

AFRICA RISK CONSULTING

Uganda Monthly Briefing May 2024

Uganda Summary 8 May 2024

United Kingdom (UK) on 30 April sanctions former ministers Mary Kitutu and Agnes Nandutu and parliamentary speaker Anita Among over alleged corruption. Traders in Kampala resume protests on 7 May after accusing government of not honouring the agreement that they reached with President Yoweri Museveni (1986-present) on 20 April to suspend last month's strike. A breakaway faction of the second leading opposition party, the Forum for Democratic Change (FDC), draws big crowds during a country-wide trip.

UK sanctions politicians

The **United Kingdom (UK)** on 30 April announced it would sanction former ministers **Mary Kitutu** and **Agnes Nandutu** and parliamentary speaker **Anita Among** over alleged corruption, imposing a travel ban and freezing assets. Kitutu and Nandutu are accused of stealing from a government-funded housing project aimed at helping vulnerable communities in the isolated **Karamoja** region and redirecting the materials to politicians and their families, including Among.¹

UK foreign minister **Andrew Mitchell**, while announcing the sanctions, warned that the UK is sending a clear message to those who think benefiting at the expense of others is acceptable:

*"The actions of these individuals, in taking aid from those who need it most, and keeping the proceeds, is corruption at its worst and has no place in society."*²

Among dismissed the sanctions claiming that they meant nothing to her since she doesn't own property in the UK.³ She has further insisted that the foreign affairs ministry present a statement to parliament detailing the action that the government of Uganda has taken in response to the sanctions.⁴ Among also told the media on 3 May that the sanctions were actually in response to the **Anti-Homosexuality Act** passed in 2023.⁵ However, Ugandans on and offline have applauded the UK's move as a way to punish government officials who steal money and property meant to help poor people.

A top official of the ruling **National Resistance Movement (NRM)** party told **Africa Risk Consulting Briefing (ARC Briefing)** that the sanctions would force the party to turn its back on Among because of its implications on her continued work as speaker:

*"According to the information I have so far gathered Speaker Anita Among will be 'buried' alive. Sanctions are just the beginning and she could very soon become a liability to the NRM. It also appears the anti-gay law is secondary although significant".*⁶

Opposition **National Unity Platform (NUP)** president **Robert Kyagulanyi** (also known as **Bobi Wine**) welcomed the sanctions while confirming that the NUP pushed for the sanctions with the UK government.⁷ Wine also disputed Among's claim that the sanctions were in response to her presiding over the passing of the Anti-Homosexuality Act:

¹ DW 4 Apr 2024

² Foreign, Commonwealth & Development Office 30 Apr 2024

³ Daily Monitor 3 May 2024

⁴ Daily Monitor 3 May 2024

⁵ ARC Source, 6 May 2024

⁶ ARC Source, NRM party leader, 6 May 2024

⁷ UG Bulletin, 2 May 2024

*"This is an ignorant lie because the reason was put there, Anita Among stole iron sheets meant for **Karamoja** and she accepted and returned them but because of impunity, nothing was done to her. The mover of that law is Hon **Asuman Basalirwa**, why is he not sanctioned?"⁸*

This marked the first time the UK has used the **Global Anti-Corruption Sanctions** regime on individuals from Uganda, but it seems to have had a further reaching impact - on 7 May, the **United Arab Emirates (UAE)** announced that it had imposed a travel ban and asset freeze on Among, Nandutu and Kitutu, also warning banks against transacting with the three.⁹ Among will now be limited in her ability to represent Uganda on the international parliamentary circuit, including at the upcoming 67th **Commonwealth Parliamentary Conference**, scheduled for November in **Australia**, a Commonwealth ally of the UK that may choose to follow the UK's actions and also sanction her.

Kampala traders resume strike

Traders in Kampala have resumed protests after accusing the government of not honouring their agreement reached with President **Yoweri Museveni** (1986-present) on 20 April to suspend last month's strike.¹⁰ Traders in downtown Kampala went on strike on 8 April to protest against the taxation policy the **Uganda Revenue Authority (URA)** introduced and growing competition from **Chinese traders** (see *ARC Briefing Uganda Apr 2024*). Specifically, the traders said they were protesting against the new digital tax verification system – the **Electronic Fiscal Receipting and Invoicing System (EFRIS)**, 18% Value Added Tax (VAT), and allowing foreigners to engage in similar businesses like Ugandans.¹¹

