

BILLS SUPPLEMENT

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Bill No. 1*The National Local Content Bill***2019****THE NATIONAL LOCAL CONTENT BILL, 2019****MEMORANDUM****1. Object of the Bill**

The object of the Bill is to impose local content obligations on a person using public money or utilizing Uganda's natural resources or carrying on an activity requiring a license; to prioritize Ugandan citizens, Ugandan and resident companies in public procurement; to ensure skills and technology transfer to Ugandan; to provide for the development of local content plans; to provide for the supervision, coordination, monitoring and implementation of local content in Uganda; and for related matters.

2. Defects with the current legislation

The law governing the implementation of local content in Uganda, is contained in Public Procurement and Disposal of Public Assets Act, 2003, the Petroleum (Exploration, Development and Production) Act, 2013, the Petroleum (Exploration, Development And Production) (National Content) Regulations, 2016, the Guidelines on Reservation Schemes To Promote Local Content, March 2018 and the "Buy Uganda Build Uganda (BUBU) Policy. However, the above legislation has the following short comings—

- (a) Whereas the Public Procurement and Disposal of Public Assets Act, 2003 contains provisions relating to local content, the provisions are limited only to the creation of

preference and reservation schemes. Furthermore, local content in the Public Procurement and Disposal of Public Assets Act is not only applicable to public procurements but is only considered at the tail end of the procurement process after all other evaluation criteria have been considered. This means that the benefits of the application of local content are not felt by the persons it is intended to target since by the time local content is considered, most of them have been eliminated or are no longer competitive by the application of other evaluation criteria.

- (b) The guidelines on reservation schemes issued by the Public Procurement and Disposal of Public Assets Authority (PPDA) to Promote Local Content do not have the same force of law as Acts of Parliament and have a number of shortcomings that adversely affect their effectiveness. For instance, the guidelines—
 - (i) are limited in scope, since preference is given to procurement of army uniforms, electrical cables and conductors, medicines and medical supplies and not to all goods or services manufactured or available in Uganda;
 - (ii) do not contain any implementation modalities;
 - (iii) do not impose measurable obligations for evaluating their effectiveness;
 - (iv) do not contain sanctions for non-compliance;
 - (v) are made under a law that deals with public procurements only and does not extend to all other instances where public funds are used and to the extractive industries; and

- (vi) do not guide on how local content is to be evaluated amongst two or more eligible entities or individuals given that local content is not a standalone evaluation criteria.
- (c) The “Buy Uganda Build Uganda (BUBU) Policy” which seeks to increase consumption and utilization of local products and increasing participation of the locally established firms in domestic trade has not been fully operationalized due to lack of an enabling law, nonexistence of implementation modalities and lack of sanctions for non-compliance.
- (d) Whereas Parliament has enacted a number of laws to regulate and govern activities in the extractive industries, apart from the Petroleum (Exploration, Development and Production) Act, 2013 and the Petroleum (Refining, Conversion, Transmission and Midstream Storage) Act, 2013, the laws applicable to other extractive industries do not impose local content obligations on persons carrying on activities involving Uganda’s finite resources. This makes local content obligations imposed under other laws and guidelines inapplicable to such extractive industries.
- (e) Government has put in place policies, laws, and regulations which are generally favorable towards foreign investors and Government has provided various incentives for investors to establish businesses and operate in Uganda, there are no local content obligations imposed on persons in possession of investment licenses or those who are beneficiaries of tax and other incentives to comply with in the execution of their activities in Uganda. Indeed, in most cases, since foreign investors are not under any legal obligation to use locally available goods, labour and services, they have instead employed foreign staff, used foreign resources and consumed foreign goods and services in total disregard of the locally manufactured goods.

Remedies proposed by the Bill

The Bill makes provision for—

- (1) the application of local content to all undertakings where public money are used, in the extractive industries, in donor or loan funded projects and in activities carried out by a local content entity in possession of an investment agreement;
- (2) the granting of preference to goods and services manufactured in Uganda or available on the Ugandan market;
- (3) the granting of preference to Ugandan citizens, Ugandan companies and Resident entities in the procurement of goods and services;
- (4) the prioritization of Ugandan citizens in employment in all activities where public money are used, in the extractive industries, in donor or loan funded projects and in activities carried out by a local content entity in possession of an investment agreement;
- (5) transfer of skills and technology to Ugandans and Government during execution of activities where public money are used, in the extractive industries, in donor or loan funded projects and in activities carried out by a local content entity in possession of an investment agreement;
- (6) the development of local content plans by persons carrying public works and persons in possession of a license in the extractive industry; and
- (7) the evaluation of local content in procurement bid.

PROVISIONS OF THE BILL

3. The Bill comprises nine parts and forty five clauses.

4. **PART I** deals with preliminary matters, namely, application and interpretation.

- 5. PART II-**deals with designating a Department
- 6. PART III-** national local content requirements incorporating clauses 4 to 12 dealing with ppriority of Ugandan goods and services during procurement, rejection of Ugandan goods and services during procurement, reservation of goods to be exclusively procured from Uganda, preference of goods readily available on Ugandan market, Employment of Ugandan citizen, employment of non-citizens, restriction on grant or renewal of work permit, training of Ugandan citizens and reservation of contracts for public works.
- 7. PART IV –** subcontracting of contracts and public works incorporating clause 13 to 18, dealing Prohibition of subcontracting, requirement to subcontract public works contracts or activities, Liability for sub contracted works, eligibility of Ugandan entity to be subcontractor, termination of subcontractor, certificate of completion.
- 8. PART V-** Local content plans incorporating clauses 19 to 23, dealing with development of a National Local Content Plan, development of local content strategy, development of a Local Content Plan, ddeviation from local content plan and technology transfer.
- 9. PART VI-** procurement planning and evaluation of local content incorporating clauses 24 and 25 dealing with Procurement planning and Evaluation of local content in bid;
- 10. PART VII** compliance with the act incorporating clauses 26 to 30 dealing with Local content for public works funded through loans, Compliance by subcontractors, Administrative measures for compliance, Security for performance of obligations and incentives;

11. **PART VIII-** offences and penalties incorporating clauses 31 to 33 dealing with offences and penalties, imposition of administrative penalties and general penalty;
6. **PART IX-**miscellaneous provisions incorporating clauses 34 to 45 dealing with categorization of Ugandan entities and citizens, national supplier database for Ugandan entities and citizen, requirement to keep records, supremacy of this Act, treatment of Ugandan entities and citizen in competitive bidding, sector codes of good practice, prohibition of imposition of foreign standards, prohibition on foreign technical qualifications, appeal, immunity of officers, repeal of sections 50 and 59A of Act No. 1 of 2003, savings and transitional, amendment of Schedules and regulations.

