



## 1.0 INTRODUCTION

The Traffic and Road Safety (Amendment) Bill, 2026 was read for the first time on Wednesday, 1<sup>st</sup> April 2026 by the State Minister for Finance, Planning and Economic Development (General Duties). The Minister also laid a certificate of financial implications indicating that the expected revenue loss is UGX 19 billion in FY 2026/27.

The Committee scrutinised the Bill in accordance with Rule 135 (2), (3) and (4) of the Rules of Procedure and now begs to report.

## 2.0 OBJECT OF THE BILL

The object of the Bill is to amend the Traffic and Road Safety Act, Cap. 347 to;

- i. prohibit the importation of motor vehicles that are more than **thirteen years** old from the year of manufacture;
- ii. revise the environment levy applicable on imported vehicles; and
- iii. exempt motor vehicles in transit before commencement of the Act and which will arrive in Uganda by 31<sup>st</sup> December, 2026 from application of the proposed amendment.

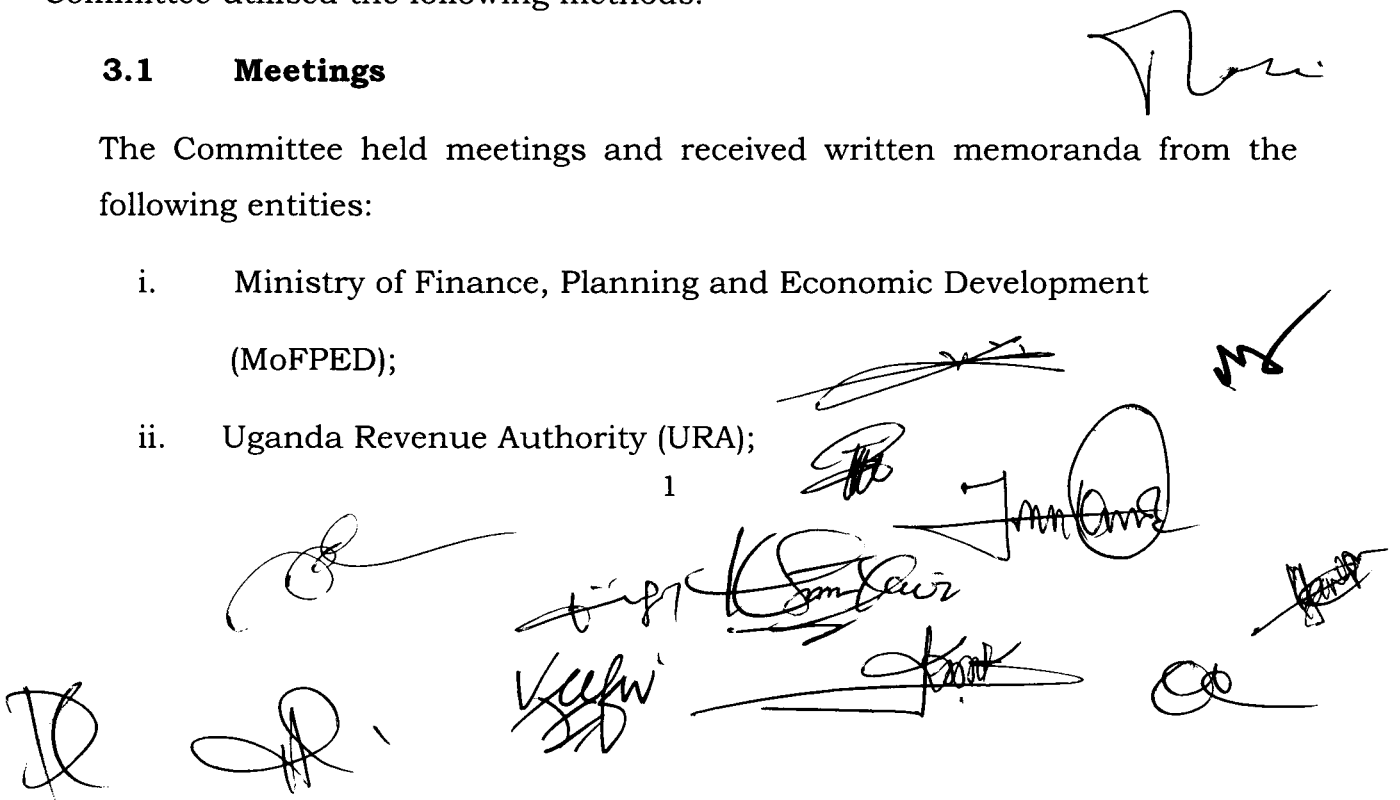
## 3.0 METHODOLOGY

While considering the Traffic and Road Safety (Amendment) Bill, 2026, the Committee utilised the following methods:

