

A Proposed Constituency Development Fund (CDF) Bill, 2007

*Submitted to the Government of Uganda
for the regulation of the Constituency
Development of the Parliament of Uganda Fund*

April 2007



**THE PARLIAMENT
OF THE REPUBLIC OF UGANDA**



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A Proposed Constituency Development Fund Bill (CDF), 2007

Submitted to the Government of Uganda for the regulation of the Constituency Development Fund of the Parliament of Uganda

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Disclaimer

With all intentions and purposes, this BILL has sought to be accurate, factual and simple. Any unintended errors and misrepresentation of data or fact is hereby regrettable.

THE PROPOSED CONSTITUENCY DEVELOPMENT FUND (CDF) BILL April
2007

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Tel.: +256 752 648 576

AFRICA LEADERSHIP INSTITUTE
For Excellence in Governance, Security and Development
P.O. Box 23277 Kampala, Uganda
Tel.: +256 41 578739, +256 312 277124
Naguru Summit View Road
E-mail:info@aflia.org

THE CONSTITUENCY DEVELOPMENT FUND BILL, 2007

ARRANGEMENT OF CLAUSES

PART I - PRELIMINARY

Clause

- 1 Short title and commencement.
- 2 Interpretations.
- 3 Application.

Part II ESTABLISHMENT OF THE CONSTITUENCY DEVELOPMENT FUND

- 4 Establishment of the Constituency Development Fund.

Part III MANAGEMENT OF THE CONSTITUENCY DEVELOPMENT FUND

- 5 Constituency CDF Committee
- 6 Chief Administrative Officers
- 7 National CDF Committee in Parliamentary Commission
- 8 Officers Administering the Fund

Part IV SUBMISSION OF THE CONSTITUENCY PROJECT PROPOSALS

- 9 Members of Parliament to submit proposals.
- 10 Submission deadline.
- 11 Submission form.
- 12 Project description form.
- 13 Constituency CDF committee to recommend.
- 14 Clerk to forward to MFPED.
- 15 List to be serialized.
- 16 Basis for budget ceiling.
- 17 Criteria for projects.

PART V TYPES OF PROJECTS

- 18 Projects to be community based.
- 19 Number of projects
- 20 Cost estimates to be realistic.
- 21 Personal awards to be excluded.
- 22 Counterpart funding to be permitted

PART VI – IMPLEMENTATION OF PROJECTS

- 23 Constituency Development Committees to Implement Projects

- 24 Procurement of services and works
- 25 Districts to maintain records
- 26 Returns to Constituencies Development Fund
- 27 Accounts and Audit.
- 28 Community initiatives to be eligible
- 29 Departmental heads to be represented in district CDF committee.
- 30 Ongoing projects to be evaluated
- 31 Community interest to be represented

PART VII – FINANCE AND ADMINISTRATION

- 32 CDF Account
- 33 Record of all disbursement to be kept

PART VIII- OFFENCES AND PENALTIES

- 34 Misuse of Funds
- 35 Causing financial loss
- 36 Discrimination
- 37 Concealment of Information
- 38 Forgery

FIRST SCHEDULE - STANDARD CONSTITUENCY
PROJECTS SUBMISSION FORM

SECOND SCHEDULE - STANDARD PROJECTS
DESCRIPTION FORM

THIRD SCHEDULE - CURRENCY POINT.

THE CONSTITUENCY DEVELOPMENT FUND BILL, 2007

A Bill to provide for the establishment of the Constituency Development Fund and for connected purposes.

A Bill to be enacted into an Act

Entitled;

THE CONSTITUENCY DEVELOPMENT FUND ACT, 2007

An Act of Parliament to provide for the establishment of the Constituency Development Fund to be known as the Constituency Development Fund (in this Bill referred to as the “Fund”), which shall be administered by the officer administering the fund and for connected purposes.

Be it enacted by Parliament as follows:

PART I – PRELIMINARY

Short title and commencement

This Bill may be cited as the Constituency Development Fund Bill, 2007. This Bill shall come into force on a date of assent into law or on such day as the Minister may prescribe.

Interpretation

In this Bill, unless the context otherwise requires-

“Bill” means an Act of Parliament and includes both Private Members Bill and Government Bill;

“Constituency” for purposes of this fund means a county, a district and a region represented by an MP. For purposes this Bill, this shall include MPs representing People With Disabilities and for youth, excluding “constituencies” of representatives of the Army, the Workers and ex-official Members of Parliament.