A statement released by the government-owned **Media Centre** reported that Museveni had informed the traders that he would meet the technocrats from the finance, planning and economic development ministry and URA before meeting traders on 7 May at **Kololo Ceremonial Grounds** to further negotiate terms of an agreement reached on 20 April.¹² In the 20 April agreement, Museveni said the URA would suspend the implementation of the EFRIS, however, traders resumed the strike on 7 May after accusing the government of failing to comply with the earlier agreement.¹³

Breakaway faction of opposition party attracts big crowds

The breakaway faction of Uganda's second-largest opposition party, the **Forum for Democratic Change (FDC)**, continues to draw big crowds from across the country, embarking on a cross-country tour during April to mobilise supporters ahead of the 2026 elections.¹⁴ Four-time presidential candidate Dr **Kiiza Besigye** is leading the breakaway faction which began consultations in March at the initiation of Besigye and several other high-ranking party officials.

Breakaway faction member and Kampala deputy lord mayor **Doreen Nyanjura** has said that the mobilisation is focused on consulting party members on whether they can reconcile with the main branch, form a pressure group and whether to form a coalition, join an existing political party or form a new political party.

However, a senior member of the breakaway faction told ARC Briefing that the reason for meeting supporters from across the country is to form a new political party, not the official reasons Nyanjura has given, adding that supporters from every district they have so far covered in Uganda want a new political party.¹⁵ If a new political party is formed will largely attract NUP youth supporters as the

⁸ ARC Source, 6 May 2024

⁹ Nile Post, 7 May 2024

¹⁰ ARC Source, 7 May 2024

¹¹ ARC Source, 7 May 2024

¹² Uganda Media Centre 19 Apr 2024

¹³ Uganda Media Centre 19 Apr 2024

¹⁴ ARC Source 5 May 2024

¹⁵ ARC Source. FDC member, 5 May 2024

breakaway faction has often pushed for street protests, a method favoured by youths to place political pressure on the government.¹⁶

Planner

9-10 May 2024 **Kampala (Uganda)** National housing and census exercises

9 May 2024 **Kampala (Uganda)** International Conference on Domestic Tourism and Economy (ICDTE)

17 May 2024 **Kampala (Uganda)** International Conference on Modern Research in Biological, Pharmaceutical, Medical and Environmental Sciences (ICMRBPMES)

22 May 2024 **Kampala (Uganda)** World Conference on e-Education, e-Business and e-Commerce (WC-EEE)

Chronology

7 May 2024 **Kampala (Uganda)** *Parliament*. Parliament passes the **Stamp Duty (Amendment) Bill, 2024** which exempts companies that manufacture electric vehicles, electric batteries, or electric vehicle charging equipment or fabricators of a frame and body of an electric vehicle from paying Stamp Duty Tax in the 2024/2025 financial year, if their workforce also comprises 80% locals;

5 May 2024 **Kampala (Uganda)** *press release*. The **Northern Corridor Integration Projects (NCIP)** partner states, comprising **Kenya**, Uganda, **Rwanda**, and the **Democratic Republic of Congo**, have agreed to jointly mobilise funds to fast-track the development of the **Standard Gauge Railway (SGR)** project;

4 May 2024 **Kampala (Kampala)** *Nile Post*. Government shuts down the vital **Karuma Bridge** to lorries, trailers and buses for three months after it developed structural defects;

3 May 2024 **Kampala (Uganda)** *Business Insider Africa*. President **Yoweri Museveni** accuses the **World Bank** of giving financing for "seminars" priority above assisting developing **African** nations in removing systemic barriers to growth;

2 May 2024 **Kampala (Uganda)** *Independent*. **Uganda Bureau of Statistics** reports that annual inflation was 3.2% in April, down slightly from 3.3% in March, due to a slower pace at which the prices of annual food crops increased;

29 Apr 2024 **Kampala (Uganda)** *The East African*. Uganda signs an agreement with **Saudi Arabia's Islamic Development Bank** for a \$295m loan to fund infrastructure projects;

29 Apr 2024 **Kampala (Uganda)** *UBOS*. The **Uganda Bureau of Statistics** reveals that the **National Housing and Population Census** will be held on 9 and 10 May;

28 Apr 2024 **Kampala (Uganda)** *Independent*. **Uganda Bureau of Statistics 2023 Labour Force, Employment and Earnings** report indicates that only 38% of Ugandan workers are employed in positions that match their qualifications while the remainder take any available job to survive;

26 Apr 2024 **Kampala (Uganda)** *Parliament*. Finance minister (general duties) **Henry Musasizi** says Uganda's economy is projected to grow at 6% in the next financial year;