### 3.1 Meetings

The Committee held meetings and received written memoranda from the following entities:

- i. Ministry of Finance, Planning and Economic Development (MoFPED);
- ii. Uganda Revenue Authority (URA);



- iii. PricewaterhouseCoopers (PwC);
- iv. Institute of Certified Public Accountants of Uganda (CPA-U);
- v. Private Sector Foundation Uganda (PSFU);
- vi. Uganda Manufacturers Association (UMA);
- vii. Tax Justice Alliance Uganda;
- viii. Civil Society Budget Advocacy Group(CSBAG); and
- ix. Kampala City Traders Association (KACITA) Uganda.

### **3.2 Document review**

The Committee reviewed and made reference to the following documents:

- i. The Traffic and Road Safety Act, Cap. 347; and
- ii. The Traffic and Road Safety (Amendment) Bill, 2026 – Explanatory Notes from the MoFPED.

## **4.0 COMMITTEE OBSERVATIONS AND RECOMMENDATIONS**

### **4.1 Commencement and application**

Clause 1 provides for the commencement date for the Act as 1<sup>st</sup> July 2026. Clause 1(2) exempts the application of the Act on motor vehicles which are in transit before 1<sup>st</sup> July 2026 and which will arrive in the country by 31<sup>st</sup> December 2026. This provision means that where a vehicle was in transit before 1<sup>st</sup> July 2026, it must arrive in the country by 31<sup>st</sup> December 2026 in order for the tax payer to benefit from the exemption. Notwithstanding the fact that the vehicle was in transit before

The bottom of the page contains several handwritten signatures and initials in black ink. There are approximately ten distinct marks, including a large signature on the left, a signature in the center, and several smaller initials and signatures on the right. The signatures are written in a cursive, somewhat stylized script.

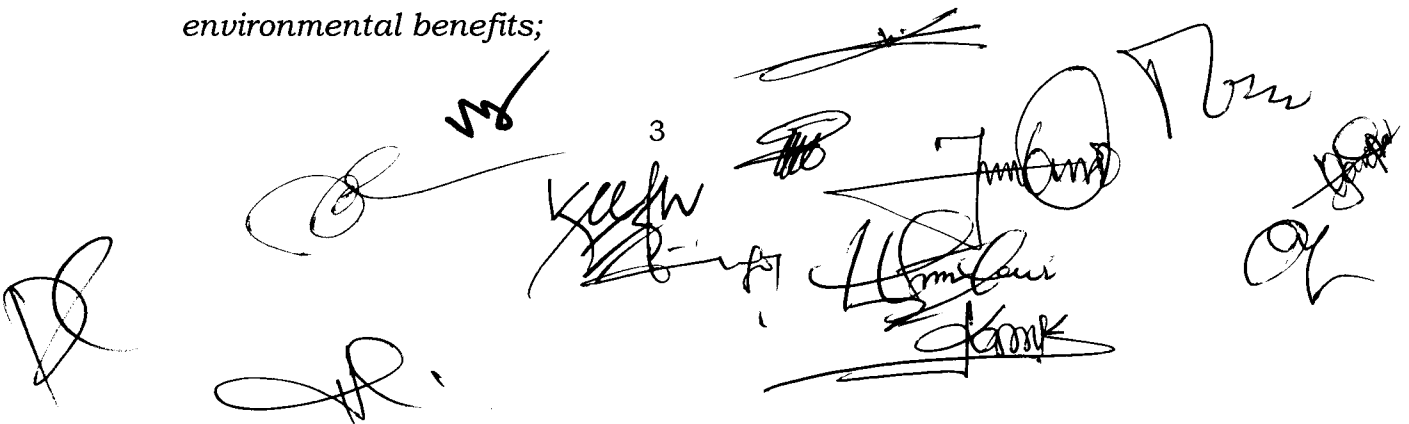
1<sup>st</sup> July 2026, in case it arrives in the country after 31<sup>st</sup> December 2026, it will be subjected to the tax.