“Currency point” for this purpose one currency point is equivalent to 20,000 Uganda shillings.

“Constituency account” means an account opened and maintained for every constituency at a district in accordance with Section 32

“Community” mean residents of a particular geographical area or social grouping defined as a constituency and having common interests;

“Clerk” means the Clerk to Parliament or any other staff of the Parliamentary Commission as designated by the Clerk to Parliament;

“Committee” means any committee for dispensation of Constituency Development Fund;

“Constitution” means Constitution of the Republic of Uganda;

“Development” means qualitative and quantitative improvement of the people’s welfare as a result of Constituency Development Fund;

“CDF” means Constituency Development Fund

“District” means a district as geographically defined by the Local Government Act

“Fund” means monies set aside for Constituency Development;

“Meeting,” means any sitting or sittings called to discuss issues of Constituency Development Fund and any other issues that may affect the development of the constituency;

“Member” means Member of Parliament;

“Minister” means Minister of Government and includes a Prime Minister and Minister of State

“Paper” means any document in any form that may be laid on table;

“PEAP” means Poverty Eradication Action Plan

“Project” means a specific action development plan for a constituency;

“Public place” means any place that the public has unlimited access and includes, a road, school, hospital, church and a mosque, and such place for the time being gazzeted as public place.

“Speaker” means the Speaker of Parliament and includes the Deputy Speaker

‘NGO’ means Non Governmental Organization.

Application.

3. The provisions of this Bill shall apply, as more specifically provided for in the Bill, and shall ensure that a specific portion of the national annual budget is devoted to the constituencies of directly elected members of parliament, regional representatives in Parliament of youths and People With Disabilities and not workers, army representatives and Ex-official Members of Parliament for purposes of development and in particular in the fight against poverty at the constituency level.

Part II- ESTABLISHMENT OF THE CONSTITUENCY DEVELOPMENT FUND

Establishment of the Constituency Development Fund and types of projects

4. (1) Government shall establish a Constituency Development Fund Under the Parliamentary Commission.
- (2) The fund shall be an item in the annual development budget of Parliament.
 - a) The purpose of the fund shall be to support the constituency development programmes or projects of the Member of Parliament
 - b) The fund shall be disbursed to each MP through the district local government as advance and accounted for as such to the Accounting officer of Parliament through the chief administrative officers
 - c) The Accounting Officer shall disburse the Fund within one Month of its release
 - d) The fund shall be disbursed as a lump sum to each MP for each financial year within 6 (six) months. Subsequent disbursements shall be accounted for by the end of each Financial year.

Part III – FUND MANAGEMENT

Fund Management.

5. (1) The fund shall be managed and controlled by
 - a) Constituency Development Committee
 - b) The Chief Administrative Officer
 - c), The CDF National Committee at Parliamentary Commission .
- (2) There shall be a Constituency Development Committee constituted and convened by the elected Member of Parliament within the first year of assent to Parliament and shall have a maximum membership of 9 comprising;
 - a) Member of Parliament who shall be the Chairperson and Committees appointing authority;
 - b) One LCIII Chairperson and/or councilor in the constituency;
 - c) LCV Councillor for production in the constituency;
 - d) One Community Development Assistant in the constituency;
 - e) One women representative;

- f) one youths representatives in the constituency;
 - g) one nominee from any active NGO in the constituency;
 - h) one representative of PWDs in the community.
 - i) one sub-county chief in the constituency.
- (3) At least 3 members of this committee shall be drawn from other political parties other than that of the serving Member of Parliament.
- (4) Functions of the Constituency Development Committee shall include the following:
- (a) To identify and come up with priority projects lists, to be submitted to the Parliamentary Commission by the MP
 - (b) Ensure that the identification of projects is in accordance to set guidelines and CDF policy
 - (b) Implement the projects
 - (c) Demand accountability from project beneficiaries for submission to the CAO.

