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The ruling National Resistance Movement (NRM) nominates President Yoweri Museveni (1986-present) to contest in the presidential elections scheduled for January 2026, paving way for him to extend his 40-year rule in Uganda. Finance minister Matia Kasaija presents Uganda's Ush 72.136 trillion (\$19.6 billion) national budget for the 2025/2026 financial year, with the aim of driving the "full monetisation of the economy" but concerns remain over rising debt. Uganda People's Defence Force (UPDF) confirms on 25 June that two high-ranking military intelligence officials have been arrested for alleged professional misconduct.

Ruling party nominates Museveni as its presidential candidate

The ruling **National Resistance Movement (NRM)** on 5 July formally nominated President **Yoweri Museveni** (1986-present) to be its candidate to contest the presidential elections scheduled for January 2026, paving way for him to extend his 40-year rule in **Uganda**. Notably, two aspirants picked up expression of interest forms, but the NRM's electoral commission chairperson **Tanga Odoi** rejected them, clearing the path for Museveni to sail through unopposed.¹ Speaking shortly after his nomination, Museveni stated that he will focus on improving citizens' welfare and national development if elected for another term.²

Museveni, who has traversed the country since last year campaigning under the guise of promoting **Parish Development Model (PDM)**, a government funded wealth creation programme, will face off against his 2021 presidential election challenger **Robert Kyagulanyi** (also known as **Bob Wine**) again after Wine's **National Unity Party (NUP)** nominated him as their candidate on 11 June. However, this time round, Museveni will face a weak and fractured opposition following harassment, intimidation, bribery, arrests and detention of hundreds of opposition supporters.³

Museveni's would-be formidable challenger, Dr. **Kiiza Besigye** of the newly formed **People Front for Freedom (PFF)**, remains incarcerated in **Luzira Prison** over what many describe as politically motivated treason charges.⁴ PFF is currently in talks with another opposition party, **Alliance for National Transformation (ANT)**, to field joint candidates in the upcoming elections. Three major political parties, the **Democratic Party**, **Uganda People's Congress** and the **Forum for Democratic Change**, have declined calls to field a joint presidential candidate to stand a better chance of unseating Museveni. Campaigns for parliamentary, mayoral and district chairpersons for different political parties is also ongoing, with the ruling NRM primary elections slated for 17 July.

New budget aims to drive full monetisation of economy

Finance minister **Matia Kasaija** presented Uganda's USh 72.13 trillion (\$19.6 billion) national budget for the 2025/2026 financial year to parliament on 12 June, outlining the budget's aim of driving the "full monetisation of the economy" and transforming the country into a hub of commercial activity, underpinned by commercial agriculture, industrialisation, digital transformation, and expanded access to markets.⁵

¹ Independent, 5 Jul 2025

² NRM press release, 5 Jul 2025

³ Nile Post, 25 Jun 2025

⁴ ARC Source, Kampala, journalist

⁵ Budget speech, 12 Jun 2025

The budget represents one of the largest in **Uganda's** history, with domestic revenue expected to contribute Ush 37.2 trillion (\$10.3 billion) or roughly 60% of the total, with the remaining to be financed through borrowing and grants. The budget deficit is estimated at 7.6% of GDP.⁶

While presenting the budget, **Kasaija** stated that the government had a clear strategy to enhance domestic revenue mobilisation, widen the tax base, and strengthen tax administration, noting that an additional Ush 538.6 billion will be raised from new tax policy measures that were approved by parliament, which will also support the growth of business and the economy.⁷ The measures include technical amendments to tax laws aimed at improving clarity and consistency, creating a fairer and more predictable tax environment for businesses and taxpayers, and removing ambiguities that create loopholes leading to revenue leakages.⁸

Uganda's industrial and energy ambitions prominently feature in the new budget, with government announcing an allocation of USh 875.8 billion (\$243m) for mineral-based industrial development and oil and gas. The **East African Crude Oil Pipeline** is now 58% complete, and an agreement has been signed for the construction of a 60,000-barrel-per-day oil refinery. Once oil production starts in 2026, government expects annual revenues of between \$1 billion and \$2.5 billion.⁹

Priority sectors such as health, education, agriculture, infrastructure, and tourism received large shares of the allocation. Healthcare emerged as a major beneficiary, with USh 5.87 trillion (\$1.6 billion) earmarked for it, while the government committed 1.86 trillion (\$518m) to agro-industrialisation. This includes funding for agricultural research, irrigation schemes, fertilisers, extension services, and value addition.¹⁰ Another notable addition in the budget is a three-year income tax holiday for start-up businesses owned by Ugandan citizens and established after 1 July.¹¹ Parliament passed the budget, despite concerns raised by the opposition on the increase in the public debt. National debt will hit Ush 116 trillion (\$31.5 billion) by end of June 2025, equal to 51.26% of GDP.¹² The **International Monetary Fund (IMF)** classifies Uganda as having a moderate risk of debt distress, indicating its debt levels are manageable but there is little capacity to withstand shocks.¹³

UPDF clamps down on alleged professional misconduct and fake terror attacks

Uganda People's Defence Force (UPDF) confirmed on 25 June that two high-ranking military intelligence officials had been arrested on the orders of chief of the defence forces General **Muhoozi Kainerugaba**, for alleged professional misconduct. Local media identified the arrested intelligence officials as director of counter terrorism, Colonel **Peter Ahimbisibwe**, and director of special operations, Lieutenant Colonel **Ephraim Byaruhanga**.