Clause 2 of the Bill proposes to amend Section 15 of the Traffic and Road Safety Act to prohibit the importation of motor vehicles which are thirteen years old or more from the year of manufacture. Initially, the prohibition was for motor vehicles which were fifteen years old or more from the year of manufacture. This means that if the proposal is adopted, a motor vehicle can only be imported into Uganda if it is thirteen years old or less from the year of manufacture.

According to the Finance Ministry, the purpose of this amendment is to address environmental and economic concerns. Older vehicles are generally less fuel efficient and produce higher emissions, which contribute to air pollution and environmental degradation. In addition, older vehicles tend to require frequent repairs and replacement of spare parts. This increases demand for imported parts, placing pressure on foreign exchange. By limiting the importation of older vehicles, the measure encourages the use of newer, more efficient cars. This is expected to reduce pollution, improve fuel efficiency, and lower long term maintenance costs.

*The Committee observed that;*

- i. *not all older vehicles cause pollution. Many used vehicles imported into Uganda from Japan and other regulated markets undergo pre-export inspection and are well maintained. Actual emissions depend on other factors such as proper maintenance of the vehicles, installation of emission controls than on age alone. Blanket age based prohibitions overlook these realities and may not deliver the intended environmental benefits;*



The bottom of the page contains several handwritten signatures and initials in black ink. There are approximately ten distinct marks, including a large stylized 'D', a signature that looks like 'J.R.', a signature with '3' above it, and several other illegible signatures and initials.

- ii. majority of Ugandans rely on affordable and used vehicles for personal and commercial mobility, reducing the age limit to thirteen years will significantly increase the average price of imported vehicles making personal transport less accessible to middle and low income households;
- iii. although Government has invested in vehicle inspection facilities, little has been done to inspect vehicles already in use in the country. Government should focus efforts on ensuring these vehicles are not degrading the environment through regular inspections;
- iv. Government should undertake the accreditation of mechanical garages to ensure that they have the expertise to maintain vehicles in proper condition; and
- v. Uganda lacks affordable new vehicle financing and adequate public transport alternatives.

**The Committee recommends that:**

- i. **Government should undertake compulsory annual inspection for private vehicles and bi-annual inspection for commercial vehicles to ascertain their roadworthiness and ensure the reduction of emission levels; and**
- ii. **Clause 1(2) and 2 of the Bill be deleted and the cap of 15 years be maintained.**

The bottom of the page contains several handwritten signatures and initials. On the left, there is a large, stylized signature. In the center, there is a signature with the number '4' written below it. To the right, there is a large signature that appears to be 'Jonathan Nuru'. Below this, there are several other signatures, some of which are crossed out with a horizontal line. The signatures are written in black ink on a white background.

## 4.2 Environmental levy

Clause 3 of the Bill seeks to amend Schedule 3 of the Traffic and Road Safety Act Cap.347. The legal implication of the proposed amendment is that the importation of a motor vehicle which is;

- i. nine years old or more from the year of manufacture will attract an environmental levy of 20% of the CIF value;
- ii. ten years old or more from the year of manufacture will attract an environmental levy of 30% of the CIF value;
- iii. eleven years old or more from the year of manufacture will attract an environmental levy of 40% of the CIF value; while
- iv. twelve years or more from the year of manufacture will attract an environmental levy of 50% of the CIF value.

The Committee was informed by MoFPED that the purpose of this graduated structure is to discourage the importation of older vehicles by making them more expensive. It encourages importers to bring in newer and more environmentally friendly vehicles and also enhance revenue collection. Overall, the amendment supports environmental protection and promotes the use of newer, more efficient vehicles.