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THE NATIONAL LOCAL CONTENT BILL, 2019

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3. Designation of a Department.

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A Bill or an Act**ENTITLED****THE NATIONAL LOCAL CONTENT BILL, 2019**

An Act to impose local content obligations on a person using public money or utilizing Uganda’s natural resources or carrying out an activity requiring a license; to prioritize Ugandan citizens, Ugandan and resident companies in public procurement; to ensure skills and technology transfer to Ugandan entities; to provide for the development of local content plans; to provide for the supervision, coordination, monitoring and implementation of local content in Uganda; and for related matters.

BE IT ENACTED by Parliament as follows:

PART I—PRELIMINARY**1. Application**

This Act shall apply to a local content entity—

- (a) carrying out an activity where public money is used;
- (b) carrying out a public procurement in accordance with the Public Procurement and Disposal of Public Assets Act, 2003;

- (c) carrying out a licensable activity or operation within the provisions of—
 - (i) the Mining Act, 2003;
 - (ii) the Electricity Act, 1999;
 - (iii) the Uganda Tourism Act, 2008; or
 - (iv) any other license issued under an Act of Parliament.
- (d) who is in possession of an investment license or being an entity or individual being a beneficiary of a tax remission or any such similar tax incentives;
- (e) being a private party under a Public Private Partnership Agreement created under the Public Private Partnership Act, 2015;
- (f) carrying out a public works,
- (g) whose activities are financed through public borrowing or any such similar arrangement;
- (h) the activity or procurement is carried out by a person, body or entity contracted or subcontracted by a local content entity referred to in paragraphs (b) to (g).

2. Interpretation.

In this Act, unless the context otherwise requires—

“Contracting Authority” means a Ministry, department of Government or any other body established by Government and mandated to carry out a public function in a public private partnership;

“currency point” has the value assigned to it in Schedule 1;

“foreign investor” has the meaning assigned to it under the Investment Code Act, Cap. 92.

“local content” includes the quantum or percentage of—

- (a) locally produced goods;
- (b) locally provided services; and
- (c) the utilization of personnel, financing, goods and services by a local content entity in any operation or activity carried out in Uganda.;

“local content entity” means—

- (a) Government, including a government Ministry, Department, Authority, Local Government, Local Authority, statutory body or agency;
- (b) natural or artificial person, a partnership or any other entity;
- (c) an individual or entity contracted or subcontracted by a local content entity listed in paragraph (a) and (b); carrying out an activity prescribed in section 1 of this Act;

“manufacture” means —

- (a) to produce, assemble or process a good or the making of any good or part of any good;
- (b) the altering, ornamenting, finishing, assembling or processing in any form of any good; or
- (c) the adapting for sale of any good, in which machinery operated by mechanical power is used;

“Minister” means Minister responsible for finance;

“Ministry” means the ministry responsible for finance;

“private party” has the meaning assigned to it under the Public Private Partnership Act, 2015;

“procuring and disposing entity” has the meaning assigned to it under the Public Procurement and Disposal of Public Assets Act, 2003;

“public money” has the meaning assigned to it under the Public Finance Management Act, 2015,

“public private partnership agreement” means a written contract recording the term of a public private partnership concluded between a contracting authority and a private party;

“public works” means any construction work undertaken by a person, body or entity on behalf of Government or a local government which is funded or financed in whole or in part with public money.

“resident company” has the meaning assigned to it under the Income Tax Act, Cap 340

“resident individual” has the meaning assigned to it under the Income Tax Act, Cap 340

“technology transfer” means activities and mechanisms aimed at transferring skills, knowledge, technologies and methods from foreign entity to a Ugandan company or citizen.

“Ugandan Company” means a company incorporated under the Laws of Uganda which is wholly owned and controlled by citizens of Uganda.

“Ugandan entity” means a Ugandan company or resident company;

PART II—ADMINISTRATIVE ARRANGEMENT**3. Designation of a Department**

(1) There is established within the Ministry a local content department which shall be responsible for implementing the provisions of this Act.

(2) The Department shall carry out the following functions—

- (a) oversee, coordinate, and manage the development of local content in Uganda;
- (b) advise Government on local content issues in Uganda;
- (c) develop a national local content plan;
- (d) approve local content plans;
- (e) undertake public education on local content in Uganda;
- (f) develop national content evaluation systems;
- (g) develop guidelines for the implementation of local content in Uganda;
- (h) monitor and evaluate the local content performance of local content entities in accordance with this Act;
- (i) develop auditing procedures and audits for the purposes of monitoring compliance with this Act;
- (j) provide definitions and indicators for the measurement of local content in Uganda;
- (k) conduct studies and research to promote the development of local content in in Uganda;
- (l) monitor and audit compliance with local content obligations under this Act;
- (m) promote local content development in Uganda; and
- (n) perform any other functions as may be assigned by the Minister.

(3) The Department shall in reference to local content have the following powers to—

- (a) institute local content inquiries;
- (b) review contracts and activities in reference to local content obligations;
- (c) review and approve contracts as prescribed in this Act; and
- (d) order for the termination of contract;

PART III—NATIONAL LOCAL CONTENT REQUIREMENTS

4. Priority of Ugandan goods and services during procurement.

(1) A local content entity shall give preference to goods which are manufactured in Uganda and services which are provided by Ugandan entities.

(2) In this Act—

- (a) a good shall be taken to be manufactured in Uganda where the production, manufacture, processing, assembling or making of such a good is carried out wholly or partly in Uganda; and
- (b) a service is taken to be provided in Uganda if it provided in Uganda by a Ugandan entity.

(3) In determining where a good was manufactured, the rules of origin applicable in the East African Community shall apply.

5. Rejection of Ugandan goods and services during procurement

(1) A local content entity shall only reject a good locally manufactured in Uganda or a service provided by a Ugandan entity where such a good does not meet the required quality, quantity or timeline for delivery.

(2) Where a good locally manufactured in Uganda or a service provided by a Ugandan citizen or company does not meet the required quality, quantity or timeline for delivery or completion, the local content entity may, with the written authorization of the Department, procure the good or service as directed by the Department.

(3) Where a good or service is procured in circumstances prescribed in subsection (2), the Local Content Entity shall ensure that the good is supplied or the service is provided by an entity that has entered into a joint venture with a Ugandan company or citizen.