A Kampala-based media publication with links to state security apparatus, citing what it describes as "*military insiders*", claimed that intelligence uncovered signs that rebel groups, particularly the **Allied Democratic Forces (ADF)**, a terror group based in the **Democratic Republic of Congo (DRC)**, may have secretly infiltrated Uganda's military intelligence system.¹⁴ The arrested officers are suspected of allowing or failing to prevent this infiltration. Sources also reported that one of the main allegations is that false intelligence was purposely or unknowingly given to senior officers which led to mistakes in an operation.¹⁵

The arrests follow two recent incidents in which security officials reportedly foiled terror attacks orchestrated by the ADF. The army on 3 June, killed two suspected suicide bombers in Kampala as the

⁶ Budget speech, 12 Jun 2025

⁷ Budget speech, 12 Jun 2025

⁸ Budget speech, 12 Jun 2025

⁹ Budget speech, 12 Jun 2025

¹⁰ Budget speech, 12 Jun 2025

¹¹ Budget speech, 12 Jun 2025

¹² PWC, 25 Jun 2025

¹³ PWC, 25 Jun 2025

¹⁴ Chimp Reports, 23 Jun 2025

¹⁵ Ujasusi, 25 Jun 2025; Chimp Reports, 23 Jun 2025

country marked **Martyrs Day** (see *ARC Briefing Uganda Jun 2025*). UPDF also reported via social media on 22 June that it foiled another terror attack, killing a suspected suicide bomber at **Kalerwe Market**, a densely populated area on the northern edge of **Kampala**.¹⁶ While initial reports praised the swift action, later findings raised red flags and on 26 June, local media reported that the UPDF had established a high-level board of enquiry following allegations that officers from the **Joint Anti-Terrorism Task Force (JATT)**, which operates under **Directorate of Intelligence and Security (DIS)**, may have staged the entire incident to justify larger budget allocations.

Planner

17 Jul 2025 **Kampala (Uganda) National Resistance Movement (NRM)** parliamentary candidate elections

7 Aug 2025 **Kampala (Uganda) Bank of Uganda (BoU)** (central bank) **Monetary Policy Committee (MPC)** meeting

Sep 2025 to Jan 2026 **(Uganda)** Election campaigning

20 – 25 Sep 2025 **Kampala (Uganda) Uganda International Oil & Gas Summit**

Nov 2025 **(Uganda) Bank of Uganda** (central bank) **Monetary Policy Committee (MPC)** meeting

12 Jan – 9 Feb 2026 **(Uganda)** General election

Chronology

5 Jul 2025 **Kampala (Uganda) Chimpreports**. Ruling **National Resistance Movement (NRM)** officially nominates President **Yoweri Museveni** as its chairman and as the party's presidential flag bearer for the 2026 general elections;

3 Jul 2025 **Kampala (Uganda) URN**. Government launches the **National Biofuels Blending Programme**, marking the start of mandatory blending of petrol with 5% ethanol (E5), an initiative that aims to strengthen energy security and advance environmental sustainability;

2 Jul 2025 **Kampala (Kampala) Reuters**. Military spokesperson **Felix Kulayigye** confirms that a military helicopter from the **African Union** peacekeeping mission in **Somalia** that crashed at the airport in the capital **Mogadishu** belonged to Uganda's military, and that three of the helicopter's eight occupants had survived;

1 Jul 2025 **Kampala (Uganda) Reuters**. Energy ministry says Uganda will require fuel distributors to blend locally produced ethanol into all petrol sold in the country starting January 2026, a measure that could reduce the country's \$2 billion petroleum import bill;

30 Jun 2025 **(Kampala (Uganda) Red pepper. Uganda Bureau of Statistics (UBOS)** confirms that annual inflation increased to 3.9% in June from 3.8% in May, largely attributed to annual food crops and related items inflation recorded at 4.7% in June, compared to 4.3% in May;

29 Jun 2025 **Kampala (Uganda) Reuters**. President **Yoweri Museveni** confirms he intends to contest in next year's presidential election, potentially extending his rule to nearly half a century;

