

STATUTORY INSTRUMENTS SUPPLEMENT

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STATUTORY INSTRUMENTS.  
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THE COMMUNICATIONS (ESTABLISHMENT AND  
MANAGEMENT OF THE RURAL COMMUNICATIONS  
DEVELOPMENT FUND) INSTRUMENT, 2002.

ARRANGEMENT OF REGULATIONS

*Regulation.*

1. Citation.
2. Interpretation.
3. Establishment and objects of the Fund.
4. Application of the Fund.
5. Rural Communications Development Fund Board.
6. Tenure of office of members.
7. Functions of the Board.
8. Board meetings.
9. Remuneration of members.
10. Power to co-opt.
11. Fund Manager.
12. Functions of the Fund Manager.
13. Other officers and staff.
14. Protection of members and staff from liability.
15. Payments from the Fund.
16. Financial year of the Fund.
17. Estimates.
18. Accounts.
19. Audit.
20. Annual reports.

**The Communications (Establishment and Management of the Rural Communications Development Fund) Instrument, 2002.**

*(Under sections 96(1) and 5aa of the Uganda Communications Act, 1997, Act No. 8 of 1997)*

IN EXERCISE of the powers conferred upon the Commission by section 96 (1) of the Uganda Communications Act. 1997, this Instrument is made this 24th day of July, 2002.

1. This Instrument may be cited as the Communications (Establishment and Management of the Rural Communication Development Fund) Instrument 2002. Citation.

2. In this Instrument, unless the context otherwise requires— Inter-pretation.

“Act” means the Uganda Communications Act, 1997;

“Board” means the Rural Communications Development Fund Board established under regulation 5;

“Chairperson” means the Chairperson of the Board;

“Commission” means the Uganda Communications Commission established under the Act;

“Commissioner” means a member of the Uganda Communications Commission;

“Donor” means any multilateral, or bilateral organization that contributes money to the Fund in the form of donations, grants or loans;

“Fund” means the Rural Communication Development Fund established by the Commission under regulation 3;

“Major licence” with reference to radio communications and telecommunications shall include a licence for the provision of local, long distance or international telephone services, trunk capacity, resale, rural telecommunications, store and forwarding messaging, cellular or mobile services;

“Major Licence” with reference to postal service shall include the collection, conveyance and delivery by land, water or air of national and international postal articles through out Uganda, the up keeping of places of postal services and the issuance of postage stamps;

“Minister” means the Minister responsible for Communications.

3. (1) There is established a fund to be known as the Rural Communications Development Fund.

(2) The object of the Fund is to improve communications services generally and to ensure equitable distribution of communications services throughout the country.

(3) The moneys of the Fund shall consist of—

(a) money appropriated by Parliament;

(b) donations and grants from development Partners;

(c) money given by Uganda Communications Commission from its budget;

(d) donations, gifts, grants and loans acceptable to the Minister and the Minister responsible for finance.

(4) The moneys of the Fund shall be deposited in a bank approved by the Board and shall not be withdrawn except as authorised by the Board.

4. The moneys of the Fund shall be applied for—

(a) the support of rural communications development programmes and its activities including—

(i) general support for the preparation and implementation of Commission’s communications development policy and strategies;

(ii) helping to identify, approve, schedule and finance rural communications projects;

(iii) private sector and local community investments in rural communications projects;

(b) the payment and discharge of the expenses incurred in the performance of the functions of the Board; and

(c) the payment of remuneration or allowances to the members of the Board and employees of the Fund.

5. (1) There is established a Board to be known as the Rural Communications Development Fund Board.

(2) The Board shall consist of—

(a) one Commissioner of the Uganda Communications Commission who shall be the Chairperson of the Board;

(b) the Executive Director of Uganda Communications Commission;

(c) a representative of the Minister responsible for Communications who shall be an *ex-officio* member;

(d) the following persons appointed by the Commission.

- (i) a nominee of the communications sector nominated for appointment by the major licence holders;
- (ii) a nominee of recognised consumer associations;
- (iii) a nominee of the financial sector nominated for appointment by the Uganda Institute of Bankers;
- (iv) a nominee of the Uganda Institution of Professional Engineers nominated for appointment by Uganda Institution of Professional Engineers.

Tenure of office of members.

6. A member appointed under regulation 5 except the Executive Director shall hold office for three years and is eligible for re appointment for one more term.

Functions of the Board.

7. (1) The functions of the Board are to—

- (a) oversee the management of the Fund in accordance with the manual of operating procedures approved by the Commission;
- (b) implement the Rural Communications Development Policy and strategies as set up by the Commission;
- (c) identify, approve and schedule rural communications projects;
- (d) select and supervise consultants and personnel who will be responsible for preparing specifications for rural service packages, preparing bidding documents, evaluation and selection of bidders and preparations of relevant licences;
- (e) supervise and give direction to the Fund Manager;
- (f) establish procedures for—

- (i) application for financial support from the Fund;
- (ii) the evaluation of projects for eligibility for support from the Fund.
- (g) monitor the performance of the rural communications projects and make regular reports to the Commission and other relevant agencies about the rural communications development program;
- (h) approve the Fund Program and the operating budget;
- (i) make recommendations to the Commission on policy issues related to rural communications;
- (j) carry out any other function necessary for promoting rural communications as the Commission may, in writing, direct.