(4) The request for authorization under subsection (2) shall state—

- (a) the nature of the good or service to be procured;
- (b) the availability of similar goods or services in Uganda;
- (c) the purpose for which the good or service is required;
- (d) the minimum quality, quantity and timeline for delivery required by the local content entity;
- (e) the market price for the good or service;
- (f) the market price for similar goods or services; and
- (g) any other information that may be prescribed by the Minister by regulations.

(5) A good locally manufactured in Uganda or service provided by a Ugandan citizen or company shall not be solely rejected on grounds of—

- (a) quality, if —
 - (i) in case of a good, such a good is certified by a national standards agency in Uganda to meet the standards developed or approved for that good or service;

- (ii) in case of a service, such a service is provided in accordance with best industry practices; or
 - (iii) the manufacturer of such a good or the person rendering the service is willing and able to produce goods or provide services meeting the required quality within a reasonable time;
- (b) price, if—
 - (i) such a good or service is required by this Act or any other law to be exclusively procured within Uganda;
 - (ii) the manufacturer of such a good or the person providing the service is willing and able to negotiate the price for such a good or service; or
 - (iii) such a good or service is competitive as regards to price when compared with similar goods manufactured or services rendered by persons and entities from member states of the East African Community; or
- (c) quantity or timeline for delivery, if it can be demonstrated by the manufacturer of the good or the person providing the service that it can meet the quantity and timelines for delivery of such a good or a portion of the required goods or services.

6. Reservation of goods to be exclusively procured from Uganda.

(1) A local content entity shall reserve contracts for goods or services listed in Schedule 2 to be exclusively procured from Uganda and supplied by a Ugandan entity or citizen.

(2) Notwithstanding subsection (1), where it appears to a local content entity that there is no suitably qualified Ugandan company or qualified Ugandan citizen or by its nature, the good cannot be supplied

within the required time line, the contract shall be awarded to a resident company or any other company that has entered into a joint venture with a Ugandan company or citizen.

(3) Subsection (1) does not preclude Ugandan citizens or entities from providing goods and services that are not specified in Schedule 2.

7. Preference of goods readily available on Ugandan market.

(1) A local content entity shall give preference to goods and services that are readily available on the Ugandan market and shall exclusively grant contracts for procuring such goods or services to Ugandan entities.

(2) Subsection (1) shall apply where—

- (a) there are no similar locally manufactured goods on the Ugandan market; or
- (b) the goods or services though manufactured in Uganda, do not meet the required quality, quantity or time line for delivery.

(3) In this section, a good is readily available on the Ugandan market where the good is not locally manufactured in Uganda but is available on the Ugandan market and sold by a Ugandan entity.

(4) The Minister shall annually publish in the gazette and in a newspaper of wide circulation goods that are readily available in Uganda.

8. Employment of Ugandan citizens

(1) A person who engages in an activity to which this Act applies shall not employ non-citizens in its activity unless it has been certified by the Ministry that suitably qualified Ugandan citizens are not available or are incapable of performing the particular type of work.

(2) All employment positions held by Ugandan citizens shall attract salaries, wages and benefits commensurate to the job description except that the difference in salary between the Ugandan citizens and the non-citizen employed in a similar job shall not exceed ten per cent.

9. Employment of non-citizens

(1) A person who engages in an activity to which this Act applies shall in the recruitment of employees, give preference to Ugandan citizens.

(2) A person to whom subsection (1) applies may only employ non-citizens where—

- (a) qualified Ugandan citizens are not available or are incapable of performing the particular type of work; and
- (b) prior authorization has been granted by the Department.

(3) The Department may grant authorization to the employment of a non-citizen where he or she is satisfied that every reasonable effort was made to find a suitably qualified Ugandan citizen and none exists.

(4) Every employment position held by a non-citizen shall be deputized by a Ugandan citizen for purposes of skills transfer.

(5) A person who engages in an activity to which this Act applies shall submit to the Department a succession plan for every position not held by Ugandan citizen.

10. Restriction on grant or renewal of work permit

A person who engages in an activity to which this Act applies shall not be issued with a work permit or have his or her work permit renewed unless his or her application for a work permit or its renewal is supported by a letter of the Department certifying that the applicant possesses the skills necessary for the employment and there is no Ugandan citizen possessing such skills.

11. Training of Ugandan citizens

(1) A person who engages in an activity to which this Act applies shall—

- (a) develop a detailed program for the training of Ugandan citizens.
- (b) carry out the training program in accordance with Uganda's training and employment priorities and for the sole purpose of promoting technology transfer to Uganda in relation to its activities.

(2) Every contract for public works granted to an individual or entity other than a Ugandan company or citizen of Uganda shall contain a requirement for such individual or entity to train a minimum number of Ugandan citizens in its activity.

(3) The minimum number referred to in subsection (2) shall be specified by the Minister.

Contracts for public works

12. Reservation of contracts for public works

The Minister shall, in consultation with the Public Procurement and Disposal of Public Authority and by notice in the gazette reserve certain contracts for public works to be exclusively granted to Ugandan citizens and companies.

PART IV—SUBCONTRACTING OF CONTRACTS AND
PUBLIC WORKS

13. Prohibition of subcontracting

Save as provided under this Act, a person who engages in an activity to which this Act applies shall not subcontract any contract or works contracted or subcontracted to it under this Act.

14. Requirement to subcontract public works contracts or activities

(1) Every contract for public works granted to an individual or entity other than a Ugandan company or citizen, shall contain a requirement for such individual or entity to subcontract at least forty per cent of the contracted works to a Ugandan entity.

(2) A person to whom subsection (1) applies shall clearly state in its bid the Ugandan entity it shall subcontract part of its contracted works to.

(3) The Minister may from time to time, by notice in the gazette, amend the minimum portion of a contract that is to be exclusively subcontracted to Ugandan Companies or individuals in subsection (1).

15. Liability for subcontracted works

A person who subcontracts part of its contracted works under section 14 shall at all times be responsible for the performance of the contract and shall, without recourse to the subcontractor, provide the relevant security and funds for the performance of the contract.

16. Eligibility of Ugandan entity to be subcontractor

A Ugandan entity or individual shall be eligible to be subcontracted to works referred to in section 14 if—

- (a) it is not a subsidiary or it is not owned or does not form part of the same company group as the entity subcontracting its obligations;
- (b) It is not an agent of the entity subcontracting its obligations;
- (c) it is registered as a Ugandan company;
- (d) it has complied with all its tax obligations and obtained a tax clearance from the relevant tax body;
- (e) it possesses the necessary skills, equipment and technical expertise to undertake the works to be subcontracted;

- (f) it is not blacklisted by the Ministry or the Public Procurement and Disposal of Public Assets Authority, or
- (g) it is not in breach of any of the provisions of this Act.