27 Jun 2025 **Kampala (Uganda) Reuters**. The 2025 **Official Monetary and Financial Institutions Forum (OMFIF) Global Public Investor (GPI)** report, surveying 75 central banks including **Bank of Uganda**, highlights a trend toward diversification driven by geopolitical risks, revealing that 60% of central banks, including Uganda, plan to diversify portfolios within two years, prioritising resilience over returns;

26 Jun 2025 **Kampala (Uganda) EACOP**. **Uganda** and the **Netherlands** are elected co-chairs of the **Coalition of Finance Ministers for Climate Action**, a group of 98 member countries;

¹⁶ Chimpreports, 3 Jun 2025

25 Jun 2025 **Kampala (Uganda) Parliament**. Leader of the opposition in parliament **Joel Ssenyonyi**, advises government to table a supplementary request to parliament to address the pay disparities between science and arts teachers after arts subject teachers began striking in early June over salary disparities, earning less than half of what their colleagues in other subjects receive;

24 Jun 2025 **Kampala (Uganda) Parliament**. President **Yoweri Museveni's National Resistance Movement (NRM)** party says he will seek re-election for another term in polls due in January 2026;

22 Jun 2025 **Kampala (Uganda) Independent**. **Uganda People's Defence Forces (UPDF)** confirms it has killed a suspected female suicide bomber in **Kalerwe Market**;

20 Jun 2025 **Kampala (Uganda) Press release**. **Human Rights Network for Journalists-Uganda (HRNJ-Uganda)**, releases the 2024 edition of its **Press Freedom Index (PFI)**, exposing a troubling rise in restrictions on press freedoms in Uganda;

19 Jun 2025 **Kampala (Uganda) Press release**. Health ministry clarifies that there is no outbreak of **Covid-19** in the country, and that information being shared online is old footage;

18 Jun 2025 **Kampala (Uganda) Directorate of Geological Surveys**. **Geological Survey Department** signs a memorandum of understanding (MoU) with the **Geological Survey of Slovenia**, which comes with funding worth Ush 16.8 billion (\$4.68m), under the auspices of the **European Union (EU)** to enhance the country's mineral exploration and development for the identified 11 mineral targets;

17 Jun 2025 **Kampala (Uganda) PAU**. **Petroleum Authority of Uganda (PAU)** formalises a partnership with the **Zanzibar Petroleum Regulatory Authority (ZPRA)** and **Tanzania's Petroleum Upstream Regulatory Authority (PURA)** through the signing of a tripartite memorandum of understanding (MoU), set to foster significant collaboration and knowledge exchange within the **East African** oil and gas sector;

16 Jun 2025 **Kampala (Uganda) Reuters**. President **Yoweri Museveni** signs legislation that allows military tribunals to try civilians, a move opposition leaders said violates a supreme court ruling;

15 Jun 2025 **Kampala (Uganda) Independent**. Ruling **National Resistance Movement (NRM)** electoral commission closes the picking up of nomination forms for various elective positions ahead of the 2026 general elections, revealing that a total of 2,800 party members picked nomination forms to contest for positions ranging from district chairpersons to parliamentary seats;

14 Jun 2025 **Kampala (Uganda) African Markets**. Uganda's largest electricity distributor **Umeme Limited** reports as Ush 511 billion (\$142m) loss in 2024, when it handed back its operations to the government, its worst performance in years;

13 Jun 2025 **Kampala (Uganda)**. *African Markets*. The **Uganda Securities Exchange (USE)** lifts trading suspension on **Umeme Limited**, which began on 31 March and was last extended to 12 June, allowing Umeme's shares have resumed trading effective June 13, on both the **Uganda Securities Exchange (USE)** and the **Nairobi Securities Exchange (NSE)**, following the publication of its audited 2024 financial statements;

12 Jun 2025 **Kampala (Uganda) Monitor**. Finance minister **Matia Kasaija** presents the 2025/26 national budget, totalling Shs72.3 trillion (\$19.3 billion), amid concerns about the country's rising debt burden;

8 Jun 2025 **Kampala (Uganda) New Vision**. President **Yoweri Museveni** says that commercial oil production will start next year;

7 Jun 2025 **Kampala (Uganda) State House press release**. President **Yoweri Museveni** launches the fourth **National Development Plan (NDP IV)**, a bold and strategic blueprint aimed at addressing Uganda's most pressing development challenges and propelling the country toward socio-economic transformation by ensuring peace and security across the country; accelerating industrialisation by

establishing factories that use locally available raw materials; promoting exports and import substitution; strengthening the private sector; increasing market access; and skilling young people through industrial vocational hubs;

6 Jun 2025 **Kampala (Uganda) Daily Monitor**. Uganda announces the discovery of a large gold deposit in **Karamoja Region**, estimated to contain 31 million metric tonnes of ore, with the potential to extract over 320,000 metric tonnes of refined gold;

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