6. The CAO shall

- a) Receive all funds of the district CDF basket fund;
- b) Write project cheques in the names of the constituency and /or in the name of approved projects or projects to be funded
- c) Receive accountability reports from the Constituency Development Committee /and or beneficiaries of the fund
- d) Compile accountability to be submitted to the Clerk to Parliament

National Constituency Development Fund Committee

7(1) There shall be National Constituency Development Fund Management Committee constituted at the parliamentary commission and shall consist of: -

- (a) Minister of Finance (Chairperson)
 - (b) Permanent Secretary Ministry of Local government
 - (c) Permanent Secretary Ministry of Agriculture.
 - (d) Clerk to the Parliament (Secretary)
 - (e) Chairman of the Parliamentary Accounts Committee.
- (2) Functions of the National Constituency Development Fund Committee shall include the following: -
- (a) to ensure allocation and disbursement of the funds to every Constituency;
 - (b) to ensure prudent management of the fund;
 - (c) to receive and discuss annual reports and returns from the Constituencies;
 - (d) to ensure timely submission to Parliament of various returns, reports and information as required by the Act;
 - (e) Perform other duties, in consultation with the Minister, as may deem necessary for the proper management of the fund

Officer Administering the fund

8. The officer administering the Fund shall be the Clerk to Parliament and in exercise of his/her duties under this law shall,

- (a) Coordinator of the Fund and the secretary to the National CDF Committee;
- (b) supervise and control day to day administration of the fund;
- (c) keep or cause to be kept proper books of accounts and other books and records related to the Fund;
- (d) prepare, sign and transmit to the controller and Auditor- General accounts;
- (e) perform any other duties assigned to him from time to time;

Part IV- SUBMISSION OF THE CONSTITUENCY PROJECT PROPOSALS

Member of Parliament to submit proposals

- 9 (1) The list of proposed constituency based projects to be covered under this Bill shall be submitted by the Member of Parliament for the Constituency and shall be copied to the CAO of each district.
- (2) The clerk shall designate a particular officer to receive and compile the list of proposed Constituency projects submitted under this Bill.

Submission deadline

10. The list of the proposed constituency projects shall be submitted to the Clerk before the end of the months of February in each year, or such other month as may be determined by the Minister in order to ensure timely inclusion of the projects in the annual government budget of the particular financial year.

Submission Form

11. (1) The list of projects shall be submitted on the standard constituency projects submission form set out in the First Schedule to the Bill.
- (2) All projects proposed for every constituency shall be listed in the form together with the cost estimates of such projects.

Projects description Form

12. (1) For every project listed in the form there shall be attached to it a standard projects description form set out in the Second Schedule to the Bill.
- (2) The Minister may, by notice published in the gazette, amend any schedules to these provisions provided that the amendment shall first be referred to Parliament for approval.

Parliamentary Commission to recommend

- 13 (1) The list of projects received by the Clerk pursuant to Section 10 shall be tabled by the Clerk for review at a meeting of the National CDF Committee under the Parliamentary Commission.
- (2) The Parliamentary commission shall scrutinise and recommend the proposals to be included in the parliamentary budget for eventual inclusion in the Printed estimates of the following financial year.

Clerk to forward to Minister

14. The Clerk shall, after scrutiny of the list of projects by the Parliamentary Commission, submit to the Ministry of Finance the list of all the Projects received for all constituencies as part of the parliamentary commission budget together with a summary showing the total number of projects for all the constituencies.

List to be serialized

15. The projects listed for each constituency in accordance with section 11 shall be numbered by officer administering the fund in order to ensure that a project retains the same serial number every year until its completion.

Basis for ceiling

- 16 (1) The budget ceiling for each constituency shall be-
- (a) a minimum of 50 million Uganda shillings every financial year or as provided for by the Minister of Finance.
 - (b) The amount given shall be subject to review from time to time given the urgency under the PEAP to eradicate poverty and attainment of the Millennium Development Goals (MDGs).
 - (c) The Minister of Finance by an instrument shall revise the amount by amending the third schedule to this law.

Criteria for projects.

- 17 (1) The types of projects submitted for funding under this Bill shall comply with the provisions of this Bill
- (2) If some of the projects on the list of particular constituency do not comply with the provisions of this Bill then such projects shall be deleted from the list and the list shall be forwarded to the Minister
 - (3) If the total cost of the projects so submitted exceeds the unallowable ceiling for the constituency, then the order in which the projects are listed shall be taken as the order of priority and the project shall be struck off from the bottom of the list so that the total amount of the projects is within the allowable ceiling.
 - (4) Whenever the amount for the projects in constituency is less than the allowable ceiling for reasons of projects being deleted in accordance with sub-section (3) above, or for whatever reason, the shortfall shall be indicated as unallocated amount against that particular constituency on the list to be forwarded to the Minister.