17. Termination of subcontract

(1) A subcontract shall only be terminated by the Department, on its own volition or upon application by a local content entity on any of the grounds prescribed in subsection (2).

(2) The grounds referred to in subsection (1) are where the Ugandan entity—

- (a) fails or neglects to perform the contracted works;
- (b) absconds or abandon the subcontracted works;
- (c) assigns or sells its shares or otherwise ceases to be eligible to be subcontracted to;
- (d) contravenes any of the provisions of this Act;
- (e) obtains the subcontract by fraud or misrepresentation;
- (f) lacks requisite skills, expertise or personnel to execute the contract; and
- (g) has not executed the works to the required standards.

(3) Where a subcontractor has been terminated under subsection

(2) the Ugandan entity shall be barred from doing business with Government for a period not exceeding ten years.

(4) Where a subcontractor has been terminated, blacklisted or barred from doing business with government as prescribed in subsection (3), a person in the management of the entity, including a director, a partner or a shareholder shall not, for the duration prescribed in subsection (3), be eligible to be part of an entity that is contracted or subcontracted to under this Act.

(5) Where a subcontractor has been terminated, the main contractor shall, with the approval of the Department appoint an eligible subcontractor as required section 14.

18. Certificate of completion

(1) A Ugandan entity to which a contract has been subcontracted under section 14 shall, upon successful completion of the contracted works, obtain a certificate of completion from the main contractor.

(2) The certificate of completion shall be in the form prescribed by the Minister, by regulations.

PART V—LOCAL CONTENT PLANS**19. Development of a national local content plan**

(1) The Department shall, in consultation with the Minister, develop a national local content plan.

(2) The national local content plan shall, upon approval by the Minister, be published in the Gazette and in any newspaper of wide circulation.

(3) The national local content plan shall in addition to any other matter contain mechanisms for achieving local content obligations prescribed in this Act or any other law.

20. Development of local content strategy

(1) A Government ministry, department, agency, authority or local government shall, in consultation with the Department, develop a local content strategy for the implementation of its local content obligations under this Act.

(2) The local content strategy referred to in subsection (1) shall be disseminated to contractors and suppliers.

21. Development of a Local Content Plan

(1) A supplier, provider or contractor shall, when submitting a bid to undertake public works or any activity prescribed in section 1, develop a local content plan with respect to the entire project or activity.

(2) A supplier, provider or contractor carrying on an activity described in section 1 shall, within six months of the commencement of this Act, submit to the Department a local content plan for review and approval.

(3) The local content plan referred to in subsections (1) and (2) shall state in detail the matters referred to in Schedule 3 to this Act.

(4) The local content plan referred to in subsection (1) shall be submitted for evaluation and approval as follows—

- (a) in case of a procurement carried out under the Public Procurement and Disposal of Public Assets Act, to the procuring and disposing entity carrying out the procurement;
- (b) in case the activity is carried out by an entity or individual being a beneficiary of a tax waiver, remission or any such similar tax incentives, to the Ministry responsible for Finance;
- (c) in case the undertaking or activity is a licensable activity or operation within the provisions of the Mining Act, 2003, the Electricity Act, 1999, the Uganda Tourism Act, 2008 or any other licensable activity as prescribed by the Minister, to the Ministry responsible for issuing licenses under the applicable legislation;
- (d) in case the activity is carried out by a foreign investor, to the Ministry responsible for Finance;

- (e) in case the activity is carried out by a private party under a Public Private Partnership Agreement, the Contracting Authority;
- (f) in case the activity is carried out by Government or a statutory body or agency, the statutory body or agency or Government, including a local government; and
- (g) in case the activity is a public works, including engineering, designing, procurement and construction undertakings financed through public borrowing, the procuring and disposing entity.

(5) The entity to which a local content plan is submitted in subsection (4) shall review the plan and where it is satisfied with the plan approve it with or without amendment.

22. Deviation from local content plan

(1) A local content plan once approved shall not be deviated from except in exceptional circumstances and with the approval of the entity that approved it.

(2) A supplier, provider or contractor intending to deviate from the local content plan shall apply in writing to the entity that approved it, stating the grounds for which the deviation is sought.

(3) The exceptional circumstances referred to in subsection (1) are—

- (a) where the performance of a matter contained in the local content plan is impossible due to circumstances beyond the control of the applicant and the applicant cannot do anything to overcome the impossibility; and
- (b) unforeseen impediment which the applicant could not reasonably be expected to have taken into account at the time the plan was made.

(4) It shall be an offense for any person to deviate from approved local content plan without approval of the Ministry, department, body or entity referred to in section 21.

Technology Transfer

23. Technology transfer.

A supplier, provider or contractor shall promote effective transfer of technology and skills relating to the undertaking or activity to which this Act applies and for the benefit of Ugandan citizens and Ugandan entities.

PART VI—PROCUREMENT PLANNING AND EVALUATION OF LOCAL CONTENT

24. Procurement planning

(1) A local content entity, supplier, provider or contractor shall ensure that the bidding process includes local content as one of criteria for evaluation of bids.

(2) A bid document issued for any procurement subject to local content obligations shall state the local content requirements the procurement is subject to, including the minimum local content requirements or obligations and any other information as may be prescribed by regulations.

(3) A local content entity, supplier, provider or contractor shall, reduce the size and complexity of procurements by unbundling of contracts and formulating procurement packages which are within the means of Ugandan entities and individuals to execute.

(4) The Minister shall determine the thresholds of procurements that are to be exclusively provided to Ugandan entities.

(5) A local content entity carrying on a public works contract shall indicate in its bid a minimum number of goods and services that it will exclusively procure from Uganda and these shall be quantified as a percentage of the total contract sum.

25. Evaluation of local content in bids

(1) A bid subject to local content obligations shall first be evaluated on its responsiveness to local content obligations and where the bid is not responsive, it shall be rejected without any further evaluation.

(2) A bid shall be taken to be responsive to local content under this Act where, upon evaluation, it contains a local content plan as required in section 21.

(3) Upon a preliminary evaluation, the bid shall be ranked in the order of preference with bids containing the highest value of local content assigned a higher mark.

(4) The Public Procurement and Disposal of Public Assets Authority shall issue guidelines on the evaluation of local content in bids.

(5) A bidder shall, to the satisfaction of the procuring entity, adduce evidence and prove all the matters contained in its local content plan.

PART VII—COMPLIANCE WITH THE ACT**26. Local content for public works funded through loans**

(1) A local content entity shall ensure that projects funded through loans comply with the local content obligations imposed in this Act.