*The Committee observed that:*

- i. the current provision under the principal Act provides for 50% of the CIF value for a motor vehicle which is nine years old or more from the year of manufacture.*
- ii. road worthiness and mileage matter more than age alone for environmental conservation. Imported vehicles of nine years or more as provided for in the current law can often have significantly lower mileage and are in a better overall condition with intact emission control systems compared to many vehicles on the*

Ugandan roads that suffer poor maintenance. Emissions are driven primarily by inadequate servicing rather than chronological age;

iii. penalising importation of vehicles solely on age overlooks these well maintained lower mileage units which many emit less than poorly maintained local vehicles;

iv. high levies of up to 50% of CIF value will substantially increase vehicle costs pushing importers and buyers towards smaller engine vehicles to minimize heavy taxes; and

v. with limited reliable public transport options, Ugandans rely on private vehicles, the proposal will affect affordability of these vehicles.

**The Committee recommends that Clause 3 be adopted with a proposed amendment to item (b)(iv) by including vehicles which are twelve to fifteen years from the year of manufacture.**

## 5.0 CONCLUSION

The Traffic and Road Safety (Amendment) Bill, 2026 be passed subject to the proposed amendments.



**PROPOSED AMENDMENTS TO THE TRAFFIC AND ROAD SAFETY  
(AMENDMENT) BILL, 2026**

**CLAUSE 1 - COMMENCEMENT AND APPLICATION**

Clause 1 is amended –

- (a) in the head note by deleting the words “and application”.
- (b) by deleting sub clause (2).

**Justification**

To maintain the cap for importation of motor vehicles at fifteen years old from the year of manufacture.

**CLAUSE 2 - AMENDMENT OF CAP. 347**

Delete clause 2.

**Justification**

To maintain the cap for importation of motor vehicles at fifteen years old from the year of manufacture as opposed to the proposed thirteen years old from the year of manufacture.

**CLAUSE 3 - AMENDMENT OF SCHEDULE 3 TO PRINCIPAL ACT**

Clause 3 is amended in item (b) by substituting for (iv) the following-

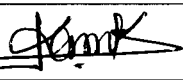
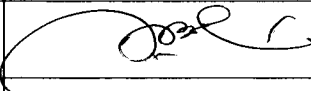
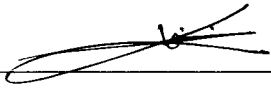
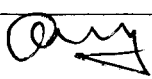
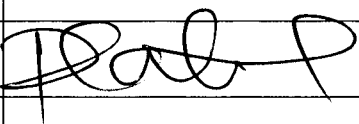
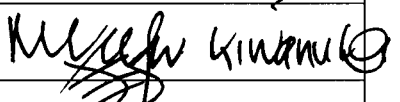

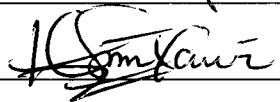
**“twelve, thirteen or fourteen years old from the year of  
manufacture; excluding goods vehicles; and”**

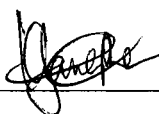

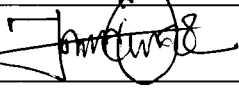
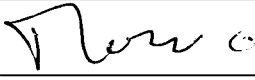
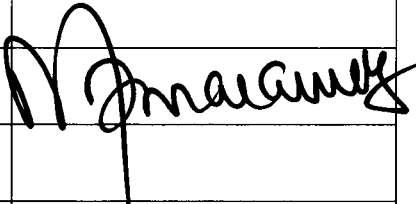
**Justification**


It is a consequential amendment following the deletion of clause 2.

The bottom of the page contains several handwritten signatures and initials in black ink. On the left, there is a large, stylized signature. In the center, there are several smaller signatures, some with horizontal lines underneath. On the right, there is a signature that looks like 'Nani' and another one that looks like 'Ay'. There are also some initials and scribbles scattered throughout the bottom section.

