposed physical infrastructure;
 - (i) financial control and administration;
 - (j) the timetable indicating the steps to be taken for three years after establishment of the University towards the realization of the objects of the University.
- (3) The National Council shall, on receipt of the application under this section organize a meeting (s) with the applicant to verify the resources and information given with the application.
- (4) A detailed report of the findings of the National Council under subsection (3) shall be submitted to the Minister.

Section 97(1) states that the National Council may issue a provisional license on being satisfied On matters regarding the availability of resources and that the university is likely to attain and maintain the academic standards set by the National Council.

The name and particulars of a Private University issued with a provisional license shall be published in the *Gazette* by the National Council as prescribed in subsection (2).

Subsection (3) states the duration of the provisional license which shall be valid for at least three years from the date of publication of the University in the *Gazette*, within which period the National Council shall be monitoring the University to establish its viability for accreditation.

Schedule 2 of the regulations states that an application for a Provisional licence to establish a private university is Ug. Shs. 100,000/= while the fee for the provisional licence costs Ug. Shs. 7,000,000/=.

Consultations with the National council revealed that it takes six months to a year to obtain the licence after submission of the documentation.

Cost of compliance

The estimated cost for a business to comply with this regulation is 7,621,670 and it takes an estimate of 60 hours of administrative activities. The total compliance cost per year for an estimated 2 businesses established is UGX 15.2 million.

Analysis

The partial accreditation of a private university is necessary to monitor the operation of the university before full accreditation is granted to maintain quality standards in the sector.

Recommendation

The provisional licence be retained.

License 3 - Grant of Charter and Accreditation

The charter signifies that the university has qualified to offer quality higher education recognised globally. Section 100(1) states that any Private University, being a holder of a provisional license, and having been a holder for not less than three years may apply to the National Council for the grant of a Charter and accreditation.

(2) An application for the grant of a Charter shall, in addition to any other details that the National Council may in each case specify, be accompanied by –

- (a) all information required for application of a provisional license;
- (b) a draft Charter;
- (c) a list and academic qualifications of the academic staff and senior administrative staff on full-time employment of the Private University;
- (d) a list of the total number of students that have been enrolled in each program of instruction being offered at the Private University;
- (e) library facilities, including the size, quality and equipment provided in each program of instruction by the library;
- (f) a statement of the financial resources available for the exclusive use of the University, certified by a qualified accountant;
- (g) an inventory of the physical facilities, including land, available for the exclusive use of the University;

(h) the names of the proprietors of the University.

Under section 101(1) If the annual evaluation report under section 99 satisfies the National Council as to the progress of the Private University and in conforming to the prescribed institutional standards, the National Council shall appoint an Inspection Committee to inquire into the academic, administrative and social affairs of the Private University;

Subsection (2) further provides that the Inspection Committee shall submit to the National Council a report on the Private University within six months from the date of its appointment.

If after consideration of the report of the Inspection Committee and other relevant matter, the National Council is satisfied as to the status of the institution, then under subsection (3) it shall recommend to the Minister that the University be accredited.

However, under section 101 (5), if after consideration of the report of the Inspection Committee and any other relevant matter, the National Council is not satisfied with the findings, the National Council shall inform the University and the Minister about the shortfalls in its expectations and give reasons for not recommending the granting of a Charter.

The Minister within three months from the date of the recommendation submit the application and the recommendation to the President. Under section 102, the President shall grant a Charter in the form submitted by the applicant with the application to the relevant University and as soon as is practicable, by legal notice publish the Charter in the *Gazette* and public print media.

It is explained under section 103 that the publication of a Charter means that the Private University shall be an accredited university.

The second schedule to the regulations provides that the application for grant of charter costs Ug. Shs. 100,000/= while the Charter certificate for private universities costs Ug. Shs. 10,000,000/=

The National council stated that it takes six months to a year to obtain the licence after submission of the documentation.

Analysis

The licence ensures quality of private universities to meet the standards that have been set and to provide merit that is recognised internationally.

Recommendation

The licence be retained.

License 4 - Permit to establish Constituent Colleges and Affiliation to a Private University

Section 111(1) states that a private University may, with the prior approval of the National Council-

- a) establish any college or institution as a Constituent College of the Universities;
- b) declare a Private Tertiary Institution as a constituent college of the University.
- c) Establish a branch or campus of the University in any part of Uganda.

Subsection (2) states that the provisions of subsection (2), (3), (4) and (5) of section 29 regarding constituent colleges of public universities shall apply to a Constituent College under this section with such modifications as may be necessary in relation to a Private University.

Regulation 16 of the **Universities and Other tertiary Institutions (Quality Assurance) Regulations 2008** states that an application should contain a memorandum of understanding between the institutions intending to enter into affiliation and in the form prescribed in Part I schedule 3 to these regulations.

Violation of these regulations creates liability under regulation 17 of a fine not exceeding one hundred currency point which is equivalent to Ug. Shs. 2,000,000.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 560, 671 and it takes an estimate of 60 hours of administrative activities. The total compliance cost per year for an estimated 150 businesses established is 84.1 million.

Analysis

1. *The licence is necessary to ensure that similar standards are maintained with university affiliates.*
2. *However the fees for applying for this licence are not stated in the law.*

Recommendations

1. **The licence be retained.**
2. **The regulations be amended to state the fees required for application of this licence.**

License 5 - Provisional License to Establish a Private Tertiary Institution

Section 111(3) states that the provisions of section 71 on affiliation of a tertiary Institution to a Public University shall apply to Tertiary Institutions wishing to affiliate with a Private University under this Act.

The application process for a Provisional License by Tertiary Institution is listed in section 112 of the Act which process is commenced by an application in writing, in a prescribed form to the National Council for a provisional license to establish and operate a Tertiary Institution.

The application made under subsection (1) shall be accompanied by a project proposal containing the following details stated in subsection (2).

The National Council shall under section 113 issue a provisional license to establish a Private Tertiary Institution and as soon as practicable after issuing a provisional license under this section, by legal notice, publish the Private Tertiary Institution in the *Gazette*. The provisional license shall be valid for a period of two years from the date of publication of the Institution.

The second schedule to the regulations provides that the application for provisional licence for a Private tertiary institution is Ug. Shs. 100,000/= while the Provisional licence for a Private tertiary institution is Ug. Shs. 3,000,000/=

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 3,561,670 and it takes an estimate of 60 hours of administrative activities. The total compliance cost per year for an estimated 4 businesses established is 14.2 million.

Analysis

The partial accreditation of a private tertiary institution is necessary to monitor the operation of the university before full accreditation is granted to maintain quality standards in the sector.

Recommendation

The provisional licence be retained.

License 6 - Grant of Certificate of Classification and Registration

Section 114 states the application procedure for a certificate of Classification and Registration. Any Tertiary Institution being a holder of a provisional license for a period of not less than two years may apply to the National Council for a certificate of classification and registration.

The application shall be accompanied by a project proposal containing the information listed in subsection (2).

Section 115 provides that if after a period of one year from the date of receipt of the application, the National Council is certified that a Tertiary Institution provisionally licensed is properly administered and organized and has attained the required standards of instruction, the National Council shall issue a certificate of classification and registration and shall as soon as practicable by legal notice publish the Certificate in the Gazette.

It is explained under section 116 that upon publication of the certificate of classification and registration in the Gazette the tertiary Institution to which the certificate is granted shall be recognized as of comparable and equivalent merit with those of other recognized tertiary institutions.

The second schedule to the Regulations states the fee for the application for the certificate of classification and registration as Ug. Shs. 100,000/= and the fee for the certificate of classification and registration as Ug. Shs. 4,000,000/=.

Offences and Penalty

Section 118(1) states that no person shall establish and operate a University or Tertiary institution without the relevant provisional license, charter or certificate granted under this Act.

(2) Any person who contravenes subsection (1) commits an offence and is liable on conviction to a fine of not less than fifty currency points.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 621, 670 and it takes an estimate of 60 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 622 million.

Analysis

The licence ensures quality of tertiary institutions to meet the standards equivalent to and recognised by other institutions.

Recommendation

The certificate of classification and registration of tertiary institutions be retained.

License 7 - Accreditation of institutions and Their Academic and Professional Programs.

Section 119A states that no person shall operate a University, Other Degree Awarding Institution or a Tertiary Institution without the prior accreditation of its academic and professional programs by the National Council for Higher Education.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 880,670 and it takes an estimate of 60 hours of administrative activities. The total compliance cost per year for an estimated 20 businesses established is UGX 17.6 million.

Analysis

The procedure for this accreditation is not stated in the law.

Recommendation

The provision should be streamlined to state the procedure for obtaining the accreditation.

License 8 - Change of Name of Institution

Section 122(1) states that any University or Tertiary Institution wishing to change its name or part of its name shall do so by application in writing to the National Council which shall by general notice publish the application in the *Gazette* and in a widely circulated newspaper inviting anybody having any objection to the change to present the objection to the National Council within thirty days from the date of publication.

(2) If after the period of thirty days no objection is received by the National Council;

(a) the application shall be granted by the Minister, in the case of a Tertiary Institution;

(b) in the case of a University, the application shall be forwarded to the President through the Minister, who shall grant the application.

Analysis

The process of issuing a change of name for a tertiary institution or a University is inefficient as it currently requires the Minister to issue such change for tertiary Institutions and President for Universities which delays process.

Recommendation

Change of name for both tertiary institutions and private universities' be issued by the National Council of Higher education.

The Universities and other Tertiary Institutions Act, 2001 (Naming of Universities, other Degree Awarding Institutions, and other tertiary Institutions) Regulations, 2007

License 9 - Reservation of Name

Regulation 3 provides that the National Council may, on written application, reserve a name pending registration of an institution or a change of name by an existing institution.

A reserved name shall remain in force for 60 days and not exceeding 120 days during which no other institution may be registered under that name.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 880, 670 and it takes an estimate of 60 hours of administrative activities. The total compliance cost per year for an estimated 5 businesses established is UGX 4.4 million.

Analysis

The reservation of name with the National Council of education serves the purpose of regulating the names used by universities such that no university has a name that contains two words as another university for clarity in their identification.

Recommendation

The reservation of name be retained.

2.3 ENERGY, MINING, OIL & GAS

Introduction:

The analysis in this sector covers laws and licenses pertaining to the following sub sectors:

- 2.3.1 Atomic Energy
- 2.3.2 Mining
- 2.3.3 Petroleum Supply
- 2.3.4 Petroleum Exploration and Production
- 2.3.5 Power Generation

RECOMMENDATIONS ON ENERGY, MINING, OIL & GAS

Law applicable		The Atomic Energy Act, 2008 The Atomic Energy (Ionising Radiation Protection) (Standards) Regulations (SI 143 – 1) The International Atomic Energy Agency Transportation Rules (IAEA)					
		Recommended Actions					
License Name		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
1.	License to possess or use radioactive materials or devices		Yes				6.9
2.	License to sell, loan or deal with radioactive material or radiation devices		Yes				
3.	License to dispose of radioactive materials		Yes				
4.	License to import/export radioactive materials or device		Yes				
5.	License authorizing administration of ionizing radiation to persons		Yes				
6.	Certificate of Compliance /Acceptance for a building		Yes				
7.	License authorizing an engineer or technician to install, service or maintain irradiation device or radioactive		Yes				

	material						
8.	Radiation Premises License		Yes				
9.	Certificate of Compliance or Acceptance of a new modified radiation device or radiation premises		Yes				
10.	Permit to transport radioactive materials		Yes				
11.	Permit to decommission a facility with radio-active materials		Yes				
Law applicable		The Mining Act, 2003 The Mining Regulations, 2004 The National Environment Statute, 1995					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
12.	Prospecting License		Yes				270.3
13.	Exploration License		Yes				
14.	Retention License		Yes				
15.	Mining Lease		Yes				7.8
16.	Location License		Yes				28.6
17.	Mineral Dealer's License		Yes				72.8
18.	Goldsmith's License		Yes				2.6
19.	Permit to export minerals		Yes				13
20.	Permit to import		Yes				

	minerals						
21.	Environmental Impact Assessment / Environmental Audits			Yes			13
Law applicable		The Petroleum Supply Act, 2003 The Petroleum (Marking and Quality Control) Regulations, 2009 The Petroleum (Spirit) (Licensing, Testing and Possession) Rules The Petroleum (Spirit) (Conveyance by Road) Rules					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
22.	Petroleum construction Permit			Yes			115.8
23.	Petroleum Operating License			Yes			115.8
24.	Containers License			Yes			1
25.	Underground tank license			Yes			25.8
26.	Bulk Storage License			Yes			5.8
27.	License for conveyance in tank wagon or tank trailer			Yes			17.7
28.	License for conveyance more than 1,000 gallons in vehicle other than tank wagon or tank trailer			Yes			3.6
Law applicable		The Petroleum (Exploration, Development and Production) Act, 2013					
License Name		Recommended Actions					

		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
29.	Reconnaissance Permit		Yes				
30.	Petroleum Exploration License		Yes				1,000
31.	Petroleum Production License		Yes				
32.	License for Placement and Operation of a facility		Yes				
33.	Permit to Operate a Drill Rig		Yes				
34.	Approval to Drill a well		Yes				
35.	Production Permit		Yes				
Law applicable		The Electricity Act, 1999, Cap 145 The Electricity (Installation Permits) Regulations, 2003 (SI 2003 - 19) The Electricity (Licence Fees) Regulations, 2003 (SI 2003 - 20) The Electricity (Licence Exemption) (Isolated Grid Systems) Order, 2007 (SI 2007 - 39) The Electricity (Application For Permit, Licence And Tariff Review) Regulations, 2007 (SI 2007 - 60)					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
36.	Generation License			Yes			
37.	Transmission License			Yes			
38.	Distribution License			Yes			
39.	Sale License			Yes			

40.	Export License			Yes			
41.	Import License			Yes			
42.	Permit to Practice as an Installations Person		Yes				
43.	Certificate of Exemption			Yes			
44.	Generation Levy		Yes				
Sector Total	44	-	29	15	-	-	

2.3.1 The Atomic Energy sub sector

The Atomic Energy Act, 2008

The Atomic Energy Regulations (SI No. 4 of 2012)

The Atomic Energy Act, 2008 consolidates the provisions to regulate the peaceful applications of ionizing radiation. The Act also establishes the Atomic Energy Council (under Section 4 of the Act). Section 9 of the Act mandates the Atomic Energy Council as an independent body, primarily charged to regulate the usage of ionizing radiation in areas like disease diagnosis, cancer treatment, agriculture, water technology, peaceful power generation, oil exploration and mining.

Under Section 32 of the Act no person shall acquire, own, possess, operate, import, export, hire, loan, receive, use, install, commission, decommission, transport, store, sell, distribute, dispose of, transfer, modify, upgrade, process, manufacture or undertake any practice related to the application of atomic energy and regulated by this Act unless permitted by an authorization issued under this Act. Under sub section (2) a person who contravenes subsection (1) commits an offence and is liable, on conviction, to a fine not exceeding three hundred currency points or to imprisonment not exceeding six years, or both.

The Atomic Energy Regulations of 2012 were issued under section 73 of the Atomic Energy Act and provide for:

- (i) Administrative Requirements
- (ii) Radiation Protection Performance Requirements
- (iii) Management Requirements
- (iv) Verification of Protection and Safety
- (v) Occupational Exposure Protection
- (vi) Medical Exposure Protection
- (vii) Public Exposure Protection
- (viii) Requirements for the Safety and Security of Source
- (ix) Requirements for Emergency Intervention
- (x) Management of Radioactive Wastes
- (xi) Transport of Radioactive Materials

Licenses:

1 – License to possess or use radioactive materials or devices

2 – License to sell, loan or deal with radioactive material or radiation devices

3 – License to dispose of radioactive materials

4 – License to import/export radioactive materials or device

5 – Licence authorising administration of ionising radiation to persons

6 – Certificate of Compliance/Acceptance for a building

7 – License authorising an engineer or technician to install, service or maintain irradiation device or radioactive material

8 – Radiation Premises License

9 – Certificate of Compliance or Acceptance of a new modified radiation device or radiation premises

10- Permit to Transport Radioactive Materials

11-Permit to Decommission a Facility with Radioactive Material

Cost of compliance per license

The estimated cost for a business to comply with this regulation is UGX 1,148,151 and it takes an estimate of 13.5 hours of administrative activities. The total compliance cost per year for an estimated 6 businesses established is UGX 6.9 million

Analysis

- (i) Regulation 15 (1) requires a person who intends to engage in a practice or possess a radiation source to apply to the Council for authorization. The application requirements are contained in Regulation 15(2) and include:
- (ii) The legal status and technical competence of the applicant;
- (iii) A technical description of the practice to be carried out;
- (iv) The planned time of commencement and completion of construction of installations relating to the practice;
- (v) The name and qualifications of at least one person designated as a radiation safety officer for purposes of the practice;
- (vi) An evaluation of the nature, magnitude and likelihood of the exposures attributed to the practice and source within the practice;
- (vii) Reports and studies undertaken including an environmental impact assessment and a safety assessment of the proposed practice;
- (viii) A determination of the characteristics and activities of any radioactive material to be discharged to the environment with an assessment of the resulting doses to the relevant critical group;
- (ix) In case of a source meant for medical exposure, the qualifications in radiation protection of the medical practitioners;
- (x) Safety and protection measures;
- (xi) Impact of the proposed practice on private and public interests;
- (xii) Consents and permits required under any other law;
- (xiii) Payment of the prescribed fees; and
- (xiv) Any other information that the Council may require

Regulation 15(3) provides that within 30 days of receipt of an application for authorization, the Council shall confirm in writing that the application is complete and where it is not, request the applicant to re-submit.

The Council is required under Regulation 15(4) to process every application within 90 days.

Recommendation

The licenses listed above serve a regulatory purpose. The application procedures are clear and in line with the Council's mandate. However, the application timelines, particularly the period of 30 days to confirm completeness of an application could be shortened

2.3.2 The Mining sub sector

The Mining Act, 2003

The Mining Regulations, 2004

The National Environment Statute, 1995

The Mining Act 2003 repeals and replaces the Mining Act Cap 148, with new legislation on mining and mineral development which conforms, and gives effect to the relevant provisions of the Constitution. It vests the ownership and control of all minerals in Uganda in the Government and provides for the acquisition of mineral rights and other related matters.

It is important to note that the Act vests the ownership and control of all minerals in Uganda in the Government, but Section 4(1) states that, subject to the provisions of the Act, a person may acquire the right to search for, retain, mine and dispose of any mineral in Uganda by acquiring that right under and in accordance with the provisions of this Act. All such rights are acquired through designated licenses.

Section 4(2) of the Act states explicitly that no person may explore or prospect for, or retain or mine or dispose of any mineral in Uganda except under, and in accordance with, a license issued under the Act.

Section 13 of the Act provides for the appointment of a Commissioner for the Geological Survey and Mines Department, as appointed by the President of the Republic of Uganda. Section 7(1) details the Commissioner's powers to grant mineral rights in the form prescribed by the Act.

The Mining Regulations, 2004 makes detailed provision for the prospecting, exploration and retention licenses as well as the mining and locations leases. The regulations also make provision for mineral rents, royalties and the rates and methods of calculating royalties.

The National Environment Statute, 1995, makes provision for the sustainable management of the environment and establishes the National Environmental Management Authority as a coordinating, supervisory and monitoring body in this regard.

Licenses

License 12 – Prospecting License

Under Section 2 under the Act, “prospecting” is defined as intentionally searching for minerals and mineral deposits.

According to Section 19(a) of the Mining Act, 2003, the application for a Prospecting License should be made to the Commissioner in the form prescribed. According to The Mining Regulations, 2004, Section 3(1), an application for the grant of a prospecting license under section 19 of the Act shall be made to the Commissioner in Form I in the First Schedule to the Regulations.

The Commissioner grants the Prospecting License according to Section 20(1). According to The Mining Regulations, 2004, Section 3(1), the grant of a prospecting license shall be in the Form XVIII in the First Schedule to the Regulations.

Section 22 establishes the duration of a Prospecting License as 1 year. Section 23 of the Act confers on the Prospecting License holder the non-exclusive right to carry out prospecting operations.

According to Section 21(1)(a) of the Act, no prospective license shall authorize the holder of such a license to prospect over an area of land that is, or forms part of, an exploration area, a retention area, or a location license area.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 2,598,536 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 104 businesses established is UGX 270.3 million

Analysis

This license is provided for under the law.

Recommendation

The Prospecting License be retained.

License 13 – Exploration License

According to Section 26(a) of the Mining Act, 2003, the application for an Exploration License should be made to the Commissioner in the form prescribed. To “explore” means to define and determine the economic value of a mineral deposit. According to the Mining Regulations, 2004, Section 11(a), an application for the grant of an exploration license under section 26(a) of the Act shall be made to the Commissioner in Form II in the First Schedule to the Regulations.

The Commissioner grants the Exploration License according to Section 27(1). According to The Mining Regulations, 2004, Section 13(2), the grant of a exploration license shall be in the Form XIX in the First Schedule to the Regulations.

Section 29 establishes the duration of an Exploration License as not exceeding 3 years. According to Section 30, renewals are to be of durations not exceeding 2 years for a single period.

Section 31(1) of the Act confers on the Exploration License holder the exclusive right to carry out exploration operations in the area relating to the license.

According to Section 28(1) of the Act, no exploration license shall be granted over an area of land that is the subject of a mining lease, a retention license, or a location license.

Analysis

The exploration license serves a regulatory purpose

Recommendation

The Exploration License should be retained.

License 14 – Retention License

According to Section 35(1) and 35(2) of the Mining Act, 2003, the application for a Retention License should be made to the Commissioner in the form prescribed. According to the Mining Regulations, 2004, Section 19(1), an application for the grant of a retention license under sections 35 and 36 of the Act shall be made to the Commissioner in Form III in the First Schedule to the Regulations.

The Commissioner grants the Retention License according to Section 36(1). Under the Mining Regulations, 2004, Regulation 19(4), the grant of a retention license shall be in the Form XX in the First Schedule to the Regulations.

Section 37 establishes the duration of a Retention License as not exceeding 3 years. According to Section 38(1), renewals are to be of durations not exceeding 2 years for a single period.

Section 39(1) of the Act confers on the Retention License holder the exclusive right to apply for a Mining Lease in the area relating to the license. Section 40 confers on the Commissioner the right to require a Retention License holder to apply for a Mining Lease by giving him or her notice, and as such also revoke the Retention License thereafter.

Analysis

The retention license serves a regulatory purpose.

Recommendation

The Retention License should be retained.

License 15 – Mining Lease

According to Section 41(1) and 41(2) of the Mining Act, 2003, the application for a Mining Lease should be made to the Commissioner in the form prescribed. According to the Mining Regulations, 2004, Section 38(1), an application for the grant of a mining lease under section 41 of the Act shall be made to the Commissioner in Form VI in the First Schedule to the Regulations.

The Commissioner grants the Mining Lease according to Section 42 and subject to Section 43. According to Section 44(1), the Commissioner shall, within sixty (60) days of receiving the application under Section 41 of the Act, cause the applicant for the grant of a mining lease to be notified of the Commissioner's decision.

Section 46 establishes the duration of a Mining Lease as not exceeding 21 years, or the estimated life of the ore body proposed to be mined, whichever is shorter. According to Section 47, renewals are to be of durations not exceeding 15 years for a single period.

Section 49 of the Act confers on the mining leaseholder the exclusive right to carry out exploration and mining operations in the area relating to the license.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 2,598,536 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 3 businesses established is UGX 7.8 million

Analysis

The mining license serves a regulatory purpose.

Recommendation

The Mining License should be retained.

License 16 – Location License

Section 55 (1) of the Act states that any person wishing to carry out small scale prospecting and mining operations should apply for a Location License.

According to Section 56(1) of the Mining Act, 2003, the application for a Location License should be made to the Commissioner in the form prescribed. According to the Mining Regulations, 2004, Section 23(1)(a), an application for the grant of an location license under section 56 of the Act shall be made to the Commissioner in Form V (for Classes V and VII location licenses) and Form IV (for all other Classes other than Classes V and VII) in the First Schedule to the Regulations.

The Commissioner grants the Location License according to Section 57(1). According to The Mining Regulations, 2004, Regulation 23(3), the grant of a location license shall be in the Form XXI in the First Schedule to the Regulations.

Section 59(1) establishes the duration of a Location License as not exceeding 2 years. According to Section 59(1), renewals are to be of durations not exceeding 2 years for a single period.

Section 60 of the Act confers on the Location License holder the exclusive right to prospect for and mine in the area related to the License, and to remove and dispose of the mineral in respect of which the license was issued.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 2,598,536 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 11 businesses established is UGX 28.6 million.

Analysis

The location license serves a regulatory purpose.

Recommendation

The Location License should be retained.

License 17 – Mineral Dealer’s License

Section 69(1) of the Act states that no person may buy or sell, either as Principal or Agent, any minerals unless he or she is a licensed mineral dealer. Notwithstanding the provisions of Section 69(1), the holder of a mineral right may buy or sell minerals acquired by him or her under this Act without obtaining a mineral dealer’s license.

According to Section 70(1) of the Mining Act, 2003, the application for a Mineral Dealer’s License should be made to the Commissioner in the form prescribed. According to the Mining Regulations, 2004, Regulation 74(1), an application for the grant of a mineral dealer’s license under section 70 of the Act shall be made to the Commissioner in Form XIV in the First Schedule to the Regulations.

The Commissioner grants the Mineral Dealer’s License according to Section 70(1). According to the Mining Regulations, 2004, Regulation 74(1), the grant of a mineral dealer’s license shall be in the Form XXIII in the First Schedule to the Regulations.

Section 70(2) states that every Mineral Dealer’s License expires on the 31st December of the year in which the license is granted

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 2, 598,536 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 28 businesses established is UGX 72.8 million

Analysis

The mineral dealer’s license serves a regulatory purpose.

Recommendation

The mineral dealer’s license should be retained.

License 18 – Goldsmith’s License

Section 73(1) of the Act states that no person shall manufacture any article from any precious mineral or from any substance containing any precious mineral unless such person has obtained a Goldsmith’s License.

According to Section 73(2) of the Mining Act, 2003, the application for a Goldsmith's License should be made to the Commissioner in the form prescribed. According to the Mining Regulations, 2004, Regulation 75(1), an application for the grant of a goldsmith's license under section 73 of the Act shall be made to the Commissioner in Form XV in the First Schedule to the Regulations.

The Commissioner grants the License according to Section 73(2). According to The Mining Regulations, 2004, Section 75(1), the grant of a goldsmith's license shall be in the Form XXIV in the First Schedule to the Regulations.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 2,598,536 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 1 businesses established is UGX 2.6 million

Analysis

The Goldsmith license serves a regulatory purpose.

Recommendation

The Goldsmith License be retained.

License 19 – Permit to export minerals

Section 116(1) of the Act states that the Commissioner may grant to any person a permit to export minerals from Uganda on conditions determined by or under this Act and specified in such a permit.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 2,598,536 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 5 businesses established is UGX 13 million

Analysis

The permit to export minerals serves a regulatory purpose.

Recommendation

The permit to export minerals should be retained.

License 20 – Permit to import minerals

Section 117(1) of the Act states that the Commissioner may grant to any person a permit to import minerals from Uganda on conditions determined by or under this Act and specified in such a permit.

Analysis

The permit to import minerals serves a regulatory purpose

Recommendation

The permit to import minerals should be retained.

License 21 – Environmental Impact Assessment / Environmental Audits

Section 108(1) of the Act states that a holder of an exploration license or a mining lease shall carry out an environmental impact assessment (EIA) of his/her proposed operations in accordance with the National Environment Statute, 1995. The applicant can only commence operations upon obtaining a Certificate of Approval for the proposed operations from the National Environment Management Authority (NEMA). Under Section 103(3) this applicant shall carry out annual environmental audits ensuring demonstrating compliance with the approved EIA. Section 19(1) of the National Environment Act provides that a developer described in Third Schedule to the Act (which schedule includes mining activities) shall submit a project brief to the lead agency in the prescribed form, giving the prescribed information. Under Section 20 of the same Act, the developer is required to make an impact statement to the authority, the lead agency and any other person requesting it.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 2,598,536 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 5 businesses established is UGX 13 million

Analysis

Much of the information required for the environmental impact assessment and the environmental impact statement is already in the possession of the Commissioner at the time the assessment is required.

Recommendation

The Environmental Impact Assessment should be streamlined by putting in place approval mechanisms that enable the utilization of internal information in order to reduce on the possibility of multiple submissions of the same information.

2.3.3 The Petroleum Supply sub sector

The Petroleum Supply Act, 2003

The Petroleum (Marking and Quality Control) Regulations, 2009

The Petroleum (Spirit) (Licensing, Testing and Possession) Rules (149 – 1)

The Petroleum (Spirit) (Conveyance by Road) Rules (149 – 3)

The Petroleum Supply Act, 2003, provides for the supervision and monitoring, the importation, exportation, transportation, processing, supply, storage, distribution, and marketing of petroleum products. It also provides for the establishment of the Minister responsible for the petroleum sector as the regulatory authority. It provides for the licensing and control of activities and installations, for the safety and protection of public health and the environment in petroleum supply operations and installations. The Act encourages and protects fair competition in the petroleum supply market. The Act also repeals certain related laws, and provides for connected matters.

The Petroleum Supply Act, 2003, Section 4(1) states that the Act applies to the import, export, re-export, transport, processing, supply, storage, distribution, wholesale and retail sale and sale to industrial consumers of petroleum products and related activities and installations in Uganda.

The Petroleum Supply Act, 2003, Section 4(4) states that the Act does not apply to the requirement of any enactment for a permit or a license for prospecting, exploration, development or production of petroleum in Uganda.

As regards applications for licenses/permits, the Petroleum Supply Act, 2003, under Section 5 thereof, provides that the Commissioner responsible is the Commissioner heading the Department of Petroleum Supply in the relevant ministry. According to Section 7(2)(b), the Commissioner's functions include the establishment, implementation and administration of an effective and equitable licensing system for petroleum supply operations and installations in accordance with the Act.

The Act stipulates that the Commissioner shall also oversee the carrying out of annual environmental audits, as specified in Section 33 of the Act.

The Petroleum (Marking and Quality Control) Regulations, 2009 apply to petroleum marking related activities and petroleum quality monitoring.

The Petroleum (Spirit) (Licensing, Testing and Possession) Rules (149 – 1) provide specifics on the licensing, testing, and storage of petroleum spirit.

The Petroleum (Spirit) (Conveyance by Road) Rules (149 – 3) provide specifics on licensing and conditions for transporting petroleum spirit by road.

Licenses

License 22 – Petroleum Construction Permit

Section 17(1) of The Petroleum Supply Act, 2003 states that no person shall carry out the construction or major modification, of an installation or facility of the supply chain without having obtained a petroleum construction permit under the Act.

According to Section 18(1) of The Petroleum Supply Act, 2003, the application for a Petroleum Construction Permit should be made to the Commissioner in the form prescribed.

The Commissioner grants the Petroleum Construction Permit according to Section 18(7) of The Petroleum Supply Act.

According to Section 21(1) of The Petroleum Supply Act, 2003, permits under the Act are valid for 5 years or until the completion of the work (and acceptance of the work by the Commissioner), whichever is sooner. The permit may be extended for 5 years upon payment of the prescribed fee.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 1,157, 495 and it takes an estimate of 14.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 115.8 million

Analysis

This license serves a regulatory purpose and the process of obtaining it is clearly stipulated in the legal framework.

Recommendation

The Petroleum Construction permit should be retained.

License 23 – Petroleum Operating License

Section 17(2) of the Petroleum Supply Act provides that no person shall perform petroleum supply operations without having obtained a Petroleum Operating Licence under the Act. Petroleum Supply operations under section 5 of the Act means all operations and activities for or in connection with the import, landing, loading, unloading, processing, transport, storage, distribution, wholesale or retail of petroleum products, including the operations of industrial

consumers who buy their products directly from importers or wholesalers. Section 18 stipulates the procedure for applying for the license.

According to Section 18(1) of The Petroleum Supply Act, 2003, the application for a Petroleum Operating License should be made to the Commissioner in the form prescribed.

The Commissioner grants the Petroleum Operating License according to Section 18(7) of the Petroleum Supply Act.

According to Section 44(3) of the Act, the fee prescribed by the Minister of the relevant ministry in consultation with the Minister of Finance shall not exceed 0.0005 currency points per litre.

According to Section 44(4) of the Petroleum Supply Act, 2003, a contravention of any regulations under the Act would lead to the following penalties:

- a) A penalty not exceeding forty eight currency points or imprisonment not exceeding two years or both
- b) In the case of a second or subsequent offence, a penalty not exceeding seventy two currency points or imprisonment not exceeding three years or both
- c) In the case of a continuing offence, an additional fine not exceeding ten currency points for each day or part of a day on which the offence continues

According to the Petroleum (Marking and Quality Control) Regulations, 2009, Regulation 4, a petroleum product to be sold in Uganda shall be marked with a marker approved by the Minister by notice in the Uganda Gazette. Under Regulation 10(1) of the Regulations, the holder of a petroleum operating license, whether an importer, marketer of a petroleum product, dealer or retailer, or any other person commits an offence where he or she:

- a) is found in possession of an unauthorized marker or a petroleum product with an unauthorized marker;
- b) tampers with or breaks a seal applied to a petroleum facility including a pump of a depot, retail outlet, consumer site, truck or wagon.
- c) exceeds forty five days before effecting payment for marking carried out under the Regulations.

As per Regulation 10(2) of the Regulations, an importer, marketer or dealer of a petroleum product, or any other person who commits an offence under Regulation 10(1) is liable on conviction to:

- a) pay a fine of twenty five currency points, in the case of an offender committing the offence for the first time;

- b) pay a fine of forty eight currency points, in the case of an offender committing the offence for the second time;
- c) suspension of his or her operating license for a period of not more than six months in the case of a third offence;
- d) revocation of his or her operating license and forfeiture to the state of the petroleum product in the case of a fourth offence.

Under Regulation 11 of the Regulations, the fees to be paid by importers for the testing and examination of petroleum products under the Regulations shall be five Uganda shillings for every liter.

According to Section 21(2) of The Petroleum Supply Act, 2003, licenses under the Act are valid for a period not exceeding 25 years and are renewable.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 1,157,495 and it takes an estimate of 14.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 115.8 million

Analysis

Under the Act, the general penalty section is more punitive than the new penalties prescribed for contravening provisions under the Petroleum (Marking and Quality Control) Regulations, 2009 governing petroleum marking related activities and petroleum quality monitoring. As petroleum quality monitoring is a cornerstone aspect of petroleum supply, it is not clear why the penalties for this key aspect of petroleum supply were reduced under the 2009 Regulation.

Recommendation

The Petroleum (Marking and Quality Control) Regulations be amended to align the penalties with the original penalties instituted under the Petroleum Supply Act 2003 as regards the Petroleum Operating License.

License 24 – Container License

Regulation 3(1) of the Petroleum (Spirit) (Licensing, Testing and Possession) Rules states that, subject to these Rules, petroleum spirit shall not be kept unless a license is in force under the provisions of the Rules authorizing the keeping of the petroleum spirit and the petroleum spirit is kept in accordance with the conditions of the license.

According to Regulation 4(1) of the Rules, the licensing authority empowered to grant licenses under the provisions of the Rules shall be:

- a) in the case of licensed premises in a municipality, the municipal council;
- b) in the case of licensed premises in a town, the town council; and
- c) in any other case, the administration of a district.

According to Regulation 5(a) of the Rules, a container license is issued for the storage of petroleum spirit in containers of an individual capacity not exceeding fifty gallons.

According to Regulation 7(1) of the Rules, where a licensing authority is satisfied from the plans, descriptions or other information furnished under the Rules that the manner of storage of the petroleum spirit proposed by an applicant for a license is safe and suitable, it may grant to the applicant a license of the kind applied for.

According to Regulation 7(3) of the Rules, every license shall come into force on the date of issue or renewal specified in it and shall expire, unless earlier revoked under these Rules, on the 31st December next following the date so specified.

Under Regulation 8(1), every license shall be in the form contained in the Third Schedule to the Rules and shall, in the case of a container license, be subject to the conditions contained in the Fourth Schedule to these Rules.

Regulation 12 of the Rules states that, in respect of every license granted or renewed under these Rules, a fee shall be paid to the licensing authority in accordance with the scale set out in the Sixth Schedule to the Rules.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 207, 495 and it takes an estimate of 14.5 hours of administrative activities. The total compliance cost per year for an estimated 5 businesses established is UGX 1,037,476

Analysis

Under the Regulations governing Petroleum Spirit storage and transportation, there are opportunities for amalgamation in the case of container, underground tank and bulk storage licenses since these variations in licensed activities are not significantly different as to warrant separate licenses.

Recommendation

It is recommended that the Container License be amalgamated with the Underground License and the Bulk Storage License.

License 25 – Underground Tank License

Regulation 3(1) of the Petroleum (Spirit) (Licensing, Testing and Possession) Rules states that, subject to these Rules, petroleum spirit shall not be kept unless a license is in force under the provisions of the Rules authorizing the keeping of the petroleum spirit and the petroleum spirit is kept in accordance with the conditions of the license.

According to Regulation 4(1) of the Rules, the licensing authority empowered to grant licenses under the provisions of the Rules shall be:

- a) in the case of licensed premises in a municipality, the municipal council;
- b) in the case of licensed premises in a town, the town council; and
- c) in any other case, the administration of a district.

According to Regulation 5(b) of the Rules, an underground tank license is issued for the storage of petroleum spirit in underground tanks.

According to Regulation 7(1) of the Rules, where a licensing authority is satisfied from the plans, descriptions or other information furnished under the Rules that the manner of storage of the petroleum spirit proposed by an applicant for a license is safe and suitable, it may grant to the applicant a license of the kind applied for.

According to Regulation 7(3) of the Rules, every license shall come into force on the date of issue or renewal specified in it and shall expire, unless earlier revoked under these Rules, on the 31st December next following the date so specified.

Under Regulation 8(1), every license shall be in the form contained in the Third Schedule to the Rules and shall, in the case of an underground tank license, be subject to the conditions contained in the Fifth Schedule to these Rules.

Regulation 12 of the Rules states that, in respect of every license granted or renewed under these Rules, a fee shall be paid to the licensing authority in accordance with the scale set out in the Sixth Schedule to the Rules.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 257,495 and it takes an estimate of 14.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 25.8 million

Analysis

Under the Regulations governing Petroleum Spirit storage and transportation, there are opportunities for amalgamation in the case of container, underground tank and bulk storage licenses since these variations in licensed activities are not significantly different as to warrant separate licenses.

Recommendation

It is recommended that the Underground Tank be amalgamated with the Container License and the Bulk Storage License.

License 26 – Bulk Storage License

Regulation 3(1) of the Petroleum (Spirit) (Licensing, Testing and Possession) Rules states that, subject to these Rules, petroleum spirit shall not be kept unless a license is in force under the provisions of the Rules authorizing the keeping of the petroleum spirit and the petroleum spirit is kept in accordance with the conditions of the license.

According to Regulation 4(1) of the Rules, the licensing authority empowered to grant licenses under the provisions of the Rules shall be:

- a) in the case of licensed premises in a municipality, the municipal council;
- b) in the case of licensed premises in a town, the town council; and
- c) in any other case, the administration of a district.

According to Regulation 5(c) of the Rules, a bulk storage license is issued for the bulk storage of petroleum spirit.

According to Regulation 7(1) of the Rules, where a licensing authority is satisfied from the plans, descriptions or other information furnished under the Rules that the manner of storage of the petroleum spirit proposed by an applicant for a license is safe and suitable, it may grant to the applicant a license of the kind applied for.

According to Regulation 7(3) of the Rules, every license shall come into force on the date of issue or renewal specified in it and shall expire, unless earlier revoked under these Rules, on the 31st December next following the date so specified.

Under Regulation 8(1), every license shall be in the form contained in the Third Schedule to the Rules and shall, in the case of a bulk storage license, be subject to the conditions contained in the annexure to these Rules.

Regulation 12 of the Rules states that, in respect of every license granted or renewed under these Rules, a fee shall be paid to the licensing authority in accordance with the scale set out in the Sixth Schedule to the Rules.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 1,157,495 and it takes an estimate of 14.5 hours of administrative activities. The total compliance cost per year for an estimated 5 businesses established is UGX 5.8 million

Analysis

Under the Regulations governing Petroleum Spirit storage and transportation, there are opportunities for amalgamation in the case of container, underground tank and bulk storage licenses since these variations in licensed activities are not significantly different as to warrant separate licenses.

Recommendation

It is recommended that the Bulk Storage License be amalgamated with the Container License and the Underground Tank License.

License 27 – License for conveyance in tank wagon or tank trailer

Regulation 14 of the Petroleum (Spirit) (Conveyance by Road) Rules states that, subject to these Rules, petroleum spirit shall not be conveyed in a tank wagon or tank trailer unless a license is in force under these Rules authorizing the conveyance of petroleum spirit in that tank wagon or tank trailer.

According to Regulation 23 of the Rules, such authorities as are empowered to grant licenses under Part III of the Traffic and Road Safety Act, 1998, shall be the licensing authorities empowered to grant licenses under these Rules.

According to Regulation 24 of the Rules, a license for conveyance in tank wagon or tank trailer:

- a) shall be in the form prescribed in the Third Schedule to these Rules;
- b) shall come into force on the date of issue specified in it and shall expire, unless previously revoked under these Rules, on the 31st December next following the date so specified; and
- c) shall authorize the conveyance of petroleum spirit only in the vehicle to which it relates

Regulation 29 of the Rules states that, in respect of every license granted under these Rules, a fee shall be paid to the licensing authority in accordance with the scale set out in the Fifth Schedule to these Rules.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 177,739 and it takes an estimate of 6.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 17.7 million

Analysis

There is no technical distinction between the activities of conveyancing petroleum in a tank wagon or trailer and conveyancing more than 1000 gallons in a vehicle other than a tank wagon or trailer. In both cases, the regulatory considerations would be the same, making this a duplicative license

Recommendation

That the Petroleum (Spirit) (Conveyance by Road) Rules be amended to amalgamate the License for conveyance in tank wagon or tank trailer and the License for conveying more than 1,000 gallons in vehicle other than tank wagon or tank trailer into one license with different categories, as these licenses address the same product and activity, but under different conditions.

License 28 – License for conveying more than 1,000 gallons in vehicle other than tank wagon or tank trailer

Regulation 21 of the Petroleum (Spirit) (Conveyance by Road) Rules states that, subject to these Rules, petroleum spirit shall not be conveyed in a vehicle not being a tank wagon or tank trailer in a quantity exceeding one thousand gallons on any one vehicle unless a license is in force under these Rules authorizing the conveyance of more than one thousand gallons of petroleum spirit on that vehicle.

According to Regulation 23 of the Rules, such authorities as are empowered to grant licenses under Part III of the Traffic and Road Safety Act, 1998, shall be the licensing authorities empowered to grant licenses under these Rules.

According to Regulation 24 of the Rules, a license for conveying more than 1,000 gallons in vehicle other than tank wagon or tank trailer:

- d) shall be in the form prescribed in the Fourth Schedule to these Rules;
- e) shall come into force on the date of issue specified in it and shall expire, unless previously revoked under these Rules, on the 31st December next following the date so specified; and
- f) shall authorize the conveyance of petroleum spirit only in the vehicle to which it relates

Regulation 29 of the Rules states that, in respect of every license granted under these Rules, a fee shall be paid to the licensing authority in accordance with the scale set out in the Fifth Schedule to these Rules.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 177,339 and it takes an estimate of 6.5 hours of administrative activities. The total compliance cost per year for an estimated 20 businesses established is UGX 3.6 million

Analysis

There is no technical distinction between the activities of conveyancing petroleum in a tank wagon or trailer and conveyancing more than 1000 gallons in a vehicle other than a tank wagon or trailer. In both cases, the regulatory considerations would be the same, making this a duplicative license.

Recommendation

That the Petroleum (Spirit) (Conveyance by Road) Rules be amended to amalgamate the License for conveyance in tank wagon or tank trailer and the License for conveying more than 1,000 gallons in vehicle other than tank wagon or tank trailer into one license with different categories, as these licenses address the same product and activity, but under different conditions.

2.3.4 The Petroleum Exploration and Production sub sector

The Petroleum (Exploration, Development and Production) Act, 2013

The Petroleum (Exploration, Development and Production) Act, 2013. The purpose of the Act is to operationalize the National Oil and Gas Policy of Uganda by—

(a) establishing an effective legal framework and institutional structures to ensure that the exploration, development and production of petroleum resources of Uganda is carried out

in a sustainable manner that guarantees optimum benefits for all Ugandans, both the present and future generations;

(b) creating a conducive environment for the efficient management of petroleum resources of Uganda including—

(i) promotion of reconnaissance and exploration for petroleum in Uganda;

(ii) evaluation of discoveries;

- (iii) development and production of petroleum resources;
- (iv) storage of petroleum before transporting it to the delivery point; and
- (v) transportation of petroleum up to a delivery point;
- (c) establishing institutions to manage the petroleum resources and regulate the petroleum activities;
- (d) regulating petroleum activities, including licensing, exploration, development, production and cessation of petroleum activities or decommissioning;
- (e) ensuring public safety and protection of public health and the environment in petroleum activities;
- (f) supporting the development of State participation and national content in the petroleum industry in Uganda; and
- (g) ensuring transparency and accountability in the conduct of all activities regulated under this Act.

The Petroleum (Exploration, Development and Production) Act of 2013 repealed the Petroleum (Exploration and Production) Act, Cap 150. However, regulations made under Cap 150 were retained so far as they are not inconsistent with the 2013 Act.

Section 5(1) of the Act provides that Petroleum activities under Ugandan jurisdiction shall not be conducted without an authorisation, licence, permit or approval in accordance with the Act.

Licenses under the Act are issued by the Minister responsible for Petroleum, while the Petroleum Authority has the responsibility to ensure that licensees uphold laws, regulations, rules and contract terms.

Licenses

License 29 – Reconnaissance Permits³

Section 48(1) of the Act provides that (1) a person intending to carry out reconnaissance surveys shall apply to the Minister for a reconnaissance permit. An application for a reconnaissance permit shall be in the manner prescribed by regulations and shall be accompanied by the prescribed fee.

A reconnaissance permit shall be for a geographically delineated area. Reconnaissance permits are non-exclusive and may be issued to different persons in respect of different reconnaissance activities in the same area or areas.

³ Section 2 of the Act defines reconnaissance as the undertaking of preliminary petroleum activities for the purpose of acquiring geoscientific data and includes geological, geophysical, geochemical surveys and drilling of shallow boreholes for calibration.

Section 49(1) provides that the Minister may, on application duly made for a reconnaissance permit under section 48, issue the permit within ninety days after receipt of the application in such a manner and on such conditions as the Minister may determine.

Under section 48(5), a reconnaissance permit shall state—

- (a) the date of issue of the permit;
 - (b) the area to which the permit relates;
 - (c) the type of data for which the permit is issued;
 - (d) the conditions on which the permit is issued; and
 - (e) the duration of confidentiality of the data collected.
- (6) It shall be a condition of every reconnaissance permit holder to give the Minister a copy of the data collected free of charge.

Section 51 provides that subject to the Act, a reconnaissance permit, unless otherwise determined by surrender or cancellation under sections 89 and 90, shall remain in force for eighteen months from the date of issue.

Analysis

The Reconnaissance Permit serves a regulatory purpose. However, there is need to enact regulations under the Act to provide for the license application procedures.

Recommendation

That Reconnaissance Permit be retained

License 30 – Petroleum Exploration License

Petroleum Exploration licenses may be applied for through bidding, following an announcement by Minister of areas open for bidding or in exceptional circumstances, by direct application to the Minister under section 53 of the Act.

Section 56 requires applications for an exploration license to be made to the Minister, who shall within 60 days confirm completeness of the application. All licenses are required to be processed expeditiously and in any case not later than 180 days.

Section 58(1) provides that subject to the provisions of this Act, the Minister may in consultation with the Authority and with the approval of Cabinet, on an application duly made, grant, on such conditions as he or she may determine, a petroleum exploration licence in respect of any block or blocks. The Act further provides in subsection (2) that a petroleum exploration licence shall not be granted in respect of a block which is, comprised in a licence already granted.

Section 59 provides for the contents of a Petroleum Exploration License and these include date of grant of the license, exploration area to which the license relates, and the conditions on which the license is granted.

Section 60 of the Act provides that a petroleum exploration licence, while it remains in force, shall confer on the licensee, subject to the provisions of this Act and to the conditions specified in the licence or to which the licence is otherwise subject, the exclusive right to explore for petroleum, and to carry on such petroleum activities and execute such works as may be necessary for that purpose, in the exploration area.

The duration of a Petroleum exploration license is a maximum of two years and may be renewed twice for the same period.

According to Section 25 of The Petroleum (Exploration and Production) Act, Cap 150, a petroleum production license, while it remains in force, confers on the licensee, subject to this Act and to the conditions specified in the license or to which the license is otherwise subject, exclusive rights, to carry on exploration and development operations in the development area; to sell or otherwise dispose of petroleum recovered; and to carry on such operations and execute such works in the development area as are necessary for or in connection with any matter relating to the above.

Analysis

The Petroleum Exploration License serves a regulatory purpose.

Recommendation

The Petroleum Exploration License be retained.

License 31 – Petroleum Production License

Section 69(1) of the Act provides that the holder of a petroleum exploration licence who has made a discovery of petroleum in his or her exploration area shall have exclusive right to apply for the grant of a petroleum production licence over any block or blocks in that area which, following appraisal, have been shown to contain a petroleum reservoir or part of a petroleum reservoir.

Analysis

This license serves a regulatory purpose.

Recommendation

The Petroleum Production License should be retained.

License 32 – License for the Placement and Operation of a Facility

Section 81(1) of the Act provides that the Minister may in consultation with the Authority, on application duly made for a licence to install, operate or use a facility to carry out a petroleum activity, grant to the applicant a facility licence in such a manner and on such conditions as the Minister may determine. A facility licence may only be granted for the construction, placement, operation or use of a facility not already subject to a petroleum production licence.

Analysis

This license serves a regulatory purpose.

Recommendation

The License for the Placement and Operation of a Facility should be retained.

License 33 – Permit to Operate a Drill Rig

Section 93(1) of the Act provides that a licensee shall not operate a drilling rig without a valid permit issued by the Authority in accordance with terms and conditions specified in regulations issued by the Authority. The procedure for application for a permit to operate a drilling rig shall be prescribed in regulations.

Analysis

This license serves a regulatory purpose.

Recommendation

The Permit to Operate a Drill Rig should be retained.

License 33 – Approval to Drill a Well

Section 94(1) of the Act provides that an operator shall not drill a well without the written approval of the Authority. It further provides that an operator shall before the drilling of any well, submit to the Authority, a detailed report on the technique to be employed, an estimate of the time to be spent, the material to be used and the safety measures to be employed, in the drilling of the well.

Analysis

This license serves a regulatory purpose.

Recommendation

The requirement for approval to drill a well should be retained.

License 34 – Production Permit

Section 96(1) of the Act provides that the Minister shall, in consultation with the Authority, before or concurrently with a petroleum production licensee approve the

production schedule contained in the field development plan and issue an annual production permit to the licensee. Subsection (2) further provides that the Minister may, in consultation with the Authority, upon application from the licensee, approve for a fixed period of time, the quantity of the petroleum which may be produced or injected at all times.

Analysis

This license serves a regulatory purpose.

Recommendation

The Production Permit should be retained.

2.3.5 The Power Generation sub sector

The Electricity Act, Cap 145

The Electricity (Installation Permits) Regulations, 2003 (SI 2003 - 19)

The Electricity (Licence Fees) Regulations, 2011

The Electricity (Licence Exemption) (Isolated Grid Systems) Order, 2007 (SI 2007 - 39)

The Electricity (Application For Permit, Licence And Tariff Review) Regulations, 2007 (SI 2007 - 60)

The Electricity Act, 1999, Cap 145 provides for the establishment of the Electricity Regulatory Authority (ERA). It also provides for the generation, transmission, distribution, sale and use of electricity and for the licensing and control of activities in the electricity sector. The Act also provides for plant and equipment and for matters relating to safety, and for liberalisation and introduction of competition in the electricity sector. The Act repealed the Electricity Act and also provided for a successor company to the Uganda Electricity Board.

According to Section 29 of the Act, a person who intends to establish a project for which a license is required under this Act shall notify the authority of the intended project.

According to Section 30 of the Act, the authority shall, within thirty days after receipt of a notice under Section 29, cause the notice to be published in the Gazette and in at least one national newspaper of wide circulation in Uganda. The authority shall invite directly affected parties and affected public agencies to make comments on the notice within a fixed period of not less than thirty days after publication of the notice.

According to Section 31(1) of the Act, the authority may, not more than thirty days after the receipt of the comments (required application information) as described under Section 30 of the Act, issue a permit in the prescribed form to the intended applicant. Under Section 31(2), a permit issued under subsection 31(1) shall allow the intended applicant to carry out studies

and any other activity that may be necessary to enable the intended applicant to prepare an application for a license.

The application for a license is submitted to the authority pursuant to Section 33 of the Act, and the authority shall within thirty days after receipt of the application, confirm in writing to the applicant, that the application is complete in all aspects, or require additional information.

According to Section 34 of the Act, the authority shall process all applications for a license expeditiously and in any case not later than one hundred and eighty days after the authority receives the application.

According to Section 45(1) of the Act, subject to any other provision of this Act, a license shall remain in force for the period specified in it, but that period shall not in any case exceed forty years from the date of issue.

According to Section 45(2) of the Act, a licensee may, within three years before the expiry of a license, apply to the authority for the renewal of the license.

According to Section 45(4) of the Act, Section 45 does not apply to licenses for hydropower generation of a capacity not exceeding ten megawatts.

Section 83 of the Act states that a licensee who without lawful excuse fails to comply with any term of his or her licence commits an offence and is liable on conviction to a fine not exceeding one hundred currency points and to a further fine not exceeding ten currency points for every day or part of a day during which the offence continues after conviction.

According to 113(1), the authority may, by statutory order, grant an exemption from the requirement to hold a licensee for the generation, distribution or sale of electricity by categories of persons or by a particular person, for the promotion of rural electrification where the generation capacity does not exceed two megawatts, but that exemption shall not preclude the authority from exercising its other regulatory functions under the Act.

The Electricity (Installation Permits) Regulations, 2003 (SI 2003 - 19) establishes the Installations Permits Committee that regulates the practice of installations practitioners.

The Electricity (Licence Fees) Regulations, 2011 specifies the licence fees required to be charged by the Authority under section 121 of the Electricity Act Cap 145.

Electricity (Licence Exemption) (Isolated Grid Systems) Order, 2007 (SI 2007 - 39) regulates the supply of electricity from isolated grid systems for commercial use. According to Regulation 3, this Order applies to the generation, transmission, distribution or sale of electricity on the isolated grid, and does not apply to the generation, transmission, distribution or sale of electricity on the main grid.

The Electricity (Application For Permit, Licence And Tariff Review) Regulations, 2007 (SI 2007 – 60) specify the forms and specifics of applications to review permits, tariffs and licenses issued or to be issued under the Electricity Act, 1999.

Licenses

License 35 – Generation License

Section 51(1) of The Electricity Act, 1999, Cap 145 states that no person shall construct, own or operate a generating station with a capacity of or exceeding 0.5 megawatts without a generation license issued under the Act.

According to Section 52 of The Electricity Act, 1999, Cap 145, on the expiry of a license for a hydropower plant with a generation capacity exceeding ten megawatts, the plant, including all existing installations, property and rights needed for power generation, shall be transferred to the Government without any compensation being paid to the licensee. This does not apply where 50 percent or more of the power plant, or of the company which owns the power plant, is owned by the Government.

The Electricity (Licence Fees) Regulations, 2011 for license fees ranging from USD 2,500-75,000 depending on the category and size of generator.

Analysis

The process for application for a license under the Electricity Act, 1999 is time-consuming and is inefficient. The total period includes; 30 days (authority reviews intended application and publishes in Gazette), at least 30 days (public and stakeholder comments), 30 days (after public comments, issuance of permit to prepare application), 30 days (confirmation of complete application submission), 180 days (authority decision on application).

Recommendation

That the Electricity Act, 1999, be amended to:

streamline the licensing process in order to achieve application time efficiencies. The length of time being accorded to allow for stakeholder comments on the intended application seems reasonable, as it is necessary to get the public and stakeholder buy-in and meaningful feedback for projects with high potential social and environmental

impact. However, the 30 day period for publishing the intention to apply in the Gazette, as well as the 30 day period for confirmation of a complete application seems unnecessarily long. Furthermore, the 180 day period for processing the application should be reviewed with the intention of making a significant reduction in the time allocated to this stage of processing as well.

License 36 – Transmission License

Section 53 of The Electricity Act, 1999, Cap 145 states that no person shall construct, own or operate an installation for the transmission of electricity without a transmission license granted by the authority.

According to Section 54 of The Electricity Act, 1999, Cap 145, a holder of a transmission license shall provide access to all existing and potential users of the transmission network on the payment of fees and other charges for network services, as may be approved by the authority. In addition to this, a licensee shall provide the authority with such information as the authority may prescribe to enable the authority to approve the fees and charges under Section 54 of the Act.

Under Section 55 of the Act, the authority shall designate a person holding a transmission license to be a system operator and license that person:

- a) to coordinate the power supply system to obtain instantaneous balance between the generation and consumption of electricity;
- b) to be responsible for dispatching generation installations;
- c) to coordinate transmission outages;
- d) to monitor the import and export of electricity;
- e) to prepare forecasts of capacity requirements;
- f) to make rules, with the approval of the authority, for the dispatch of generating installations;
- g) in consultation with the authority, to publish standardized tariffs based on the avoided cost of the system for sales to the grid of electricity generated by the renewable energy systems of up to a maximum capacity of twenty megawatts; and
- h) to perform such other functions as may be prescribed by the authority in the license or by regulations.

The Electricity (Licence Fees) Regulations, 2011 specifies the fees for transmission related licenses as follows:

- (a) Transmission-USD 75,000
- (b) System Operator- USD 75,000
- (c) Bulk Supply- USD 75,000

Cost of compliance

Analysis

The process for application for a license under the Electricity Act, 1999 is time-consuming and is inefficient. The total period includes; 30 days (authority reviews intended application and publishes in Gazette), at least 30 days (public and stakeholder comments), 30 days (after public comments, issuance of permit to prepare application), 30 days (confirmation of complete application submission), 180 days (authority decision on application).

Recommendation

That the Electricity Act, 1999, be amended to:

streamline the licensing process in order to achieve application time efficiencies. The length of time being accorded to allow for stakeholder comments on the intended application seems reasonable, as it is necessary to get the public and stakeholder buy-in and meaningful feedback for projects with high potential social and environmental impact. However, the 30 day period for publishing the intention to apply in the Gazette, as well as the 30 day period for confirmation of a complete application seems unnecessarily long. Furthermore, the 180 day period for processing the application should be reviewed with the intention of making a significant reduction in the time allocated to this stage of processing as well.

License 37 – Distribution License

Section 57(1) of The Electricity Act, 1999, Cap 145 states that no person shall distribute electricity without a distribution license granted by the authority.

According to Section 57(2) of The Electricity Act, 1999, Cap 145, the area of distribution shall be defined in the license.

According to Section 56 of the Act, the authority shall designate a bulk supplier who will be responsible for transmission and sale of electricity in bulk to distribution and sales companies. The terms and operating conditions of the bulk supplier shall be specified in the sales license.

According to Section 58 of the Act, a holder of a distribution license shall provide access to all existing and potential users of the distribution network on the payment of fees and other charges for network services, as may be approved by the authority. In addition to this, a licensee shall provide the authority with such information as the authority may prescribe to enable the authority to approve the fees and charges under Section 58(1) of the Act.

The Electricity (Licence Fees) Regulations, 2011 specify the fees for distribution related licenses and combined distribution licenses for various categories that range from USD 1,500 to 175,000.

Analysis

The process for application for a license under the Electricity Act, 1999 is time-consuming and is inefficient. The total period includes; 30 days (authority reviews intended application and publishes in Gazette), at least 30 days (public and stakeholder comments), 30 days (after public comments, issuance of permit to prepare application), 30 days (confirmation of complete application submission), 180 days (authority decision on application).

Recommendation

That the Electricity Act, 1999, be amended to:

streamline the licensing process in order to achieve application time efficiencies. The length of time being accorded to allow for stakeholder comments on the intended application seems reasonable, as it is necessary to get the public and stakeholder buy-in and meaningful feedback for projects with high potential social and environmental impact. However, the 30 day period for publishing the intention to apply in the Gazette, as well as the 30 day period for confirmation of a complete application seems unnecessarily long. Furthermore, the 180 day period for processing the application should be reviewed with the intention of making a significant reduction in the time allocated to this stage of processing as well.

License 38 – Sale License

Section 59 of The Electricity Act, 1999, Cap 145, the sale of electricity shall be subject to a sale license granted by the authority.

According to Section 59(2) of The Electricity Act, 1999, Cap 145, the authority may, by instrument of authorization, delegate to a competent person, including a local government, the power to issue licenses to sell electricity within the jurisdiction of the local government to a licensee, provided that the annual sales of the licensee are less than 4 gigawatt hours.

According to Section 56 of the Act, the authority shall designate a bulk supplier who will be responsible for transmission and sale of electricity in bulk to distribution and sales companies. The terms and operating conditions of the bulk supplier shall be specified in the sales license.

The Electricity (Licence Fees) Regulations, 2011 provide for combined generation distribution and sales license fees ranging from the exempt category (very small generators up to MW) to USD 12,000.

Analysis

The process for application for a license under the Electricity Act, 1999 is time-consuming and is inefficient. The total period includes; 30 days (authority reviews intended application and publishes in Gazette), at least 30 days (public and stakeholder comments), 30 days (after public comments, issuance of permit to prepare application), 30 days (confirmation of complete application submission), 180 days (authority decision on application).

Recommendation

That the Electricity Act, 1999, be amended to:

streamline the licensing process in order to achieve application time efficiencies. The length of time being accorded to allow for stakeholder comments on the intended application seems reasonable, as it is necessary to get the public and stakeholder buy-in and meaningful feedback for projects with high potential social and environmental impact. However, the 30 day period for publishing the intention to apply in the Gazette, as well as the 30 day period for confirmation of a complete application seems unnecessarily long. Furthermore, the 180 day period for processing the application should be reviewed with the intention of making a significant reduction in the time allocated to this stage of processing as well.

License 39 – Export License

Section 60 of The Electricity Act, 1999, Cap 145, states that no person shall import or export electricity without an export or import license, as the case may be, granted by the authority.

The Electricity (Licence Fees) Regulations, 2011 provide for import/export license fees ranging from USD 12,000 to 75,000.

Analysis

The process for application for a license under the Electricity Act, 1999 is time-consuming and is inefficient. The total period includes; 30 days (authority reviews intended application and publishes in Gazette), at least 30 days (public and stakeholder comments), 30 days (after public comments, issuance of permit to prepare application), 30 days (confirmation of complete application submission), 180 days (authority decision on application).

Recommendation

1) That the Electricity Act, 1999, be amended to:

streamline the licensing process in order to achieve application time efficiencies. The length of time being accorded to allow for stakeholder comments on the intended application seems reasonable, as it is necessary to get the public and stakeholder buy-in and meaningful feedback for projects with high potential social and environmental impact. However, the 30 day period for publishing the intention to apply in the Gazette, as well as the 30 day period for confirmation of a complete application seems unnecessarily long. Furthermore, the 180 day period for processing the application should be reviewed with the intention of making a significant reduction in the time allocated to this stage of processing as well.

License 40 –Import License

Section 60 of The Electricity Act, 1999, Cap 145, states that no person shall import or export electricity without an export or import license, as the case may be, granted by the authority.

The Electricity (Licence Fees) Regulations, 2011 provide for import/export license fees ranging from USD 12,000 to 75,000.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 3,157, 495 and it takes an estimate of 14.5 hours of administrative activities. The total compliance cost per year for an estimated 2 businesses established is UGX 6.3 million

Analysis

The process for application for a license under the Electricity Act, 1999 is time-consuming and is inefficient. The total period includes; 30 days (authority reviews intended application and publishes in Gazette), at least 30 days (public and stakeholder comments), 30 days (after public comments, issuance of permit to prepare application), 30 days (confirmation of complete application submission), 180 days (authority decision on application).

Recommendation

That the Electricity Act, 1999, be amended to:

streamline the licensing process in order to achieve application time efficiencies. The length of time being accorded to allow for stakeholder comments on the intended application seems reasonable, as it is necessary to get the public and stakeholder buy-in and meaningful feedback for projects with high potential social and environmental impact. However, the 30 day period for publishing the intention to apply in the Gazette, as well as the 30 day period for confirmation of a complete application seems unnecessarily long. Furthermore, the 180 day period for processing the application

should be reviewed with the intention of making a significant reduction in the time allocated to this stage of processing as well.

License 41 –Permit to Practice as an Installations Person

Regulation 5 of the Electricity (Installation Permits) Regulations, 2003 (SI 2003 - 19), states that a person shall not practice as a installations person unless he or she is in possession of a valid permit issued in that behalf by the Committee.

According to Regulation 8 of the Regulations, the Committee may, subject to such conditions as it may impose, issue any of the following types of permit:

- a) CLASS A for carrying out all and any kind of class of electrical installation work upon payment of the prescribed fee;
- b) CLASS B for carrying out electrical installation work of such medium value or complexity, including heavy low voltage and simple high voltage connections up to 11 kV;
- c) CLASS C for carrying out electrical installation work of such small value including:
 - (i) installation in multi-storied flats and other big bungalows and mansions of complex design and commercial buildings; or
 - (ii) installation of light plants of up to a level of 415 volts;
- d) CLASS D for carrying out work restricted to any specialized class of electrical installation work, including:
 - (i) installation of residential premises not exceeding five bedrooms; and
 - (ii) repairs on equipment of up to 240 volts;
- e) CLASS Z for carrying out specialized fields like:
 - (i) switch gear installation;
 - (ii) centralized cooling and refrigeration;
 - (iii) installation of generator sets;
 - (iv) solar systems; and
 - (v) electrical installation systems and designs

According to Regulation 8(2), a permit issued under these Regulations may be renewed but shall not be transferable.

Under Regulation 8(3), subject to Regulation 14 of the Regulations, a permit issued under the Regulations shall expire on the 31st day of December of the year during which it was issued.

Regulation 9 of the Regulations states that an application for a permit shall be submitted in writing to the Committee and the permit shall be issued in a prescribed form and subject to such conditions as the Committee may determine.

Regulation 19 states that any person who contravenes the provisions of these Regulations commits an offence and is liable on conviction to a fine not exceeding twenty currency points or to imprisonment not exceeding six months or to both.

According to Regulation 20 of the Regulations, the Committee with approval of the authority shall prescribe annual fees for the different classes of the permit.

Cost of compliance

Analysis

This permit serves a regulatory purpose and the process of obtaining it is provided for under the legal framework.

Recommendation

It is recommended that the Permit to Practice as an Installations Person be retained.

License 42 –Certificate of Exemption

Regulation 5(1) of the Electricity (License Exemption) (Isolated Grid Systems) Order, 2007 (SI 2007 - 39) states that a person intending to generate, distribute and sale electricity for rural electrification, where the maximum supply capacity does not exceed two megawatts shall apply to the Authority for a certificate of exemption in the form set out in Schedule 1 of this Order.

According to 5(4) of the Electricity (License Exemption) (Isolated Grid Systems) Order, 2007 (SI 2007 - 39), a certificate of exemption shall be in the form set out in Schedule 2 of the Order.

According to Regulation 6(1), subject to subparagraph (2), a holder of a certificate of exemption shall be exempted from complying with all or any of the service standards applicable to licensees.

Analysis

The certificate of exemption does not specify license/permit application fees or duration of license issued.

Recommendation

That the Certificate of Exemption be streamlined to include permit application fees and the permit duration.

License 43 –Generation Levy

Regulation 5(1) of the Electricity (License Exemption) (Isolated Grid Systems) Order, 2007 (SI 2007 - 39) states that a person intending to generate, distribute and sale electricity for rural electrification, where the maximum supply capacity does not exceed two megawatts shall apply to the Authority for a certificate of exemption in the form set out in Schedule 1 of this Order.

According to 5(4) of the Electricity (License Exemption) (Isolated Grid Systems) Order, 2007 (SI 2007 - 39), a certificate of exemption shall be in the form set out in Schedule 2 of the Order.

According to Regulation 6(1), subject to subparagraph (2), a holder of a certificate of exemption shall be exempted from complying with all or any of the service standards applicable to licensees.

Analysis

The certificate of exemption does not specify license/permit application fees or duration of license issued.

Recommendation

That the Certificate of Exemption be streamlined to include permit application fees and the permit duration.

2.4 FINANCIAL SERVICES

Introduction

The analysis in this sector covers laws and licenses pertaining to the following sub sectors:

- 2.4.1 Foreign Currency Trading
- 2.4.2 Financial Institutions
- 2.4.3 Micro finance Institutions
- 2.4.4 Capital Markets
- 2.4.5 Insurance Services
- 2.4.6 Cooperatives Societies

RECOMMENDATIONS ON FINANCIAL SERVICES

Law applicable		The Foreign Exchange Act, 2004					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
1.	Forex bureau license		Yes				26
2.	Money remittance license		Yes				
Law applicable		The Financial Institutions Act, 2004					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
3.	License to Transact Financial Institutions Business, Commercial Bank			Yes			52
4.	License to Transact Financial Institutions Business, Post Office Savings Bank			Yes			
5.	License to			Yes			

	Transact Financial Institutions Business, Merchant Bank						
6.	License to Transact Financial Institutions Business, Mortgage Bank			Yes			
7.	License to Transact Financial Institutions Business, Credit Institution			Yes			37
8.	License to Transact Financial Institutions Business, Acceptance House			Yes			
9.	License to Transact Financial Institutions Business, Discount House			Yes			
10.	License to			Yes			

	Transact Financial Institutions Business, Finance House						
Law applicable		The Micro Finance Deposit-Taking Institutions Act, 2003					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (millions)
11.	Micro Finance Deposit-Taking Institutions License			Yes			37
Law applicable		The Capital Markets Authority Act, 1996, Cap. 84					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (millions)
12.	Approval of Stock Exchange			Yes			
13.	Brokers/Dealers License			Yes			18
14.	Brokers/Dealers Representative License; Investment Representatives License			Yes			14.4
15.	Investment Advisors (Fund Manager) License			Yes			
16.	Investment Advisors License			Yes			17

Law applicable		The Collective Investment Schemes Act, 2009					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (millions)
17.	Investment Company with Variable Capital License			Yes			
18.	Unit Trust Scheme License			Yes			3.4
19.	Authorised Corporate Director License			Yes			2.4
20.	Manager Unit Trust Scheme License			Yes			
21.	Trustee License			Yes			1.4
Law applicable		The Securities Central Depository Act, 2009					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (millions)
22.	License to Establish a Securities Central Depository			Yes			3.4
23.	License to Operate a Securities Central Depository			Yes			

Law applicable		The Insurance Amendment Act, 2011					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (millions)
24.	Insurance License			Yes			
25.	Reinsurance License			Yes			
26.	Health Insurance License			Yes			
27.	Amalgamation License			Yes			
28.	Transfer License			Yes			
29.	Insurance Broker License			Yes			
30.	Reinsurance Broker License			Yes			
31.	Risk Manager License			Yes			
32.	Loss Assessor License			Yes			
33.	Insurance Surveyor License			Yes			
34.	Claims Settling Agent License			Yes			
Sector-Total	34		2	32			

2.4.1 The Foreign Currency Trading sub sector

The Foreign Exchange Act 2004

The Foreign Exchange (Forex Bureau and Money Remittance) Regulations, 2006

The Foreign Exchange Act of 2004 amended and consolidated the law relating to foreign exchange in Uganda. It also provided for the exchange of foreign currencies in Uganda and the making of international payments and transfers of foreign exchange in addition to incidental matters.

