

as well as 48 freehold titles belonging to the bank's Bank proprietor Sudhir Ruparelia over embezzlement proceedings against him. He also wondered why, for the last three financial years, which could be a signal various suits over the years. matter.

MPs fault govt over country's fuel reserves as Kenya goes to polls

By Moses Mulondo
and John Odyek

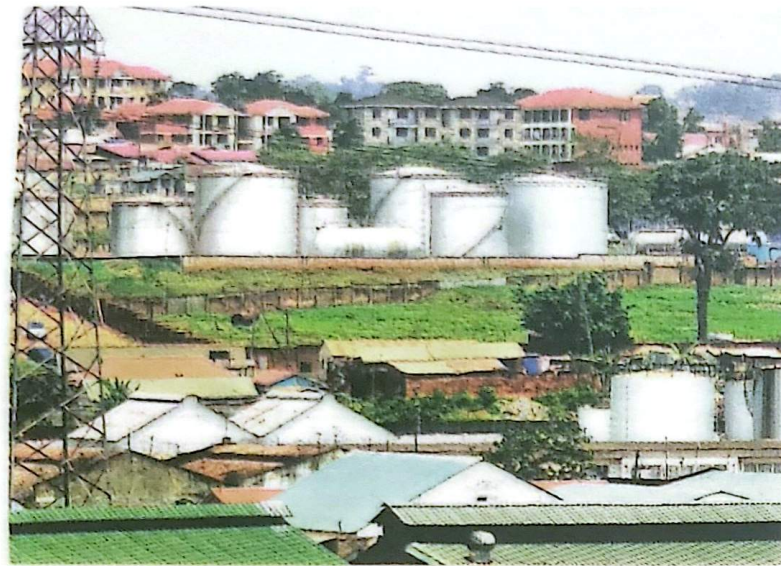
Members of Parliament yesterday castigated the Government for not utilising the country's fuel reserves at Jinja and Nakasongola to stock fuel ahead of Kenyan polls slated for next week.

The matter was raised by Kiboga East MP Dr Kefa Kiwanuka who expressed fear that Uganda could be plunged into a fuel crisis if the Kenyan elections end in violence.

Uganda experienced a fuel crisis in 2007 and early 2008 after violence broke out in Kenya following a controversial presidential election.

Aruu County MP Odonga Otto recounted that while he was the chairman of the government assurance committee, they visited the fuel reserves at Jinja and Nakasongola and found them empty.

"Our government does not have capacity to keep fuel that can sustain the country for long. When you talk of 16 days, it is as if we have no reserves,"



Fuel reservoir tanks in the industrial area in Kampala. MPs want assurance over capacity and stock in the country

Otto argued.

Peter Lokeris, the energy state minister had informed the house that

the country has fuel reserves which can sustain the demand for 16 days.

As if confirming the fears of MPs,

BETWEEN THE LINES:

The minister argued that because Government did not have funds to buy fuel to refill the reserves, it has lent the facilities to another private company (Hared Petroleum), owned by Somalis, which pays monthly rent of sh65m to the Government.

Lokeris said over 92% of the fuel Uganda imports comes through Kenya and the balance of 8% comes into Uganda through Tanzania.

Lokeris informed the House that Government had reclaimed the reserves when the contract of the firm that had taken them over expired.

The minister, however, argued that because Government did not have funds to buy fuel to refill the reserves, it has lent the facilities to another private company (Hared

Petroleum), owned by Somalis, which pays monthly rent of sh65m to the Government.

Fuel prices

The MPs also tasked the minister with explaining why fuel prices keep varying in different parts of the country.

"In Rwanda every petrol station charges the same price. Why can't you create that standardisation here?" Kabale Municipality MP Andrew Baryayanga asked.

Margaret Baba Diri wondered why fuel prices in Rwanda are lower than those in Uganda yet the distance from Mombasa to Rwanda is longer than that to Uganda.

In his response, Lokeris argued that according to the figures they have in the ministry, fuel in Rwanda is more expensive than in Uganda.

On the standardisation of prices, the minister said it would be against the government free market policy where the forces of demand and supply determine the prices.