PART IV - TYPES OF PROJECTS

Projects to be community based

- 18(1) Money allocated to the CDF shall be used In activities that directly increase House holds incomes and productivity.
- (a) It shall be used on interventions that can trigger rapid rural transformation

and economic development.

- (b) It shall be used in agro- processing and marketing of agro produce in concerned constituencies
 - (d) CDF Money shall not be used for development of infra- structure which are already being undertaken by either local government initiatives or central government programmes and projects.
 - (e) All projects shall be community based and shall ensure that all enjoy benefits.
 - (f) Part of the funds may be used to finance the setting up of a Constituency office (Not Member of Parliaments office)
 - (g) A constituency office project plus furniture and equipment shall be considered as a development project
- (2) Any funding under this Bill shall be for a complete project or a defined phase, unit or element of a project.
 - (3) Funds under this Bill shall not be used for purposes of political party interests or for supporting religious bodies or related sectarian activities.
 - (5) All projects shall be development oriented projects and may include costs related to training, studies, planning and design or other technical input for the project but shall not include recurrent costs of a facility.

Number of Projects

- 19 (1) The number of projects to be included in the Standard Constituency Projects Submission Form specified in the Second Schedule shall be a minimum of five and a maximum of twenty for every constituency in each financial year
- (2) Uncompleted projects from the previous year shall remain on the project list so as to ensure that the numbers of projects remain the maximum number specified in subsection (1) at any one time.
- (3) Project activities of a similar nature in a particular constituency may be considered as one project for purposes of subsection (1), provided that the total cost of such projects shall not exceed 50% (fifty per centum) of the total annual allocation for a particular constituency.
- (4) Constituencies may pull resources for joint projects provided that the decision for such joint projects shall first be approved by the Constituency Development Committee of each of the participating constituencies and shall be reflected on the listed projects for each of the participating constituencies.
- (5) Where constituencies have joint projects, the CDF committee shall coordinate such projects.

Cost estimates to be realistic.

- 20 (1) The Constituency Development Committee shall ensure that appropriate consultations with the relevant Government departments, are made, to ensure that cost estimates for projects are as realistic as possible.

- (2) The Constituency Development Committee shall rank the projects in order of priority and whenever in the opinion of the Minister, the total cost of the projects listed exceeds the ceiling for a particular constituency, then the order in which they are listed shall be taken as the order of priority for purposes of allocation of funds, provided that ongoing projects shall take precedence over all other projects.

Personal awards to be excluded

- 21 (1) A project or any part thereof which involves personal awards to any person in cash or any kind, shall be excluded from the list of projects submitted in accordance with section 12 of the Bill.
- (2) Notwithstanding the provisions of subsection (1), an education bursary scheme shall be considered as a development project for purposes of the Bill, provided that such a project shall not be allocated more than 10% (ten Percentum) of the total funds allocated for the constituency in any particular year.

Counter-part funding to be permitted.

22. For purposes of this Bill, the National Committee may consider part funding of a project financed from sources other than the Fund so long as the other financiers or donors of the project have no objection and provided that the part funding for the project availed pursuant to this Bill shall go to a defined unit or any part thereof or phase of the project in order to ensure that the particular portion defined in the allocation is completed with the funds allocated under this Bill.

PART VI – IMPLEMENTATION OF PROJECTS

23. (1) Projects under this Bill shall be implemented by the Constituency Development Committee in liaison with the relevant government departments in the district and all payments through cheques or otherwise shall be processed and effected in the name of the Constituency Development Committee and /or projects to be implemented
- (2) Where a project in the constituency involves the purchase of equipment, such equipment shall remain for exclusive use of that constituency and in the event of disposal of such equipment the amount realized shall be paid into the account of that constituency.

Procurement of Services and works

24. (1) All works and services relating to projects under this Bill shall be sourced using the regulations to the CDF Bill as far as they are consistent with existing government procurement regulations.
- (2) All tenders and quotations shall be tabled at a meeting of the Constituency Development Committee and the committee shall indicate that they have no objection to the award through a minuted resolution before the tender of

quotation is awarded.

- (3) There shall be a sub-committee of the CDF to handle procurement issues.

District to Maintain records

25. The CAO shall keep and maintain records of the disbursements of funds and progress of projects funded under this Bill.