(2) Where—

- (a) a public works project is funded through borrowing provided by a foreign financial institution, directly to supplier, provider or contractor, or
- (b) a contractor for a public works project is contracted by a foreign entity through the application of a procurement

process other than public procurement prescribed under the Public Procurement and Disposal of Public Assets Act, the supplier, provider or contractor shall, before commencing the contracted activities or public works project, submit for approval, a local content plan to the Ministry for approval.

(3) The local content plan referred to in subsection (2) shall specifically require the supplier, provider or contractor to—

- (a) subcontract at least forty percent of the scope of the contracted activities to a Ugandan company;
- (b) procure goods and services listed in the Schedule 2 from Uganda;
- (c) dedicate and spend at twenty per cent of the total contract sum to the procurement of goods manufactured or readily available in Uganda, from Uganda;
- (d) employ Ugandan citizens in the project and ensure that at least eighty per cent of its total staff are Ugandan citizens;
- (e) ensure that its contractors and subcontractors comply fully with the local content provisions of this Act;
- (f) undertake training of its Ugandan staff in all spheres of the project and dedicate at least two per cent of its total contract sum to this activity;
- (g) have all positions occupied by non-citizens deputized by Ugandan citizens;
- (h) implement workforce development strategies in relation to Ugandan citizens including training plans and projections to address any skill gaps that may have been identified in relation to the local labour force;
- (i) implement strategies to transfer technology, knowledge and skills to Ugandan citizens;

- (j) undertake local supplier capacity development;
- (k) where applicable, subcontract and create partnerships with Ugandan entities and citizens;
- (l) formulate a succession plan for all jobs or activities to be done by foreigners and ensure that there is a yearly increase in the number of jobs done by Ugandan citizens;
- (m) implement strategies for the support of local participation in its activities and guarantee to dedicate at least one percent of the total sum of its contract to those activities; and
- (n) any other information as prescribed by regulations.

(4) The contractor shall submit quarterly reports to the Department and the procuring entity on the compliance with the provisions of this section and the Act generally.

(5) Where the contractor doesn't comply with the provisions of this section, the procuring entity or the Department or local content entity may—

- (a) require the contractor to provide security for the performance of its obligations;
- (b) require the contractor to pay into the Fund, an amount, representing the sum such contractor was obligated to spend on local content obligations under this section;
- (c) withhold from the contractor, such money due to the contractor, representing a sum referred to in paragraph (b).

27. Compliance by subcontractors

(1) A local content entity, contractor, supplier or subcontractor, shall ensure that all their contractors and subcontractors comply with local content requirements under this Act and the regulations made under this Act.

(2) The obligations under this Act accruing to local content entity, contractor, supplier or subcontractor, shall in equal measure accrue to a contractor, subcontractor, agent or successor in title of such person, body or entity.

(3) Parties who jointly undertake to execute any activity subject to this Act shall be jointly and severally required to comply with the obligations arising under this Act.

28. Administrative measures for compliance

(1) Where a person or entity fails, refuses or neglects to comply with any of the provisions of this Act or directives or orders issued by the Department or a local content entity, the Department or local content entity may—

- (a) blacklist such a local content entity, contractor, supplier or subcontractor, for a period of not more than five years from the date of such order;
- (b) suspend or direct the suspension of the activity being carried out by the local content entity, contractor, supplier or subcontractor, for a period determined by the Department, local content entity that contracted the contractor, supplier or subcontractor or the body that approved the local content plan;
- (c) impose an administrative fine on the local content entity, contractor, supplier or subcontractor, or any other individual as empowered under this Act;
- (d) require the local content entity, contractor, supplier or subcontractor to pay into the fund, a percentage of the total contract sum representing a sum such a person, body or entity was obligated to incur to comply with local content obligations under this section;
- (e) withhold or direct the withholding of any payment due to a local content entity, contractor, supplier or subcontractor;

- (f) order for the costs and expenses incurred by a local content entity, contractor, supplier or subcontractor, not be deductible as a cost of doing business in determining the chargeable income by tax authorities; and
- (g) take any other action as it deems fit or as maybe prescribed by regulations.

(2) Whenever a local content entity, contractor, supplier or subcontractor, is suspended or blacklisted by the Department or local content entity, such local content entity shall—

- (a) in case of suspension, cease or suspend all its activities until the suspension is lifted;
- (b) in case of being blacklisted, be barred from doing business with Government or participating in any public procurement or being awarded a subcontract for a period of ten years.

(3) The Department or local content entity shall within five days of making a decision in this section communicate the same local content entity, contractor, supplier or subcontractor, as it deems fit except that it shall communicate its decision—

- (a) in case of an order under subsection (1) (a), to the Public Procurement and Disposal of Public Assets Authority;
- (b) in case of an order made under subsection (1) (f), to the relevant tax authority and the Ministry responsible for Finance;
- (c) in case of an order under subsection (1) (c), to the Ministry responsible for Finance and Tax authorities; and
- (d) in case of orders under subsection (1) (e), to the relevant person, body or entity responsible for making such payment.

(4) The entity that receives a notification in subsection (3) shall immediately take action as required in the notification and report back on the actions taken.

29. Security for performance of obligations

The Department or local content entity may require a contractor, subcontractor or supplier to make arrangements for the execution of a bond or other form of security for the performance and observance of the obligations under this Act or any contract to which such a local content entity may be subject to.

30. Incentives

The Minister may grant appropriate incentives to persons who comply with the requirements of this Act.

PART VIII—OFFENCES AND PENALTIES

31. Offences and penalties

(1) It is an offence for a person—

- (a) to fail or refuse to submit a plan, report or other document required to be submitted under this Act;
- (b) to knowingly make a false statement;
- (c) to connive with any person or entity to infringe the provisions of this Act;
- (d) to hinder, obstruct or improperly attempt to influence the Department when exercising any power or performing any duty in this Act;
- (e) to misrepresent or attempt to misrepresent the fulfillment of local content obligations;
- (f) to contravene any directive issued under this Act;
- (g) being a citizen of Uganda, to act as an agent or connive with any entity or local content entity or citizen in order to comply with the local content requirements of this Act;

- (h) to engage in fronting practice;
 - (i) to engage in benefit deviation;
 - (j) to sell, transfer or assign the subcontract or part of the subcontract without authorization from the designated Department;
 - (k) to whom a contract or part of a contract has been subcontracted under this Act, to connive or receive, in lieu of carrying out the contracted work, payment from any person;
 - (l) to fail or neglect to perform the contracted works or to abscond or abandon a contract before completion;
 - (m) without authorisation, to subcontract all its entire share or obligations in a contract;
 - (n) without authorisation, to subcontract or attempt to subcontract any contract or its obligations contrary to this Act;
 - (o) to assign or sell its shares or otherwise cease to be a Ugandan entity or citizen at any time after being awarded a contract or a subcontract on the basis of it being a Ugandan entity or citizen;
 - (p) having ceased to be a Ugandan company or individual, continues to trade as one;
 - (q) to obtain a contract or subcontract by fraud or misrepresentation of its true ownership or origin; and
 - (r) to carry out Shoddy work.
- (2) A person who commits an offence prescribed in—
- (a) subsection (1) (a) (b), (c), (d) and (e) is liable on conviction, to a term of imprisonment not exceeding five years.
 - (b) subsection (1) (f), (g), (h), (i), (j), (k), (l), (m), (n), (o), (p), (q) and (r) is liable on conviction, to a term of imprisonment not exceeding ten years.

