
BILLS

SUPPLEMENT No. 1

15th February, 2024

BILLS SUPPLEMENT

to The Uganda Gazette No. 14, Volume CXVII, dated 15th February, 2024

Printed by UPPC, Entebbe, by Order of the Government.

Bill No. 3 *Arbitration and Conciliation (Amendment) Bill* 2024

**THE ARBITRATION AND CONCILIATION (AMENDMENT)
BILL, 2024**

MEMORANDUM

1. Policy and principles of the Bill

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

2. Defects in existing law

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

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

3. Remedies proposed in the Bill.

The intention of the Bill, therefore, is to—

- (a) enable the mainstreaming the Centre for Arbitration and Dispute Resolution into the Ministry responsible for justice thereby, *inter alia*, relieving the Government of the financial drain on its resources and the burden of wasteful administration and expenditure;
- (b) 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 duplication of mandates and functions;
- (c) promote coordinated administrative arrangements, policies, and procedures for—
 - (i) ensuring the efficient and successful management, financial accounting and budgetary discipline of the Centre for Arbitration and Dispute Resolution;
 - (ii) enabling the Government to play its proper role more effectively; and
 - (iii) enforcing accountability;

- (d) to restructure and re-organise the Centre for Arbitration and Dispute Resolution by eliminating bloated structures and functional ambiguities.

4. Provisions of the Bill

The Bill has eight clauses. According to clause 3 of the Bill, the purpose of the Bill is to mainstream the functions of the Centre for Arbitration and Dispute Resolution established under the Act into the Ministry responsible for justice. The Bill seeks to abolish the Centre for Arbitration and Dispute Resolution as a corporate entity and re-establish it as a department in the Ministry responsible for justice. All the other clauses in the Bill are intended to facilitate the easier operation of the Centre for Arbitration and Dispute Resolution in the Ministry responsible for justice.

HON. NORBERT MAO,
Minister of Justice and Constitutional Affairs.

**THE ARBITRATION AND CONCILIATION (AMENDMENT) BILL,
2024**

ARRANGEMENT OF CLAUSES

Clause

1. Interpretation
2. Objectives of this Act
3. Purpose of amendment of Cap. 4
4. Dissolution of Centre for Arbitration and Dispute Resolution
5. Amendment of section 67 of principal Act
6. Repeal of section 69 of principal Act
7. Repeal of section 70 of principal Act
8. Savings provisions for principal Act

A Bill for an Act

ENTITLED

**ARBITRATION AND CONCILIATION
(AMENDMENT) ACT, 2024**

An Act to mainstream the functions of the Centre for Arbitration and Dispute Resolution into the Ministry responsible for justice; to abolish the Centre for Arbitration and Dispute Resolution as a corporate entity and re-establish it as a department in the Ministry responsible for justice and for related purposes.

BE IT ENACTED by Parliament as follows:

1. Interpretation

In this Part, unless the context otherwise requires—

“Centre” means the Centre for Arbitration and Dispute Resolution established by the Act;

“Ministry” means the Ministry responsible for justice.

2. Objectives of this Act

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

The intention of the Bill, therefore, is to —

- (a) enable the mainstreaming of the Centre for Arbitration and Dispute Resolution into the Ministry responsible for justice thereby, *inter alia*, relieving the Government of the financial drain on its resources and the burden of wasteful administration and expenditure;
- (b) 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 duplication of mandates and functions;
- (c) promote coordinated administrative arrangements, policies, and procedures for—
 - (i) ensuring the efficient and successful management, financial accounting and budgetary discipline of the Centre for Arbitration and Dispute Resolution;
 - (ii) enabling the Government to play its proper role more effectively; and
 - (iii) enforcing accountability;
- (d) to restructure and re-organise the Centre for Arbitration and Dispute Resolution by eliminating bloated structures and functional ambiguities.

3. Purpose of amendment of Cap. 4

The purpose of amending the Arbitration and Conciliation Act, Cap. 4 is to mainstream the functions of the Centre for Arbitration and Dispute Resolution established under the Act into the Ministry and to abolish the Centre for Arbitration and Dispute Resolution as a corporate entity and re-establish it as a department in the Ministry.

4. Dissolution of Centre for Arbitration and Dispute Resolution

On the commencement of this Act, the Centre for Arbitration and Dispute Resolution shall be abolished.

5. Amendment of section 67 of Cap. 4

Section 67 of Cap 4, hereinafter referred to as the “principal Act” is amended by substituting for it the following—

“67. Centre for Arbitration and Dispute Resolution

There is established in the Ministry a department to be known as the Centre for Arbitration and Dispute Resolution.”

6. Repeal of section 69 of principal Act

Section 69 of the principal Act is repealed.

7. Repeal of section 70 of principal Act

Section 70 of the principal Act is repealed.

8. Savings provisions for principal Act

(1) On the commencement of this Act, all the property, assets, rights, obligations, and liabilities of the Centre for Arbitration and Dispute Resolution shall vest in the Ministry.

(2) Any proceedings commenced by or against the Centre for Arbitration and Dispute Resolution may be continued by or against the Attorney General.

(3) Any member of the Council and staff of the Centre for Arbitration and Dispute Resolution serving immediately before the commencement of this Act shall be paid their terminal benefits in accordance with the terms and conditions of their service.

(4) Compensation is not payable to any member of the Council for loss of office resulting from the abolition of the Council by this Act.