Returns to Constituencies Development fund

26. (1) The CAO in every district shall compile and maintain a record showing all receipts and disbursements on a monthly basis in respect of every project under this Bill and shall submit annual returns to the national committee not later than sixty (60) days after the end of every financial year.
- (2) The CAO in every district, shall make such interim returns as the national committee shall, by resolution, deem necessary in order to facilitate the release of the next funds

Accounting procedures of the funds

27. The project beneficiaries shall be expected to provide both Financial and none financial accountability.
 - a) The constituency development committee shall receive from Beneficiaries accountability and intern prepare a summery together with record of good practices, models and cause these to be submitted to the CAO.
 - b) The CAO shall upon receipt of the summary from the Constituency Development Committee subject the summary into an audit in order to ascertain a balance sheet for the constituency and cause the same to be tabled to the Clerk of Parliament.
 - c) Simple contract agreements with service or goods providers shall be permissible under this law and any other document or receipts thereof.

Community initiative to be eligible

- 28 (1) Projects initiated by the community shall be eligible for support under this Bill provided that such projects shall be submitted with the other projects in conformity with the requirements of the Bill.
- (2) Pursuant to subsection (1), a community shall maintain an elected committee to represent the interests of that community during and after the implementation of the project and such a committee shall conform to established government regulations in the discharge of its functions.

Departmental head to be representative

- 29 (1) where a community initiates a project and a project Committee is maintained by the community, the departmental head of a Government ministry under whose docket the project falls shall be an ex-official member of such a committee and shall have the power to appoint a representative to the committee from among Government officers in the constituency.

- (2) A representative appointed under subsection (1) shall not have the right to vote but shall attend each and every meeting of such a committee and shall receive minutes of the deliberations of the committee.

On going projects to be evaluated

30. Any ongoing projects initiated by a community prior to or after the commencement of this Bill, and which is intended to be supported under this Bill, shall undergo a technical and financial evaluation by the relevant departmental head in the district, and the project status documented, before it is listed for support in accordance with the Bill

Community interests to be represented

31. If a community requests, it shall be given a chance to nominate representatives to represent their interests in any project being undertaken in their area.

PART IX – FINANCE AND ADMINISTRATION

CDF Account.

32. 1) For purposes of CDF an account for the fund shall be the district account. Provided that constituencies shall have the discretion to open an account for purposes of managing their own savings.
 - (2) Signatories to the CDF account shall be the CAO and the Chief finance officer.
 - (3) the CAO shall write cash cheques in the names of approved projects or groups of beneficiaries
 - (4) Funds from the constituency account shall only be withdrawn as disbursements for a particular project in accordance with the provisions of the Bill
 - (5) Each and every payment out of the Constituency Development Fund account shall strictly be on the basis of a minuted resolution of the constituency development committee.
 - (6) All receipts, savings and accruals to the constituency account and the balances thereof at the end of every financial year shall be retained in the constituency account for the purposes for which the account is maintained.
 - (6) All unutilized funds shall remain in the constituency account and no investment else where shall be permitted, provided that funds meant for a project that is cancelled or discontinued shall be returned to the fund in accordance with the Bill.
 - (7) Any accruing revenues, interests and liabilities from any Constituency account shall be declared to the national committee together with the annual returns.

Record of all disbursements

33. (1) An accurate record of all disbursements made for projects in each constituency

shall be kept and updated every Month by the officer administering the fund.

- (2) The disbursements of funds to the constituency account be effected within the first quarter of each financial year with an initial amount equivalent to 25% of the total estimated amount for the year and thereafter the constituency account shall be replenished in three equal installments of 25% as soon as returns are received from the constituency showing an equivalent amount expended from the constituency account.

Offences and penalties

Misuse of funds

34. Any person who misappropriates any funds under this Bill commits an offence and shall be guilty of the offence of misuse of constituency funds and on conviction such a person shall be sentenced to imprisonment for not less than three years and not more than fourteen years and shall be liable to refund all misused monies.

Causing Financial Loss

35. Any person, who in the performance of his or her duties does any act or omits to do any act knowing or having reason to believe that such act or omission will cause financial loss to the constituency, commits the offence of causing financial loss and is liable on conviction to a term of imprisonment of not less than three years and not more than fourteen years and shall refund all lost funds.

Discrimination

36. A person who denies another benefit of the CDF fund or the project benefits for reasons of difference in political opinion, age, sex or religious affiliation, tribe, social or economic standing or disability commits an offence.

Concealment of information

37. Any person who by reason of impropriety and with intent to defraud conceals any information believed to be for the public commits an offence and is liable to imprisonment for ten years.
38. Any person who presents obscured receipts or any such documents meant for accountability in such a manner as to impute inaccuracy and apparent fraud commits an offence and is liable on conviction to term not exceeding three years.