The Foreign Exchange (Forex Bureau and Money Remittance) Regulations, 2006 specify the conditions for licensing and supervising persons licensed to transact business as a forex bureau or carry on money remittance business. They offer guidance to forex bureaus and persons licensed to carry on money remittance business on the observance of the provisions of the Act, encourage the increased use of formal funds transfer systems through the facilitation of foreign exchange transfers and remittances that are timely, accessible, cost effective, reliable and transparent; and seek to increase transparency of remittance and payment flows in and outside Uganda by ensuring that anti money laundering and the combating of the financing of terrorism measures are observed in forex bureau & money remittance businesses.

Licenses

License 1 – Forex Bureau License

Section 5(1) of the Foreign Exchange Act, 2004 states that except as permitted by any other law, no person shall engage in the business of dealing in foreign exchange without a license issued under this Act. According to Section 5(9) of the Act, only a body incorporated under the Companies Act or under any other Act shall qualify to be issued a license under the Act.

A license issued or renewed under Section 5 of the Act shall expire one year after the date of issue unless the license has been renewed, extended, or revoked by the Bank of Uganda. According to Section 5(3) of the Act, the minimum paid up share capital to carry out the business of dealing in foreign exchange shall be one thousand currency points (Ugx. 20,000,000)

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 1,119,873 and it takes an estimate of 9.5 hours of administrative activities. The total compliance cost per year for an estimated 23 businesses established is UGX 26 million.

Analysis

The application process of the forex bureau licence is very clearly articulated in the regulations; the time lines for the application are clearly outlined and the applicant is in position to understand the procedures in advance. The regulations offer clarity as to the factors considered, the process of application (three months to grant or reject the application), the application fees (20 currency points) and the duration of the license (1 year).

Recommendation

The Forex Bureau License should be retained.

License 2 – Money remittance license

Regulation 14 makes provision for a money remittance license. Money remittance is defined as the business of foreign exchange transfers consisting of the acceptance of monies for the purpose of remitting them to persons resident in Uganda or another country. There are 4 classes attached to this license:

- Class A – International money transfer agency license;
- Class B – Forex Bureau and money remittance license;
- Class C – Direct entrants license;
- Class D – Sub- agency license.

Analysis

This license serves a regulatory purpose

Recommendations

The Forex Bureau License should be retained.

2.4.2 The Financial Institutions sub sector

The Financial Institutions Act, 2004

The Financial Institutions (Licensing) Regulations, 2005

The Financial Institutions Act, 2004 revises and consolidates the law relating to financial institutions and provides for the regulation, control and discipline of financial institutions by the Central Bank. It also repeals the Financial Institutions Act, Cap. 54 and provides for other related matters.

The Financial Institutions Act, 2004 Section 2(2) states explicitly that the Act does not apply to a co-operative society registered under the Co-operative Societies Act, Cap. 112, except a co-operative society established for the purpose of accepting deposits from the public.

Section 2(3) states explicitly that the Act does not apply to a micro finance deposit-taking institution, registered under The Micro Finance Deposit-Taking Institutions Act, 2003.

Section 4 of the Act determines the parameters of the licensing of a financial institution Section 4(1) states that a person shall not transact any deposit-taking or other financial institution business in Uganda without a valid licence granted for that purpose under the Act.

The Financial Institutions (Licensing) Regulations, 2005 has among its objectives, to establish clear and objective criteria for reviewing applications to engage in financial institution business and to outline the procedures to be followed in the licensing process.

The Regulations apply to all financial institutions in Uganda.

Licenses

License 3 – License to Transact Financial Institutions Business, Commercial Bank

Under Section 10 of the Financial Institutions Act, 2004, a company proposing to transact or carry on business as a financial institution shall apply, in writing, to the Central Bank for a licence. Section 10 (3) (a) of the Act specifies the License to Transact Financial Institutions Business, Commercial Bank as a Class 1 License.

Under Section 12 of the Act, the Central Bank shall, within 6 months of receipt of an application, investigate and prepare a detailed report in respect of each application. Section 12(2) states that within fourteen days after the afore-mentioned period, the Central Bank shall grant or refuse to grant the application. The Central Bank will inform the applicant within 7 days of making its decision under Section 13 of the Act.

According to Section 14(1), a license granted under Section 12 remains in force unless revoked.

According to Regulation 11 of The Financial Institutions (Licensing) Regulations, 2005, a non-refundable fee of UGX 1,000,000 shall accompany each application for a license.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 10,354,660 and it takes an estimate of 668 hours of administrative activities. The total compliance cost per year for an estimated 5 businesses established is UGX 52 million.

Analysis

The application process under the Act is clearly stipulated under Section 12(1), (2) and (3). This offers process clarity to the applicant. However the time periods specified may not promote

business: the Central Bank is given up to six months to investigate and prepare a detailed report on each application. This six months period runs afresh upon receipt of additional information, which means the process could very well exceed a year. Additional time lines include 14 days to consider the application and 7 days to communicate its decision to the applicant. This same procedure is echoed under Regulation 14 of the Licensing regulations.

Currently, the Class 1 license (Commercial Banks) encompasses the activities under the other classes. As a licensing regime this is inefficient because a Class 1 license allows the holder to continue or discontinue lines of business related to the other classes without applying for another license.

Recommendation

The Financial Institutions Act 2004 and the Licensing regulations there under should be amended to streamline the application time lines by reducing the application evaluation period of six months.

Consideration should be made to provide for electronic submission of applications. This would further streamline the business licensing process, especially for institutions wishing to apply outside of Kampala.

The licenses under the Financial Institutions Act 2004 need to be streamlined to make a clear distinction between license activities and license classes. In addition to this, the Act should be amended to ensure harmony with technical terminologies along international lines.

License 4 – License to Transact Financial Institutions Business, Post Office Savings Bank

Under Section 10 of the Financial Institutions Act, 2004, a company proposing to transact or carry on business as a financial institution shall apply, in writing, to the Central Bank for a licence. Section 10 (3) (b) of the Act specifies the License to Transact Financial Institutions Business, Post Office Savings Bank as a Class 2 License.

Under Section 12 of the Act, the Central Bank shall, within 6 months of receipt of an application, investigate and prepare a detailed report in respect of each application. Section 12(2) states that within fourteen days after the afore-mentioned period, the Central Bank shall grant or refuse to grant the application. The Central Bank will inform the applicant within 7 days of making its decision under Section 13 of the Act.

According to Section 14(1), a license granted under Section 12 remains in force unless revoked.

According to Regulation 11 of The Financial Institutions (Licensing) Regulations, 2005, a non-refundable fee of UGX 1,000,000 shall accompany each application for a license.

Analysis

As was in the case of the previous license, the application time line of six months can be a hindrance to business, especially because the period begins to run afresh in the event of additional submissions.

Recommendation

The Financial Institutions Act 2004 and the Licensing regulations there under should be amended to streamline the application time lines by reducing the application evaluation period of six months.

Consideration should be made to provide for electronic submission of applications. This would further streamline the business licensing process, especially for institutions wishing to apply outside of Kampala.

License 5 – License to Transact Financial Institutions Business, Merchant Bank

Under Section 10 of the Financial Institutions Act, 2004, a company proposing to transact or carry on business as a financial institution shall apply, in writing, to the Central Bank for a licence.

Section 10 (3) (c) of the Act specifies the License to Transact Financial Institutions Business, Merchant Bank as a Class 3 License.

Under Section 12 of the Act, the Central Bank shall, within 6 months of receipt of an application, investigate and prepare a detailed report in respect of each application. Section 12(2) states that within fourteen days after the afore-mentioned period, the Central Bank shall grant or refuse to grant the application. The Central Bank will inform the applicant within 7 days of making its decision under Section 13 of the Act.

According to Section 14(1), a license granted under Section 12 remains in force unless revoked.

According to Regulation 11 of The Financial Institutions (Licensing) Regulations, 2005, a non-refundable fee of UGX 1,000,000 shall accompany each application for a license.

Analysis

As was in the case of the previous license, the application time line of six months can be a hindrance to business, especially because the period begins to run afresh in the event of additional submissions.

Recommendation

The Financial Institutions Act 2004 and the Licensing regulations there under should be amended to streamline the application time lines by reducing the application evaluation period of six months.

Consideration should be made to provide for electronic submission of applications. This would further streamline the business licensing process, especially for institutions wishing to apply outside of Kampala.

License 6 – License to Transact Financial Institutions Business, Mortgage Bank

Under Section 10 of the Financial Institutions Act, 2004, a company proposing to transact or carry on business as a financial institution shall apply, in writing, to the Central Bank for a licence.

Section 3(d) of the Act specifies the License to Transact Financial Institutions Business, Mortgage Bank as a Class 4 License.

Under Section 12 of the Act, the Central Bank shall, within 6 months of receipt of an application, investigate and prepare a detailed report in respect of each application. Section 12(2) states that within fourteen days after the afore-mentioned period, the Central Bank shall grant or refuse to grant the application. The Central Bank will inform the applicant within 7 days of making its decision under Section 13 of the Act.

According to Section 14(1), a license granted under Section 12 remains in force unless revoked.

According to Regulation 11 of The Financial Institutions (Licensing) Regulations, 2005, a non-refundable fee of UGX 1,000,000 shall accompany each application for a license.

Cost of compliance

Analysis

As was in the case of the previous license, the application time line of six months can be a hindrance to business, especially because the period begins to run afresh in the event of additional submissions.

Recommendation

The Financial Institutions Act 2004 and the Licensing regulations there under should be amended to streamline the application time lines by reducing the application evaluation period of six months.

Consideration should be made to provide for electronic submission of applications. This would further streamline the business licensing process, especially for institutions wishing to apply outside of Kampala.

License 7 – License to Transact Financial Institutions Business, Credit Institution

Under Section 10 of the Financial Institutions Act, 2004, a company proposing to transact or carry on business as a financial institution shall apply, in writing, to the Central Bank for a licence.

Section 10(3) (e) of the Act specifies the License to Transact Financial Institutions Business, Credit Institution as a Class 5 License.

Under Section 12 of the Act, the Central Bank shall, within 6 months of receipt of an application, investigate and prepare a detailed report in respect of each application. Section 12(2) states that within fourteen days after the afore-mentioned period, the Central Bank shall grant or refuse to grant the application. The Central Bank will inform the applicant within 7 days of making its decision under Section 13 of the Act.

According to Section 14(1), a license granted under Section 12 remains in force unless revoked.

According to Regulation 11 of The Financial Institutions (Licensing) Regulations, 2005, a non-refundable fee of UGX 500,000 shall accompany each application for a license.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 7,382,126 and it takes an estimate of 668 hours of administrative activities. The total compliance cost per year for an estimated 3 businesses established is UGX 37 million

Analysis

As was in the case of the previous license, the application time line of six months can be a hindrance to business, especially because the period begins to run afresh in the event of additional submissions.

Recommendation

The Financial Institutions Act 2004 and the Licensing regulations there under should be amended to streamline the application time lines by reducing the application evaluation period of six months.

Consideration should be made to provide for electronic submission of applications. This would further streamline the business licensing process, especially for institutions wishing to apply outside of Kampala.

License 8 – License to Transact Financial Institutions Business, Acceptance House

Under Section 10 of the Financial Institutions Act, 2004, a company proposing to transact or carry on business as a financial institution shall apply, in writing, to the Central Bank for a licence.

Section 10 (3) (f) of the Act specifies the License to Transact Financial Institutions Business, Acceptance House as a Class 6 License.

Under Section 12 of the Act, the Central Bank shall, within 6 months of receipt of an application, investigate and prepare a detailed report in respect of each application. Section 12(2) states that within fourteen days after the afore-mentioned period, the Central Bank shall grant or refuse to grant the application. The Central Bank will inform the applicant within 7 days of making its decision under Section 13 of the Act.

According to Section 14(1), a license granted under Section 12 remains in force unless revoked.

According to Regulation 11 of The Financial Institutions (Licensing) Regulations, 2005, a non-refundable fee of UGX 500,000 shall accompany each application for a license.

Analysis

As was in the case of the previous license, the application time line of six months can be a hindrance to business, especially because the period begins to run afresh in the event of additional submissions.

Recommendation

The Financial Institutions Act 2004 and the Licensing regulations there under should be amended to streamline the application time lines by reducing the application evaluation period of six months.

Consideration should be made to provide for electronic submission of applications. This would further streamline the business licensing process, especially for institutions wishing to apply outside of Kampala.

License 9 – License to Transact Financial Institutions Business, Discount House

Under Section 10 of the Financial Institutions Act, 2004, a company proposing to transact or carry on business as a financial institution shall apply, in writing, to the Central Bank for a licence.

Section 10 (3) (g) of the Act specifies the License to Transact Financial Institutions Business, Discount House as a Class 7 License.

Under Section 12 of the Act, the Central Bank shall, within 6 months of receipt of an application, investigate and prepare a detailed report in respect of each application. Section 12(2) states that within fourteen days after the afore-mentioned period, the Central Bank shall grant or refuse to grant the application. The Central Bank will inform the applicant within 7 days of making its decision under Section 13 of the Act.

According to Section 14(1) of the Act, a license granted under Section 12 remains in force unless revoked.

According to Regulation 11 of The Financial Institutions (Licensing) Regulations, 2005, a non-refundable fee of UGX 500,000 shall accompany each application for a license.

Analysis

As was in the case of the previous license, the application time line of six months can be a hindrance to business, especially because the period begins to run afresh in the event of additional submissions.

Recommendation

The Financial Institutions Act 2004 and the Licensing regulations there under should be amended to streamline the application time lines by reducing the application evaluation period of six months.

Consideration should be made to provide for electronic submission of applications. This would further streamline the business licensing process, especially for institutions wishing to apply outside of Kampala.

License 10 – License to Transact Financial Institutions Business, Finance House

Under Section 10 of the Financial Institutions Act, 2004, a company proposing to transact or carry on business as a financial institution shall apply, in writing, to the Central Bank for a licence.

Section 10 (3) (h) of the Act specifies the License to Transact Financial Institutions Business, Finance House as a Class 8 License.

Under Section 12 of the Act, the Central Bank shall, within 6 months of receipt of an application, investigate and prepare a detailed report in respect of each application. Section 12(2) states that within fourteen days after the afore-mentioned period, the Central Bank shall grant or refuse to grant the application. The Central Bank will inform the applicant within 7 days of making its decision under Section 13 of the Act.

According to Section 14(1), a license granted under Section 12 remains in force unless revoked.

According to Regulation 11 of The Financial Institutions (Licensing) Regulations, 2005, a non-refundable fee of UGX 500,000 shall accompany each application for a license.

Analysis

As was in the case of the previous license, the application time line of six months can be a hindrance to business, especially because the period begins to run afresh in the event of additional submissions.

Recommendation

The Financial Institutions Act 2004 and the Licensing regulations there under should be amended to streamline the application time lines by reducing the application evaluation period of six months.

Consideration should be made to provide for electronic licenses/licensing. This would further streamline the business licensing process, especially for institutions wishing to apply outside of Kampala.

2.4.3 The Micro Finance Institutions sub sector

The Micro Finance Deposit-Taking Institutions Act, 2003

Micro Finance Deposit-Taking Institutions (Licensing) Regulations, 2004

The Micro Finance Deposit-Taking Institutions Act, 2003 provides for the licensing, regulation and supervision of microfinance business in Uganda and to provide for matters connected with and incidental to the microfinance business.

The Micro Finance Deposit-Taking Institutions (Licensing) Regulations, 2004 provide information and guidance on the conditions to be fulfilled by an applicant in order to obtain a licence from the Central Bank to conduct micro finance business in Uganda. According to Section 5 of the Regulations, the Regulations objectives include establishing clear and transparent criteria for the submission and evaluation of applications for engaging in micro finance business in Uganda.

Licenses

License 11 – Micro Finance Deposit-Taking Institutions License

Section 4(1) of The Micro Finance Deposit-Taking Institutions Act, 2003, states that no microfinance business shall be transacted in Uganda except by a company, which is in possession of a valid license granted by the Central Bank authorizing it to conduct microfinance business in Uganda.

Under Section 7(1) of The Micro Finance Deposit-Taking Institutions Act, 2003, a company proposing to carry on microfinance business in Uganda shall apply, in writing, to the Central Bank for a license. According to The Micro Finance Deposit-Taking Institutions (Licensing) Regulations, 2004, an application for a licence to operate an institution shall be submitted through a letter duly signed by the applicant, addressed to the Executive Director, Supervision Function, Bank of Uganda. The form of the application is prescribed in the Schedule 1 of the Regulations.

Regulation 9 of The Micro Finance Deposit-Taking Institutions (Licensing) Regulations, 2004 states that the Central Bank shall, on receipt of the application, notify the applicant, in writing, of a date and time for an interview during which the application shall be appraised.

Regulation 6 of The Micro Finance Deposit-Taking Institutions (Licensing) Regulations, 2004 elaborate on the licensing criteria.

Under Section 7(3) of The Micro Finance Deposit-Taking Institutions Act, 2003, the Central Bank shall within 6 months consider the application and may, subject to Section 15, grant or refuse to grant the license.

According to Section 8 of the Act, every institution shall pay an annual license fee prescribed by the Central Bank by notice published in the Uganda Gazette. Regulation 18 of the Regulations states that the applicant shall pay to the Central Bank a license fee of fifty currency points, and that an annual license fee prescribed by the Central Bank shall be payable on or before the 31st day of January of each year until the license is revoked.

Section 9 states that the license issued under Section 7 shall expire if business is not commenced within one year from the date it is granted.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 7,382, 126 and it takes an estimate of 668 hours of administrative activities. The total compliance cost per year for an estimated 5 businesses established is UGX 37 million.

Analysis

Under Section 7(3) of the Act, the Central Bank is given up to six months to consider an application under the Act. Furthermore, under Regulation 9 of the Licensing Regulations, the Central Bank, on receipt of the application, shall notify the applicant in writing of the date and time for an interview during which the application shall be appraised. This leads to the formal presentation of the application under Regulation 10(2) and a letter of acceptance of the application under sub regulation (3). The six month processing period then begins to run following this. Since the process between the initial application submission and the formal letter of acceptance is not capped, the application process is basically open-ended.

Bank of Uganda's Policy on Microfinance Regulation issued in 1999 states that microfinance institutions would be regulated under a four tier framework: Tiers One, Two and Three (Banks, Credit Institutions and Microfinance Deposit-taking Institutions, respectively) would be regulated by the Bank of Uganda. The fourth tier, mainly comprised of Savings and Credit Cooperative Societies (SACCOs), Credit only NGOs and private companies, and Savings and Loans associations and groups, was left out of prudential oversight (mainly because they were non-deposit taking and unlikely to cause systemic risk to the financial sector.

Recommendation

The Act and the Licensing regulations should be amended to attain the following:

- **A reduction in the license consideration time frame of six months;**
- **A stipulation of the time line between the initial submission, the interview and the submission of the letter of acceptance of application.**

2.4.4 The Capital Markets sub sector

The Capital Markets Authority Act, 1996, Cap. 84

The Capital Markets (Licensing) Regulations, 1996

The Capital Markets (Licensing) (Amendment) Regulations, 2003

The Capital Markets (Establishment of Stock Exchanges) Regulations, 1996

The Collective Investment Schemes Act, 2003

The Collective Investment Schemes (Licensing) Regulations, 2003

The Collective Investment Schemes (Fees) Instrument, 2003

The Securities Central Depository Act, 2009

The Securities Central Depositories Regulations, 2009

The Capital Markets Authority Act, 1996, Cap. 84, among other things, established a Capital Markets Authority for the purpose of promoting and facilitating the development of an orderly, fair and efficient capital markets industry in Uganda. The Act also makes provisions with respect to stock exchanges, stockbrokers and other persons dealing in securities, for certain offences relating to trading in securities, and for purposes connected with the aforementioned.

The Capital Markets Authority is established under Section 4 of the Act.

Under Section 5(1)(b) of the Act, the functions of the Capital Markets Authority include the creation, maintenance and regulation, through implementation of a system in which the market participants are self-regulatory to the maximum practicable extent, of a market in which securities can be issued and traded in an orderly, fair and efficient manner.

Section 5(2) of the Act states that the Capital Markets Authority, for the purpose of carrying out its objectives, may exercise, perform and discharge all and any of the following powers, duties and functions:

- register, license, authorise or regulate, in accordance with the Act or any regulations made under it, stock exchanges, investment advisers, registrars, securities broker or dealers, and their agents and control and supervise their activities with a view to maintaining proper standards of conduct and professionalism in the securities business (Section 5(2)(c))
- monitor the solvency of licence holders and take measures to protect the interest of customers where the solvency of any licence holder is in doubt (Section 5(2)(e))

The Capital Markets (Licensing) Regulations, 1996 elaborate on certain aspects of the Capital markets Authority Act, 1996, mainly aspects relating to the application for licenses, application fees, brokers or dealers deposits, and the grant of licenses, among other related matters.

The Capital Markets (Licensing) (Amendment) Regulations, 2003 amends the Third Schedule of The Capital Markets (Licensing) Regulations, 1996, which relates to application and licensing fees.

The Capital Markets (Establishment of Stock Exchanges) Regulations, 1996, elaborate on aspects related to the approval of the establishment of Stock Exchanges and the conditions for grant of approval, already outlined in the Capital Markets Authority Act, 1996.

The Collective Investment Schemes Act, 2003 provides for the licensing and control of collective investment schemes and for connected purposes. Section 4 of the Act states that no person, other than a licensed person shall establish or operate a collective investment scheme in Uganda, including acting as a depository or a trustee, or purport to establish or operate such a scheme, unless that person is a licensed person and that scheme is a licensed scheme or a recognized scheme.

The Collective Investment Schemes (Licensing) Regulations, 2003 apply to the licensing of a collective investment scheme, a manager of a unit trust scheme, an authorized corporate director (ACD) of an open ended investment company, a trustee and a depository of a collective investment scheme.

According to Regulation 4 of the Regulations, an application for a licence shall be made to the Authority by the promoter of a collective investment scheme in Form 1 set out in the First Schedule of the Regulations.

Regulation 14 determines that an applicant for a licence shall pay the appropriate applicable fees prescribed by the Minister under the Collective Investment Schemes (Fees) Instrument, 2003.

The Collective Investment Schemes (Fees) Instrument, 2003 details the fees associated with collective investment scheme licenses.

The Securities Central Depository Act, 2009 facilitates the establishment, operation and regulation of securities central depositories. It also provides for the immobilisation and eventual dematerialisation of, and dealings in, securities deposited with securities central depositories in Uganda, and for related matters. This Act does not apply to a central depository and clearing system operated by the Bank of Uganda.

The Securities Central Depositories Regulations, 2009 sets out the forms, processes and associated fees related to setting up and operating a Securities Central Depository.

Licenses

License 12 – Approval of Stock Exchange

Section 23 of The Capital Markets Authority Act, 1996, Cap. 84, states that no person shall establish or assist in establishing or maintain or hold himself or herself out as providing or maintaining a stock market unless it is stock market of an approved stock exchange.

Under Section 24 of The Capital Markets Authority Act, 1996, Cap. 84, an application for approval as a stock exchange may be made to the authority in the prescribed form and manner and shall be accompanied by the prescribed fees. The Capital Markets (Establishment of Stock Exchanges) Regulations, 1996 Regulation 3 states that the application is to be submitted to the Capital Markets Authority in the form of application prescribed in the Schedule to the regulations.

The Capital Markets (Establishment of Stock Exchanges) Regulations, 1996 Regulation 5 states that an application to establish a stock exchange shall be accompanied by an application fee of one million shillings which shall be payable in a manner determined by the Capital Markets Authority.

Under Section 24 of the Act, the Capital Markets Authority may, subject to Section 24(3), grant or refuse to grant approval. According to The Capital Markets (Establishment of Stock Exchanges) Regulations, 1996 Regulation 6, the approval for the establishment of a stock exchange granted subject to compliance with the provisions of Part IV of the Regulations. In addition, Regulation 4 offers business restrictions as to the nature of the applicants, that is, the applicant should not permit the distribution of profits to its members and that the membership of the exchange is limited to licensed brokers, dealers and persons determined by the Authority.

Analysis

The business restrictions under Regulation 4 of the Establishment of Stock Exchanges regulations could impede the sector in view of the fact that the nature of stock exchanges is rapidly changing worldwide. The criteria for approval of stock exchanges should be based more on prudential and risk management considerations and a fit and proper criteria for persons involved, rather than on how the business is organized.

Recommendation

The Establishment of Stock Exchanges regulations should be amended to lift restrictions on profit-making and on membership. This will allow for competitive applicants and opportunities for strategic partnerships.

License 13 – Brokers/Dealers License

Section 30 of The Capital Markets Authority Act, 1996, Cap. 84, states that no person shall carry on a business of dealing in securities or hold himself or herself out as carrying on such a business unless he or she is the holder of a broker or dealer's license issued under Part IV of the Act.

Under Section 34 of The Capital Markets Authority Act, 1996, Cap. 84, an application for a licence or for the renewal of a licence shall be made to the authority in the prescribed form and manner and shall be accompanied by the prescribed fee, to be paid in the manner specified by the authority and, in the case of an application for renewal of a licence, shall be made not later than thirty days before the expiration of the licence. The Capital Markets (Licensing) Regulations, 1996 First Schedule describes the application for the license and the Second Schedule describes the form of the application.

Under Section 35 of the Act, the Capital Markets Authority may, subject to Section 35(2) and 35(3), grant or refuse to grant the license.

According to Section 41(1) of the Act, and subject to Section 41(2) of the Act, a license shall expire at the end of one year from the date of issue. A license renewed in accordance with Part IV of the Act shall continue in force for one year from the date of the renewal.

Regulation 2(a) of The Capital Markets (Licensing) (Amendment) Regulations, 2003 sets a non-refundable licence application fee of five hundred thousand (500,000) shillings for a broker's licence or a dealer's licence or an investment adviser's licence, and an annual licensing fee of one million five hundred thousand (1,500,000) shillings for a broker or a dealer or an investment adviser.

Under Regulation 13(1) the Authority shall consider an application and inform the applicant of its decision within 45 days after the application has been lodged, and where further information has been required, the 45 days shall start to run from the time of submission of the additional information. Under Sub regulation (2) if no decision has been made by the Authority within this period, the Authority shall immediately inform the Minister and the applicant of the reasons for the delay.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 2,285,268 and it takes an estimate of 24 hours of administrative activities. The total compliance cost per year for an estimated 8 businesses established is 18 million.

Analysis

The application process time line of 45 days is lengthened by the fact that the time begins to run afresh upon the submission of additional information. This may amount to a business barrier particularly if there are several additional submissions requested, since this can essentially be an open-ended application process.

Recommendation

The Broker/ Dealer license be streamlined through an amendment of the Capital Markets Authority (Licensing) Regulations to reduce the application time lines and make provision for specific application deadlines for purposes of license application predictability.

License 14 – Brokers/Dealers Representative License; Investment Representatives license

Section 31 of The Capital Markets Authority Act, 1996, Cap. 84, states that no person shall act as a broker or dealer's representative unless he or she is the holder of a license issued under Part IV of the Act. Section 32 makes similar provisions for an investment representative's license.

Under Section 34 of The Capital Markets Authority Act, 1996, Cap. 84, an application for a licence or for the renewal of a licence shall be made to the authority in the prescribed form and manner and shall be accompanied by the prescribed fee, to be paid in the manner specified by the authority and, in the case of an application for renewal of a licence, shall be made not later than thirty days before the expiration of the licence. The Capital Markets (Licensing) Regulations, 1996 First Schedule describes the application for the license and the Second Schedule describes the form of the application.

Under Section 36 of the Act, the Capital Markets Authority may grant or refuse to grant the license, subject to Section 34(3) and the regulations. The Authority must be convinced that the applicant will perform the duties of the holder of the license efficiently, honestly and fairly.

According to Section 41(1) of the Act, and subject to Section 41(2) of the Act, a license shall expire at the end of one year from the date of issue. A license renewed in accordance with Part IV of the Act shall continue in force for one year from the date of the renewal.

Regulation 2(a) of The Capital Markets (Licensing) (Amendment) Regulations, 2003 sets a non-refundable licence application fee of five hundred thousand (500,000) shillings for a broker's licence or a dealer's licence or an investment adviser's licence, and an annual licensing fee of one million five hundred thousand (1,500,000) shillings for a broker or a dealer or an investment adviser.

Under Regulation 13(1) the Authority shall consider an application and inform the applicant of its decision within 45 days after the application has been lodged, and where further information has been required, the 45 days shall start to run from the time of submission of the additional information. Under Sub regulation (2) if no decision has been made by the Authority within this period, the Authority shall immediately inform the Minister and the applicant of the reasons for the delay.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 464, 268 and it takes an estimate of 24 hours of administrative activities. The total compliance cost per year for an estimated 31 businesses established is UGX 14.4 million.

Analysis

The application process time line of 45 days is lengthened by the fact that the time begins to run afresh upon the submission of additional information. This may amount to a business barrier particularly if there are several additional submissions requested, since this can essentially be an open-ended application process.

Recommendation

The Broker/ Dealer and investment advisor representatives license be streamlined through an amendment of the Capital Markets Authority (Licensing) Regulations to reduce the application time lines and make provision for specific application deadlines for purposes of license application predictability.

License 15 – Investment Advisors License

Section 32 of The Capital Markets Authority Act, 1996, Cap. 84, states that no person shall act as an investment adviser or hold himself or herself out to be an investment adviser unless he or she is the holder of an investment adviser's license issued under Part IV of the Act.

Under Section 34 of The Capital Markets Authority Act, 1996, Cap. 84, an application for a licence or for the renewal of a licence shall be made to the authority in the prescribed form and manner and shall be accompanied by the prescribed fee, to be paid in the manner specified by the authority and, in the case of an application for renewal of a licence, shall be made not later than thirty days before the expiration of the licence. The Capital Markets (Licensing) Regulations, 1996 First Schedule describes the application for the license and the Second Schedule describes the form of the application.

Under Section 35 of the Act, the Capital Markets Authority may, subject to Section 35(2) and 35(3), grant or refuse to grant the license.

According to Section 41(1) of the Act, and subject to Section 41(2) of the Act, a license shall expire at the end of one year from the date of issue. A license renewed in accordance with Part IV of the Act shall continue in force for one year from the date of the renewal.

Regulation 2(a) of The Capital Markets (Licensing) (Amendment) Regulations, 2003 sets a non-refundable licence application fee of five hundred thousand (500,000) shillings for a broker's licence or a dealer's licence or an investment adviser's licence, and an annual licensing fee of one million five hundred thousand (1,500,000) shillings for a broker or a dealer or an investment adviser.

Under Regulation 13(1) the Authority shall consider an application and inform the applicant of its decision within 45 days after the application has been lodged, and where further information has been required, the 45 days shall start to run from the time of submission of the additional information. Under Sub regulation (2) if no decision has been made by the Authority within this period, the Authority shall immediately inform the Minister and the applicant of the reasons for the delay.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 2,364,268 and it takes an estimate of 24 hours of administrative activities. The total compliance cost per year for an estimated 7 businesses established is UGX 17 million.

Analysis

The application process time line of 45 days is lengthened by the fact that the time begins to run afresh upon the submission of additional information. This may amount to a business barrier particularly if there are several additional submissions requested, since this can essentially be an open-ended application process.

In addition, it is observed that there is no provision for a license for Investment Banks in Uganda. Investment Banks are financial institutions that provide a variety of services, including underwriting, acting as an intermediary between issuers of securities and the investing public, financial advisory services to corporations, and brokerage to institutional clients. Under the Financial Institutions Act 2004, as specified in the Second Schedule to the Act, the usage of the term "Bank" is restricted, and an investment bank would have to apply to be able to describe itself as an investment bank. Currently, financial advisory services are conducted under the Investment Advisors category and as such are licensed and regulated by the Capital Markets

Authority. Consideration should also be made with regard to the overlap between this regime and that under Insurance Regulatory Authority (IRA) on the licensing of fund managers and a mutual recognition of licenses.

Recommendation

The Investment Adviser’s license be streamlined through an amendment of the Capital Markets Authority (Licensing) Regulations to reduce the application time lines and make provision for specific application deadlines for purposes of license application predictability.

In order to allow for the operation of investment banking services in Uganda, another category of “Investment Banks” should be introduced in the capital markets licensing regime. Investment banks could then be duly licensed and regulated by the Capital Markets Authority.

License 16 – Investment Company with Variable Capital License

Section 8(b) of The Collective Investment Schemes Act, 2003 defines, as a licensed person, an Investment Company with Variable Capital in respect of activities which consist in, or are carried out by the company in connection with or for the purposes of operating the collective investment scheme constituted by the company. Section 13 of the Act defines Investment Company with Variable Capital as a licensed scheme.

Under Section 9 of The Collective Investment Schemes Act, 2003, an application for the licence may be made to the Capital Markets Authority in such manner as the Authority may direct. The application may only be made by a corporate body, or such other financial institution as the Authority may prescribe. Section 14 of the Act outlines the application for a scheme license.

Under Section 10 and Section 15 of the Act, the Capital Markets Authority may grant or refuse to grant the license.

The criteria for licensing are outlined under Section 17 of the Act.

As per Section 28 of the Act, applications and notices given to the Authority must be accompanied by a fee prescribed by the Minister. Section 29 stipulates that operators of each licensed scheme and of each recognized scheme shall pay an annual fee prescribed by the Minister by statutory instrument.

The Collective Investment Schemes (Fees) Instrument, 2003, Regulation 2, states the fees for the Investment Company with Variable Capital license as follows:

- A non refundable licence application fee of UGX 500,000
- A licence approval fee of UGX 2,500,000

For this license, Regulation 15 of the CIS Licensing Regulations states that the Authority shall consider an application and inform the applicant of its decision within six months after the application has been lodged with it and where further information is required, the six month period begins to run from the date of the submission of the additional information.

The Collective Investment Schemes (Fees) Instrument, 2003, Regulation 3, states that an authorised corporate director, manager or operator of a recognized scheme shall pay an annual license fee of UGX 1,500,000.

Analysis

The application consideration period of six months for an application under the Collective Investment Schemes (Licensing) Regulation, 2003 is too long from a business point of view and may discourage entrants particularly because the six month period begins to run afresh upon submission of additional information. The Capital Markets Authority is looking to review its process times to be a maximum of 45 days.

Recommendation

The CIS licensing regulations should be amended to reduce the six month application consideration period. In addition, the licensing, review, approval and response periods should be clearly established within the intended 45 day maximum processing period. The Capital Markets Authority Act has been amended to enable the CMA Board to sit quarterly instead of monthly. As the Board is currently the review and approval body, it would thus be prudent to have this function as a licensing authority delegated to a competent committee than can convene more frequently than the full board.

License 17 – Unit Trust Scheme License

Section 13 of the Act defines a Unit Trust Scheme as a licensed scheme. Section 14 of the Act outlines the application for a scheme license. Under Section 15 of the Act, the Capital Markets Authority may grant or refuse to grant the license. The criteria for licensing are outlined under Section 17 of the Act.

As per Section 28 of the Act, applications and notices given to the Authority must be accompanied by a fee prescribed by the Minister. Section 29 stipulates that operators of each licensed scheme and of each recognized scheme shall pay an annual fee prescribed by the Minister by statutory instrument.

For this license, Regulation 15 of the CIS Licensing Regulations states that the Authority shall consider an application and inform the applicant of its decision within six months after the application has been lodged with it and where further information is required, the six month period begins to run from the date of the submission of the additional information.

The Collective Investment Schemes (Fees) Instrument, 2003, Regulation 2, states the fees for Unit Trust Scheme license as follows:

- A non refundable licence application fee of UGX 500,000
- A licence approval fee of UGX 2,500,000

The Collective Investment Schemes (Fees) Instrument, 2003, Regulation 3, states that an authorised corporate director, manager or operator of a recognized scheme shall pay an annual license fee of UGX 1,500,000.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 3,364,268 and it takes an estimate of 24 hours of administrative activities. The total compliance cost per year for an estimated 1 businesses established is UGX 3.4 million.

Analysis

The application consideration period of six months for an application under the Collective Investment Schemes (Licensing) Regulation, 2003 is too long from a business point of view and may discourage entrants particularly because the six month period begins to run afresh upon submission of additional information. The Capital Markets Authority is looking to review its process times to be a maximum of 45 days.

Recommendation

The CIS licensing regulations should be amended to reduce the six month application consideration period. In addition, the licensing, review, approval and response periods should be clearly established within the intended 45 day maximum processing period. The Capital Markets Authority Act has been amended to enable the CMA Board to sit quarterly instead of monthly. As the Board is currently the review and approval body, it would thus be prudent to have this function as a licensing authority delegated to a competent committee than can convene more frequently than the full board.

License 18 – Authorised Corporate Director License

Section 2 of the Act defines an Authorized Corporate Director in relation to an investment company with variable capital as the director of the company responsible on a day to day basis

for carrying out such functions as may be required by the Act or the scheme regulations to be carried out by such a director.

The First Schedule (Form 1, reference to 1(e)) of The Collective Investment Schemes (Licensing) Regulations, 2003 prescribes the form for the application for the license.

Under Section 15 of the Act, the Capital Markets Authority may grant or refuse to grant the license.

As per Section 28 of the Act, applications and notices given to the Authority must be accompanied by a fee prescribed by the Minister. Section 29 stipulates that operators of each licensed scheme and of each recognized scheme shall pay an annual fee prescribed by the Minister by statutory instrument.

For this license, Regulation 15 of the CIS Licensing Regulations states that the Authority shall consider an application and inform the applicant of its decision within six months after the application has been lodged with it and where further information is required, the six month period begins to run from the date of the submission of the additional information.

The Collective Investment Schemes (Fees) Instrument, 2003, Regulation 3, states that an authorised corporate director of a recognized scheme shall pay an annual license fee of UGX 1,500,000.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 2,785, 268 and it takes estimate of 24 hours of administrative activities. The total compliance cost per year for an estimated 1 businesses established is UGX 2.4 million.

Analysis

The application consideration period of six months for an application under the Collective Investment Schemes (Licensing) Regulation, 2003 is too long from a business point of view and may discourage entrants particularly because the six month period begins to run afresh upon submission of additional information. The Capital Markets Authority is looking to review its process times to be a maximum of 45 days.

Recommendation

The CIS licensing regulations should be amended to reduce the six month application consideration period. In addition, the licensing, review, approval and response periods should be clearly established within the intended 45 day maximum processing period.

The Capital Markets Authority Act has been amended to enable the CMA Board to sit quarterly instead of monthly. As the Board is currently the review and approval body, it would thus be prudent to have this function as a licensing authority delegated to a competent committee than can convene more frequently than the full board.

License 19 – Manager Unit Trust Scheme License

The First Schedule (Form 1, reference to 1(f)) of The Collective Investment Schemes (Licensing) Regulations, 2003 prescribes the form for the application for the license.

Under Section 15 of the Act, the Capital Markets Authority may grant or refuse to grant the license.

As per Section 28 of the Act, applications and notices given to the Authority must be accompanied by a fee prescribed by the Minister. Section 29 stipulates that operators of each licensed scheme and of each recognized scheme shall pay an annual fee prescribed by the Minister by statutory instrument.

For this license, Regulation 15 of the CIS Licensing Regulations states that the Authority shall consider an application and inform the applicant of its decision within six months after the application has been lodged with it and where further information is required, the six month period begins to run from the date of the submission of the additional information.

The Collective Investment Schemes (Fees) Instrument, 2003, Regulation 3, states that a manager of a recognized scheme shall pay an annual license fee of UGX 1,500,000.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 2,364,268 and it takes an estimate of 24 hours of administrative activities. The total compliance cost per year for an estimated 1 businesses established is 1.4 million.

Analysis

The application consideration period of six months for an application under the Collective Investment Schemes (Licensing) Regulation, 2003 is too long from a business point of view and may discourage entrants particularly because the six month period begins to run afresh upon submission of additional information. The Capital Markets Authority is looking to review its process times to be a maximum of 45 days.

Recommendation

The CIS licensing regulations should be amended to reduce the six month application consideration period. In addition, the licensing, review, approval and response periods should be clearly established within the intended 45 day maximum processing period. The Capital Markets Authority Act has been amended to enable the CMA Board to sit quarterly instead of monthly. As the Board is currently the review and approval body, it would thus be prudent to have this function as a licensing authority delegated to a competent committee than can convene more frequently than the full board.

License 20 – Trustee License

Section 2 of the Act defines a Trustee as the person holding title to the property of a unit trust scheme on trust for the participants and, in relation to a collective investment scheme constituted under the law of a country or territory outside Uganda, means any person who, whether or not under a trust, is entrusted with the custody of the property in question.

Section 9(1) of the Act states that in the case of an application to be licensed as a trustee may be only made by a bank, as defined by the Financial Institutions Statute 1993, or an Insurance company, as defined by the Insurance Statute 1996, or such other financial institution as the Authority may prescribe.

The First Schedule (Form 1, reference to 1(d)) of The Collective Investment Schemes (Licensing) Regulations, 2003 prescribes the form for the application for the license.

Under Sections 10 and 15 of the Act, the Capital Markets Authority may grant or refuse to grant the license.

For this license, Regulation 15 of the CIS Licensing Regulations states that the Authority shall consider an application and inform the applicant of its decision within six months after the application has been lodged with it and where further information is required, the six month period begins to run from the date of the submission of the additional information.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 1, 364,268 and it takes an estimate of 24 hours of administrative activities. The total compliance cost per year for an estimated 1 businesses established is UGX 1.4 million.

Analysis

The application consideration period of six months for an application under the Collective Investment Schemes (Licensing) Regulation, 2003 is too long from a business point of view and may discourage entrants particularly because the six month period begins to run afresh upon

submission of additional information. The Capital Markets Authority is looking to review its process times to be a maximum of 45 days.

Recommendation

The CIS licensing regulations should be amended to reduce the six month application consideration period. In addition, the licensing, review, approval and response periods should be clearly established within the intended 45 day maximum processing period. The Capital Markets Authority Act has been amended to enable the CMA Board to sit quarterly instead of monthly. As the Board is currently the review and approval body, it would thus be prudent to have this function as a licensing authority delegated to a competent committee than can convene more frequently than the full board.

License 21 – License to Establish and Maintain a Securities Central Depository

Section 4 of The Securities Central Depository Act, 2009, states that a company incorporated or registered under the Companies Act or a securities exchange which proposes to establish and maintain a securities central depository shall apply to the Capital Markets Authority in writing for a license.

Under Section 5 of the Act, the Capital Markets Authority may grant or refuse to grant the license.

According to Section 6(1) of the Act, and subject to Section 6(2) of the Act, a license shall expire at the end of one year from the date of issue. A license renewed in accordance with Part II of the Act shall continue in force for one year from the date of the renewal. The license shall be renewed in accordance with Section 7 of the Act.

Regulation 3 of The Securities Central Depositories Regulations, 2009 states that an application for a license to operate a securities central depository shall be submitted to the Capital Markets Authority in the Form set out in Schedule 1 of the Regulations.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 3,414,268 and it takes an estimate of 24 hours of administrative activities. The total compliance cost per year for an estimated 1 businesses established is UGX 3.4 million.

Analysis

Neither the Securities Central Depositories Act, 2009 nor the Securities Central Depositories Regulations 2009, make provision for the application process timelines, which renders the application process open ended.

Recommendation

The License to Establish and Maintain a Securities Central Depository be streamlined by amending the Securities Central Depositories Act, 2009 and the Securities Central Depositories Regulations 2009, to provide for specific application time lines for this license.

2.4.5 The Insurance Services sub sector

The Insurance Act Cap 213

The Insurance Amendment Act, 2011

Motor Vehicle Insurance (Third Party Risks) Act, Cap 214

Workers Compensation Act, Cap 225

Insurance Regulations 2002

HMOs Regulations

The Insurance Act Cap 213 regulates the business of Insurance in Uganda and purposes incidental thereto or connected therewith.

Amendment Act 2011 amends the Insurance Act by providing for health insurance, micro insurance, bancassurance, among others.

Section 3(2) of the Act provides that no person, other than a person licensed as an insurer under this Act, shall issue any insurance policy on—

- (a) persons who at the time of effecting a contract are residents of Uganda;
- (b) goods or assets situated in Uganda;
- (c) ships, aircraft or other vehicles registered in Uganda; and
- (d) goods imported from other countries except personal effects and donations.

Section 28 provides that a person shall transact insurance or reinsurance business in Uganda without a valid licence granted for that purpose, however, the Insurance Regulatory Authority (IRA) may authorise the effecting of insurance with a foreign insurer in exceptional circumstances.

The same section provides that no person shall be granted a licence unless his or her principal object is the transacting of insurance or reinsurance business. The section also regulates the qualifications of the directors of an applicant.

Under Section 29, a person proposing to transact insurance business shall apply to the Authority, in a prescribed form, for a licence, which application shall be considered by the Authority. The application must contain prescribed information.

Under Section 30, the IRA, when considering an application for a licence shall satisfy itself as to the financial status and antecedents of the applicant; the competence and integrity of the proposed management and administration; the adequacy of the applicant's capital structure, earning prospects, business plans, financial plans, reinsurance and retention proposals; and whether the public interest would be served by granting a licence.

Under Section 31, the Authority shall, within four months after receipt of a complete application, investigate and prepare a detailed report in respect of each application. It shall then for the purpose of considering and making a report on an application, appoint a committee of not less than three members of the Authority which committee shall report its recommendations to the authority in writing.

Under Section 32, the Authority may if it is satisfied that the applicant complies with the provisions of this Act, grant a licence to the applicant, on the payment of the prescribed fee or refuse to grant a licence and give reasons in writing for its decision. An insurance licence issued under the Act is valid for one calendar year and may be renewed on application, in the prescribed form and after payment of the prescribed fees.

If an application is refused, the Authority shall communicate its decision to the applicant within six months from receipt of a complete application. In this case, the applicant may appeal to the Minister within thirty days from the receipt of the communication of the Authority, if aggrieved by the decision of the authority; and the Minister shall make a decision within thirty days from the date of the appeal.

Sections 31 and 32 of the Act, apply to an insurance or reinsurance broker, agent, risk manager, loss assessor, loss adjuster, insurance surveyor or claims settling agent.

Under Section 33A, a person proposing to transact business as a health insurance organisation of a health membership organisation shall be licensed by the Authority. Health insurance organisations and health membership organizations shall be regulated in accordance with the regulations made under this Act, in consultation with the Minister responsible for health and other stakeholders.

Under Sections 80,81 and 82 the Act prescribes that following license restrictions:

- An insurance agent cannot be a civil servant or an employee of a local government; an administrator, manager, director, auditor or employee of an insurance or reinsurance company; or reinsurance broking company; or a risk inspector, insurance loss adjuster or insurance valuer.
- An insurance agent cannot act for two or more insurers transacting the same class of insurance business but he/she may act for one insurer transacting life business and one insurer transacting non life business but not for two or more insurers transacting the same class of insurance business. An exception is made in the case of banc assurance.
- An insurance agent cannot engage in the business of reinsurance, insurance broking, risk inspection, loss adjusting or be a director in any company engaged in the above businesses.
- An insurance broker cannot engage in the business of risk inspection or loss adjusting or be a director in any company engaged in any of the above business.
- No insurance intermediary shall place insurance business with an insurance company which is not licensed under the Act.

Under Section 97, a person who carries on or is privy to the carrying on of any business under this Act under a company established contrary to this Act commits an offence and is liable on conviction to a fine of not less than *one hundred currency points* and not more than *five hundred currency points* or to imprisonment for a term of not less than three months and not more than six months or to both the fine and imprisonment. In addition to the punishment, a licence of a person convicted shall be cancelled, and that person shall be disqualified from acquiring a licence for *five* years and thereafter shall not be issued a licence without the approval of the Minister.

Licenses

The following licenses are envisaged under the amended Act:

License 23 – Insurance License

License 24 – Reinsurance License

License 25 – Health Insurance License

License 26 – Amalgamation License

License 27 – Transfer License

License 28 – Insurance Broker License

License 29 – Reinsurance Broker License

License 30 – Risk Manager License

License 31 – Loss Assessor License

License 32 – Insurance Surveyor License

License 33 – Claims Settling Agent License

Section 98 provides that the Authority may in consultation with the Minister make regulations providing for the procedure and formalities for the grant, suspension and revocation of licences granted under this Act.

General analysis

Section 98 of the Act has not been implemented and therefore there are no detailed Rules on the licensing of the above license categories. As far as the provisions of the Act are concerned, detailed provisions are made regarding the license process, which is capped at four months. However, Section 31 creates the impression that the licensing committee is a revolving responsibility among any three members of the Authority. This revolving responsibility injects uncertainty in the licensing process and may also be a source of abuse for instance under the system, it could be possible to appoint “favourable” members to consider a certain application where a positive recommendation is being lobbied.

General Recommendation

IRA should consider eradicating the ambiguity with respect to the licensing committee by perhaps prescribing a standing committee for this responsibility and according it detailed terms of reference for its guidance. This could be achieved under regulations. Also, further amendments to the Act could be made to reduce the time frame for processing new applications.

2.5 HEALTH SECTOR

Introduction:

The analysis in this sector covers laws and licenses issued by the following regulatory authorities;

- 2.5.1 The National Drug Authority
- 2.5.2 Pharmaceutical Professionals
- 2.5.3 The Medical and Dental Practitioners Council
- 2.5.4 Allied Health Professionals Act
- 2.5.5 The Nurses and Midwives Council

RECOMMENDATIONS ON HEALTH SECTOR LICENSES

Law Applicable		National Drug Authority Act, Cap. 206					
Licence Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (millions)
1.	Authorisation to import drugs not on the national formulary			Yes			164
2.	Operational License for Licensed Person			Yes			70.9
3.	Operational License for Licensed sellers			Yes			709

4.	Certificates of suitability of premises				Yes		669
5.	Operational License for Wholesale			Yes			12.2
6.	Return of details of pharmacy business		Yes				809
7.	Approval of drugs & drug combinations			Yes			35
8.	Import licence		Yes				819
9.	Export licence		Yes				142
10.	Permission to cultivate plants yielding narcotics		Yes				1.4
Law Applicable		The Pharmacy And Drugs Act, Cap. 280					

Licence Name		Recommended Action					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
11.	Certificate of registration		Yes				709
Law Applicable		The Medical And Dental Practitioners Act. Cap 272					
Licence Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
12.	Health Unit Registration		Yes				277
13.	Health Unit Operating License(Day Care Clinic)City			Yes			
14.	Registration Certificate for in-patient health units above 500 Beds (City)			Yes			
15.	Registration Certificate for in-patient private health units 500 Beds)City			Yes			
16.	Registration Certificate In Patient Health Units(City)			Yes			
17.	Registration Certificate (Day Care Clinic)Municipality			Yes			
18.	Registration Certificate for in-patient health units 500 Beds)Municipal			Yes			
19.	Registration Certificate for in-patient health units above 500 Beds(Rural)			Yes			
20.	Registration Certificate for in-patient health units Above 500 Beds (Trading)			Yes			
21.	Registration Certificate for in-patient health units But 201-500 Beds)City			Yes			
22.	Registration Certificate for in-patient health units But 201-500			Yes			

	Beds)Municipal						
23.	Registration Certificate for in-patient health units But 201-500 Beds)Rural			Yes			
24.	Registration Certificate for in-patient health units But 201-500beds)Trading Centre			Yes			
25.	Registration Certificate for in-patient health units But 51-200 Beds)City			Yes			
26.	Registration Certificate for in-patient health units But 51-200 Beds)Municipal			Yes			
27.	Registration Certificate for in-patient health units But 51-200 Beds)Rural			Yes			
28.	Registration Certificate for in-patient health units But 51-200 Beds)Trading Centre			Yes			
29.	Registration Certificate for in-patient private health units But 201-500 Beds)City			Yes			
30.	Registration Certificate for in-patient private health units But 201-500 Beds)Municipal			Yes			
31.	Registration Certificate for in-patient private health units But 201-500 Beds)Rural			Yes			
32.	Registration Certificate for in-patient private health units But 201-500beds)Trading Centre			Yes			
33.	Registration Certificate for in-patient private health units But 51-200 Beds)City			Yes			
34.	Registration Certificate for in-patient private health units But 51-200 Beds)Municipal			Yes			
35.	Registration Certificate for in-			Yes			

	patient private health units But 51-200 Beds)Rural						
36.	Registration Certificate for in-patient private health units But 51-200 Beds)Trading Centre			Yes			
37.	Registration Certificate Day Care Clinic (Rural)			Yes			
38.	Registration Certificate Day Care Clinic (City)			Yes			
39.	Registration Certificate Day Care Clinic (Municipality)			Yes			
40.	Registration Certificate Day Care Clinic (Trading Centre)			Yes			
41.	Registration Certificate Day Care Clinic (Rural)			Yes			
42.	Registration Certificate Day Care Clinic(Trading Centre)			Yes			
43.	Registration Certificate In Patient Health Units(Municipality)			Yes			
44.	Registration Certificate In Patient Health Units(Rural)			Yes			
45.	Registration Certificate In Patient Health Units(Trading Centre)			Yes			
46.	Registration Certificate In Patient Private Health Units1-10)City			Yes			
47.	Registration Certificate In Patient Private Health Units1-10)Municipal			Yes			
48.	Registration Certificate In Patient Private Health Units1-10)Rural			Yes			
49.	Registration Certificate In Patient Private Health Units1-10)Trading Centre			Yes			
50.	Registration Certificate In Patient Private Health Units11-20)City			Yes			
51.	Registration Certificate In Patient Private Health Units11-20)Municipal			Yes			

52.	Registration Certificate In Patient Private Health Units11-20)Rural			Yes			
53.	Registration Certificate In Patient Private Health Units11-20)Trading Centre			Yes			
54.	Registration Certificate In Patient Private Health Units21-50)City			Yes			
55.	Registration Certificate In Patient Private Health Units21-50)Municipal			Yes			
56.	Registration Certificate In Patient Private Health Units21-50)Rural			Yes			
57.	Registration Certificate In Patient Private Health Units21-50)Trading Centre			Yes			
58.	Registration Certificate Inspection Fee For Any New In Patient Health Unit			Yes			
59.	Registration Certificate Period Inspection			Yes			
60.	Registration Certificate Registration Fee For New			Yes			
61.	Registration Certificate School Clinic (Rural)			Yes			
62.	Registration Certificate School Clinic (Trading Centre)			Yes			
63.	Registration Certificate School Clinic(City)			Yes			
64.	Registration Certificate School Clinic(Municipality)			Yes			
65.	Special licence		Yes				305
66.	Full Registration Certificate		Yes				668
67.	Temporary registration			Yes			
68.	Provisional registration certificate		Yes				
69.	Certificate of Good Standing		Yes				

70.	Private practice licence		Yes				
71.	Continuing Medical Education Certificate		Yes				
Law Applicable		The Allied Health Professionals Act, Cap. 268					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
72.	Registration of Private Allied Health Units			Yes			40.1
73.	Special Licence		Yes				
74.	Allied health professional Registration certificate		Yes				
75.	Private Practice licence			Yes			22
Law Applicable		Nurses and Midwives Act, Cap 274					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
76.	Registration of maternity homes and nurse health units		Yes				
77.	Registration of nurse health units		Yes				
78.	Special licence		Yes				
79.	Registration of Nurse or Midwife		Yes				
80.	Practising Certificate		Yes				
81.	Private practice.		Yes				
82.	Letter of competence.		Yes				
Sector Total	82	-	21	60	1		

2.5.1 The National Drug Authority

National Drug Policy and Authority Act, Cap. 206

An Act to establish a national drug policy and a national drug authority to ensure the availability, at all times, of essential, efficacious and cost-effective drugs to the entire population of Uganda, as a means of providing satisfactory health care and safeguarding the appropriate use of drugs.

The national Drug Authority is established by section 3 of the Act with a duty prescribed in section 5 to implement the national drug policy. The national drug policy is explained in section 2 (2) shall relate to the regulation of the importation, production, distribution, marketing, exportation and use of pharmaceuticals in the public as well as in the private sector and to any matter related to the above.

Licences

License 1 - Authorisation to import drugs not on the national formulary

Section 8 (4) of the Act states that a drug not appearing on the national formulary may be imported and sold after authorisation by the drug authority to meet emergency or extraordinary circumstances.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 818,536 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 200 businesses established is 164 million.

Analysis

The Act does not state the procedure for obtaining this authorization.

Recommendation

The procedure for obtaining authorization from the NDA for importation of drugs that are not on the national formulary in an emergency in an emergency situation should be provided for in the law.

License 2 – Operational License for Licensed Person

Section 13(1) provides that no person shall mix, compound, prepare, supply or dispense any restricted drug unless that person is a registered pharmacist, medical practitioner, dentist or veterinary surgeon or a licensed person.

- 14(1) If, on application made in the prescribed form by any person, the authority is satisfied—
- that the applicant is fit to carry on a business of mixing, compounding and preparing and supplying restricted drugs by retail;
 - that the business, so far as concerns the restricted drugs, will be carried on under the immediate supervision of a pharmacist in each set of premises where the business is to be carried on;
 - in the case of a body corporate or partnership, that at least one of the directors or partners is a pharmacist resident in Uganda; and
 - on payment of a prescribed fee, issue a licence to the applicant to carry on the business required at the premises and on conditions specified in the licence.

A licence shall be valid for a period specified in the licence as stated in subsection 2.

Offences and sanctions

Section 14 (3) provides that a person who carries on the business of a pharmacist without a licence issued under this section commits an offence and is liable to a fine not exceeding one million shillings or to imprisonment not exceeding five years or to both.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 708, 536 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is 70.9 million.

Analysis

1. *Section 14(1)(a); One of the considerations to licence a person is that an applicant is fit to carry on business; what does the authority consider to determine that an applicant is fit should be available to the public so they meet these requirements prior to application.*
2. *Sections 14 (2) and 15(1) provide that the duration of the licence is stated on the licence. However the criterion is used to distinguish the duration of one as opposed to another is not transparent from the law.*

Recommendations

- 1. The Act should be reviewed to show the criteria used to give varying durations on similar licences with different applicants.**
- 2. The Act should be streamlined to show the criteria used to determine that an applicant is fit under section 14 to obtain the Licenced Person licence and carry on the business under this Act.**

License 3 – Operational License for a Licensed seller

This licence is issued under section 15(1) to carry on the business on the premises specified therein, if on application made in the prescribed form by a person other than a pharmacist or a licensed person, the authority is satisfied that the—

- applicant is fit to carry on a business of supplying by retail restricted drugs, other than drugs of class A or B;
- area in which the applicant proposes to carry on that business is not sufficiently served by existing facilities for the retail supply of the drugs; and
- that the applicant is an authorised person.

(2) A licence issued under this section shall be valid for a period specified in the licence.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 708, 536 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is 709 million

Analysis

The licence serves a regulatory purpose. However, this licence and the wholesale dealer licence regulate related activities such that one business might have to obtain both licences to operate, thereby creating a multiplicity of licences.

Recommendation

The license should be streamlined by incorporating suitability of premises as part of the licensing criteria.

License 4 - Certificates of suitability of premises.

Section 16 limits the places where restricted drugs may be supplied to places issued with either a general or a limited certificate under this Act for the purpose.

The process and considerations for issue of a general or limited certificate are stated in section 17(1); an application is made in the prescribed form for a certificate in relation to any premises, where upon the authority considers that the accommodation, fixtures, equipment and physical attributes of those premises render those premises suitable for the supply of restricted drugs.

(3) A certificate issued under this section shall remain in force until a date specified in the certificate, but may be revoked if premises cease to be suitable.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 668, 536 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 1000 businesses established is UGX 669 million

Analysis

The Certificate of suitability of premises is a redundant requirement that increases red tape in doing business together with the cost of business. The certificate is not necessary as the, 'Licensed Seller's licence' and 'Wholesale dealers licence' are specifically limited to a suitable premises while the 'Return of Details of Pharmacy Business' requires reporting on the status of the premises.

Recommendation

The Certificate of suitability of premises should be incorporated into the operational licenses as part of the licensing criteria.

License 5 – Operational License for Wholesale dealer

Section 37 provides that a licence is required for wholesale supply of restricted drugs. The application process under subsection (2) commences with an application made in the prescribed form and upon payment of the prescribed fee, following which the authority has to be satisfied that—

- the applicant is a person to whom the licence can properly be granted;
- the business will be carried on in separate premises apart from any other business;
- the business will be carried on under the immediate supervision of a pharmacist;

Subsection (4) provides for the duration of a licence granted under this section shall be valid for a period specified in the licence;

Cost of compliance

The estimated cost for a business to comply with this regulation is . UGX 1,018,536 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 12 businesses established is 12.2 million

Analysis

This licence and the Licensed seller licence regulate related activities such that one business might have to obtain both licences to operate, thereby creating a multiplicity of licences.

Recommendation

The license should be streamlined by incorporating suitability of premises as a licensing criteria.

License 6 - Return of details of pharmacy business.

Section 34(1) states that every person carrying on a pharmacy business on any premises shall, within twenty-one days after the commencement by him or her of that business on those premises and annually in the month of January thereafter, send to the authority returns in the prescribed manner, stating the location and postal address of the premises; the name and principal postal address of the person carrying on the business; and the name of the pharmacist supervising the sale of drugs at those premises.

Subsection (2) states that if any alteration occurs in the particulars stated in the last return made, the person carrying on the business shall, within twenty-one days of the alteration, send notice in writing to the authority.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 539,024 and it takes an estimate of 32 hours of administrative activities. The total compliance cost per year for an estimated 1,500 businesses established is 809 million.

Analysis

Regarding the 'Return of Details of Pharmacy Business', the provision states that within twenty-one days of commencement of a business, returns will be sent to the authority.

Recommendation

The requirement to send 'Return of Details of Pharmacy Business' should be retained.

License 7 - Approval of drugs & drug combinations

Section 35(3) states that if on application made in the prescribed manner and on payment of the prescribed fee, the authority is satisfied—

- a. that the drug or preparation in respect of which the application is made has not previously been registered; and
- b. that the use of the drug or preparation is likely to prove beneficial, the authority shall register the name and description of that drug or preparation.

Subsection (4) states that where, on application so made, the authority is not satisfied as aforesaid, it shall notify the applicant that the application is dismissed on the grounds which shall be specified.

Cost of compliance

The estimated cost for a business to comply with this regulation is . UGX 708, 536 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is 35 million.

Analysis

Stakeholders in the health sector informed the committee that section 35(3) on approval of drugs and drug combinations is not clear as to it's purpose for instance as to whether it refers to approval of new drugs and combinations used in their manufacture or to combinations of already existing drugs.⁴

Recommendation

Section 35(3) on approval of drugs and drug combinations should be reviewed to clarify it's purpose for instance to clearly state that it refers to approval of new drugs and combinations used in their manufacture.

License 8 - Import licence.

Section 44(1) states that no person or body shall import any drugs into Uganda without having a licence in relation to their import from the drug authority.⁵

Section 46(1) prescribes the procedure for obtaining this permit; by completing an application for the permit in the prescribed form and payment of the prescribed fee.

The duration of the licence is prescribed in subsection (2) that the licence shall be valid for one year and shall state the range of preparations to be imported during that period.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 818,539 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 1000 businesses established is UGX 819 million.

Analysis

The import licence serves a regulatory purpose in regulating the distribution, and trade of medical drugs to ensure public safety.

Recommendation

The import licence be retained.

⁴ Business Licence Reform Secretariat, Sector Committee Consultations held at Private Sector Foundation, 9/12/2011.

⁵ Section 46 (3) of the National Drugs Authority Act Cap. 206 states that a permit granted under this section may be granted generally for the import or export of classified drugs or limited to specified drugs.

License 9 - Export licence

The exportation of drugs is provided for in section 45(1) which states that no person or body shall export any drug or preparation without having a licence in relation to that export from the drug authority.⁶

Section 46(1) prescribes the procedure for obtaining this permit; by completing an application for the permit in the prescribed form and payment of the prescribed fee.

Section 45(2) states that the licence shall be valid for one year and shall specify the drug to be exported.

A person who exports any classified drugs shall keep a record in the prescribed form of all exports under section 45 (3).

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 708,536 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 200 businesses established is 142 million

Analysis

The export licence serves a regulatory purpose in regulating the distribution, and trade of medical drugs to ensure public safety.

Recommendation

The export licence be retained.

License 10 - Permission to cultivate plants yielding narcotics.

Section 49(1) states that no person shall, without the written consent of the Minister, the proof of which shall lie on him or her, cultivate any plant from which a narcotic drug can be extracted.

Subsection 2 provides that the Minister shall, before giving his or her consent under this section, consult with the authority, and he or she may give his or her consent subject to such conditions as he or she may specify.

Offences and penalties.

Section 60(1) states that a person contravening a provision of this Act commits an offence and, where no punishment is provided, is liable—

(a) to a fine not exceeding one million shillings;

⁶ *Id.*

- (b) to a withdrawal of the licence or permit for a period not exceeding five years;
- (c) to cause the items in contravention to be impounded, forfeited, destroyed or disposed of in a manner prescribed by the Minister;
- (d) to imprisonment not exceeding one year; or
- (e) to any two of the above punishments, and for any subsequent offence under this Act, a person is liable to a fine not exceeding two million shillings or to a term of imprisonment not exceeding five years or to both.

(2) A person who commits an offence under this Act and no other punishment is provided is liable—

- (a) where the offence relates to class A drugs, to a fine not exceeding two million shillings or to a term of imprisonment not exceeding five years or to both;
- (b) where the offence relates to narcotic drugs or psychotropic substances under international control and is a second or more subsequent offence, to a term of life imprisonment;
- (c) where the offence relates to manufacturing, smoking or having possession of any narcotic drug or psychotropic substance under international control and is a second or more subsequent offence, to a term not exceeding ten years.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 708, 536 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 2 businesses established is UGX 1,417,072.

Analysis

The permission is required to control the cultivation of plants yielding narcotics for public safety.

Recommendation

The ‘permission to cultivate plants yielding narcotics be retained.

2.5.2 Pharmaceutical Professionals subsector

The Pharmacy and Drugs Act, Cap. 280

An Act to amend and to consolidate the law relating to the control of the profession of pharmacy and trade in and use of drugs and poisons, and other purposes connected therewith.

Section 1 of the Act establishes the Pharmacy board to implement the Act.

Licence 11 - Certificate of Registration

Section 13(2) of the Act states that if, on application made in the prescribed manner by an individual, the board is satisfied that the applicant is of good character and that he or she is a member of the society, it shall direct the registrar to enter the applicant's name in the register; and the registrar, on payment of the prescribed fee, shall enter the name in the register and shall issue to the applicant a certificate of registration in the prescribed form.

Section 9 (1) further provides that subject to section 8, a person who is eligible for membership of the society shall be enrolled as a member upon payment to the council of an entrance fee and an annual subscription fee prescribed by the council. All annual subscription fees payable under this section shall be due and payable on the first day of July in each year or, in the case of members admitted after that date, on the date of admission.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 708,536 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 709 million

Analysis

The licence is necessary to facilitate the regulation of professionals in the pharmaceutical business and in turn protecting the health and safety of the public.

Recommendation

The licence be retained.

2.5.3 Subsector for the Medical and Dental Practitioners Council

The Medical and Dental Practitioners Act. Cap 272

An Act to consolidate the law relating to the medical and dental practice and for other connected purposes. Section 2 establishes the Medical and Dental Practitioners Council to implement the provisions of this Act.

Licences

License 12 - Health Unit Registration / Health Unit Operating Licence

Section 29(1) states every person or body that intends to open a private health unit shall apply to the council for the registration of the health unit.

Subsection (2) provides the procedure for registration; the council may, after making such inquiry as it considers necessary, and receiving a fee determined by the council, authorise the

registration of the specific health unit; and upon registration, the health unit shall be licensed under this Act, and a licence shall be issued as set out in Form C in the Third Schedule.

(3) At the discretion of the council and subject to conditions that the council may determine, the registrar may register a private dispensary or maternity home operated by a medical assistant, nurse or midwife, as the case may be, exclusively for the use of a body corporate of an institution but under the supervision of a registered medical practitioner.

(4) Notwithstanding subsection (2)—

(a) public health units shall not pay the prescribed fee; and

(b) health units which have been established for twenty or more years may not pay the prescribed fee.

(5) The licence for a private health unit issued under subsection (2) shall be valid for the calendar year in which it is issued and will be subject to renewal for one year at a time.

The council shall cause a new health unit to be published in the Gazette soon after registration is authorised and a licence issued in respect of a health unit with the particulars stated in section 30 of the Act.

In 2002, the Uganda medical and dental practitioners council established the fee structure below for licensing of health units which fee structure is still effective today. The council's authorization to formulate this fee structure originates from section 11 of the Act which provides that the funds of the council shall consist of—

11 (c) fees and other monies payable to the council for services rendered by it; and

11 (d) monies that may become payable to or vested in the council in any manner, or in relation or incidental to the carrying out of its functions.