(3) Where an offence prescribed in subsection (1) is committed by a body corporate, such body corporate and a director, manager, secretary or other similar officer of the body corporate or any local content entity who was purporting to act in any such capacity shall be taken to have committed that offence and shall be liable to be prosecuted and punished as required in subsection (2).

(4) A person convicted of an offence referred to in subsection (1) shall in addition to the penalty prescribed in subsection (2) and (3), be barred from contracting with a person, or acting as director, manager, secretary or other similar officer of the body corporate for a period of ten years from the date of conviction.

(5) In this section—

- (a) “benefit diversion” means an initiative implemented where the economic benefits received by a local content entity or any other entity as a result of the implementation of the provisions of this Act do not flow to a Ugandan company or individual as required by this Act
- (b) “fronting practice” means a transaction, arrangement or other act or conduct that directly or indirectly undermines or frustrates the achievement of the objectives of this Act or the implementation of any of the provisions of this Act or any other law relating to local content.

32. Imposition of administrative penalties

(1) The Department or local content entity, may in addition to or as an alternative to the prescribed penalty, impose administrative penalties on a person, body or entity that infringes the provisions of this Act as follows—

- (a) in case of infringement of sections 31 (1) (a) (b), (c), (d) an administrative fine not exceeding forty thousand currency points for each infringement and an additional twenty five thousand currency points for each day of further

infringement upon being made aware or informed of the infringement;

- (b) in case of infringement of subsection 31 (1) (f), (g), (h), (i), (j), (k), (l), (m), (n), (o), (p), (q) and (r) an administrative penalty not exceeding fifty thousand currency points for each infringement and an additional twenty five thousand currency points for each day of further infringement upon being made aware or informed of the infringement;
- (c) in cases prescribed in section 33, to an administrative penalty not exceeding ten thousand currency points for each infringement and an additional five thousand currency points for each day of further infringement upon being made aware or informed of the infringement;

(2) The fines prescribed in subsection (1) shall be taken to be a civil debt and shall be paid into the consolidated fund within seven working days of their imposition and until the same are paid, the local content entity, contractor, supplier or subcontractor to which they are imposed shall cease carrying on the contracted activity.

(3) The administrative penalties shall carry interest at court rate from the date they are imposed.

33. General penalty

A person who breaches any provision of this Act for which no penalty is provided shall be liable to a fine not exceeding one thousand currency points or a term of imprisonment not exceeding three years or to both.

PART IX—MISCELLANEOUS PROVISIONS

34. Categorization of Ugandan entities and citizens

(1) The Department shall categorize Ugandan entities and citizens and shall keep and maintain a register for such entities and citizens.

(2) The categorization shall, in addition to any other matters that may be prescribed by regulations, be based on the entity and citizen's—

- (a) competencies;
- (b) experience;
- (c) the relevant sector of the economy that the entity or citizen participates in;
- (d) the good or service the entity or citizen deals in;
- (e) the nature of the business the entity or citizen undertakes; and
- (f) any other matter that the Department deems fit.

(3) The Department shall ensure that—

- (a) An entity or citizen is categorized as either a supplier of a good or a service provider;
- (b) The entity or citizen with or without the requisite experience are categorized differently; and
- (c) where an entity or citizen categorized in a lower category attains the requisite experience, it is categorized and registered in a higher category;

35. National supplier database for Ugandan entities and citizen

(1) The Department shall develop a national supplier database for every sector of the economy.

(2) The database shall be in the prescribed form and may be accessed by the public on conditions prescribed by regulations.

(3) An entity or citizen who wishes to be registered on the database shall make an application to the Department and shall, to the satisfaction of the designated Department, prove that it is a Ugandan entity or citizen.

(4) The registration on the database shall be for a period of three years subject to renewal for a further period of three years at any one time.

(5) The Department shall publish the list of Ugandan entities and citizens that are registered on the national supplier database by 31st December of each year.

(6) Notwithstanding subsection (5), the Department may update the national supplier database where necessary.

(7) The Department may remove an entity or citizen from the database on the following grounds—

- (a) where it no longer meets the requirements for registration on the database;
- (b) where the Department has reason to believe that the entity or citizen, though appearing to be eligible for registration, does not or no longer qualifies for registration on the database;
- (c) the entity or any of its directors or any other person in authority has infringed the provisions of this Act; and
- (d) any other ground as may be prescribed by the Minister.

36. Requirement to keep records

(1) A local content entity shall maintain records relating to its compliance with and fulfillment of its local content obligations in this Act, contract or activity.

(2) Notwithstanding subsection (1), a local content entity shall ensure that its contractors and subcontractors are contractually bound to report its local content compliance to it and, upon request, directly to the designated Department.

(3) The records maintained by such a local content entity under subsection(1) shall include supporting documentation relating to such person, its contractors and subcontractor's expenditure on fulfilling local content obligations under this Act.

(4) A local content entity referred to in subsection (1) shall submit to the Department an annual statement indicating its compliance with its local content obligations.

(5) The statement referred to in subsection (3) shall include information relating to—

- (a) payments made to Ugandan entities and citizens for goods, services or other items procured from such entities and citizens;
- (b) payments made to persons or entities other than Ugandan entities and citizens for goods and services procured from such persons and entities;
- (c) payments of salaries, profits, dividends on shares and other tangibles paid to persons including both citizens, residents and foreigners;
- (d) a list of all contracts awarded during the period under consideration and services or equipment contracted; and
- (e) any other information that may be prescribed by the Minister, by regulations.

(6) A local content entity shall allow the Department or an authorized officer access to their records for the purposes of assessing and verifying local content compliance.

37. Sector codes of good practice

(1) The Department shall with the approval of the Minister develop or approve sector codes of good practice for the implementation of local content obligation in that sector of the economy.

(2) The sector code of good practice referred to in subsection (1) shall, upon being developed or approved be published in the gazette or a newspaper of wide circulation.

