



**CERTIFICATE
OF
FINANCIAL IMPLICATIONS**

(Made under S.74 (Cap. 171) of the Public Finance Management Act,
2015)

This is to certify that the **ARBITRATION AND CONCILIATION (AMENDMENT) BILL, 2024** has been examined as required under section 74 of the Public Finance Management Act, 2015 (as amended).

I wish to report as follows:

1) Objectives of the Bill

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

The specific objectives of the Bill are:

- i. To enable the mainstreaming and rationalization of the Centre for Arbitration and Dispute Resolution established under the Act into the Ministry responsible for Justice;
- ii. To facilitate efficient and effective service delivery by clearly delineating the mandates and functions of the Ministry in respect to the Centre for Arbitration and Dispute Resolution, thereby avoiding the duplication of mandates and functions;
- iii. To promote coordinated administrative arrangements, policies and procedures for efficient and successful management, financial accounting and budgetary discipline of the Centre for Arbitration and Dispute Resolution, and enable Government to play its proper role more effectively and enforce accountability; and

Mission

*"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources
so as to achieve the most rapid and sustainable economic growth and development"*

- iv. To restructure and re-organise the Centre for Arbitration and Dispute Resolution by eliminating bloated structures and functional ambiguities.

2) Expected Outputs

The functions of Centre for Arbitration and Dispute Resolution established under the Act will be mainstreamed into the Ministry responsible for Justice. The Centre for Arbitration and Dispute Resolution will be abolished as a corporate entity and re-established as a department in the Ministry responsible for Justice.

3) Funding and Budgetary Implications

Government has not been directly funding the Centre for Arbitration and Dispute Resolution, therefore, mainstreaming the functions under the Ministry of Justice and Constitutional Affairs will not create additional costs given that this function will be absorbed within the existing structure of Ministry of Justice to handle its activities.

4) Expected savings and/or Revenue to Government.

There will be no envisaged savings to Government from mainstreaming of the functions of Centre for Arbitration and Dispute Resolution established under the Act into the Ministry responsible for Justice since Government has not been providing funds directly for this Bill.

5) Impact to the Economy

Formalizing and mainstreaming the functions of the Centre for Arbitration and Dispute Resolution will enhance efficiency in the Justice Value Chain, ensuring access and reduced costs and quicker resolution of disputes. This will in turn release the economic value of cases that are currently held up in Courts of Law.

Submitted under my hand this 24th day of September, 2024.

Matia Kasaija (MP)

MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT

Received by:

Date:

24th September, 2024

Mission

"To formulate sound economic policies, maximize revenue mobilization, ensure efficient allocation and accountability for public resources so as to achieve the most rapid and sustainable economic growth and development"