	LICENCE NAME	FEE
1	Health Unit Operating License(Day Care Clinic)City	300,000
2	Registration Certificate for in-patient health units above 500 Beds (City)	400,000
3	Registration Certificate for in-patient private health units 500 Beds)City	1,750,000
4	Registration Certificate In Patient Health Units(City)	250,000
5	Registration Certificate (Day Care Clinic)Municipality	300,000
6	Registration Certificate for in-patient health units 500 Beds)Municipal	1,600,000
7	Registration Certificate for in-patient health units above 500 Beds(Rural)	500,000

8	Registration Certificate for in-patient health units Above 500 Beds (Trading)	650,000
9	Registration Certificate for in-patient health units But 201-500 Beds)City	350,000
10	Registration Certificate for in-patient health units But 201-500 Beds)Municipal	300,000
11	Registration Certificate for in-patient health units But 201-500 Beds)Rural	175,000
12	Registration Certificate for in-patient health units But 201-500beds)Trading Centre	200,000
13	Registration Certificate for in-patient health units But 51-200 Beds)City	300,000
14	Registration Certificate for in-patient health units But 51-200 Beds)Municipal	250,000
15	Registration Certificate for in-patient health units But 51-200 Beds)Rural	125,000
16	Registration Certificate for in-patient health units But 51-200 Beds)Trading Centre	150,000
17	Registration Certificate for in-patient private health units But 201-500 Beds)City	1,500,000
18	Registration Certificate for in-patient private health units But 201-500 Beds)Municipal	1,000,000
19	Registration Certificate for in-patient private health units But 201-500 Beds)Rural	225,000
20	Registration Certificate for in-patient private health units But 201-500beds)Trading Centre	350,000
21	Registration Certificate for in-patient private health units But 51-200 Beds)City	1,250,000
22	Registration Certificate for in-patient private health units But 51-200 Beds)Municipal	750,000
23	Registration Certificate for in-patient private health units But 51-200 Beds)Rural	175,000
24	Registration Certificate for in-patient private health units But 51-200 Beds)Trading Centre	300,000
25	Registration Certificate Day Care Clinic (Rural)	200,000
26	Registration Certificate Day Care Clinic (City)	200,000
27	Registration Certificate Day Care Clinic (Municipality)	200,000

28	Registration Certificate Day Care Clinic (Trading Centre)	200,000
29	Registration Certificate Day Care Clinic (Rural)	100,000
30	Registration Certificate Day Care Clinic(Trading Centre)	100,000
31	Registration Certificate In Patient Health Units(Municipality)	200,000
32	Registration Certificate In Patient Health Units(Rural)	75,000
33	Registration Certificate In Patient Health Units(Trading Centre)	100,000
34	Registration Certificate In Patient Private Health Units1-10)City	500,000
35	Registration Certificate In Patient Private Health Units1-10)Municipal	250,000
36	Registration Certificate In Patient Private Health Units1-10)Rural	75,000
37	Registration Certificate In Patient Private Health Units1-10)Trading Centre	125,000
38	Registration Certificate In Patient Private Health Units11-20)City	750,000
39	Registration Certificate In Patient Private Health Units11-20)Municipal	350,000
40	Registration Certificate In Patient Private Health Units11-20)Rural	100,000
41	Registration Certificate In Patient Private Health Units11-20)Trading Centre	150,000
42	Registration Certificate In Patient Private Health Units21-50)City	1,000,000
43	Registration Certificate In Patient Private Health Units21-50)Municipal	450,000
44	Registration Certificate In Patient Private Health Units21-50)Rural	150,000
45	Registration Certificate In Patient Private Health Units21-50)Trading Centre	200,000
46	Registration Certificate Inspection Fee For Any New In Patient Health Unit	200,000
47	Registration Certificate Period Inspection	1,200,000
48	Registration Certificate Registration Fee For New	200,000

49	Registration Certificate School Clinic (Rural)	-
50	Registration Certificate School Clinic (Trading Centre)	-
51	Registration Certificate School Clinic(City)	-
52	Registration Certificate School Clinic(Municipality)	-

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 674,597 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 411 businesses established is UGX 277 million

Analysis

1. *Section 41 states that the publication of the lists in the Gazette as provided in section 19 shall be prima facie evidence that a person or health unit mentioned in the gazette at the time of publication, is duly registered under the Act; subsequently, subsection (c) states that the absence of the name of a person or health unit from the relevant list means that a person or health unit is not registered under this Act. This provision increases the red tape in obtaining the authorization to carry on business under this act. The certificate of registration should be conclusive proof of a licence to carry on business under this act.*
2. *There is a multiplicity of licences; the fee structure above for the operating licences numbered 1-52 are clearly licences that serve the same purpose but for the fees charged in different locations. Consultations of the committee revealed that the Medical and dental Practitioners Council intends to review that fee structure although no guarantees were made as to when the revised fee structure would be completed.⁷*

Recommendations

1. **The Act should be reviewed to revise section 41 such that a certificate issued to the applicant is sufficient proof of evidence and the gazette only serves as notice of such authorization to the public.**
2. **Stakeholders suggested that the revised fee structure for health unit operational licences consider a better categorization than the number of beds in a health unit.**

License 13 - Special licence

Section 31(3) prohibits a medical or dental practitioner from engaging in stockpiling, retailing or wholesaling of drugs at his or her health unit, except with a special licence or permission.

⁷ Business Licence Reform Secretariat, Sector Committee Consultations held at Private Sector Foundation, 9/12/2011.

Sanction

Section 47 of the Act provides that any person who contravenes any part of the Act commits an offence and is liable to a fine of not less than three hundred thousand shillings and not more than three million shillings or to imprisonment for not less than three months and not more than one year or to both.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 746,293 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is 305 million.

Analysis

1. *The Special licence serves a regulatory purpose. However, it is currently not being enforced. In addition, the penalty for non compliance is not prohibitive*
2. *The Sanctions under this Act are so relaxed to compel compliance.*

Recommendations

The license be retained. However, the penalty for non- compliance needs to be revised.

Licences

Licence 14 - Full Registration Certificate

Section 21 (1) states that any person who qualifies to be registered as a medical or dental practitioner may apply to the council for registration, and the council, if satisfied that the applicant is eligible for registration, shall authorise the registrar to enter his or her name on the register.

Section 17 of the Act states the eligibility requirements for registration in the appropriate category to which his or her qualifications relate—

- (a) a degree of Bachelor of Medicine, Bachelor of Surgery or Bachelor of Dental Surgery granted by a university established in Uganda by law;
- (b) a medical or dental qualification recognised by the council for the purposes of registration.

(2) In addition an applicant for registration shall satisfy the council that they have served a full-time internship in a hospital approved by the council or

(3) The council may accept experience it may consider equivalent experience if that person produces a certificate of registration which entitled him or her to practise in that country where they were registered.

On the registration of a medical or dental practitioner, section 22 states that the registrar shall issue to the person registered, sealed with the seal of the council, a certificate of registration in the Forms A1 to A4 set out in the Third Schedule.

It takes two weeks to obtain the licence upon submission of the requested documentation.

The fee for registration of is Ug. Shs. 100,000/= and the registration is indefinite unless one is deregistered.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 667, 760 and it takes an estimate of 48 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 668 million.

Analysis

The licence is necessary to facilitate the regulation of professionals in the medical and dental practitioners and in turn protecting the public.

Recommendation

The licence be retained.

Licence 15 - Temporary registration

Section 17 (4): Where a person applying for registration is not a citizen of Uganda and has a qualification obtained from a university established in Uganda by law or any other university approved by the council, that person shall obtain a temporary registration as may be prescribed by the council.

The fee for registration of a non-Ugandan working in the public sector or with Non-governmental organizations is Ug. Shs. 200,000/= for initial registration and Ug. Shs. 100,000/= at renewal.

It takes three months to obtain the licence.

The fee for registration of a non-Ugandan working in the private sector is Ug. Shs. 500,000/= for initial registration and Ug. Shs. 300,000/= at renewal.

Analysis

The temporary licence is revenue generating but serves no regulatory purpose as for instance the duration for this licence is not specified in the law. Consultations with practitioners also revealed that these temporary licences are indefinite.

Recommendation

The Act should be reviewed and amended to reflect a duration of the temporary licence and provision be made that a holder of a temporary license of more than a specified period will qualify for full registration.

Licence 16 - Provisional registration certificate

Section 23 (1) states that a person who does not qualify to be registered by reason only that he or she does not have the experience required under section 17(2) may apply to the council for provisional registration.

(2) Provisional registration shall cease to have effect when a provisionally registered medical or dental practitioner is fully registered.

It takes one week to obtain this licence after submission of the application.

The provisional registration certificate costs Ug. Shs. 50,000 for Ugandans and Ug. Shs. 100,000 for non-Ugandans.

Sanctions

Among the sanctions under this Act is the removal from register the name of any registered person under section 25 under the circumstance stipulated therein.

Analysis

The licence is necessary to facilitate the regulation of professionals in the medical and dental practitioners by classifying the practitioners according to their experience and in turn protecting the public.

Recommendation

The licence be retained.

Licence 17 - Certificate of Good Standing

The Certificate of Good standing is issued to all doctors wishing to leave the country to practice or study abroad to certify that they are fully registered and that no disciplinary proceedings are in progress against the doctor and that he/she has never been the subject of an inquiry. This licence is issued on the request of the applicant but is not mandatory for practicing as a medical or dental practitioner in Uganda.

Issuance of this licence is made after payment of a fee of Ug. Shs.100, 000/=

Analysis

The licence serves a purpose as it is not required by the council to practice under the Act but is granted upon request by a practitioner to allow them practice abroad.

Recommendation

The certificate be retained.

Licence 18 - Private practice licence

Section 27 (1) prohibits private practice without a licence.

The application procedure for licensing of private practice is provided in section 28.

Subsection (1) states that a registered medical or dental practitioner may apply to the council for a licence to engage in private practice either as a general medical or dental practitioner or as a specialist in his or her area of specialisation.

(2) An application for a licence shall be accompanied by a copy of the certificate of registration. A consideration for the council to consider before issuing the licence is stated in subsection (4). It is to the effect that before granting a licence for a person to practise independently as a full-time medical or dental practitioner in a private practice, the applicant must prove to council that for a period of at least three years subsequent to registration as a medical or dental practitioner, rendered satisfactory service and acquired experience in full-time employment in a hospital or health unit approved by the council.

(3) The council may, if satisfied that the applicant possesses the necessary qualifications, authorise the grant of a licence for private practice in Form B set out in the Third Schedule, subject to such conditions as the council may consider fit.

Duration of the licence is provided in subsection (5), which states that the licence for private practice granted under subsection (3) shall be valid for the calendar year in which it is issued and will be subject to renewal for one calendar year at a time.

The following documents are required to obtain this licence;

- A copy of the full registration
- Certificate of the last annual practicing licence
- A verified Continuous Medical Education certificate.

The cost of this licence is Ug. Shs. 100,000.

Analysis

The licence is necessary to facilitate the regulation of medical and dental practitioners and in turn protecting the public.

Recommendation

The licence be retained.

Licence 19 - Continuing Medical Education Certificate

Section 44 provides that every practitioner engaged in active public or private practice shall be required to undergo a minimum continuing medical or dental education prescribed and organised by the council.

Subsection (2) states that no practitioner shall remain on the register maintained under section 19(1) unless he or she has undergone a minimum continuing education under subsection (1), and failure to comply with subsection (1) shall constitute a ground for disciplinary action.

Sanction

Section 27 (2) provides that a person contravening this section commits an offence and is liable on conviction to a fine of not less than two hundred thousand shillings and not more than three million shillings or to a term of imprisonment of not less than three months and not more than three years or to both.

Appeals

(7) Any person aggrieved by a decision of the council under this section may, within thirty days from the date of notification of the decision, appeal to the Minister; and the Minister may confirm, reverse or vary the decision.

Analysis

The licence is necessary to facilitate the regulation of professionals in the medical and dental practitioners and in turn protecting the public.

Recommendation

The licence be retained.

1.5.4 Allied Health Professionals Council subsector

The Allied Health Professionals Act, Cap 268

An Act to provide for the regulation, supervision and control of the allied health professionals, and to provide for the establishment of a council to register and licence the allied health professionals and for other connected matters.

Section 2 provides for the establishment of the Allied Health Professionals Council to implement the provisions of this Act.

Licences

License 20 - Registration of Private Allied Health Units

The registration of allied health units is provided for in section 32 of the Act. Subsection (1) states that any person or body who or which intends to open a private allied health unit shall apply to the council for the registration of the unit.

Section 32 (2) states that the council may, after making such inquiry as it considers necessary, and after receiving a fee determined by the council, authorise the registration of the specific allied health unit; and upon registration the unit shall be licensed under this Act, and a licence shall be issued to the applicant.

The licence for the private allied health unit shall be valid for the calendar year in which it is issued and shall be subject to renewal for one year at a time as prescribed by subsection (3) thereof.

Section 33 states that soon after registration, the council shall cause to be published in the Gazette a licence issued in respect of an allied health unit—

- (a) the name, address, qualifications and the date of registration of the allied health professional who is the owner of the unit;
- (b) the conditions, if any, attached to the licence;
- (c) the name and address of the unit.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 667, 747 and it takes an estimate of 37 hours of administrative activities. The total compliance cost per year for an estimated 60 businesses established is 40.1 million.

Analysis

Section 32 (2) states that the council may, after making such inquiry as it considers necessary, authorise the registration of the specific allied health unit. This provision is vague as it does not specify the nature and specifics of the inquiry. It is important for applicants in a good business environment to know what the council expects of them and what the council will require they fulfil prior to making the applications.

Recommendation

- 1. Section 32 should be amended to provide for the nature of inquiries of the council; thus whether an inspection of the proposed health unit will be performed, what the inspection intends to confirm and what documentation the council requires.**
- 2. The registration of health unit licence is retained.**

License 21 - Special Licence

Section 34(2) states that a professional shall not at any time, except with a special licence or permission, engage in stockpiling, retailing or wholesaling of drugs at his or her allied health unit.

The act provides for appeals against decisions of the board in section 44. It states that a person who is aggrieved by a decision of the council may, within one month from the notification to him or her of the decision, or within a further period that the High Court may in any case allow, appeal to the High Court whose decision shall be final.

Section 56 provides for offences and penalties stating that a person who commits an offence under this Act is liable on conviction to a fine of not less than three hundred thousand shillings or to a term of imprisonment not exceeding three years or to both.

Analysis

The Special licence serves a regulatory purpose. However, it is currently not being enforced.

Recommendation

The Special licence be retained.

Licences

Licence 22 - Allied health professional Registration certificate

Section 21 provides the eligibility criteria for registration, stating that a person holding any of the following shall be eligible for registration in the appropriate discipline to which the qualifications relate—

- (a) a degree of Bachelor of Science in any of the disciplines of allied health professions awarded by a
university established in Uganda by law;
- (b) a certificate or diploma in any of the disciplines of allied health professions;
- (c) an allied health qualification recognised under subsection (2).

Subsection (2) further states that a person who produces evidence satisfactory to the council that he or she is a member of any association or institute of allied health professionals in another country, in respect of which the council is satisfied that the standard of training and examination is not inferior to the standards set by the council may apply for registration.

The application procedure is set out in section 23 in the prescribed form, and the application shall be accompanied by documentary proof of the qualifications of the applicant together with the prescribed fee of Ug. Shs. 150,000.

On the registration of an allied health professional, the registrar shall according to section 25 issue to the person registered a certificate of registration in the prescribed form, sealed with the seal of the council.

The council stated that it takes a week to obtain this licence upon submission of required information.

Analysis

The registration of allied health professionals is necessary to allow only persons that meet the standards set out in the act to register and practice as Allied Health professionals in turn protecting the health and safety of the public.

Recommendation

The registration certificate be retained.

Licence 23 - Private Practice licence

Section 31 provides that a registered professional may apply to the council for a licence to engage in private practice in the discipline of his or her area of specialisation.

Subsection (2) states that an application for a licence under subsection (1) shall be accompanied by a copy of the certificate of registration.

Council must prior to granting a licence for private practice under subsection (4) be satisfied that the applicant has for a period of not less than four years prior to the application acquired experience by having rendered satisfactory service in full-time employment in a hospital or health unit approved by the council or has obtained equivalent experience in a similar institution.

(3) The council may, if satisfied that the applicant possesses the relevant qualifications, authorise granting a licence for private practice to the applicant subject to such conditions as the council may consider fit.

The council stated that it takes a week to obtain this licence upon submission of required information.

(5) The licence for private practice shall be valid for the calendar year in which it is issued and will be subject to renewal for one calendar year at a time.

(7) The decision of the council not to renew a licence for private practice under this Act or to attach further restrictive conditions for the registration shall be final.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 446,890 and it takes an estimate of 22 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 22 million.

Analysis

1. *The licence is necessary to protect the public by restricting unqualified persons from private practice as health professionals.*
2. *Section 31 (7) of the Act is a very arbitrary provision that discourages doing business. It provides that the decision of the council not to renew a licence for private practice under this Act or to attach further restrictive conditions for the registration shall be final.*

Recommendation

1. **The licence be retained.**
2. **The Act should be amended to make provision for an appeal against the decision of the council even to the courts of law.**

2.5.5 The subsector of the Nurses and Midwives Council

The Nurses and Midwives Act, Cap 274

An Act to provide for the training, registration enrolment and discipline of nurses and midwives of all categories and for other matters connected to the above.

Section 2 establishes the Nurses and Midwives Council to implement the objectives of the Act.

Licences

License 24 - Registration of maternity homes and nurse health units

Section 32 (1) of the Act provides that any registered nurse; and registered or enrolled midwife, who intends to open a nurse health unit or a maternity home shall apply to the council for the registration of such nurse health unit or maternity home.

Subsection (2) provides that the council shall, after making an inquiry and receiving a fee prescribed by the council, authorise the registration of the nurse health unit or maternity home; and upon registration, a licence shall be issued in respect of that nurse health unit or maternity home.

(3) The registrar shall not register a nurse health unit or maternity home in the name of a registered nurse or midwife unless the registrar is satisfied that there is a registered medical practitioner in the locality who will supervise the nurse health unit or maternity home.

(4) A licence issued under subsection (2) shall be valid for the calendar year in which it is issued and will be subject to renewal for a period of one year at a time.

The council shall cause a licence issued in respect of a nurse health unit or maternity home to be published in the Gazette soon after registration is authorised and a licence issued stating the particulars listed in section 33 of the Act.

	LICENCE	INITIAL FEE	RENEWAL FEE
1	Private Domiciliary Clinic	62,500	39,000
2	Private Nursing Health Unit	180,000	50,000

Analysis

The licence for Registration of maternity homes and nurse health units serves a regulatory purpose.

Recommendation

The licence for Registration of maternity homes and nurse health units be retained.

License 25 - Special licence

]Section 34 prohibits a person registered or enrolled under this Act from engaging in stockpiling, retailing or wholesaling of drugs at his or her nurse health unit or maternity home, except with a special licence or permission.

Analysis

The Special licence serves a regulatory purpose. However, it is currently not being enforced.

Recommendation

The Special licence be eliminated retained.

Licences

License 26 - Registration of Nurse or Midwife

Section 19 states that a person holding any of the following minimum qualifications shall be eligible for registration or enrolment in the appropriate category to which the qualifications relate.

The application for registration or enrolment shall per section 23 be in the prescribed form, and the application shall be accompanied by documentary proof of the qualifications of the applicant together with the prescribed fee. If the council is satisfied that the applicant is eligible for registration, it shall authorise the registrar to enter that person's name on the register or roll.

Section 24 states that on the registration or enrolment of a nurse or midwife, the registrar shall issue to the person registered or enrolled a certificate of registration or enrolment in a prescribed form with the seal of the council affixed on the certificate.

Analysis

The licence serves a regulatory purpose in checking who qualifies to offer professional service to the public.

Recommendations

The licence be retained.

Licence 27- Practising Certificate

Section 25. All registered nurses or midwives will be issued with practicing licences. A registered nurse or midwife practising in a health unit, whether private or public, shall apply to the council for a practising licence.

A copy of the certificate of registration shall accompany an application for a licence under this section and the council may, if satisfied that the applicant possesses the necessary qualifications, grant a licence.

(4) The practising licence granted under subsection (3) shall be valid for a period of three calendar years and may be renewed subject to conditions that the council may determine.

Analysis

The licence serves a regulatory purpose in checking who qualifies to offer professional service to the public.

Recommendation

The licence be retained.

Licence 28: Private practice.

Section 30 (1) states that a registered or enrolled midwife who has served in a hospital or health unit for not less than five years may apply to the council for a licence to engage in private practice as a midwife to undertake the care of women in relation to childbirth and of infants and to manage common health conditions in the community.

Subsection (2) further provides that a registered nurse who has served in a hospital or health unit for not less than ten years may apply to the council for a licence to engage in private practice to manage common health conditions in the community.

(3) An application for a licence under this section shall be accompanied by a copy of the certificate of registration issued under section 24 and the council may, if satisfied that the applicant possesses the necessary qualifications, authorise the registration and grant a licence to the applicant.

The duration of the licence under subsection (5) is for the calendar year in which it is granted, but it may be renewed subject to conditions that the council may determine for a period of one calendar year at a time.

Analysis

The licence serves a regulatory purpose in checking who qualifies to offer professional service to the public.

Recommendation

The licence be retained.

Licence 29 - Letter of competence.

Section 31(1) A person who is licensed under this Part of the Act shall, before the 31st day of January in each year, make and submit to the supervisory authority a report of his or her transactions and all the cases he or she attended in the preceding year, and all the registers and records made by that person in the preceding year shall be made available to the supervisory authority for inspection.

(2) The supervisory authority shall, if satisfied with the transactions of the licensed person and the report made under subsection (1), issue a letter of competence to that licensed person; and the licensed person shall, before the 31st day of January each year, present the letter of competence, together with the application for renewal, to the registrar for the renewal of a practising licence.

Offences and penalties.

Section 54; A person who commits an offence under this Act is liable on conviction to a fine of not less than three hundred thousand shillings and not more than three million shillings or to a term of imprisonment of not less than three months and not more than three years or to both.

Sanctions

Section 54 provides that a person who commits an offence under this Act is liable on conviction to a fine of not less than three hundred thousand shillings and not more than three million shillings or to a term of imprisonment of not less than three months and not more than three years or to both.

Analysis

The licence serves a regulatory purpose in checking who qualifies to offer professional service to the public.

Recommendations

The licence be retained.

2.6 HOUSING DEVELOPMENT, PHYSICAL PLANNING, URBAN DEVELOPMENT

Introduction:

The analysis in this sector covers laws and licenses pertaining to the following sub sectors:

2.6.1 Housing Development

2.6.2 Roads

2.6.3 Trading

RECOMMENDATIONS ON HOUSING DEVELOPMENT, PHYSICAL PLANNING, URBAN DEVELOPEMNT

Law applicable		The Public Health Act, 1964 Cap 269 The Building Rules The Drainage and Sanitation Rules The Kampala Capital City Act, 2010 The National Environment Act, Cap 153				
License Name		Recommended Actions				
		Eliminate	Retain	Streamline	Reclassify	Amalgamate
1.	Building Permit			Yes		
2.	Demolition Certificate		Yes			
3.	Hoarding Permit		Yes			
4.	Occupation Permit		Yes			
5.	Renovation Certificate		Yes			
Law applicable		The Access to Roads Act, 1969, Cap. 350				
License Name		Recommended Actions				
		Eliminate	Retain	Streamline	Reclassify	Amalgamate
6.	The Road Cutting Permit			Yes		
Total (6)		-	4	2		

Note-This table does not show administrative burden for housing sector licenses. The incidence of these licenses is on local governments so it is included in the calculation for local governments.

2.6.1 The Housing Development sub sector

The Physical Planning Act, 2010

The Public Health Act, 1964 Cap 269

The Building Rules

The Drainage and Sanitation Rules

The Kampala Capital City Act, 2010

The National Environment Act, Cap 153

The Physical Planning Act, 2010 establishes the National Physical Planning Board that is responsible for overseeing aspects to do with physical planning. The Act also makes provisions for the establishment of district and urban physical planning committees, it provides for the making and approval of physical development plans, and for the applications for development permission, among other related matters.

The Public Health Act, 1964 Cap 269 consolidates the law regarding the preservation of public health and entails the Building Rules and the Drainage and Sanitation Rules.

The Kampala Capital City Act 2010, makes detailed provisions for Kampala as a capital city of Uganda. The Act provides for the following:

- the administration of Kampala by the Central Government;
- the territorial boundary of Kampala;
- the development of Kampala Capital City;
- the establishment of the Kampala Capital City Authority, the governing body of the city;
- the composition and election of members of the Authority;
- the removal of members from the Authority;
- the functions and powers of the Authority;
- the election and removal of the Lord Mayor and the Deputy Lord Mayor;
- the appointment, powers and functions of an executive director and deputy executive director of the Authority;
- the lower urban councils under the Authority;
- the devolution by the Authority of functions and services;
- a Metropolitan Physical Planning Authority for Kampala and the adjacent districts;
- the power of the Minister to veto decisions of the Authority in certain circumstances and all other related matters.

Key among the provision of the 2010 Act are Section 7(1)(k) which states that the functions of the Authority are to carry out physical planning and development control. Under the Third

Schedule, Part A, Item 26, states that the functions and services for which the Authority is responsible include: regulation, control, management, administration, promotion or licensing of the things or services which the Authority is required or empowered to do and the establishment, maintenance, carry on, control, management or administration, and prescription of forms in connection therewith. The Authority is also empowered to fix fees or charges to be made in respect thereof.

Under the same Act, Third Schedule, Part B refers to functions and services to be devolved by the Authority to Division Urban Councils and Item 3 refers to the administration of licenses. In the same schedule, Part B thereof, the functions and services to be devolved by the Authority to Division Urban Councils are referred to and Item 12 refers to the control of development and the enforcement of building rules.

The National Environment Act, Cap 153, provides for the sustainable management of the environment. The Act also establishes the National Environment Management Authority (NEMA) as a coordinating, monitoring and supervisory body for that purpose.

Licenses

License 1 – Building Permit

Section 6 of Building Rules (part of the Public Health Act, Cap 269) states that every person who intends to erect or make any alterations or additions to a building to which the Building Rules relate shall give to the local authority notice in writing of his or her intention.

Approval to build requires the formal approval of building plans. The application for approval of building plans is made using three forms duly signed by the applicant. The three forms are:

- i) Application for approval of plans (under the Building Rules)
- ii) Application for approval of Drainage Plans (under the Drainage and Sanitation Rules)
- iii) Application for permission to carry out development (under the Physical Planning Act, 2010)

The current fees are applicable for this application:

- Ugx. 1,000/= for every square metre of area/floor coverage;
- Ugx. 50,000o/= for boundary walls as a flat rate;
- Ugx. 30,000/= for each structural floor for buildings requiring structural plans.

In terms of the process time, 5 work days are required for application review at the Technical Division, this review by a Medical Officer of Health, a Division Physical Planner and a City Engineer. The Plans are then processed at District level (various committees sit twice a week and at least once a month). The Plans are then approved by the District Council which sits at

least once every two months. The Developer must obtain a job card upon approval of plans by District and a building Permit is issued by the Kampala Capital City Authority or any responsible local authority.

According to Section 36(1) of the National Environment Act, Cap 153, no person shall erect, construct, place, alter, extend, remove or demolish any structure that is fixed in, on, under or over any wetland, unless he or she has written approval from NEMA.

Cost of compliance (22 municipalities)

The estimated cost for a business to comply with this regulation is UGX 263,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 7,500 businesses established is UGX 2 billion

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 386, 806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 10,000 businesses established is UGX 3.9 billion

Analysis

The process for the application and receipt of the Building Permit is fairly efficient in the sense that KCCA acts as a one-stop point of receipt of the application materials and distributes these materials to the other concerned departments in the Divisions. The process at the technical level takes only 5 working days, and is integrated at the front end and the back end. The real challenge is at the approval process at the policy level (after the initial technical approvals) is subject to various committees including at district level, and these committees meet at scheduled (static) times with varying frequency. The involvement of elected leaders in the application process (approval must go through all the councilors) causes delay and invites corruption and politicization of the process. Some plans take up to 1 year before approval.

The Building Control Bill tabled before Parliament in 2009 and awaiting debate, seeks to guarantee decent, secure and planned building structures in the country. By December 2011, this Bill has not been enacted into law. Unplanned and unapproved buildings and building designs remain a significant challenge in this country. Key provisions in the Bill include 12 years imprisonment or a fine of UGX 20 million or both, for a person whose negligence causes or results into occasion of an accident on construction site resulting into death of people or the destruction of property. The enactment of the Bill would go a long way towards the enforcement of the licenses in this sector, are the sanctions are punitive enough to compel compliance.

It was also ascertained that although the issuance of condominium titles was in itself not a licensing process within the sector, sector stakeholders have expressed concern that if the process of issuance of condominium titles is not made more timely and efficient, it would still amount to a significant impediment to business efficiency in the housing sector.

Recommendations

The Building Permit processing time should be streamlined to reduce the number of approvals at the district/policy level and limiting the bulk of approval time to the Technical Committees at the local authority level. It is further recommended that upon submission of an application for a Building Permit, after the mandatory review by the Technical Committees, the Council must state its objection or issue temporary permit.

The enactment of the Building Control Bill should be expedited.

It is also recommended that the consideration of the model of the National Home Builders Registration Council (NHBC) model in South Africa be made. The NHBC was established in 1998 in South Africa by an Act of Parliament, as regulatory body, to protect the interests of housing consumers and to ensure compliance with regulated building industry standards. Every home builder in South Africa is required by law to be part of the NHBC, and membership entails several safeguards which can ensure required quality standards are met, including technical and financial assessments, registration and certification, training and development and suspension or expulsion of non-compliant members. The governing board is established in consultation with and appointed by the relevant line Minister, but remains private sector heavy, which reduces politicization in the regulatory and licensing process.

License 2 – Demolition Certificate

Background

Section 6 of Building Rules (part of the Public Health Act, Cap 269) states that every person who intends to erect or make any alterations or additions to a building to which the Building Rules relate shall give to the local authority notice in writing of his or her intention.

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 263,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 780 businesses established is UGX 206 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 386, 806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 387 million.

Analysis

The application process for the Demolition Certificate is fairly efficient as it constitutes a single process for the Hoarding Permit, Occupation Permit and Renovation Certificate. However, the impression from practitioners is that the Demolition Certificate is not as frequently enforced as the Hoarding Permit and Building Permit.

Recommendation

The demolition certificate be retained but its enforcement improved.

License 3 – Hoarding Permit

Section 39 of Building Rules (part of the Public Health Act, Cap 269) states that every person who erects or makes any alteration to a building shall erect and maintain during the execution of the work such hoardings as shall be necessary in the opinion of the local authority for the protection of the public, save that no hoardings shall be erected in any street except with the written permission and to the satisfaction of the local authority.

All construction sites are required to provide for hoarding around the site of the works for the duration of the construction period. The process takes 7 days and at a cost of Ugx 59,000/=. The Hoarding Permit is issued by Kampala Capital City Authority, or any responsible local authority.

Analysis

The purpose of this permit is regulatory and the process of obtaining it is stipulated under the law.

Recommendations

The Hording Permit be retained.

License 4 – Occupation Permit

Section 20 of Building Rules (part of the Public Health Act, Cap 269) states that every owner who intends to occupy a new building, or permit the same to be occupied, shall furnish to the local authority a certificate by him, or by his architect, to the effect that the building has been constructed in every respect in conformity with the approved plans thereof and the Rules of the Act, and shall apply for a permit of occupation.

After examining the building, if satisfied, the local authority shall issue a written permit of occupation on Form G in the Schedule to the Building Rules of the Public Health Act, Cap 269.

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 263,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 3,500 businesses established is UGX 924 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 386, 806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 4,500 businesses established is UGX 1.7 billion.

Analysis

The application process for the Occupation Permit is fairly efficient as it constitutes a single process for the Demolition Certificate, Hoarding Permit and Renovation Certificate. However, the impression from practitioners is that the enforcement of the Occupation Permit is very poor. In fact, it is commonplace to have partly completed buildings occupied.

Recommendation

The Occupation Permit be retained but its enforcement improved.

License 5 – Renovation Certificate

Section 6 of Building Rules (part of the Public Health Act, Cap 269) states that every person who intends to erect or make any alterations or additions to a building to which the Building Rules relate shall give to the local authority notice in writing of his or her intention.

Analysis

The application process for the Renovation Permit is fairly efficient as it constitutes a single process for the Demolition Certificate, Hoarding Permit and Occupation Permit. However, the impression from practitioners is that the enforcement of the Renovation Certificate is very poor.

Recommendation

The Renovation Certificate be retained but its enforcement improved.

2.6.2 The Roads sub sector

The Access to Roads Act, 1969, Cap. 350

The Access to Roads Act, Cap 350 provides for the procedure by which a private landowner who has no reasonable means of access to a public highway may apply for leave to construct a road of access to a public highway and for other related matters.

Licenses

License 6 – The Road Cutting Permit

Section 2(1) of the Access to Roads Act states that where the owner of any land is unable through negotiations to obtain leave from adjoining landowners to construct a road of access to the public highway, he or she may apply to the land tribunal for leave to construct a road of access over any lands lying between his or her land and the public highway. An application for leave to construct a road of access shall be in the form set out in the Schedule to the Act, and shall be accompanied by a sketch or plan showing approximately the course and direction of the proposed road of access and the present means of access, if any, to the public highway.

The application is served to and considered by a Land Tribunal.

Analysis

The Act does not specify who or how the land tribunal is constituted, which therefore renders this license un-implementable on account of no process. In addition to this, land tribunals have not been actualized.

Recommendations

The Road Cutting Permit be streamlined by actualizing the Land Tribunals that are the licensing authority in this case.

2.7 INFORMATION & COMMUNICATION, MEDIA

Introduction

The analysis in this sector covers laws and licenses pertaining to the following activities:

2.7.1 Communications

2.7.2 Information technology services

RECOMMENDATIONS ON INFORMATION, & COMMUNICATION, MEDIA

Law applicable		The Uganda Communications Act, No.1 of 2013					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance cost(millions)
1.	License for Radio communications		Yes				148
2.	Telecommunications License		Yes				
3.	License for use of Spectrum Frequency		Yes				308
4.	License to Install Television and Radio Station		Yes				327
5.	Broadcasting License		Yes				428
6.	Postal License		Yes				
7.	License for Cinematograph Theatre and Video Library		Yes				6
Law Applicable		The Uganda National Information Technology Authority Act, 2009 The Electronic Signatures Act					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (millions)
8.	License for certification of service providers			Yes			
Sector Total	8		7	1	-	-	
Other sector Licenses (4)		-	4	-	-	-	
Total (12)		-	11	1	-	-	

2.7.1 The Communications Sector

The Uganda Communications Act, 2013

Prior to the enactment of the Uganda Communications Act, 2013, there were two laws in this sector, the Electronic Media Act Cap 104 and the Uganda Communications Act, Cap 106. The former established the Media Council and the latter had the Uganda Communications Commission as the regulator. This led to a significant overlap in the purview and regulatory ambits of the two licensing authorities. As a result, the 8th Parliament passed a resolution to have the Uganda Broadcasting Council and the Uganda Communications Commission fully merged to ensure smooth operations in the sector. This followed a merger of the two bodies on the 15th March 2010. The merger led to the promulgation of a new consolidated law merged the operations for broadcasting and communications in line with best practice and contemporary international standards.

The Uganda Communications Act No.1 of 2013 repealed the Electronic Media Act and Uganda Communications Act, Cap 106. Note however, that section 96 saves the regulations made under the repealed Acts. Therefore, any licenses issued under the regulations are saved. As of May 2013, the regulations were still in force.

Licenses

License 1 – License for radio communications

Under Section 21 of the Uganda Communications Act of 2013, a person shall not without a licence issued by the Commission—

- (a) establish or use any radio station or provide radio communication services;
- (b) sell, let, hire or otherwise dispose of any radio communications apparatus;
- (c) manufacture, possess, install, connect or operate any radio communications apparatus or interference-causing apparatus.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 2,072,952 and it takes an estimate of 96 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is 148 million.

Analysis

The license serves a regulatory purpose.

Recommendation

The license for radio communications be retained.

License 2 – License for telecommunications

Section 2 of the Uganda Communications Act of 2013, a person shall not, establish a telecommunications station, provide telecommunications services or construct, maintain or operate telecommunications apparatus without a licence issued by the Commission.

Note that section 23 of the Act exempts communications apparatus used by the police, the armed forces or any other services directly used by the State in the performance of official functions, which comply with technical requirements specified by the Commission, from the requirement to obtain a license.

Cost of compliance

The estimated cost for a business to comply with this license is UGX 1, 172,102 and it takes an estimate of 96 hours of administrative activities. The total compliance cost per year for an estimated 110 businesses established is 130 million.

Analysis

The license serves a regulatory purpose.

Recommendation

The license for telecommunications be retained.

License 3- License to Use Frequency Spectrum

Section 24 of the Uganda Communications Act, 2013 provides that the Commission shall exclusively issue licences for—

- (a) radio broadcasting or communications apparatus and spectrum use;
- (b) possession and operation of radio broadcasting or communications apparatus;
- (c) broadcasting and communications as the Commission may consider appropriate.

Under the Regulations, a radio spectrum license shall authorise a licensee to operate the specified radio-communications devices on the radio spectrum assigned or to use a part of the spectrum during the operation of the radio-communications devices.

The Commission may at any time after the filing of an application and during the term of any license, require from an applicant or licensee, further written statements of fact to enable it determine whether the application should be granted or denied or whether the license shall be revoked.

The Commission shall determine in the case of each application filed with it, whether public interest, convenience, and necessity shall be served by granting the license and where the Commission, upon examination of the application and upon consideration of any other matters as the Commission may officially notice, finds that public interest, convenience, and necessity shall be served by granting it, the Commission may grant the license.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 2,933,072 and it takes an estimate of 96 hours of administrative activities. The total compliance cost per year for an estimated 105 businesses established is UGX 308 million.

Analysis

Regulation 7(5) of the Communications (Radio) Regulations, 2005, the Commission shall where public convenience, interest, or necessity warrant, grant to any applicant a frequency spectrum license to operate a radio- communication station or to provide radio-communication services.

The requirements for the grant of this license are clearly stipulated in regulation 8 and 9 of the Communications (Radio) Regulations, 2005. In determining an application for renewal of a license, an applicant is not required to file any information which was previously furnished to the Commission as per regulation 7(8).

The radio spectrum license authorises a licensee to operate the specified radio-communications devices on the radio spectrum assigned during the operation of the radio-communications devices subject to conditions that are specified in under regulation 10.

This license therefore serves a regulatory purpose in providing fair, efficient and equitable distribution of radio services throughout the country.

Recommendation

The license should be retained as is as it serves a regulatory purpose and has the procedures for obtaining the license clearly stipulated in the regulations.

License 4- License to Install Television and Radio Stations

Section 26(1) of the Uganda Communications Act 2013 provides that a person shall not install or operate a television station, radio station or any related broadcasting apparatus without a licence issued by the Commission. Subsection (2) further provides that the Commission shall, before issuing a licence under this section, take into account—

- (a) proof of existence of adequate technical facilities;
- (b) the location of the station and geographical area to which broadcast is to be made;
- (c) social, cultural and economic values; and

(d) the environmental impact assessment.

A person who contravenes section 26(1) commits an offence and is liable on conviction to a fine not exceeding one thousand five hundred currency points or imprisonment not exceeding five years or both.

Cost of compliance

The estimated cost for a business to comply with this license is UGX 2,972,072 and it takes an estimate of 96 hours of administrative activities. The total compliance cost per year for an estimated 110 businesses established is UGX 327 million.

Analysis

The license serves a regulatory purpose.

Recommendation

The License to Install Television and Radio Stations be retained.

License 5-Broadcasting license

Section 27(1) of the Uganda Communications Act, 2013 provides that a person shall not broadcast without a broadcasting license issued by the Commission. The Act further provides in subsection (2) that a person who contravenes subsection (1) commits an offence and is liable on conviction to a fine not exceeding twenty five currency points or imprisonment not exceeding one year or both.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 4,071,828 and it takes an estimate of 88 hours of administrative activities. The total compliance cost per year for an estimated 105 businesses established is UGX 428 million.

Analysis

The license serves a regulatory purpose.

Recommendation

The Broadcasting License be retained.

License 6 – Licensing of Postal Services

Section 33 (1) of the Uganda Communications Act, 2013 provides that a person shall not convey, deliver or distribute postal articles without a licence issued under this Act. The Act further provides in subsection (2) that a person shall not require a licence to convey, deliver or distribute the following postal articles—

(a) articles for delivery to another person or persons to whom they are directed, without hire, reward or other profit or advantage for receiving, carrying or delivering them;

(b) articles solely concerning goods or other property sent by land, water or air, and delivered with the goods or property to which the letters relate without hire, reward, profit or advantage for receiving them, and the articles are open to inspection and have subscribed on them the words “consignee’s articles” or other words to that effect.

Analysis

This license serves a regulatory purpose and should be retained. The procedures for obtaining the license are in the regulations that were saved under the repealed laws. However, new regulations under the 2013 Act are being drafted.

Recommendation

The license should be retained.

License 7 – License for Cinematograph Theatre or Video Library

Section 37(1) of the Uganda Communications Act, 2013 provides that a person shall not operate a cinematograph theatre or a video or film library without a licence issued by the Commission. Subsection (2) provides that the Commission shall issue the licence on terms and conditions the Commission may consider necessary.

The Act requires in subsection (3) that prior to issuing a licence under this section, the Commission consider whether, at the place or premises of the applicant, there is adequate provision for the safety, health or convenience of the persons attending a video or cinematograph exhibition.

A person who contravenes section 37(1) commits an offence and is liable on conviction to a fine not exceeding twenty four currency points or imprisonment not exceeding twelve months or both.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 2,972, 072 and it takes an estimate of 96 hours of administrative activities. The total compliance cost per year for an estimated 2 businesses established is UGX 6 million.

Analysis

The license serves a regulatory purpose.

Recommendation

The License for Cinematograph Theatre or Video Library be retained.

2.7.2 Electronic data and transactions subsector

The Uganda National Information Technology Authority Uganda Act 2009

The Electronic Signatures Act 2009

The Uganda National Information Technology Authority Uganda Act 2009 provides for the establishment of the National Information Technology Authority of Uganda and for related matters in the information technology sector. Under section 5 (c), (f) and (g) of the Act, some of the functions of the Authority are to:

- Coordinate, supervise and monitor utilization of information technology in the public and private sectors;
- Set and monitor and regulate standards for information technology planning, acquisition, implementation, delivery, support, organization, sustenance, disposal, risk management, data protection security and contingency planning;
- Regulate the electronic signatures infrastructure and other related matters as used in electronic transactions.

The Electronic Signatures Act 2009 provides for the regulation of the use of electronic signatures and designates the National Information Technology Authority as the Controller or authorizing agency.

License 8 – License for certification service providers

Section 22(1) and (2) of the Electronic Signatures Act 2009 provides that a person shall not carry on or operate or hold himself out as carrying on or operating as a certification service provider unless that person has a valid license issued under the Act.

A person who contravenes this provision commits an offence and is liable on conviction to a fine not exceeding two hundred and forty currency points and/or ten years imprisonment. In addition, for each additional day on contravention, there is a daily fine of ten currency points.

Under Section 25 of the Act, the licensing authority, referred to as the Controller, is defined as the National Information Technology Authority.

Analysis

Although the license under the Electronic Signatures Act 2009 serves a regulatory purpose, there is no subsidiary legislation under the Act on the procedural details of applying for this license. In addition, there is no subsidiary legislation under the Uganda National Information Technology

Authority Uganda Act 2009 to implement the setting, monitoring and regulation of standards for information technology planning, acquisition, implementation, delivery, support, organization, sustenance, disposal, risk management, data protection security and contingency planning.

Recommendations

The subsidiary legislation for this subsector should be expedited to offer clarity to the licensing and authorization requirements of the subsector. A streamlining of the framework is required.

2.8 LABOUR & EMPLOYMENT

Introduction

The analysis in this sector covers laws and licenses pertaining to the following activities:

- 2.8.1 Immigration
- 2.8.2 Employment and Labour services
- 2.8.3 Workers' Compensation

RECOMMENDATIONS ON LABOUR & EMPLOYEMNT

Law applicable		The Uganda Citizenship and Immigration Control Act, Cap 66 The Uganda Citizenship and Immigration Control Regulations, 2005 The Uganda Citizenship and Immigration Control (Amendment) Act, 2009 The Uganda Citizenship and Immigration Control (Fees) Regulations, 2009					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost of Compliance (millions)
1.	Work Permit Class B		Yes				211
2.	Work Permit Class C		Yes				1,055
3.	Work Permit Class D			Yes			11,221
4.	Work Permit Class E		Yes				2,333
5.	Work Permit Class F		Yes				3,235
6.	Work Permit Class G		Yes				5,956
7.	Certificate of Permanent residence		Yes				3,460
8.	Recruitment permit			Yes			1,910
9.	Accreditation			Yes			38
Law Applicable		Workers Compensation Act Cap 225					
License Name		Recommended Action					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost of Compliance (millions)
10.	Insurance for workers' compensation		Yes				
Sector Total	10		7	3	-	-	
Other Licenses	Labour Sector	-	5	-	-	-	
Total (15)		-	12	3	-	-	-

2.8.1 Immigration subsector

The Uganda Citizenship and Immigration Control Act, Cap 66

The Uganda Citizenship and Immigration Control Regulations, 2005

The Uganda Citizenship and Immigration Control (Amendment) Act, 2009

The Uganda Citizenship and Immigration Control (Fees) Regulations, 2009

The Uganda Citizenship and Immigration Control Act Cap. 66 makes provision for the regulation and control of aliens in Uganda and for other related matters such as the acquisition of citizenship of Uganda pursuant to the Constitution, the compulsory registration of all Ugandans, the issue of national identification numbers and the issue of national identity cards to citizens of Uganda. The Act repeals the Uganda Citizenship Act, the Immigration Act, the Passports Act and the Aliens (Registration and Control) Act.

The Act makes provision for the various categories of entry permits, as follows:

Licenses

License 1 – Work Permit Class B

Under Section 53 of the Act, no person shall enter or remain in Uganda unless that person is in possession of a valid entry permit, certificate of permanent residence, or pass, issued under the Act. Under Sub section (3) a person who is not a citizen of Uganda shall not be issued with an entry permit, certificate of permanent residence or pass referred to in subsection (1) unless that person is in possession of a passport, certificate of identity, convention travel document or any other valid travel document.

Section 54 provides that there shall be the classes of entry permits as specified in the Fourth Schedule to this Act. The Work Permit Class B relates to Agriculturalists, persons intending to engage on their own account in the business of agriculture or animal husbandry in Uganda who satisfy the board that—

- (a) permission to acquire an interest in land of an area commensurate with and suitable for the type of agriculture to be undertaken in Uganda has been granted;
- (b) the amount prescribed by the responsible Ministry to be held in respect of any type of agriculture and animal husbandry is held by the applicant in his or her own right and at his or her full and free disposition; and
- (c) obligations imposed by regulations made under this Act have been fulfilled.

The application fee for this permit is US\$ 500 per annum.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 2,110,335 and it takes an estimate of 30 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 211 million.

Analysis

Regulation 10 of the 2004 Regulations provides that the Commissioner in charge of Immigration may issue a special pass to any person living in or arriving in Uganda, where the Commissioner considers the issue of the pass in order to afford that person a reasonable opportunity of applying for and obtaining an entry permit or pass other than a special pass or of completing any immigration formality; or in order to fulfill a short contract of less than three months. This mitigates any undue delay that the process may experience and offers businesses an opportunity to bring in experts for a short period of time without overbearing formalities.

The Work Permit (Class B) is founded on regulatory considerations. In addition the actual process of obtaining the Permit is efficient. Applications are made at the port of entry and the permit is received immediately.

Recommendation

The Work Permit (Class B) be retained.

License 2 – Work Permit Class C

The Fourth Schedule to the Act provides for a Work permit Class C, which relates to Miners, as persons intending to engage on his or her own account in prospecting for minerals or mining in Uganda who satisfies the board that—

- (a) he or she is in possession of, or will be able to obtain, any license that may be necessary to enable him or her to engage in prospecting or mining; and
- (b) he or she has in his or her own right and at his or her full and free disposition such sum as may be prescribed by the responsible Ministry in respect of any particular type of prospecting or mining.

The application fee for this permit is US\$ 500 per annum.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX and it takes an estimate of 30 hours of administrative activities. The total compliance cost per year for an estimated 500 businesses established is UGX 1,055 million.

Analysis

The Work Permit (Class C) is founded on regulatory considerations. In addition the actual process of obtaining the Permit is efficient. Applications are made at the port of entry and the permit is received immediately.

Recommendation

The Work Permit (Class C) be retained.

License 3 – Work permit Class D

The Fourth Schedule to the Act provides for a Work permit Class D (Business and trade), a person intending to carry on a business or trade on his or her own account, or as partners in a firm in Uganda, or who satisfies the board that—

- (a) if a license is required to enable him or her to engage in the trade or business, he or she is in possession of such license or will be able to obtain one; and
- (b) he or she has in his or her own right and at his or her full and free disposition such sum as may be prescribed by the responsible Ministry in respect of any particular trade or business.

The application fee for this permit is US\$ 1,500 per annum.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 5,610,335 and it takes an estimate of 30 hours of administrative activities. The total compliance cost per year for an estimated 2,000 businesses established is 11,221 million.

Analysis

The Work Permit (Class D) is founded on regulatory considerations. In addition the actual process of obtaining the Permit is efficient. Applications are made at the port of entry and the permit is received immediately. However, the cost of obtaining this permit is triple the amount for the other classes. This may amount to a business deterrent.

Recommendation

The Work Permit (Class D); should be streamlined by amending the Uganda Citizenship and Immigration (Fees) Regulations 2009. To revise the Class D fees so as to put them in line with the other fees in order to eliminate the possibility of the permit fees being a deterrent to business.

License 4 – Work permit Class E

The Fourth Schedule to the Act provides for a Work permit Class E for Manufacturers, that is, a person intending to engage in manufacturing on his or her own account in Uganda who satisfies the board that—

- (a) if a license is required to enable him or her to engage in the manufacture which he or she intends to carry on, he or she is in possession of such license or will be able to obtain one;
- (b) he or she has in his or her own right and at his or her full and free disposition such sum as may be prescribed by the responsible Ministry in respect of any particular class of manufacture.

The application fee for this permit is US\$ 500 per annum.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 3,110,335 and it takes an estimate of 30 hours of administrative activities. The total compliance cost per year for an estimated 750 businesses established is UGX 2,333 million.

Analysis

The Work Permit (Class E) is founded on regulatory considerations. In addition the actual process of obtaining the Permit is efficient. Applications are made at the port of entry and the permit is received immediately.

Recommendation

The Work Permit (Class E) be retained.

License 5 – Work permit Class F

The Fourth Schedule to the Act provides for a Work permit Class F to Professionals, a member of a prescribed profession who intends to practice such profession in Uganda who satisfies the board that—

- (a) he or she is in possession of such qualifications as may be prescribed;
- (b) he or she is in possession of sufficient capital or assured income to enable him or her to give effect to his or her intention; and
- (c) has registered with the relevant professional body in Uganda.

The application fee for this permit is US\$ 750 per annum.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 3,235,335 and it takes an estimate of 30 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 3,235 million.

Analysis

The Work Permit (Class F) is founded on regulatory considerations. In addition the actual process of obtaining the Permit is efficient. Applications are made at the port of entry and the permit is received immediately.

Recommendation

The Work Permit (Class F) be retained.

License 6 – Work permit Class G

The Fourth Schedule to the Act provides for a Work permit Class G, Employees, that is, a person who satisfies the board that he or she has been offered and has accepted employment in Uganda. A person intending to take on employment under entry permit class G specified in the Fourth Schedule to this Act may only enter Uganda after his or her application for the entry permit has been granted.

The application fee for this permit is US\$ 600 per annum.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 1,985, 335 and it takes an estimate of 30 hours of administrative activities. The total compliance cost per year for an estimated 3,000 businesses established is UGX 5,956 million

Analysis

The Work Permit (Class G) is founded on regulatory considerations. In addition the actual process of obtaining the Permit is efficient. Applications are made at the port of entry and the permit is received immediately.

Recommendation

The Work Permit (Class G) be retained

License 7 – Certificate of Permanent residence

Under Section 55 of the Act, a person may be granted a certificate of permanent residence. For this purpose, the board may grant to a person upon application a certificate of permanent residence which shall entitle that person to remain in Uganda for such period as is stipulated in the certificate.

The application is as per Form E in the schedule to the Act. This certificate of permanent residence shall only be granted to a person on proof that that person

- (i) has contributed to the socioeconomic or intellectual development of Uganda;
- (ii) has continuously lived legally in Uganda for ten years;
- (iii) is of good character and of proven integrity;
- (iv) has not defaulted in the payment of any taxes required to be paid by him or her; and
- (v) has no criminal antecedents in Uganda or outside Uganda; and (in addition to the above) (a) is not a bankrupt or destitute; or (b) he or she is legally married to a Ugandan citizen and there is a subsisting marriage of three years or such other period as may be prescribed.

Under the same provision, any Uganda citizen who acquires the citizenship of another country shall be eligible on application for the grant of a certificate of permanent residence under this section.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 3,460,335 and it takes an estimate of 30 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 3,460 million

Analysis

The Certificate of Permanent Residence is founded on regulatory considerations. In addition the actual process of obtaining the Permit is clearly stipulated in the law.

Recommendation

The Certificate of Permanent Residence be retained

2.8.2 Labour services subsector

The Employment Act, 2006

The Employment (Recruitment of Ugandan Migrant Workers Abroad) Regulations, 2005

The Employment Act consolidates the laws relating to the employment of individuals and also makes provision for related matters. The regulations under the Act prescribe the details to the provisions of the Act.

Licenses

License 8 – Recruitment permit

Section 38 of the Labour Act provides that a person shall not engage in the business of operating a recruitment agency unless he/she is in possession of a valid recruiting permit issued by the Commissioner for Labour. The recruitment permit shall be subject to such

conditions as the Commissioner may require and may be revoked at any time for good cause. The requirement for a permit covers all forms of employment with the exception of employment for domestic purposes and non-manual labour. Under sub section (5) of the said section, recruitment agencies are obliged to submit periodic returns on their operations and any person in breach of the requirements of this provision commits an offence. The sanction in the first instance is a fine of 24 currency points and in the second instance a fine of 48 currency points and / or 2 years imprisonment term.

Regulation 4 of the Employment regulations provides that a person shall not transact business as a recruitment agency in Uganda without a valid license. Under regulation 5 recruitment agencies are required to be partnerships registered under the Partnership Act or companies incorporated under the Companies Act. Further, if the recruitment agency is a partnership, at least half of the partners must be Ugandan citizens. In addition, the partnership or company must have a minimum capital of fifty million Uganda shillings.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 1,910,335 and it takes an estimate of 30 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 1,910 million

Analysis

The Commissioner has a large discretion for the revocation of a recruitment permit. "Good cause" is a very subjective criteria for the revocation of a license and may be abused.

As far as the licensing authority is concerned, the Act gives the licensing authority to the Commissioner whereas the Regulations refers to the Administration, which is the External Employment Unit.

Recommendation

The Recruitment Permit be streamlined by amending the Act and the regulations there under, to do the following;

- a) Depending on clarity on the issuing authority, to reduce the large discretionary powers of the issuing authority, which powers may invite abuse or corruption and to make clear provisions on the circumstances that could lead to revocation of licence.**
- b) To offer clarity as to the licensing authority in this case.**

License 9 – Accreditation

Under Section 35 of the Act, an application for accreditation of a principal shall only be done by a duly licensed recruitment agency. “Accreditation” means the grant of authority to a foreign principal to engage Ugandan migrant workers for specific jobs through a recruitment agency for overseas employment. Under Section 36, a recruitment agency applying for accreditation of its principal shall submit to the Administration the following information—

- (a) standard or master employment contract;
- (b) special power of attorney or service agreement;
- (c) manpower request from a foreign principal indicating skills, wages and the number of workers required; and
- (d) other documents which the Administration may find necessary.

The Administration shall, before verification or authentication of documents for accreditation of a principal require the following—

- (a) verification of documents at the site of employment undertaken by the Labour Attaché or the Assistant Labour Attaché or by the official at the Ugandan Embassy or the Ugandan foreign representative in the absence of a Ugandan Mission;
- (b) authentication of documents at the site of employment undertaken by the appropriate official of any of the designated Ministry or office of the host country; and
- (c) signing of basic documents by authorized officials of both the hiring company and its affiliate in the presence of any member of the Administration or its duly authorized representative.

Accreditation may be granted only when the principal and the applicant or recruitment agency are the parties to the accreditation agreement and a foreign principal shall be accredited to only one agency.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 760,335 and it takes an estimate of 30 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 38 million.

Analysis

The process of accreditation is very long and involved.

Recommendations

The process of Accreditation be streamlined by amending the Act and the regulations to make provision for maximum application timelines.

2.8.3 Insurance for Worker’s Compensation

The Worker’s Compensation Act Cap 225

The Act provides for compensation to workers for injuries suffered and scheduled diseases incurred in the course of their employment.

Section 2 provides that the Act applies to all employment in Uganda and shall apply to all employees employed by or under the Government of Uganda in the same way and to the same extent as if the employer were a private person but shall not apply to active members of the armed forces of Uganda.

Section 3(1) of the Act provides that if personal injury by accident arises out of and in the course of a worker's employment, the injured worker's employer shall be liable to pay compensation in accordance with this Act. However, section 3(2) restricts the employer's liability to injuries which result in permanent incapacity or incapacitate the worker for at least three consecutive days from earning full wages at the work at which he or she was employed.

Licenses

License 1: Insurance for Workers Compensation

Section 18(1) of the Act provides that every employer shall insure and keep himself or herself insured in respect of any liability which he or she may incur under this Act to any worker employed by him or her.

Penalty

An employer who contravenes section 18 commits an offence and is liable—

- (a) on a first conviction to a fine not exceeding ten currency points;
- (b) on a second conviction to a fine not exceeding twenty currency points; and
- (c) on a third and subsequent convictions, to a fine not exceeding one hundred and fifty currency points or imprisonment not exceeding twelve months or both.

Analysis

Insurance for workers compensation serves a regulatory purpose.

Recommendation

Insurance for workers compensation should be retained.

2.9 MANUFACTURING (PROCESSORS, SMALL SCALE INDUSTRIES, ARTS & CRAFTS)

Introduction

The analysis in this sector covers laws and licenses pertaining to the following activities:

2.9.1 Industry

2.9.2 Occupational Safety and Health regulation

RECOMMENDATIONS ON MANUFACTURING (PROCESSORS, SMALL SCALE INDUSTRIES, ARTS & CRAFTS)

Law applicable		The Industrial Licensing Act, Cap. 97					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost of Compliance
1.	Industrial Licence	Yes					713
Law applicable		The Occupational Safety and Health Act, 2006					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost of Compliance
2.	Certificate of Registration of a Work Place		Yes				2,697
3.	Approval of construction		Yes				256
4.	Notification of use of mechanical power		Yes				312
5.	Hoist Notification		Yes				352
6.	Certificate of Examination of Steam Boiler		Yes				108
7.	Report of examination of a steam receiver		Yes				312
8.	Report of examination of an Air receiver		Yes				312
9.	Certificate of exemption		Yes				22
Sector Total	9	1	8				

Under this sector, focus is given to Micro and small and medium enterprises (MSMEs) and Small and Medium Enterprises (SMEs) which comprise of the largest number of businesses in Uganda.

For Uganda, a micro Enterprise is defined as an enterprise employing maximum of four people; annual sales/ revenue turnover of maximum Ug. Shs. 12,000,000 and total assets of a maximum of Ug. Shs. 12,000, 000.⁸

A small Enterprise is defined as an enterprise employing a maximum 50 people; an annual sales/revenue turnover of maximum Ug. Shs 360,000,000/ and total assets of Ug. Shs. 360,000,000/=.⁹

A medium enterprise is defined as an enterprise employing more than 50 people; annual sales/revenue of more than Ug. Shs. 360,000,000 and total assets of more than Ug. Shs. 360,000,000/=.¹⁰

Small scale industries and arts and crafts in Uganda comprise of; metal fabricators, foods and beverages, textiles and garments, wood crafts, leather products, printing and graphic products, chemical and pharmaceuticals, handicrafts, building materials and ceramics.¹¹

The Index of Production (IoP) measures for 2010 showed that the 'All Items' index increased by 3 percent in 2010.¹² This was largely due to an increase in production of mainly Bricks and Cement as well as Drinks and Tobacco by 25.9 and 7.7 percent respectively.¹³ The manufacturing activities in Uganda include;

- Food Processing
- Drinks and Tobacco
- Textiles, Clothing and Footwear
- Sawmilling
- Paper and Printing
- Chemical, Paint, Soap and Foam Products
- Bricks and Cement
- Metal Products
- Plastic Products Manufacturing
- Furniture making

⁸ Uganda Investment Authority, Small and Medium Enterprises Guide, 2008 at p. 6, available at <http://www.docstoc.com/docs/21584566/Small-and-Medium-size-enterprizes-in-uganda>, Last accessed 12/12/2011

⁹ *Id.*

¹⁰ *Id.*

¹¹ Uganda Investment Authority, Small and Medium Enterprises Guide, 2008 at p. 76, available at <http://www.docstoc.com/docs/21584566/Small-and-Medium-size-enterprizes-in-uganda>, Last accessed 12/12/2011

¹² Uganda Bureau of Statistics, "2011 Statistical Abstract", 2011, P. 49

¹³ *Id.*

Many of the findings and recommendations on licences paid by businesses under this sector have already been discussed under various chapters as summarised below;

1. Trade & Cooperatives Sector¹⁴;
 - Business registration
 - Investment incentives
 - Import & export
2. Agriculture¹⁵;
 - Fisheries
 - Dairy
 - Cotton
 - Coffee
3. Local Government¹⁶;
 - Trade license.

The other licences in this sector are discussed below.

2.9.1 The Industry sub-sector

The Industrial Licensing Act, Cap. 97

An Act to control the establishment of industries and for other purposes connected therewith. Section 2 establishes the Industrial Licensing Board.

License 1: Industrial license

Section 5(1) provides that subject to this Act, no person shall—

- (a) manufacture for sale any scheduled article; or
- (b) erect, establish or operate any factory for the manufacture for sale of any such scheduled article, unless he or she is in possession of a license granted for that purpose by the board under this Act.

(2) The Minister may, by statutory instrument, amend the Schedule to this Act.

Section 6(1) stipulates that the board may, on application made to it in accordance with regulations made for that purpose and on payment of such fee as may be prescribed, grant a license to an applicant, having regard to—

- (a) the capital and technical skill available to the applicant;

¹⁴ See Chap. 4.3

¹⁵ See Chap. 4.1

¹⁶ See Chap. 4.15

- (b) the sitting of any factory in relation to the availability of power, fuel, labour, transport, raw materials, land and water;
- (c) the potential production of and the potential demand for, the articles insofar as, in the opinion of the board, the production and demand are likely to affect the undertaking in respect of which application is made;
- (d) the interests and conditions of service of the labour employed or to be employed by the applicant;
- (e) the interests of the potential consumers of the scheduled article; and
- (f) the general promotion and orderly development of industries and prevention of uneconomic competition.

(2) A license granted by the board shall—

- (a) specify the scheduled article in respect of which the license is granted; and
- (b) be subject to such conditions as the board may think fit to impose.

(3) The board may, on application made to it by the holder of a license, vary or transfer the license.

The secretary shall, by way of a notice in the Gazette, and in a newspaper circulating in the locality publish every application for a new license as stated in section 7.

Section 8 (1) introduces objections to an application by any person who is likely to be adversely affected by the grant of a license under this Act may lodge an objection with the secretary not later than thirty days from the date of publication of the application.

The board shall, as soon as practicable after the expiration of thirty days next following the date of publication of the application, meet for the purpose of inquiring into any application made under this Act under section 9 (1).

Where the board refuses to grant a license, any fee paid by the applicant under section 6 shall be refunded to him or her under section 10 of the Act.

Appeals.

12 (1) Any person aggrieved by the refusal of the board to grant him or her a license or by the decision of the board to vary or revoke his or her license under this Act may appeal in writing to the Minister whose decision shall be final.

(2) An appeal under this section shall be lodged within thirty days from the date on which the applicant or holder of a license is informed of the refusal to grant him or her a license or the decision to vary or revoke his or her license.

14. Offences and penalties.

Section 14 Any person who—

- (a) contravenes section 5;

(b) fails to comply with any of the conditions attached to his or her license; or commits an offence and is liable on conviction to a fine not exceeding one thousand shillings for each day the contravention, failure or commission of the offence continues or to a term of imprisonment not exceeding two years.

Section 15 restricts the Application of Act. This Act shall not apply to a cottage industry in respect of any scheduled article.

Section 1(b) describes “cottage industry” to mean, in relation to the manufacture of any scheduled article, any single unit of industry in which—

- (i) no more than ten workers are employed;
- (ii) no prime mover is utilized;

The scheduled article contains 136 items

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 713,178 and it takes an estimate of 14.5 hours of administrative activities. The total compliance cost per year for an estimated 1000 businesses established is UGX 713 million.

Analysis

The Industrial licence is currently redundant.

Recommendations

1. The licence be eliminated.

2.9.2 The Occupational Safety subsector

The Occupational Safety and Health Act, 2006

This Act consolidates and harmonizes the law relating to occupational safety and health by providing general safety requirements and prescribing safety duties of employers and workers. Workplace in this Act means all places of work and all sites and areas where work is carried out including not only the permanent, indoor, stationary places of work, such as factories, offices and shops but also temporary places of work such as civil engineering sites, open-air places such as fields, forests, roads, oil refineries and mobile places of work such as cabs of trucks, seats of tractors and excavators, ships, galleys, freight decks of aircraft, and where workers are found as a consequence of their work.¹⁷

License 2: Certificate of Registration of a Work Place

¹⁷ Section 2 of the Occupational Safety and Health Act, 2006

Section 40 (2) states that a person shall before they begin to occupy or use premises as a workplace serve on the commissioner for Occupational safety and health a notice with particulars prescribed in the Act and will be issued with the certificate of registration of a workplace as per section 41. The certificate is renewable every three years.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 539,375 and it takes an estimate of 25 hours of administrative activities. The total compliance cost per year for an estimated 5000 businesses established is UGX 2,697 million.

Analysis

This certification meets licensing requirements as the objective is to promote safety and health at workplaces. Since it requires service of a notice, it allows the continuous flow of business even while processing the certification.

Recommendation

The registration of a work place should be retained.

License 3: Approval of construction

Section 42 further provides that a plan and any architectural drawings of a new workplace and of any alterations of an existing one shall be submitted to the commissioner for Occupational Safety and Health for approval before the construction of buildings or alterations of existing buildings or workplace begins.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 852,375 and it takes an estimate of 25 hours of administrative activities. The total compliance cost per year for an estimated 300 businesses established is UGX 256 million.

Analysis

This authorisation meets licensing requirements as it aims at promoting the construction of environmentally friendly workplaces and a good workplace for workers.

Recommendation

The authorisation be retained.

License 4: Notification of use of mechanical power

Section 44 states that an occupier shall notify the commissioner in writing of full particulars of any mechanical power used at a workplace not less than a month before the date upon which the mechanical power is first used in the workplace.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 389, 375 and it takes an estimate of 25 hours of administrative activities. The total compliance cost per year for an estimated 800 businesses established is UGX 312 million.

Analysis

The notification provision meets with the aim of promoting safety in a workplace is a good regulatory measure.

Recommendation

The notification of use of mechanical power should be retained.

License 5: Hoist Notification

Section 69; where a hoist or lift connected to mechanical power is newly taken into use in any premises, the occupier shall within one month after the date upon which the hoist is first used, send to the commissioner a written notice in the format specified in the Act. The section further provides for examination of the hoist or lift every six months

Section 62; minister may by certificate exempt an occupier from compliance with requirements of section 61 which provides for fencing of dangerous machinery, plant and equipment.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 439,375 and it takes an estimate of 25 hours of administrative activities. The total compliance cost per year for an estimated 800 businesses established is UGX 352 million.

Analysis

The hoist notification and subsequent examination serve a regulatory purpose as it's object is to minimise occupational accidents and achieve safety in a workplace.

Recommendation

The hoist notification should be retained.

License 6: Certificate of Examination of Steam Boiler

This certificate is issued by an inspector after examination of a boiler under section 77 (1) of the Act. Examination of a steam boiler is mandated to be carried out every 14 months

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 539,375 and it takes an estimate of 25 hours of administrative activities. The total compliance cost per year for an estimated 200 businesses established is UGX 108 million

Analysis

The examination of a steam boiler serves a regulatory purpose as it's object is to achieve safety in a workplace.

Recommendation

The requirement to obtain the certificate of the steam boiler should be retained.

License 7: Report of examination of a steam receiver

Section 79 states that every steam receiver and all it's fittings shall be thoroughly examined by an authorised person as far as the construction of the receiver permits following which a report of the examination will be made and a certificate will be issued.¹⁸

A steam receiver that has previously been used shall not be taken into a working place for the first time until it is examined and reported on.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 389,375 and it takes an estimate of 25 hours of administrative activities. The total compliance cost per year for an estimated 800 businesses established is UGX 312 million.

Analysis

The steam receiver certification sets standards and requirements that promote safety and good health in a workplace.

Recommendation

The steam receiver examination should be retained.

License 8: Report of examination of an Air receiver

¹⁸ Section 79 (4) of the Occupational and Safety Act, 2006

Section 80 provides for the examination of an air receiver by an authorized person and preparation of a report of the examination. A new air receiver or one previously used elsewhere shall not be taken to a work place until a certificate specifying the safe working pressure of the receiver and nature of the tests that were carried out is made.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 389,375 and it takes an estimate of 25 hours of administrative activities. The total compliance cost per year for an estimated 800 businesses established is UGX 312 million.

Analysis

The Air receiver examination serves a regulatory purpose as it's object is to achieve safety and good health in a workplace.

Recommendation

The air receiver examination should be retained.

License 9: Certificate of exemption

The Commissioner may grant by certificate, an exemption from section 80(3) and (4) which provide that any plant, tank or vessel which contains or contained and explosive or inflammable substance shall not be subjected to welding, brazing or soldering operation which involves the application of heat until specified steps are taken. Following which Section 80(5) provides for the exemption where they are satisfied that compliance with the requirement is unnecessary or impracticable.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 439,375 and it takes an estimate of 25 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 22 million.

Analysis

The certificate of exemption gives businesses the opportunity to avoid procedures that are not necessary in their circumstances and would cost the business more to undergo the exempted procedures.

Recommendation

The certificate of exemption should be retained.