38. Prohibition of imposition of foreign standards

(1) A local content entity, contractor, provider or supplier shall not require the provision of a good or service or the use of material in carrying on a public works based on standards other than those developed or approved by Uganda National Bureau of Standards or any other national standards body.

(2) Whenever it is inevitable to use foreign standards, the local content entity, contractor, provider or supplier shall ensure that an equivalent standard applicable in Uganda is used.

(3) Wherever there is no equivalent standard applicable in Uganda, local content entity, contractor, provider or supplier shall apply to the Uganda National Bureau of Standards for authorization to use a standard that is suitable to Uganda.

39. Prohibition on foreign technical qualifications

(1) A local content entity, contractor, provider or supplier shall not require a Ugandan citizen to possess a foreign technical qualification as a condition for employment.

(2) Notwithstanding subsection (1), whenever it is inevitable to require a foreign technical qualification, a local content entity, contractor, provider or supplier shall ensure that an equivalent qualification applicable in Uganda is used.

(3) For avoidance of doubt, the qualification referred to in subsection (2) shall be determined by the National Council for Higher Education or any other authorized government agency and that decision shall be final.

40. Appeal

(1) A local content entity, contractor, provider or supplier aggrieved by the decision of the Department shall appeal that decision to the High Court within five days of the decision.

41. Supremacy of this Act.

(1) This Act shall take precedence over all existing laws relating to local content in Uganda and where there is a conflict between the provisions of this Act and any other law, the provisions of this Act shall prevail.

(2) This Act shall apply to the insurance sector and the petroleum sector where the Insurance Act, 2015 and the Petroleum (Exploration, Development and Production) Act, 2013 or the Petroleum (Refining, Conversion, Transmission and Midstream Storage) Act, 2013, are silent on a matter.

(3) Whenever any law empowers any local content entity or body to issue guidelines reserving certain contracts for the promotion of local content in public procurements, such preference or reservation schemes shall comply with the provisions of this Act and generally the regulations made thereunder.

(4) From the commencement of this Act, any reservation scheme issued for the promotion of local content in public procurements that is inconsistent with the provisions of this Act shall, to the extent of the inconsistency, be void.

42. Repeal of sections 50 and 59A of Act No. 1 of 2003.

Sections 50 and 59A of the Public Procurement and Disposal of Public Assets Act, 2003 are repealed.

43. Savings and Transitional

(1) Upon the commencement of this Act, a local content entity, contractor, provider or supplier carrying on an activity subject to this Act shall continue carrying on that activity as if the same was contracted under this Act.

(2) Notwithstanding subsection (1), a local content entity, contractor, provider or supplier shall within six months of the commencement of this Act make the necessary arrangements as a satisfactory to the Department to comply with the provisions of this Act.

44. Amendment of Schedules

The Minister may, acting on the advice of the Department, amend the Schedules to this Act and thresholds prescribed under this Act.

45. Regulations.

(1) The Minister may, by statutory instrument, make regulations generally for giving effect to the provisions of this Act and for its due administration.

(2) Regulations made under subsection (1) shall be laid before Parliament.

SCHEDULES

SCHEDULE 1

Section 1

CURRENCY POINT

A currency point is equivalent to twenty thousand shillings

SCHEDULE 2

Section 6,

**LIST OF GOODS AND SERVICES TO EXCLUSIVELY BE SUPPLIED
BY UGANDAN ENTITIES AND CITIZENS**

A. SERVICES SECTORS AND SUB-SECTORS CORRESPONDING CPC

1. BUSINESS SERVICES

Professional Services

a.	Legal Services	861
b.	Accounting, auditing, book-keeping services,	862
c.	Taxation Services	863
d.	Architectural services	8671
e.	Engineering services**	8672
g.	Urban planning and landscape Architectural services	8674
h.	Medical and dental services	9312
i.	Veterinary services	932
j.	Services provided by midwives, nurses, Physiotherapists and para-medical personnel	93191
k.	Other services related to accounting like audit assurance and advisory, forensic accounting, finance and risk management, transaction services and insolvency practice	

Computer and Related Services

a.	Consultancy services related to the Installation of computer hardware	841
b.	Software implementation services	842
c.	Data processing services	843
d.	Data base services	844
		845+849

Research and Development Services

a.	R&D services on natural sciences**	851
b.	R&D services on social sciences and humanities	852

Bill No. 1	<i>The National Local Content Bill</i>	2019
c.	Interdisciplinary R&D services	853
	<u>Real Estate Services</u>	
a.	Involving own or leased property	821
b.	On a fee or contract basis	822
	<u>Rental/Leasing Services without Operators</u>	
c.	Relating to other transport equipment** 83105	83101+83102+
d.	Relating to other machinery and equipment83106-83109	832
	<u>Other Business Services</u>	
a.	Advertising services	871
b.	Market research and public opinion polling services	864
c.	Management consulting service	865
d.	Services related to man. Consulting	866
e.	Technical testing and analysis services	8676
f.	Services incidental to agriculture, hunting and forestry	881
g.	Services incidental to fishing	882
h.	Services incidental to mining	883+5115
i.	Services incidental to manufacturing (except for 88442)	884+885
j.	Services incidental to energy distribution	887
k.	Placement and supply services of Personnel	872
l.	Investigation and security	873
m.	Related scientific and technical consulting services	8675
n.	Maintenance and repair of equipment (not including maritime vessels, aircraft or other transport equipment) **	633+ 8861-8866
o.	Building-cleaning services	874
p.	Photographic services	875
q.	Packaging services	876

- | | | |
|----|----------------------|----------------------|
| r. | Printing, publishing | 88442 |
| s. | Convention services | 87909 ¹ * |

8790

2. **COMMUNICATION SERVICES**

- | | | |
|----|------------------|------|
| a. | Postal services | 7511 |
| b. | Courier services | 7512 |

Telecommunication services

- | | | |
|----|---|--|
| a. | Voice telephone services | 7521 |
| b. | Packet-switched data transmission services | 7523 ² * |
| c. | Circuit-switched data transmission services ^{**} | 7523 ^{**} |
| d. | Telex services | 7523 ^{**} |
| e. | Telegraph services | 7522 |
| f. | Facsimile services | 7521 ^{**} +7529 ^{**} |
| h. | Electronic mail | 7523 |
| i. | Voice mail | 7523 |
| j. | on-line information and/or data processing (incl. transaction processing) ^{**} | 843 |
| k. | Private-based circuit services | 7522+7523 |

