

KCCA, Basajjabalaba disagree over abattoir compensation

Demand. Businessman Hassan Basajjabalaba has refused to surrender a 49-year-lease for the facility unless he is given Shs85 billion.

BY AMOS NGWOMOYA
angwomoya@ug.nationmedia.com

KAMPALA. Kampala Capital City Authority is struggling to reclaim the City's main abattoir on Old Port Bell Road from businessman Hassan Basajjabalaba who has refused to surrender a 49-year-lease for the facility unless he is given Shs85 billion.

After the Attorney General directed that Mr Basajjabalaba be compensated for loss of business, he presented a bill of Shs85b which the Kampala Capital City Authority dismissed as "exorbitant" according to Ms Benny Namugwanya, the state Minister for KCCA.

"When we contacted the government Chief Valuer, they said that they were not competent to value the business price of the facility but rather the price of the lease title," Ms Namugwanya said.

"The Attorney General then directed that we should contract a firm which could value the business price of the facility. However, this firm asked for a lot of money which KCCA didn't have and as a result, Mr Basajjabalaba went ahead to set his own price," she added.

While Mr Basajjabalaba insists on Shs85b, authorities at KCCA have resolved to write to the Finance Minister Matia Kasaija and Secretary to the Treasury Keith Muhakanizi, requesting for a supplementary to contract a private firm to value the business price of the city abattoir before compensating Mr Basajjabalaba.

"We want to get Basajjabalaba out of the city abattoir so that the facility is reverted back to the traders under the management of KCCA," the minister said, adding, "We have also discovered that the land on which the abattoir sits belongs to KCCA and not Buganda Land Board."

Mr Basajjabalaba didn't pick recurrent calls from the *Daily Monitor*.

Although the contested facility initially measured 7.5 acres, only 3 acres are left.

This is the second time Mr Basajjabalaba is asking the government to compensate him with taxpayers money for loss of business.

The biggest slaughterhouse in Kampala was leased to the businessman in 2001.

However, the traders, backed by the politicians in Kampala, refused to vacate the premises



Briefing. City Businessman Hassan Basajjabalaba addresses journalists shortly after appearing before the Presidential Affairs Committee of Parliament in recently. PHOTO BY DOMINIC BUKENYA

after the president directed that the working premises revert to the bonafide occupants.

Attempts by Mr Basajjabalaba to have the meat traders evicted failed, instigating a standoff at the city abattoir.

In 2011, the government paid Mr Basajjabalaba Shs142.6b for revoking his contracts to run the Constitution Square, St Balikuddembe (Owino), Nakasero and Shauriyako markets.

The contract to manage these facilities was awarded to Mr Basajjabalaba by the Kampala City Council (KCC), the predecessor of KCCA.

This deal was a subject of Parliament's Public Accounts Committee (PAC) chaired by former Terego MP Kassiano Wadri after the Auditor General queried the payment.

State House directive

The evidence brought to the committee by the different witnesses would later link the payment to a State House directive.

The ministers as well as technocrats in the Ministry of Finance and Attorney General's chambers were also faulted.

Appearing before PAC in November 2011, Mr Basajjabalaba said he had lost business for 11 years after the government, on the instructions of the President, cancelled his tenders to run Nakasero, Shauriyako, St Balikuddembe (Owino) markets and the Constitution Square.

In the disputed City abattoir saga, the Lord Mayor, Mr Erias Lukwago, and some members of the Parliament's Presidential Affairs Committee which oversees KCCA affairs,

have questioned the manner in which Mr Basajjabalaba was given the facility.

"All we want is to have that abattoir reverted back to KCCA and there is no way Mr Basajjabalaba could be compensated all that money... It's totally unacceptable because that would be passing on the burden to the tax payer. Was his contract genuine in the first place?" Mr Lukwago asked.

According to documents

seen by *Saturday Monitor*, KCC officials gave a one-year management contract to Mr Basajjabalaba's Hides and Skins Company Ltd (BHS) on March 1, 2000.

He was supposed to be remit Shs20m to KCC on a monthly basis. It's not clear whether this was done.

On June 4, 2001, KCC offered a 49-year-lease to BHS at a fee of Shs600m. Mr Basajjabalaba was supposed to pay ground rent of Shs2.7m annually.

He was also required to redevelop the facility into a modern slaughterhouse.

The businessman later sub-leased the facility to Travellers Coaches Ltd owned by Mr Daniel Kwantampora Katarihwa in 2008 without KCC's consent.

Mr Kwantampora allegedly increased fares at the facility, something the traders protested and later petitioned Mr Lukwago in 2011, who halted the operations since Travellers Coaches Ltd wasn't known by the council.

Legal battles ensued with Mr Kwantampora dragging Mr Lukwago to court. This case is still pending.

Although Mr Basajjabalaba got the facility back from Mr Kwantampora in 2011 through unclear circumstances, traders under their umbrella body of City Abattoir Traders Development Association (Catda) rejected the businessman and vowed not to leave, citing a presidential directive on the management of city markets and gazetted working places.

The traders insist that they have the capacity to manage the facility and asked KCCA to sort their issues with Basajjabalaba.

KEY ISSUES

Value for money. While Mr Basajjabalaba insists on Shs85b, authorities at KCCA have resolved to write to the Finance Ministry requesting for a supplementary to contract a private firm to value the business price of the city abattoir and before compensating Mr Basajjabalaba.

Space. Although the contested facility initially measured 7.5 acres, only 3 acres are left.

Past payments. In 2011, the government paid Mr Basajjabalaba Shs142.6b for revoking his contracts to run the Constitutional Square, St Balikuddembe (Owino), Nakasero and Shauriyako markets. The contract to manage these facilities was awarded to Mr Basajjabalaba by the Kampala City Council (KCC), the predecessor of KCCA.