General Sub-sector Analysis

1. *The occupational and Health safety Act is a recent law having been enacted in 2006, this law's regulatory measures were well drafted and meet the acceptable standard of a licensing regulation.*
2. *The challenge faced by the ministry responsible for labour is effecting all the routine inspections to ensure compliance of workplaces with the safety provisions. The labour officers are limited and yet there workplaces are continuously established. For instance, for the financial year 2008/2009, the Department of Occupational Safety and Health planned to carry out the following recurrent activities; register 5,000 workplaces, inspect 4488 workplaces of which 300 were construction sites to be inspected while 200 steam boilers, 800 air receivers, 800 lifting machines were to be examined.¹⁹ The previous year (2007/2008), the department had carried out only the following inspections: inspection of boilers (130); pressure vessels (280); lifts (40), other lifting machines and appliances (500) and registered 4000 new workplaces.²⁰*

General Sub-sector Recommendations

1. **The Act should be retained.**
2. **The human resource at the Department of Occupational Safety and Health should be increased to achieve efficient inspection and enforcement of the provisions of the Act.**

¹⁹ The Parliament of Uganda, "Report of the Committee on gender, Labour and Social development on the Ministerial Policy statement and budgetary Estimates for the FY 2008/2009", August 2008 p. 11

²⁰ *Id.* p. 7

2.10 TOURISM, HOTELS AND WILD LIFE

Introduction

The analysis in this sector covers laws and licences pertaining to the following sub sectors:

2.10.1 Tourism and Hotels

2.10.2 Wildlife

2.10.3 Wildlife Use Rights

Tourism and Hotels

The Uganda Tourism Act, 2008

Repealed Laws

The Hotels Act, Cap. 90

The Tourist Agents (Licensing) act Cap 100

The Tourist Board Act, Cap. 333

RECOMMENDATIONS ON TOURISM, HOTELS AND WILD LIFE

Law applicable		The Uganda Tourism Act, 2008					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost Compliance (millions)
1.	Tour facility Licence			Yes			130.5
2.	Travel Agents, Tour Operators and Tour guides Licence			Yes			
3.	Tourism Development Levy			Yes			
Law applicable		The Uganda Wildlife Act Cap. 200					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost Compliance (millions)
4.	Environmental Impact Assessment		Yes				161
5.	Class A wildlife use right		Yes				
6.	Class B wildlife use right		Yes				
7.	Class C wildlife use right		Yes				
8.	Class D wildlife use right		Yes				
9.	Class E wildlife use right		Yes				
10.	Class F wildlife use right		Yes				713
11.	Professional hunters license			Yes			31
12.	Professional trappers license			Yes			
13.	Import, export or re-export		Yes				255

	permits						
Sector Total	13	-	7	6			
Other Tourism Sector Licenses (2)			2	-			
Total (15)		-	9	6			

2.10.1 Tourism and Hotels subsector

The Uganda Tourism Act streamlines the law relating to tourism in Uganda. The licences required under this Act are here below. The Authority under this Act is the Uganda Tourist Board according to Section 3 of the Act.

Section 36 of the Uganda Tourism Act repealed the repeals three laws that formerly regulated the Tourism and Hotels sector but retained the licences that were issued under the repealed laws.

Licences

Licence 1 - Tour facility Licence

The licence to operate any accommodation or other designated tourist facility is provided for in section 13 of the Act. The application process for a licence is stated in section 15 and an appeal process in case a person is aggrieved by the decision of the board is provided in section 17 of the Act.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 593,637 and it takes an estimate of 57 hours of administrative activities. The total compliance cost per year for an estimated 30 businesses established is UGX 17.8 million.

Analysis

The license serves a regulatory purpose. However, there is potential for overlap where the tour facility is also a hotel.

Recommendations

- 1) The license should be retained. However, it should be streamlined to ensure avoid overlap and multiplicity where the tour facility is also subject to other licenses.**

Licence 2 - Travel Agents, Tour Operators and Tour guides Licence

This licence is mandatory for a person carrying on the business of a travel agent, tour operator or tour guide per section 14 of the Act. Failure to operate without the licence is punishable under section 14(2) of the Act.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 435, 105 and it takes an estimate of 27.3 hours of administrative activities. The total compliance cost per year for an estimated 300 businesses established is UGX 130.5 million.

Analysis

The objective of the Travel Agents, Tour Operators and Tour guides Licence and the tourist Agent licence cannot be inferred from the law although proper identification of persons who may carry on this business provides a safety guarantee for the public.

Recommendations

- 1) The travel Agents, Tour Operators and Tour guides Licence should be retained but streamlined to set standards and improve actual administration. The committee recommends that a single licence be retained with three grades representing the activities that a licence holder is authorised to perform.**
- 2) Regulations should be enacted to list criteria that is necessary to prove qualification for higher licence.**
- 3) Best practice encourages non-regulatory management for sector development for instance; consumer feedback on performance of industry players directly affects the quality of service.**

Licence 3 - Tourism Development levy

Section 9 (1) (b) of the Act states that funds of the board will consist of money accruing to the board from the tourism development levy. However this levy is not operational yet as the regulations for introduction of the levy mentioned in section 34 (1) (e) have not been issued yet.

Analysis

- 1) The tourism development levy is solely a revenue generating mechanism. However, the levy has been justified as necessary to facilitate the growth of the tourism sector in Uganda since the tourists are not attracted by a single firm, but by the status of the entire country as a destination.*
- 2) At the time of the Committee's consultations, there were no regulations to operationalize the Act but an indication was made that draft regulations were under review.²¹*

Recommendation

The Tourism Development Levy is currently not in place. Consultations are ongoing amongst the stakeholders. It is important to ensure that the industry adopts best practice regarding administration, collection and revenue sharing mechanisms amongst various stakeholders to avoid duplicity of fees and licenses in this sector.

²¹ BLRS Interview with Tourism Board Official, 29th August, 2011

General Sub-sector Analysis

1. *Currently, there are no regulations for the implementation of the Uganda Tourism Act however draft regulations are currently going through the review process.*
2. *Section 36 (4) of the Uganda Tourism Act presents an area for clarification as it repeals the Acts listed above and yet allows for the continued enforcement of licences and authorisations of the repealed laws as explained under the Local Government Section of this report. Therefore, although the above Acts were repealed, the Uganda Tourism Act, 2008 makes no provision for the licensing requirements and procedures of the licences previously provided for obtaining the licences under the repealed laws.*

General Sub-sector Recommendations

Regulations should be enacted to operationalize the Act.

2.10.2 Wildlife subsector

The Uganda Wildlife Act, Cap. 200

This is Act to provide for sustainable management of wildlife; to consolidate the law relating to wildlife management; to establish a coordinating, monitoring and supervisory body for that purpose and for other matters incidental to or connected with the foregoing.

Section 18 (2); A wildlife protected area shall be; a national park; a wildlife reserve; any other area the Minister may declare as a wildlife protected area

Section 18 (3) A wildlife management area shall be; a wildlife sanctuary; a community wildlife area; any other area the Minister may declare as a wildlife management area.

Licences

Licence 4 - Environmental Impact Assessment

Section 15(1) of the Act states that any developer desiring to undertake any project that may have a significant effect on any wildlife species or community shall undertake an environmental impact assessment in accordance with the National Environment Act.

The Uganda Wildlife Authority shall perform all the functions required of a lead agency for purposes of an environmental impact assessment²².

The environmental impact assessment should be maintained as a necessary requirement for the protection of the environment and communities therefore it is a justifiable doing business requirement.

²² Section 15 (2) Uganda Wildlife Act, Cap. 200

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 1,612,637 and it takes an estimate of 57 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is 161 million.

Analysis

The license serves a regulatory environmental protection purpose.

Recommendation

The licence be retained.

2.10.3 Wildlife Use rights subsector

Section 30 prohibits utilization of wildlife and wild life products without obtaining a grant of a wildlife use right. The types of use rights are listed in section 29 as explained below.

License 5 - Class A wildlife use right

This right is stipulated in section 29 (1) (a) to permit hunting, taking or killing any wild plant or animal or any domestic animal.

Analysis

The use right serves a regulatory environmental protection purpose, management and preservation of wildlife in Uganda.

Recommendation

The use right be retained.

License 6 - Class B wildlife use right

The authorization to farm and prepare land for cultivation, on wildlife conservation areas is provided in section 29 (1) (b).

Analysis

The use right serves a regulatory environmental protection purpose, management and preservation of wildlife in Uganda.

Recommendation

The use right be retained.

License 7 - Class C wildlife use right

Background

Section 29 (1) (c) grants authority for ranching on wildlife conservation areas.

Analysis

The use right serves a regulatory environmental protection purpose, management and preservation of wildlife in Uganda.

Recommendation

The use right be retained.

License 8 - Class D wildlife use right

The class D license as described in section 29 (1) (d) is required for trading in wildlife and wildlife products.

Analysis

The use right serves a regulatory environmental protection purpose, management and preservation of wildlife in Uganda.

Recommendations

The use right be retained.

License 9 - Class E wildlife use right

Section 29 (1) (e) provides that this license permits use of wildlife for educational or scientific purposes including medical experiments and developments.

Analysis

The use right serves a regulatory environmental protection purpose, management and preservation of wildlife in Uganda.

Recommendation

The use right be retained.

License 10: Class F wildlife use right

This license permits general extraction on wildlife conservation areas and is provided for in section 29 (1) (f).

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 712,637 and it takes an estimate of 57 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is 713 million.

Analysis

- 1) *General Extraction under section 29(1)(f) is not defined in the act, therefore creating uncertainty as to which activities qualify for this licence and which ones do not qualify prior to a businessperson submitting the application.*
- 2) *The use right serves a regulatory environmental protection purpose, management and preservation of wildlife in Uganda.*

Recommendations

- 1) **The licence be retained.**
- 2) **The provision should be amended to describe general extraction and activities provided for therein.**

License 11 - Professional hunters license

A professional hunter is described in Section 1 of the Act to mean any person who for reward directly assists any other person in hunting wild animals. This license is provided for in Section 45 (1)(a) of the Act.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 1,032, 637 and it takes an estimate of 57 hours of administrative activities. The total compliance cost per year for an estimated 30 businesses established is 31 million.

Analysis

1. *The license serves a regulatory environmental protection purpose, management and preservation of wildlife in Uganda.*
2. *It is not clear from the law what the activities of a professional hunter as opposed to those of a professional trapper are.*

Recommendation

The licence be retained but clarification as to the nature of activities regulated by this use right should be made.

License 12 - Professional trappers license

A professional trapper is described in Section 1 of the Act to mean any person who captures any wild animal for the purpose of offering it for sale. This license is provided for in Section 45 (1)(b) of the Act.

Section 47 provides for conditions under which a license may be suspended or cancelled and that the licensee shall be notified with reasons in writing of any decision to suspend or cancel the license and shall state the reasons for the decision.

Section 48 states restrictions on a professional hunters and trappers license not to hunt any protected animal except as may be necessary in defense of human life or property nor prevent the escape of an animal wounded by his or her client while for a professional trappers should not use any snare, poison or poisoned weapon for capturing any animal or to shoot at any animal except when that act is immediately and absolutely necessary in defence of himself or herself and any other person.

Analysis

- 1. The license serves a regulatory environmental protection purpose, management and preservation of wildlife in Uganda.*
- 2. It is not clear from the law what the activities of a professional trapper as opposed to those of a professional hunter are.*

Recommendations

The licence be retained but clarification as to the nature of activities regulated by this use right should be made; for instance that the activities of a trapper include breeding wildlife.

Licence13 - Import, export or re-export permits

Section 65 states that the executive director may, subject to section 67, issue to any person a permit in the prescribed form to import, export or re-export any specimen and the carrying out of those activities without a valid permit amounts to an offence.

This Act repealed “**the Game (Preservation and Control) Act, Cap 198**” except for its Schedules as stated in section 93 of the Uganda Wild life Act, which schedules have no bearing on business licensing.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 255,412 and it takes an estimate of 7 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is 255 million.

Analysis

The license serves a regulatory purpose in management and preservation of wildlife in Uganda.

Recommendation

The licence be retained.

General Sub-Sector Analysis

The application procedure for a wildlife use right is listed in section 31 to include the following: An application form, fees prescribed, a statement of the procedures used to explain the proposals to and obtain the support of the community, a certificate stating that the applicant has informed all adjacent owners and occupiers of land of their application and the nature of the representations received and subsequent changes to the application arising from the representations.

Upon receiving the application, section 32 (1) states that the authority shall satisfy itself that the provisions above have been complied with by the applicant and may make such inquiries of such persons as it thinks fit; shall send a copy of the application to the district council having jurisdiction in the area of the application, requesting the district council to comment on the application within twenty-one days of the receipt of the copy of the application;

Section 32 (2) states that the authority shall not be under any obligation to send any comments it receives about the applicant and application to the applicant for the applicant to comment.

The time for processing these licenses is stated in section 32(3). The section provides that within sixty days of the receipt of an application or, where further information is requested of the applicant, within sixty days of the receipt of that further information, the authority shall either (a) grant, (b) grant subject to conditions; or (c) refuse, the application.

The considerations of the authority in determining whether to grant or refuse an application are detailed in section 32(4).

Section 32(5) The authority shall charge an initial and thereafter an annual fee in respect of every wildlife use right which it grants, and the fee charged may be based on a percentage of the income to be derived by the right holder from the exercise of the wildlife use right. Section 32 (5) provides for a percentage of estimated income for the exercise of wildlife use right leaves room for

misrepresentation by the business community as to their income, paves way for corruption so that some wildlife use right holders would rather “pay off” an individual from the authority than paying a percentage of their real income.

Section 32 (6) is to the effect that every grant of a wildlife use right shall be made subject to the condition that the right to which the grant refers shall be commenced within two years of the grant; and any grant which is not so commenced shall, unless the grant holder applies for and receives an extension of the time limit from the authority, automatically lapse and cease to be of any effect.

Section 38 provides for variation of a wildlife use right. It states that where the authority is satisfied, after making such investigations as it thinks fit, or after receiving such information and advice as appear to it to be well-founded or as a result of a natural disaster or any other reason that appears to it to be relevant, that it is necessary to vary any grant of a wildlife use right or the conditions subject to which a wildlife use right was granted, it may, subject to this section, issue a notice of variation and serve a copy of that notice on every right holder of a wildlife use right which is being varied.

Section 41 discusses the transferability of wildlife use rights as follows;

- (a) a class A and class E wildlife use right shall be transferable only with the permission of the authority and termed permitted transfers²³. The procedure for making permitted transfers is provided in section 42 of the Act.*

- (b) a class B, class C, class D and class F wildlife use right shall be transferable as a private property right subject to this Act and termed as market transfers²⁴. The procedure for making market transfers is provided in section 43 of the Act.*

General Sub-Sector Recommendations

- 1. The various procedures for obtaining these licences as explained in the Act are lengthy but also serve the purpose of protecting wildlife.**
- 2. Section 32(5) should be amended to fix the initial and annual fees.**

²³ Section 41 (2) of the Wildlife Act, Cap. 200

²⁴ Section 41(3) of the Wildlife Act, Cap. 200

2.11 TRADE (IMPORT & EXPORT) AND COOPERATIVES

Introduction

The analysis in this sector covers laws and licences pertaining to the following activities:

2.11.1 Incorporation/ Registration of Business

2.11.2 Investment

2.11.3 Commodities Exchange

2.11.4 Export and Import

2.11.5 Sale of Liquor

2.11.6 Product Standardization

2.11.7 Intellectual Property

2.11.8 Hire purchase

2.11.9 Cooperative Societies

RECOMMENDATIONS ON TRADE (IMPORT & EXPORT) AND COOPERATIVES

Law Applicable		The Companies Act, Cap. 110					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
1.	Reservation of name			Yes			7,100
2.	Registration of the Memorandum and Articles of Association			Yes			10,500
3.	Certificate of Incorporation			Yes			3,400
4.	Declaration of Compliance	Yes					4,900
5.	Register of directors and secretaries.		Yes				3,400
6.	Return of allotments		Yes				3,400
7.	Notification of registered office of a company		Yes				3,400
8.	Annual Return		Yes				11,800
9.	Registration of a company incorporated outside Uganda		Yes				363
10.	Registration of a prospectus		Yes				1
11.	Statement in lieu of prospectus		Yes				378
12.	Registration of resolutions		Yes				1,000
13.	Registration of Charges		Yes				1,200

Law Applicable		The Stamps Act, Cap 342					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(Millions)
14.	Statement of nominal Capital		Yes				14,800
Law Applicable		The Uganda Investment Code Act, Cap. 92					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
15.	Investment License	Yes					144
16.	Certificate of Remittance	Yes					6,800
17.	Entry permit				Yes		278
18.	Trade License				Yes		
19.	Certificate of Incentives.	Yes					165
20.	Registration of agreement for the transfer of foreign technology or expertise.				Yes		268
21.	Certificate of approval to externalize funds	Yes					666
Law Applicable		The Warehouse Receipt System Act, 2006					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
22.	Ware House Keeper License		Yes				412
23.	Commodity Grader/Commodity Weigher/Commodity Sampler License		Yes				1,300

Law Applicable		Uganda Export Promotions Board Act, Cap. 102					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
24.	Membership Registration Certificate		Yes				456
25.	Preferential Certificate of Origin		Yes				888
26.	Levy on designated exports		Yes				1,300
Law Applicable		The External Trade Act, Cap. 88					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
27.	The External trade (importation) License			Yes			1,400
28.	The External trade (exportation) License			Yes			2.2
29.	Grant of exclusive license			Yes			3.3
Law Applicable		Customs Management Act, Cap 77					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
30.	Boarding Station Permit		Yes				0.2
31.	Warehouse License		Yes				1,100
32.	Certificate of Clearance		Yes				169
33.	Grant of Transire		Yes				228
Law Applicable		The Customs Management (Amendment) Act, 2003					
License Name		Recommended Actions					

		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
34.	Authorisation to export goods for outward processing		Yes				232
Law Applicable		The Customs Management (Export of Textiles and Apparel Articles to the United States) Regulations, 2001.					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
35.	Visa		Yes				20.8
36.	Certificate of Origin.			Yes			
Law Applicable		The liquor Act, Cap 93					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
37.	Bar license	Yes					68
38.	Night club liquor license	Yes					7.1
39.	Off-license	Yes					10.8
40.	Wholesale liquor license	Yes					717
41.	Travelling wholesale liquor license	Yes					7.2
42.	Entertainment license	Yes					13.2
43.	Ship and Train license	Yes					1.4
44.	Auction liquor license	Yes					1.9
45.	Special liquor	Yes					7.2

	license						
46.	Club liquor license	Yes					8.2
47.	Extension license	Yes					10
48.	Travellers bar license	Yes					0.7
49.	Temporary liquor license	Yes					
50.	Temporary extension liquor license	Yes					
51.	Temporary transfer liquor license	Yes					
52.	Spirituous liquor license	Yes					
53.	Refined spirits license	Yes					7.2
54.	Temporary disposal license	Yes					
55.	Native liquor shop license	Yes					
56.	Native liquor brewing license	Yes					
57.	Casual brewing native liquor license	Yes					
58.	Temporary native liquor license	Yes					
Law Applicable		Uganda National Bureau of Standards Act, Cap 327					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
59.	Standard Mark certificate		Yes				332.7

60.	Voluntary Certifications (various)		Yes				
Law Applicable		The Trademarks Act Cap. 217					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
61.	Registration of a Trademark		Yes				151
62.	Certification trademarks		Yes				322
Law Applicable		The Patents Act Cap 216					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
63.	Patent registration		Yes				2.4
64.	Compulsory licenses		Yes				3.3
65.	License contracts		Yes				1.7
66.	Utility Certificate		Yes				448
67.	ARIPO Patents		Yes				1.4
Law Applicable		The Copyright and Neighbouring Rights Act, 2006					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs(millions)
68.	Non-exclusive license		Yes				4.3
69.	Certificate of Registration		Yes				2.4
70.	User license		Yes				223
71.	Collecting Societies Registration Certificate		Yes				2.1

72.	Copyright by virtue of nationality or residence		Yes				
73.	Copyright by reference to country of first publication		Yes				
74.	Copyright in works of Government and international bodies		Yes				
75.	Copyright in a literary, musical or artistic work		Yes				
76.	Copyright in a cinematograph film		Yes				
77.	A copyright in a gramophone record		Yes				
78.	Copyright in a broadcast		Yes				
79.	Licenses of right		Yes				
Law Applicable		The Hire Purchase Act, No. 3 of 2009					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)
80.	Hire Purchase Business License		Yes				
Law Applicable		The Cooperative Societies Act Cap. 112					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (millions)
81.	Primary Society Registration		Yes				684

82.	Probationary Society Registration	Yes					684
83.	Registering Amendment of Byelaws		Yes				342
84.	Investment of funds approval	Yes					684
85.	Contributory provident fund approval	Yes					684
86.	Registration of charges		Yes				1,300
Sector Total	86	30	46	7	3	-	
Other Trade sector licences(1)		-	1	-	-	-	
Total (87)		30	47	7	3	-	

2.11.1 The Incorporation/ Registration of Businesses subsector

The Companies Act Cap 110,²⁵

An Act to amend and consolidate the law relating to the incorporation, regulation and winding up of companies and other associations and to make provision for other related and connected matters.

Registration of companies is handled by the Uganda Registration Services Bureau which keeps and maintains a record called “the Register of Companies” in which shall be entered all the matters prescribed by this Act as prescribed by section 2 of the Act.

The fees for the procedures under the Companies Act are stated in the **Company (Fees) Rules, 2005**.

Licenses

License 1 - Reservation of name

Section 18 states that the registrar may, on written application, reserve a name pending registration of a company or a change of name by an existing company. Any such reservation shall remain in force for a period of 30 days or such longer period, not exceeding 60 days, as the registrar may, for special reasons, allow, and during that period no other company shall be entitled to be registered with that name.

Item 5 of head E of the Second Schedule to the Companies (Fees) Rules provides the fee for this process; on making request to the registrar to approve and reserve any name for registration of a company or a change of name of a company, Ug. shs. 25,000/=

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 296,617 and it takes an estimate of 10.5 hours of administrative activities. The total compliance cost per year for an estimated 24,000 businesses established is UGX 7.1 billion.

Analysis

Reservation of name is a necessary requirement but the current procedure for obtaining this registration increases administrative costs for businesses.

Recommendations

²⁵ At the time of the analysis, a Bill to amend the Companies Act (The Companies Bill No. 14 of 2009) was before Parliament.

Reservation and registration of a company should be computerized with procedures for online submission to speed up the processes.

License 2 - Registration of the Memorandum and Articles of Association.

Section 14 of the Act states that the Memorandum and the Articles, if any, shall be delivered to the Registrar, and he or she shall retain and register them.

Section 3 of the Companies Act provides the mode of incorporating a company. Regarding a private company, it states that any two or more persons, associated for any lawful purpose may, by subscribing their names to a memorandum of association and otherwise complying with the requirements of this Act in respect of registration, form an incorporated company, with limited liability. For a public company, any seven or more persons, associated for any lawful purpose may, by subscribing their names to a memorandum of association and otherwise complying with the requirements of this Act in respect of registration, form an incorporated company, without limited liability.

Requirements with respect to the memorandum are set out in sections 4 and 5 of the Act.

Section 6 introduces restriction on alteration of the memorandum while section 7 states the mode in which, and extent to which objects of a company may be altered.

Section 8 provides for registration of Articles and Regulations of companies. It states that there may, in the case of a company limited by shares, and there shall in the case of a company limited by guarantee or unlimited, be registered with the memorandum, articles of association, which shall be signed by the subscribers to the memorandum and shall contain the regulations of the company.

Section 9 describes the articles of association content required in the case of an unlimited company or a company limited by guarantee. Section 10 states that Articles of association may adopt all or any of the regulations contained in Table A.

Section 13 provides statutory forms of memorandum and articles of companies limited by shares and guarantee, making reference to forms set out in Tables B, C, D and E in the First Schedule to this Act, or as near to those forms as circumstances admit.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 436,117 and it takes an estimate of 10.5 hours of administrative activities. The total compliance cost per year for an estimated 24,000 businesses established is UGX 10.5 billion

Analysis

- 1) *The Memorandum and articles may be standardized so business persons do not have to spend time and money paying for services of lawyers for instance in constructing these documents.*
- 2) *The Companies Bill proposes to do away with the object's clause in the memorandum of association. This is a positive step towards standardization of the memorandum and articles.*

Recommendation

We recommend the streamlining of the Memorandum and Articles of Association by the introduction of standard Memorandum and Articles of Association that are accessible to the public online.

License 3 - Certificate of Incorporation

Section 15(1); On the registration of the memorandum of a company, the registrar shall certify under his or her hand that the company is incorporated and, in the case of a limited company, that the company is limited.

(2) From the date of incorporation mentioned in the certificate of incorporation, the subscribers to the memorandum, together with such other persons as may from time to time become members of the company, shall be a body corporate by the name contained in the memorandum.

Section 16 states that a certificate of incorporation given by the registrar in respect of any association shall be conclusive evidence of registration of a company duly registered under the Act.

The fees for registration of a company with share capital are stated in item 1 and 2 of head A of the Second Schedule to the Companies (Fees) Rules while the registration fee for a company without share capital is stated in item 1 of Head B of the same rules.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 141,117 and it takes an estimate of 10.5 hours of administrative activities. The total compliance cost per year for an estimated 24,000 businesses established is 3.4 billion

Analysis

- 1) *The certificate of incorporation is a form of proof of incorporation or registration of a business.*
- 2) *However, leaving a paper certificate as the sole means of such proof is insufficient as it requires prospective business partners to travel to the Uganda Registration Services Bureau (URSB) to certify the validity of this certificate and obtain any additional information on the company.*

Recommendation

The mandatory requirement for a certificate of incorporation as proof of incorporation of a company be substituted with an e-certificate or a company registration number. The e-certificate may be electronically sent from the URSB to the business and prospective business partners only require the registration number to search for information on the company from the e-registry.

License 4 - Declaration of Compliance

Section 16 further provides that a statutory declaration by an advocate engaged in the formation of the company, or by a person named in the articles as a director or secretary of the company, of compliance with all or any of the said requirements shall be produced to the registrar, and the registrar may accept such a declaration as sufficient evidence of compliance.

The declaration of compliance is a standard form; Form A2- that may be purchased at the Uganda bookshop at: Ug. Shs 500, sworn before a Commissioner for oaths at a cost and filed at Ug. Shs. 20,000 which is payable at the bank.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 205, 306 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 24,000 businesses established is UGX 4.9 billion.

Analysis

Declaration of compliance is an unnecessary registration of company procedure. The registrar should be in position to certify that there has been such compliance by an applicant instead of requiring this declaration which adds to the time and cost of doing business.

Recommendation

The declaration of compliance should be eliminated.

License 5 - Register of directors and secretaries.

Section 201 states that every company shall keep at its registered office a register of its directors and secretaries.

The register of directors and secretaries shall contain the following particulars with respect to each director—

in the case of an individual, his or her present Christian name and surname, any former Christian name or surname, his or her usual residential and postal address, his or her nationality and, if that nationality is not his or her nationality of origin, his or her nationality of

origin, his or her business occupation, if any, particulars of all other directorships held by him or her and, in the case of a company subject to section 186, the date of his or her birth; and in the case of a corporation, its corporate name and registered or principal office and postal address.

The form for the Particulars of directors and secretaries may be purchased from the Uganda bookshop at UGX 700 and filed at a cost of Ug. Shs 20,000 which is payable at the bank.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 141,117 and it takes an estimate of 10.5 hours of administrative activities. The total compliance cost per year for an estimated 24,000 businesses established is UGX 3.4 billion.

Analysis

This registration is necessary to maintain a record of the original directors and secretary of the company however the registration process is inconvenient especially for businesses that are not based in Kampala where the URSB is located.

Recommendations

- 1) The registration of directors and secretary of a company should be retained.**
- 2) The procedures for registration should be streamlined by introducing a system that allows electronic submission of this information.**

License 6 - Return of allotments

Section 54(1) Whenever a company limited by shares or a company limited by guarantee and having a share capital makes any allotment of its shares, the company shall within 60 days thereafter deliver to the registrar for registration a return of the allotments.

The form consisting of the statement of nominal capital may be purchased from the Uganda bookshop at Ug. Shs. 500 and filed at a cost of Ug. Shs 20,000 which is payable at the bank.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 141,117 and it takes an estimate of 10.5 hours of administrative activities. The total compliance cost per year for an estimated 24,000 businesses established is UGX 3.4 billion

Analysis

The registration of the return of allotment is a necessary notification to safeguard the public in dealings with the company and since it is a mere notification that does not stop business, it efficiently serves its regulatory purpose.

Recommendation

The registration of the return of allotment should be retained.

License 7 - Notification of registered office of a company.

Section 107 states that a company shall, as from the day on which it begins to carry on business or as from the fourteenth day after the date of its incorporation, whichever is the earlier, have a registered office and a registered postal address. Section 108 further provides for the notification of the situation of the registered office and the registered postal address and of change in them which shall be given within fourteen days after the date of incorporation.

The form for the notice of situation of the registered office and the registered post address costs: UGX 500 and filed at a cost of Ug. Shs 20,000 which is payable at the bank.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 141,117 and it takes an estimate of 10.5 hours of administrative activities. The total compliance cost per year for an estimated 24,000 businesses established is UGX 3.4 billion.

Analysis

The notification of registered office is a necessary notification to safeguard the public in dealings with the company and since it is a mere notification that does not stop business, efficiently serves a regulatory purpose.

Recommendation

The notification of registered office should be retained.

License 8 - Annual Return

Section 125(1) Every company having a share capital shall, once at least in every year, make a return containing with respect to the registered office of the company, registers of members and debenture holders, shares and debentures, indebtedness, past and present members and directors and secretary and the matters specified in Part I of the 5th Schedule to this Act, and the return shall be in the form and shall be made up to the date set out in Part II of that schedule or as near to that date as circumstances admit.

Section 127 (1) states that the time for completion of the annual return and that it should be completed within forty-two days after the annual general meeting for the year and the company shall within such period forward to the registrar a copy signed both by a director and by the secretary of the company.

Documents to be annexed to the annual return are listed in section 128 and 129 of the Act.

Item 4 of Head A of the second schedule to the Company (Fees) (Rules) states the fee for registration of annual return of a company.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 491,117 and it takes an estimate of 10.5 hours of administrative activities. The total compliance cost per year for an estimated 24,000 businesses established is UGX 11.8 billion

Analysis

- 1) *It is a necessary requirement for Companies to file annual returns as this information as it keeps prospective business partners and the public at notice of the returns of the company.*
- 2) *If a company fails to file the return, section 127 (2) states that the company and every officer of the company who is in default are liable to a default fine. However, as the monetary value of the fine is not stated in the law, compliance with this provision is low.*

Recommendation

The requirement to file annual returns should be retained however the provision on sanctions should be reviewed to promote compliance which in turn safe guards the interests of persons that intend to rely on annual returns before dealing with companies.

License 9 - Registration of a company incorporated outside Uganda

Part ten of the Act makes provision for establishment of a place of business in Uganda. Section 369 of the Companies Act (1) Sections 370 to 378 shall apply to all foreign companies, that is to say, companies incorporated outside Uganda which, after 1st January, 1961, establish a place of business in Uganda and companies incorporated outside Uganda which have, before the 1st January, 1961, established a place of business in Uganda and continue to have a place of business in Uganda on and after the 1st January, 1961.

370. Documents, etc. to be delivered to the registrar by foreign companies carrying on business in Uganda.

(1) Foreign companies which, after the 1st January, 1961, establish a place of business within Uganda shall, within thirty days of the establishment of the place of business, deliver to the registrar for registration—

- (a) a certified copy of the charter, statutes or memorandum and articles of the company or other instrument constituting or defining the constitution of the company, and, if the instrument is not written in the English language, a certified translation thereof;

- (b) a list of the directors and secretary of the company containing the particulars mentioned in subsection (2);
- (c) a statement of all subsisting charges created by the company, being charges of the kinds set out in section 96(2) and not being charges comprising solely property situated outside Uganda;
- (d) the names and postal addresses of one or more persons resident in Uganda authorized to accept on behalf of the company service of process and any notices required to be served on the company;
- (e) the full address of the registered or principal office of the company.

(2) The list referred to in subsection (1)(b) shall contain the following particulars with respect to each director and secretary—

- in the case of an individual, his or her present Christian name and surname and any former Christian name or surname, his or her usual postal address, his or her nationality and his or her business occupation, if any; and
- in the case of a corporation, its corporate name and registered or principal office and its postal address, except that where all the partners in a firm are joint secretaries of the company, the name and principal office of the firm may be stated instead of the particulars mentioned in this subsection.

Section 201(10)(b), (c) and (d) shall apply for the purpose of the construction of references in subsection (2) to present and former Christian names and surnames as they apply for the purpose of the construction of such references in that section.

If any charge, being a charge which ought to have been included in the statement required subsection (1)(c), is not so included, it shall be void as regards property in Uganda against the liquidator and any creditor of the company.

Section 371 provides for issuance of the certificate of registration. It states that on the registration of the documents specified in section 370, the registrar shall certify under his or her hand that the company has complied with that section, and that certificate shall be conclusive evidence that the company is registered as a foreign company under this Act.

Section 372 is to the effect that if a foreign company makes any alteration in the registration documents mentioned above, a return containing the prescribed particulars of the alteration should be delivered to the registrar within sixty days.

Offences and penalties for failure to comply with any of the foregoing provisions of this part are stated in section 378 of the Act. The company and every officer or agent of the company who knowingly and willfully authorizes or permits the default are liable to a fine not exceeding one

thousand shillings, or, in the case of a continuing offence, one hundred shillings for every day during which the default continues.

Cost of compliance

The estimated cost for a foreign company to comply with this regulation is UGX 362,790 and it takes an estimate of 11 hours of administrative activities. The total compliance cost per year for an estimated 1000 businesses established is 363 million

Analysis

- 1) *The registration of companies incorporated outside Uganda is necessary to provide for the establishment of these companies in Uganda.*
- 2) *The sanction in section 378 which provides for a penalty of Ug. Shs. 100 for every day that a foreign company does not comply with the Act is insufficient to compel compliance in order to avoid the penalty.*

Recommendations

- 1) **The registration of companies incorporated outside Uganda should be maintained.**
- 2) **Section 378 should be revised to reinforce the sanction.**

License 10 - Registration of a prospectus²⁶

Section 380 of the Act provides for the dating of prospectus and particulars to be contained therein.

Section 42(1) of the Act states that no prospectus shall be issued by or on behalf of a company or in relation to an intended company unless, on or before the date of its publication, there has been delivered to the registrar for registration a copy of the prospectus signed by every person who is named in it as a director or proposed director of the company, or by his or her agent authorized in writing, and having endorsed on it or attached to it.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 318,529 and it takes an estimate of 17.5 hours of administrative activities. The total compliance cost per year for an estimated 3 businesses established is UGX 1,000,000/=

Analysis

²⁶ This provision applies to companies that wish to raise capital by issuing shares to the public. Such companies would have to comply with requirements under the Capital Markets Prospectus Requirements Regulations, prior to registering the prospectus.

The registration of the prospectus is a necessary requirement for public companies as the information provided gives the public knowledge on the company and relatively protects the public from fraud investors.

Recommendation

The registration of a prospectus should be retained.

License 11 - Statement in lieu of prospectus

Second Schedule sets out the form of the statement in lieu of prospectus to be delivered to the registrar by a private company on becoming a public company and the nature of reports to be set out in it.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 377,462 and it takes an estimate of 11.5 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 378 million

Analysis

Serves a regulatory propose where a company is not required to provide a prospectus .

Recommendation

The statement in lieu of prospectus should be retained.

License 12 - Registration of resolutions

Section 143 provides for the registration of certain resolutions and agreements. A printed copy of every resolution or agreement to which this section applies shall, within thirty days after the passing or making of the resolution or agreement, be delivered to the registrar for registration.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 140,790 and it takes an estimate of 11 hours of administrative activities. The total compliance cost per year for an estimated 7,200 businesses established is UGX 1 billion

Analysis

Registration of resolutions are important to serve as proof to the legality of a Company's actions.

Recommendation

The registration of resolutions should be retained.

License 13 - Registration of Charges

Section 96 states that subject to this Part of this Act, every charge created after the fixed date by a company registered in Uganda and being a charge to which this section applies shall, so far as any security on the company's property or undertaking is conferred thereby, be void against the liquidator and any creditor of the company, unless the prescribed particulars of the charge, together with the instrument, if any, by which the charge is created or evidenced are delivered to or received by the registrar for registration in manner required by this Act within forty-two days after the date of its creation.

The registration fee for licenses number 3-7 above, item 5 of head A to the Second Schedule to the Company (Fees) Registration Rules states that for registration any other document by the Act required to be delivered, sent or forwarded to the registrar, the registration fee is Ug. Shs. 20,000.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 159,46 and it takes an estimate of 11.5 hours of administrative activities. The total compliance cost per year for an estimated 7,200 businesses established is UGX 1.2 billion.

Analysis

The registration of charges serves a regulatory purpose as it provides notice to the public of an existing charge on a company's property.

Recommendation

The registration of charges should be retained.

The Stamps Act, Cap 342

The Stamps Amendment Act, 2002

Licence 14 - Statement of Nominal capital

Section 9 provides for a stamp duty on capital of companies. It provides that where any company is to be incorporated in Uganda with limited liability, or where the nominal share capital of any company so incorporated is to be increased, there shall be delivered as the case may be to the registrar of companies a statement of the amount which is to form the nominal share capital of the company to be incorporated.

Subsection 2 provides that the statement of nominal share capital shall be charged with an ad valorem duty stated therein. The ad valorem duty as provided in the Stamps Amendment Act of 2002 is 0.5% of the nominal capital.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 617,462 and it takes an estimate of 11.5 hours of administrative activities. The total compliance cost per year for an estimated 24,000 businesses established is UGX 14.8 billion

Analysis

The statement of nominal capital provides a basis for charging ad valorem duty.

Recommendation

The provision for the statement of nominal capital should be retained.

General subsector Analysis

Section 3 of the Act restricts formation of a company to at least two people. This is an archaic provision which needs revision. We note that the Companies Bill provides for incorporation of a one member company.

General Subsector Recommendations

- 1) The procedures for registration of a company need to be reduced.**
- 2) There is need to integrate incorporation with other business registration processes such as tax and social security registration.**
- 3) The Act be reviewed and amended to bring it in line with modern company law and practice.**
- 4) Reservation and registration of a company should be computerized with procedures for online submission to speed up the processes.**
- 5) An e-registry system be maintained and shared with other public departments to lessen the burden on businesses for constant requests to obtain certified copies of documents already submitted to the Uganda registration services bureau.**
- 6) In lieu of a complete e-registry system, the registration of companies be decentralised. The Uganda registration services bureau should have offices at a regional level to enable quicker access to the bureau's services. This decentralisation may be achieved through already existing systems like the Ministry of Justice regional offices.**

2.11.2 The Investment subsector

The Investment Code Act, Cap. 92

This Act establishes a code to make legal provision for favourable conditions of local and foreign investments in Uganda.

Licences

License 1 - Investment Licence

Section 10 of the Act provides for the regulation of foreign investment stating that a foreign investor (as defined in section 9) shall not operate a business enterprise in Uganda otherwise than in accordance with an investment licence issued under this code. The exception to this section is stated in section 10(5) for investors engaging in trade only.

The application procedure for the investment licence is stated in section 11.

The committee finds that it takes a total of 6 steps, 4 of which require contact with public officials over approximately 11.5 hours in a period of 51 days of submission of each application.

An appeal process for denial of the licence is provided for in Section 14 (5) of the Act.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 287,462 and it takes an estimate of 11.5 hours of administrative activities. The total compliance cost per year for an estimated 500 businesses established is UGX 144 million.

Analysis

The Investment licence does not serve a regulatory purpose. The Uganda Investment Authority informed the committee during consultations that the investment licence is necessary beyond the registration process to keep track of the investors²⁷. The required information can be obtained through notification as well as from other agencies.

Recommendation

The investment license should be reclassified to a notification of the required information to UIA .

License 2 - Certificate of Remittance

The certificate issued by the Bank of Uganda under section 10(6) of the Act as prescribed in section 10 (5) of the Act to a foreign investor intending to engage in trade only.

²⁷ Business License Reform Secretariat, Sector Committee Consultations held at Private Sector Foundation, 1/12/2011.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 684,151 and it takes an estimate of 11.5 hours of administrative activities. The total compliance cost per year for an estimated 10,000 businesses established is 6.8 billion

Analysis

The certificate of remittance is currently redundant and serves no purpose since Uganda became a liberalized capital economy in 1991.

Recommendation

The certificate of remittance should be eliminated.

License 3 - Entry permit

The procedure for a foreign investor engaging solely in trade activities to obtain this permit is stated in section 10 (7) and 10(8) of the Act.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 277,462 and it takes an estimate of 11.5 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 278 million

Analysis

The Entry permit duplicates provisions of immigration laws; by so doing, the Act creates a confusing relationship between doing business and immigration procedures. The immigration issues relating to foreign investors should be streamlined in the Immigration laws and not this Act.

Recommendation

Section 10 (7) and (8) on the entry permit should be reclassified and provided for under the immigration laws.

License 4 - Trade Licence

The procedure for a foreign investor engaging solely in trade activities to obtain this licence is provided in section 10 (9) of the Act.

Analysis

- 1) *The trade licence provided for under this Act contradicts the procedure of obtaining a trade licence that is provided by the Trade Licensing Act.*
- 2) *During consultations, the Committee was informed that the Uganda Investment authority ceased issuing the trade licence provided under this Act and that it is currently redundant.*

Recommendations

- 1) For purposes of streamlining the trade licensing process, section 10 (9) should be repealed such that foreign investors like other persons in business obtain the trade licence through the same procedure.**
- 2) The trade licence should be reclassified under the Trade licensing (Amendment) Act.**

License 5 - Certificate of Incentives.

An investor dealing in importing any plant, machinery, equipment, vehicles or construction material may benefit from concessional rates of import duty obtain a certificate of incentives under section 23 of the Act.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 329,512 and it takes an estimate of 16 hours of administrative activities. The total compliance cost per year for an estimated 500 businesses established is UGX 165 million.

Analysis

The certificate of incentives serves no regulatory purpose as the concessional rates on import duty should be available to all registered businesses and not only certificate holders.

Recommendation

The certificate of incentives should be eliminated.

License 6 - Registration of agreement for the transfer of foreign technology or expertise.

Every agreement for the transfer of technology or expertise shall only be effective if the beneficiary registers it with the Uganda Investment authority under sections 29 and 30 of the Act.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 267, 462 and it takes an estimate of 11.5 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 268 million

Analysis

This licence is necessary to keep track of transferred technology. However the issuing agent for this licence should be changed and the authority should be placed with an institution that has better technical management of technology.

Recommendation

This licence should be reclassified for enforcement under the National council for science and technology

License 7 - Certificate of approval to externalize funds

Background

An investor in a business enterprise to which the certificate of incentives relates is entitled to externalize their funds by applying for this certificate under section 31 and 32 of the Act.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 665,462 and it takes an estimate of 11.5 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 666 million

Analysis

The certificate of approval to externalise funds is currently redundant and serves no purpose since Uganda became a liberalized capital economy in 1991.

Recommendation

The certificate of approval to externalise funds should be eliminated.

General subsector Recommendations

- 1) The Investment Code Act should be reviewed to make provision for incentives and facilitation of local businesses and businesses by nationals.**
- 2) Notwithstanding the above recommendations, the Committee emphasises that regulation of investors should be the premise of sector regulators like the Uganda Registration Services bureau. The Uganda Investment Authority should focus on investment promotion and facilitation without mandatory investment licences.**

2.11.3 The Commodities Exchange subsector

The Warehouse Receipt System Act, 2006

An Act to provide for the licensing of warehouses and warehouse keepers, to provide for a national system of warehouse bonding for the protection of depositors, to provide for the issue of warehouse receipts and to provide for other related matters.

Licences

License 1 - Ware House Keeper Licence

Section 25 (1) of the Act states that a no person shall operate a warehouse without a valid license issued by the Authority under this Act.

The licence is issued to warehouses generally by the Uganda Commodity Exchange to regulate the issuance of warehouse receipts. Only applicants who have met the minimum requirements provided in the Warehouse Receipt Regulations, 2007 can be licensed.

For the licence to be granted, requirements in section 25(3) of the Act should be met and the employees of a warehouse must include the following: a warehouse keeper, a commodity grader, a commodity sampler and a commodity weigher.

Section 26 of the Act states the procedure for applying for and obtaining the licence. The process includes completion of a form and inspection of the ware house. The section makes reference to the Ware House Receipt System Regulations, 2007. Section 31 requires that an applicant file with the Authority a certificate of insurance evidencing an effective policy of insurance.

Sections 39 and 40 provide for the issuing authority and the form of the warehouse receipt respectively.

Suspension and revocation of warehouse keeper's license is provided for in section 34 of the Act following an opportunity for the licensee to be heard.

The establishment of Central Registry is provided for in section 42. Section 42 (2) states that the Secretary to the Authority shall be the Registrar and shall be the registering officer for the purpose of registering any transaction relating to a warehouse receipt issued under the Act or any transaction as shall be provided for in this Act except that the Authority may, with the consent of the Minister, appoint any person to act as a Deputy Registrar.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 824,318 and it takes an estimate of 28.5 hours of administrative activities. The total compliance cost per year for an estimated 500 businesses established is UGX 412 million

Analysis

This licence regulates the issuance of warehouse receipts. Only applicants who have met the minimum requirements prescribed in the law are issued a licence to the protection of businesses that use the warehouse services.

Recommendation

The warehouse keeper licence should be retained.

License 2 - Commodity Grader/Commodity Weigher/Commodity Sampler Licence.

Section 35 of the Act provides for the License to inspect, weigh, grade, classify and certify stored goods. The licence is issued by the Uganda Commodity Exchange to ensure that each ware house has a licensed grader, weigher and sampler. The licence authorizes the inspection and sampling of any goods stored or to be stored in a warehouse licensed under this Act, and to certify the condition, grade, or other class of those goods or to weigh the goods and certify their weight on condition that the person agrees to comply with and abide by the terms of this Act.

This in turn warrants that only acceptable commodities of acceptable grades are received at the licensed warehouse.

Section 36 details suspension of a license to inspect, weigh, grade, classify and certify stored goods following a hearing of the licensee on issues detailed in the section.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 866,369 and it takes an estimate of 33 hours of administrative activities. The total compliance cost per year for an estimated 1500 businesses established is UGX 1.3 billion

Analysis

The licence serves a regulatory purpose as the persons licensed undertake to ensure that only acceptable commodities of acceptable grades are received at the licensed warehouse.

Recommendation

The Commodity Grader/Commodity Weigher/Commodity Sampler licence should be retained.

2.11.4 The Export and Import subsector

Uganda Export Promotions Board Act, Cap. 102

This is an Act to provide for the establishment of the Uganda Export Promotion Board, to define its powers and functions and to provide for other related matters.

License 1: Membership Registration Certificate

The licence is issued by the Export Promotions Board for the purpose of monitoring usage of preferential certificates. The licence is issued to companies exporting to the EAC and COMESA member states at a cost of Ug. Shs. 100,000 for each certificate.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 716, 857 and it takes an estimate of 17 hours of administrative activities. The total compliance cost per year for an estimated 2,500 businesses established is UGX 456 million

Analysis

The membership registration certificate is provided to members and used to maintain a database of members.

Recommendations

The membership registration certificate should be retained.

License 2 - Preferential Certificate of Origin

This licence is issued by the Uganda Export Promotions Board to serve as documentary evidence to enable qualifying products, as stipulated in Rules of Origin Agreements, from Uganda to benefit from preferential tariff treatment. The licence is required of all exporters with qualifying products.

This licence is issued for each consignment.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 355,151 and it takes an estimate of 13.5 hours of administrative activities. The total compliance cost per year for an estimated 2,500 businesses established is UGX 888 million

Analysis

The preferential certificate of origin is necessary to meet international trade requirements under various multi-lateral agreements.

Recommendation

The preferential certificate of origin should be retained.

License 3 - Levy on designated exports

Section 12 (1) (a) of the Act provides that the funds of the board shall consist of a levy of not more than 0.5 percent on designated imports;

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 716,857 and it takes an estimate of 17 hours of administrative activities. The total compliance cost per year for an estimated 2,500 businesses established is UGX 1.3 billion

Analysis

The levy on designated exports is used to promote value addition in certain sectors.

Recommendation

The levy on designated exports should also be retained.

The External Trade Act, Cap. 88

An Act to make provision for the regulation of external trade and other matters incidental thereto and connected therewith.

Licences

License 1 - The External trade (importation) Licence

This is a licence to import-import restricted goods. Section 3 (2) of the Act states that no licence shall be granted by the Minister for the import of any import restricted goods if in his or her opinion the import of the goods would or would be likely to prejudice any agreement or arrangement in respect of external or internal trade or currency entered into or approved by or on behalf of the Government.

Section 3(3) further states that the Minister shall make any licence granted under this section subject to such conditions as he or she shall think necessary in order to ensure that the import of the goods in respect of which the licence is to be issued is in conformity with any agreement or arrangement in respect of external or internal trade or currency entered into or approved by or on behalf of the Government.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX716,857 and it takes an estimate of 17 hours of administrative activities. The total compliance cost per year for an estimated 2,000 businesses established is UGX 1.4 billion

Analysis

1) *The External trade (importation) Licence serves a regulatory purpose of protecting the economic interests of a country by regulating importation of restricted goods.*

- 2) *The procedure for granting this licence is lengthy as the licence is granted in form of a statutory order. However this procedure is necessary to serve the regulatory objective of the Act.*
- 3) *The law does not state the prerequisites that a business has to fulfil to obtain the licence which not only affects the transparency of the process but also and causes delays when applicants have to obtain information from various sources and submit applications several times before they get it right.*

Recommendations

- 1) **The External trade (importation) Licence should be retained.**
- 2) **The Act should be reviewed to provide guidelines on the criteria an applicant needs to fulfil to obtain this licence.**

License 2 - The External trade (exportation) Licence

This is a licence to export- export restricted goods. Section 4 (2) of the Act states that no licence shall be granted by the Minister for the export of any export restricted goods if in his or her opinion the export of any such goods would be contrary to the economic interests of Uganda or would or would be likely to prejudice any agreement or arrangement in respect of external or internal trade or currency entered into or approved by or on behalf of the Government.

Section 4(3) further states that the Minister shall make any licence granted under this section subject to such conditions as he or she shall think necessary in order to ensure that the export of goods in respect of which the licence is to be issued is not contrary to the economic interests of Uganda and is in conformity with any agreement or arrangement in respect of internal or external trade or currency entered into or approved by or on behalf of the Government.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 716,857 and it takes an estimate of 17 hours of administrative activities. The total compliance cost per year for an estimated 3 businesses established is 2.2 million

Analysis

- 1) *The External Trade (Exportation) licence is granted in situations where the recipient country requests for it. The External trade (exportation) Licence serves a regulatory purpose of protecting the economic interests of a country.*
- 2) *The procedure for granting this licence is lengthy as the licence is granted in form of a statutory order. However this procedure is necessary to serve the regulatory objective of the Act.*

- 3) *The law does not state the prerequisites that a business has to fulfil to obtain the licence which not only affects the transparency of the process but also and causes delays when applicants have to obtain information from various sources and submit applications several times before they get it right.*

Recommendation

- 1) **External trade (exportation) Licence should be retained.**
- 2) **The Act should be reviewed to provide guidelines on criteria an applicant needs to fulfil to obtain this licence.**

License 3 - Grant of exclusive licence.

Section 5 of the Act states that; notwithstanding any other provision of this Act, the Minister may, by statutory order, grant an exclusive licence to any person to import or export such restricted goods or any class of them specified in the order subject to such conditions as he or she may think fit to impose.

Section 10 prescribes the nature of the application for a licence under this Act to be made in such form and in such manner as the Minister may prescribe.

Offences and penalties are set out in section 12 of the Act. Any person who imports or exports any goods in contravention of any of the provisions of this Act or the conditions of any licence issued under this Act commits an offence and is liable on conviction to a fine not exceeding twenty thousand shillings or to imprisonment for a period not exceeding three years or to both such fine and imprisonment.

It is important to note that the duration of licences under this Act are stated in the licence.²⁸

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 665,462 and it takes an estimate of 11.5 hours of administrative activities. The total compliance cost per year for an estimated 5 businesses established is UGX 3.3 million.

Analysis

- 1) *The exclusive licence creates opportunity for abuse of the licence as a means of restricting business but is necessary to regulate the import and export of restricted goods.*
- 2) *The procedure for granting this licence are lengthy as the licence is granted in form of a statutory order. However this procedure is necessary to serve the regulatory objective of the Act.*
- 3) *The law does not state the prerequisites that a business has to fulfil to obtain the licence which not only affects the transparency of the process but also and causes delays when*

²⁸ For example-The External Trade (Import License) (Tiger Head Batteries) (No. 2) Order, 2006

applicants have to obtain information from various sources and submit applications several times before they get it right.

Recommendations

- 1) The exclusive licence should be retained.**
- 2) The law should provide for an appeal mechanism to courts of law where issuance of the exclusive licence unjustifiably restricts business.**
- 3) The Act should be reviewed to provide guidelines on the criteria an applicant needs to fulfil to obtain this licence.**

Customs Management Act, Cap 77

An Act of the Community relating to the management and administration of customs, transfer tax and to other matters relating thereto and connected therewith.

The authority to implement provisions of this Act lies in the Commissioner- General or of any officer doing his duty in the matter in relation to which the expression is used

Licences

License 1 - Boarding Station Permit

Section 9(1) provides that the Commissioner-General may, by notice in the Gazette, appoint boarding stations; Customs areas; sufferance wharves; places for the landing and embarkation of persons; places for the examination of goods (including baggage); roads or routes in Uganda over which goods in transit, or goods transferred between the neighbouring States, shall be conveyed; entrances and exits, whether general or special, to and from any Customs area or Customs airport within Uganda; transit sheds. Any such appointment made may be subject to such conditions as the Commissioner-General may think fit.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 92,050 and it takes an estimate of 4.5 hours of administrative activities. The total compliance cost per year for an estimated 2 businesses established is UGX 184,101

Analysis

The boarding station permit is necessary to endorse places where goods in transit may be examined to protect business property.

Recommendations

The boarding station permit should be retained.

License 2 - Warehouse Licence

Section 53(1) states that the Commissioner-General may, on application, licence any building as a warehouse for the deposit of goods liable to import duty; and the Commissioner-General may, without assigning reason, refuse to issue any such licence and may, subject to a refund of the proportionate part of the licence fee, at any time revoke any licence which has been issued.

(2) The Commissioner-General may licence any building as either-

(a) a general warehouse, that is to say, for the warehousing of goods generally; or

(b) a private warehouse, that is to say, only for the warehousing of goods which are the property of the warehouse keeper.

(3) Every licence shall be in the prescribed form and shall be subject to the payment of the prescribed annual fee and shall expire on the 31st December in each year.

(4) The Commissioner-General may require the person applying for a licence to furnish such security as the Commissioner-General may think appropriate as a condition to the grant of the licence and the Commissioner-General may, at any time, require a warehouse keeper to furnish new security in a different amount or on different terms.

(5) The Commissioner-General may, at any time, require a warehouse keeper to make such alterations or additions to his bonded warehouse as the Commissioner-General may consider necessary to ensure the proper security or warehousing of any goods. Subsection (6) provides that no building shall be used as a bonded warehouse unless there is in force in relation thereto a valid licence.

Offences are mentioned in subsection (7) to the effect that; any warehouse keeper who uses, or permits to be used, his warehouse in contravention of any of the terms of his licence shall be guilty of an offence. Further, subsection (8) states that any owner or occupier of a building who uses, or permits to be used, such building as a bonded warehouse without being the holder of a valid licence in respect thereof, shall be guilty of an offence and liable on conviction to a fine not exceeding five hundred thousand shillings for any day, or part of a day during which the building was so used.

Section 54 (1); where the Commissioner-General revokes any licence under section 53, then he shall cause to be served on the warehouse keeper notice of such revocation by leaving such notice with the person in charge of the bonded warehouse; and thereupon such service shall be deemed to be notice of such revocation to the owners of all goods warehoused therein.

(2) Where any warehouse keeper proposes not to renew his licence in relation to any bonded warehouse, then he shall cause notice of such intention to be given to the owners of all goods warehoused therein.

(3) Where the licence in relation to any bonded warehouse has been revoked or has expired, then, within such time as the Commissioner-General may direct, all goods warehoused therein shall be entered and delivered for home consumption, for exportation, for removal to another warehouse, or for use as stores for aircraft or vessels.

(4) Where any goods have not been so entered and delivered in accordance with subsection (3), then the proper officer may cause such goods to be taken to a Customs warehouse and thereupon such goods shall be dealt with in accordance with section 36.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 354,840 and it takes an estimate of 15.5 hours of administrative activities. The total compliance cost per year for an estimated 3,000 businesses established is UGX 1.1 billion

Analysis

The licence certifies which establishments qualify to the standards of a bonded ware house and their subsequent regulation which protects the interests of the users of these facilities.

Recommendations

The ware house licence should be retained.

License 3 - Certificate of Clearance

Section 77 (1); No aircraft or vessel, whether laden or in ballast, shall depart from any port or place in Uganda to any foreign port unless a certificate of clearance has been granted in respect of such aircraft or vessel.

(2) The master or agent of any vessel or aircraft which departs from any port or place within Uganda in contravention of subsection (1) shall be guilty of an offence and liable to a fine not exceeding one hundred thousand shillings.

Section 78(1) states that the master or agent of every aircraft or vessel, whether laden or in ballast, proposing to depart to any foreign port shall apply to the proper officer for a certificate of clearance.

(2) Where application for a certificate of clearance is made, then the proper officer shall not grant such certificate or clearance until he is satisfied that all the provisions of this Act in relation to the aircraft or vessel, its cargo, stores, baggage, crew, and passengers, have been complied with:

Provided that the proper officer may, by reason of the provisions of any other law, refuse to grant such certificate of clearance notwithstanding that he may be satisfied that this Act has been complied with.

(3) Where the master or agent of any aircraft, or of any vessel of less than two hundred and fifty tons register, makes application for a certificate of clearance, then he shall at the same time-

- (a) deliver to the proper officer an outward manifest on the prescribed form and in the prescribed manner;
- (b) produce to the proper officer all such documents as he may require relating to such aircraft or vessel and its cargo, stores, baggage, crew, and passengers;
- (c) answer all questions which the proper officer may ask relating to such aircraft or vessel and its cargo, stores, baggage, crew, and passengers.

(4) Where the master or agent of any vessel of two hundred and fifty tons register or more makes application for a certificate of clearance, then the proper officer may grant such clearance subject to an undertaking by such master or agent to deliver to the proper officer, within twenty-four hours of the grant of such certificate of clearance, the outward manifest of such vessel in the prescribed form and in the prescribed manner, and to answer all such questions as he may be asked relating to such vessel, its cargo, stores, baggage, crew, and passengers.

(5) Where any aircraft or vessel proposes to depart to a foreign port in ballast, then such aircraft or vessel shall be cleared in ballast, that is to say, the words "in ballast" shall be written in those parts of the forms relating to such aircraft or vessel which contain provisions for the particulars of its cargo; and for the purpose of this subsection, an aircraft or vessel shall be deemed to be in ballast when such aircraft or vessel carries, in addition to the crew and its stores, only passengers and their bona fide personal baggage.

(7) Where any certificate of clearance has been granted but the aircraft or vessel in respect of which it was granted has not left the limits of the port in which it was granted, then the proper officer may inform, either orally or in writing, the master of such aircraft or vessel that such certificate of clearance has been cancelled and may require the return of such certificate, and thereupon such certificate shall be deemed never to have been granted. Any master or agent who contravenes any undertaking given under subsection (4), or who refuses to return any certificate of clearance when so required to do under subsection (7), shall be guilty of an Offence under sub section (8)

Section 79(2) provides that the master of any aircraft or vessel who fails to produce such certificate of clearance on demand shall be guilty of an offence.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 169,395 and it takes an estimate of 5.5 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 169 million

Analysis

The certificate of clearance is necessary to allow inspection of goods on a vessel before it leaves the country to ensure that vessels do not carry aboard harmful goods or property that may injure Uganda's relationship with another country.

Recommendation

The certificate of clearance should be retained.

License 4 - Grant of Transire

Section 88(1) provides that no coasting aircraft or coasting vessel, nor any aircraft or vessel which is carrying goods coastwise or goods for transfer in accordance with section 86, shall depart from any port or place within Uganda unless transire has been granted by the proper officer.

(2) The master or agent of any aircraft or vessel to which subsection (1) applies proposing to depart coastwise or carrying goods for transfer, shall deliver to the proper officer an account in triplicate on the prescribed form containing the particulars of all cargo taken on board for carriage coastwise or for transfer; and the original thereof, dated and signed by the proper officer, shall constitute the grant of transire for the carriage of the goods specified therein and shall, in the case of a coasting aircraft or coasting vessel, be the certificate of clearance for such aircraft or vessel for the coastwise voyage.

(3) Any master or agent who contravenes this section, or who delivers an account of which any of the particulars contained therein is false, shall be guilty of an offence and liable on conviction to a fine not exceeding **one million shillings** and the coasting aircraft or coasting vessel in relation to which such offence has been committed may be seized and detained until the fine is paid.

Section 89 (1) states that the master of any aircraft or vessel arriving at a port or place within Uganda carrying goods coastwise or goods for transfer-

- (a) shall forthwith deliver the transire to the proper officer of that port or place;
- (b) shall not, save with the permission of the proper officer and subject to such conditions as he may impose, permit any goods to be unloaded before the delivery of such transire: Provided

that in the case of a vessel of two hundred and fifty tons register or more, such transire may be delivered within 24 hours of arrival and the goods may be unloaded there from before the delivery of such transire.

(2) Any master who contravenes this section shall be guilty of an offence and liable to a fine not exceeding **five hundred thousand shillings** and any goods in respect of which such offence has been committed shall be liable to forfeiture, and the coasting aircraft or coasting vessel in relation to which such offence has been committed may be seized and detained until the fine is paid.

Section 93(1) further provides that any goods being transferred by land, other than by post or rail, between a port or place in Uganda to a port or place in another State shall be conveyed in vehicles duly licensed by the Commissioner-General in accordance with section 186.

Subsection (2) states that any person who uses any unlicensed vehicle for the transfer of goods in contravention of subsection (1), without the written permission of the Commissioner-General, shall be guilty of an offence and shall be liable to a fine of one million shillings and the vehicle and goods in respect of which such offence has been committed shall be liable to forfeiture.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 225,462 and it takes an estimate of 11.5 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 228 million

Analysis

The grant of transpire is similar to the certificate of clearance with the is necessary to allow inspection of goods on a vessel before it leaves the country to ensure that vessels do not carry aboard harmful goods or property that may injure Uganda's relationship with another country.

Recommendation

The grant of transire should be retained.

The Customs Management (Amendment) Act, 2003

This Act amends the Customs management Act.

License 1 - Authorisation to export goods for outward processing

Section 76(A)(1); Outward processing means the procedure under which goods which are in home consumption may be temporarily exported for manufacturing, processing or repair abroad and includes packaging, or repackaging of goods.

Section 76A (2); Any person may apply, in the prescribed form to the Commissioner-General for authority to export goods for the purposes of carrying out outward processing.

Conditions to be met to grant the authorization are stated in sub section 3 and details that should be stated in the application are listed in section 76(A)(4).

76(A)(5) states that on importation of the compensating goods, the applicants must lodge a Goods declaration form with the Commissioner – General.

76(A) (7) provides for examination of the compensating goods at the customs office where the goods declaration for the compensating goods is lodged, unless there are compelling reasons to allow the goods to be imported through another customs office.

76(A)(8) The Commissioner-General may on being satisfied that it is possible to establish that the compensating products were manufactured using the temporarily exported goods, grant the authorization, subject to such conditions as are necessary to ensure compliance with the law.

Appeal

Section 123A(1); A person directly affected by a decision or omission of the customs shall, on request to customs, be given reasons in writing for the decision or omission two weeks after the request.

123 A(2) A person who is dissatisfied with a decision or omission of an officer may lodge an objection with the commissioner-general within thirty days after notice of the decision is served on him.

123(10) where the Commissioner-General has not made a decision within sixty days after receipt of the objection, the Commissioner-General shall be deemed to have made a decision to allow the objection.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 231,445 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 232 million.

Analysis

The licence is necessary to avoid double taxation of goods manufactured or produced in Uganda and are taken out of the country for their enhancement and returned into the country to be sold

again as Ugandan products. The licence serves a regulatory purpose of regulating trade and manufacturing.

Recommendation

The authorisation to export goods for outward processing licence be retained.

The Customs Management (Export of Textiles and Apparel Articles to the United States) Regulations, 2001.

License 1 - Visa

A visa is described in regulation 2 to mean a stamp or certification on the commercial invoice.

Regulation 3(1) states that a person intending to export textile or apparel articles to the United States shall make an application for a visa to the Ministry responsible for trade.

(2) The application for a visa shall be in the form prescribed in the First Schedule to these Regulations.

(3) The visa shall be in the form prescribed in the Second Schedule.

A person shall be eligible for a visa if the goods to be exported fall in any of the categories stated in regulation 4.

Regulation 5 provides that the issuance of the visa shall be the responsibility of an officer designated by the Minister responsible for trade by statutory instrument.

The Visa issued shall be valid until the textile or apparel articles have been cleared by the United States Customs Service or until such a Visa is revoked per regulation 6.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 693,495 and it takes an estimate of 14.5 hours of administrative activities. The total compliance cost per year for an estimated 30 businesses established is UGX 20.8 million.

Analysis

The Visa is a necessary requirement for textile exports to the United States of America under the African Growth Opportunity Act.

Recommendation

The visa be maintained to promote the trade objective of these regulations.

License 2 - Certificate of Origin.

Regulation 7 states that a person shall not export textile or apparel articles to the United States without first obtaining a Certificate of Origin.

The application for a Certificate of Origin is stated in regulation 8. A person wishing to export textile or apparel articles shall, on application, obtain a Certificate of Origin from the Ministry responsible for trade. The application for a Certificate of Origin shall be in the form prescribed in the Third Schedule while the Certificate of Origin shall be in the form prescribed in the Fourth Schedule.

Analysis

The certificate of origin is necessary because it is a requirement of the importing country.

Recommendation

The certificate of origin should be streamlined. Currently it is issued by the Ministry of Trade, Commerce and Industry. For purposes of harmonization, it should be issued by the same agency currently issuing the Preferential Certificate of Origin i.e Uganda Export Promotion Board.

2.11.5 The Sale of Liquor

The Liquor Act, Cap 93

An Act for regulating the manufacture and sell of intoxicating liquor and matters incidental thereto. Section 2 of the Act prohibits the unlicensed sale of liquor anywhere in Uganda. This regulation is permissible to control the abuse of liquor and leaving only persons or businesses that the licence requirements to sale liquor.

Section 6 allows the transfer of a liquor licence from the person or premises it was initially issued upon application and payment of a prescribed fee.

The third Schedule sets out the licences that may be issued in accordance with this Act.

Licences

License 1 - Bar licence²⁹

This licence authorises the licensee to sell non-spirituous liquor either wholesale or retail to be consumed either on or off premises between the hours of 12.45 p.m. and 2 p.m. and 5 p.m. and 10 p.m. It further provides that a hotel management may sell non-spirituous liquor to the residents of the hotel either in their rooms or in the residents lounge at any time.

²⁹ Para. 2, Third Schedule, Liquor Act, Cap. 93

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 135,412 and it takes an estimate of 7 hours of administrative activities. The total compliance cost per year for an estimated 500 businesses established is 68 million.

Analysis

The Bar licence sets hours that a bar should sell non-spirituuous liquor. Bars generally operate beyond 10:00pm and therefore this provision creates a restriction that injures the bar business if enforced.

Recommendation

The Bar licence should be eliminated.

License 2 - Night club liquor licence.³⁰

A night club liquor licence may be issued in respect of any premises where a dance is held for the public and the public is allowed in either free of charge or on payment of money, and shall authorise the sale of non-spirituuous liquor between the hours of 7 p.m. and 1 a.m.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 281,857 and it takes an estimate of 17 hours of administrative activities. The total compliance cost per year for an estimated 25 businesses established is 7.1 million.

Analysis

- 1. The Night club licence creates a multiplicity of licences as most night clubs have bars and therefore a night club proprietor will have to obtain both a bar and night club licence to authorise to sell within the hours of each licence.*
- 2. Further, as the night club licence restricts the sale of liquor to 1a.m, the provision does not serve the current economy as the night club business sells liquor beyond the time stipulated by the provision.*

Recommendation

The Night Club Liquor licence should be eliminated.

License 3 - Off-licence.³¹

³⁰ Para. 3, third Schedule, Liquor Act, Cap. 93

³¹ Para. 4, third Schedule, Liquor Act, Cap. 93

An off-licence authorises the holder to sell between the hours of 7.30 a.m. and 5.30 p.m. non-spirituuous liquor either wholesale or retail to be consumed off the premises. The off-licence is issued only to shops for, retail or wholesale trade, or for both retail and wholesale trade and that separate storage accommodation.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 716,857 and it takes an estimate of 17 hours of administrative activities. The total compliance cost per year for an estimated 15 businesses established is UGX 10.8 million.

Analysis

Majority of the shops that participated in the consultations and as part of their retail/ wholesale trade were involved in the sale of non-spirituuous liquor did not have an off-licence. In addition to this, these shops sold most of their liquor after 5:30p.m and therefore the off- licence would be an unnecessary restriction on their business.

Recommendation

The off-licence should be retained.

License 4 - Wholesale liquor licence.³²

Paragraph 5 of the schedule provides that a wholesale liquor licence shall authorise the sale of non-spirituuous liquor wholesale between the hours of 7.30 a.m. and 5.30 p.m.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 716, 857 and it takes an estimate of 17 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 717 million

Analysis

The wholesale liquor licence serves no regulatory purpose and yet is duplicative of other licences. For instance, the trading licence under the Trade licensing (Amendment) Act regulates whole sale trade.

Recommendation

The wholesale liquor licence should be eliminated

License 5 - Travelling wholesale liquor licence.³³

³² Para. 5, third Schedule, Liquor Act, Cap. 93

³³ Para. 6, third schedule, Liquor Act Cap. 93

A travelling wholesale liquor licence shall authorise the sale of liquor by wholesale between the hours of 7.30 a.m. and 5.30 p.m. from a vehicle by or on behalf of the holder of a wholesale liquor licence in any area in Uganda specified in the licence.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 716, 857 and it takes an estimate of 17 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is UGX 7.2 million

Analysis

The travelling wholesale liquor licence serves no regulatory purpose and yet is duplicative of other licences. For instance, the ‘travelling wholesalers’ licence under the Trade licensing (Amendment) Act regulates travelling whole sale trade.