(2) Except for general directions on matters of policy given to the Board from time to time by the Commission, the Board shall be independent in the performance of its duties and functions.

8. The Board shall meet at such times and places as the Chairperson shall determine and shall regulate its own procedure.

Board meetings.

9. The members of the Board shall be paid such allowances as may be determined by the Commission.

Remuneration of members.

10. (1) The Board may invite any person who, in the opinion of the Board, has expert knowledge concerning the functions of the Board, which is likely to be of assistance to the Board to attend and take part in the proceedings of the Board.

Power to co-opt.

(2) A person attending a meeting of the Board under this section may take part in any discussion at the meeting on which his or her advice is required, but shall not have any right to vote at that meeting.

11. (1) There shall be a Fund Manager of the Fund who shall be appointed by the Board.

(2) The recruitment of the Fund Manager shall be on the basis of competitive selection.

12. (1) The Fund Manager is responsible for the day-to-day operations and administration of the Fund.

(2) Without prejudice to the generality of regulation 12(1), the Fund Manager is responsible for—

(a) the implementation of the policies and programmes of the Fund;

(b) the organisation and control of the staff of the Fund;

(c) identification and preparation of rural Projects;

(d) preparation, monitoring and control of the Fund's operating budget;

(e) participation in the selection and supervision of consultants to support project implementation;

(f) awareness and sensitisation activities associated with the rural communications program;

(g) monitoring and follow up of payment of levies into the Fund by contributors;

(h) preparation of progress reports to the Board;

(i) acting as Secretary to the Board;

(j) any other duties that may be assigned to him or her by the Board and the Commission.

(3) The Fund Manager is in the performance of his or her functions, answerable to the Board.

(4) The Fund Manager shall cease to hold office if—

(a) he or she resigns;

(b) his or her contract expires;

(c) has financial or proprietary interest in organisations that may be benefiting from the fund for provision of communication services;

(d) he or she is removed from office by the Commission for—

(i) misconduct or misbehavior;

(ii) inability to discharge the functions of his or her office arising out of physical or mental disability;

(iii) incompetence.

13. (1) The Board may appoint other officers and staff of the Fund as may be necessary for the effective performance of the functions of the Fund.

Other  
officers and  
staff.

(2) The employees appointed under this section shall hold office on such terms and conditions as may be specified in their instruments of appointment.

14. (1) A member of the Board is not personally liable for an act done by him or her in good faith and without negligence for the purpose of carrying into effect the provisions of these Regulations.

Protection  
of members  
and staff  
from  
liability.

(2) An employee of the Fund or other person acting on behalf of the Board is not personally liable for any act done by him or her in good faith and without negligence for the purpose of carrying into effect the provisions of these Regulations.

15. The subsidy payments to the beneficiaries of the Fund shall be administered by the Board.

Payments  
from the  
Fund.

16. The financial year of the Fund shall be the twelve months beginning on 1st July of each year and ending on 30th June in the following calendar year.

Financial  
year of the  
Fund.

before the end of each financial year, prepare and submit to the Board for its approval and recommendation to the Commission, estimates of income and expenditure for the next ensuing financial year, and may at any time, before the end of the financial year prepare and submit to the Board for approval and recommendation to the Commission, any estimates supplementary to the estimates of the current financial year.

(2) No expenditure shall be made out of moneys of the Fund unless that expenditure is part of the expenditure approved by the Commission under subsection (1) of this section.

Accounts.

18. (1) The Board shall keep proper books of accounts of all the income and expenditure of the Fund and proper records in relation to them in a form approved by the Auditor General.

(2) Subject to any directions given by the Commission, the Board shall cause to be prepared in respect of each financial year, a statement which shall comprise—

(a) a balance sheet and a statement of income and expenditure of the Fund in respect of that financial year; and

(b) any other information in respect of the financial affairs of the Fund as the Commission may require.

Audit.

19. (1) The accounts of the Fund shall, in respect of each financial year, be audited by the Auditor General or by an auditor appointed by the Auditor General.

(2) The donors may appoint an auditor of their choice to audit the books of the Fund.

(3) The Board shall ensure that within three months after the end of each financial year, the statement of accounts described in regulation 18 is submitted for auditing.

(4) The Auditor General or an auditor appointed by the Auditor General shall have access to all books of accounts, vouchers and other financial records of the Fund and is entitled to have any information and explanation required by him or her in relation to them as he or she may think fit.

(5) The Auditor General shall, within three months after receipt of the statement of accounts under regulation 19(3), audit the accounts and deliver to the Board a copy of the audited accounts together with his or her report on them, stating any matter which, in his or her opinion, should be brought to the attention of the Commission.

20. (1) The Board shall within four months after the end of each financial year, submit to the Commission the annual status report and the audited accounts referred to in regulation 19(5) together with the Auditor General's report on them.

Annual reports.

(2) The Commission through the Minister shall, as soon as possible after receiving the reports referred to in sub regulation (1) submit the reports to the parliament.

ABEL KATAHOIRE,  
*Chairman, Uganda Communications Commission.*