FIRST SCHEDULE

STANDARD CONSTITUENCY PROJECTS SUBMISSION FORM (To be filled in quadruplicate and one copy for CDF Committee, CAO ,National Committee and Ministry of Finance)

Name of Constituency Financial Year.....

District..... Region.....

SERIAL NUMBER	NAME OF PROJECT	COST ESTIMATES In Ushs.
TOTAL FOR THE YEAR.....		U Shs.....

Member of the Constituency
Development Committee Signature

Member of Parliament..... Signature.....

Date

SECOND SCHEDULE

STANDARD PROJECT DESCRIPTION FORM

(To be completed in consultation with district departmental head)

Constituency.....District..... Region.....

Project number..... Project Title.....

Relevant Government Department.....

Status of Projects (tick one) New..... Extension.....Ongoing.....

Rehabilitation

Brief statement on the progress at time of submission

.....
.....
.....
.....

Financial year under reference 1st July..... to 30th June.....

Original Cost estimates in Ug shs..... Dated.....

Amount allocated last financial year.....

Person completing form: Signature

Name

Position

Date

THIRD SCHEDULE

The CDF amount under this Bill shall be 2500 currency points.

**THE CONSTITUENCY DEVELOPMENT FUND PROPOSED BILL,
2007 THE CONSTITUENCIES DEVELOPMENT FUND
PROPOSED REGULATIONS, 2007**

1. These Regulations may be cited as the Constituency Development Fund Regulations, 2007
2. In these Regulations, unless the context otherwise requires—

“Bill” means the Proposed CDF Act of Parliament and includes both Private Members Bill and Government Bill;

“CDF” means the Constituency Development Fund;

“Clerk” means the Clerk to Parliament or a staff of the parliamentary commission so designated;

“Constituency Development Committee” means the Committee established under Section 5(2) of the Bill;

“Constituency Account” means the account maintained for every constituency;

“Financial year” means the period of twelve months ending on 30th June in each year;

“Fund” means monies set aside for the Constituencies Development Fund;

“Public place” means any place that the public has unlimited access and includes, a road, school, hospital, church and a mosque, and such place for the time being gazetted as public place.

“Minister” means Minister of Finance

Initial disbursement

- 3) The Initial disbursement of CDF for each constituency shall be a minimum of 50 million shillings as appropriated by Parliament every financial year. The Minister of Finance shall by an amendment to the third schedule of this law revise the amount annually or as need arises.
- 4) All disbursements from the Fund shall be approved by Parliament and shall be made through the constituency bank Account opened and maintained at the district for all constituencies.

Disclosure of interests by the members Constituency Development Committee

- 5 (1) if a member of the constituency development Committee has a direct or indirect personal interest in a matter being considered or is to be considered by the Committee, he or she shall as soon as possible offer the relevant facts concerning the matter have come to his knowledge disclose the nature of the interest to the relevant committee to which he or she belongs.
- (2) A disclosure of interest made by a member of the committee under subparagraph shall be recorded in the minutes of the meeting of the committees and the member shall not, unless the committees otherwise determines, in respect of the matter: -

- (a) be present during any deliberation on the matter by the committee;
- (b) take part in the decision of the committee on the matter.

Term of Office of members of CDF Committees

- 6. 1) The term of any member of the CDF Committee/officer appointed pursuant to sections 5, 6,& 7, of the Bill shall be 3 years. Provided that member shall be eligible for reappointment for another term of 3years.
- (2) The members of the CDF Committees appointed pursuant to section 5, of the Bill shall not serve more than two consecutive terms.
- (3) Members of CDF Committees serving in civil capacity of Government shall have unlimited tenure of office.

Procedure at meetings of the Constituency Development committee and National CDF Committee

- 7 (1) The first meeting of the National Committee shall be convened by the Clerk to Parliament and subsequently the committee shall meet at least once in every three months.
- (2) The first meeting of the Constituency Development Committee shall be convened by the elected Member of Parliament and subsequently the committee shall sit at least once every three months.
- (3) At the first meeting of the Constituency Development Committee convened pursuant to sub –paragraph (2), the committee shall in addition to electing the vice chairman also elect a secretary and treasurer to the committee.
- (4) The provisions of paragraphs (2), (3), of section 7 in these regulations shall apply with necessary modifications to the National Committee.