Recommendation

The travelling wholesale liquor licence should be eliminated.

License 6 - Entertainment licence.³⁴

An entertainment licence may be issued in respect of any premises duly licensed as a theatre under the Electronic Media Act or the Stage Plays and Public Entertainments Act, or in respect of any premises used for the public presentation of athletic or sporting contests or games, or for parades, displays, gymkhanas, tattoos, exhibitions, fetes, bazaars or similar functions or entertainments.³⁵

(2) The entertainment shall authorise the retail sale of liquor in the part of the licensed premises that is specified in the licence for consumption during the periods described below;

- (a) Where the licensed premises are a theatre, an entertainment licence shall authorise the sale of liquor between the hours of 6 p.m. and midnight; but sales shall take place only on days when a public performance is being given in the theatre and not more than fifteen minutes after the end of the performance.³⁶
- (b) Where the licensed premises are not a theatre, an entertainment licence shall authorise the sale of liquor during any public presentation or exhibition and for fifteen minutes before and after such presentation or exhibition.³⁷

³⁴ Para. 7, third Schedule, Liquor Act, Cap. 93

³⁵ Para. 7(1), third Schedule, Liquor Act, Cap. 93

³⁶ Para. 7(3), third Schedule, Liquor Act, Cap. 93

³⁷ Para. 7(4), third Schedule, Liquor Act, Cap. 93

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 132,290 and it takes an estimate of 11 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 13.2 million

Analysis

The entertainment licence is out dated and serves no regulatory purpose.

Recommendation

The entertainment licence should be eliminated.

License 7 - Ship and Train licence.³⁸

A ship and train licence shall authorise the sale of non-spirituos liquor on board a ship or train.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 716, 857 and it takes an estimate of 17 hours of administrative activities. The total compliance cost per year for an estimated 2 businesses established is UGX 1.4 million

Analysis

The licence provision states no regulatory measures that this licence seeks to protect. Therefore, the sale of liquor on a ship or train should be licensed like any other business.

Recommendation

The ship and train licence should be eliminated.

License 8 - Auction liquor licence.³⁹

An auction liquor licence shall authorise the sale by auction on a specified date of non-spirituos liquor on the premises specified in the licence.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 308,940 and it takes an estimate of 24.5 hours of administrative activities. The total compliance cost per year for an estimated 6 businesses established is UGX 1.9 million

Analysis

³⁸ Para 8, third Schedule, Liquor Act, Cap. 93

³⁹ Para. 9, third Schedule, Liquor Act, Cap. 93

The auction liquor licence sets no regulatory standards or measures and therefore is solely a revenue generating licence.

Recommendation

The auction liquor licence should be eliminated.

License 9 - Special liquor licence.⁴⁰

A special liquor licence shall authorise the sale of non-spirituos liquor on special occasions, subject to such conditions as the licensing authority may direct.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 716,857 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is UGX 7.2 million

Analysis

This licence also duplicates several other licences under this Act.

Recommendation

The special liquor licence should be eliminated.

License 10 - Club liquor licence.⁴¹

A club liquor licence may be issued in respect of a proprietary club or a members club, and shall authorise the sale of non-spirituos liquor to the members of the club between the hours of 12.45 p.m. and 2 p.m. and 5 p.m. and 10 p.m.

Subparagraph 4 states the persons to whom a club licence shall in each of the various categories of clubs; be issued—

- (a) in the case of an incorporated club, to the club;
 - (b) in the case of an unincorporated proprietary club, to the proprietor; and
 - (c) in the case of an unincorporated members club, to the secretary or manager or to some other responsible officer.
- (6) A licensing authority may with the object of proving the good faith of the club call upon any applicant in addition to the particulars required by the other provisions of this Act, such information as it may reasonably need to satisfy itself that the club is so conducted.

Cost of compliance

⁴⁰ Para. 10, third Schedule, Liquor Act, Cap. 93

⁴¹ Para. 11, third Schedule, Liquor Act, Cap. 93

The estimated cost for a business to comply with this regulation is UGX 163,643 and it takes an estimate of 15.8 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 8.2 million

Analysis

The licence duplicates other licences under the Act.

Recommendation

The club liquor licence should be eliminated.

License 11 - Extension licence.⁴²

An extension licence may be issued to a proprietary club or a members club for the entertainment of members and their guests and shall authorise the sale of non-spirituous liquor to the members of the club between the hours of 5 p.m. and 1 a.m.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 716, 857 and it takes an estimate of 11.5 hours of administrative activities. The total compliance cost per year for an estimated 15 businesses established is UGX 10 million

Analysis

The regulatory purpose of the extension licences is not clear. The licence is therefore purely for revenue or a matter of promoting red tape.

Recommendation

The extension licence should be eliminated.

License 12 - Travellers bar licence.⁴³

A travellers bar licence shall authorise the sale of non-spirituous liquor by retail at any railway station or airport refreshment room at any time. An applicant for this licence shall produce a written recommendation from the manager of the railway station or airport premises to which the application relates that the licence should be issued to the applicant.⁴⁴

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 716, 857 and it takes an estimate of 17 hours of administrative activities. The total compliance cost per year for an estimated 1 businesses established is UGX 716, 857

⁴² Para.12, third Schedule, Liquor Act, Cap. 93

⁴³ Para. 13, third Schedule, Liquor Act, Cap. 93

⁴⁴ Para 13(2), third Schedule, Liquor Act, Cap. 93

Analysis

A traveller's bar should be regulated like any other business as this licence serves no regulatory purpose.

Recommendation

The traveller' bar licence should be eliminated.

License 13 - Temporary liquor licence.⁴⁵

A temporary liquor licence shall authorise the holder of a bar licence or club liquor licence in exceptional cases to sell non-spirituous liquor for a limited period (to be specified in the licence) at any place other than his or her licensed premises.

Analysis

The exceptional circumstances under which a person may apply for the temporary licence are not stated anywhere in this law. This automatically defeats the purpose of this provision.

Recommendation

The temporary liquor licence should be eliminated.

License 14 - Temporary extension liquor licence.⁴⁶

A temporary extension liquor licence shall authorise the holder of a licence to sell non-spirituous liquor by retail and to sell that liquor outside the permitted hours, during the hours and on the special occasion or occasions specified in the temporary extension liquor licence issued to him or her.

Analysis

The temporary extension liquor licence serves no regulatory purpose and yet would increase the cost of doing business if implemented.

Recommendation

The temporary extension liquor licence should be eliminated.

License 15 - Temporary transfer liquor licence.⁴⁷

A temporary transfer liquor licence authorises the transfer of a licence from the licensee or licensed premises specified in the licence to some other person or premises for a period which

⁴⁵ Para. 14, third Schedule, Liquor Act, Cap. 93

⁴⁶ Para. 15, third Schedule, Liquor Act, Cap. 93

⁴⁷ Para. 16, third Schedule, Liquor Act, Cap. 93

shall be specified in the temporary transfer licence and which shall not exceed the period of validity of the transferred licence or sixty days, whichever is shorter.

Analysis

The circumstance under which a liquor licence holder may transfer their permit is not mentioned in the Act. In addition, if the purpose of the licence was for regulatory, health or safety purposes, then the law would have prescribed pre-requisites that the transferee of the licence should meet before the licence is issued.

Recommendation

The Temporary transfer liquor licence should be eliminated.

License 16 - Spirituous liquor licence.⁴⁸

A spirituous liquor licence shall authorise the sale of spirituous liquor by the holder of any of the licences mentioned in paragraph (1)(a) to (m) of this Schedule on the same terms and conditions as those on which he or she is authorised to sell non-spirituous liquor.

Analysis

This provision is not necessary as it makes a distinction between spirituous liquor licence and a non-spirituous liquor licence, although both licences are granted under the same terms and conditions.

Recommendation

The spirituous liquor licence should be eliminated as it serves no regulatory purpose.

License 17 - Refined spirits licence.⁴⁹

(1) Subject to subparagraph (2) of this paragraph, a refined spirits licence shall authorise the licensee, other than a holder of a spirituous liquor licence, to sell between the hours of 12.45 p.m. and 2 p.m. and between the hours of 5 p.m. and 10 p.m., refined spirits, wholesale or retail, to be consumed on or off the premises.

(2) Where the licensee is the holder of any of the licences mentioned in paragraph 1(a) to (m) and (s) of this Schedule or the holder of a licence or permit to sell native liquor issued by the district administration under this Act, the refined spirits licence shall authorise the licensee to sell refined spirits on the same terms and conditions as those on which he or she is authorised to sell non-spirituous liquor or native liquor, as the case may be.

Cost of compliance

⁴⁸ Para. 17, third Schedule, Liquor Act, Cap. 93

⁴⁹ Para. 18, third Schedule, Liquor Act, Cap. 93

The estimated cost for a business to comply with this regulation is UGX 716,857 and it takes an estimate of 17 hours of administrative activities. The total compliance cost per year for an estimated 17 businesses established is UGX 7.2 million

Analysis

The refined spirits licence is not necessary as it is granted under the same terms and conditions as the non-spirituos and spirituous liquor licences. Therefore, these licences are one and the same licence and there is no justifiable reason for making then separate licences.

Recommendation

The refined spirits licence should be eliminated.

License 18 - Temporary disposal licence.⁵⁰

A temporary disposal licence shall authorise a licensee whose licence has not been renewed or has been cancelled under this Act to sell during a limited period (to be specified in the licence) any intoxicating liquor which was in his or her possession when his or her licence expired or was cancelled, which his or her expired or cancelled licence authorised him or her to sell and which has not been forfeited by the order of a court.

Analysis

It is not necessary to grant a temporary disposal licence for the purpose that this licence aims to serve. A notification from the licensee or the authority should suffice.

Recommendation

The Temporary disposal licence should be eliminated.

License 19 - Native liquor shop licence.⁵¹

A native liquor shop licence shall authorise the retail sale of native liquor for consumption on or off the premises between the hours of 12.45 p.m. and 2 p.m. and between the hours of 5 p.m. and 10 p.m.

Paragraph 2 provides that a native liquor shop licence shall not authorise the licensee to have in his or her possession at any one time more than a limited amount of native liquor (which shall be specified in the licence).

Analysis

This licence duplicates licences under the Enguli Act which provides regulation for native beer.

⁵⁰ Para. 19, third Schedule, Liquor Act, Cap. 93

⁵¹ Para. 20, third Schedule, Liquor Act, Cap. 93

Recommendations

The Native liquor shop licence should be eliminated.

License 20 - Native liquor brewing licence.⁵²

A native liquor brewing licence shall authorise the manufacture of native liquor on the licensed premises, and the sale by wholesale of any native liquor so manufactured.

The provision further states that the licence shall specify the amount of native liquor that the licensee will be authorized to have in their possession at any one time.

Analysis

- 1) *This licence duplicates licences under the Enguli Act which provide regulation for native beer.*
- 2) *The regulatory purpose of the brewing licence to protect the consumer is effectively provided for under the laws on standards and quality under the Uganda National Bureau of Standards Act.*

Recommendation

The Native liquor brewing licence should be eliminated.

License 21 - Casual brewing native liquor licence.⁵³

A casual brewing native liquor licence shall authorise the brewing licensee to manufacture not more than ten gallons of native liquor within a period to be specified in the licence, and to sell any native liquor so manufactured to the holder of a native liquor shop licence.

A person may hold more than one casual brewing native liquor licence at the same time.

Analysis

This licence duplicates licences under the Enguli Act which provides regulation for native beer.

Recommendation

The Casual brewing native liquor licence should be eliminated.

License 22 - Temporary native liquor licence.⁵⁴

A temporary native liquor licence shall authorise the holder of a native liquor shop licence to sell native liquor by retail outside the permitted hours or at a place other than the licensed premises on a day and for a period to be specified in the temporary native liquor licence issued to him or her.

⁵² Para. 21, third Schedule, Liquor Act, Cap. 93

⁵³ Para. 22, third Schedule, Liquor Act, Cap. 93

⁵⁴ Para. 23, third Schedule, Liquor Act, Cap. 93

Analysis

This licence duplicates licences under the Enguli Act which provides regulation for native beer.

Recommendation

The temporary native liquor licence should be eliminated.

General subsector Analysis

- 1) *The provisions on the liquor licences are out dated. If these licences were enforced, they would curtail business activity without necessarily serving any regulatory purpose. For instance, the hours of sale of liquor⁵⁵ are unnecessarily restricted. The act provides that a licence which authorises the sale of intoxicating liquor by retail shall, unless a condition to the contrary is imposed on the licence by the licensing authority, authorise such sale on Sundays as well as on other days.⁵⁶ Further, a licence which authorises the sale of intoxicating liquor by wholesale shall authorise the sale subject to the provisions of the Shop Hours Act.*
- 2) *This provision like the Shop hours Act is archaic. The hours of operation of a shop restrict the doing of business. In practice, many shops countrywide are open outside these hours of operation which is encouraged to improve the competitiveness of Uganda's economy.*
- 3) *Regulatory aspects relating to liquor can be dealt with under other laws regulating product quality, traffic and road safety regulation and child protection provisions.*
- 4) *In addition, the Act introduces a multiplicity of licences strict adherence to which would mean that many of the businesses involved in any way in the sale of liquor would need more than one licence at any one time.*

General Subsector Recommendations

- 1) **The Committee considers that while it is necessary to regulate the sale of liquor, the current licences do not achieve that purpose for instance protection against sale of liquor to children is not catered for under the Liquor Act. Therefore the liquor Act should be repealed.**
- 2) **The licensing of the sale of liquor should be transferred to another law such as the Trade licensing legal regime with clear regulatory requirements of what prerequisites an applicant for the single liquor licence should comply with.**

⁵⁵ Para. 24, third Schedule, Liquor Act, Cap. 93

⁵⁶ Para. 24 (1), third Schedule, liquor Act, Cap. 93

2.11.6 Product Standardization subsector

Uganda National Bureau of Standards Act, Cap 327

An Act to provide for the establishment of a National bureau of standards, the standardisation of commodities and for matters incidental and ancillary thereto. The provisions of this Act are implemented by the Uganda Bureau of Standards formed under section 2 of the Act.

Licences

License 1 - Standard Mark certificate

Section 16 (3) of the Act states that after the publication of a notice declaring a standards mark, no person shall apply that mark to any commodity or use the mark in any way except under the permit issued by the council or a person acting under the authority of the council and, unless the commodity complies with, or has been manufactured in accordance with, the relevant standard specification.

Section 17 prescribes the procedure for obtaining this permit by an application to the council in such manner as the council may prescribe. Subsection (2) further states that the council or the person acting under the authority of the council may grant the permit subject to such conditions as it or he or she may think fit to impose.

As prescribed by section 17(3); a permit granted under this section shall be valid for twelve months and may be renewed by the council or a person acting under the authority of the council.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 665,462 and it takes an estimate of 11.5 hours of administrative activities. The total compliance cost per year for an estimated 500 businesses established is UGX 332.7 million

Analysis

- 1) *This license serves a regulatory purpose as it ensures consumer protection and promotes business competitiveness.*
- 2) *However, the procedures for obtaining these licences are not provided for in the law although the Uganda Bureau of Standards has made some of the procedures available on the Bureaus' website.⁵⁷*

⁵⁷ <http://www.unbs.go.ug>

Recommendations

- 1) The Standard Mark Certificate should be retained.**
- 2) The Bureau should enact regulations to provide for the form of applications and standards expected for obtaining the licence.**

License 2 – Voluntary Certifications

Section 3(d) of the Act mentions that one of the functions of the bureau is to endorse or adopt any international or other country's specification with or without any modification as suitable for use in Uganda.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 365,134 and it takes an estimate of 12 hours of administrative activities. The total compliance cost per year for an estimated 200 businesses established is UGX 73 million.

Analysis

There are various voluntary product certifications that are issued by UNBS such as the ISO Management Systems Certificate, the Quality Mark, the Food Safety Management Certificate and the Environmental System Management Certificate. These are necessary to ensure product certification and standardization

Recommendation

The voluntary certifications should be retained.

2.11.7 Intellectual Property subsector

The Trademarks Act Cap. 217

This is an Act relating to the registration of trademarks.

Section 2 provides that subject to any written law relating to the appointment of persons to the public service, the Minister shall designate a registrar of trademarks.

Licenses

License 1 - Trademark Registration

Section 5 states that a trademark must be registered in respect of particular goods or classes of goods, and any question arising as to the class within which any goods fall shall be determined by the registrar, whose decision shall be final.

Section 11 makes a list of distinctiveness requisite for registration in Part A while section 12 lists the requisites for registration in Part B of the register.

The application procedure for registration is stated in section 19 of the Act by application to the registrar. The registrar may refuse the application, or may accept it absolutely or subject to such amendments, modifications, conditions or limitations, if any, as he or she may think right.

According to section 21 of the Act, where an application has been accepted, the registrar shall register the trademark in Part A or Part B, and issue the applicant a certificate in the prescribed form of its registration under the hand and seal of the registrar.

Section 22(1); The registration of a trademark shall be for a period of seven years.

Appeals

In the case of a refusal or conditional acceptance, the registrar shall, if required by the applicant, state in writing the grounds of his or her decision and the materials he or she used in arriving at the decision, and the decision shall be subject to appeal to the court.

Section 19 also states the appeal process under this Act. Section 19(5) provides that an appeal under this section shall be made in the prescribed manner, and on the appeal the court shall, if required, hear the applicant and the registrar, and shall make an order determining whether, and subject to what amendments, modifications, conditions or limitations, if any.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 162,101 and it takes an estimate of 9 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 151 million

Analysis

- 1) *Registering a trademark is not mandatory but it is necessary as it allows identification of goods as belonging to the business that owns the trademark. The business is empowered following registration to stop another from using the trademark.*
- 2) *The procedure for obtaining the registration is reasonable.*

Recommendations

1. **The Trade Mark registration should be retained.**

License 2 - Certification trademarks.

This is provided for in section 39(1) which provides that; A mark adapted in relation to any goods to distinguish in the course of trade goods certified by any person in respect of origin, material, mode of manufacture, quality, accuracy or other characteristic, from goods not so certified shall be registrable as a certification trademark in Part A of the register in respect of those goods in the name, as proprietor of them, of that person; except that a mark shall not be so registrable in the name of a person who carries on a trade in goods of the kind certified.

The application process is listed in the schedule to the Act; An application for the registration of a mark must be made to the registrar in writing in the prescribed manner by the person proposed to be registered as the proprietor of the mark. The considerations for granting the license is stated in item 5 of the schedule.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 321, 462 and it takes an estimate of 11.5 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 322 million

Analysis

- 1) *The Certification trademark is also not a mandatory licence but benefits business to prove that their products are accredited by recognised organisation whose mark is affixed on the product.*
- 2) *The procedure for obtaining the registration is reasonable.*

Recommendations

The Certification Trade Mark should be retained.

The Patents Act, Cap 216

An Act to provide for the grant, registration and protection of patents and for other purposes incidental thereto.

Section 2 (a) provides that the registrar of patents who shall supervise the performance of the duties and functions of a registry under this Act and a Patents registry is established under section 3 of the Act.

License 1 - Patent registration

Section 13(1) states that an application for the grant of a patent shall be made to the registrar, but where the applicant ordinarily resides or has his or her place of business outside Uganda, he or she shall be represented by an agent admitted to practice before the patents registry.

A patent application shall be accompanied by information stated in section 13(2) as follows;

- (a) a description disclosing the invention in a manner sufficiently clear and complete for the invention to be evaluated and to be carried out by a person skilled in the art and shall, in particular, indicate the best mode known to the applicant for carrying out the invention;
- (b) a clear and concise claim or claims defining the matter for which protection is sought and fully supported by the description;
- (c) any drawing which may be essential for understanding the invention;
- (d) an abstract serving the purpose of technical information but which shall not be taken into account for the purpose of interpreting the scope of the protection sought; and
- (e) the prescribed fee.

Section 13(3) further provides that the application shall state the name of any other prescribed data concerning the applicant, the inventor and the agent, if any, and the title of the invention. Where the applicant is not the inventor, the application shall be accompanied by a statement justifying the applicant's right to the patent according to section 13 (4)

Section 16(1) provides that the application may contain a declaration claiming priority, as provided for in the Paris Convention, of one or more earlier national, regional or international applications filed by the applicant or his or her predecessor in title, in or for any member State of the Paris Convention.

The registrar shall accord as the filing date the date of receipt of the application, where at the time of receipt the requirements listed in section 19 (1) have been provided.

As described in section 21, unless the application has been rejected or refused, a patent shall be granted and issued to the applicant in the specified form, recorded in the register, and promptly published by the registrar in the Gazette.

(3) The registrar shall, whenever possible, reach a final decision on the application not later than two years after the commencement of the examination referred to in section 20.

Appeals.

Section 22 provides that an applicant may appeal to the High Court against a decision by the registrar—

- (a) according a filing date to an application;
- (b) rejecting an application; or
- (c) treating an application as if it had not been filed.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 244,184 and it takes an estimate of 16.5 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is UGX 2.4 million

Analysis

1. *Patent registration protects the ownership of an invention by a business.*
2. *The procedure for obtaining the registration is reasonable.*

Recommendation

The committee recommends that Patent registration be retained.

License 2 - Compulsory licenses.

Section 30(1); At any time after four years from the filing date of an application or three years from the grant of a patent, whichever period last expires, any person may, in proceedings instituted by him or her against the owner of the patent or in proceedings instituted against him or her by the owner request the court for the grant of a compulsory license on any of the following grounds listed in the section.

Section 30(2) A compulsory license under this section shall be on such terms as to payment of remuneration by the licensee to the owner of the patent and otherwise as the court may consider just

The term of a patent is stated in section 31(1) that a patent shall expire at the end of the fifteenth year after the date of the grant of the application and may be extended under procedure in section 32.

Section 32(1) introduces annual maintenance fees providing that in order to maintain the application or the patent, an annual fee shall be paid in advance to the registrar starting with the first anniversary of the date of the filing of the application.

Section 32 (3) A period of grace of six months shall be granted for the payment of the annual fee upon payment of a surcharge whose amount shall be fixed by regulations.

Section 32(4) If an annual fee is not paid in accordance with this section, the application shall be deemed to have been withdrawn or the patent shall lapse, and the lapse of the patent shall promptly be published by the registrar.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 332, 462 and it takes an estimate of 1,000 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is 3.3 million

Analysis

- 1) *The compulsory licence improves competitiveness of the business environment as it gives opportunities to businesses to produce the patented product where voluntary negotiation with the patent holder has failed.*
- 2) *The procedure for obtaining the registration is reasonable.*

Recommendation

The Committee recommends that the compulsory license should be retained.

License 3 - License contracts

Section 37(1) of the Act states that the owner of a patent may, by written contract, grant permission to another person or persons to do any of the acts specified in section 25 in respect of an invention for which the patent was granted or an application is pending.

Section 37(2) A license contract shall be in writing, signed by the parties to the contract, and shall be submitted by them, by petition, to the registrar for registration in the register.

If the registrar finds the license contract in order, he or she shall according to section 40 (1) register the contract and issue a certificate of registration to the petitioners.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 208,445 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 8 businesses established is UGX 1.7 million

Analysis

- 1) *The licence contract originates from the Patent holder and a licensee. Therefore the subsequent registration of the contract serves a regulatory purpose as notice of this contract to the public.*
- 2) *The procedure for obtaining this licence is reasonable.*

Recommendation

The Committee recommends that the registration of licence Contracts should be maintained.

License 4 - Utility Certificate.

Section 41(1) provides that the registrar may grant a utility certificate in respect of an invention under this Part.

Section 42 states that an invention is eligible for a utility certificate if it is new and is industrially applicable and it is immaterial that the invention does not involve an inventive step within the meaning of section 10.

Section 43 provides for the duration of utility certificates. A utility certificate shall expire, without any possibility of renewal, at the end of the seventh year after the date of grant of the application; but the court may, before the utility certificate expires, and in proceedings under section 36, invalidate and revoke a utility certificate on any of the grounds under that section.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 447,462 and it takes an estimate of 11.5 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 448 million

Analysis

- 1) *The utility certificate is necessary as it gives an opportunity to businesses and the public to learn from an inventor how to execute their invention; with the effect that more businesses will be more knowledgeable on a new process that could increase or improve their output.*
- 2) *The procedure for obtaining the registration is reasonable.*

Recommendation

The Committee recommends that the utility certificate should be retained.

License 5 - ARIPO Patents.

Section 23: A patent granted to an applicant by the African Regional Intellectual property Organisation (ARIPO) Office in accordance with the ARIPO Protocol and in respect of which Uganda is a designated State shall, with the necessary modifications, have the same effect and enjoy the same protection in Uganda as a patent granted under this Act; but a patent so granted shall not have legal effect or protection in Uganda where the registrar has made a written communication to the ARIPO Office, in accordance with the ARIPO Protocol, that the patent shall have no effect in Uganda.

The Patents (Amendment) Act, 2002 provides for international applications and connected matters by giving effect in Uganda to the provisions of the Patents Co-operation Treaty of 1970.

This Act introduces Part IVA which provides for international applications under the Patent co-operation treaty.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 347,184 and it takes an estimate of .16.5 hours of administrative activities. The total compliance cost per year for an estimated 4 businesses established is UGX 1.4 million

Analysis

- 1) *The substantive examination of ARIPO applications and opinion from the 17 member states on whether the patent should be granted makes an ARIPO patent one of stronger recognition as the examination substantially raises its presumption of validity.*⁵⁸
- 2) *The procedure for obtaining the registration is reasonable.*

Recommendation

The Committee recommends that the ARIPO patent should be retained.

The Copyright and Neighbouring Rights Act, 2006

An Act to repeal and replace the Copyright Act, and to provide for the protection of literary, scientific and artistic intellectual works and their neighbouring rights; and to provide for other related matters

The minister responsible for justice is has authority very matters provided for in this Act and may under section 41 on the recommendation of the board of the Uganda Registration Services Bureau appoint a Registrar of Copyright.

Section 5 lists works that are eligible for copyright while section 13 provides for the duration of copyright protection for different categories of works.

A copyright licence is transferable under section 14 of the Act.

Licences

License 1 - Non-exclusive license

Section 17(1) A person who is a citizen of Uganda or who is ordinarily resident in Uganda may apply to the Minister for a non-exclusive license—

- (a) to make and publish or to cause to make and publish a translation of a work into the

⁵⁸ ARIPO website, http://www.aripo.org/index.php?option=com_content&view=article&id=18:legal-framework&catid=29:the-cms&Itemid=55, last accessed on February 9th, 2012.

English, Swahili or any Ugandan language and to produce or cause to produce copies from them;

(b) to reproduce or cause to be reproduced a work which is published, and to publish or cause to be published in a material form the work reproduced.

(2) An application for translation shall not be issued under paragraph (a) of subsection (1) until one year has expired from the date of the publication of the work in a material form.

(3) Where the author of the work has withdrawn all copies of the work from circulation, no license under paragraph (a) of subsection (1) shall be granted by the Minister in respect of that work.

(4) The Minister shall not grant a license under paragraph (b) of subsection (1)—

(a) until the following period commencing from the date of first publication of the work in a material form, has expired—

(i) three years in the case of work in a material form of technology or natural or physical science including mathematics;

(ii) five years in the case of music or any other related work;

(iii) seven years in the case of work of fiction, poetry, drama or for a book of art;

(iv) seven years in the case of an audio-visual fixation.

(5) The licensee under this section shall provide just compensation consistent with standards of royalties normally payable in the case of a license freely negotiated between any person and the owner of the right, which shall be paid to the owner or owner's agent and if the owner is not known or cannot be found shall be paid to the Registrar who shall avail it to the owner if found.

(6) Where a licence is granted under this section the licensee shall ensure that the translation or reproduction of the work is correct and details of what the published copies should include.

Section 18 provides the scope, condition and termination of the non-exclusive license.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 427,462 and it takes an estimate of 11.5 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is 4.3 million

Analysis

1) *The non-exclusive licence promotes competitiveness of the business environment as the licence permits other businesses to use the copyrighted material.*

2) *The procedure for obtaining the registration is reasonable.*

Recommendation

The Committee recommends that the Non-exclusive licence should be retained.

License 2 - Certificate of Registration

Section 43(1) provides that the owner of a copyright or a neighbouring right may register the right with the Registrar for the purpose of keeping evidence of ownership of the right; identification of works and authors or maintenance of record of the rights;

Any holder of an assignment, license or transfer of a copyright or neighbouring right, any person entering into a copyright or neighbouring right contract may register the rights in the contract under subsections 2 and 3 of this section.

Section 43 (7) states that a certificate of registration of a piece of work may be received in evidence as proof of ownership of that piece of work.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 244,184 and it takes an estimate of 16.5 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is UGX 2.4 million.

Analysis

- 1) *Copyright registration serves a regulatory purpose as it seeks to prevent infringement on the work of a business or person by providing evidence of the content of the copy righted work and the date of the copy right.*
- 2) *The procedure for obtaining the registration is reasonable.*

Recommendation

The Committee recommends that the Certificate of registration should be retained.

License 3 - User license

Section 44(1) provides that any person who wishes to use or perform another person's work or who causes work to be performed in public for gain shall apply to the owner or the owner's agent for a licence to do so.

The owner or agent may grant a license and shall in respect of any grant, charge such royalties as the owner or owner's agent may determine to be appropriate under section 44(2) of the Act.

The duration of this license is prescribed in section 44 (3) to be for one year but may be renewed each time it expires.

The penalty for continued use of the license without renewing the license commits an offence under section 44 (4) and is liable, in addition to any other punishment under this Act, to pay not less than fifty percent of the royalties charged in respect of that work in addition to the royalties due for that particular use.

Section 45 avails for civil remedies to a license holder whose rights are in eminent danger of being infringed upon. Section 47 states offences and penalty for infringement of copyright while section 48 creates an offence for infringement of a neighbouring right.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 222,462 and it takes an estimate of 11.5 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 223 million

Analysis

- 1) *The user licence is necessary to prove the agreement entered into by the Copy right holder and a business that has obtained the licence to use the copy righted material.*
- 2) *The procedure for obtaining the registration is reasonable.*

Recommendation

The Committee recommends that the User licence should be retained.

License 4 - Collecting Societies Registration Certificate

Section 57(1); No collecting society shall operate in Uganda without a registration certificate issued by the Registrar of Companies. Qualifications for registration of a collecting society are stated in section 58 of the Act starting with the main object of such society being the promotion of the economic and social interest of its members through defending their copyright and neighbouring right interests and whose function or other objects include those listed in the section.

(2) The Registrar of Companies shall not register another society in respect of the same bundle of rights and category of works if there exists another society that has already been licensed and functions to the satisfaction of its members.

(3) Any person operating as a collecting society or causing any society or body to operate as a collecting society without a registration certificate commits an offence and is liable on

conviction to a fine not exceeding one hundred currency points or to a term of imprisonment not exceeding two years or to both the fine and imprisonment.

Conditions for registration are stated in section 59; the registrar should be satisfied that the society is capable of promoting its members' interests and of discharging its functions and objectives, it consists of at least thirty persons and is incorporated under the provisions of the Companies Act.

Section 60 lists the application process for registration. The application is made to the registrar in a prescribed form and shall be signed by at least thirty members of the society. The application shall be accompanied by three copies of the proposed articles and rules of the Society, a copy of the certificate of registration as a non-governmental organization and such other information as the Registrar may require.

Section 67 provides for the amendment of the articles and rules of a registered society and such amendment shall only be valid if registered with the Registrar.

By the provision in section 84, this Act repealed The Copyright Act. However the section further provides that the repeal shall not affect any copyright or other rights that existed immediately before the repeal of the Act and all such rights shall be enforceable under this Act, as if this Act was in force at the time of the creation of that work.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 527, 462 and it takes an estimate of 11.5 hours of administrative activities. The total compliance cost per year for an estimated 4 businesses established is UGX 2.1 million

Analysis

- 1) *This registration is important to give the collecting societies legal recognition and promote the safeguarding of member's copy rights and interests.*
- 2) *The procedure for obtaining the registration is reasonable.*

Recommendation

The Committee recommends that the Collecting Societies Registration Certificate should be retained.

The Copyright Act, Cap. 215 (Repealed)

The Copyright and Neighbouring rights Act, 2006 repealed the Copyright Act, cap. 215 but saved the licences established under the repealed Copyright Act. These licences are listed below;

Section 3; Subject to this section, the works specified in the First Schedule to this Act shall be eligible for copyright.

License 1: Copyright by virtue of nationality or residence - section 4

License 2: Copyright by reference to country of first publication -section 5

License 3: Copyright in works of Government and international bodies - section 6

License 4: copyright in a literary, musical or artistic work - section 7

License 5: copyright in a cinematograph film - section 8

License 6: A copyright in a gramophone record - section 9

License 7: copyright in a broadcast - section 10

Section 12(1) Subject to this section, a copyright shall be transmissible by assignment, by testamentary disposition or by operation of law as a movable property.

Infringement of a copy right and penalties are stated in section 13.

Analysis

The procedures for obtaining these license are not provided for out by the Copyright and Neighbouring Rights Act, 2006.

Recommendation

Regulations should be enacted to set procedures for the application of this license.

License 8 - Licenses of right

Section 14 states that whenever the Minister is satisfied that a licensing body—

(a) is unreasonably refusing to grant licenses in respect of copyright; or

(b) is imposing unreasonable terms or conditions on the granting of such licenses, he or she may, by statutory instrument, order that, as respects the doing of any act specified in the instrument in relation to the work in which the licensing body is concerned, a license shall be deemed to have been granted by the copyright owner provided the appropriate fees prescribed by the instrument are paid or tendered before the expiration of the prescribed period after the act is done.

Analysis

The procedures for this license are not provided for out by the Copyright and Neighbouring Rights Act, 2006.

Recommendation

Regulations should be enacted to set procedures for the application of this license.

2.11.8 The Hire Purchase Subsector

The Hire Purchase Act, No. 3 of 2009

An Act to provide for the regulation and registration of hire purchase agreements and the licensing of persons carrying on hire purchase business and for related purposes.

Licenses

License 1 - Hire Purchase Business License

Section 18 (1) states that a person shall not, after the coming into force of this Act, carry on a hire purchase business, except under and in accordance with the terms of a license issued under this Act.

Subsection 18 (2) places a condition on eligibility for this license stating that only a company registered in Uganda is qualified to be licensed to carry on hire purchase business.

Offences and penalties are established in subsection 18 (3); A person who contravenes subsection (1) commits an offence and is liable on conviction, to a fine not exceeding one hundred and fifty currency points or imprisonment not exceeding one year or both.

Section 19 provides that the Minister shall by statutory order, declare the licensing authority for the purposes of this Act.

The application process for the license is provided in section 20 (1) A person shall apply for a license in the prescribed manner, and the licensing authority shall within thirty days from the date of receipt of the application either grant a license without conditions or subject to such conditions as it may think fit, or refuse to grant a license.

Subsection (3) states that the fees to be paid for the issue of a license shall be as prescribed by regulations made by the Minister under section 36.

(5) In considering an application for a license, the licensing authority shall take into account the financial condition of the applicant and the manner in which the applicant has conducted any hire purchase business then or formerly carried on by the applicant, and the applicant shall provide such information as the authority may require to enable the licensing authority to take a decision.

Section 20(4) states that a license shall be valid for a period of twelve months from the date of its issue.

Where a licensed person applies for renewal of a license before the expiry of the existing license, section 21 provides that the person may continue carrying on hire purchase business until the licensing authority has decided whether or not to renew the license, even though the decision has not been made by the date of the expiry of the license.

The appeal process against decisions of the licensing authority are also provided in section 20. Subsection (2) provides that where a licensing authority refuses to grant a license or imposes conditions in a license, it shall give to the applicant the reasons in writing for its action.

Section 22 (1) further provides that a person who is refused a license may appeal to the Minister within thirty days after the date of the refusal. A person aggrieved by the decision of the Minister may under section 22 (5) appeal to the High Court and where a person appeals under subsection (1), the person may, notwithstanding section 18, continue to carry on hire purchase business until the appeal is decided.

Analysis

The licence serves a regulatory purpose as it regulates business that may undertake hire purchase. Hire purchase involves matters of ownership versus possession and therefore only regulated businesses should undertake hire purchase to protect the public from losing their finances through dealing with unstable businesses.

Recommendations

The license should be retained.

2.11.9 The Cooperative Societies subsector

The Cooperative Societies Act Cap. 112

An Act to amend and consolidate the law relating to the constitution and regulation of cooperative societies and for other matters connected therewith.

Section 4(2) stipulates that the Uganda Cooperative Alliance Ltd. shall be the apex body for all registered cooperative societies. Section 1(c), board means Board of Directors of the Uganda Cooperative Alliance Ltd while section 2 states that there shall be a registrar for cooperative societies who shall also be the commissioner for cooperative development for the purposes of this Act.

Licenses

License 1 - Primary Society Registration

Section 3 states which societies may be registered. It provides that subject to this Act, a society which has for its object the promotion of the economic and social interests of its members in accordance with cooperative principles and which, in the opinion of the registrar, is capable of promoting those interests may be registered under this Act with or without limited liability; except that a cooperative union or any apex society shall be registered with limited liability.

Section 4 lists the conditions of registration. No society shall be registered under this Act unless—

- (a) it consists of at least thirty persons all of whom are qualified for membership of the society under section 13;
- (b) in the case of a secondary society, it consists of at least two registered primary societies among its registered members;
- (c) in the case of a tertiary society, it consists of at least two registered secondary societies among its registered members; or
- (d) in the case of an apex society, it consists of two or more secondary societies.

The process of application for registration is stated in section 5 commencing with an application

made to the registrar. The application shall be signed—

- (a) in the case of a primary society, by at least thirty persons qualified for membership of the society under section 13; and
- (b) in the case of a secondary, tertiary or apex society, by a person duly authorized for that purpose by each registered society, who is a member of that society.

The application shall be accompanied by three copies of the proposed byelaws of the society in English, and the persons by whom or on whose behalf the application is made shall furnish such information in regard to the society as the registrar may require under section 5(3).

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 651, 305 and it takes an estimate of 39 hours of administrative activities. The total compliance cost per year for an estimated 1,000 cooperatives established is UGX 684 million

Analysis

The registration is necessary to give the society legal recognition and allow regulation.

Recommendation

The primary Society registration be retained.

License 2 - Probationary Society Registration

Section 6 provides for provisional registration of a society and its byelaws upon satisfaction of compliance with the Act for a period not exceeding twenty-four months.

Section 5(2); If at the expiration of twenty four months the registrar is satisfied with the performance of the society, he or she shall register the society permanently.

Section 5(3); If upon expiration of twenty four months the performance of the society is not satisfactory, the registrar may either cancel the registration or extend the probationary period by a period not exceeding twelve months; and if after the extension he or she is still not satisfied with the performance of the society, he or she shall cancel the registration of the society.

Section 8 (1) provides for cancellation of probationary registration by the registrar issuing notice in writing to the person responsible for the running of the society, cancel the probationary registration of the society stating reasons for the cancellation; and the society shall, from the date of service of the notice, cease to be a registered society.

(2) The cancellation referred to in subsection (1) shall be gazetted and published in at least one of the English newspapers in Uganda.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 651,305 and it takes an estimate of 39 hours of administrative activities. The total compliance cost per year for an estimated 1,000 cooperatives established is UGX 684 million

Analysis

Probationary registration does not serve a regulatory purpose.

Recommendation

Probationary registration of cooperatives should be abolished. Cooperatives should be awarded full registration once they satisfy the requirements of the law. To ensure these requirements are reached, the Committee recommends that the advice of the Law Reform Commission to adopt formation committees be adopted.⁵⁹ Formation committees once established will assist prospective cooperatives in analyzing their viability for registration and improving their capacity to qualify for registration. The law should provide for formation of formation committees and procedures related to the same.

⁵⁹Uganda Law Reform Commission, A study on reform on Cooperatives law, Kampala, Uganda, Law Com Pub. No. 8 of 2004 para. 2.2.3, p. 61

License 3 - Registering Amendment of Byelaws

Section 9 (2); No amendment of the byelaws of a registered society shall be valid until the amendment has been registered under this Act, for which purpose a copy of the amendment shall be forwarded to the registrar and the Registrar shall issue to the society a copy of the certified amendment which shall be conclusive evidence of registration.

Section 12 (1) provides that a certificate of registration signed by the registrar shall be conclusive evidence that the society mentioned in it is duly registered unless it is proved that the registration of the society has been cancelled.

Appeals

Section 10 stipulates that from every refusal of the registrar to register a society or its byelaws or any amendment of its byelaws, an appeal shall lie, in accordance with any regulations made under this Act, to the board whose decision, subject to section 75, shall be final.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 651,305 and it takes an estimate of 39 hours of administrative activities. The total compliance cost per year for an estimated 500 cooperatives established is UGX 342 million

Analysis

- 1) *Necessary to know what activities the cooperation is authorised to execute.*
- 2) *This provision gives the registrar the arbitrary authority to decline registration of byelaws without giving the society reasons for the refusal.*

Recommendations

- 1) **Registrar should give reasons for refusal of registration of amendments to byelaws.**
- 2) **The registrar should register amendments provided by the societies as long as they are not illegal.**

License 4 - Investment of funds approval

Section 45; A registered society may invest or deposit its funds only—

- (b) in any registered society, company or statutory corporation approved in writing by the registrar;
- (e) in such other mode as specified by the byelaws of the society and approved by the registrar.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 651,309 and it takes an estimate of 39 hours of administrative activities. The total compliance cost per year for an estimated 1,000 cooperatives established is UGX 684 million.

Analysis

Under this law, the Registrar has excessive powers over the affairs of cooperatives particularly with regard to the investment funds approval. Cooperatives should not require the approval of the registrar before they invest their funds as the Registrar may not have the required expertise and the power to determine utilization of society funds should be left with the society.

Recommendations

- 1) The investment funds approval be abolished.**
- 2) Upon establishment of the formation committees, these committees should continue to build the capacity of societies to enable them make informed decisions regarding investment of funds.**

License 5 - Contributory Provident Fund Approval

Section 47 (4) provides that every society shall, with the approval of the registrar, establish a contributory provident fund for payment of pensions to its permanent employees at the time of their retirement.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 651,305 and it takes an estimate of 39 hours of administrative activities. The total compliance cost per year for an estimated 1,000 cooperatives established is UGX 684 million

Analysis

This provision gives the Registrar excessive powers over the affairs of cooperatives particularly with regard to the investment funds approval and contributory provident fund approval. Cooperatives should not require the approval of the registrar before they invest or deposit their funds as the Registrar may not have the required expertise and the power to determine utilization of society funds should be left with the society.

Recommendations

- 1) The contributory provident fund approval be abolished.**
- 2) The proposed formation committees, should continue to build the capacity of societies to enable them make informed decisions in establishing a contributory provident fund.**

License 6 - Registration of Charges

Section 50 of the Act states that the First Schedule to this Act shall apply in relation to the registration of charges against the property of a registered society.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 651,305 and it takes an estimate of 39 hours of administrative activities. The total compliance cost per year for an estimated 1,000 cooperatives established is UGX 1.3 billion

Analysis

The registration is necessary to serve as notice to the public of the charge on the Society's property.

Recommendation

The registration of charges should be retained.

2.12 TRANSPORT & LOGISTICS

Introduction

The analysis in this sector covers laws and licenses pertaining to the following subsectors:

- 2.12.1 Road transportation
- 2.12.2 Maritime
- 2.12.3 Aviation
- 2.12.4 Rail transportation
- 2.12.5 Motor Vehicle Insurance (Third Party) Risks

RECOMMENDATIONS ON TRANSPORT & LOGISTICS

Law Applicable		The Traffic and Road Safety Act, Cap 361					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Costs (Millions)
1.	Motor Vehicle Registration		Yes				15,300
2.	Dealer's Plates And Dealer's Vehicle Licence.			Yes			2
3.	Driving Permit			Yes			19,000
4.	Driving School Licence		Yes				23
5.	Instructor's Licence		Yes				53
6.	Learner Driving Permit			Yes			14,000
7.	Public Omnibus Operator's Licence			Yes			68.4
8.	Private Omnibus Operator's Licence;		Yes				10.7
9.	Contract Omnibus Operator's Licence		Yes				8.9
10.	Temporary Contract Omnibus Operator's Licence		Yes				
11.	Goods Operator's Licence			Yes			
12.	Town Taxicab Operator's Licence		Yes				23.8
13.	Country Taxicab Operator's			Yes			74

	Licence						
14.	Rental Vehicle Operator's Licence		Yes				56
15.	Basic Licence		Yes				8.9
16.	Special Licence		Yes				
17.	A Tourist Agent Vehicle Operator's Licence			Yes			14.3
19.	Permission To Suspend An Operator's Licence		Yes				1
20.	Temporary Public Omnibus Operator's Licence		Yes				
21.	Owner's Transport Vehicle Permit.		Yes				62.6
22.	Riding Permit		Yes				
23.	Special License		Yes				
Law Applicable		The Inland Water Transport (Control) Act. Cap 356					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)
24.	Inland Water Transport Licence		Yes				3.5
25.	Exclusive Licence			Yes			
26.	Short Time Licence		Yes				3.9
Law Applicable		The Lake Victoria Transport Act, 2007					
		Recommended Actions					
License Name		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)
27.	Certificate of Registration		Yes				0.9
28.	Declaration of eligibility		Yes				0.9

29.	Certificate of Sea worthiness		Yes				1.5
30.	Certificate of registration		Yes				
31.	Registration of alteration of vessel		Yes				0.6
32.	Provisional certificate where vessel is reregistered		Yes				0.3
33.	Re-registration on change of ownership		Yes				0.2
34.	Certificate of Amendment		Yes				0.1
35.	Certificate of deregistration of vessel		Yes				
36.	Declaration of transfer		Yes				0.2
37.	Registration of transfer		Yes				0.2
38.	Transmission of ownership		Yes				0.2
39.	Authorisation for holder of a Foreign Certificate of Competency		Yes				0.5
40.	Certification for rating crew		Yes				41
Law Applicable		The Civil Aviation (Aerodromes) Regulations, 2007					
		Recommended Actions					
License Name		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)
41.	Aerodrome License		Yes				41
42.	Aerodrome Construction Permit		Yes				41
43.	Aerodromes Certification		Yes				41
Law Applicable		The Civil Aviation (Security) Regulations, 2007					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)

44.	Air Port Security Permit		Yes				41
45.	Regulated Agent Security Programme Certification		Yes				82
46.	Catering Operator Security Programme Certification		Yes				41
Law Applicable		The Civil Aviation (Aircraft Registration and Marking) Regulations, 2006 No. 50					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)
47.	Certificate Of Aircraft Registration		Yes				41
Law Applicable		The Civil Aviation (Airworthiness) Regulations, 2006					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)
48.	Certificate Of Airworthiness		Yes				41
49.	Restricted Certificate Of Airworthiness		Yes				41
50.	Special Flight Permit		Yes				41
51.	Export Certificate Of Air Worthiness		Yes				41
52.	Certificate Of Fitness For Flight		Yes				41
53.	Approved Maintenance Programme		Yes				82
54.	Noise Certificate		Yes				41
55.	Maintenance Organisation Certificate		Yes				41
Law Applicable		The Civil Aviation (Air Operator Certification and Administration) Regulations, 2006					
License Name		Recommended Actions					

		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)
56.	Air Operator Certificate		Yes				41
Law Applicable		The Civil Aviation (Approved Training Organisations) Regulations, 2006					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)
57.	Approved Training Organizations (ATO) Certificate		Yes				41
Law Applicable		The Civil Aviation (Aerial Work) Regulations, 2006					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)
58.	Agricultural Air Operator Certificate		Yes				41
59.	Rotorcraft External-Load Operator Certificate		Yes				41
Law Applicable		The Civil Aviation (Personnel Licensing) Regulations, 2006					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)
60.	Student Pilot Licence		Yes				
61.	Private Pilot Licence		Yes				
62.	Commercial Pilot Licence		Yes				
63.	Airline Transport Pilot Licence		Yes				
64.	Ground Instructor Licence		Yes				
65.	Flight Engineer Licence		Yes				
66.	Air Traffic Controller Licence		Yes				
67.	Aircraft Maintenance Engineer		Yes				

	Licence						
68.	Flight Operations Officer Licence		Yes				
69.	Flight Radio Telephony Operator Licence		Yes				
70.	Cabin Crew Member Certificate		Yes				
71.	Designated Examiner Certificate		Yes				
72.	Designated Medical Examiner Certificate		Yes				21
Law Applicable		The Civil Aviation (Parachute Operations) Regulations, 2006					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)
73.	Parachute Jumping Authorisation		Yes				21
74.	Parachute Operations Certificate		Yes				21
Law Applicable		The Airport Service Charges Act, Cap 353					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)
75.	Airport Service Charge			Yes			41
Law Applicable		The Uganda Railways Corporation Act. Cap 331					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)
76.	Port Rates		Yes				
Law Applicable		Motor Vehicle (Third Party Risks) Act, Cap 214					

License Name		Recommended Action					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost (Millions)
77.	Certificate of Insurance (motor vehicle third party)		Yes				
Sector -Total	77	1	67	9	-	-	
Other Transport Sector Licenses			11				
Total (87)		1	78	9	-	-	

2.12.1 The Road transportation subsector

Uganda National Roads Authority Act, 2006

An Act to provide for the establishment and operation of the Uganda National Roads Authority for the purpose of managing the provision and maintenance of the national roads network in a more efficient and effective manner; to render advisory services to Government; and for related matters.

The National Roads Authority is established in Section 5 of the Act and the functions of the authority are set out section 6. This Act does not establish any licenses.

The Traffic and Road Safety Act, Cap 361

An Act to consolidate and amend the law relating to road traffic; to provide for the National Road Safety Council and the Transport Licensing Board; to revise the penalties prescribed in relation to road traffic offences and for other purposes connected with road traffic and road safety.

The Act regulates the use of motor vehicles, engineering plants and trailers which section 2 (oo) of the Act describes as any self-propelled vehicle intended or adapted for use on the roads; Section 11 Classifies of motor vehicles, trailers and engineering plant shall be divided into the following classes—

- | | | |
|--------------------------------|-----------------------|-------------------------------------------------------------------------------|
| (a) heavy goods vehicles; | (b) heavy omnibuses; | (c) heavy tractors; |
| (d) medium goods vehicles; | (e) medium omnibuses; | (f) light goods vehicles; |
| (g) light omnibus; | (h) tractors; | (i) motorcars and dual-purpose
vehicles excluding light goods
vehicles; |
| (j) engineering plant; | (k) motorcycles; | (l) pedestrian controlled vehicles; |
| (m) trailers and semitrailers. | | |

Licenses

License 1 - Motor Vehicle registration

Section 12 provides for the application process for registration of motor vehicles, trailer or engineering plant shall be made in the prescribed form by the owner of the motor vehicle, trailer or engineering plant to a licensing officer and shall be accompanied by the prescribed fee.

- (1) Every application shall be accompanied by or combined with an application for a license and insurance of the motor vehicle, trailer or engineering plant.

(2) Every application shall state the name and address of any person (other than the owner) in whom the property or any absolute or conditional right or license to take possession of the motor vehicle, trailer or engineering plant is vested or whether it is the subject of a hire-purchase agreement or a bill of sale or similar agreement.

Section 13(1) Registration of motor vehicles, trailer or engineering plant will be effected upon verification of the particulars in the application that the motor vehicle, trailer or engineering plant: is in a proper condition and fit for the purpose; has been lawfully exported from its country of origin or country of last registered and that the applicant has an export permit for it; has been lawfully imported into Uganda; and any tax or duty due has been paid.

An inspector will determine the load capacity before registration of a goods vehicle or trailer under section 13(2), where the body of such vehicle or trailer which was not been made by the manufacturers of the chassis, or the load capacity of which has not been declared by the manufacturers.

When satisfied with the particulars, section 13(4) states that a licensing officer will assign the motor vehicle, trailer or engineering plant a number or mark to be shown on the registration plates and a registration book

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 152,706 and it takes an estimate of 3.5 hours of administrative activities. The total compliance cost per year for an estimated 100,000 businesses established is UGX 15.3 billion

Analysis

- 1) *The license serves a regulatory purpose in managing the ownership of motor vehicles, trailers and engineering plants.*
- 2) *Section 13(6) provides that the registration of a motor vehicle, trailer or engineering plant shall not be effected under a business name (whether registered or unregistered) or under the name of any unincorporated body. This provision affects doing business as it prohibits businesses from registering and in practice, motor vehicles, trailer and engineering plants are indeed registered under business names.*

Recommendations

- 1) **The license be retained.**
- 2) **Section 13(6) which restricts registration of motor vehicles under a business name be repealed.**

License 2 - Dealer's plates and dealer's vehicle license.

Section 24 states that a dealer in, or manufacturer of, or repairer of motor vehicles, trailers or engineering plant may apply to a licensing officer in the prescribed form accompanied by the prescribed fee for one or more sets of special registration plates, in respect of each set of dealer's plates which may be issues as stated in section 25.

Sections 26 to 28 further state matters in respect to cancellation of the dealer's vehicle license and return of the dealers plates upon expiry of the license.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 2,125, 921 and it takes an estimate of 10.8 hours of administrative activities. The total compliance cost per year is 2 million.

Analysis

The Dealer's plates and dealer's vehicle license is also largely redundant as motor vehicle registration plates are no longer taken off cars when they are taken to repair garages and dealers places of operation, the safety regulatory objective of this license was re-emphasised. The operation of this license should be that once a Vehicle obtains dealer's plates, they shouldn't be used for business until the vehicle registration plates are replaced. The Committee was informed that the enforcement of this license is being reviewed with the proposed reform to license Motor vehicle repair Garages to place responsibility of garage owners to place these dealer plates on vehicles still under repair.

Recommendation

Regulations and administrative systems should be put in place to operationalize the license.

License 3 - Driving Permit

Section 35 prohibits driving without a valid driving permit or a valid learner driving permit endorsed in respect of that group of motor vehicle, trailer or engineering plant.

Grouping of motor vehicles for driving permits is listed in section 36 of the Act. The process of obtaining a

driving license is described in section 42 of the Act and the **Traffic and Road Safety (Driving Permits) Regulations, 2005. No. 4.**

Regulation 7 (1) provides that where the licensing officer is satisfied that an application under regulation 5 is correct in all respects and that the applicant has paid the prescribed fee, the

licensing officer shall issue the applicant with a temporary driving permit; document issued before the computerized driving permit is issued as explained by regulation 2.

The temporary driving permit is in the form specified in the Third Schedule of the Act and is valid for a period not exceeding twenty-eight days from the date of issue.

Regulation 8 prescribes that the fees to be paid for a driving permit under these Regulations shall be as prescribed in the Fourth Schedule.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 380,921 and it takes an estimate of 10.8 hours of administrative activities. The total compliance cost per year for an estimated 50,000 businesses established is 19 billion

Analysis

- 1) *The process of obtaining a driving permit involves travelling to and making payments at various locations; at the Uganda revenue Authority Office where assessments and their payment are done and at Face technology where the permits are granted.*
- 2) *The issuance of a temporary driving permit increases the cost of business as an applicant has to plan another visit within 21 days of issuance of the temporary permit to face technology to receive the computerized driving permit. This is all a result of insufficient human resource to process the computerized driving permit on the same day the applicant takes their electronic photograph at face technology.*

Recommendations

- 1) **A single payment centre should be established such that applicant's for instance for a driving permit do not have travel to and make payments at both the Uganda Revenue authority office and Face technology which are situated at different locations; inevitably extending the process.**
- 2) **The process of obtaining a driving permit be reduced by eliminating the 'temporary permit' process. This can be done away with ensuring sufficient human resource at the permit issuing agency.**
- 3) **The issuance of this license be assigned to the Uganda Revenue Authority for better management.**

License 4 - Driving school license.

37(1) states that the director of transport and communications may, upon application by any person and the payment of the prescribed fee, license that person to operate a driving school

for the teaching of persons to operate motor vehicles, trailers or engineering plant safety and efficiently, subject to such terms as may be prescribed in relation to the license.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 225,921 and it takes an estimate of 10.8 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 23 million

Analysis

The license serves a public safety regulatory purpose. Regulations stipulating the administrative systems and procedure for obtaining this license were recently passed.

Recommendation

The Driving School license should be retained.

License 5 - Instructor's license.

Section 37(3); the director of transport and communications may, on the application of any person in the prescribed form accompanied by the prescribed fee issue an instructor's license to an applicant.

Section 37(4) Before issuing a license under subsection (3), the chief licensing officer shall satisfy himself or herself that the applicant has complied with all prescribed requirements for an instructor's license and shall issue a certificate to that effect.

Performance of the activities licensed under section 37 without a valid license amounts to commits an offence and is liable on conviction to a fine of not less than ten currency points and not exceeding fifty currency points.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 175,921 and it takes an estimate of 10.8 hours of administrative activities. The total compliance cost per year for an estimated 300 businesses established is UGX 53 million

Analysis

The license serves a public safety regulatory purpose. Regulations stipulating the administrative systems and procedure for obtaining this license were recently passed.

Recommendation

The Instructor's license should be retained.

License 6 - Learner driving permit.

Regulation 39(1); A licensing officer may, upon the application of a learner driver in the prescribed form accompanied by the prescribed fee, and in the case of an application to drive a Group A, B or H motor vehicle, upon being satisfied that the applicant is registered with a driving school, issue the applicant with a learner driving permit in the prescribed form permitting him or her to drive while under the personal supervision of his or her instructor except that a motorcycle may be driven by a driver unaccompanied.

(2) A valid Group B driving permit shall be regarded as a learner driving permit for the purposes of section 38(2).

(3) A learner driving permit shall be valid for three months and may, in the discretion of the licensing officer, be renewed for further periods of three months at a time upon payment of the prescribed fee, but no learner driving permit shall be renewable after a period of twelve months beginning with the date on which it was first issued unless the applicant has, within twelve months, submitted himself or herself for at least one driving test.

Driving tests.

Section 41(1); When, in the opinion of the licensed instructor, a learner driver is competent to drive a motor vehicle, trailer or engineering plant and has a good knowledge of this Act and regulations, the licensed driving instructor shall apply to a licensing officer for the learner driver to be tested.

Section 41(2) prescribes that driving tests shall be conducted, upon payment of the prescribed fee, by such examining persons as may be authorised by the Minister in accordance with this Act and regulations.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 225,921 and it takes an estimate of 10.8 hours of administrative activities. The total compliance cost per year for an estimated 60,000 businesses established is UGX 14 billion

Analysis

The process of obtaining a Learner's permit involves travelling to and making payments at various locations; at the Uganda revenue Authority Office where assessments and their payment are done and at Face technology where the permits are granted.

Recommendation

A single payment centre should be established such that applicant's for instance for a driving permit do not have travel to and make payments at both the Uganda Revenue authority office and Face technology which are situated at different locations; inevitably extending the process.

Vehicle operator's license

The Transport Licensing Board is established under section 61 to carry out duties under this Act and the regulations; the different categories of the vehicle operator's license are discussed below.

License 7 - Public omnibus operator's license;

Section 2 (bbb) states that a "public omnibus" means a public service vehicle that carries passengers at separate fares on a previously determined route.

Section 73 provides for the procedure for obtaining an Omnibus operator's license which shall authorise the holder of the license to among others to run an omnibus for the carriage of passengers over such fixed route or routes as the board may direct. Section 74 sets out the procedure of the board for granting the public omnibus operator's license. Subsection (1) states that within one month after receipt of the information under section 71(2) and (3), the secretary to the board shall cause it to be published in the Gazette and in at least one newspaper circulating in Uganda for the information of the public and prospective public omnibus and country taxicab operators and shall invite applications from those operators to assist the board in its subsequent deliberations.

According to section 74(2), not less than two months after the advertisement has been published under subsection (1), the board shall meet to consider, allocate and offer one or more of the previously advertised routes or packages of routes to prospective transport operators.

Section 74(3) provides that within fourteen days after the receipt of a notification of the decision of the board, the prospective operator shall signify in writing his or her unconditional acceptance or rejection of any offer received, as the case may be. The grant of omnibus operator's license is provided for in section 75 but the provision further states that the board shall not grant an operator's license for an omnibus or country taxicab, unless it has received an unconditional acceptance of an offer made to the operator under section 74(3).

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 207,378 and it takes an estimate of 4 hours of administrative activities. The total compliance cost per year for an estimated 330 businesses established is UGX 68.4 million

Analysis

The procedure for obtaining a Public omnibus Operator's license, involves publishing of the application in the gazette which cause delays in the process.

Recommendation

The procedure for obtaining a Public omnibus Operator's license be reviewed to reduce the time frame necessary to obtain the license; by eliminating the publishing in the gazette of every application save for situations like applications for competitive bidding on specific routes.

License 8 - Private omnibus operator's license;

Section 2 (zz) describes a "private omnibus" to mean a passenger vehicle not being a public service vehicle having seating accommodation for more than seven passengers excluding the driver;

Section 72 provides that any person who wishes to carry passengers in an omnibus without charge shall apply to the board in the prescribed form accompanied by the prescribed fee for a private omnibus operator's license. The issues that the board considers before granting of a private omnibus operator's license, are stated in section 75(3) of the Act.

Section 75 (4) further states that a private omnibus operator's license shall be for the duration of a licensing year and may be granted subject to such terms and conditions as the board may think fit to impose.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 107,378 and it takes an estimate of 11 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 10.7 million.

Analysis

This license serves a regulatory purpose.

Recommendation

The private omnibus operator's license be retained.

License 9 - Contract omnibus operator's license;

Section 2 (g) describes a “contract omnibus” to mean a public service vehicle not carrying passengers at separate fares.

Section 72(2) provides that any person who wishes to carry passengers for hire or reward over such routes not being fixed routes and at such rates as may be agreed upon by that person and the passengers shall apply to the board in the prescribed form accompanied by the prescribed fee for a contract omnibus operator's license.

Section 73 (3) states that a contract omnibus operator's license shall authorise the holder of the license to contract with any person or group of passengers to carry passengers between such places as the board may direct and charge such fixed amount for the hire of the omnibus.

The application process for the contract omnibus operator's license is also provided for in section 72 as described above with the Private omnibus operator's license. The matters that the board will consider before granting a contract omnibus operator's license, are stated in section 75 (3).

Section 75(4) states that a contract omnibus operator's license shall be for the duration of a licensing year.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 177,790 and it takes an estimate of 11 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 8.9 million

Analysis

The Contract omnibus operator's license serves a regulatory purpose.

Recommendation

The Contract omnibus operator's license should be retained.

License 10 - Temporary contract omnibus operator's license;

Section 2 (kkk) describes a “temporary contract omnibus” as a goods vehicle licensed by the board under section 81, to be used as a temporary contract omnibus.

Section 81(1) states that where a demand exists to move passengers to and from places in Uganda which are not linked by a licensed public operator's omnibus service, the board may, on application, grant a temporary omnibus or country taxicab operator's license in respect of a

goods motor vehicle to be used as a temporary public omnibus or as a temporary contract omnibus.

(2) In granting to an applicant a temporary omnibus operator's license under this section, the board may relax any regulations relating to the construction of the body of an omnibus but may impose any other conditions as it sees fit. Subsection (6) further states that a goods vehicle licensed under this section shall not be permitted to carry, at any one time, more than twenty-five persons excluding the driver and the conductor.

Analysis

The temporary contract omnibus operator's license serves a regulatory purpose.

Recommendation

The temporary contract omnibus operator's license should be retained.

License 11 - Goods operator's license;

Section 83 provides that any person who wishes to carry goods in a goods vehicle or omnibus for reward shall apply to the board in the prescribed form accompanied by the prescribed fee and other forms as may be prescribed for a goods operator's license. Section 2 (t) defines a "goods vehicle" means a heavy motorcar which is constructed or adapted for use for the conveyance of goods or burden of any description.

Section 84 provides for the grant of goods operator's license the duration of which is stated in section 84(2) for a licensing year.

Analysis

The Goods Operator's license is an annual license that regulates vehicles that transport goods within the country. However, clear procedures for obtaining the license have to be prescribed.

Recommendation

The Goods Operator's license should be streamlined.

License 12 - Town taxicab operator's license

Section 2 (nnn) explains that a "town taxicab" means a motorcar used as a passenger vehicle which stands on a rank or plies for hire on a road or a fixed place of business and is licensed to carry passengers for hire or reward under a contract express or implied for the use of the vehicle as

a whole at the authorised fee and rates displayed on the vehicle and the sum indicated on the meter;

Section 85 (1) states that the owner of a motor vehicle who wishes to use that motor vehicle for the carriage of passengers for hire or reward within the city, municipality or town shall apply to the board in the prescribed form accompanied by the prescribed fee for a town taxicab operator's license. The board grants the license under section 87 upon satisfaction of the issues prescribed therein for a term of one licensing year.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 95,230 and it takes an estimate of 2.7 hours of administrative activities. The total compliance cost per year for an estimated 250 businesses established is UGX 23.8 million

Analysis

This license serves a regulatory purpose in creating order within the sector.

Recommendation

The Town taxicab operator's license should be retained.

License 13 - Country taxicab operator's license

Section 2 (i) of the Act describes a "country taxicab" to mean an unrestricted public service vehicle, not being a town taxicab;

Section 75(1) states that subject to this section, the board may grant to an applicant an omnibus or a country taxicab operator's license of the class applied for to provide such service as may be specified in the license; but the board shall not grant an operator's license for an omnibus or country taxicab, unless it has received an unconditional acceptance of an offer made to the operator under section 74(3).

Section 74 provides the procedure for obtaining the country taxicab operator's license. Subsection (1) states that within one month after receipt of the information under section 71(2) and (3), the secretary to the board shall cause it to be published in the Gazette and in at least one newspaper circulating in Uganda for the information of the public and prospective public omnibus and country taxicab operators and shall invite applications from those operators to assist the board in its subsequent deliberations.

(2) Not less than two months after the advertisement has been published under subsection (1), the board shall meet to consider, allocate and offer one or more of the previously advertised routes or packages of routes to prospective transport operators.

(3) Within fourteen days after the receipt of a notification of the decision of the board delivered under the hand of the secretary to the board, the prospective operator shall signify in writing his or her unconditional acceptance or rejection of any offer received, as the case may be.

75(6); unless earlier revoked, a country taxicab operator's license shall be for a period of five years after which it shall be subject to review as provided for in subsections of section 71(2) and (3).

The application process for the contract omnibus operator's license is also provided for in section 73, 74 and 75 as described above with the Public omnibus operator's license.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 98,034 and it takes an estimate of 3 hours of administrative activities. The total compliance cost per year for an estimated 750 businesses established is UGX 74 million

Analysis

Like the Public omnibus Operator's license, the procedure for obtaining a Country Taxicab Operator's license, involves publishing of the application in the gazette which causes delays in the process.

Recommendation

The country taxicab operator's license be retained but the process be reviewed to reduce the time frame necessary to obtain the license; by eliminating the requirement to publish in the gazette.

License 14 - Rental vehicle operator's license

Section 86 states that a rental vehicle operator's license shall authorise the holder of the license to hire out the motor vehicles specified in the license for hire or reward at an agreed rate or sum on a daily, weekly or monthly basis.

Section 85 (2) states that the owner of a motor vehicle who wishes to hire out that motor vehicle for hire or reward on a daily, weekly or monthly basis shall apply to the board in the prescribed manner accompanied by the prescribed fee for a rental vehicle operator's license. The board grants the license under section 87 upon satisfaction of the issues prescribed therein.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 127,378 and it takes an estimate of 4 hours of administrative activities. The total compliance cost per year for an estimated 440 businesses established is UGX 56 million

Analysis

This license serves a regulatory purpose in creating order within the sector.

Recommendation

The Rental Vehicle operator's license should be retained.

License 15 - Basic license

Section 100 (2) states that any person wishing to obtain a basic license for the carriage of passengers for hire or reward or non-fare paying passengers or for goods may apply to the board. The application for a basic license shall be in the prescribed form, accompanied by the prescribed fee as stated in section 100 (3) and section 102 states conditions for issue of a basic license. Section 100 (4) states that a basic license shall be issued in respect of one trip or more trips or generally while section 100(5) provides that a basic license shall be valid for one year and may be renewed.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 177,790 and it takes an estimate of 11 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is 8.9 million

Analysis

The basic license serves a regulatory purpose.

Recommendation

The basic license be retained.

License 16 - Special license

Section 101 (1) states that where a person wishes to use a goods vehicle to carry passengers for a special purpose, he or she may apply to a police officer not below the rank of inspector at the nearest police station. An application for any special license shall be in the prescribed form, accompanied by the prescribed fee. Section 102 states conditions for issue of a special license.

Analysis

The special license serves as regulation to maintain public order in circumstances where the special license is issued.

Recommendation

The special license be retained.

License 17 - A tourist agent vehicle operator's license

Section 101(2) states that this license shall be issued under section 3(2) of the Tourist Agents (Licensing) Act.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 287,134 and it takes an estimate of 12 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 14.3 million

Analysis

The Act mentions that the Tourist Agent vehicle license shall be issued under section 3(2) of the Tourist Agents (Licensing) Act. However this Act was repealed by the Uganda Tourism Act, 2008 although the license was saved. Currently there are no regulations providing for the application of this license.

Recommendation

Regulations should be enacted stating the procedure for obtaining the Tourist Agent vehicle license which should be streamlined under the Uganda Tourism Act, 2008.

License 18 - Permission to suspend an Operator's license

Section 77 states that road services not to be suspended without permission of the secretary to the board. In requesting this permission, subsection (2) states that the holder shall state the reasons and the period for which he or she wishes it to remain in force.

(3) In any case, when the service is suspended for reasons beyond the control of the holder of the license and where the duration of the suspension exceeds three days, the holder of the license shall send notification of the suspension to the secretary.

(4) Any person who contravenes this section commits an offence and is liable upon conviction to a fine not exceeding thirty currency points or imprisonment not exceeding twelve months or both.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 104,575 and it takes an estimate of 3.7 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is UGX 1 million

Analysis

The permission to suspend an Operator's license is necessary to protect the interests of the public that is dependent on the availability of the services of the Operator.

Recommendation

The license permission to suspend an operator's license be retained.

License 19 - Temporary Public Omnibus Operator's license.

Section 82 (1); The secretary may upon consideration of the immediate provision of a road service necessary for the convenience of the public, grant temporarily a public omnibus operator's license in respect of that road service subject to such conditions as the secretary considers necessary, for a period of three months, which may be extended for a further period not exceeding three months.

(2) Any licensee who fails to comply with any condition of a license granted to him or her in accordance with this section commits an offence and is liable on conviction to a fine not exceeding ten currency points.