25 Apr 2024 **Kampala (Uganda)** *Solar Quarter*. The **International Solar Alliance (ISA)** and government have reached a pivotal agreement to formalise a comprehensive **Country Partnership Framework (CPF)**, slated to be finalised in May 2024 during a forthcoming high-level visit to **India**;

24 Apr 2024 **Kampala (Uganda)** *Daily Monitor*. Finance ministry data indicates that gold has reclaimed the number one spot as Uganda's largest export commodity in the 12 months to February, earning a monthly average of \$228.4m;

¹⁶ ARC Briefing Uganda analyst

- 23 Apr 2024 **Kampala (Uganda)** *Daily Monitor*. Legislators scrap the **Non-Governmental Organisations (NGOs) Board** returning its mandate of overseeing operations of NGOs back to the internal affairs ministry;
- 22 Apr 2024 **Kampala (Uganda)** *Nile Post*. A section of members of parliament (MPs) express their frustrations with taking **Covid-19** tests before attending events presided over by President **Yoweri Museveni**;
- 18 Apr 2024 **Kampala (Uganda)** *Independent*. Experts say that despite the government's portrayal, Uganda is energy insecure due to a lack of a direct route to the sources of petroleum products as a landlocked country, as well as the fact that it does not have its own refinery;
- 17 Apr 2024 **Kampala (Uganda)** *Nile Post*. Parliament approves the rationalisation of several government agencies, aiming at enhancing efficiency and optimizing resources;
- 16 Apr 2024 **Kampala (Uganda)** *Crisis news*. Strikes and protests over the government's newly introduced tax system are possible across Uganda through late April;
- 15 Apr 2024 **Kampala (Uganda)** *Crisis 24*. Hospital staff protest outside of the **Jinja Regional Referral Hospital**, claiming that hospital land is being illegally allocated for a cemetery and they will not return to work until the city administration intervenes;
- 13 Apr 2024 **Kampala (Uganda)** *Independent*. President **Yoweri Museveni** reaffirms his government's ban on the exportation of unprocessed minerals from the country during the commissioning of the country's first tin smelting factory in **Ruti**;
- 12 Apr 2024 **Kampala (Uganda)** *Reuters*. Parliament tasks the finance, economy and economic development ministry to explain the spending of Shs 4.05 trillion (\$1.07 billion) without prior approval from parliament;
- 12 Apr 2024 **Kampala (Uganda)**. *Independent* In a significant move aimed at boosting the welfare of **Uganda Peoples' Defence Force (UPDF)** officers, parliament approves Shs 962.23 billion (\$7.2m) for the enhancement of their salaries.

About Africa Risk Consulting:

Africa Risk Consulting (ARC) is a pan-African consulting company that provides timely, relevant information and advice that enables its clients to take informed investment decisions and to safeguard their reputations.

ARC's core consulting services include integrity due diligence and corporate investigations, political advisory and country assessments, opportunity monitoring and reputation risk management. Most relevant to private equity firms is ARC's integrity due diligence and corporate investigations capability. Specifically, ARC offers pre-deal integrity checks to highlight red flags before negotiations start; full detailed multi-jurisdictional reputation due diligence; and supplier and senior hire vetting and repeat due diligence for compliance programmes. ARC is unique in that it offers a 10-day delivery for a routine integrity due diligence. ARC also offers a suite of corporate investigations services from immediate investigation, evidence gathering, e-discovery, forensic accounting and whistleblower support on one end to crisis media management and regular monitoring on the other.

About ARC Briefing:

ARC Briefing is ARC's essential business information service.

Companies at any stage in their Africa expansion, whether building or communicating an Africa strategy, investing directly, expanding current operations, financing other investors, doing the legal leg-work or researching the Africa growth trend, need ARC Briefing.

ARC Briefing is an information service keeping you:

- Up to date with Country Chronologies of business-critical events
- In the know via Country Briefings on political, economic, business and operating trends. Written in-country, ARC experts analyse and comment
- Ahead with Country Planner which details future elections, budgets, regulatory changes etc.

Getting in touch

Please contact us by email info@africariskconsulting.com or call + 44 (0) 20 7078 4080

Follow us on Twitter: [@ARCBriefing](https://twitter.com/ARCBriefing)

Africa Risk Consulting (ARC) Pty Ltd expressly forbids the collection of information and content from ARC Briefing as data to train generative artificial intelligence models.

© Africa Risk Consulting (ARC)