Terms of Office of members of Constituency Development Committee

- 8. The members of the Constituency Development Committee other than the Members of Parliament, Councilors and ex-official members shall hold office for a period not exceeding two years and shall be eligible for re-appointment for one further term of two years.

Vacation of office by members of the Constituency Development Committee

Vacation of office

- 9. (1) Any member of the Constituency Development Committee, other than the Member of Parliament, councilor or ex-official member, may resign his or her office by written notification under his or her hand addresses to the Chairman of the committee.
- (2) Any member of the Constituency Development Committee may be removed from office by the committee if the member;-

- a) has been absent for three consecutive meetings of the committee without reasonable excuse;
- b) is adjudged bankrupt or enters into composition scheme or arrangement with his a creditors ;or
- c) is convicted of an offence involving dishonesty, fraud or moral turpitude; or
- d) is convicted of criminal offence and sentenced to imprisonment for a term exceeding six months or to a fine not exceeding 5 currency points or both; or
- e) is incapacitated by prolonged physical illness ;or
- f) is otherwise unable or unfit to discharge his/her functions.

Appointment of members to the Constituency Development Committee

10. (1) In nominating the members of the Constituency Development Committee, the elected Members of Parliament shall have regard to;-
- a) the honesty and integrity of the persons nominated;
 - b) the ability of the persons nominated to read and write ;
 - c) the knowledge and experience of the persons nominated ; and
 - d) the importance of representing the political parties ,gender and ethnic diversity on the Constituency Development Committee.
- (2) The names of persons nominated for appointment pursuant to section 5,6,7&8 of the Bill and this paragraph shall be submitted to the Clerk to Parliament and copied to the CAO.
- (3) Within twenty –one days after any vacancy has arisen in the membership of the Constituency Development Committee, the elected Members of Parliament shall nominate another person to fill the vacancy taking into consideration the provisions of the sub-paragraph (1) and thereafter submit the name to the Clerk to Parliament and CAO in the manner provided for under paragraph (2).

Vacancies not to invalidate the proceedings of Constituency Development Committee.

11. No act or proceedings of the Constituency Development Committee shall be invalid by reason only of a vacancy or defect in composition of the Constituency Committee,

Bank Account

12. (1) A bank account for purposes of CDF shall be district account in accordance with section 32 of the Bill
- (2) the constituency development committee shall approve the bank with which the constituency account shall be opened and maintained.
 - (3) all funds accruing to the constituency shall be disbursed to the account opened and maintained pursuant to sub-paragraph (1)
 - (4) The signatories to the CDF account shall be;-

a) CAO and b) CFO

- (5) Any withdrawal of funds from the account shall be with the approval of the CDF committee Chairman or Vice-Chairman.

Sitting Allowances and Administrative Costs

13. Sitting allowances and administrative costs for members of the Constituency Development Committee shall be 10% of the total CDF disbursement to the constituency

Treatment of Surplus

14. Any surplus realized as a result of non –utilization of funds in any financial year shall be retained in the fund account.

Retention of Receipts

15. The receipts, earnings and accruals and the balance of the fund at the close of each financial year shall be paid into the consolidated fund but shall be retained for the purposes for which the fund is established.

Procurement of Services and works

16. (1) All works and services relating to projects under this Bill shall be sourced using these regulations. A Procurement sub-committee of the CDF shall be created to handle these process.
- (2) the Constituency development committee shall whenever demand for service or goods arise invite the public to express interest to provide the same.
- (3) the invitation to the public described in sub-paragraph 2 above shall be made in writing and made public either in the local media or on any notice board in any public place.
- (4) A bid applications shall be made by submitting paper credentials of the prospective firm or persons in the manner of specification by the constituency development committee
- (5) List of all but eligible applicants shall be short listed for viewing by the public before any acceptance is made for a particular bidder/bid
- (6) All tenders and quotations shall be tabled at a meeting of the CDF procurement sub-committee and the committee shall indicate that they have no objection to the award through a minuted resolution before the tender of quotation is awarded
- (7) A communication shall be made in writing to the successful bidder and the public shall be notified through the media or any such convenient medium
- (8) Any contract entered between the constituency development committee shall be governed by the law of sale of goods and contract law for the time being in force in Uganda.

Winding up of the Fund

17. In the event of winding up the fund, any balances and any assets standing to the credit of the fund shall be credited to the treasury.

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Minister of Finance, Planning and Economic Development.