(3) The secretary may at any time revoke a license if satisfied that the licensee has failed to comply with any condition of his or her license or of any provision of this Act or the regulations.

Analysis

This license is necessary to cater for emergency situations where a temporary public omnibus is required.

Recommendation

The Temporary Public Omnibus Operator's license be retained.

License 20 - Owner's transport vehicle permit.

Section 88; Any employer of labour may make an application to the licensing officer in the prescribed manner and, on payment of the prescribed fee, may be granted a permit to be known as an "owner's transport vehicle permit" to carry his or her employees or agents on any goods vehicle owned by him or her to and from their places of work.

Inspection

Section 103 provides for the inspection of goods vehicles before issuing a license to carry passengers or goods or both in respect of any goods vehicle. The board shall require the applicant to produce an inspection report showing that the goods vehicle has been examined by an inspector of vehicles and that a certificate of fitness to carry passengers or goods has been issued in respect of the goods vehicle.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 202,050 and it takes an estimate of 4.5 hours of administrative activities. The total compliance cost per year for an estimated 310 businesses established is 62.6 million

Analysis

The license is necessary for regulation of public safety such that employers do not automatically transport their employees on any goods vehicle without proving the circumstance required for this license.

Recommendation

The Owner's transport vehicle permit be retained.

The Traffic and Road Safety (Motorcycles) Regulations, 2004 No. 30

License 1: Riding Permit

Regulation 3(1) states that a person shall not ride a motor-cycle unless he or she holds a valid riding permit of Group "A" as prescribed in the Act.

Analysis

The application process for a riding permit is similar to that of a Driving Permit license discussed above.

License 2 - Special License

Regulation 4 states that no motor-cycle shall carry passengers for hire or reward unless it has a special license issued by the Transport Licensing Board (TLB).

Analysis

The application process for the special license is the same as the Public Omnibus Operator's license described above.

General analysis of the subsector;

1) *Renewal of certain vehicle operator's license.*

Section 89(1); Not less than one month before the end of a licensing year, every holder of a vehicle operator's license, other than the holder of a public omnibus or country taxicab operator's license, who intends to renew his or her license shall apply to the board in the prescribed manner accompanied by the prescribed fee and any other forms or documents that may be prescribed.

2) *Appeals*

Section 92; (1) Any person who being an applicant for the grant or variation of a license which is aggrieved by the decision of the board or by any condition attached to the license may appeal to the Minister within thirty days after the date of the notice of the decision appealed against.

Section 92(2) Any person mentioned in subsection (1), who is dissatisfied with the decision of the Minister, may appeal to the High Court on a question of law within thirty days after the date of the decision of the Minister is notified to him or her.

3) *License cancellation*

Conditions during which a cancellation of license may occur are stated in section 95 of the Act.

4) *Sanctions*

The sanctions under this Act are not strong enough to compel compliance or enforcement of the licenses.

General Recommendations on the subsector

- 1) The Act should be reviewed to harmonise the procedures for application of the licenses that have been amalgamated for efficient administration of these licenses.**
- 2) The Transport Licensing Board should develop an electronic service bureau where forms and are available online for public access.**
- 3) The Act be reviewed to strengthen the sanctions under this Act to promote public safety. The committee recommends that where a vehicle from a company breaches the Act, the entire fleet of vehicles of the company be sanctioned or fined.**
- 4) The transport licensing board should decentralize issuance of the various motor vehicle licenses and authorisations at least to a regional level to decrease the cost of obtaining these licenses from Kampala.**

2.12.2 Maritime transportation subsector

The Inland Water Transport (Control) Act. Cap 356

This is an Act to restrict and control the carriage of goods and passengers by water within Uganda.

Licences

License 1 - Inland water transport licence

Section 2(1) No person shall, except in accordance with the terms of a licence, convey by means of any ship upon the inland waters of Uganda; any goods or person for hire or reward; or goods in connection with trade or business carried on by him or her except as exempted in subsection 2.

(3) If any person uses a ship in contravention of this section, they commit an offence against this Act.

Section 3 provides for the application procedure this licence by submitting to the board the following particulars; the type(s) and numbers of ships to be used; particulars of the construction, motive power and cargo capacity of every such ship; total crew number of every such ship; number of passengers every such ship is intended to carry; (e) places between which the ships are intended to be navigated and the services to be provided by the ships.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 106,067 and it takes an estimate of 6 hours of administrative activities. The total compliance cost per year for an estimated 33 businesses established is UGX 3.5 million

Analysis

The licence is necessary to ensure order and safety of the operators and users of inland water transport.

Recommendation

The inland water transport licence be retained.

License 2 - Exclusive licence

Section 4 (1) The board may, with the prior approval or direction of the Minister, grant to any person an exclusive licence authorising that person to operate ships for the carriage of goods or passengers in such area, over such routes or between such places as the board may decide.

The section further provides that the provisions of this Act regarding applications for and objections to the grant of a licence shall apply to the applications for and grant of any exclusive licence.

Section 4(2) No exclusive licence shall be granted unless six months' previous notice in the Gazette is given of any application for it.

Analysis

- 1) *Section 4(2), six months notice is a long time to wait for an objection to an application but given the sensitivity of the exclusive licence, this time is necessary to protect other businesses.*
- 2) *The exclusive licence promotes monopoly of one business. However this licence is justified to enable an investor that has invested large sums of money to provide a service that the economy needed to recover that amount of money in a short period of time.*

Recommendations

- 1) **The licence be retained as it allows an investor recoup the large sums of money to provide a service that the government otherwise could not provide.**
- 2) **An exclusive licence should contain a exit clause and the duration of the licence should be strictly observed to create an opportunity for new entrants into that business.**

License 3 - Short time licence

Section 9(3) states that with a view to enabling a ship to be used temporarily for a seasonable business or for the execution of a specified enterprise or for any other purpose of limited duration, a licence may be granted for a period of less than one year but not exceeding three months.

The considerations of an application and the grant of licence under this Act are stated in section 6 of the Act and include; publishing in the gazette a notice for every publication, consideration of objections to applications by persons already providing transport facilities on the same routes, seek opinion of authorities in neighbouring countries where the routes suggested go through those countries and have regard to public interest prior to making decisions.

Section 6(4) states that; where any existing licence is about to expire, the board shall not refuse any application for a licence in substitution for it in regard to the use of any ship not mechanically propelled and restricted to the territorial waters of Uganda unless the applicant has had his or her existing licence or any previous licence under this Act suspended or revoked.

The conditions that the board may attach to licences are listed in section 7 of the Act and may from time to time cancel or vary any of those conditions.

Sanction

Section 8; A licence may be revoked or suspended at any time by the board on the ground that any of the conditions of the licence has been contravened.

Duration of licences.

Section 9(1) provides that; subject to section 4(3), every licence, other than a short-term licence, shall, unless previously revoked, continue in force for one year from the date on which it is expressed to take effect; except that if on the date of the expiration of any licence, proceedings are pending before the board on an application for the grant of a licence in substitution for an existing licence held by the applicant, the existing licence shall continue in force until the board has disposed of the application.

Section 11 provides for appeals for any person who—

- (a) being an applicant for the grant of a licence is aggrieved by the decision of the board on the application;
- (b) having made an objection to any application under section 6, being an objection which the board is bound to take into consideration, is aggrieved by the decision of the board on it; or
- (c) being the holder of a licence is aggrieved by the revocation or suspension of the licence, may, within one month of the decision complained of, appeal in writing to the Minister, whose decision shall be final.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 77,378 and it takes an estimate of 4 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 3.9 million

Analysis

The short time licence serves a regulatory purpose as it regulates water transportation in seasonal or unusual circumstances to the benefit of the economy and businesses.

Recommendations

The Short term licence be retained.

The Lake Victoria Transport Act, 2007

An Act of the Community to make provision for the Commission to regulate maritime safety and security, to make provision for the construction, survey, registration and licensing of all vessels used on the Lake, for the safety of passengers and cargo, for the competency of masters and crew and for other related matters. The Act was enacted by the East African Community and assented to by the Heads of State.

The objective of the Act is stated in section 2, as to regulate, co-ordinate and oversee maritime safety and security, search and rescue, aids to navigation, hydrography and charting, meteorology, communications and to prevent marine pollution on the Lake for the benefit of the Partner States.

Section 3 (1) states that unless otherwise expressly provided, this Act shall apply to-

- (a) a vessel in a port on or place in, or within the Lake;
- (b) a structure, in or on the Lake used for exploration or production operations under any petroleum production legislation applicable in a Partner State and to the person in charge of the structure; and
- (c) a vessel registered or licensed under any legislation relating to fisheries or any other relevant legislation of a Partner State.

Under section 31(1), there shall be appointed, in accordance with the legislation of Partner States, Registrars of vessels responsible for the registration of vessels under this Act.

The Act is implemented together with the following instruments;

1. **The Lake Victoria Transport Maritime Safety Regulations, 2010** which contains procedures for obtaining some of the permits and schedules containing the forms for both the applications and issuance of licences under the Lake Victoria transport Act.
2. **The Lake Victoria Maritime Safety fees, 2010** which provide for the fees payable to obtain the licences discussed below.

Licences

License 1 - Certificate of Registration

Licensing under Part III of the Act

Section 14(1) provides that subject to subsection (2), Part III of the Act shall apply to every vessel used on the Lake, for hire or reward or whose measurement exceeds such tonnage or measurement as may be prescribed by the Council. Section 18(1) further states that a vessel of a gross tonnage of fifty tons or over that is owned by a person qualified to be an owner of the vessel shall be registered under this Part.

(2) Canoes, boats or sail boats with sitting capacity of not more than 12 persons are exempted from the provisions of this Part.

An application for registration of a vessel shall as per section 15 be made in the case of an individual, by the person who requires to be registered as owner, or by the agent of that individual, and in the case of a body corporate by the agent of that body corporate.

Section 17 of the Act states that on the first registration of a vessel the evidence of legal title shall be produced as specified in the regulations for registration of vessels.

19. (1) An application for the registration of a vessel under this Act shall not be considered unless there is attached to the application a declaration by the person applying for registration of the vessel. The section provides for details of the declaration.

Section 21 (1); a vessel shall, on application for registration, be surveyed in accordance with the provisions of this Act.

Where a Registrar of vessels is satisfied that, the requirements for registration under this Act have been complied with and that the fees prescribed for the registration of the vessel have been paid, the Registrar of vessels shall under section 26 (1) of the Act issue to the applicant, a certificate of registration.

Section 18 (4) Any person who fails to register a vessel under this Part commits an offence and shall on conviction be liable to a fine not exceeding ten thousand dollars or to imprisonment for a term not exceeding three years or to both such fine and imprisonment.

Section 21 (4) An owner or master of a vessel who uses or attempts to use for the navigation of a vessel, a certificate of registration which is not legally issued in respect of the vessel, commits an offence, and shall on conviction be liable to a fine not exceeding five thousand dollars, or to imprisonment for a term not exceeding two years or to both such fine and imprisonment.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 187,134 and it takes an estimate of 12 hours of administrative activities. The total compliance cost per year for an estimated 5 businesses established is UGX 0.9 million

Analysis

The licence serves a regulatory purpose; to set standards for businesses involved in the maritime sector, ensure maritime safety, security of the public.

Recommendation

The licence be retained

Licensing under Part V of the Act

Section 56 states that a vessel which is not registered under Part III shall be licensed under part V. According to the provision of section 27, an applicant a vessel licence shall submit an application in writing to a Registrar of vessels.

Section 59 states that a licence shall, unless revoked, be valid for a period of one year from the date of issuance.

Section 56 (2) provides that a short-term licence may be granted for a period of not more than three months to enable a vessel to be used temporarily for -

- (a) seasonal business;
- (b) the execution of a particular piece of work; or
- (c) any other purpose of limited duration.

The form of the licence shall be in the prescribed form per section 61 and a separate licence shall be issued in respect of each vessel.

Conditions for issuance of a licence are contained in section 63 of the Act among which is that a vessel licensed under this Act shall only be used for the purpose for which it is licensed.

Section 63 (5) states that a person who fails to comply with any condition of a licence issued under this Part commits an offence and shall on conviction be liable to a fine not exceeding five thousand dollars or to imprisonment for a term not exceeding two years or to both such fine and imprisonment.

License 2 - Declaration of eligibility

Section 16 provides that a person shall not be entitled to be registered as owner of a vessel or as a shareholder until that person makes and signs a declaration of eligibility, containing the following particulars-

- (a) a statement of the qualifications of that person to operate a vessel on the Lake, and in the case of a body corporate, a statement of proof of ownership; and
- (b) a statement of the number of shares in the vessel, the legal title which is vested in that person or in the body corporate, whether alone or jointly with any other person or persons.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 187,134 and it takes an estimate of 12 hours of administrative activities. The total compliance cost per year for an estimated 5 businesses established is 0.9 million

Analysis

The licence serves a regulatory purpose; to set standards for businesses involved in the maritime sector, ensure maritime safety, security of the public.

Recommendation

The licence be retained

License 3 - Certificate of Sea worthiness

Section 22 (1) of the act provides that a vessel operating on the Lake shall carry a certificate of seaworthiness attesting to compliance with the requirements of this Act.

Subsection (2) The certificate of seaworthiness shall include a record of equipment carried onboard and shall have attached to it related information.

Subsection (3) A certificate of seaworthiness shall be valid for one year from the date of issuance, and shall be renewed on expiry in accordance with the conditions and requirements for its issuance, provided that the validity of the certificate may in exceptional circumstances, be extended for a period of not more than three months, in which case reasons for the extension shall be endorsed on the certificate.

Section 23 contains the conditions and procedure for issuing a certificate of seaworthiness. this section and shall state the reasons for the decision. Following inspection and the inspection report, an owner or master who is not satisfied with the decision of the surveyor may appeal to the Council.

Section 23 (5); A person who contravenes the provisions of this section commits an offence and shall on conviction be liable to a fine not exceeding five thousand dollars or to imprisonment for a term not exceeding two years or both such fine and imprisonment.

The duration of a certificate of registration according to Section 36 is five years unless it is suspended or cancelled during that period as provided under section 34 of the Act.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 187,134 and it takes an estimate of 12 hours of administrative activities. The total compliance cost per year for an estimated 8 businesses established is UGX 1.5 million

Analysis

The licence serves a regulatory purpose; to set standards for businesses involved in the maritime sector, ensure maritime safety, security of the public.

Recommendation

The licence be retained

License 4 - Renewal of certificate of registration

Section 37 (1) provides that an application for renewal of a certificate of registration shall be made by the owner or master of the vessel within one month of the expiry of the certificate, in the form and manner prescribed under section 19 which states the conditions for application for registration.

(2) Where the owner or master of a vessel makes an application for renewal of a certificate of registration in accordance with the provisions of sub-section (1), the certificate of registration shall remain in force and be deemed to be a valid certificate of registration until the owner or master is notified in writing of the results of the application.

Analysis

The licence serves a regulatory purpose; to set standards for businesses involved in the maritime sector, ensure maritime safety, security of the public.

Recommendation

The licence be retained

License 5 - Registration of alteration of vessel

Section 38(l) states that where a vessel registered under this Act is altered so as not to correspond with the particulars relating to the tonnage or description contained in the register, the Registrar of vessels shall on application –

- (a) cause the alteration to be registered; or
- (b) re- register the vessel.

Section 39(1) lists the conditions for registration of alteration among which is that upon alteration of a vessel, the owner or master of a vessel shall within thirty days after the

completion of the alteration, notify the Registrar of vessels of the alteration and produce a certificate from a surveyor stating the particulars of the alteration.

(2) The owner or master of a vessel shall register the alteration on a vessel within twenty one days after the alteration and submit the certificate of registration to the Registrar of vessels, who shall cause the alteration to be registered or direct that the vessel be re-registered.

Section 38 (4) states that where the owner or master of vessel contravenes the provisions of sub-section (1), the owner or master of the vessel commits an offence and shall on conviction be liable to a fine not exceeding two thousand dollars or to imprisonment for a term not exceeding one year or to both such fine and imprisonment.

(5) In addition to the penalty in sub-section (4), the Registrar of vessels may cancel or suspend the certificate of registration of the vessel and detain the vessel until the owner or master of the vessel complies with the requirements of this section.

Section 38(2) states that an owner or master of a vessel who gives false information for registration of a vessel after it is altered or who fails to register the alteration, commits an offence and shall on conviction be liable to a fine not exceeding five thousand dollars or to imprisonment for a term not exceeding two years or to both such fine and imprisonment. In addition, the Registrar of vessels may detain the vessel.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 187,134 and it takes an estimate of 12 hours of administrative activities. The total compliance cost per year for an estimated 3 businesses established is 0.6 million

Analysis

The licence serves a regulatory purpose; to set standards for businesses involved in the maritime sector, ensure maritime safety, security of the public.

Recommendation

The licence be retained

License 6 - Provisional certificate where vessel is reregistered

Section 41 (1) provides that where a vessel is to be re-registered outside the port of registry of the vessel, the Registrar of vessels at the port where the vessel is to be re-registered shall upon application, issue to the owner or master of the vessel either a provisional certificate, describing

the vessel as altered, or provisionally endorse the particulars of the alteration on the existing certificate.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 52,378 and it takes an estimate of 4 hours of administrative activities. The total compliance cost per year for an estimated 5 businesses established is UGX 0.3 million

Analysis

The licence serves a regulatory purpose; to set standards for businesses involved in the maritime sector, ensure maritime safety, security of the public.

Recommendation

The licence be retained

License 7 - Re-registration on change of ownership

Section 40 states that where the ownership of a vessel is changed, the Registrar of vessels may, on the application of the owners of the vessel, register the vessel.

Section 41(2) An owner or master of a vessel in respect of which a provisional certificate is granted or a certificate is endorsed under this section shall, within ten days of the arrival of the vessel at the port of registry of the vessel or within one month of the date of issue or endorsement of the certificate, whichever is earlier, deliver that certificate to the Registrar of vessels of the port of registry of the vessel.

(3) An owner or a master of a vessel, who fails to comply with subsection (2), commits an offence and shall on conviction be liable to a fine not exceeding two thousand dollars or to imprisonment for a term not exceeding one year or to both such fine and imprisonment.

(4) Where any vessel in respect of which a provisional certificate is granted or a certificate is endorsed under this section arrives at the port of registry of the vessel, an application for re-registration of that vessel shall be made to the Registrar of vessels of vessels of that port of registry in the prescribed form.

Where a vessel is to be re-registered, section 42 (1) provides that the Registrar of vessels shall use the procedure for registration, and on the surrender to the Registrar of vessels of the existing certificate of registration, and on compliance with requirements for registration the registrar of vessels shall re-register the vessel, and grant a new certificate of registration.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 52,378 and it takes an estimate of 4 hours of administrative activities. The total compliance cost per year for an estimated 4 businesses established is UGX 0.2 million

Analysis

The licence serves a regulatory purpose; to set standards for businesses involved in the maritime sector, ensure maritime safety, security of the public.

Recommendation

The licence be retained

Section 41(5) An owner or master of a vessel who contravenes the provisions of sub-section (4), commits an offence and shall on conviction be liable to a fine not exceeding two thousand dollars or to imprisonment for a term not exceeding one year or both such fine and imprisonment.

License 8 - Certificate amendment

Section 43(1) provides that subject to the provisions of sub-section (3), where any particular concerning a vessel in respect of which a certificate of registration is in force is so altered as not to correspond with the particulars in the register of vessels under section 32, the owner shall, not later than twenty one days after the alteration, submit the certificate of registration to the Registrar of vessels who issued it, for necessary amendment of the particulars in the certificate and the register of vessels.

Subsection (2) states that where the Registrar of vessels is satisfied that a vessel is permanently removed from the Lake or is permanently incapacitated for use, the Registrar of vessels may -

- (a) amend the certificate; or
- (b) cancel the certificate of registration and delete the entries in the register.

Where an owner fails to comply with the provisions of subsection (1), the certificate of registration shall, unless the Registrar of vessels directs, be invalid as prescribed under subsection (4).

Subsection (10) states that where a new certificate of registration is issued after a survey required under sub-section (3), the period of validity of that certificate shall commence on the date on which was issued.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 107,378 and it takes an estimate of 4 hours of administrative activities. The total compliance cost per year for an estimated 1 business established is 0.1 million.

Analysis

The licence serves a regulatory purpose; to set standards for businesses involved in the maritime sector, ensure maritime safety, security of the public.

Recommendation

The licence be retained

License 9 - Certificate of deregistration of vessel

Section 46(1) states that upon de-registration of a vessel, the Registrar of vessels shall issue to the owner a certificate of de-registration in the prescribed form.

(2) An owner shall prior to the issuance of the certificate of deregistration referred to in subsection (1), surrender the certificate of registration of the vessel to the Registrar of vessels for cancellation.

Section 45 provides that subject to section 58, the Registrar of vessels shall not permit the deregistration of a vessel, except after giving prior notification in writing to all registered holders of mortgages on the vessel registered under this Act.

Section 50(1) states that a transfer of a vessel including a transfer on sale, shall be made in writing accompanied by a declaration by the transferee of the vessel.

Subsection (2) provides that an application for transfer of a vessel under this section shall be made to the Registrar of vessels or an officer authorised by the Registrar of vessels accompanied by the required attachments.

(4) Where the transferee declares that the time and place of the building of the vessel are unknown to the transferee or that the builder's certificate cannot be procured, the transferee shall attach to the declaration, the instrument by which ownership of the vessel was acquired and a certificate from a surveyor at the last port of registration giving the estimated age and condition of sea worthiness of the vessel.

(5) A transfer of a vessel shall be made before the Registrar of vessels in the presence of, and attested by, two witnesses.

Analysis

The licence serves a regulatory purpose; to set standards for businesses involved in the maritime sector, ensure maritime safety, security of the public.

Recommendation

The licence be retained

License 10 - Declaration of transfer

Section 52 (1) states that where a vessel registered or licensed under this Act or a share in a vessel is transferred, the transferee shall not be entitled to be registered as owner until the transferee, or, in the case of a body corporate, the person authorised by this Act to make declarations on behalf of the body corporate, makes and signs a declaration of transfer containing a statement of the qualification of the transferee to own a vessel registered or licensed under this Act.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 107,378 and it takes an estimate of 4 hours of administrative activities. The total compliance cost per year for an estimated 2 businesses established is UGX 0.2 million

Analysis

The licence serves a regulatory purpose; to set standards for businesses involved in the maritime sector, ensure maritime safety, security of the public.

Recommendation

The licence be retained

License 11 - Registration of transfer

Section 53 (1) provides that a bill of sale for the transfer of a vessel registered or licensed under this Act or a share in a vessel, when duly executed, shall be produced to the Registrar of vessels with the declaration of transfer, and upon being satisfied that the vessel qualifies to be registered or licensed under this Act, the Registrar of vessels shall enter in the register the name of the transferee as owner of the vessel or share, and shall endorse on the bill of sale the fact of that entry having been made, with the date and time of the entry.

(3) Upon the transfer being registered in the manner provided for in sub-section (1), the Registrar of vessels shall issue a new certificate of registration.

The estimated cost for a business to comply with this regulation is UGX 107,378 and it takes an estimate of 4 hours of administrative activities. The total compliance cost per year for an estimated 2 businesses established is UGX 0.2 million

Analysis

The licence serves a regulatory purpose; to set standards for businesses involved in the maritime sector, ensure maritime safety, security of the public.

Recommendation

The licence be retained

License 12 - Transmission of ownership

It is provided under section 54 (1) that where the ownership in a registered vessel or share is transmitted to any person by any lawful means other than a transfer under section 51 and a majority interest remains in the original owner, that owner shall authenticate the transmission by making and signing a declaration of transmission identifying the vessel and containing the statement specified in section 54 and a statement of the manner in which the property was transmitted;

The section further provides for transmission consequent upon bankruptcy, death, an order of court or by virtue of marriage

(3) The Registrar of vessels shall, on receipt of the declaration of transmission under subsection (1), enter in the register the name of the transferee to be registered as owner of the vessel or share

under the transmission, the ownership which is transmitted, and where there is more than one transferee, the transferees shall be considered as one transferee.

The estimated cost for a business to comply with this regulation is UGX 107,378 and it takes an estimate of 4 hours of administrative activities. The total compliance cost per year for an estimated 2 businesses established is UGX 0.2 million

Analysis

The licence serves a regulatory purpose; to set standards for businesses involved in the maritime sector, ensure maritime safety, security of the public.

Recommendation

The licence be retained

License 13 - Authorisation for holder of a Foreign Certificate of Competency

Section 88 (3) states that where a person who holds a foreign certificate of competency applies to serve on a vessel registered or licensed under this Act, the assessment and verification panel may direct that-

- (a) where the person is a citizen of a Partner State, that person is granted a certificate of equivalent grade under this Act or regulations made under this Act; and
- (b) where the person is not a citizen of a Partner State, that person is issued with a licence authorizing him or her to serve on a vessel registered or licensed under this Act.

(4) A licence issued under sub-section (3) (b) shall be subject to such conditions as the assessment and verification panel may impose.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 237,134 and it takes an estimate of 12 hours of administrative activities. The total compliance cost per year for an estimated 2 businesses established is UGX 0.5 million

Analysis

The licence serves a regulatory purpose; to set standards for businesses involved in the maritime sector, ensure maritime safety, security of the public.

Recommendation

The licence be retained

License 14 - Certification for rating crew

Section 89 states that the Executive Secretary may, with the approval of the Council, regulate the issuance of mandatory certificates for rating crew.

A Registrar of vessels may suspend or revoke a licence where any of the conditions of the licence have not been complied with under section 64 and shall notify the licence holder in writing and state the reasons for the revocation or suspension.

Appeals

Section 65 provides that a person may appeal to the Minister responsible for maritime safety and security in the Partner States , who –

- (a) being an applicant for a licence, is aggrieved by the decision of a Registrar of vessels with regard to the application; or

(b) being the holder of a licence, is aggrieved by the revocation or suspension of the licence, or by the variation of any of the conditions of the licence.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million

Analysis

The licence serves a regulatory purpose; to set standards for businesses involved in the maritime sector, ensure maritime safety, security of the public.

Recommendation

The licence be retained

General Subsector Analysis

*The licences under the **Lake Victoria Transport Act, 2007** and subsequent regulations have not yet been operationalized in Uganda.*

General Subsector Recommendations

The Lake Victoria Transport Act, 2007, regulations and licences should be operationalized in Uganda.

2.12.3 The Aviation Subsector

The Civil Aviation Authority Act. Cap 354

An Act to provide for the establishment of the Civil Aviation Authority, its duties, powers and management and for other matters connected therewith.

Section 1(1) provides that this Act shall extend to all aircraft operating in Uganda airspace, whether the aircraft is of foreign or Uganda registry, and to Uganda aircraft operating outside of Uganda territory.

The Civil Aviation Authority is established under section 3 of the Act.

Section 29 mentions the fees and charges the authority may charge in respect of services or facilities provided by the authority which may under subsection 2 include;

(a) the issuance, renewal or variation of airworthiness certificates;

- (c) the issuance, renewal or variation of personnel licences;
 - (i) air operator's certificates;
 - (l) air transport licences.

The Civil Aviation (Aerodromes) Regulations, 2007

Regulation 2(1) states that these Regulations apply to aerodromes owned or operated by the Authority and to public and private aerodromes. Regulation 5 categorizes aerodromes into five; category A to E.

Licences

License 1 - Aerodrome licence

Regulation 17 states that this licence shall specify; period of validity of the licence the reference code for which the aerodrome is licensed and the restrictions, if any, relating to non-compliance with or deviations from –

- (i) the appropriate aerodrome design, operation or equipment standards;

- (ii) the appropriate airspace classification requirements; and

Sub regulation (2) states that a licence issued under these Regulations is not transferable.

Regulation 18(1) further states that a licence issued under these Regulations shall be valid for a period of two years and shall remain in force until it expires or is suspended or cancelled by the Authority, in accordance with regulation 21.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million.

Analysis

The licence serves a safety regulatory purpose.

Recommendation

The licence be retained

License 2 - Aerodrome construction permit

Regulation 7(1) provides that a person shall not construct an aerodrome unless that person has a valid aerodrome construction permit issued under regulation 8. The section further lists the requirements for application for aerodrome construction permit.

Regulation 14 states the conditions for issuance of licence as may be prescribed by the Authority while the form and manner of issuance of the licence is in regulation 16.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million

Analysis

The licence serves a safety regulatory purpose.

Recommendations

The licence be retained

License 3 - Aerodromes certification

Regulation 25 (1) states that this Part applies to aerodromes in category A but the Authority shall, by notice in the Gazette, determine the aerodromes in category B to which this Part may apply.

Regulation 26; an application for a certificate shall be submitted in a form prescribed by the Authority and shall be accompanied by - copies of the aerodrome manual; a plan for the aerodrome; an environmental impact assessment report; approval from any relevant authority; proof of financial capability; particulars of any non-compliance or deviations from the appropriate aerodrome design, operation or equipment standards; particulars of the airspace classification requirements; and charges as prescribed by the Authority in the Aeronautical Information Publication (AIP) or the Aeronautical Information Circular (AIC).

Regulation 27 states that conditions for issuance of a certificate as may be prescribed by the Authority while regulation 29 provides for the form and manner of issuance of a certificate.

Analysis

The licence serves a safety regulatory purpose.

Recommendation

The licence be retained.

The Civil Aviation (Security) Regulations, 2007.

License 1: Airport Security Permit

Regulation 26 states that authorised access to security restricted areas and designated off-airport facilities serving commercial air transport operations shall be controlled through airport security permits issued by the airport operator.

Sub regulation (2) provides that airport security permits shall be issued in the manner prescribed in the National Civil Aviation Security Programme. (4) A security permit issued under these Regulations is not transferable.

Offences relating to this licence are provided for in regulation 57.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million

Analysis

The licence serves a safety regulatory purpose.

Recommendation

The licence be retained

License 2 - Regulated Agent Security Programme Certification

Regulation 15(1) provides that a person shall not operate an enterprise or an organization whose purpose is the movement of cargo, mail, baggage or goods by air within or from Uganda without a Regulated Agent Security Programme approved by the Authority and a certificate issued by the Authority.

Regulation 15(2) states requirements of a Regulated Agent Security Programme and further regulation 17 contains the application for approval of security programme by submitting in duplicate the programme to the Authority and paying the fee prescribed by the Authority.

Regulation 18 provides for approval of the security programme within thirty days of receipt of the programme where the Authority is satisfied that a security programme submitted meets the requirements of these Regulations, the National Civil Aviation Security Programme and any other relevant law.

(2) Where the programme does not meet the requirements of these Regulations, the Authority shall, within thirty days after receipt of the programme, direct the applicant to modify and re-submit the security programme to the Authority within thirty days after receipt of the programme by the applicant.

(3) Where resubmitted programme meets the requirements, the Authority shall, within fifteen days, after receipt of the programme, approve the security programme. Regulation 58 creates an offence where a person operates without, or fails to implement security programmes and is liable, on conviction, to a fine not exceeding twenty four currency points or to imprisonment for a term not exceeding one year, or both.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 82 million.

Analysis

The licence serves a safety regulatory purpose.

Recommendation

The licence be retained

License 3 - Catering Operator Security Programme certification

Regulation 16 states that a person shall not operate an enterprise or an organization whose purpose is the direct provision to commercial air transport of catering supplies and stores within or from Uganda, without a Catering Operator Security Programme approved by the Authority and a certificate issued by the Authority. Regulation 16 (2) states the requisites of the catering Operator security programme.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million

Analysis

The licence serves a safety regulatory purpose.

Recommendation

The licence be retained

The Civil Aviation (Aircraft Registration and Marking) Regulations, 2006 No. 50

License 1 - Certificate of aircraft Registration

Regulation 3 (1) states that a person shall not operate an aircraft, as classified in the First Schedule to these Regulations, within or fly over Uganda unless the aircraft has been registered by its owner and has been issued a certificate of aircraft registration for that aircraft which shall be carried aboard that aircraft for all operation.

Regulation 3(2) provides for circumstances under which an air craft Subject shall not be registered or continue to be registered in Uganda for instance where the aircraft is registered outside of Uganda; where an unqualified person is entitled as owner to any legal or beneficial interest or share in the aircraft or ;where it would be inexpedient in the public interest for the aircraft to be or to continue to be registered in Uganda; or where the aircraft does not qualify to be issued with a certificate of airworthiness as specified in the Civil Aviation (Airworthiness) Regulations.

Regulation 3(5) states that the Authority shall be responsible for the registration of aircraft in Uganda. Regulation 4 provides for the eligibility criteria for registration of an aircraft in Uganda and further makes a list of the persons that may be owners of a legal or beneficial interest in the aircraft.

Regulation 7 provides that the Authority shall issue to the person(s) in whose name(s) the aircraft is registered (in this regulation referred to as the “registered owner”) a certificate of registration, which shall include the particulars specified in regulation 6 and the date on which the certificate was issued.

Regulation 26 (1) makes provision for the Authority to notify on fees to be charged in connection with the issue, validation, renewal, extension or variation of any certificate, licence or other document.

Section 28 sets out penalties for a person who contravenes any provision of these Regulations which involve the following;

- (1) Revocation or suspension of their licence, certificate, approval, authorisation, exemption or other document revoked or suspended.
- (2) A fine not exceeding one million shillings for each offence or to imprisonment for a term not exceeding one year or to both for an offence in contravention of a any provision specified as an “A” provision in the Second Schedule to these Regulations

(3) A fine not exceeding two million shillings for each offence or to imprisonment for a term not exceeding three years or to both for an offence in contravention of any provision specified as a “B” provision in the Second Schedule.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million

Analysis

- 1) *The sanctions for contravention of the provisions of these regulations are too minimal in comparison to the sector to compel compliance.*
- 2) *The licence serves a regulatory purpose.*

Recommendations

- 1) **Sanctions be reviewed and increased to improve enforcement of the regulations.**
- 2) **The licence be retained.**

The Civil Aviation (Airworthiness) Regulations, 2006.

License 1 - Certificate of airworthiness

Regulation 7 provides that an owner of an aircraft registered in Uganda or agent of the owner may apply to the Authority for issue of a certificate of airworthiness for that aircraft.

The application for a certificate of airworthiness shall apply on a form prescribed by the Authority.

Regulation 8 states that a person shall not fly an aircraft unless there is in force in respect of that aircraft a certificate of airworthiness or restricted certificate of airworthiness or a special flight permit duly issued or rendered valid under the law of the state of registry and any conditions subject to which the certificate was issued or rendered valid are complied with.

The classifications for the certificates of airworthiness are stated in regulation 9 as follows—

- (a) a certificate of airworthiness;
- (b) a restricted certificate of airworthiness;
- (c) a special flight permit; and
- (d) export certificate of airworthiness.

Regulation 14 (1) provides that a certificate of airworthiness shall be issued for aircraft in the specific category (as specified in sub regulation 4) and model designated by the state of design in the type certificate. Prerequisites for issue of a certificate of airworthiness if are listed in sub regulation (2).

The Authority may as per sub regulation 3 issue a certificate of airworthiness subject to such other conditions relating to the airworthiness of the aircraft as the Authority thinks fit.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million

Analysis

The licence serves a safety regulatory purpose.

Recommendation

The licence be retained

License 2 - Restricted certificate of airworthiness

Regulation 16 (1) provides that the Authority may issue a restricted certificate of airworthiness for aircraft that does not qualify for a certificate of airworthiness including microlite, amateur and kit built aircraft, an aircraft used for air races, aircraft flying for exhibition purpose and a kite.

(2) An aircraft in respect of which a restricted airworthiness certificate is in force shall be subject to operating limitations within Uganda and shall not make international flights and the Authority shall issue specific operating limitations for each restricted airworthiness certificate.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million

Analysis

The licence serves a safety regulatory purpose.

Recommendation

The licence be retained

License 3 - Special Flight Permit

Regulation 17 states that the Authority may issue a special flight permit for an aircraft that is capable of safe flight but unable to meet applicable airworthiness requirements for the purpose of—

(a) flying to a base where weighing, painting, repairs, modifications, maintenance or inspections are to be performed or to a point of storage;

(b) flying for the purpose of experimenting with or testing the aircraft including its engines and equipment;

(c) flying for the purpose of qualifying for the issue, renewal or validation of certificate of airworthiness or restricted certificate of airworthiness and the approval of a modification of the aircraft;

(d) delivering or exporting the aircraft;

(e) evacuating aircraft from areas of impending danger; and

(f) operating at mass in excess of the aircraft's maximum certified takeoff mass for flight beyond normal range over water or land areas where adequate landing facilities or appropriate fuel are unavailable with the excess mass limited to additional fuel, fuel-carrying facilities and navigation equipment necessary for the flight.

The duration of a certificate of airworthiness or restricted certificate of airworthiness issued under these Regulations is as stated by regulation 12 valid for twelve months from the date of issue unless any of the conditions listed under the regulation exist.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million

Analysis

The licence serves a safety regulatory purpose.

Recommendation

The licence be retained

License 4 - Export Certificate of Air worthiness

This licence is provided for by regulation 18 (1) which states that an owner of an aircraft registered in Uganda or an agent of the owner may apply to the Authority for issue of an export certificate of airworthiness for that aircraft.

(2) An application for an export certificate of airworthiness shall be made on a form prescribed by the Authority at least 14 days before the intended date of export of the aircraft out of Uganda.

(3) The Authority shall issue an export certificate of airworthiness if the applicant submits proof of compliance with the conditions listed in the regulation including maintenance programmes and mandatory airworthiness directives applicable to the aircraft and its equipment.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million

Analysis

The licence serves a safety regulatory purpose.

Recommendation

The licence be retained

License 5 - Certificate of fitness for flight

Regulation 20(1) provides that a person shall not fly an aircraft for the purpose of flight testing after repair, modification or maintenance unless the aircraft has been issued with a maintenance endorsement statement.

(2) The maintenance endorsement statement referred to in sub regulation (1) shall constitute a certificate of fitness for flight.

(3) A certificate of fitness for flight shall be issued by an appropriate qualified person in accordance with these Regulations and the Civil Aviation (Personnel Licensing) Regulations.

(4) A certificate of fitness for flight is the basis under which the Authority may issue a special flight permit under regulation 17 for the purpose of allowing the aircraft to be ferried.

(5) The certificate of fitness for flight may be used as a basis to flight test an aircraft after repair, modification or maintenance as long as the aircraft does not make an international flight.

(6) A certificate of fitness for flight is not, for purposes of these Regulations, an airworthiness certificate.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million

Analysis

The licence serves a safety regulatory purpose.

Recommendation**The licence be retained****License 6 - Approved Maintenance programme**

Regulation 23: An operator of an aircraft registered in Uganda shall not engage in commercial air transport operations, unless—

(a) the aircraft, including its engines, equipment and radios has been maintained in accordance with the approved maintenance programme and the maintenance procedures recommended by the aircraft manufacturer;

(b) a certificate of release to service has been completed and signed by a licensed aircraft maintenance engineer to certify that all maintenance work has been completed satisfactorily and in accordance with the approved maintenance programme and procedures; and

(c) there is an approved flight manual available in the aircraft for the use of the flight crew, containing the limitations within which the aircraft is considered airworthy, together with such additional instructions and information as may be necessary to show compliance with the specified regulations relating to performance and for the safe operation of the aircraft, except that if the aircraft has a maximum take off certificated mass of 5700 kg or less, the limitations may be made available by means of placards or other documents approved by the Authority.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 82 million

Analysis

The licence serves a safety regulatory purpose.

Recommendation**The licence be retained**

License 7 - Noise certificate

Regulation 33; An aircraft to which this regulation applies shall not land or take off in Uganda unless there is in force a noise certificate issued or rendered valid by the authority in which the aircraft is registered.

(2) The noise certificate referred to in sub-regulation (1) shall be issued or validated by the Authority on the basis of satisfactory evidence that the aircraft complies with the requirements which are at least equal to the applicable standards specified in Annex 16 Volume 1 to the Chicago Convention.

Sanctions for breach of these regulations are stated under regulations 53 and 54 with the highest fine not exceeding two million shillings for each offence and or to imprisonment for a term not exceeding three years or to both.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million

Analysis

- 1) *The licence serves a safety regulatory purpose.*
- 2) *The monetary penalties provided by the regulations are not high enough to compel compliance with the regulation.*

Recommendation

- 1) **The licence be retained.**
- 2) **The monetary penalties be reviewed to increase the penalty for default in to protect public safety better.**

The Civil Aviation (Approved Maintenance Organisation) Regulations, 2006

License 1: Maintenance Organisation certificate

Regulation 4 (1) establishes this licence. It states that a person shall not operate as an approved maintenance organisation (AMO) without or in violation of an approved maintenance organisation certificate issued under these Regulations.

(3) An AMO certificate shall consist of specific operating provisions accepted by the Authority containing the terms and conditions applicable to the AMO.

Regulation 6: An applicant for an approved maintenance organisation (AMO) certificate shall submit the required proof under this regulation to the Authority at least ninety days before the intended day of operations.

Regulation 7 provides that an applicant shall be issued an approved maintenance organisation (AMO) certificate if after inspection, the Authority finds that the applicant—

(a) meets the requirements for the holder of an AMO specified under these Regulations; and
(b) is properly and adequately equipped for the performance of maintenance of aircraft or aircraft component for which it seeks approval.

Regulation 8(1) provides for duration of a licence; A certificate issued to an approved maintenance organisation (AMO) shall be valid for twelve months from the date of issue or renewal, unless a shorter period is specified by the Authority.

Suspension and revocation of certificates is provided for in regulation 45 (1) which provides that the Authority may, where it considers it to be in the public interest, suspend provisionally, pending further investigation, any certificate, approval, permission, exemption or other document issued, granted or having effect under these Regulations.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million

Analysis

The licence serves a safety regulatory purpose.

Recommendation

The licence be retained

The civil aviation (air operator certification and administration) regulations, 2006

License 1 - Air operator certificate (AOC)

Regulation 4 (1) states that an operator shall not engage in commercial air transport operations unless that operator holds a valid air operator certificate (AOC) issued by the Authority.

(2) An AOC referred to in sub-regulation (1) shall authorize the operator to conduct commercial air transport operations in accordance with the conditions and limitations that may be specified in the AOC.

(3) The issue of an AOC by the Authority shall be dependent upon the operator demonstrating an adequate organization, method of control and supervision of flight operations, training programme and maintenance arrangements consistent with the nature and extent of the operations specified.

Regulation 5 states the application procedure for an air operator certificate which is issued under regulation 6 with the contents as specified in regulation 7.

The duration and renewal of an air operator certificate is according to regulation 8 for a period of 12 months from the date of issue or renewal, unless a shorter period is specified by the Authority

A certificate may be suspended and revoked under regulation 93, while the offences and penalties for non-compliance are stated in regulation 101.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million

Analysis

The licence serves a safety regulatory purpose.

Recommendation

The licence be retained

The Civil Aviation (Approved Training Organisations) Regulations, 2006

License 1 - Approved Training Organisations (ATO) Certificate

Regulation 3(1) A person shall not operate an approved training organisation or hold out as an approved training organization unless that person is in possession of an ATO Certificate and training specification requirements required under these Regulations.

Regulation 5 provide for application for issuance or amendment of an ATO certificate stating that an applicant for an approved training organization (ATO) certificate and training specifications or for an amendment to an ATO certificate and training specifications, shall apply at least ninety days before the beginning of any proposed training which was not approved before.

(2) An applicant for an ATO certificate shall submit an application on a form and in a manner prescribed by the Authority. The application shall contain the information required under sub regulation (3). The Validity of the certificate is 12 months as stated in regulation 6.

Regulation 9 states that the Authority shall suspend or revoke an approved training organisation certificate, if it is established that a certificate holder has not met or no longer meets the requirements of these Regulations.

Offences and penalties for violation of these regulations are contained in regulations 43 and 44 with the highest fine not exceeding two million shillings and in the case of a second or subsequent conviction for the like offence, to a fine not exceeding four million shillings.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million

Analysis

The certificate serves a regulatory purpose of ensuring quality training in this sector.

Recommendation

The Certificate is necessary and should therefore be retained.

The Civil Aviation (Aerial Work) Regulations, 2006

License 1 - Agricultural air operator certificate

Regulation 4 (1) provides that except as provided in sub-regulations (2) and (3), a person shall not conduct agricultural air operations without or in violation of, an agricultural air operator certificate issued under these Regulations.

(2) An operator that complies with this Part when conducting agricultural air operations using a rotorcraft with external dispensing equipment shall not require a rotorcraft external-load operator certificate issued under Part IV of these Regulations, except when dispensing water on forest fires.

Regulation 5 provides that an applicant for an agricultural air operator certificate shall complete and submit an application form prescribed by the Authority.

Regulation 8(1) states that an agricultural air operator certificate (AAOC) shall be valid for 12 months

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million

Analysis

The licence serves a safety regulatory purpose.

Recommendation

The licence be retained

License 2 - Rotorcraft external-load operator certificate

Regulation 26 (1) provides that a person shall not conduct rotorcraft external load operations within Uganda without or in violation of the terms of a rotorcraft external-load operator certificate issued by the Authority.

Regulation 27(1) states that a rotorcraft external-load operator certificate shall be valid for a period of 12 months.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million.

Analysis

The licence serves a safety regulatory purpose.

Recommendation

The licence be retained

The Civil Aviation (Personnel Licensing) Regulations, 2006

Regulation 3 states that the Authority may issue the following licences and certificates under these Regulations—

(a) pilot licences, including—

- (i) student pilot licence;
- (ii) private pilot licence;
- (iii) commercial pilot licence;
- (iv) airline transport pilot licence;

(b) ground instructor licence;

(c) flight engineer licence;

(d) air traffic controller licence;

(e) aircraft maintenance engineer licence;

- (f) flight operations officer licence;
- (g) flight radio telephony operator licence; and
- (h) cabin crew member certificate.
- (i) Designated Examiner certificate; issued under Regulation 79.
- (j) Designated Medical Examiner Certificate; issued under Regulation 130.

7 (1) The Authority shall issue licences with a specific expiry date except as specifically provided by these Regulations.

Regulation 189 provides that a person who contravenes any provision of these Regulations may have his licence, certificate, approval, authorisation, exemption or other document revoked or suspended.

Offences and penalties are provided for in regulation 190 with the highest penalty being a fine not exceeding four million shillings.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 25 businesses established is UGX 21 million

Analysis

The licences serve a safety regulatory purpose.

Recommendation

The personnel licensing licences be retained.

The Civil Aviation (Parachute Operations) Regulations, 2006.

License 1 - Parachute jumping authorization

Regulation 4(1) states that an applicant for a parachute jumping authorisation shall be at least 18 years of age, be able to read, speak and understand the English language; demonstrate a level of knowledge appropriate to the privileges granted to a holder of a parachute jumping authorisation; and comply with the provisions of these Regulations that apply to the parachute jumping authorisation sought.

Regulation 5 states that the Authority may issue the following types of parachute jumping authorizations: (a) student jumper; (b) jumper; (c) jump master; or (d) tandem master.

Regulation 4(2) provides that in addition to the requirements of regulation 4(1), an applicant for a tandem master authorisation shall hold a class 2 medical certificate.

Regulation 6 sets out the skills required for this licence while regulation 21(1) provides that a parachute rigger authorisation shall be valid for a period of 24 months from the date of issue or renewal.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 25 businesses established is UGX 21 million

Analysis

The licence serves a safety regulatory purpose.

Recommendation

The licence be retained

License 2 - Parachute operations certificate

This certificate is established by regulation 22. An applicant for a parachute operations certificate shall complete and submit an application form prescribed by the Authority which shall include the information listed in the regulation 23.

Regulation 60 provides that the Authority may, where it considers it to be in the public interest, suspend provisionally, pending further investigation, any certificate, authorisation or such other document issued, granted or having effect under these Regulations.

Offences and penalties are provided for in regulation 66 with the highest monetary penalty not exceeding four million shillings

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 25 businesses established is UGX 21 million.

Analysis

The licence serves a safety regulatory purpose.

Recommendation

The licence be retained

The Airport Service Charges Act, Cap 353

An Act to impose a service charge upon passengers embarking upon aircraft at airports.

License 1 - Airport Service charge

The service charge is payable by a passenger departing by aircraft from any airport in Uganda in respect of each flight to a destination outside Uganda. Section 2 of the Act prescribes a service charge of Ug. Shs. 500 per person which is administered as stated under section 3 as a duty of every person who owns or has responsibility for an aircraft to ensure that the service charge payable under this Act has been paid before the embarkation of the passenger.

Sanction

Section 4(1) Any person who contravenes any provision of this Act or of Regulations made under it commits an offence and is liable on conviction to a fine not exceeding one hundred pounds or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 819,924 and it takes an estimate of 23 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 41 million

Analysis

- 1) *The service charge is a justifiable a fee for the airport services rendered to passengers.*
- 2) *The charge is collected indirectly by the aircraft owners therefore it is efficiently administered.*
- 3) *The charge of Ug. Shs. 500 stated in the Act is not a reflection of the amount actually charged in practice which is much higher and has raised complaints.*

Recommendation

- 1) **The service charge be retained but revised.**
- 2) **The law be reviewed to update the actual service charge rate in practice.**

2.12.4 The Rail transportation subsector

The Uganda Railways Corporation Act. Cap 331

An Act to provide for the establishment of the Uganda Railways Corporation; to provide for its objects and functions; to provide for its board of directors and the composition and functions of the board; to provide for the finances of the corporation and its legal rights and obligations in relation to other persons; to provide for the employees of the corporation; to provide for various offences in relation to the functions and property of the corporation; to dissolve the existing

Uganda Railways Corporation and to transfer to the corporation its property, assets, rights, obligations and liabilities, and for other purposes connected with or incidental to the foregoing.

Licences

License 1 - Port rates

Section 74(1); There shall be levied upon every vessel entering an inland waterway port other than a vessel belonging to the corporation, such port rates and charges as the corporation may determine and publish in a tariff notice.

(2) At every booking office within an inland waterway port there shall be maintained, available for public inspection, a list of rates and charges applicable to that port.

Analysis

- 1) *The Port rates are payment for a service that the corporation offers and are therefore justified.*
- 2) *The rail transportation subsector in Uganda is currently under developed and underutilized. A legal framework needs to be developed to facilitate the operation of businesses in this subsector.*

Recommendation

- 1) **The Port rates be retained as they are a fee for a service provided.**
- 2) **The port rate charges for the corporation's ports should be made available to the public for instance on an internet portal to promote transparency and ease business.**
- 3) **The Act should be reviewed to provide for the operation of businesses in this subsector.**
- 4) **Regulations should be enacted with manuals and procedures of operation of businesses in this sector.**

2.12.5 The Insurance (Motor Vehicle Third Party Risks) Sub Sector

The Motor Vehicle Insurance (Third Party Risks) Act, Cap 214

The Act makes provision for third party insurance against third party risks in respect of vehicles.

Licenses

License 1: Certificate of Insurance against Third Party Risks

Section 2(1) of the Act provides that it shall not be lawful for any person to use, or to cause or to permit any other person to use, a vehicle on a road unless there is in force in relation to the use of the vehicle by that person or that other person, as the case may be, a policy of insurance in respect of third party risks that complies with the requirements of this Act.

Section 7 further provides that a certificate of insurance shall be issued by the insurer to the person by whom a policy of insurance is effected at the same time as the cover note is issued.

Exemption

The requirement for third party insurance does not apply to Government owned vehicles.

Penalty

Any person who contravenes subsection 2(1) commits an offence and is liable on conviction to a fine not exceeding one hundred thousand shillings or to a term of imprisonment not exceeding two years or to both such fine and imprisonment.

Section 2(3) further provides that a person convicted shall, unless the court for special reasons thinks fit to order otherwise, and without prejudice to the power of the court to order a longer period of disqualification, be disqualified from holding or obtaining a driving permit for twelve months from the date of conviction, in addition to the penalties that may be imposed under subsection (3).

Analysis

The Certificate of Insurance serves a regulatory purpose

Recommendation

The certificate of insurance should be retained.

2.13 WATER, FORESTRY, ENVIRONMENT & SANITATION

Introduction

The analysis in this sector covers laws and licenses pertaining to the following activities:

2.13.1 Water and Sanitation

2.13.2 Environmental Management

2.13.3 Forestry

RECOMMENDATIONS ON WATER, ENVIRONMENT, SANITATION AND FORESTRY LICENCES

Law applicable		The Water Act, Cap 152 The Rivers Act Cap 357 The Water Resources Regulations (SI 152 – 1) The Water (Waste Discharge) Regulations (SI 152 – 4)					
License name		Recommended Actions					Compliance Cost (Millions)
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	
1.	Drilling permit			Yes			8.9
2.	Construction permit			Yes			17.5
3.	Ground water permit			Yes			8.0
4.	Easement certificate			Yes			-
5.	Hydraulic construction permit			Yes			8.8
6.	Surface water permit			Yes			4.3
7.	Waste water discharge permit					Yes (with 11)	206
8.	Dredging License			Yes			-
9.	Security for Dredging			Yes			
10.	Steam Vessel License	Yes					
Law applicable		The Environment sub sector The National Environment Act, Cap 153 The National Environment (Environmental Impact Assessment) Regulations (SI 153–1) The National Environment (Waste Management) Regulations (SI 153–2) The National Environment (Wetlands, Riverbanks and Lakeshores Management) Regulations (SI 153–5) The National Environment (Noise Standards and Control) Regulations (SI No. 30, 2003) National Environment (Certification and Professional Conduct of Environmental Practitioners) Regulations (SI No. 85, 2003)					
License name		Recommended Actions					Compliance Cost (Millions)
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	
11.	Pollution license					Yes (with 7)	448
12.	Environmental Impact Assessment			Yes			1.8bn

13.	License for transportation and storage of waste			Yes			10.6bn
14.	License to own or operate a waste treatment plant or disposal site			Yes			1.8bn
15.	Wetland resource use permit			Yes			13.4
16.	License for noise in excess of permissible noise levels			Yes			13.4
Law Applicable		The National Forestry and Tree Planting Act 2003					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	
17.	License to cut, grow, take, work or remove any forest produce from a forest reserve		Yes				4.8bn
18.	Environmental impact assessment		Yes				-
19.	License for the utilization and management of a forest reserve		Yes				-
Sector Total	21	1	3	13		2 into 1	
Other Forestry Sector Licenses		-	3	-	-		
Total	22	1	6	13		2 into 1	

2.13.1 Water and Sanitation subsector

The Water Act, Cap 152

The Water Resources Regulations (SI 152 – 1)

The Water (Waste Discharge) Regulations (SI 152 – 4)

The Water Act, Cap 152 provides for the use, protection and management of water resources and supply. It also provides for the constitution of water and sewerage authorities, and the facilitation of the devolution of water supply and sewerage undertakings.

Section 5 of the Act states that all rights to investigate, control, protect and manage water in Uganda for any use is vested in the Government and shall be exercised by the Minister and the Director for Water Development in accordance with the Act.

The Water Resources Regulations (SI 152 – 1) specifies the applications, policies and charges around regulating the management of water resources in Uganda.

The Water (Waste Discharge) Regulations (SI 152 – 4) outline standards, policies and regulations surrounding the management of waste discharge in Uganda.

Licenses

License 1 – Drilling Permit

Part IV Regulation 15(1) of the Water Resources Regulations (SI 152 – 1) states that a person who wishes to engage in the business of constructing boreholes to enable people to obtain water shall apply to the director for a drilling permit in the format set out in Form E of the Sixth Schedule to the Regulations. According to Regulation 18(2), the permit may be granted as per Form F2 of the Sixth Schedule of The Water Resources Regulations (SI 152 – 1). In practice, this permit is issued to companies engaged in the business of drilling for water and those with the competence to undertake such drilling.

Regulation 18(1) of the Regulations specifies the duration of validity of the Drilling Permit as one year. The fees for the application for the Drilling Permit are specified in Second Schedule of the Regulations. According to the schedule, they are set at UGX 500,000/=

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 893,201 and it takes an estimate of 18 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is UGX 8.9 million.

Analysis

The Rules do not make detailed provision on the permit application process particularly in terms of processing time lines. This exposes the licensing process to inefficiency. In addition, all permits are issued in Kampala, which adds to the challenge of inefficiency. Efforts are currently being made to decentralize the operations of the water authority to enable the issuance of permits in the regions.

Recommendation

This permit be streamlined through the amendment of the Water Act Cap 152 and the Water Resources Regulations (SI 152-1) to make specific provisions for the criteria applicable to the issuance and renewal of this permit, as well as processing time lines.

License 2 – Construction Permit

Part IV Regulation 15(1) of The Water Resources Regulations (SI 152 – 1) states that a person who wishes to engage in the business of constructing boreholes to enable people to obtain water shall apply to the director for a drilling permit in the format set out in Form E of the Sixth Schedule to the Regulations. Sub regulation 15(2) of The Water Resources Regulations states that a person who wishes to engage a driller under Regulation 15(1) (mentioned above) to construct a borehole on his or her land may apply to the director for a construction permit. In practice, this permit is intended to be issued to individuals.

According to Regulation 18(2), the permit may be granted as per Form F1 of the Sixth Schedule of The Water Resources Regulations. Regulation 18(1) of the Regulations specifies the duration of validity of the Construction Permit as one year.

The fees for the application for the Construction Permit are specified in Second Schedule of the Regulations. According to the schedule, they are set at UGX 500,000

Cost of compliance

The estimated cost for a business to comply with this regulation is .UGX 878,201 and it takes an estimate of 18 hours of administrative activities. The total compliance cost per year for an estimated 20 businesses established is UGX 17.5 million.

Analysis

The issuance of the construction permit has not been operationalized although it is provided for under the law. The Rules do not make detailed provision on the permit application process particularly in terms of processing time lines. This exposes the licensing process to inefficiency. In addition, all permits are issued in Kampala, which adds to the challenge of inefficiency. Efforts

are currently being made to decentralize the operations of the water authority to enable the issuance of permits in the regions.

Recommendation

This permit be streamlined through the amendment of the Water Act Cap 152 and the Water Resources Regulations (SI 152-1) to make specific provisions for the criteria applicable to the issuance and renewal of this permit as well as processing time lines. In addition, the licensing authority should implement this permit.

License 3 – Ground Water Permit

Under Section 18 of the Act, no person shall construct or operate any works unless authorized to do so under this Part of the Act and a person wishing to construct any works or to take and use water may apply to the director in the prescribed form for a permit to do so.

Part II Regulation 3 of The Water Resources Regulations outlines the conditions under which an application for a water permit may be made to the Director. According to Regulation 3(2) of the Regulations, the form of the application is specified in the First Schedule of the Regulations, and for the Ground Water Permit this is Form B of the First Schedule.

Under Regulation 7(1) of the Regulations, the Director may grant the permit in the form specified in the Fourth Schedule of the Regulations, and for the Ground Water Permit this is Form C2 of the Fourth Schedule.

Under Regulation 7(2), the Director may apply certain conditions to the granting of the permit, one of these conditions being that the permit may be granted for a period not exceeding five years.

According to Regulations 8(1) and 8(4), the permit may be renewed on such terms and conditions as he or she may determine.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 798,201 and it takes an estimate of 18 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is UGX 8 million.

Analysis

The Rules do not make detailed provision on the permit application process particularly in terms of processing time lines. This exposes the licensing process to inefficiency. In addition, all permits are issued in Kampala, which adds to the challenge of inefficiency. Efforts are currently being

made to decentralize the operations of the water authority to enable the issuance of permits in the regions.

The terms and conditions of the renewal of the permit are left to the Director of Water to prescribe. This open-ended discretionary power cannot only be abused but it can also offers a lot of uncertainty to the licensing regime.

Recommendation

This permit be streamlined through the amendment of the Water Act Cap 152 and the Water Resources Regulations (SI 152-1) to make specific provisions for the criteria applicable to the issuance and renewal of this permit as well as processing time lines.

License 4 – Easement Certificate

Part II Section 36(1) of The Water Act, Cap 152 states that the holder of a water permit who wishes to bring water to, or drain water from, his or her land over land owned or occupied by another person may apply to the director for the creation of an easement over that land if he or she has been unable to obtain an easement by agreement with the owner or occupier of that land. The form of the application is prescribed in the Form G1 of the Eighth Schedule of The Water Resources Regulations (SI 152 – 1).

Under Section 36(5) of the Act, subject to Section 35 and after giving a hearing to all persons having an interest in the land, including the applicant, who wish to be heard, the director may create an easement over that land in the prescribed form as may be appropriate. The form of the permit is prescribed in the Form G2 of the Eighth Schedule of The Water Resources Regulations (SI 152 – 1).

According to Section 36(11), an easement created under this section terminates six months after the date of creation, unless it is registered with the registrar of titles.

The fees for the application for the Easement Permit are specified in Second Schedule of the Regulations. According to the schedule, they are set at UGX 100,000/=

Analysis

The Rules do not make detailed provision on the permit application process particularly in terms of processing time lines. This exposes the licensing process to inefficiency. In addition, all permits are issued in Kampala, which adds to the challenge of inefficiency. Efforts are currently being made to decentralize the operations of the water authority to enable the issuance of permits in the regions.

Recommendation

This certificate be streamlined through the amendment of the Water Act Cap 152 and the Water Resources Regulations (SI 152-1) to make specific provisions for the criteria applicable to the issuance and renewal of this certificate in the event that it has not been registered and processing time lines.

License 5 – Hydraulic Construction Permit

Part II Section 18(1) of The Water Act, Cap 152 states that no person shall construct or operate any works unless authorized to do so under the Act. Section 18(2) specifies that the application for the permit shall be made to the Director of Water Development in the prescribed form.

Under Section 18(4) of the Act, the Director may grant the permit after taking any objections into consideration. Unless determined otherwise by the Director, the duration of the permit specified by the Director shall not be less than two years.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 878,201 and it takes an estimate of 18 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is 8.8 million.

Analysis

The Rules do not make detailed provision on the permit application process particularly in terms of processing time lines. This exposes the licensing process to inefficiency. In addition, all permits are issued in Kampala, which adds to the challenge of inefficiency. Efforts are currently being made to decentralize the operations of the water authority to enable the issuance of permits in the regions.

Recommendation

This permit be streamlined through the amendment of the Water Act Cap 152 and the Water Resources Regulations (SI 152-1) to make specific provisions for the criteria applicable to the issuance and renewal of this certificate in the event that it has not been registered and processing time lines.

License 6 – Surface Water Permit

Part II Regulation 3 of The Water Resources Regulations (SI 152 – 1) outlines the conditions under which an application for a water permit may be made to the Director.

According to Regulation 3(2) of the Regulations, the form of the application is specified in the First Schedule of the Regulations, and for the Surface Water Permit this is Form A of the First Schedule.

Under Regulation 7(1) of the Regulations, the Director may grant the permit in the form specified in the Fourth Schedule of the Regulations, and for the Surface Water Permit this is Form C1 of the Fourth Schedule.

Under Regulation 7(2), the Director may apply certain conditions to the granting of the permit, one of these conditions being that the permit may be granted for a period not exceeding five years.

According to Regulations 8(1) and 8(4), the permit may be renewed on such terms and conditions as the Director may determine.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 428,201 and it takes an estimate of 18 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is UGX 4.3 million.

Analysis

The Rules do not make detailed provision on the permit application process particularly in terms of processing time lines. This exposes the licensing process to inefficiency. In addition, all permits are issued in Kampala, which adds to the challenge of inefficiency. Efforts are currently being made to decentralize the operations of the water authority to enable the issuance of permits in the regions.

The terms and conditions of the renewal of the permit are left to the Director of Water to prescribe. This open-ended discretionary power cannot only be abused but it can also offers a lot of uncertainty to the licensing regime.

Recommendation

This permit be streamlined through the amendment of the Water Act Cap 152 and the Water Resources Regulations (SI 152-1) to make specific provisions for the criteria applicable to the issuance and renewal of this permit as well as processing time lines.

License 7 – Waste Water Discharge Permit

Section 29(1) specifies that the application for the permit shall be made to the Director of Water Development in the prescribed form.

Under Section 29(2) and 29(3) of the Act, the Director shall give the public notice of the application, and members of the public shall be given time to object. According to Regulation 6 of The Water (Waste Discharge) Regulations (SI 152 – 4), the application shall be according to Form A of the Fourth Schedule of the Regulations. Form B of the Fourth Schedule specifies the application fee for the Waste Water Discharge Permit as UGX 650,000/=.

According to Regulation 18(1) of the Regulations, the holder of a waste discharge permit shall pay an annual waste discharge fee as specified in Form B of the Fourth Schedule.

Cost of compliance

The estimated cost for a business to comply with this regulation is . UGX 1,208,201 and it takes an estimate of 18 hours of administrative activities. The total compliance cost per year for an estimated 200 businesses established is 206 million.

Analysis

The purposes of the pollution license under the National Environment Act Cap 153 (discussed in the following section) overlaps with the Waste Water Discharge Permit above in that both provisions relate to water pollution. Measures are currently being undertaken to review the water policy, the relevant Acts and regulations there under to harmonize this and other positions that may concern both the water and environment authorities.

Recommendation

The Waste Discharge Permit issued under the Water Act Cap 152 and the Water (Waste Discharge) Regulations (SI 152-4) be amalgamated with the Pollution License issued under the National Environment Act Cap 153.

The Rivers Act Cap 357

The Act provides for matters relating to Rivers

License 8 – Dredging License

Section 4(1) of the Rivers Act provides that it shall not be lawful to dredge in any river (as specified in the schedule to the Act) without a license from the Minister. Subsection (2) further provides that any person dredging in a river without a license, or contrary to the terms of the license commits an offence and is liable on conviction to a fine not exceeding one thousand five hundred shillings for every day during which the offence continues. The Dredging License fee is prescribed in schedule 4 as Ugshs. 30.

Analysis

The licenses serves a regulatory purposes. However, there is need to amend the law to provide for licensing requirements

Recommendation

The license should be streamlined by providing for license application requirements.

License 9 – Security for Dredging

Section 5 of the Rivers Act provides that before any license to dredge is granted, security shall be given in such terms and to such amount as the Minister may in each particular case direct.

Analysis

The law does not specify the rationale for requiring security for dredging and neither is the fee specified.

Recommendation

The Rivers Act should be repealed and replaced with a new and up-to date law as well as regulations on rivers and related matters including regulation of activities such as dredging.

License 10 – Steam Vessel License

Section 9(1) of the Rivers Act requires the master of every steam vessel on a river to obtain a license for the vessel. The license is required to be issued annually. The license fee is prescribed in the fourth schedule to the Act as Ugshs. 40.

Analysis

It is not clear whether this license is currently being issued. Although it exists in the law, the Directorate of Water Resources Management, which is responsible for enforcing the Act, did not indicate that it is one of the licenses they issue. In addition, the activity it seeks to regulate is also regulated by the Inland Water Transport Control Act.

Recommendation

The Steam Vessel License should be eliminated because the activity it seeks to regulate is provided for under the Inland Water Transport Control Act (Inland Water Transport License).

2.13.2 Environment subsector

The National Environment Act, Cap 153

The National Environment (Environmental Impact Assessment) Regulations (SI 153-1)

The National Environment (Waste Management) Regulations (SI 153-2)

The National Environment (Wetlands, Riverbanks and Lakeshores Management) Regulations (SI 153-5)

The National Environment (Noise Standards and Control) Regulations (SI No. 30, 2003)

National Environment (Certification and Professional Conduct of Environmental Practitioners) Regulations (SI No. 85, 2003)

The National Environment Act, Cap 153 provides for the sustainable management of the environment. It also establishes an authority as a coordinating, monitoring and supervisory body for that purpose, and for other matters incidental to or connected with that purpose. Under Section 4 of the Act, the National Environment Management Authority is established under the direct supervision of the relevant Minister. Section 8 of the Act establishes that there shall be a board of the Authority, and Section 11 establishes that there shall be an Executive Director of the Authority.

The National Environment (Environmental Impact Assessment) Regulations (SI 153-1) applies to all projects included in the Third Schedule of the National Environment Act, Cap 153 which lists the projects that require an Environmental Impact Assessment. Furthermore, these Regulations outline the processes, procedures and conditions surrounding Environmental Impact Statements, Environmental Impact Assessments, and Environmental Impact Studies.

The National Environment (Waste Management) Regulations (SI 153-2) provides regulations governing the transportation, storage, treatment and disposal of waste.

The National Environment (Wetlands, Riverbanks and Lakeshores Management) Regulations (SI 153-5) provides principles and regulations in the management of wetlands, riverbanks and lakeshores. According to these Regulations, the Government or a local government shall hold these in trust for the people and protect them for the common good of the citizens of Uganda. The Government or a local government shall not lease out or otherwise alienate any wetland.

The National Environment (Noise Standards and Control) Regulations (SI No. 30, 2003) sets conditions and regulations on permissible noise levels and the enforcement of those regulations.

National Environment (Certification and Professional Conduct of Environmental Practitioners) Regulations (SI No. 85, 2003) provide conditions and guidelines to certify persons as Environmental Practitioners, and regulations to coordinate the conduct of environmental impact assessments and environmental audits.

Licenses

License 11 – Pollution License

Under Section 58(4) of the National Environment Act, Cap 153, no person shall carry out any activity which is likely to pollute the air, the water or the land in excess of any standards or guidelines prescribed or issued under this Act except under and in accordance with a pollution license.

Section 10(1) and Section 10(2)(b) state that the board shall, on the advice of the executive director of the Authority, appoint as many technical committees as it considers necessary to give advice on such subjects relating to the environment. One of these committees is a technical committee on the licensing of pollution.

According to Section 59(1) of the Act, an application for a pollution license to carry on an activity which pollutes the land, the water or the air in excess of the standards or guidelines prescribed or issued under this Act shall be made to the committee in the prescribed form and in the prescribed manner.

Cost of compliance

The estimated cost for a business to comply with this regulation is . UGX 448,201 and it takes an estimate of 18 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 448 million.

Analysis

The purposes of the pollution license overlaps with the Waste Water Discharge Permit discussed above, in that both provisions relate to water pollution. Measures are currently being undertaken to review the water policy, the relevant Acts and regulations there under to harmonize this and other positions that may concern both the environment and water authorities. In addition, the stakeholder sentiment was to the effect that NEMA licensing processes are bogged down by bureaucracy.

Recommendation

The Pollution License issued under the National Environment Act Cap 153 be amalgamated with the Waste Discharge Permit issued under the Water Act Cap 152 and the Water (Waste Discharge) Regulations (SI 152-4). Further, the amalgamation should be enhanced by the inclusion of specific process time lines for this permit in the regulations.

License 12 – Environmental Impact Assessment

According to Section 1(r) of the National Environment Act, Cap 153, an Environmental Impact Assessment means a systematic examination conducted to determine whether or not a project will have any adverse impact on the environment. Section 19(1) of the Act states that the projects which require an Environmental Impact Assessment are listed in the Third Schedule of the Act.