**ENDORSEMENT OF THE REPORT ON THE TRAFFIC AND ROAD SAFETY  
(AMENDMENT) BILL, 2026**

NO	MEMBER	CONSTITUENCY	SIGNATURE
1	Hon. KANKUNDA AMOS	Rwampara County	
2	Hon. ALEPER MOSES	Chekwii County (Kadam)	
3	Hon. ACIRO PASKA MENYA	District Woman Pader	
4	Hon. ADEKE ANNA EBAJU	District Woman Soroti	
5	Hon. AKOL ANTHONY	Kilak North County	
6	Hon. ASIIMWE ENOS	Kabula County	
7	Hon. ATIM AGNES APEA	District Woman Amolatar	
8	Hon. ATIMA LEE BUTI JACKSON	Arua Central Division	
9	Hon. AVUR PACUTO JANE	District Woman Pakwach	
10	Hon. AYUME CHARLES	Koboko Municipality	
11	Hon. BATARINGAYA BASIL	Kashari North County	
12	Hon. EKANYA GEOFFREY	Tororo North County	
13	Hon. KAMBALE FERIGO	Kasese Municipality	
14	Hon. KATESHUMBWA DICKSONS	Sheema Municipality	
15	Hon. KATWESIGYE KOYEKYENGA OLIVER	District Woman Buhweju	
16	Hon. KINSHABA NKUNDA PATIENCE	District Woman Kanungu	
17	Hon. KIWANUKA KEEFA	Kiboga East County	
18	Hon. KUGONZA EMELY	<del>Bunyia</del> East County	
19	Hon. KYOOMA AKAMPURIRA XAVIER	Ibanda County North	

20	Hon. LUBEGA SSEMPA BASHIR	Mubende Municipality	
21	Hon. MASABA KARIM	Mbale Industrial Division	
22	Hon. MBABAZI JANEPHER KYOMUHENDO	District Woman Kagadi	
23	Hon. MPINDI BUMALI	PWD Representative	
24	Hon. MUWANGA KIVUMBI MUHAMMAD	Butambala County	
25	Hon. NABAGABE KALULE FLAVIA	District Woman Kassanda	
26	Hon. NABUKEERA HANIFA	District Woman Mukono	
27	Hon. NABUKENYA BRENDA	District Woman Luweero	
28	Hon. NAKUT FAITH LORU	District Woman Napak	
29	Hon. NANDALA MAFABI NATHAN	Budadiri County West	
30	Hon. NANGOLI GERALD	Elgon North County	
31	Hon. OCAN PATRICK	Apac Municipality	
32	Hon. OCHAI MAXIMUS	West Budama County North	
33	Hon. OCHWA DAVID	Agule County	
34	Hon. OGWAL MOSES	Dokolo North County	
35	Hon. OKOT JOHN AMOS	Agago North County	
36	Hon. OKOT MOSES JUNIOR	Kioga County	
37	Hon. OMARA PAUL	Otuke County	
38	Hon. OPOLOT ISIAGI PATRICK	Kachumbala County	
39	Hon. SSEMUJJU IBRAHIM	Kira Municipality	
40	Hon. TAYEBWA HERBERT	Kashongi County	

41	Hon. WAMAKUYU MUDIMI IGNATIUS	Elgon County	
42	Hon. WANDA RICHARD	Bungokho Central County	



PARLIAMENT OF UGANDA

# MINORITY REPORT ON THE TRAFFIC AND ROAD TAX (AMENDMENT) BILL, 2026

APRIL, 2026

AAE

## **MINORITY REPORT ON THE TRAFFIC AND ROAD SAFETY (AMENDMENT) BILL, 2026**

Right Honourable Speaker and Honourable Colleagues, we respectfully submit this Minority Report to register our opposition to the Traffic and Road Safety (Amendment) Bill, 2026. In our considered view, the Bill as drafted is deeply flawed and should not be passed unless significant amendments are made.

### **Points of dissent**

1. The Bill proposes to reduce the import age limit for motor vehicles from fifteen to thirteen years, yet offers no convincing evidence that such a measure will meaningfully improve road safety or deliver environmental benefits.
2. The Bill seeks to increase the environmental tax on imported vehicles in a way that disproportionately burdens ordinary citizens, small businesses, transport operators, and those who depend on the used-car market.
3. The Bill will make it more difficult and costly for current owners of older vehicles to repair, maintain, or replace their vehicles, further eroding the livelihoods of those already struggling with economic hardship.
4. The Bill focuses primarily on second-hand vehicles, while other significant environmental challenges, such as plastic pollution, hazardous chemicals, industrial emissions, and untreated wastewater, are left largely unaddressed.
5. The Bill risks undermining the repair economy, the spare parts trade, and the longstanding principle of reuse and refurbishment, all of which are essential to a responsible and sustainable environmental policy.
6. The exemption of goods vehicles calls into question the claim that the Bill is motivated purely by environmental concerns.
7. The Bill, though presented as an environmental measure, appears in substance to be primarily a revenue-raising instrument.