Audio visual services

- | | | |
|----|--|------|
| a. | Motion picture and video tape production and distribution services | 9611 |
| b. | Motion picture projection service | 9612 |
| c. | Radio and television services | 9613 |
| d. | Radio and television transmission services | 7524 |
| e. | Sound recording | n.a. |

3. **CONSTRUCTION AND RELATED ENGINEERING SERVICES**

- | | | |
|----|---|---------|
| a. | General construction work for buildings | 512 |
| b. | General construction work for civil engineering | 513 |
| c. | Installation and assembly work | 514+516 |

Bill No. 1	<i>The National Local Content Bill</i>	2019
d.	Building completion and finishing work.... 511+515+518	517
4.	<u>DISTRIBUTION SERVICES</u>	
a.	Commission agents' services	621
b.	Wholesale trade services	622
b.	Retailing services	631+632 6111+6113+6121
c.	Franchising	8929
5.	<u>EDUCATIONAL SERVICES</u>	
a.	early child development services	
a.	Primary education services	921
b.	Secondary education services	922
c.	Higher education services	923
d.	Adult education	924
e.	Other education services	929
6.	<u>ENVIRONMENTAL SERVICES</u>	
a.	Sewage services	9401
b.	Refuse disposal services	9402
c.	Sanitation and similar services	9403
7.	<u>FINANCIAL SERVICES</u>	
	<u>All insurance and insurance-related services</u>	812
a.	Life, accident and health insurance services	8121
b.	Non-life insurance services	8129
c.	Reinsurance and retrocession	81299
d.	Services auxiliary to insurance (broking and agency services)	8140 8140
	<u>Banking and other financial services</u> (excl. insurance)	
a.	Acceptance of deposits and other repayable funds from the public	81115-81119
b.	Lending of all types, incl., inter alia, consumer	8113

	credit, mortgage credit, factoring and financing of commercial transaction	
c.	Financial leasing	8112
d.	All payment and money transmission services	81339
e.	Guarantees and commitments	81199
f.	Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following:	
	- money market instruments (cheques, bills, certificate of deposits, etc.)	81339
	- foreign exchange	81333
	- derivative products incl., but not limited to, futures and options	81339
	- exchange rate and interest rate instruments, inclu. products such as swaps, forward rate agreements, etc.	81339
	- transferable securities	81321
	- other negotiable instruments and financial assets, incl. bullion	81339
g.	Participation in issues of all kinds of securities, incl. under-writing and placement as agent (whether publicly or privately) and provision of service related to such issues	8132
h.	Money broking	81339**
i.	Asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial depository and trust services	8119+** 81323*
j.	Settlement and clearing services for financial assets, incl. securities, derivative products, and other negotiable instruments.....	81339 or 81319
k.	Advisory and other auxiliary financial services e.g credit reference and analysis, investment and	8131 or 8133

portfolio research and advice, advice on acquisitions
and on corporate restructuring and strategy

- | | | |
|----|---|------|
| 1. | Provision and transfer of financial information,
and financial data processing and related
software by providers of other financial services....
Banc assurance services | 8131 |
|----|---|------|

8. HEALTH RELATED AND SOCIAL SERVICES

- | | | |
|----|--|-------------------------|
| a. | Hospital services e.g. surgical services delivered under
the direction of medical personal, doctors, rehabilitation,
psychiatry, obstetrician, military, prison , police | 9311 |
| b. | Other Human Health Services e.g. pharmaceutical,
radiological, anaestheological, paramedical, nursing,
laboratory, technical services | 9319 (other than 93191) |
| c. | Social Services e.g social services with accommodation
and social services without accommodation | 933 |

9. TOURISM AND TRAVEL RELATED SERVICES

- | | | |
|----|--|---------|
| a. | Hotels and restaurants (incl. catering services) | 641-643 |
| b. | Travel agencies and tour operators' services | 7471 |
| c. | Tourist guides services | 7472 |

10. RECREATIONAL, CULTURAL AND SPORTING SERVICES

(other than audio-visual services)

- | | | |
|----|---|------|
| a. | Entertainment services (including theatre, live
bands disotheque, amusement parks, authors, composers,
and circus services) | 9619 |
| b. | News agency services | 962 |
| c. | Libraries, archives, museums and other
cultural services | 963 |
| d. | Sporting and other recreational services | 964 |
| e. | artistic designs (cultural heritage) | |

11. TRANSPORT SERVICES

Internal Waterways Transport (not adequate)

a.	Passenger transportation	7221
b.	Freight transportation	7222
c.	Rental of vessels with crew	7223
d.	Maintenance and repair of vessels	8868
e.	Pushing and towing services	7224
f.	Supporting services for internal waterway transport	745

Air Transport Services

d.	Maintenance and repair of aircraft	8868
e.	Supporting services for air transport (as is done by ENHAS)	746

Rail Transport Services

a.	Passenger transportation	7111
b.	Freight transportation	7112
c.	Pushing and towing services	7113
d.	Maintenance and repair of rail transport equipment	8868
e.	Supporting services for rail transport services	743

F. Road Transport Services

a.	Passenger transportation	7121+7122
b.	Freight transportation	7123
c.	Rental of commercial vehicles with operator	7124d.
	Maintenance and repair of road transport equipment	6112+8867
e.	Supporting services for road transport services	744

Services auxiliary to all modes of transport (logistic services)

a.	Cargo-handling services	741
b.	Storage and warehouse services	742
c.	Freight transport agency services	748

- d. Freight brokerage, bill auditing, freight rate information services, parking and unpacking, freight inspection, weighing and sampling services, freight receiving and acceptance services, transportation, document preparation services

749

Other Transport Services (bicycle and motorbike transport services)

GOODS

All goods manufactured in Uganda

SCHEDULE 3*Section 21***CONTENTS OF A LOCAL CONTENT PLAN**

1. The procurement and utilization of goods and services obtainable in Uganda;
2. The employment of Ugandan citizens, their remuneration as well as the minimum qualification requirements;
3. Workforce development strategies in relation to Ugandan citizens including training plans and projections to address any skill gaps that may have been identified in relation to the local labour force;
4. Strategies to transfer technology, knowledge and skills to Ugandan citizens;
5. Local supplier capacity development;
6. Where applicable, subcontracting and creation of partnerships with Ugandan and resident companies;
7. Succession plan for all jobs held by foreigners or activities being undertaken or done by foreigners;
8. Training and capacity building for Ugandan citizens;
9. A detailed list of goods and services to be provided exclusively by Ugandan entities and citizens or in accordance with the Act;
10. Strategies for the support of local participation in the activities of the bidder;
11. The minimum estimated expenditure that will be made by the bidder in fulfilment of its local content obligations; and
12. Any other information as prescribed by regulations.