Regulation 2(2) of The National Environment (Environmental Impact Assessment) Regulations (SI 153-1) states that no developer shall implement a project for which environmental impact assessment is required under the Act and under these Regulations unless the environmental impact assessment has been concluded in accordance with the Regulations.

According to Regulation 5 of the National Environment (Environmental Impact Assessment) Regulations (SI 153-1), a developer shall prepare a project brief under the conditions prescribed in the Regulations. Regulation 6 stipulates that ten copies of the brief shall be submitted to the Executive Director.

According to Regulation 21 of the Regulations, the Executive Director shall consider the environmental impact statement and all the comments received under Regulations 18, 19 and 20 of the Regulations and make the decision under Regulation 25 of the Regulations or determine whether a public hearing be held under Regulation 22 of the Regulations.

Regulation 25 stipulates that the Executive Director's decision shall be communicated to the developer within fourteen days of his or her making the decision.

The Third Schedule of the Regulations stipulates the fees payable on project briefs and environmental impact assessments. These fees depend on the size of the project to be undertaken.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 918,201 and it takes an estimate of 18 hours of administrative activities. The total compliance cost per year for an estimated 2,000 businesses established is UGX 1.8 billion.

Analysis

The approval of the Environmental Impact Assessment by the Executive Director, as opposed to a Technical Committee as is the case for the pollution license and the license to own or operate a waste management plant or disposal site, concentrates licensing authority in the hands of one person, thereby exposing the process to abuse and subjectivity. In addition, the stakeholder sentiment was to the effect that NEMA licensing processes are bogged down by bureaucracy.

Recommendation

That this approval be streamlined by amending the National Environment Act to give licensing powers and authority to technical committees and away from individuals. This will ensure the application of technical considerations in the licensing process and the eradication of potential abuse of power and corruption. In addition, the amendment should make specific provision on the licensing application time lines.

License 13 – License for Transportation and Storage of Waste

According to Regulation 6(1) of the National Environment (Waste Management) Regulations (SI 153–2), a person intending to transport waste shall apply to the National Environment Management Authority for a license in Form I set out in the First Schedule to the Regulations.

According to Regulation 6(2) of the National Environment (Waste Management) Regulations (SI 153–2), a person intending to store waste on his or her premises shall apply to the authority for a license in Form III set out in the First Schedule to these Regulations.

Regulation 6(3) of the Regulations specifies that an application under this regulation shall be accompanied by the appropriate fee prescribed in the Sixth Schedule to the Regulations.

The National Environment Authority grants the license under Regulation 7 of the Regulations. Regulation 8(3) states that the license for the transportation of waste shall be in Form II set out in the First Schedule to the Regulations. Regulation 8(4) states that a license for the storage of waste shall be in Form IV set out in the First Schedule to these Regulations.

Under Regulation 8 of the National Environment (Waste Management) Regulations (SI 153–2), this license is valid for one year and may be renewed on application of renewal by the licensee. According to Regulation 8(5) of the Regulations, the license under this Regulation shall be accompanied by the appropriate fee prescribed in the Sixth Schedule to the Regulations.

Cost of compliance

The estimated cost for a business to comply with this regulation is . UGX 528,201 and it takes an estimate of 18 hours of administrative activities. The total compliance cost per year for an estimated 20 businesses established is UGX 10.6 billion.

Analysis

The law does not make any provisions detailing the license application process or timelines, In addition, it is not specific on the actual licensing authority, that is, whether the license is issued by the Executive Director or a Technical Committee.

Recommendation

That the License for Transportation and Storage of Waste be streamlined through the amendment of the National Environment (Waste Management) Regulations (SI 153-2) to offer clarity as to the application process, application timelines and licensing authority.

License 14 – Licence to Own or Operate a Waste Treatment Plant or Disposal Site

According to Regulation 13(1) of the National Environment (Waste Management) Regulations (SI 153-2), a person intending to operate a waste treatment plant or disposal site shall apply to the National Environment Management Authority for a license in Form V set out in the First Schedule to the Regulations.

Regulation 14(1) states that the technical committee shall issue the license to own or operate a waste treatment plant or disposal site. Regulation 14(2) states that a license to own or operate a waste disposal site or plant shall be in Form VI set out in the First Schedule to the Regulations and shall be accompanied by the appropriate fee prescribed in the Sixth Schedule to the Regulations.

Regulation 14(5) establishes that the duration of the license as one year. The technical committee can limit the duration of the license to less than one year but not less than six months.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 448,201 and it takes an estimate of 18 hours of administrative activities. The total compliance cost per year for an estimated 4 businesses established is 1.8 million.

Analysis

Although the application is considered by a Technical Committee, the National Environment (Waste Management) Regulations (SI 153-2) do not make provision for process timelines. This gap is emphasized by stakeholder sentiment to the effect that NEMA licensing processes are bogged down by bureaucracy.

Recommendation

The Licence to Own or Operate a Waste Treatment Plant or Disposal Site be streamlined by amending the National Environment (Waste Management) Regulations (SI 153-2) to make provision for specific application timelines.

License 15 – Wetland Resource Use Permit

Regulation 12(1) of the National Environment (Wetlands, Riverbanks and Lakeshores Management) Regulations (SI 153–5) states that a person shall not carry out any activity in a wetland without a permit issued by the Executive Director.

According to Regulation 12 of the Regulations, any person intending to carry out an activity listed in the Second Schedule to these Regulations shall apply to the Executive Director for a permit in Form A of the First Schedule to these Regulations. The application shall be accompanied by the fee specified in the Fourth Schedule to the Regulations. The Executive Director may issue a permit in Form B specified in the First Schedule permitting the use of wetland resources.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 448,201 and it takes an estimate of 18 hours of administrative activities. The total compliance cost per year for an estimated 30 businesses established is UGX 13.4 million.

Analysis

The issuance of the Wetland Resource Use permit by the Executive Director, as opposed to a Technical Committee as is the case for the pollution license and the license to own or operate a waste management plant or disposal site, concentrates licensing authority in the hands of one person, thereby exposing the process to abuse and subjectivity. In addition, the stakeholder sentiment was to the effect that NEMA licensing processes are bogged down by bureaucracy.

Recommendation

That this permit be streamlined by amending the National Environment (Wetlands, Riverbanks and Lakeshores Management) Regulations (SI 153–5) to give licensing powers and authority to technical committees and away from individuals. This will ensure the application of technical considerations in the licensing process and the eradication of potential abuse of power and corruption. In addition, the amendment should make specific provision on the licensing application time lines.

License 16 – License for Noise in Excess of Permissible Noise Levels

Regulation 12(1) of the National Environment (Noise Standards and Control) Regulations (SI No. 30, 2003) states that an owner or occupier of premises whose works or activities are likely to emit noise in excess of the permissible noise levels shall apply to the Executive Director in the form prescribed in Part I of the Second Schedule, for a license to emit noise in excess of the permissible levels.

According to Regulation 12(2) of these Regulations, the Executive Director, on receiving the application, may issue the occupier or owner of the premises with a license to emit noise in excess of the permissible levels in the form prescribed in Part II of the Second Schedule, on such terms and conditions as may be contained in the license.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 448,201 and it takes an estimate of 18 hours of administrative activities. The total compliance cost per year for an estimated 30 businesses established is 13.4 million.

Analysis

The issuance of the License for Noise in Excess of Permissible Noise Levels by the Executive Director, as opposed to a Technical Committee as is the case for the pollution license and the license to own or operate a waste management plant or disposal site, concentrates licensing authority in the hands of one person, thereby exposing the process to abuse and subjectivity. In addition, the stakeholder sentiment was to the effect that NEMA licensing processes are bogged down by bureaucracy.

Recommendation

That this permit be streamlined by amending the Environment (Noise Standards and Control) Regulations (SI No. 30, 2003) to give licensing powers and authority to technical committees and away from individuals. This will ensure the application of technical considerations in the licensing process and the eradication of potential abuse of power and corruption. In addition, the amendment should make specific provision on the licensing application time lines and the cost of the application.

As a general recommendation, NEMA should formalize its institutional co-ordination mechanisms with other authorities with which it interfaces, in order to offer further efficiencies to the licenses it issues.

13. 3 The Forestry sub sector

The National Forestry and Tree Planting Act, 2003

The National Forestry and Tree Planting Act, 2003 provides for the conservation, sustainable management and development of forests for the benefit if the people of Uganda; the declaration of forest reserves for purposes of protection and production of forests and forest produce; the sustainable use of forest resources and the enhancement of the productive capacity of forests; the promotion of tree planting; and the establishment of the National Forestry Authority.

Licenses

License 17 - License to cut, grow, take, work or remove any forest produce from a forest reserve

Section 41 of the National Forestry and Tree Planting Act, 2003 states that this license is issued by the National Forestry Authority, or any responsible licensing body, for the cutting, taking, working or removing of forest produce from a forest reserve or community forest. Section 42 states that a responsible body shall invite applications through a fair, open and competitive process. In addition, Section 43 states that no person shall, without being granted a license, grow, work, cut, take or remove any forest produce from a forest reserve or community forest.

Cost of Compliance

The estimated cost for a business to comply with this regulation is UGX 483 million and it takes an estimate of 13 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is UGX 4.8 billion

Analysis

This license serves a regulatory purpose.

Recommendation

The License to cut, grow, take, work or remove any forest produce from a forest reserve be retained.

License 18 - Environmental impact assessment

Section 38 of the National Forestry and Tree Planting Act, 2003 states that any person intending to undertake a project or activity which may, or is likely to have a significant impact on a forest shall undertake an environmental impact assessment.

Analysis

This assessment serves a regulatory purpose.

Recommendation

The Environmental impact assessment be retained.

License 19 - License for the utilization and management of a forest reserve

Section 41 of the National Forestry and Tree Planting Act, 2003 states that this License is typically issued by the National Forestry Authority, or any responsible licensing body.

Analysis

This license serves a regulatory purpose.

Recommendation

The License for the utilization and management of a forest reserve be retained.

2.14 PROFESSIONAL SERVICES

Introduction

The analysis in this sector covers laws and licenses pertaining to the following professions:

- 2.14.1 Engineering professionals
- 2.14.2 Architects
- 2.14.3 Surveyors
- 2.14.4 Accounting Professionals
- 2.14.5 Legal professionals
- 2.14.6 Customs Agents and forwarders

RECOMMENDATIONS ON PROFESSIONAL SERVICES

Law applicable		The Engineers Registration Act. Cap 271					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Compliance Cost
1.	Registration of engineers		Yes				128
2.	Temporary registration.		Yes				44
Law applicable		The Architects Registration Act. Cap 269					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	
3.	Registration certificate (Architects)		Yes				90
4.	Temporary registration		Yes				11
5.	Practising Certificate		Yes				37
6.	Annual subscription fee		Yes				32
Law applicable		The Survey Act, 232					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	
7.	Class A Survey licence		Yes				
8.	Class B survey License		Yes				
Law applicable		The Surveyors Registration Act, Cap 275					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	

9.	Registration of Surveyors		Yes				10
10.	Temporary registration		Yes				10
11.	Practicing certificate		Yes				10
Law applicable		The Accountants Act, Cap 266					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	
12.	Enrollment to ICPA-U		Yes				50
13.	Registration of a certified public accountant of Uganda (CPA(U))		Yes				36
14.	Practising Certificate		Yes				36
15.	Licence of practice (Associate accountant of Uganda)		Yes				
16.	Annual subscription fee		Yes				88
Law applicable		The Advocates Act, Cap. 267					
License Name		Recommended Actions					
17.	Admission and enrollment of advocates.		Yes				98
18.	Practising Certificate		Yes				363
19.	Special practicing Certificate		Yes				75
Law applicable		The Advocates (Continuing Legal education) Regulations, 2004					
License Name		Recommended Actions					

20.	Continuing legal Education		Yes				65
Law applicable		The Court Bailiffs Rules, 1987 No. 64					
		Recommended Actions					
License Name		Eliminate	Retain	Streamline	Reclassify	Amalgamate	
21.	Court Bailiff license		Yes				18
Law applicable		-The Customs Management Act, Cap 77 -East African Customs Management Act, 2004					
		Recommended Actions					
License Name		Eliminate	Retain	Streamline	Reclassify	Amalgamate	
22.	Customs Agents License			Yes			
Sector Total	22		21	1			

A key approach to increasing Uganda's competitiveness is building a national pool of well trained professionals to offer auxiliary services to businesses in other sectors of the economy.

Licences that affect professionals become important to ensure quality and reliability of services that are critical such as; accounting, legal and building professions. Inefficiency in licensing will lead to losses due to substandard services and curtail supply of professional services and the price and availability of critical outsourced functions to most businesses in Uganda. .

2.14.1 The Engineering professionals subsector

The Engineers Registration Act. Cap 271

An Act to provide for the establishment of an Engineers Registration Board, to define its powers and functions and to provide for the registration of engineers and matters connected therewith or incidental thereto.

Section 2 establishes the engineers' board to regulate and control engineers and their activities within Uganda and to advise the Government in relation to those functions.

License 1: Registration of engineers

Section 20 mentions the qualifications for registration of engineers. A person shall be entitled, on making an application to the board in the prescribed manner and on payment to the board of the prescribed fee, to be registered under this Act and to have his or her name entered in the register if he or she is—

- (a) a member of an institution of engineers the membership of which is recognised for the time being by the board as furnishing a sufficient guarantee of academic knowledge of, and practical experience in, engineering; or
- (b) a person who has attained the age of twenty-five years and who—
 - (i) is the holder of a degree, diploma or licence of a recognized university
 - (ii) has had at least two years' adequate postgraduate practical training as an engineer and has had at least two years' experience in a position involving responsibility as an engineer;

Section 18 further provides that the registrar shall cause to be published in the Gazette, as soon as may be practicable after registration, the name, address and qualifications of each registered engineer and, subject to the directions of the board, may cause to be so published any amendment to, or deletion from, the register.

(3) The institution shall submit to the registrar returns of its corporate membership at the end of each year.

A publication in the gazette shall per section 19 be prima facie evidence that the persons named in the publication are registered under this Act, and the deletion from the register of the name of any person notified by the publication, or the absence of the name of any person from the publication, shall be prima facie evidence that that person is not so registered.

It takes eight weeks to three months to obtain the licence after submission of the application. The cost being Ug. Shs. 335,000 on first application and Ug. Shs. 100,000 on annual renewal.

Section 28 states that every person whose name has been entered in the register shall, so long as his or her name remains in the register, be entitled to adopt and use the style and title “Registered Engineer” and to use the prefix “Eng.” before his or her name, and to offer his or her services to the public for gain or reward or by way of trade as a professionally qualified engineer.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 852,650 and it takes an estimate of 17 hours of administrative activities. The total compliance cost per year for an estimated 150 businesses established is UGX 128 Million.

Analysis

1. *Registration is necessary as it shows commitment of a person to the profession and certifies that the registered engineer is capable of engineering work.*
2. *The qualifications stated in the law necessary to register engineers are reasonable and facilitate professionalism in the sector.*

Recommendation

The registration of engineers should be retained.

Licence 2: Temporary registration.

Temporary registration is issued under section 21(1) of the act where a person satisfies the board—

- (a) that he or she is not ordinarily resident in Uganda;
- (b) that he or she is, or intends to be, present in Uganda for the purpose of carrying out specific work or works for which he or she has been engaged; and
- (c) that he or she is, or immediately prior to entering Uganda was, in practice as an engineer in such a capacity as to satisfy the board of his or her fitness to serve the public as a

professionally qualified engineer, the board may, if it thinks fit, direct that that person shall be registered under this section either for a period not exceeding one year or for the duration of any specific work or works.

(2) An application for registration under this section shall be in the prescribed form, accompanied by the prescribed fee, and the board may require an applicant to appear before it for the purposes of considering his or her application and shall require every applicant to produce documentary evidence of his or her work or employment immediately prior to his or her entering Uganda.

(6) Any professional engineer coming to work in Uganda shall become a member of the institution within two months of his or her arrival in Uganda, and shall register within four months of his or her arrival in Uganda.

It takes two weeks to obtain the licence after submission of the application. The cost being Ug. Shs. 605,000 on first application and Ug. Shs. 300,000 on annual renewal.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 582,650 and it takes an estimate of 17 hours of administrative activities. The total compliance cost per year for an estimated 75 businesses established is UGX 44 Million.

Analysis

Temporary registration is necessary to permit businesses employ engineers qualified in other countries but with a specific area of expertise to execute a particular assignment. The temporary registration also protects the engineers registered in Uganda as the duration of the licence is limited.

Recommendation

The temporary registration be retained.

General subsector Analysis

1. *The sanctions for failure to register or an offence under the Act are too low to compel compliance.*

a. *Section 29 states that a person who holds himself or herself out, whether directly or by implication, to be a professionally qualified engineer, commits an offence and is liable on conviction to a fine not exceeding ten thousand shillings.*

b. *Section 30 provides that; any person who makes or causes to be made fraudulent entries*

or without reasonable excuse, fails to register in accordance with the Act commits an offence and is liable on conviction to a fine not exceeding five thousand shillings.

General subsector Recommendation

The Act should be reviewed to strengthen the monetary penalties for offences against the provisions of the Act.

2.14.2 The Architects subsector

The Architects Registration Act. Cap 269

An Act to provide for the establishment of an Architects Registration Board, to define the powers and functions of the board, to provide for the registration of architects and other related matters.

Section 2 of the Act establishes the Architects Registration Board to implement this Act.

Licence 1: Registration certificate

Section 10 states that any person shall be entitled, on making an application to the board in the prescribed manner, to be entered in the register if—

(a) he or she is a corporate member of the society or a corporate architect by whatever name called recognised for the time being by the board as furnishing sufficient guarantee of academic knowledge of any practical experience in architecture;

(b) he or she is a holder of a degree or diploma awarded by a university or other institution recognised for the time being by the board, and has had not less than two years' practical experience and has passed the professional examination conducted by the board.

Section 12 sets out the qualification for registration. It states that no person shall be registered as an architect unless he or she shall at the date of his or her application for registration have paid the registration fee as provided by the byelaws and meets either of the requirements mentioned in section 10 above.

The registrar shall, upon registration, issue a registration certificate to any registered architect in accordance with section 14 (1) of the Act.

Every person whose name has been entered in the register shall so long as his or her name remains in the register be entitled to adopt and use the style and title "architect" and to offer his or her services to the public for gain or reward or by way of trade as a professionally qualified architect.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 902,600 and it takes an estimate of 28 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 90 Million.

Analysis

The requirements for a certificate of registration are reasonable and streamline the Architects profession.

Recommendation

The certificate of registration be retained.

Licence 2: Temporary registration.

Section 11 (1) states that where any person satisfies the board that—

- (a) he or she is not ordinarily resident in Uganda;
- (b) he or she is or intends to be resident in Uganda in the capacity of a professionally qualified architect or for the express purpose of carrying out specific work for which he or she has been engaged;
- (c) he or she is, or immediately prior to entering Uganda was, in practice as an architect in that capacity as to satisfy the board of his or her fitness to serve the public as a professionally qualified architect, the board may authorize the registrar to register that person only for the duration of the period of any specific work for which he or she has been engaged; provided he or she satisfies the board, he or she may carry out work with a registered architect.

(2) An application for registration under this section shall be in the prescribed form accompanied by the prescribed fee.

(3) The board may require the person applying for registration under this section to appear before it for the purpose of considering his or her application but shall require that applicant to produce documentary evidence to support his or her application.

(4) Registration of any person under this section shall continue only for the period or for the duration of the specific work or works as is directed by the board under subsection (1), and on its termination that person shall cease to be registered; and in case of any doubt, the decision of the board regarding the termination of the work or works shall be conclusive.

An applicant may be disqualified from registration under circumstances listed in section 13.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 559,900 and it takes an estimate of 22 hours of administrative activities. The total compliance cost per year for an estimated 20 businesses established is UGX 11 Million.

Analysis

Temporary registration is necessary to allow businesses the opportunity to employ architects qualified in other countries to execute particular assignments and their registration is limited to the duration of the assignment as stated by the board on their certificates.

Recommendation

Temporary registration of architects should be retained.

Licence 3: Practicing Certificate

No person shall engage in or carry on the practice of architecture, by whatever name called, unless he or she is the holder of a valid practicing certificate granted to him or her under this Act.

Section 14(2) states that the registrar shall issue a practicing certificate to every architect whose name is on the register and who applies for it on the prescribed form and pays the prescribed fee.

A practicing certificate shall remain valid until the thirty-first day of December next after its issue and shall be renewable annually on application being made on the prescribed form and payment of the prescribed fee under subsection (3).

(5) Notwithstanding anything in this section, the registrar shall refuse to issue to or renew a practicing certificate of any registered architect who, on the date of his or her application for the certificate, has become subject to any of the disqualifications set out in section 13.

Section 30 provides for inspection of premises. It states that the board may, at any time whether before or after granting a certificate of practice, inspect premises or offices of an architect to ascertain whether the premises are suitable for carrying on the business of architecture.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 731,533 and it takes an estimate of 29.3 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 37 Million.

Analysis

The requirements for the practicing certificate are reasonable and facilitate professionalism in the sector.

Recommendation

The practicing certificate be retained.

Licence 4: Annual subscription fee.

Section 27(1) states that the annual subscription fees shall be determined by the board, from time to time, and shall be due and payable to the secretary.

Under subsection (3), the board may strike off the name of an architect from the register if the annual subscription fee remains unpaid by that architect for a period exceeding four months from the time it is due.

Offences and penalties

Section 33 places restrictions on use of title and false claims to qualifications violation of which one commits an offence and is liable on conviction to a fine not exceeding five hundred thousand shillings or to imprisonment not exceeding six months or to both.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 646,533 and it takes an estimate of 29.3 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 32 Million.

Analysis

The annual subscription fee is necessary to facilitate the board's activities

Recommendation

The annual subscription fee should be maintained.

2.14.3 The Surveyors subsector

The Survey Act, Cap 232

This is an Act to provide for and regulate the survey of lands.

Survey licence

Section 9 states that the board shall, upon payment of the prescribed fee, grant licences to persons authorising those persons to undertake land surveys, which are granted in two categories.

Licence 1: Class A licence

Section 9(3) states that a class A licence shall authorise the licensee to act as a land surveyor in any part of Uganda. To qualify for this licence under section 10 (1) (a), an applicant should be holder of a professional qualification in land surveying which is acceptable to the board.

Analysis

The requirements stated in the law necessary to license land surveyors are reasonable and facilitate professionalism in the sector.

Recommendation

The class A licence be retained

Licence 2: Class B licence

Section 9(4) states that a class B licence shall authorise the licensee to undertake only such land surveys as the commissioner may from time to time in writing specifically authorise. An applicant for this licence should meet either of the following requirements prescribed by section 10 (1)(b)

(i) attained the age of nineteen years, is a pupil surveyor and has passed to the satisfaction of the board the prescribed examinations; or

(ii) has, for a period of not less than five years in the period of seven years immediately preceding his or her application for the licence, been engaged in land surveying while employed in the department of land and surveys of the Government, and has been holding an appointment in a rank not lower than that of assistant surveyor, grade I.

A person to whom a licence is granted under section 9 shall hereafter be known as a licensed surveyor.

A condition as to who may be granted this licence is stated in section 9 (6), which states that, *“Nothing in this section shall be deemed to authorise the grant of a licence to any person employed in the service of the Government.”*

Section 10 (2) states circumstances under which the board may refuse to grant a licence under this Act among which under section 10 (2) (d) is the refusal to grant a licence to a person who is not ordinarily resident in Uganda.

(3) At least twenty-one days prior to the date fixed for an inquiry under this section, notice in writing shall be served personally on the licensed surveyor whose conduct is the subject of the inquiry or sent to him or her by registered post at his or her last known address, informing him or her of the time and place fixed for the inquiry and of the substance of the allegation made against him or her and supplying him or her with a copy of any affidavit required under subsection (2) and where practicable of any document to be produced at the inquiry.

(4) Any document to be produced at the inquiry shall be available at all reasonable times before the inquiry for inspection by the licensed surveyor or his or her advocate.

(5) A licensed surveyor shall be entitled to be present throughout any inquiry under this section and, if he or she so wishes, may be represented by an advocate.

(6) The board may, if satisfied that the allegation is proved against the licensed surveyor, reprimand him or her, or may order his or her licence to be cancelled or to be suspended for such period as the board thinks fit.

(7) If at the time and place fixed for the inquiry the licensed surveyor fails without reasonable excuse to appear and the board is satisfied that subsections (3) and (4) have been complied with, the board may proceed with the inquiry as if the licensed surveyor were present.

(8) An inquiry under this section shall be deemed to be a judicial proceeding for the purposes of sections 94 to 99 of the Penal Code Act.

Section 17 provides that any person whose licence has been suspended or cancelled under this Act may apply to the board for the restoration of the licence, and the board may in its absolute discretion and after such inquiry as it may consider desirable grant or refuse the application.

Analysis

The class B licence allows persons with experience in the subsector but without the academic qualifications of a surveyor exploit and develop their sector experience to carry out permitted surveys.

Recommendation

The Class B licence should be retained.

The Surveyors Registration Act, Cap 275

An Act to provide for the establishment of a Surveyor Registration Board, to define the powers and functions of the board, to provide for the registration of surveyors and for other matters connected therewith.

The description of “surveyor” under this Act is given in section 1(h) to include land surveyors, quantity surveyors, building surveyors’, mining and hydrological surveyors and valuation surveyors, as well as land agents and other professionals responsible for the management of land or buildings.

Section 2 establishes the Surveyors Registration Board, to regulate and control the profession of Surveyors and the activities of registered surveyors within Uganda.

Licence 1: Registration of Surveyors

Section 12 (1) states that the registrar appointed by the board shall keep and maintain a register in which the name of every person entitled to have his or her name entered in the register shall be entered, showing against his or her name—

The qualifications for registration are stated in section 15. A person shall be entitled, on making an application to the board in the prescribed manner and on payment to the board of the prescribed fee, to have his or her name entered in the register if—

(a) he or she is a fellow of the Association of Surveyors of Uganda or a corporate member of any other institution of surveyors, by whatever name called, recognised for the time being by the board as furnishing sufficient guarantee of academic knowledge of, and practical experience in, surveying;

(b) he or she is the holder of a degree, diploma or certificate awarded by a university or school of surveying or photogrammetry recognised for the time being by the board and has had not less than three years’ practical experience of such a nature as to satisfy the board as to his or her competence to practise as a professionally qualified surveyor; or

(c) in the case of land surveyors, he or she is the holder of—

(i) a licence to practise land surveying issued by any licensing body approved by the board;

(ii) the East African Land Survey Certificate; or

(iii) a class A licence issued under the Survey Act.

Under subsection (3), the board may require an applicant for registration under this Act to satisfy the board that his or her professional and general conduct is such as would, in the

opinion of the board, make him or her a fit and proper person to be registered, and if he or she fails to satisfy the board, it may direct the registrar to postpone the registration of the applicant until it is so satisfied.

Section 14(1) states that a publication made in the gazette of a registered person shall be prima facie evidence that the person named in it is validly registered under this Act, and the deletion from the register of the name of any person notified by any publication, or the absence of the name of any person from the publication, shall be prima facie evidence that the person is not so registered.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 639,783 and it takes an estimate of 14.3 hours of administrative activities. The total compliance cost per year for an estimated 15 businesses established is UGX 10 Million.

Analysis

The requirements stated in the law necessary to license surveyors are reasonable and facilitate professionalism in the sector.

Recommendation

The registration of surveyors be retained.

Licence 2: Temporary registration.

Section 16(1) provides for the grant of this licence where a person satisfies the board—

- (a) that he or she is not ordinarily resident in Uganda;
- (b) that he or she is, or intends to be, present in Uganda in the capacity of a professionally qualified surveyor for the express purpose of carrying out specific work for which he or she has been engaged; and
- (c) that he or she is, or immediately prior to entering Uganda was, in practice as a surveyor in such a capacity as to satisfy the board of his or her fitness to serve the public as a professionally qualified surveyor, the board may authorise the registrar to register that person only for the duration of the period of any specific work for which he or she has been engaged.

(2) An application for registration under this section shall be in the prescribed form, accompanied by the prescribed fee.

(3) The board may require an applicant under this section to appear before it for the purposes of considering his or her application but shall require the applicant to produce documentary evidence to support his or her application.

(4) Registration of a person under this section shall continue only for the period or for the duration of the work as is directed by the board under subsection (1) and on its termination that person shall cease to be so registered; and in the case of any doubt, the decision of the board as to the termination of the work or works shall be conclusive.

Section 17 contains the general disqualifications for registration.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 639,783 and it takes an estimate of 14.3 hours of administrative activities. The total compliance cost per year for an estimated 15 businesses established is UGX 10 Million.

Analysis

Temporary registration is necessary to permit businesses employ surveyors qualified in other countries but with a specific specialty to execute a particular assignment.

Recommendations

The temporary registration should be retained.

Licence 3: Practising certificate.

The registrar shall under section 19 (1) issue a practising certificate to every surveyor whose name is on the register and who applies for the certificate on the prescribed form and pays the prescribed fee.

(2) A practising certificate shall remain valid until the thirty-first day of December next after its issue and shall be renewable annually on application being made on the prescribed form.

(3) Subject to this Act, no person shall engage in or carry out the practice of surveying, by whatever name called, unless he or she is the holder of a valid practising certificate granted to him or her in that behalf under this Act.

Appeal

Section 25 makes provision for appeals to the High Court by a person aggrieved by the decision of the board.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 639,783 and it takes an estimate of 14.3 hours of administrative activities. The total compliance cost per year for an estimated 15 businesses established is UGX 10 Million.

Analysis

The administrative input for the surveyor practicing certificate are generally reasonable and can facilitate the promotion of professionalism in this sector.

Recommendation

The practicing certificate should be maintained.

General Analysis of the Act

i) The sanctions under the law are so minimal to compel compliance. One of the sanctions under this Act under section 24 is the suspension of registration of a surveyor. Further, section 28 lists offences and penalties under the Act with liability on conviction to a fine not exceeding five thousand shillings.

ii) Section 10 (d) states that the board may refuse to grant a licence to a person who is not ordinarily resident in Uganda. This limits doing business.

General Recommendations

i) The sanctions under the law need to be revised and increased to ensure that the regulatory purpose of the law is enforced.

ii) Section 10(2)(d) should be deleted.

2.14.4 The Accounting Professionals subsector

The Accountants Act, Cap 266

An Act to establish an Institute of Certified Public Accountants of Uganda, to provide for a council responsible for the management of the institute, to provide for the requisition and control of accountants and to provide for the disciplining of accountants and the maintenance of professional standards.

Section 1 (a) of the Act describes an “accountant” as a certified public accountant or an associate accountant registered under this Act;

Section 2 establishes the Institute of Certified Public Accountants of Uganda (ICPA-U) to regulate and maintain the standard of accountancy in the country;

Section 18 states that the Auditor General shall be the registrar of accountants under this Act.

Licence 1: Enrolment to ICPA-U.

Section 6 (1) states that a person who is eligible for membership of the institute under section 5 may make an application to the council for enrolment as a full member or associate member, and the council shall, if it is satisfied that the applicant is an eligible person, direct the secretary to enrol the applicant as a full member or associate member of the institute on payment of the enrolment fee and the annual subscription fee.

Subsection (2) states that the secretary shall enrol the applicant and issue a certificate of enrolment to the person enrolled.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 991,408 and it takes an estimate of 6.8 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 50 Million.

Analysis

The administrative inputs for enrolment are generally in line with international best practice and promote professionalism.

Recommendation

The enrolment to ICPA-U be maintained.

Licence 2: Registration of a certified public accountant of Uganda (CPA(U))

Section 8 states that a person enrolled under section 6 shall, on presentation of the certificate of enrolment to the registrar, be registered as a certified public accountant of Uganda, and his or her name shall be entered on the register of accountants.

Section 9 states that a person enrolled as a full member under section 6 and registered under section 8 may use the title “certified public accountant of Uganda” (CPA(U)) after his or her name.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 641,408 and it takes an estimate of 6.8 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 36 Million.

Analysis

The administrative inputs for the certification of public accountants of Uganda are generally in line with international best practice and promote professionalism.

Recommendation

The certification of public accountants of Uganda be retained.

Licence 3: Practising Certificate.

Section 20 (1) states that no person shall practise accountancy in Uganda unless he or she possesses a practising certificate or a practising licence issued under this Act.

The application procedure for this certificate of practice under section 21 is that a person enrolled and registered under this Act may apply to the council for a certificate of practice.

(2) An application for a certificate of practice shall be in a form prescribed by the council and addressed to the secretary.

(3) The council shall, after being satisfied that the applicant is an enrolled and registered person and on payment of the prescribed fee, grant a certificate of practice to the applicant.

(4) A certificate issued under subsection (3) shall be valid from the date of issue to the 31st day of December of the calendar year in which it is issued and may be renewed on application by the accountant.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 719,783 and it takes an estimate of 14.3 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 36 Million.

Analysis

The administrative inputs for a practicing certificate are generally in line with international best practice and promote professionalism.

Recommendation

The practicing certificate be retained for persons that practise accountancy.

Licence 4: Licence of practice (Associate accountant of Uganda)

Section 23(1) of the Act states that a person who—

(a) was engaged in the public practice of accountancy and registered under the Companies Act but who does not qualify to be a full member of the institute under this Act; or

(b) is an associate member under this Act, may apply to the council for a licence of practice.

(2) An application for a licence of practice shall be in a form prescribed by the council and shall be addressed to the secretary.

(3) The council may, after being satisfied that the applicant is a proper and fit person and on payment of the prescribed fee, grant a licence of practice to the applicant.

(4) A licence issued under subsection (3) shall be valid from the date of issue to the 31st day of December of the calendar year in which it is issued and may be renewable on application by the accountant.

Section 24 provides for renewal of this licence.

Section 25 states that a person issued a licence of practice under section 23 shall be known as an associate accountant of Uganda (AA(U)) and may use that title after his or her name.

Analysis

The administrative inputs for a licence to practice as an associate accountant are generally in line with international best practice and promote professionalism in the profession

Recommendation

The licence to practice as an associate accountant be retained.

Licence 5: Annual subscription fee.

Section 39(1) of the Act states that the annual subscription fee shall be determined by the council, from time to time, and shall be due and payable to the secretary—

(a) in case of first enrolment, at the time of enrolment;

(b) in any other case, on the 1st day of January in each year.

(2) All other fees shall be determined by the council and payable to the secretary.

(3) The council may strike off the name of an accountant from the roll if the annual subscription fee remains unpaid by that accountant for a period exceeding four months from the time it is due.

Appeal

Section 32(1) provides that an accountant or complainant aggrieved by the decision or order of the committee may appeal against the decision or order of the committee to the High Court within three months from the date on which the report of the committee was delivered to that accountant or complainant.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 441,408 and it takes an estimate of 6.8 hours of administrative activities. The total compliance cost per year for an estimated 200 businesses established is UGX 88 Million.

Analysis

The annual subscription fee facilitates the board to carry on its activities.

Recommendation

The annual subscription fee should be maintained.

2.14.5 Legal professionals

The Advocates Act.

This is an Act to amend and consolidate the law relating to advocates and to make general provisions for purposes connected with the legal profession.

Section 2 establishes the Law Council to exercise general supervision and control over professional legal education in Uganda.

Licence 1: Admission and enrolment of advocates.

Section 8(1) A person to whom this section applies, and who has complied with such requirements (whether relating to instruction, examination or otherwise) as to the acquisition of professional skill and experience as may be specified in regulations made for that purpose by the Law Council, shall be eligible to have his or her name entered on the roll.

(2) Any person eligible to have his or her name entered on the roll may make application to the Law Council; and the council, if satisfied that the applicant is so eligible and is a fit and proper person to be an advocate, shall issue to him or her a certificate to that effect.

Rule 4 of **The Advocates (Enrolment and Certification) Regulations. S.I 267-1** provides the procedure for application for a certificate.

Rule 5 provides the mode of application delivering or sending to the secretary of the Law Council—

- (a) the application;
- (b) the affidavit supporting the application;
- (c) the certificate or other document which the applicant submits as evidence of his or her qualifications, professional skill and experience;
- (d) testimonials from two advocates whose names have been on the roll for at least three years, certifying that the applicant is a fit and proper person to be enrolled as an advocate.

(2) The application and affidavit shall each be accompanied by a copy thereof.

Section 8 (3) of the Act further provides that any person who has obtained a certificate under subsection (2) may apply to the Chief Justice to have his or her name entered on the roll; and the Chief Justice shall, unless cause to the contrary is shown to his or her satisfaction, direct the registrar on receipt of a fee of forty shillings to enter the applicant's name on the roll.

Rule 8 of **The Advocates (Enrolment and Certification) Regulations, S.I 267-1** provides the procedure for application for enrolment.

(1) An application for enrolment under section 8(3) of the Act shall be by petition to the Chief Justice praying that the name of the petitioner be entered on the roll of advocates.

(2) The petition shall be accompanied by—

(a) the certificate of eligibility for enrolment issued by the Law Council;

(b) a certified copy of the statement referred to in regulation 4(1) of these Regulations;

(c) the certificate or other document which the petitioner submits as evidence of his or her qualifications, professional skill and experience;

(d) the fee specified in section 8(3) of the Act, which fee shall be returned to the petitioner if his or her application is refused; and

(e) testimonials from two advocates whose names have been on the roll for at least three years, certifying that the applicant is a fit and proper person to be enrolled as an advocate.

The Advocates (Council Fees) Regulations, 2004 State the Enrolment fees as here below;

(a) Application fee -- Shs. 5,000/=

(b) Certificate of eligibility -- Shs. 30,000/=

(c) Issue of notice to Gazette -- Shs. 10,000/=

Rule 11 of **The Advocates (Enrolment and Certification) Regulations** provides for the issuance of a Certificate of enrolment by the chief Justice.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 650,663 and it takes an estimate of 16.3 hours of administrative activities. The total compliance cost per year for an estimated 150 businesses established is UGX 98 Million.

Analysis

The admission and enrolment of advocates recognises and creates a record for qualified advocates. The enrolment process is reasonable to maintain and ascertain that only qualified persons are enrolled.

Recommendations

The admission and enrolment of advocates be retained.

Licence 2: Practising Certificate

Section 11 of the Advocates Act states that the registrar shall issue a practising certificate to every advocate whose name is on the roll and who applies for such a certificate on such form

and on payment of such fee as the Law Council may, by regulations, prescribe; and different fees may be prescribed for different categories of advocates.

Subsection (2) states that a practising certificate shall be valid until the thirty-first day of December next after its issue, and it shall be renewable on application being made on such form and on payment of such fee as the Law Council may, by regulations, prescribe; and different fees may be prescribed for different categories of advocates.

Every advocate who has in force a practising certificate may practise as such in the High Court or in any court subordinate to the High Court.

Regulation 12 of **The Advocates (Enrolment and Certification) Regulations** provides the procedure for Application for practising certificate. An application under section 11(1) of the Act for a practising certificate shall be in Form 4 of the Second Schedule to these Regulations and shall be accompanied by—

- (a) a statutory declaration on oath that the applicant is not a person to whom section 12(1) of the Act applies; and
- (b) the fee of Ug. Shs. 20,000 specified in the Third Schedule to these Regulations.

Regulation 14 of **The Advocates (Enrolment and Certification) Regulations** Application for renewal of practising certificate. It states that an application under section 11(2) of the Act for the renewal of a practicing certificate shall be in Form 5 of the Second Schedule to these Regulations, and there shall be paid therefore the fee specified in the Third Schedule to these Regulations.

Under regulation 15, an application for renewal of a practising certificate under section 11(2) of the Act shall be in Form 5 of the Second Schedule to these Regulations and shall be accompanied by—

- (a) a statutory declaration on oath that the applicant is not a person to whom section 12(1) of the Act applies;
- (b) a receipt or such other documentary evidence as the registrar may deem sufficient to satisfy himself or herself that the applicant has paid his or her subscription for a current year as a member of the Law Society; and
- (c) the fee of Ug. Shs. 20,000 specified in the Third Schedule to these Regulations.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 362,650 and it takes an estimate of 17 hours of administrative activities. The total compliance cost per year for an estimated 1000 businesses established is UGX 363 Million.

Analysis

The requirements for obtaining and renewing the practising certificate are reasonable and facilitate professionalism in the sector.

Recommendations

The practicing certificate be retained.

Licence 3: Special practicing Certificate

Section 13(1) states that the Chief Justice may, subject to the person obtaining a special practising certificate, admit to practice as an advocate for the purpose of any one case or matter any legal practitioner (by whatever name called) of any country designated by regulations made under section 8(5)(b) who has come or intends to come to Uganda for the purpose of appearing or acting in that case or matter; but any such person shall only be entitled to appear or act—

(a) in the case or matter for the purpose of which he or she is admitted; and

(b) if he or she is instructed by, and if when appearing in any court in the conduct of the case or matter he or she appears together with, an advocate with a valid practising certificate or a person mentioned in section 6.

(2) On payment of the prescribed fee for such a special practicing certificate, the registrar shall issue a special practising certificate to any person admitted to practise under subsection (1).

Regulation 16 of the **The Advocates (Enrolment and Certification) Regulations** provides for the fee for special practising certificate that there shall be paid the fee specified in the Third Schedule to these Regulations.

3. For the issue of a practising certificate—

(a) in the case of a person entitled to practise as an advocate from the countries designated in Part II of the First Schedule to these Regulations; Ug. Shs. 200,000

(b) in the case of any other person; Ug. Shs. 400,000

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 500, 683 and it takes an estimate of 16.3 hours of administrative activities. The total compliance cost per year for an estimated 150 businesses established is UGX 75 Million.

Analysis

The special practising certificate permits representation by a legal practitioner from another country in the Ugandan courts of law. The fact that non-Ugandan business partners can litigate

or defend a matter in the courts of Uganda with the representation of one of their legal practitioners from their home countries encourages international business relationships.

Recommendations

The special practicing certificate be retained.

The Advocates (Continuing Legal Education) Regulations, 2004.

(Under section 77(1) (a) of the Advocates Act, Cap 267).

License 1: Continuing legal Education

Every advocate shall complete a program of continuing legal education spread out to cover a minimum of twenty hours in each year, or such other period as the Committee may, from time to time prescribe.

A CLE program or workshop shall be designed so as to enhance the professional standards, ethics and competence of an advocate.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 650, 683 and it takes an estimate of 16.3 hours of administrative activities. The total compliance cost per year for an estimated 1000 businesses established is UGX 65 Million

Analysis

Continuing legal education is aimed at updating legal practitioners on the profession in light of the continuously changing and developing social and economic times so as to better serve the public.

Recommendations

The continuing legal education requirement be retained.

The Court Bailiffs Rules, 1987 No. 64

License 1: Court Bailiff license

Regulation 2 states that execution proceedings are conducted by a person that holds a Court bailiffs license.

The conditions the appointing authority considers prior to granting this license are listed in regulation 3 while the application procedure for the license is given in regulation 4.

The fees payable are provided for under regulation 7 and the third schedule to the rules but an applicant pays for either a **General license** or a **Local license** limited to a place named in the license.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 362,650 and it takes an estimate of 17 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 18 Million.

Analysis

The Court Bailiff licence facilitates the maintenance of standards for the execution proceedings and places responsibility over proceedings in the licensed persons.

The procedure for obtaining this licence is reasonable.

Recommendation

The court Bailiff licence should be retained.

2.14.6 Customs and Forwarding Agents subsector

Customs and forwarding agents in Uganda are regulated under both **the Customs Management Act, Cap 77 and the East African Customs Management Act, 2004**

The Customs Management Act, Cap 77

Licence 1: Customs Agent License

Section 125(1); Where under the provisions of the Customs laws the owner of any goods is required or authorised to perform any act, then such act, unless the contrary appears, may be performed on his behalf by an authorised agent.

(2) A person shall not be the duly authorised agent of any owner unless-

- (a) such person is exclusively in the employment of the owner; or
- (b) such person is a Customs agent duly licensed as such in accordance with any regulations, and, in either such case, such person is authorised in writing by the owner, either generally or in relation to any particular act, to perform the act on behalf of the owner.

Section 125 A(1) The Commissioner-General may, as prescribed by regulation, license persons to act as agents for transacting business relating to the entry or clearance of any aircraft,

vehicle, vessel, goods or baggage other than accompanied non-manifested personal baggage of a person travelling by air, land or sea.

(2) No person shall be licensed by the Commissioner-General to act as agent under this Act unless the Commissioner-General is satisfied that, that person has the ability, the necessary equipments, including a registered office, storage premises, facilities for the handling and safe custody of cargo and documents to effectively transact business in accordance with the provision of this Act.

East African Customs Management Act, 2004

Section 145 of the East African Customs Management Act empowers the Uganda Revenue Authority (URA) as the regulatory body for Customs and Forwarding Agents in Uganda. Specifically, the Commissioner Customs has the authority to implement the provisions of Act.

The requirements for registration are as follows:

1. An applicant must indicate the physical location of an established office.
2. Indicate the bankers in the application;
3. Submit a memorandum and articles of association of the company;
4. Submit a Certificate of registration of the company;
5. Submit Tax Identification Numbers of the company and the directors;
6. Submit copies of identity cards, passports or other forms of identification of the directors and staff proposed to directly handle or sign customs documents; and
7. Submit recent passport size photographs of directors and staff duly certified by a Notary Public or a Commissioner for Oaths

An application fee of US\$ 10 and an annual license fee of US\$ 400.00 are payable.

The agent needs to execute a General Customs Agency Bond CB 11 at an amount agreed between them and their insurance company or a bank guarantee of the same amount upon communication from the commissioner for customs.

The validity period of a Customs Agent license is one calendar year. Licenses obtained in the course of the year all expire on the 31st December of every year.

The renewal is subject to the Commissioners approval based on considerations like: all queries have been answered and no major offences have been committed. Licenses will not be issued or renewed if the licensee or applicant has a criminal record, is involved in dishonest activities or any other wrongdoing.

Analysis

1. *The licence is necessary to ensure consumers get quality service.*
2. *Some of the requirements for registration are necessary as they allow for verification of the establishment of an applicant to protect the public from dealing with fraudulent persons. However, some of these requirements could be obtained from a central electronic database available to all regulatory authorities instead of requiring the applicant to make copies and get them certified all increasing the cost of business.*

Recommendations

The following requirements be removed from the list of requirements that an applicant should submit and instead be obtained from a central electronic database:

- **A memorandum and articles of association of the company**
- **A Certificate of registration of the company**

2.15 LOCAL GOVERNMENT

Introduction:

The analysis in this sector covers laws and licenses pertaining to the following sub sectors.

- 2.15.1 Local Government
- 2.15.2 Enguli manufacturing and trade.
- 2.15.3 Public Health and Nutrition
- 2.15.4 Trade

RECOMMENDATIONS ON LOCAL GOVERNMENT

Law applicable		The Local Governments Act, Cap. 243					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost Compliance (millions)
1.	Graduated Tax	Yes					
2.	Property Tax			Yes			
3.	Bicycle Licence	Yes					6,100
4.	Parking Fees		Yes				
5.	Advertisement Fees			Yes			62,200
6.	Cess on produce	Yes					36,100
7.	Market Fees			Yes			
8.	User charges				Yes		
9.	Fishing licence	Yes					4,100
10.	Charcoal burning Licence			Yes			4,400
11.	Hotel tax		Yes				
12.	Local service tax		Yes				
Law applicable		The Enguli Act, Cap. 86					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost Compliance (millions)
13.	The Enguli Licence	Yes					
14.	Jaggery Licence	Yes					
Law applicable		The Food and Drugs Act, Cap. 278					
License Name		Recommended Actions					
15.	Registration of premises			Yes;			
Law applicable		The Public Health Act, cap. 281					

License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost Compliance (millions)
16.	Basement Occupation Permit			Yes			
17.	Nursing Home permit		Yes				
Law applicable		The Trade Licensing Act, CAP 101					
License Name		Recommended Actions					
18.	Trading Licence			Yes			
19.	Hawkers Licence			Yes			14,100
20.	Travelling wholesalers licence			Yes			27.1
Law applicable		The Trade Licensing Act Cap 101 The Trade License Rates 2011					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost Compliance (millions)
21.	Legal Firms		Yes				625.1
22.	Auditors, accountants and tax consultants		Yes				92.6
23.	Surveyors, engineers and valuers		Yes				42.2
24.	Fumigation business and cleaning firms		Yes				
25.	Events management		Yes				461.4
26.	Security investigation		Yes				59.9

27.	Auctioneers, court brokers and bailiffs		Yes				15.4
28.	Business consultants		Yes				266.8
Law applicable		Trading License-Health Services					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost Compliance (millions)
29.	Health centres		Yes				215.6
30.	Pharmacies		Yes				733.7
31.	Private hospitals		Yes				46.9
32.	Nursing homes		Yes				390.2
33.	Maternity homes		Yes				658.6
34.	Clinic		Yes				1,397
35.	Drug stores		Yes				1,868
Law applicable		Trading License-Hotels and Lodges					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost Compliance (millions)
36	Hotels (3 stars and above)		Yes				78.6
37.	Hotels (less than 3 stars)		Yes				4,664
38.	Lodges (less than 20 rooms)		Yes				3,247
39.	Lodges (20 rooms and above)		Yes				1,455
Law applicable		Trading License-Entertainment Services					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost Compliance

							(millions)
40.	Bars		Yes				3361
41.	Pubs		Yes				
42.	Inns		Yes				
43.	Entertainment venues		Yes				
44.	Theatres		Yes				224.3
45.	Disco halls, video halls and night clubs		Yes				178.7
46.	Restaurants		Yes				1,896
47.	Eating Houses		Yes				14,577
Law applicable		Trading Licenses-Agencies and Representative Business					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost Compliance (millions)
48.	Agencies		Yes				2,411
49.	Clearing and forwarding		Yes				
50.	Manufacturers representatives		Yes				2,407
51.	Commission agents		Yes				
52.	Travel and Tour agents		Yes				283.8
53.	Transport agents		Yes				
Law applicable		Trading License-Financial Services					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost Compliance (millions)
54.	Insurance		Yes				173.6

	companies						
55.	Banks	Yes					574.3
56.	Money lending		Yes				127.4
57.	Savings institutions		Yes				
58.	Foreign exchange bureau		Yes				145.2
59.	ATM machines		Yes				275
Law applicable		Trading License-Education Services					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost Compliance (millions)
60.	Driving schools		Yes				51.2
61.	Tertiary institutions		Yes				121.9
62.	Private primary schools		Yes				4,600
63.	Private secondary schools		Yes				1,075
64.	Private universities		Yes				24.8
65.	Day care centres and nurseries		Yes				446.6
Law applicable		Trading License- Hostel Services					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost Compliance (millions)
66.	Hostels above 100 rooms		Yes				47.2
67.	Hostels of between 50 and 100 rooms		Yes				48.8
68.	Hostels of less than 50 rooms)		Yes				195.4

Law applicable		Trading License-Printing and Publishing Services					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost Compliance (millions)
69.	Printing and publishing companies		Yes				819.8
Law applicable		Trading License-Housing and Construction					
License Name		Recommended Actions					
70.	Trading License-Apartments-Grade I					Yes (with 71)	
71.	Trading License-Apartments-Grade II					Yes (with 70)	
72.	Trading License-Brick/Block/Concrete products workshop - Grade I					Yes (with 73)	
73.	Trading License-Brick/Block/Concrete products workshop - Grade II					Yes (with 72)	
74.	Construction companies		Yes				
Law applicable		Trading License-Other Services					
License Name		Recommended Actions					
		Eliminate	Retain	Streamline	Reclassify	Amalgamate	Cost Compliance (millions)
75.	Motor cycle garages services		Yes				2,835
76.	Repair shops		Yes				487

77.	Radio stations		Yes				259
78.	Satellite connections		Yes				6.6
79.	Internet cafes		Yes				708.7
80.	IT solutions		Yes				
81.	Mobile Network Services providers		Yes				19.2
82.	Casinos		Yes				
83.	Lotteries		Yes				2.1
84.	Slot machines		Yes				64.7
85.	Pool tables		Yes				1,306
86.	Garbage collection		Yes				
87.	Mineral dealers		Yes				1,222
88.	Power generation		Yes				1,293
89.	Power distribution		Yes				12.2
90.	Private Car Park		Yes				700
91.	Bakery		Yes				251.1
92.	Butchery		Yes				477.9
93.	Dry Cleaners		Yes				223.9
94.	Dobbi,		Yes				302.7
95.	Kiosk,		Yes				17,800
96.	Photo booth		Yes				104.4
97.	Car Washing Bay		Yes				1,488
98.	Flower selling		Yes				70.4
99.	Decorator		Yes				
100.	Dry Cleaners		Yes				
101.	Website design		Yes				
102.	Herbal / Local Medicine		Yes				524.8

103.	Imaging Company		Yes				
104.	Engravers		Yes				126.1
105.	Scrap dealers		Yes				122.6
106.	Event managers		Yes				461.4
107.	Catering		Yes				
108.	Private public toilets and bathrooms		Yes				112.4
109.	Funeral services		Yes				
110.	Private fire fighting		Yes				32.6
111.	Car special hire services		Yes				1.4
112.	Hawkers		Yes				
Sector Total	112	7	92	8	1	4 into 2	
Other Local Government Licenses (114)				114	-	-	
Total (226)		7	92	122	1	4 into 2	

2.15.1 The Local Government Subsector

The Local Governments Act, Cap 243

This Act provides for the revenue, political and administrative set up of local governments.

Section 80 of the Act empowers Local Governments to levy, charge and collect fees and taxes, including rates, rents, royalties, stamp duties, graduated tax, registration fees, licensing fees and fees and taxes stipulated in the Local Government Revenue Regulations (Fifth Schedule of the Local Governments Act).

Section 80(4) further provides that a village council may, with the approval of the sub county council, impose a service fee in the course of execution of its functions.

Regulation 13(O) of the Local Government Revenue regulations provides that the local government revenue shall consist of any other revenue, which may be prescribed by the local government and approved by the Minister.

It is on the basis of section 80 of the Local Government's Act and regulation 13 (O) of the Local Government Revenue Regulations that local governments enact "Charging Policies" each year as the basis of their revenue collection in localities.

In line with the authority to make the charges above, section 38 provides for the enactment of District laws. It states that,

"A district council shall have powers to make laws not inconsistent with the Constitution or any other law made by Parliament which power shall be exercised by the passing of local bills into ordinances by the council and signed by the chairperson."

Further, the Local Governments Act does not define what levies, taxes, licences are. The consequence of this is that the public then become hostile towards a licence in a sector where they already pay a tax and similarly, the value of levies are not appreciated; all the three being considered as serving the same purpose.

This Act was amended by the **Local Government's (Amendment) Act, 2001** but this amendment is construed as one with the principal Act, Cap. 243. The various local government permits and levies are discussed below:

Licences

License 1 - Graduated Tax

Part II of the Local Government Revenue Regulations provides for the annual levy of the graduated tax on individuals that have attained the age of 18 and over.

Analysis

The graduated tax was abolished in 2005 by the private Members' Bill⁶⁰. The law needs to be amended to reflect this position.

Recommendation

The Act should be amended to reflect that the levy of graduated tax is no longer applicable.

Licence 2 - Property Tax

This tax is collected under Part III of the Local Government Revenue Regulations. Regulation 11 (1) provides that a district and urban local council shall impose rates on property within its area of jurisdiction as prescribed by provisions of the Local Government (Rating) Act.

In an area where the Local Government (Rating) Act does not apply, Regulation 11(2) provides that a district or urban council may enact laws imposing rates on persons owning, occupying or in possession of land or buildings.

Regulation 11 (1) provides that a district and urban local council shall impose rates on property within its area of jurisdiction as prescribed by provisions of the Local Government (Rating) Act.

In an area where the Government (Rating) Act does not apply, a district or urban council may enact laws imposing rates on persons owning, occupying or in possession of land or buildings.

The Local Governments (Rating) Act, 2005

The Act provides for the levy of rates on property by local governments within their areas of jurisdiction, for the valuation of property for the purpose of rating and collection of rates.

Sections 11 and 12 of the Act provide for methods of ascertainment of the rateable value of property for each location.

Section 13 (5) provides that every valuer may call upon an owner or tenant of property to furnish such written particulars of any property to enable the valuer make a correct valuation of that property.

⁶⁰*Recentralisation Weakness the Decentralisation Process, MS Uganda Newsletter April 2008, <http://www.ms.dk/sw94813.asp>, accessed 4 Nov. 2011*

Sections 26 and 27 prescribe the process of notification of rates by publication in the gazette and the form of payment of the assessed values.

Analysis

- 1) *Leaving property values to be determined by a valuer for each property necessitates a lot of human interface. This encourages undesirable practices such as “paying for fuel” for the valuer as well as payment for an under valuation of property.*
- 2) *Some Local Government authorities informed the committee that the process of getting property valuation was delayed by the fact that the valuers assigned to their communities were situated at Kampala. This means that Local Government authorities that are far from Kampala have to hold applications until they accumulate a desirable number that they subsequently deliver to Kampala. All follow-up also has to be done in Kampala; which also increases the costs for the Local Government.*

Recommendations

- 1) **That the property rates be fixed according to the localities and further segmented according to nature of usage of the property and size of the property for instance; a separate value attached for bungalows as opposed to a storied residency in a specific locality.**
- 2) **A valuer be maintained at the offices of each local government administration to inspect properties each year and revise the fixed rates within the localities.**

Local Government Revenue Regulations [Fifth Schedule, Local Government Act, Cap. 243]

Licence 3 - Bicycle Licence

Regulation 13 (g) provides that Local Government Revenue shall consist of annual bicycle licences.

Cost of compliance

The estimated cost for a business to comply with this regulation is 4,499 and it takes an estimate of 0.7 hours of administrative activities. The total compliance cost per year for an estimated 1,344,000 bicycles established is UGX 6.1 bn.

Analysis

The bicycle licence is not necessary save for revenue collection for the local government.

Recommendation

The bicycle licence be eliminated as it serves no regulatory purpose.

Licence 4 - Parking Fees

Regulation 13 (h) provides that Local Government Revenue shall consist of parking Fees.

Analysis

The parking fee is justified as it serves as payment for a service to businesses and for businesses in the transport sector.

Recommendation

The parking fee be retained.

Licence 5 - Advertisement Fees

Regulation 13 (i) provides that local government revenue shall consist of advertisement fees.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 59,000 and it takes an estimate of 0.9 hours of administrative activities. The total compliance cost per year for an estimated 1,000,000 businesses established is 62.2 billion

Analysis

- 1) *The fees on advertising are necessary for public order and safety such that for instance large billboards are not placed on spots that obstruct traffic on road.*
- 2) *However there is no mention in the law as to the nature of advertisement, size of advertisement in case of billboards and specification as to which areas are dangerous to have billboards and which are not.*

Recommendation

The regulations should be amended to specify the following: rates payable for different sizes of advertisements, procedure for obtaining the licence.

Licence 6 - Cess on Produce

Regulation 13 (j) provides that Local Government Revenue shall consist of fees on produce.

Some Local governments argue that this cess on produce is a requirement under the Produce protection Act discussed below.

The Produce Protection Act, Cap 32

This is an Act for the protection of produce. The interpretation section of this Act defines “produce” as the fruit, leaf, bark, latex, root and every part of; coffee, tea, rubber, cotton, tobacco, wheat or any trees or plants producing edible fruit.

Section 12 provides for the power of the Minister to make rules providing for the licensing of buyers and growers of and dealers in produce and imposing fees and conditions for the issue of licenses.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 7,499 and it takes an estimate of 0.7 hours of administrative activities. The total compliance cost per year for an estimated 4,809,667 businesses established is 36.1 billion

Analysis

- 1) *Local Governments charge fees on produce brought into the market for instance beans per kilogram. Each local government charges a different rate for the same produce and at different markets which lack of transparency negatively affects doing business.*
- 2) *More so, since Local Governments are wanting in human resource, many of them have opted to out sourcing some of these fee collection services to companies or associations which collect the fees meeting no regulatory purpose.*
- 3) *Further, no regulations have been passed under the Produce protection Act, therefore no licenses, levies or permits should be charged to produce in Uganda. Even so, this Act serves no regulatory purpose yet it's provisions inhibit trade.*

Recommendations

- 1) **The Produce Protection Act is one of the pre-liberalization laws that need to be abolished.**
- 2) **The charges made by local governments on produce have no legal backing and should be eliminated.**

Licence 7 - User charges

Regulation 13 (k); Local Government Revenue shall consist of user charges where applicable.

Analysis

- 1) *User charges are aimed at facilitating the provision of local government services in communities for instance; provision of public toilets and garbage collection in the locality. However, the public is discouraged from making these payments, as the services are not delivered.*
- 2) *Secondly, the businesses have to pay for each service individually to different sub-contractors of the local government thereby increasing the multiplicity of licences that businesses have to pay for.*

Recommendations

To avoid multiplicity of licenses and fees, user charges for services provided by local government should be incorporated into the trading license fees.

Licence 8 - Fishing Licences

Regulation 13 (l); Local Government Revenue shall consist of fishing licences.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 8,499 and it takes an estimate of 0.7 hours of administrative activities. The total compliance cost per year for an estimated 480,000 businesses established is UGX 4.1 billion

Analysis

The fishing licence duplicates the fishing licences under the Fish Act, Cap 197 that provides for better regulation to the industry

Recommendation

Eliminate the fishing licence under the Local Governments Act.

Licence 9 - Charcoal Burning Licences

Regulation 13 (n); Local Government Revenue shall consist of Charcoal Burning licences.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 147,771 and it takes an estimate of 7.5 hours of administrative activities. The total compliance cost per year for an estimated 30,000 businesses established is UGX 4.4 billion

Analysis

- 1) *The charcoal burning licence under this Act serves no regulatory purpose but is only a revenue generating licence for the local government.*
- 2) *Charcoal burning is an activity that affects the environmental safety of a community and therefore should be regulated by an authority with the capacity to manage the activity.*

Recommendations

- 1) **The charcoal burning licence be streamlined to ensure the activity is subject to environmental impact oversight by NEMA through District environmental officers.**

Licence 10 - Trade Licence

The second Schedule of the Act lists the functions and services of the Government and local governments.

Part 5 of this schedule contains the functions and services to remain at city or municipal council (not to be devolved to the divisions) among which is the setting of levels of trade licenses and fees.

Part 2 of the schedule states functions and services for which district councils are responsible, subject to article 176(2) of the Constitution and sections 96 and 97 of the Act include but are not limited to decentralized services and activities, which include trade licences.

The trade licences are discussed later in this chapter under the Trade Licensing Act⁶¹.

Licence 11 - Market Fees

Item 10 of Part IV of the Local Governments Act provides that local governments may establish markets, manage them and collect revenue.

The Markets Act, Cap. 94

This is an Act to provide for the establishment and management of markets. Section 1 thereof grants exclusive rights of establishment of markets to the administration of a district, a municipal council or a town council.

Section 1 (2) further provides that local governments may vest their control and management in such person or authority as it may deem fit.

Section 2 of the act states powers of the Minister to make rules that shall apply to markets for various purposes including regulating their use, keeping order, maintaining cleanliness, prescribing goods to be sold. No rules have been passed under this Act.

Analysis

- 1) *Market fees are justified as a payment by market vendors for using the market facility provided and maintained by the local government. Local government administrations quote the Markets Act as the legal basis upon which various market fees are charged; even though there are no regulations under the markets Act exist prescribing these fees.*
- 2) *Market charges are currently made on classified agricultural produce, meat products, charcoal and food stalls with charges prescribed at either a daily rate or for specific measurements. Daily collection is maintained as it is the most fair way of making the collection for each day a vendor uses the market; paying a small fee daily is easy on the low income earners as opposed to a weekly or periodic fee.*

⁶¹ See para. 4.15.6 below

Recommendations

- 1) Market dues be maintained.**
- 2) The fees for collection be streamlined and criteria for determining the fee should be available to the vendors.**

Licence 12 - Hotel Tax

The Local Government (Amendment) (No. 2) act, 2008 provides additional taxes to be levied, collected and charge by local governments as new sources of revenue for local governments.

Item 7 of Part III of the Act states that a hotel tax shall be levied on hotel and lodge accommodation per room per night and paid by room occupants. The rates are charged according to Part II of the Act.

Analysis

- 1) The Hotel tax is an indirect tax on hotels that is paid for by the occupants as the tax is included on the accommodation receipts. The receipt books are reviewed by local government officials to verify the amount payable to them. Therefore save for contributing to local government revenue, the hotel tax serves no regulatory purpose.*
- 2) The Hotel industry has several licensing regimes which are attached to regulation of the sector, service delivery or standard inspections and trading licences.*

Recommendation

The Hotel tax be retained in the interim pending discussions on tourism sector licenses as well as local government financing.

Licence 13 - Local Service tax

The amendment to section 80 of the Local Government (Amendment) (No. 2) act, 2008 states that the taxes that local governments may levy, charge and collect shall include the local service tax to be levied on all persons in gainful employment or who are practising any profession or on business persons and commercial farmers on a large scale.

Part II contains the categories of people that have to pay the tax. Items 3, 4 and 5 provide the rates.

Analysis

Item 5 provides for rates for self-employed artisans but the rates provided are a source of confusion on what rate one earning for instance Ug. Shs. 200,000 should pay as the amount qualifies in two payment brackets.

Recommendation

Item 5 on the rates relating to the Local service Tax should be revised to ensure that amounts qualify to only a single payment.

2.15.2 The Enguli manufacturing and trade subsector.

The Enguli (Manufacturing and Licensing) Act, Cap 86

License 1 - The Enguli Licence

The Enguli Act (Manufacturing and Licensing Act) Cap 86 regulates the manufacture, licensing and sale of Enguli (spirits manufactured in Uganda that are not refined spirits or spirits produced locally by an exclusive licensee)

Section 2 of the Act restricts the production, Sell and possession of enguli to only a person with a licence under the Act and further stipulating that no person shall consume or export enguli. Section 4(b) empowers the central board to limit the number of enguli licences that may be issued each year.

Analysis

- 1) *Authorizing the board to out rightly restrict the number of enguli licences to be issued per year as in section 4b out rightly restricts business. The restriction does not serve any health or regulatory purpose save for limiting the number of businesses that can manufacture or sell enguli.*
- 2) *Section 6 makes provision for the issuing of an exclusive buying licence for enguli. Issuing a licence to an exclusive buyer promotes monopoly of this buyer to the detriment of the enguli manufacturers and doing business environment at large. A monopoly buyer offers non-competitive pricing and provides no incentive to the manufacturers to improve their mode of business.*
- 3) *This law is not necessary as the regulation of enguli may be catered for under a general law on liquor and standards under the Uganda national Bureau of Standards Act. It is an archaic law that is not necessary in the current and developing economic structure of this country.*

Recommendations

- 1) **The Enguli licence should be eliminated.**
- 2) **The Enguli (Manufacturing and Licensing Act) should be repealed and a new law enacted to provide standards for manufacturing of locally produced spirits.**

Licence 2 - Jaggery Licence

Section 13 of the Enguli (Manufacturing and Licensing) Act prescribes a licence for the manufacture of jaggery. Section 13 (6) further states that the minister may revoke a jaggery manufacturing licence of a person who does not comply with the terms of their licence.

Analysis

- 1) *Section 13 stipulates that the jaggery manufacturing licence sets conditions that the holder should fulfil. Yet these conditions should be transparent and available to everyone so that they are aware of the expectations of the jaggery business to enable the making of an informed decision of whether or not to get involved in this business.*
- 2) *This law sets out to limit number of businesses through the licenses that may be issued per year instead of setting standards and measures that should be fulfilled for a person to be involved in the enguli business.*
- 3) *This law is not necessary as the regulation of jaggery may be catered for under a general law on liquor and standards under the Uganda National Bureau of Standards Act. It is an archaic law that is not necessary in the current and developing economic structure of this country.*

Recommendations

- 1) **The Jaggery licence should be eliminated.**
- 2) **The Enguli (Manufacturing and Licensing) Act should be repealed and a new law enacted to regulate the activity.**

2.15.3 The Public Health and Nutrition subsector

The Food and Drugs Act, Cap. 278

An Act to make provision for the prevention of adulteration of food and drugs and for matters incidental thereto and connected therewith.

Licences

Licence 1 - Registration of premises

This section mandates the registration of premises with a local authority if they are to be used for the following purposes:

- (a) The manufacture for the purpose of sale of ice cream, or the storage of ice cream in wholesale quantities intended for sale; or
- (b) the preparation or manufacture of sausages or potted, pressed, pickled or preserved food intended for sale.

Analysis

- 1) *Section does not explain why a separate registration with local authorities is needed for the businesses that should undergo this registration as opposed to those that are restaurants.*
- 2) *Secondly, the qualifications that the premises should satisfy before the local authorities grant registration is not stated in the law. This registration process therefore lacks transparency and a regulatory objective.*

Recommendation

The registration of premises requirement should be streamlined to set out the standards that the premises should contain as a notification of the activity to the authorities.

The Public Health Act, Cap 281

The objective of this Act is to consolidate the law regarding the preservation of public health.

Permits/ Licences regarding the Public Health Act

Licence 2 - Basement Occupation Permit

Section 114 of the public health Act provides that basements are not to be occupied as a shop, office, workshop, factory, for preparation or storage of food without written permission of the local authority, on the advice and satisfaction of the medical officer of health.

Analysis

The procedure for obtaining this permit is not stated by the law.

Recommendation

The procedure for obtaining this permit should be streamlined. The law should state the standard for basement occupation such that a business person need only notify the local authority that they will use a basement for a certain purpose following which the local authority may send an inspector to verify that the premises meet the required standard.

Licence 3 - Nursing Home permit

Section 116 states that no person shall open or keep open a nursing home, maternity home, convalescent home, private hospital, infirmary or any institution where invalids or convalescents are treated or received upon payment of fees or charges unless its premises are approved by the chief medical officer and a permit has been obtained from him or her.

Analysis

For purposes of protecting health rights this permit is necessary. In addition, the qualifications for this license should be stated in the law so that business people know what the expectations are.

Recommendation

The law should be amended to clearly state the qualifications for the Nursing home permit thereby streamlining the process for obtaining this permit.