### **Gist of the minority position**

#### **Clause 1: Commencement and application**

Right Hon. Speaker and Honourable Colleagues, this clause sets the commencement date and outlines transitional provisions for vehicles already in transit. While a short adjustment period is permitted, there is no meaningful protection for citizens who already own older vehicles and depend upon them.

Reducing the age limit from fifteen to thirteen years will inevitably restrict access to affordable vehicles. This restriction will be felt most acutely by teachers, traders, transport operators, and families who rely on the second-hand market to meet their transport needs.



AAE

8

W

QJ

W

For many Ugandans, an imported used vehicle is not a luxury but a necessity. It supports small businesses, enables family mobility, and is vital for day-to-day survival. If policy shifts make these vehicles less accessible, the immediate effect will be to exclude teachers, health workers, market vendors, and small business owners from affordable transport. The resulting burden will ripple across the broader economy, increasing costs for goods and services and diminishing economic opportunity.

Transport is central to the functioning of our society. It underpins employment, education, commerce, and access to essential services. When the cost of acquiring and maintaining a vehicle rises, it is the ordinary citizen who suffers first and most, not the state.

### **Clause 2: Amendment of section 15**

This clause reduces the import age limit from fifteen to thirteen years, which will further limit the availability of affordable vehicles and increase pressure on Ugandans who depend on the second-hand market.

Right Hon. Speaker and Honourable Colleagues, imported used cars are neither the only nor the most pressing environmental challenge facing Uganda. Our nation continues to confront serious problems with plastic waste, polythene pollution, hazardous chemicals, industrial emissions, and untreated effluent.

These problems are not abstract. Their effects are visible in our communities: plastic bags block drainage after rainfall, factories discharge polluted water and air, and farmers contend with chemicals that degrade soil and water. These issues directly affect public health, agriculture, flooding, and sanitation. Yet, the Bill singles out used vehicles as if they are the main source of environmental harm.

This approach is difficult to justify. If the government is truly committed to environmental protection, it must act consistently and address all significant threats. Focusing on a single, convenient target while leaving others largely unchecked undermines the credibility of the policy and invites public skepticism.



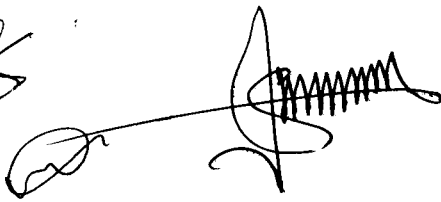

### **Clause 3: Amendment of Schedule 3**

This clause introduces a new environmental tax on imported vehicles, a move that will inevitably increase the cost of transport and place additional financial strain on ordinary citizens.

Although presented as an environmental measure, the principal consequence of the new tax will be higher vehicle prices for buyers, as importers are certain to pass on the cost to consumers.

Dealers in markets such as Kisekka and Nakawa will respond by raising prices, making vehicles that were previously affordable for essential workers and small traders unattainable. In this way, the policy imposes a hidden burden on the public, even as it is presented as environmental reform.

AAE



Such a policy should not be allowed to increase transport costs for citizens already struggling with high fuel prices and living expenses. Calling it an environmental measure risks reducing serious reform to a mere justification for higher taxes.

### **Clause 3: Environmental consistency**

Right Hon. Speaker and Honourable Colleagues, sound environmental policy values the principles of reuse, repair, refurbishment, and extended product life. Many older vehicles can be properly maintained and upgraded, which is often a more responsible environmental choice than premature replacement.

Mechanics, spare parts dealers, and garage workers depend on a steady market for repairable vehicles. Should the Bill further restrict the import and affordability of older vehicles, it will undermine these trades and weaken the culture of repair that supports both livelihoods and sustainability.

Purchasing newer products does not necessarily advance environmental sustainability. In many instances, it encourages waste and consumerism. Extending the lifespan of repairable vehicles is often the more sustainable and economically prudent path.

### **Clause 3: Effect on existing vehicles**

Right Hon. Speaker and Honourable Colleagues, although the Bill does not directly impose new levies on vehicles already in use, its effects will still be borne by current owners. As importing affordable used vehicles becomes more difficult and costly, replacement becomes impractical. Spare parts, too, are likely to become more expensive and harder to find as the market for older models contracts.


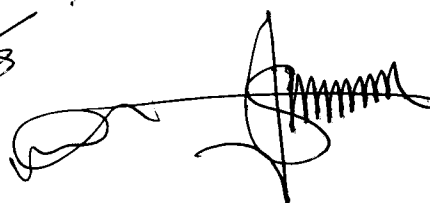


A taxi operator in Wakiso may find that replacement parts have become prohibitively expensive. A small business owner in Jinja may be forced to postpone necessary repairs due to scarcity of parts. A family that would otherwise replace an ageing vehicle with a modestly priced imported car may find themselves compelled to continue using a deteriorating vehicle. These are not hypothetical concerns, but the real burdens that this policy will impose.

Even in the absence of direct taxation, the law will still penalise those who rely on existing vehicles by driving up costs, reducing options, and forcing prolonged use under increasingly challenging conditions.

### **Clause 3: Goods vehicle exemption**

Right Hon. Speaker, the decision to exempt goods vehicles from the levy undermines the Bill's environmental rationale. If vehicle age and environmental impact are truly at issue, then there is no credible reason to exclude goods vehicles, which contribute significantly to emissions and environmental strain.

Trucks and lorries used for goods and construction also contribute to pollution and road wear. Their exclusion from the Bill strongly suggests that the policy is driven by

AAE     


convenience or political considerations, rather than any principled commitment to environmental reform.

This exemption creates a fundamental imbalance: private car owners and ordinary citizens are required to bear the cost, while commercial freight is left untouched. Such a selective approach cannot support the claim of comprehensive environmental reform.

### **Clause 3: Revenue versus reform**

Right Hon. Speaker and Honourable Colleagues, there is a significant concern regarding the Bill's true intent. While it is presented as a measure for environmental protection, its structure most closely resembles a revenue measure, raising costs for older imports, narrowing consumer choice, and increasing government collections.

If the Bill's purpose were genuinely environmental, Parliament would expect a comprehensive and balanced framework. That would include robust emissions testing, strict inspection standards, effective enforcement against plastics, and proper regulation of industrial waste and chemicals. Instead, the Bill appears to target only the most convenient issue, leaving more significant environmental challenges unaddressed.

### **Recommendation**

Right Hon. Speaker and Honourable Colleagues, we are fully supportive of road safety reform and responsible environmental stewardship. However, we cannot support a measure that is so narrowly focused, that places undue burden on ordinary citizens, and that lacks the necessary breadth or enforcement to deliver fair and effective outcomes.

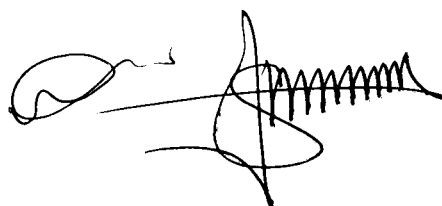
We therefore recommend that the Bill be amended to preserve vehicle affordability, prioritise emissions testing and roadworthiness over arbitrary age restrictions, address pressing concerns such as plastics, hazardous chemicals, and industrial waste, support the repair and spare parts sectors, and ensure that any taxes are fair, consistent, and transparently linked to genuine environmental objectives.

### **Conclusion**


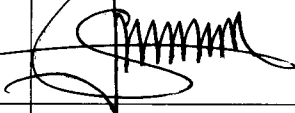


In its current form, the Bill risks placing undue burdens on a broad section of the Ugandan public in the name of environmental reform, while failing to address the conduct of major polluters. It threatens affordability, undermines the culture of repair, and restricts economic mobility. For these reasons, we dissent and respectfully urge the House to make substantial amendments before any passage is considered.



AAE



**MEMBERS OF THE FINANCE COMMITTEE WHO SIGNED THE MINORITY REPORT ON THE  
TRAFFIC AND ROAD SAFETY (AMENDMENT) BILL, 2026**

SN	Name	Signature
1	NABUKEERA HANIFA HUSSEIN	
2	Ssemujju Ibrahim	
	Karim Masaba	
	BRENDA NABUKENYA	
	Adeke Anna Ebaju	AAE
	Eferya f	