General Sector Analysis

1) *Although the Public Health Act empowers the minister to make regulations in relation to this Act, many areas stipulated herein have no regulations. For instance; Section 70 of the Act empowers the minister to make rules relating to construction of premises for various uses. In addition, section 104 provides that the Minister may make rules for any purpose having as its object the preservation of health or the prevention of disease; in particular, the Minister may make rules regarding any of the following matters:*

- *the establishment and management of slaughterhouses and places in which animals awaiting slaughter are kept, the disposal of the waste products of slaughtering, regulating the slaughtering of animals;*
- *the licensing, regulation and inspection of hotels, restaurants, cafés, and eating houses, preparation and sale of food by hawkers, aerated water factories and ice manufacture, fishmongers, hairdressers, butchers and retailers of meat, bake houses and Bakeries, laundries and washhouses, cemeteries and Crematoria.*

2) *Since there are no regulations under this Act, there are no procedures laying out what authorizations should be obtained in relation to this act. To the detriment of the business environment in Uganda, local government administrations have gone ahead to prescribe levies for business ventures mentioned to be regulated under this Act. In effect, local government levies have turned the public-health management purpose of the proposed regulation under this Act into purely a source of local government revenue. The fees paid vary with each local government administration. Further, consultations with the private sector stated the local government carried out no inspection.*

General Sector Recommendation

The public health law should be amended to prescribe standards and procedures for all the business that this Act intends to regulate.

2.15.4 The Trade subsector

The Shop Hours Act, Cap 99

This is an Act to make provision for and in connection with the regulation of shop hours. The Act defines a “shop” to mean any premises (not being part of a market established or deemed to be established under the Markets Act) where any retail or wholesale trade or business is carried on, other than an office the business of which relates to goods which are not stored or handled in the office or in a building communicating with the office.

Section 2 of the Act prescribes the hours of business during which a shop may be open for business;

(a) on a weekday, between half-past seven o'clock in the morning and eight o'clock in the evening; and

(b) on a Sunday, between nine o'clock in the morning and one o'clock in the afternoon.

Analysis

This Act is archaic. The hours of operation of a shop restrict the doing of business. In practice, many shops countrywide are open outside these hours of operation which is encouraged to improve the competitiveness of Uganda's economy.

Recommendation

The Shop Hours Act is an out dated law that should be repealed.

The Trade (Licensing) Act, Cap 101

The Trade License Rates 2011

The Trade (Licensing) Act amends and consolidates the law relating to trading and other matters connected therewith.

Section 2 provides for the declaration of trading centres. Section 2 (1) states that the Minister responsible for local administrations and urban authorities may, by statutory order declare any specified area in Uganda, other than an area declared a trading centre by an administration of a district, to be a trading centre for the purposes of this Act.

Subsequently a statutory instrument, The Trade (Licensing) (Grading of Business areas) order, 2011 was recently passed grading business areas for licensing purposes.

Section 5 provides for restriction on trading by noncitizens in certain areas and goods. Section 5 (1) states that it shall not be lawful for any person who is not a citizen of Uganda to trade in specified goods, which are not endorsed on his or her licence.

Section 5(2) of the trade Licensing Act further states that subject to subsection (3), it shall not be lawful for any person—

who is a citizen of Uganda to trade either directly or indirectly on behalf of any person who is not a citizen of Uganda whether under a licence granted to that citizen of Uganda or in any other way; or

who is not a citizen of Uganda to engage or allow a person who is a citizen of Uganda to trade either directly or indirectly on his or her behalf, whether under a licence granted to that citizen of Uganda or in any other way, in any area or goods in which that person is, under this Act, prohibited from trading.

Licences

Licence 1 - Hawkers licence.

Section 16 of the Act provides for the grant of this licence. It states that no person shall act as a hawker unless he or she is in possession of a valid hawkers licence granted to him or her for that purpose by the licensing authority.

It further provides that a licensing authority may, on application made to it in the prescribed manner and on payment of the appropriate fee specified in the Schedule to this Act, grant to the applicant a hawkers licence.

Section 16 (4) Where any person employs a servant to hawk goods on his or her behalf, he or she shall take out, in his or her own name, a licence to be carried by the servant when so employed; and where it is desired that more servants than one shall be so employed, an additional licence shall be taken out in respect of each additional servant.

Section 16(5) Subject to subsection (6), no hawkers licence shall be required in respect of any person who acts as a hawker of; fish, poultry, vegetables, eggs, fruit, victuals, firewood or newspapers; any goods made by the hawker's handicraft in or on the premises where they normally reside or by persons residing with the hawker, the hawker's employees or members of their family and any good which the Minister may declare to be goods which may be hawked without a hawkers licence.

Nothing in subsection (5) shall apply or be deemed to apply to any city; municipality or town established under the Local Governments Act, and nothing in that subsection shall be deemed to override the provisions of the Markets Act.

Section 18 states that a hawker's licence granted under this Act shall be personal to the holder of the licence and shall not be transferable.

A holder of a hawkers licence shall as stated in section 19 produce the licence for inspection on the demand of any administrative officer, police officer or any person authorised in writing by the licensing authority.

Cost of compliance (112 districts/Towns)

The estimated cost for a business to comply with this regulation is UGX 72,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 15,000 businesses established is UGX 1.1 billion

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 143,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 30,000 businesses established is UGX 4.3 billion

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 281,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 50,000 businesses established is UGX 14.1 billion

Analysis

- 1) *Section 16 (7); A licensing authority may refuse to grant a hawkers licence under this section without assigning any reason for the refusal, and may revoke any hawkers licence granted under this section if it is satisfied that any of the terms and conditions upon which the hawkers licence was granted has been contravened. This practice discourages doing business and further encourages arbitrary refusals by officers for reasons that might be detrimental to the business environment.*
- 2) *The duration of hawkers licence is up to the thirty-first day of December of that year per section 17 of the Act. However this is not only unfair to Hawkers that obtain their licences at the end of the year, it also causes delays in the issuance process as all Hawkers are required to obtain renewals at the same time.*
- 3) *The law does not state the procedure and fees for obtaining this licence.*

Recommendations

- 1) **s. 16 (7), should be amended such that refusal to grant a licence or revocation of a licence be issued be with reasons.**
- 2) **The procedure for applying for this licence should be streamlined such that the fee structure for payment and standard forms are provided in the law.**
- 3) **The validity of the hawkers licence be revised to twelve calendar months from the date of issue.**

Licence 2: Travelling wholesaler's licence.

Section 20 states that no person shall act as a travelling wholesaler unless he or she is in possession of a travelling wholesalers licence granted to him or her for that purpose under this Act.

Section 20 (4) prescribes that upon application and payment of a prescribed fee, the licensing authority may at its discretion, grant to the applicant a travelling wholesalers licence and may place conditions to their licence. In addition to any to the said conditions, every travelling wholesalers licence shall be subject to the condition that the holder of the licence shall not sell, or permit the sale of, goods by retail.

The licensing authority may issue a travelling wholesalers licence either generally, or in respect of any part of Uganda.⁶²

Section 20 (9); Any applicant who is aggrieved by the refusal of the licensing authority to grant him or her a travelling wholesalers licence may appeal to the Minister whose decision shall be final.

Section 21 provides that unless earlier revoked, a travelling wholesalers licence granted in respect of any year shall expire on the 31st day of December of that year.

Section 22 provides for the travelling wholesalers servant. It states that where a person holding a travelling wholesalers licence employs a servant to act as a travelling wholesaler on his or her behalf, he or she shall take out, in his or her own name, a licence to be carried by the servant when acting as a travelling wholesaler and, when it is desired that more servants than one shall be so employed an additional licence shall be taken out in respect of each additional servant.

Section 23 prescribes that a travelling wholesalers licence shall be produced on demand.

A duplicate licence may be issued as laid out in section 24 upon payment of the prescribed fees.

Transfer of licence granted under this Act except the hawkers or travelling wholesaler's licence may be made under section 25.

Section 27 provides that any person holding a trading, hawkers or travelling wholesalers licence who is convicted of giving short change, short measure or weight, in addition to any penalty to which he or she may otherwise be liable, on a first conviction is liable to have the conviction endorsed on his or her licence by the court and on a second or subsequent conviction whether for the same or any other offence under this Act, is liable to have his or her licence revoked by the court.

Cost of compliance

⁶² Section 20 (6) of the Trade Licensing (Amendment) Act, Cap. 101

The estimated cost for a business to comply with this regulation is UGX 270,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 27.1 million

Analysis

- 1) *Under section 20, The licensing authority may refuse to grant a travelling wholesalers licence under this section without assigning any reason for the refusal, and may revoke any travelling wholesalers licence granted under this section if it is satisfied that any of the terms and conditions upon which the travelling wholesalers licence was granted has been contravened. This practice discourages doing business and further encourages arbitrary refusals by officers for reasons that might be detrimental to the business environment.*
- 2) *The Act makes no provision for fees payable nor does it state the procedure to follow when applying for this licence.*
- 3) *The duration of the licence is up to the thirty-first day of December of that year. However this is not only unfair to Travelling Wholesale traders that obtain their licences at the end of the year, it also causes delays in the issuance process as all travelling wholesale traders are required to obtain renewals at the same time.*

Recommendations

- 1) **s. 20(8), should be amended such that refusal to grant a licence or revocation of a licence be issued be with reasons.**
- 2) **The procedure for applying for this licence should be streamlined such that the fee structure for payment and standard forms are provided in the law.**
- 3) **The validity of the hawkers licence be revised to twelve calendar months from the date of issue.**

Licence 3: The Trading Licence

The analysis of the trading licence covers licences pertaining to the following activity categories:

- 2.14 Professional Services
- 2.15 Health and medical services
- 2.16 Hotels and Lodges
- 2.17 Recreation and entertainment
- 2.18 Agencies and representative businesses
- 2.19 Financial Institutions
- 2.20 Education institutions
- 2.21 Hostels
- 2.22 Printing and publishing companies
- 2.23 Housing and Construction

- 2.24 Security, investigations and guard services
- 2.25 Garages and workshops
- 2.26 Others

Under Section 8(1) of the Trade (Licensing) Act, subject to subsection (2), no person shall trade in any goods or carry on any business specified in the Schedule to this Act unless he or she is in possession of a trading license granted to him or her for that purpose under this Act. Under subsection (2) no trading license shall be required in any event for:

- (a) the trade of a planter, farmer, gardener, dairyperson or agriculturist in respect of the sale of his or her own dairy or agricultural produce;
- (b) the trade of a person in respect of goods bona fide made by him or her by his or her handicraft in or on any premises where he or she normally resides, or by the handicraft of persons normally residing with him or her or who are his or her employees or members of his or her family;
- (c) the trade carried on in any market established under the Markets Act;
- (d) the sale of tobacco, cigarettes, newspapers, books, non-intoxicating liquor or playing cards by the management of a proprietary or members club to its members in the club premises;
- (e) any other trade which the Minister may, by statutory instrument, declare to be a trade for which no trading license is required under this Act; or
- (f) any trade or business in respect of which a separate license is required by or under any written law.

Section 9 of the Act provides that the licensing authority for the purposes of granting a trading license or hawkers license in any city, municipality or town, other than an administration town, the licensing authority shall be the town clerk of the respective council; and in any area, other than the areas specified above, the licensing authority shall be such person as may be appointed for that purpose by the appropriate administration of a district.

The procedure for application of the trading license is provided in section 10 which states that an application for a trading license shall be made, on such form as may be prescribed, to the appropriate licensing authority. Any person who makes any statement in his or her application for a trading license which is to his or her knowledge untrue commits an offence and is liable on conviction to a fine not exceeding five thousand shillings or to a term of imprisonment not exceeding twelve months or to both.

Under Section 13 of the Act, unless revoked, a trading license granted under this Act in respect of any year expires on the thirty-first day of December of that year.

Under Section 28, any person who contravenes or fails to comply with any provision of the Act or with any condition of any license issued to him or her under the Act, commits an offence and is liable on conviction, where no other penalty is specifically provided, to a fine not exceeding one thousand shillings, and in addition to that penalty the court by or before which that person is convicted may, in its discretion, revoke any license granted to him or her under the Act.

Licenses

Trade License category 1 – Pertaining to professional services

This category of trade license pertains to professional services and includes trade licenses for:

1) Legal Firms

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 503,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 66 businesses established is UGX 33.3 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 591,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 591.8 million

2) Auditors, Accountants and Tax Consultants

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 323,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 32.4 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 601,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 60.2 million

3) Surveyors, Engineers and Valuers,

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 243,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 66 businesses established is UGX 16.1 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 651,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 40 businesses established is UGX 26.1 million

- 1) Fumigation and Cleaning firms
- 2) Events Management

Cost of compliance (112 districts and Towns)

The estimated cost for a business to comply with this regulation is UGX 147,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 560 businesses established is UGX 82.7 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 323,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 550 businesses established is UGX 178.2 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 801,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 250 businesses established is UGX 200.5 million

- 4) Security Investigation companies,

Cost of compliance (112 districts and Towns)

The estimated cost for a business to comply with this regulation is UGX 197,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 56 businesses established is UGX 11.1 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 298,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 88 businesses established is UGX 26.3 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 298,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 25 businesses established is UGX 22.5 million

- 5) Auctioneers, Court brokers and bailiffs

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 229,757 and it takes an estimate of 5.5 hours of administrative activities. The total compliance cost per year for an estimated 12 businesses established is UGX 2.8 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 501,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 25 businesses established is UGX 12.6 million

6) Business consultants

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 323,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 220 businesses established is UGX 71.3 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 651,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 300 businesses established is UGX 195.5 million

Analysis

The trade licenses for the professional services enlisted above serve a trade order regulatory purpose.

Recommendation

The above trade licenses for professional services should be retained.

Trade License category 2 – Pertaining to health services

This category of trade license pertains to health services and includes trade licenses for:

1) Health centers

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 147,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 119 businesses established is UGX 17.6 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 323,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 611 businesses established is UGX 198 million

2) Pharmacies

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 147,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 560 businesses established is UGX 82.7 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 373,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 400 businesses established is UGX 150 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 1,001,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 500 businesses established is UGX 501 million

3) Private hospitals

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 197,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 25 businesses established is UGX 4.9 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 573,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 25 businesses established is UGX 14.4 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 1,101,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 25 businesses established is UGX 27.6 million

4) Nursing Homes

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 137,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 336 businesses established is UGX 46.3 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 418,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 390 businesses established is UGX 163.4 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 601,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 300 businesses established is UGX 180.5 million

5) Maternity Homes

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 137,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 1,680 businesses established is UGX 231.3 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 323,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 390 businesses established is UGX 126.4 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 601,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 500 businesses established is UGX 300.9 million

6) Clinics

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 107,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 1,120 businesses established is UGX 120.6 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 373,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 374 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 661,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 1,500 businesses established is UGX 902.7 million

7) Drug stores

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 107,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 1,120 businesses established is UGX 120.6 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 322,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 2,000 businesses established is UGX 648 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 421,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 2,500 businesses established is UGX 1.1 billion

Analysis

The trade licenses for the health services enlisted above serve a trade order regulatory purpose.

Recommendation

The above trade licenses for health services should be retained.

Trade License category 3 – Pertaining to hotel and lodge services

This category of trade license pertains to hotel and lodge services including trade licenses for:

1) Hotels of 3 stars and above

Cost of compliance (22 municipalities)

The estimated cost for a business to comply with this regulation is UGX 523,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 60 businesses established is UGX 34.6 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 1,736,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 25 businesses established is UGX 44 million

2) Hotels below 3 stars

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 197,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 3,360 businesses established is UGX 664.3 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 423,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 3,000 businesses established is UGX 1.3 billion

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 661,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 4,000 businesses established is UGX 2.7 billion

3) Lodges/Guest Houses of 20 rooms and below

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 117,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 4,000 businesses established is UGX 470.8 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 218,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 4,000 businesses established is UGX 876 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 661,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 5,000 businesses established is UGX 1.9 billion

- 4) Lodges/ Guest Houses above 20 rooms.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 147,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 3,360 businesses established is UGX 496.3 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 323,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 1,100 businesses established is UGX 356.4 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 601,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 1000 businesses established is UGX 601.8 million

Analysis

The trade licenses for the hotels and lodges services enlisted above serve a trade order regulatory purpose.

Recommendation

The above trade licenses for hotel and lodges services should be retained.

Trade License category 4 – Pertaining to entertainment services

This category of trade license pertains to entertainment services including trade licenses for:

- 1) Bars

Cost of compliance(112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 197,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 3,360 businesses established is UGX 664.3 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 298,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 3,000 businesses established is UGX 897 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 351,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 5,000 businesses established is UGX 1.8 billion

2) Pubs

3) Inns

4) Entertainment venues

5) Theatres

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 147,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 112 businesses established is UGX 16.5 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 373,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 220 businesses established is UGX 82.3 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 661,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 250 businesses established is UGX 125.5 million

6) Disco Halls /Video Halls, Night Clubs

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 122,114 and it takes an estimate of 2.8 hours of administrative activities. The total compliance cost per year for an estimated 336 businesses established is UGX 41 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 373,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 220 businesses established is UGX 82.3 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 276,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 200 businesses established is UGX 55.4 million

7) Restaurants

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 147,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 3,360 businesses established is UGX 496.3 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 199,757 and it takes an estimate of 5.5 hours of administrative activities. The total compliance cost per year for an estimated 1,500 businesses established is UGX 299.6 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 361,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 3,000 businesses established is UGX 1.1 billion

8) Eating Houses

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 97,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 10,000 businesses established is UGX 977 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 193,994 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 15,000 businesses established is UGX 2.9 billion

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 356,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 30,000 businesses established is UGX 10.7 billion

Analysis

The trade licenses for the recreation and entertainment services enlisted above serve a trade order regulatory purpose.

Recommendation

The above trade licenses for recreation and entertainment services should be retained.

Trade License category 5 – Pertaining to agency and representative services

This category of trade license pertains to agency and representative services including trade license for:

- 1) Agencies

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 177,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 3,360 businesses established is UGX 597.1 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 278,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 2,200 businesses established is UGX 613.8 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 401,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 3,000 businesses established is UGX 1.2 billion

- 2) Clearing and forwarding representatives
- 3) Manufacturer's representatives

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 197,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 1500 businesses established is UGX 296.5 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 323,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 2,500 businesses established is UGX 810 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 421,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 3,000 businesses established is UGX 1.3 billion

- 4) Commission agents
- 5) Travel and Tour agents

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 177, 695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 224 businesses established is 39.8 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 323,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 250 businesses established is UGX 81 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 651,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 250 businesses established is UGX 163 million

6) Transport agents

Analysis

The trade licenses for agencies and representative business services enlisted above serve a trade order regulatory purpose.

Recommendation

The above trade licenses for agencies and representative businesses should be retained.

Trade License category 6 – Pertaining to financial services

This category of trade license pertains to financial services including trade licenses for:

1) Insurance companies

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 1,446,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 120 businesses established is UGX 173.6 million

2) Banks

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 552,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 85 businesses established is UGX 47 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 821,494 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 127 businesses established is UGX 104.3 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 1,996,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 212 businesses established is UGX 423 million

3) Money Lending institutions

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 252, 695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 12.6 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 823,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 75 businesses established is UGX 61.8 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 424,304 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 125 businesses established is UGX 53 million

4) Savings institutions

5) Foreign Exchange bureau

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 302,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 36 businesses established is UGX 10.9 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 521,494 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 53 businesses established is UGX 27.6 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 1,199,306 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 89 businesses established is UGX 106.7 million

6) ATM machines

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 152,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 135 businesses established is UGX 28.6 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 303,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 202 businesses established is UGX 61.4 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 548,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 337 businesses established is UGX 185 million

Analysis

*All the above licenses, with the exception of the trade license pertaining to Banks, serve a trade order regulatory purpose. In the case of Banks, a recent High Court judgment in the case of **Stanbic Bank of Uganda Ltd and Others Vs Attorney General**⁶³ it was ruled that the imposition of trade licenses on financial institutions as illegal, since their activities are governed under a separate legislation.*

Recommendation

That the trade license pertaining to Banks be eliminated in view of the above High Court ruling and that all the other licenses in the financial services category be retained.

Trade License category 7 – Pertaining to education services

This category of trade license pertains to education services including trade licenses for:

1) Driving schools

Cost of compliance (112 districts and towns)

⁶³ HCT-00-CC-MA-0645-2011

The estimated cost for a business to comply with this regulation is UGX 147,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 112 businesses established is UGX 16.5 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 353,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 66 businesses established is UGX 23.4 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 451,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 25 businesses established is UGX 11.3 million

2) Tertiary institutions

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 247,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 112 businesses established is UGX 27.7 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 353,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 110 businesses established is UGX 39 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 501,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 110 businesses established is UGX 55.2 million

3) Private primary schools

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 127,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 8,564 businesses established is UGX 1.1 billion

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 273,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 5,138 businesses established is UGX 1.4 billion

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 621,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 3,425 businesses established is UGX 2.1 billion

4) Private secondary schools

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 197,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 1,575 businesses established is UGX 311.3 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 353,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 945 businesses established is UGX 334.4 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 681,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 630 businesses established is UGX 429.4 million

5) Private universities

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 747,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 8 businesses established is UGX 6 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 523,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is UGX 5.2 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 1,701,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 8 businesses established is UGX 13.6 million

6) Day care centres and nurseries

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 154,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 1,120 businesses established is UGX 173.3 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 303,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 585 businesses established is UGX 177.8 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 381,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 250 businesses established is UGX 95.5 million

Analysis

The trade licenses for education services enlisted above serve a trade order regulatory purpose.

Recommendation

The above trade licenses for education services should be retained.

Trade License category 8 – Pertaining to hostel services

This category of trade license pertains to hostel services including trade licenses for:

1) Hostels above 100 rooms

Cost of compliance (22 municipalities)

The estimated cost for a business to comply with this regulation is UGX 434,619 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 22 businesses established is UGX 9.6 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 1,501,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 25 businesses established is UGX 37.6 million

2) Hostels of between 50 and 100 rooms

Cost of compliance (22 municipalities)

The estimated cost for a business to comply with this regulation is UGX 423,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 44 businesses established is UGX 18.7 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 601,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 50 businesses established is UGX 30.1 million

3) Hostels of less than 50 rooms

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 147,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 224 businesses established is UGX 33.1 million

Cost of compliance (22 municipalities)

The estimated cost for a business to comply with this regulation is UGX 223,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 220 businesses established is UGX 49.3 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 451,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 250 businesses established is UGX 113 million

Analysis

The trade licenses for hostel services enlisted above serve a trade order regulatory purpose.

Recommendation

The above trade licenses for hostel services should be retained.

Trade License category 9 – Pertaining to printing and publishing services

This category of trade license pertains to printing and publishing services.

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 197,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 1,120 businesses established is UGX 221.4 million

Cost of compliance (22 municipalities)

The estimated cost for a business to comply with this regulation is UGX 473,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 390 businesses established is UGX 184.9 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 751,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 550 businesses established is UGX 413.5 million

Analysis

The trade licenses for printing and publishing services enlisted above serve a trade order regulatory purpose.

Recommendation

The above trade licenses for printing and publishing services should be retained.

Trade License category 10 – Pertaining to housing and construction services

The Trade (Licensing) Act, Cap 101 (Act of 1969 revised in 2000)

The Trade Licensing Rates Rules SI 2/ 2009

The Trade Licensing Rates Rules SI 2/ 2011

The Trade Licensing Rates Rules SI 54/ 2011 (to come into effect January 2012)

The Trade (Licensing) Act, Cap 101 amends and consolidates the law relating to trading as well as other matters connected therewith. The Trade Licensing Rates Rules there under offer details of the licensing rates under each category of trade. The 2009 amendment to the Rules amended Part C of the Schedule pertaining to the rates in Kampala City. Statutory instrument 2 of 2011 amended Parts A and C of the Schedules, with Part A pertaining to Municipalities and Towns. For additional information, Part B of the Schedule pertains in either one district or more than one district. Reference has also been made to the Statutory Instrument 54 of 2011, which is to come into effect on the 1st January 2012, decreases the applicable rates by 25% across the board.

Section 9(a) of Cap 101 grants licensing authority to the Town Clerk of the respective Council in any City, Municipality of Town.

Licenses

License 1 – Trading License-Apartments-Grade I

Statutory Instrument 54 of 2011 provides for a trade license for Apartments grade 1 (Grade 1 qualification required). Section 10 of the Act provides for a single application process to the licensing authority as described under Section 9. The fees for Part A (Municipality) is Ugx. 150,000/= per annum and Part A (Town) is Ugx. 75,000/= per annum. The Fees for Part C (City Council of Kampala) is Ugx. 750,000/=.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 1,201,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 10,000 businesses established is UGX 12 billion

Analysis

The distinction between Trading License Apartments Grade 1 and Trading License Apartments Grade 2 is not provided for in the legal framework.

In addition, according to the June 2009 Report of the Committee on Tourism, Trade and Industry of the Eighth Parliament on the Petition from the Traders of Kampala on Trade License Fees, local authorities have been charging and adjusting trade licensing rates outside of the legal framework (outside of the rates stipulated in the Schedules of the Statutory Instruments). This seriously undermines the legal framework and adds a lot of uncertainty to doing business.

Recommendation

In the absence of clarity in the distinction between Grade 1 and Grade 2 Apartments, the Trading License for Trading License Apartments Grade 1 should be amalgamated with Grade 2. In addition, licensing authorities should respect and enforce the applicable legal framework and any desired changes to the framework should be legislated before being applied.

License 2 – Trading License-Apartments-Grade II

Statutory Instrument 54 of 2011 provides for a trade license for Apartments grade 1 (Grade 2 qualification required). Section 10 of the Act provides for a single application process to the licensing authority as described under Section 9. Section 10 of the Act provides for a single application process to the licensing authority as described under Section 9. The fees for Part A

(Municipality) is Ugx. 112,500/= per annum and Part A (Town) is Ugx. 54,000/= per annum. The Fees for Part C (City Council of Kampala) is Ugx. 375,000/=.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 323,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 7,500 businesses established is 2.4 billion

Analysis

The distinction between Trading License Apartments Grade 2 and Trading License Apartments Grade 1 is not provided for in the legal framework.

In addition, according to the June 2009 Report of the Committee on Tourism, Trade and Industry of the Eighth Parliament on the Petition from the Traders of Kampala on Trade License Fees, local authorities have been charging and adjusting trade licensing rates outside of the legal framework (outside of the rates stipulated in the Schedules of the Statutory Instruments). This seriously undermines the legal framework and adds a lot of uncertainty to doing business.

Recommendation

In the absence of clarity in the distinction between Grade 2 and Grade 1 Apartments, the Trading License for Trading License Apartments Grade 2 should be amalgamated with Grade 1. In addition, licensing authorities should respect and enforce the applicable legal framework and any desired changes to the framework should be legislated before being applied.

License 3 – Trading License-Brick/Block/Concrete products workshop - Grade I

Statutory Instrument 54 of 2011 provides for a trade license for Apartments grade 1 (Grade 1 qualification required). Section 10 of the Act provides for a single application process to the licensing authority as described under Section 9. The fees for Part A (Municipality) is Ugx. 105,000/= per annum and Part A (Town) is Ugx. 45,000/= per annum. The Fees for Part C (City Council of Kampala) is Ugx. 110,250/=.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 384,806 and it takes an estimate of 1,000 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 349 million

Analysis

The distinction between Trading License Brick/Block/Concrete products workshop Grade 1 and Trading License Brick/Block/Concrete products workshop Grade 2 is not provided for in the legal framework.

In addition, according to the June 2009 Report of the Committee on Tourism, Trade and Industry of the Eighth Parliament on the Petition from the Traders of Kampala on Trade License Fees, local authorities have been charging and adjusting trade licensing rates outside of the legal framework (outside of the rates stipulated in the Schedules of the Statutory Instruments). This seriously undermines the legal framework and adds a lot of uncertainty to doing business.

Recommendation

In the absence of clarity in the distinction between Grade 1 and Grade 2 Brick/Block/Concrete products workshops, the Grade 1 Trading License should be amalgamated with Grade 2. In addition, licensing authorities should respect and enforce the applicable legal framework and any desired changes to the framework should be legislated before being applied.

License 4 – Trading License-Brick/Block/Concrete products workshop - Grade II

Statutory Instrument 54 of 2011 provides for a trade license for Apartments grade 1 (Grade 1 qualification required). Section 10 of the Act provides for a single application process to the licensing authority as described under Section 9. The fees for Part A (Municipality) is Ugx. 56,250/= per annum and Part A (Town) is Ugx. 30,000/= per annum. The Fees for Part C (City Council of Kampala) is Ugx. 56,250/=.

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 198,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is 199 million

Analysis

The distinction between Trading License Brick/Block/Concrete products workshop Grade 2 and Trading License Brick/Block/Concrete products workshop Grade 1 is not provided for in the legal framework.

In addition, according to the June 2009 Report of the Committee on Tourism, Trade and Industry of the Eighth Parliament on the Petition from the Traders of Kampala on Trade License Fees, local authorities have been charging and adjusting trade licensing rates outside of the legal framework (outside of the rates stipulated in the Schedules of the Statutory Instruments). This seriously undermines the legal framework and adds a lot of uncertainty to doing business.

Recommendation

In the absence of clarity in the distinction between Grade 2 and Grade 1 Brick/Block/Concrete products workshops, the Grade 2 Trading License should be amalgamated with Grade 1. In addition, licensing authorities should respect and enforce the applicable legal framework and any desired changes to the framework should be legislated before being applied.

Trade License category 11 – Pertaining to security, investigations and guard services

This category of trade license pertains to security, investigations and guard services.

Analysis

The trade licenses for security, investigations and guard services enlisted above serve a trade order regulatory purpose.

Recommendation

The above trade licenses for security, investigations and guard services should be retained.

Trade License category 12 – Pertaining to garage and workshop services

This category of trade license pertains to garage and workshop services including trade license for:

- 1) Motor vehicle garages

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 167, 695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 3,000 businesses established is UGX 503.1 million

Cost of compliance (22 municipalities)

The estimated cost for a business to comply with this regulation is UGX 303,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 550 businesses established is UGX 167.2 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 551,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 5,000 businesses established is UGX 2.8 billion

- 2) Motor cycle garages services

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 107,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 3,000 businesses established is UGX 323.1 million

Cost of compliance (22 municipalities)

The estimated cost for a business to comply with this regulation is UGX 203,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 3,000 businesses established is UGX 612 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 371,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 5,000 businesses established is UGX 1.9 billion

3) Repair shops

Cost of compliance(112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 77, 695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 560 businesses established is 43.5 million

Cost of compliance (22 municipalities)

The estimated cost for a business to comply with this regulation is UGX 188,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 750 businesses established is UGX 141.8 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 301,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 301.8 million

Analysis

The trade licenses for the services enlisted above serve a trade order regulatory purpose.

Recommendation

The above trade licenses be retained.

Trade License category 13 – Pertaining to other services

This category of trade license pertains to other services including trade licences for:

1) Radio stations

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 297, 695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 83 businesses established is UGX 24.7 million

Cost of compliance (22 municipalities)

The estimated cost for a business to comply with this regulation is UGX 623,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 83 businesses established is UGX 51.8 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 2,201,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 83 businesses established is UGX 182.8 million

2) Satellite connections

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 2,201,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 3 businesses established is 6.6 million

3) Internet cafes

Cost of compliance(112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 77,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 500 businesses established is UGX 38.9 million

Cost of compliance (22 municipalities)

The estimated cost for a business to comply with this regulation is UGX 223,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 750 businesses established is UGX 168 million

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 501,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 501.8 million

4) IT solutions

5) Mobile Network Services providers

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 3,201,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 6 businesses established is UGX 19.2 million

6) Casinos

7) Lotteries

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 2,129,619 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 1 business established is UGX 2.1 million

8) Slot machines

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 273,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 44 businesses established is UGX 12.1 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 701,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 75 businesses established is UGX 52.6 million

9) Pool tables

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 137,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 1,120 businesses established is UGX 154.2 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 223,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 1,100 businesses established is UGX 246.4 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 301,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 3,000 businesses established is UGX 905.4 million

10) Garbage collection

11) Mineral dealers

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 247, 695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 1,120 businesses established is UGX 277.4 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 323,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 750 businesses established is UGX 243 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 701,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 701.8 million

12) Power generation

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 1,040,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 22 businesses established is UGX 22.9 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 1,123,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is UGX 11.2 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 3,701,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 10 businesses established is UGX 37 million

13) Power distribution

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 1,047,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 4 businesses established is UGX 4.2 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 1,093,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 4 businesses established is UGX 4.4 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 3,641,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 1 business established is UGX 3.6 million

14) Private Car Park

Cost of compliance(112 districts and municipalities)

The estimated cost for a business to comply with this regulation is UGX 147,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 500 businesses established is UGX 73.9 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 298,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 750 businesses established is UGX 224.3 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 401,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 1,000 businesses established is UGX 401.8 million

15) Bakery

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 117, 615 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 224 businesses established is UGX 26.3 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 223,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 330 businesses established is UGX 73.9 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 301,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 500 businesses established is UGX 150.9 million

16) Butchery

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 133,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 1,120 businesses established is 149.7 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 198,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 1,170 businesses established is UGX 232.8 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 381,395 and it takes an estimate of 5.5 hours of administrative activities. The total compliance cost per year for an estimated 250 businesses established is UGX 95.4 million

17) Dry Cleaners

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 97,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 75 businesses established is UGX 7.3 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 273,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 150 businesses established is UGX 41.1 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 701,800 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 250 businesses established is UGX 175.5 million

18) Dobi

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 77,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 1,120 businesses established is UGX 87 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 203,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 440 businesses established is UGX 89.8 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 251,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 500 businesses established is UGX 125.9 million

19) Kiosk

Cost of compliance(112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 97, 695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 15,000 businesses established is UGX 1.5 billion

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 173,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 30,000 businesses established is UGX 5.2 billion

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 221,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 50,000 businesses established is UGX 11.1 billion

20) Photo booth

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 72,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 112 businesses established is UGX 8.1 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 173,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 220 businesses established is UGX 38.3 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 231,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 250 businesses established is UGX 58 million

21) Car Washing Bay

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 107, 695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 560 businesses established is UGX 60.3 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 193,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 3,000 businesses established is UGX 582 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 281,806 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 3,000 businesses established is UGX 845.4 million

22) Flower selling

Cost of compliance(112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 123,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 112 businesses established is UGX 13.9 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 251,494 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 66 businesses established is UGX 16.6 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 399,306 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 39.9 million

23) Decorator

24) Website design

25) Herbal / Local Medicine

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 87,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 2,240 businesses established is UGX 196.4 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 268,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 1,020 businesses established is UGX 274.4 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 431,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 125 businesses established is UGX 54 million

26) Imaging Company

27) Engravers

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 197,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 224 businesses established is UGX 44.3 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 223,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 110 businesses established is UGX 24.6 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 571,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 57.2 million

28) Scrap dealers

Cost of compliance (112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 147,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 224 businesses established is UGX 33.1 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 223,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 220 businesses established is UGX 49.3 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 401,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 40.2 million

29) Event managers

Cost of compliance(112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 147,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 560 businesses established is UGX 82.7 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 323,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 550 businesses established is UGX 178.2 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 801,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 250 businesses established is UGX 200.5 million

30) Catering

31) Private public toilets and bathrooms

Cost of compliance(112 districts and towns)

The estimated cost for a business to comply with this regulation is UGX 77,695 and it takes an estimate of 10 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 7.8 million

Cost of compliance (22 Municipalities)

The estimated cost for a business to comply with this regulation is UGX 193,994 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 150 businesses established is UGX 29.1 million

Cost of Compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 301,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 250 businesses established is UGX 75.5 million

32) Funeral services

33) Private fire fighting

Cost of compliance (KCCA)

The estimated cost for a business to comply with this regulation is UGX 326,395 and it takes an estimate of 5.5 hours of administrative activities. The total compliance cost per year for an estimated 100 businesses established is UGX 32.6 million

34) Car special hire services(KCCA)

Cost of compliance

The estimated cost for a business to comply with this regulation is UGX 551,806 and it takes an estimate of 12.5 hours of administrative activities. The total compliance cost per year for an estimated 2,500 businesses established is UGX 1.4 billion

35) Hawkers

Analysis

The trade licenses for the services enlisted above serve a trade order regulatory purpose.

Recommendation

The above trade licenses be retained.

2. INVENTORY OF BUSINESS LICENSES IN UGANDA

ISSUING AGENCY	LICENSE NAME
TOURISM, HOTEL AND WILDLIFE	
Uganda Tourist Board Tel : +256 414 314 268 email : info@tourism.go.ug Website : www.tourism.go.ug	Class A Wildlife use right
	Class B Wildlife use right
	Class C Wildlife use right
	Class D Wildlife use right
	Class E Wildlife use right
	Class F Wildlife use right
	Environmental Impact Assessment
	Hotel License
	Hotel Manager's License
	Professional Hunters License
	Professional Trappers License
	Tour Facility
	Tourism Development Levy
Travel Agents, Tour operators and Tour guides	
Department of Museum and Monuments Tel : +256 414 314 268 email : info@tourism.go.ug Website : www.tourism.go.ug	Excavation permit
Department of Industry and Technology Tel: +256 414 314 268 email: info@tourism.go.ug website: www.tourism.go.ug	Certificate of approval
Tourism, Wildlife and Heritage Tel: +256 414 314 268 email: info@tourism.go.ug website: www.tourism.go.ug	Tourist Agent License
	Export and import permits (Trophy, live animals, meat, plant parts and other specimen e.g. blood, hair, urine for endangered species)
TRADE (IMPORT AND EXPORT) AND COPERATIVES	
Uganda Registration Services Bureau (Intellectual property) Tel : +256 414 258 818 Website : www.ursb.go.ug	Trademark registration
	Certification of trademarks
	Patent registration
	Compulsory licenses
	License contracts
	Utility certificates
	ARIPO patents
	Non-exclusive license
	Certificate of registration
	User license
	Collecting societies registration certificate
	Copyright by virtue of nationality or residence
	Copyright by reference to country of first publication
	Copyright in works of government and international bodies
	Copyright in a literary musical or artistic work
Copyright in a cinematograph film	

	Copyright in a gramophone record
	Copyright in a broadcast
	License of right
Uganda Registration Services Bureau (Business Registration) ALL SECTORS Tel: +256 414 258 819 Website: www.ursb.go.ug	Reservation of name
	Registration of the memorandum and articles of association
	Declaration of compliance
	Certificate of incorporation
	Register of directors and secretaries
	Return of allotment
	Notification of registered office of a company
	Annual return
	Registration of a company incorporated outside Uganda
	Registration of a prospectus
	Statement in lieu of prospectus
	Registration of resolutions
	Registration of charges
	Statement of nominal capital
Registrar of cooperative societies Tel : +256 41314000 Website : www.mtic.go.ug	Contributory provident fund approval
	Investment of funds approval
	Primary society registration
	Probationary society registration
	Registering amendment of bylaws
Uganda Export Promotions Board Tel : +256 41314000 Website : www.mtic.go.ug	Registration of Charges
	Membership Registration Certificate
	Preferential Certificate of Origin
Uganda National Bureau of Standards Tel : +256-414-505995Toll free: 0800133133 email : info@unbs.go.ug	Levy on Designated Exports
	Standard mark certificate
	Quality mark
Ministry of trade, Industry and Cooperatives Tel : +256 41314000 Website : www.mtic.go.ug	Voluntary certification (various)
	Auction liquor license
	Bar License
	Casual brewing native liquor license
	Club liquor license
	Entertainment license
	Hours of sale of liquor
	Native liquor brewing license
	Native liquor shop license
	Night club liquor license
	Off license
	Refined spirits license
	Ship and Train license
	Special liquor license
	Spirituous liquor license
	Temporary disposal license-liquor
	Temporary extension liquor license
Temporary liquor license	
Temporary native liquor license	

	Temporary transfer liquor license
	Wholesale liquor license
	Travelers' bar license
	Hire purchase business license
Uganda Investment Authority Tel : +256-414-301000 email : info@ugandainvest.go.ug Website : www.ugandainvest.go.ug	Investment License
	Certificate of remittance
	Entry Permit
	Trade License
	Certificate of Incentives
	Registration of Agreement for the Transfer of Foreign Technology or Expertise
	Certificate of Approval to Externalize Funds
Uganda Revenue Authority Tel : 0417444602 Toll free: 0800117000 email : info@ura.go.ug Website : www.ura.go.ug	Boarding Station Permit
	Certificate of Clearance
	Grant of Transire
	Authorization to export goods for outward processing
	Customs agency license
	External Trade (Importation) License
	External Trade (Exportation) License
	Visa
	Certificate of Origin
	Bonded warehouse/manufacture under bond license
	Transit goods licence-licence for vehicles conveying goods under customs
Uganda Commodities Exchange Tel : +256 312 262922 email : uce@uce.co.ug Website : www.uce.co.ug	Commodity Grader/Commodity Weigher/Commodity Sampler License
	Ware House Keeper License
MANUFACTURING (PROCESSORS, SMALL SCALE INDUSTRIES, ARTS AND CRAFTS)	
Industrial licensing Board Tel: +256-414 314 268/0414 314 000 Website: www.mtic.go.ug	Industrial license
Ministry of Trade Industry and Cooperatives Tel: +256-414 314 268/0414 314 000 Website: www.mtic.go.ug	Certificate of registration of a work place
	Approval of construction
	Notification of use of mechanical power
	Notification of use of a hoist or lift
	Certificate of examination of steam boiler
	Report of examination of a steam receiver
	Report of examination of an air receiver
	Certificate of exemption
ENERGY, MINING, OIL AND GAS	
Atomic Energy Council Tel : +256 485660636/9 Mob: +256-772449848 email : admin@atomiccouncil.go.ug Website : www.atomiccouncil.go.ug	License to possess or use radioactive materials or devices
	License to sell, loan or deal with radioactive material or radiation devices
	License to dispose of radioactive material
	License to import/export radioactive material or devices

	License authorizing administration of ionizing radiation to persons
	Certificate of compliance/acceptance for a building
	License authorizing an engineer or technician to install, service or maintain irradiation device or radioactive material
	Radiation premises license
	Certificate of compliance/acceptance of a new modified radiation device or radiation premises
	Permit to transport radio-active materials
Department of Geological Survey and Mines Tel : +256-414-320-656 +256-312-262-902 email : dgsm@minerals.go.ug Website : www.uganda-mining.go.ug	Prospecting license
	Exploration license
	Retention license
	Mining lease
	Location license
	Mineral dealers license
	Goldsmith's license
	Permit to export minerals
	Permit to import minerals
	Environment impact assessment/Environmental audits
Electricity Regulatory Authority Tel : +256 41 341852/646, +256 312 260166 email : info@era.or.ug Website : www.era.or.ug	Generation license
	Transmission license
	Distribution license
	Sale license
	Export license
	Import license
	Permit to practice as an installations person(Class A/Class B/Class C/Class D/Class Z)
	Certificate of exemption
	Generation levy
Petroleum Exploration and production department Tel : +256 414 320714 email: communications@petroleum.go.ug Website: www.petroleum.go.ug	Reconnaissance Permit
	Petroleum Exploration License
	Petroleum Production License
	License for Placement and Operation of a Facility
	Permit to Operate a Drill Rig
	Approval to Drill a Well
	Production Permit
Petroleum Supply Department	Petroleum construction permit

Tel : +256 414 311 111 Website : www.energyandminerals.go.ug	Petroleum operating license
	Container license
	Underground tank license
	Bulk storage license
	License for conveyance in tank wagon or tank trailer
	License for conveying more than 1,000 gallons in vehicle other than tank wagon or tank trailer
AGRICULTURE (FORESTRY, FISHERIES, PRODUCERS, PROCESSORS)	
Cotton Development Organization Tel : +256-41-232968 / 259538 email : engineer@cdouga.org Website: www.cdouga.org	Registration for dealing in cotton seed
	Ginnery registration license
	Registration for exporting lint
Dairy Development Authority Tel : +256 414-343901/3 Website : www.dda.or.ug	Registration certificate for a company controlling a store used or intended to be used for storage of milk and milk products
	License for cooler operators
	License for freezer operators
	Permit for milk transporters
	Importers and exporters of dairy equipment
	Importers and exporters of milk and milk products
	Importers and exporters of starter culture and stabilizers
	Large processor of milk and milk products
Small scale processors	
Local Governments	License for Premises to be used as a dairy
	Permit for milk sellers and persons delivering milk
Department of Fisheries Tel : +256 414 531411 email : ps@agriculture.go.ug Website : www.agriculture.go.ug	Fishing vessel license-large water bodies
	Fishing vessel license-small water bodies
	Fishing vessel license-swamps, rivers and dams
	Fishing vessel license for non citizen
	Angling license
	Fish processing control fees (license) for fish processing factories
	License for marketing, purchase and sale of fish
	Approval of aquaculture establishment
	Fish seed production certificate
	Fish breeding permit
	Certificate for importation of live fish into Uganda
	Fish transfer permit
	Certificate for aquaculture inputs (fish seed, fertilizers, hormones and antibiotics)
	Risk assessment/approval of products and technology
Registration of beach management unit	

	Fish sanitary certificate
	Authorization for the importation of fish and fish products
	License for fisher or dealer in fish
	Approval of authorized landing sites
	Approval of independent ice suppliers to fish industry
	Fish movement permit
	License for the manufacture, sale and importation of fishing appliances
	Fishing control permits-citizen
	License for containerized vessels carrying fish (5-10 tonnes)
	License for containerized vessels carrying fish (over 10 tonnes)
	License for containerized vessels carrying fish (under 5 tonnes)
	License for trucks carrying fish (5-10 tonnes)
	License for trucks carrying fish (5 tonnes)
	License for trucks carrying fish (over 10 tonnes)
	License to engage in artisanal processing of fish or for fish mongers
	License to engage in large scale artisanal fish processing of fish MAWs
	License to fishnet manufacturing factories/importer
	License to transport; By products and processed fish (dried/smoked)
	Permit for boat builders/local gear makers/repairs
	Recreational fishing permit
MAAIF Livestock Commissioners Tel : +256 414 531411 email: ps@agriculture.go.ug Website : www.agriculture.go.ug	International veterinary health certificate for animal products
	International veterinary health certificate for live animals
	Interstate movement permit for dogs and cats
	Cattle traders permit
	Cattle export license
	Registration of agricultural chemical
	Registration of fumigator of agricultural chemical or commercial applicator
Uganda Coffee Development Authority Tel : + 256-41-256940/233073 Website : www.ugandacoffee.org	Export license
	International coffee organization certificate
	Processor license (1 huller)
	Processor license (2 huller)
	Processor license (3 huller)
	Processor license (4 huller)
	Quality certificate
	Coffee buyers license
	Transport permit
	Registration for international marketing
Department of Livestock and Entomology Tel : +256 414 531411	Buyer's license-hides and skins
	Export-buyer's license-hides and skins

email : ps@agriculture.go.ug Website : www.agriculture.go.ug	Movement permit-hides and skins
	Permit to export in any manner or place
	Veterinary health certificate
	Returns to regional commissioner of customs and excise
National Animal Genetic Resources Centre and Data Bank Tel : +256 414 531411	License to import or export animal breeds
	Registration of animal genetic resources and related activities
Local Governments	License for premises to be used as a dairy
	Permit for milk sellers and persons delivering milk
	Permission to Slaughter animals
	Permission in writing to bring animals slaughtered to town for sale
	License for premises to be used as butcheries
MAAIF Tel : +256 414 531411 email : ps@agriculture.go.ug Website : www.agriculture.go.ug	Sugar export license
	Declaration of tobacco growing area
	Registration of tobacco grower
	Authorization for distribution of tobacco seed
	Tobacco buying license
	Registration of tobacco activity (buying, processing, operating a factory in which tobacco is processed, controlling a store used for storing tobacco, sponsoring the growing of tobacco)
	Registration of premises
	Consent to export tobacco
HEALTH	
Medical and Dental Practitioners Council Tel : +256-414-340874 /231563 /9 email : info@health.go.ug Website : www.health.go.ug	Annual practicing license
	Certificate of good standing
	Temporary registration
	Special license
	Continuing medical education certificate
	Full registration certificate
	Provisional registration
	Health unit operating license fee for any new in patient health unit
	Period inspection for registered min patient health unit up to 200 beds
	Registration fee for new health unit (I/P and O/P)
	Health unit operating license (3 above 500 beds) city
	Health unit operating license (4 above but 51-200 beds) trading centre
	Health unit operating license in patient health units (city)
	Health unit operating license (day care clinic) city
Health unit operating license day care clinic (city)	

Health unit operating license (day care clinic) municipality
Health unit operating license day care clinic (municipality)
Health unit operating license (3 above 500 beds) municipal
Health unit operating license (3 above 500 beds) rural
Health unit operating license (3 above 500 beds) trading
Health unit operating license (3 above but 201-500 beds) city
Health unit operating license (3 above but 201-500 beds) municipal
Health unit operating license (3 above but 201-500 beds) rural
Health unit operating license (3 above but 201-500 beds) trading centre
Health unit operating license (3 above but 51-200 beds) city
Health unit operating license (3 above but 51-200 beds) rural
Health unit operating license (3 above but 51-200 beds) trading centre
Health unit operating license (3 above but 51-200 beds) municipal
Health unit operating license (4 above 500 beds) city
Health unit operating license (4 above but 201-500 beds) city
Health unit operating license (4 above but 201-500 beds) municipal
Health unit operating license (4 above but 201-500 beds) rural
Health unit operating license (4 above but 201-500 beds) trading centre
Health unit operating license (4 above but 51-200 beds) city
Health unit operating license (4 above but 51-200 beds) municipal
Health unit operating license (4 above but 51-200 beds) rural
Health unit operating license day care clinic (rural)
Health unit operating license (day care clinic) rural
Health unit operating license in patient health units (municipality)
Health unit operating license day care clinic (trading centre)
Health unit operating license (day care clinic) trading centre
Health unit operating license in patient health units (trading centre)
Health unit operating license in patient private health units (1-10) city

	Health unit operating license in patient private health units (1-10) rural
	Health unit operating license in patient private health units (1-10) trading centre
	Health unit operating license in patient private health units (11-20) municipal
	Health unit operating license in patient private health units (11-20) rural
	Health unit operating license in patient private health units (11-20) trading centre
	Health unit operating license in patient private health units (21-50) city
	Health unit operating license in patient private health units (21-50) municipal
	Health unit operating license in patient private health units (21-50) trading centre
	Health unit operating license period inspection above 200 beds
	Health unit operating license school clinic (city)
	Health unit operating license school clinic (municipality)
	Health unit operating license school clinic (rural)
	Health unit operating license school clinic (trading centre)
	Health unit operating license in patient health units (rural)
	Health unit operating license in patient private health units (1-10) municipal
	Health unit operating license in patient private health units (11-20) city
	Health unit operating license in patient private health units (21-50) rural
National Drug Authority Tel : +256 41 255665 / 347391/2 email : ndaug@nda.or.ug Website : www.nda.or.ug	Export license
	Approval of drugs and drug combinations
	Authorization to import drugs not on the national formulary
	Certificate of suitability of premises
	Import license
	Licensed person license
	Licensed sellers license
	Permission to cultivate plants yielding narcotics
	Return of details of pharmacy business
	Wholesale dealer license
Allied Health Professionals Act Tel : +256 41 4345688 email : info@ahpc.ug alliedhealthprofessionalscouncil@yahoo.com Website : www.ahpc.ug	Annual practicing license
	License to operate a private allied health unit (city and municipality)
	License to operate a private allied health unit (town and rural)
	Professional registration certificate
Nurses and Midwives Council Tel : +256 312 - 290 327 email : unmcouncil@yahoo.com Website : www.unmc.ug	Registration of maternity homes
	Registration of private nursing health unit
	Special license-nurse's health unit
	Registration of nurse or midwife

	Practicing certificate
	License to engage in private practice
	Letter of competence
Pharmaceutical Society of Uganda Tel: +256 414348796, 0414 340385 email: psupc@psu.or.ug Website: www.psu.or.ug/	Certificate of registration-Pharmacist
EDUCATION AND SPORTS, SKILLS DEVELOPMENT, SCIENCE AND TECHNOLOGY	
Ministry of Education - Private Schools and Infrastructure Development Tel : +256-41-234451/4 email : pro@education.go.ug Website : www.education.go.ug	Provisional permit to operate a new school
	Classification of private school
	Permit to re-open institution
	Change of ownership of school approval
	Notification of closure by owner
	Teacher registration
National Council of Higher Education Tel : +256-41-234451/4 email : pro@education.go.ug Website : www.education.go.ug	Permit for the letter of interim Authority
	Provisional license-University
	Grant of charter and accreditation
	Permit to establish constituent colleges and affiliation to a private university
	Provisional license-Tertiary
	Grant of certificate of classification and registration
	Accreditation of institutions and their academic and professional programmes
	Change of name of institution
Reservation of name	
LOCAL GOVERNMENT	
Ministry of Local Government Tel : +256-414-341224 email : ps@molg.go.ug Website : www.molg.go.ug	Gaming and pool betting
	Foreign exchange bureau-Grade II
	Food permit
	Street parking
	Outdoor advertisement
	Fish license
	Library fee
	Lorries and trucks
	Passport fee
	Refuse fees
	Market fees
	Hotel tax
	Local service tax
	The enguli license
	Jaggery license
	Stage plays and public entertainment
	Taxi parks
	Hawking permit
	Trading license-Agencies-Grade I
	Trading license-Agencies-Grade II
Trading license-Apartment-Grade I	
Trading license-Apartment-Grade II	
Trading license-ATM Machines-Grade I	

Trading license-ATM Machines-Grade II
Trading license-Auctioneers/bailiffs/court brokers-Grade I
Trading license-Auctioneers/bailiffs/court brokers-Grade II
Trading license-Auditors / Accountants /Tax consultants-Grade I
Trading license-Auditors / Accountants /Tax consultants-Grade II
Trading license-Bakery-Grade I
Trading license-Bakery-Grade II
Trading license-Banks-Grade I
Trading license-Banks-Grade II
Trading license-Bar/pub/inn-Grade I
Trading license-Bar/pub/inn-Grade II
Trading license-Boutique/beauty salon-Grade I
Trading license-Boutique/beauty salon-Grade II
Trading license-Brick/Block/Concrete products workshop-Grade I
Trading license-Brick/Block/Concrete products workshop-Grade II
Trading license-Business consultants-Grade I
Trading license-Business consultants-GradeII
Trading license-Butchery-Grade I
Trading license-Butchery-Grade II
Trading license-Car special hire services-Grade I
Trading license-Car special hire services-Grade II
Trading license-Car washing bay-Grade I
Trading license-Car washing bay-Grade II
Trading license-Casino-Grade I
Trading license-Casino-Grade II
Trading license-Catering business-Grade I
Trading license-Catering business-Grade II
Trading license-Cleaning services firm- Grade I
Trading license-Cleaning services firm- Grade II
Trading license-Clearing and forwarding- Grade I
Trading license-Clearing and forwarding- Grade II
Trading license-Clinics-Grade I
Trading license-Clinics-Grade II
Trading license-Commission agent-Grade I
Trading license-Commission agent-Grade II
Trading license-Construction company- Grade I
Trading license-Construction company-Grade II
Trading license-Cottage industry-Grade I
Trading license-Cottage industry-Grade II
Trading license-Day care centre-Grade I
Trading license-Day care centre-Grade II
Trading license-Decorators-Grade I
Trading license-Decorators-Grade II
Trading license-Dobi-Grade I
Trading license-Dobi-Grade II
Trading license-Driving school-Grade I

	Trading license-Driving school-Grade II
	Trading license-Drug store-Grade I
	Trading license-Drug store-Grade II
	Trading license-Dry cleaner (large)-Grade I
	Trading license-Dry cleaner (large)-Grade II
	Trading license-Duplicate license fee-Grade I
	Trading license-Duplicate license fee-GradeII
	Trading license-Eating house-Grade I
	Trading license-Eating house-Grade II
	Trading license-Engravers-Grade I
	Trading license-Engravers-Grade II
	Trading license-Entertainment venue/ theatre/ disco/hall/video hall-Grade I
	Trading license-Entertainment venue/ theatre/ disco/hall/video hall-Grade II
	Trading license-Events management companies- Grade I
	Trading license-Events management companies- Grade II
	Trading license-Events managers-Grade I
	Trading license-Events managers-Grade II
	Trading license-Flower selling(flорist)-Grade I
	Trading license-Flower selling(flорist)-GradeII
	Trading license-Foreign exchange bureau-Grade I
	Trading license-fumigation firms-Grade I
	Trading license-fumigation firms-Grade II
	Trading license-funeral services-Grade I
	Trading license-funeral services-Grade II
	Trading license-Garbage collectors-Grade I
	Trading license-Garbage collectors-Grade II
	Trading license-Grinding mills-Grade I
	Trading license-Grinding mills-Grade II
	Trading license-Grocery-Grade I
	Trading license-Grocery-Grade II
	Trading license-Guest house-Grade I
	Trading license-Guest house-Grade II
	Trading license-Hawkers-Grade I
	Trading license-Hawkers-Grade II
	Trading license-Herbal/local medicine-Grade I
	Trading license-Herbal/local medicine-GradeII
	Trading license-Hostel(less than 50 rooms)-Grade I
	Trading license-Hostel(less than 50 rooms)-Grade II
	Trading license-Hostel(100 rooms or more)-Grade I
	Trading license-Hostel(100 rooms or more)-Grade II
	Trading license-Hostel(more than 50 rooms but less than 100)-Grade I
	Trading license-Hostel(more than 50 rooms but less than 100)-Grade II

	Trading license-Hotel business(hotel with 3 stars and above)-Grade I
	Trading license-Hotel business(hotel with 3 stars and above)-Grade II
	Trading license-Hotel business(hotel with less than 3 stars)-Grade I
	Trading license-Hotel business(hotel with less than 3 stars)-Grade II
	Trading license-Imaging company-Grade I
	Trading license-Imaging company-Grade II
	Trading license-Insurance company-Grade I
	Trading license-Insurance company-Grade II
	Trading license-Internet cafe-Grade I
	Trading license-Internet cafe-Grade II
	Trading license-Investigation-Grade I
	Trading license-Investigation-Grade II
	Trading license-IT solutions-Grade I
	Trading license-IT solutions-Grade II
	Trading license-Kiosk-Grade I
	Trading license-Kiosk-Grade II
	Trading license-legal firms-Grade I
	Trading license-legal firms-Grade II
	Trading license-Lodges(20 rooms and above)-Grade I
	Trading license-Lodges(20 rooms and above)-Grade II
	Trading license-Lodges(less than 20 rooms)-Grade I
	Trading license-Lodges(less than 20 rooms)-Grade II
	Trading license-lottery-Grade I
	Trading license-lottery-Grade II
	Trading license-Manufacturers-Grade I
	Trading license-Manufacturers-Grade II
	Trading license-Maternity home-Grade I
	Trading license-Maternity home-Grade II
	Trading license-Members club-Grade I
	Trading license-Members club-Grade II
	Trading license-Metal workshop-Grade I
	Trading license-Metal workshop-Grade II
	Trading license-Mineral dealers-Grade I
	Trading license-Mineral dealers-Grade II
	Trading license-Mobile network services providers-Grade I
	Trading license-Mobile network services providers-Grade II
	Trading license-Money lending and savings institution-Grade I
	Trading license-Money lending and savings institution-Grade II
	Trading license-Motor cycle/generator repair garage-Grade I
	Trading license-Motor cycle/generator repair garage-Grade II

	Trading license-Motor vehicle garage-Grade I
	Trading license-Motor vehicle garage-Grade II
	Trading license-Night club-Grade I
	Trading license-Night club-Grade II
	Trading license-Nursery school-Grade I
	Trading license-Nursery school-Grade II
	Trading license-Nursing home-Grade I
	Trading license-Nursing home-Grade II
	Trading license-Office-Grade I
	Trading license-Office-Grade II
	Trading license-Other service/repair workshops-Grade I
	Trading license-Other service/repair workshops-Grade II
	Trading license-Pharmacy-Grade I
	Trading license-Pharmacy-Grade II
	Trading license-Photo booth-Grade I
	Trading license-Photo booth-Grade II
	Trading license-Pool table-Grade I
	Trading license-Pool table-Grade II
	Trading license-Power generation-Grade I
	Trading license-Power generation-Grade II
	Trading license-Print and publishing firm-Grade I
	Trading license-Print and publishing firm-Grade II
	Trading license-Private car park-Grade I
	Trading license-Private car park-Grade II
	Trading license-Private distribution-Grade I
	Trading license-Private distribution-Grade II
	Trading license-Private fire fighting-Grade I
	Trading license-Private fire fighting-Grade II
	Trading license-Private hospital-Grade I
	Trading license-Private hospital-Grade II
	Trading license-Private primary school- Grade I
	Trading license-Private primary school- Grade II
	Trading license-Private public toilets and bath rooms-Grade I
	Trading license-Private public toilets and bath rooms-Grade II
	Trading license-Private secondary school-Grade I
	Trading license-Private secondary school-Grade II
	Trading license-Private university-Grade I
	Trading license-Private university-Grade II
	Trading license-Radio station-Grade I
	Trading license-Radio station-Grade II
	Trading license-Restaurant-Grade I
	Trading license-Restaurant-Grade II
	Trading license-Retailers-Grade I
	Trading license-Satellite connection-Grade I
	Trading licence-Satelite connection-Grade II
	Trading license-Scrap dealers-Grade I
	Trading license-Scrap dealers-Grade II
	Trading license-Security firm-Grade I

	Trading license-Security firm-Grade II
	Trading license-Security/investigations companies-Grade I
	Trading license-Security/investigations companies-Grade II
	Trading license-Showroom-Grade I
	Trading license-Showroom-Grade II
	Trading license-Slot machines-Grade I
	Trading license-Slot machines-Grade II
	Trading license-Small cottage industry-Grade I
	Trading license-Small cottage industry-GradeII
	Trading license-Supermarket-Grade I
	Trading license-Supermarket-Grade II
	Trading license-Surveyors/ engineers/ valuers/ architects-Grade I
	Trading license-Surveyors/ engineers/ valuers/ architects-Grade II
	Trading license-Tertiary institution-Grade I
	Trading license-Tertiary institution-Grade II
	Trading license-Transfer of license fee-Grade I
	Trading license-Transfer of license fee-Grade II
	Trading license-Transporters-Grade I
	Trading license-Transporters-Grade II
	Trading license-Travel and tour agent-Grade I
	Trading license-Travel and tour agent-GradeII
	Trading license-Warehouse/depot-Grade I
	Trading license-Warehouse/depot-Grade II
	Trading license-Website designing-Grade I
	Trading license-Website designing-Grade II
	Trading license-Wholesalers-Grade I
	Trading license-Wood workshop-Grade I
WATER, ENVIRONMENT AND SANITATION	
Water, Environment, Sanitation and Forestry Tel : +256 414 505942 email : mwe@mwe.go.ug Website : www.mwe.go.ug	Drilling permit
	Construction permit
	Ground water permit
	Easement certificate
	Hydraulic construction permit
	Surface water permit
	Waste water discharge permit
	Dredging license
	Security for dredging
	Steam vessel license
	License to carry out ecotourism and forest conservation activities (CFR)
	License to carry out research in a central forest reserve (CFR)-foreign students
	License to carry out research in a central forest reserve (CFR)-Ugandan students
	License to cut or take forest produce in a (CFR) central forest reserve
	License to use or work in a central forest reserve

	(CFR)
	Tree farming license in central forest reserve (CFR)
National Environmental Management Authority Tel : +256-414-251064 email : info@nemaug.org Website : www.nemaug.org	Pollution license
	Environmental impact assessment
	License for transportation and storage of waste
	License to own or operate a waste treatment plant or disposal site
	Wetland resource use permit
	License for noise in excess of permissible noise levels
TRANSPORT AND LOGISTICS	
Transport Licensing Board Tel : + 256 414 320 101/9 email : mowt@works.go.ug Website : www.works.go.ug	Basic license
	Contract or temporary contract operators license
	Certificate of insurance
	Country taxicab operator's license
	Exclusive license
	Driving permit
	Learner driving permit
	Driving school license
	Instructor's license
	Motor vehicle license
	Motor vehicle registration
	Dealer's plates and dealer's vehicles license
	Owner's transport vehicle permit (10 tons less than 30 tons)
	Owner's transport vehicle permit (2 tons less than 5 tons)
	Owner's transport vehicle permit (5 tons less than 10 tons)
	Owner's transport vehicle permit (Above 30 tons)
	Owner's transport vehicle permit (Less than 2 tons)
	Permission to suspend an operator's license
	Private motor omnibus operator's license
	Public omnibus operator's license (Public service vehicles-PSV)(Buses 40 passengers and above)
	Public omnibus operator's license (Public service vehicles-PSV)(Country taxi 5-7 passengers)
	Public omnibus operator's license (Public service vehicles-PSV)(M/Buses 20-39 passengers)
	Public omnibus operator's license (Public service vehicles-PSV)(M/Buses 7-19 passengers)
	Rental vehicle operator's license (Public service vehicles-PSV rental and tourist over 40 passengers)
Rental vehicle operator's license (Public service vehicles-PSV rental and tourist 7 passengers)	
Rental vehicle operator's license (Public service vehicles-PSV rental and tourist above 20-40 passengers)	

	Rental vehicle operator's license (Public service vehicles-PSV rental and tourist above 7-20 passengers)
	Tourist agent vehicle operator's license public omnibus operators license (Public service vehicle-PSV) (Rental and tourist over 40 passengers)
	Town taxicab operator's license Public omnibus operator's license (Public service vehicles-PSV)(Rental and town taxi up to 4 passengers)
	Motorcycle (Boda-boda) license
	Inland water transport license
	Inland water transport vehicles (Above 20-50 passengers)
	Inland water transport vehicles (Above 50-100 passengers)
	Inland water transport vehicles (Engines up to 20 passengers)
	Inland water transport vehicle (cars)
	Short term license
	Certificate of registration
	Declaration of eligibility
	Certificate of sea worthiness
	Registration of alteration of vessel
	Provisional certificate where vessel is reregistered
	Re-registration on change of ownership
	Certificate of amendment
	Certificate of deregistration of vessel
	Declaration of transfer
	Registration of transfer
	Transmission of ownership
	Authorization for holder of a foreign certificate of competency
	Certification for rating crew
	Special license
civil Aviation Authority Tel : +256 312/414 352000 email : aviation@caa.co.ug Website : www.caa.co.ug	Aerodrome license
	Aerodrome construction permit
	Aerodromes certification
	Airport security permit
	Regulated agent security programme certification
	Catering operator security programme certification
	Certificate of aircraft registration
	Certificate of airworthiness
	Restricted certificate of airworthiness
	Special flight permit
	Export certificate of airworthiness
	Certificate of fitness for flight
	Approved maintenance programme
	Approved maintenance organization permit
	Noise certificate
Maintenance organization certificate	

	Telecommunications license
	Postal license
FINANCIAL SERVICES	
<p>Bank of Uganda Tel : +256-417-302-000 email : info@bou.or.ug Website : www.bou.or.ug</p>	Certificate of Remittance; Class A(International money transfer agency) Class B(Forex bureau and money remittance) Class C(Direct entrants) Class D(Sub-agency)
	Forex bureau license
	License to transact financial institutions business, commercial bank
	License to transact financial institutions business ,credit institution
	License to transact financial institutions business, merchant bank
	License to transact financial institutions business, mortgage bank
	License to transact financial institutions business, acceptance house
	License to transact financial institutions business, discount house
	License to transact financial institutions business, finance house
	License to transact financial institutions business, post office savings
	Micro finance deposit taking institutions license
<p>Capital Markets Authority Tel : +256 - 414 342 788 / +256 - 312 264950 / 1 email : info@cmauganda.co.ug Website : www.cmauganda.co.ug</p>	Approval of stock exchange
	Brokers/dealers license
	Brokers/dealers representative license
	Investment advisors (fund manager) license
	Investment advisors license
	Investment company with variable capital license

	License renewals for brokers/dealers investment advisers and fund managers
	Unit trust scheme license
	Authorized corporate director license
	Manager unit trust scheme license
	Trustee license
	License to establish and maintain a securities central depository
Insurance Regulatory Authority Tel : ira@ira.go.ug email : 0312-266364/ 0414-346712 / 041-4253564 Website : www.ira.go.ug	Insurance license
	Reinsurance license
	Health insurance license
	Amalgamation license
	Transfer license
	Insurance broker license
	Reinsurance broker license
	Risk manager license
	Loss assessor license
	Insurance surveyor license
Claims settling agent license	
HOUSING DEVELOPMENT, PHYSICAL PLANNING, URBAN DEVELOPMENT	
Ministry of Lands, Housing & Urban Development Tel : +256 414 342931/3 email : mlhud@mlhud.go.ug Website : www.mlhud.go.ug	Building permit
	Demolition certificate
	Hoarding permit
	Occupation permit
	Renovation certificate
	Road cutting permit
LABOUR AND EMPLOYMENT	
Directorate of Citizenship and Immigration Control Tel : +256 41231059 email : info@mia.go.ug Website : www.mia.go.ug	Work permit class B
	Work permit class C-miners
	Work permit class D-business and trade
	Work permit class E-manufacturers
	Work permit class F-professionals
	Work permit class G
	Entry permit
	Insurance for workers compensation
Certificate of permanent residence	
Ministry of Gender, Labour & Social Development Tel : +256 41-253 372 email : ps@mglsd.go.ug Website : www.mglsd.go.ug	Recruitment permit
	Local recruitment permit with in Uganda
	Certificate of license for recruitment of migrant workers
	License of operation to private employment agency (category A)
	License of operation to private employment agency (category B)
	Accreditation
PROFESSIONAL SERVICES	

Engineers Registration Board Tel : +256 414 287 292 email : info@uipe.co.ug Website : www.uipe.co.ug	Engineer registration certificate
	Engineer temporary registration certificate
Institute Certified Public Accountants of Uganda Tel : 041-4540125, 0312-262333, 070-1540125 email : icpau@icpau.co.ug Website : www.icpau.co.ug	Enrolment to ICPA-U
	Registration of a certified public accountant of Uganda(CPA(U))
	Practicing certificate
	License of practice (Associate Accountant of Uganda)
	Approval to audit cooperative societies
	Annual subscription fee
Architects Registration Board Tel : +256-41-423 29 63 email : archuganda@siticable.co.ug Website : www.architectsuganda.org	Registration certificate
	Temporary registration
	Individual Practicing certificate-Architects
	Annual subscription fee
Surveyors Registration Board Tel : +256 414 - 251258 email : isusecretariat@yahoo.com Website : www.surveyorsuganda.com	Registration certificate
	Temporary registration
	Practicing certificate
Uganda Law Society Tel : +256 414 342424 email : uls@uls.or.ug Website : www.uls.or.ug	Admission and enrolment of advocates
	Special practicing certificate
	CLE compliance (identity card Uganda law society)
	CLE compliance (subscription East African society)
	CLE compliance (subscription Uganda Law society)
	Court bailiff license
	Advocates practicing certificate