

AFRICA RISK CONSULTING

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Uganda Summary 9 July 2024

Protests across Kenya inspire local opposition politicians to plan protests against corruption. The impasse over the 2024/2025 budget exposes the widening gap between the executive in Uganda led by President Yoweri Museveni (1986-present) and the parliament. Museveni's appointment of David Kalemera, a corruption convict, to oversee the operations of the newly created State House Revenue Intelligence and Strategic Operations Unit draws outrage from the public.

Kenya protests inspire Ugandans

The protests across **Kenya** over the controversial and now withdrawn **Finance Bill 2024** have negatively affected the flow of goods and services into **Uganda** and prompted debate on the situation in Uganda where there is endless agitation for political reforms. President **Yoweri Museveni** (1986-present) has been in power for 38 years and the lack of a clear roadmap for the country regarding his succession tends to leave many people on edge.¹ On local radio and television talk shows, political and security pundits have been weighing on the likely implications of the riots spilling over to **Uganda** where more than half of the 45.9 million population as per the 2024 census are youths.²

Leading opposition politician **Robert Kyagulanyi** (also known as **Bobi Wine**) hailed the Kenyan youths for the courage they took in confronting their government over its attempt to enact the finance bill:

"Power to you, young people of Kenya. You are speaking up and your voices are being heard far beyond the Kenyan borders. We hope your leaders too are listening! We continue to stand in solidarity with you. Viva".³

Four-time presidential contender Dr **Kiiza Besigye** also praised the determination of the Kenyan youths in confronting the authorities. Besigye also called for an inquest into why the demonstrators particularly targeted and burnt **Uganda House**, which housed the **Ugandan** consulate in **Nairobi**, as it's the only building in Nairobi CBD which got burnt during the riots. He says the government had spent billions of shillings renovating **Uganda House** and it was due for official opening by the time it was burnt.

A group of Ugandan activists, wishing to replicate what is happening in Kenya, organised a march to parliament on 23 July to highlight ongoing corruption in parliament, citing that corruption in parliament escalates without any effort put in place to curb it.⁴ The **United Kingdom (UK)** and the **United States (US)** recently sanctioned speaker of parliament **Anita Among** and several others over alleged corruption, imposing a travel ban and freezing their assets (*see ARC Briefing Uganda May, Jun 2024*).

Police responded to the planned demonstration by arresting some of the suspected leaders including former **Rubaga** resident city commissioner **Anderson Burora** on 2 July. However, the security

¹ ARC Briefing author, 4 Jul 2024

² ARC Briefing author, 4 Jul 2024

³ Facebook, 25 Jun 2023

⁴ ARC Source, 4 Jul 2024

officials who arrested Burora maintained it was because he allegedly spread malicious misinformation against Among.⁵ At the time of writing, the protest is still scheduled to go ahead.

However, a retired security official based in **Kampala** told **Africa Risk Consulting Briefing (ARC Briefing)** that the Nairobi protests were spontaneous with no ring leaders unlike in Uganda where political leaders organise protests and civil disobedience.⁶ These often fail to attract support from opposition political parties. Uganda is also highly militarised which has caused fear among the population.

Meanwhile, traders also experienced fear of a possible disruption in the supply chain during the protests.⁷ Traders reported that their goods were stuck in **Mombasa** during the time of the riot making them not be able to meet the orders from their customers.

Row over budget pits Museveni against parliament

The impasse over the 2024/2025 budget has exposed the widening gap between the executive, led by Museveni and parliament. Parliament passed the **Appropriation Bill 2024** on 16 May, authorising the government to spend Ush 72.1 trillion (\$565 billion) in the upcoming financial year. However, on 24 June, Museveni told Cabinet that he would not sign the bill, saying members of parliament (MPs) tampered with the budget without authority from the executive.⁸

Museveni declined to sign the bill after parliament passed it arguing that the budget committee of parliament reallocated a total of USh 750 billion to other sectors without authority from the executive.⁹ Legislators had allocated the money to areas that they described as critical, including procurement of ambulances, maintenance of bridges, construction of sub-county headquarters and support to families with income-generating projects among others.¹⁰ Museveni described it as indiscipline in budgeting, sabotage of national priorities and corruption among lawmakers.

Some MPs have accused Museveni of undermining the authority of parliament and the constituents whom they represent. A **Masaka** MP accused Museveni of interfering with the functions of parliament and having an intention of spending billions of taxpayers' money under "*classified expenditure*".¹¹ He cited an incident in which the government allegedly advanced billions of shillings to a company promoting coffee and put it under classified expenditure to avoid accountability.¹²

Centre for Constitutionalism director **Sarah Bireete** told ARC Briefing that the action taken by Museveni is an indictment on finance minister **Matia Kasaija** and the ministry who "*slept on the job*" because they failed to detect that \$202m had been reallocated from essential areas to cater for personal needs of MPs.¹³

The leader of opposition in parliament **Joel Ssenyonyi** blamed Among for handpicking opposition MPs who sit on the budget committee. Three MPs are currently incarcerated in **Luzira Prison** for demanding bribes from the **Uganda Human Rights Commission** chairperson to approve a bigger budget for the commission.¹⁴ Parliament on 2 July yielded and re-allocated the funds.

Museveni appoints ex-corruption convict to fight corruption

Museveni's appointment of corruption convict **David Kalemera** to oversee the operations of the newly created **State House Revenue Intelligence and Strategic Operations Unit** has drawn public

⁵ Independent, 2 Jul 2024

⁶ Retired security official, Kampala, 4 Jul 2024

⁷ Daily Monitor, 27 Jun 2024

⁸ New Vision, 26 Jun 2024

⁹ New Vision, 26 Jun 2024

¹⁰ Parliament, 2 Jul 2024

¹¹ MP, Masaka, 4 Jul 2024

¹² MP, Masaka, 4 Jul 2024

¹³ ARC Source, 4 Jul 2024

¹⁴ Observer, 12 Jun 2024

condemnation. Museveni appointed Kalemera on 3 July as a senior presidential advisor and head of the unit. Court records confirm the **Anti-Corruption Court** found Kalemera and two others guilty of falsifying customs documents in 2022.

The court found Kalemera guilty of using falsified customs documents and conspiring with others to defraud the government of revenue. He was accused of omitting goods and under-declaring others to avoid paying taxes, resulting in significant losses for the government.¹⁵ Kalemera worked for the **Uganda Revenue Authority (URA)** between 2007 and 2016 but was fired in 2017 when the initial charges were filed.¹⁶

A local politician in **Nakawa Division** in Kampala accused Museveni of rewarding a convict by deploying him to hunt down employees from the tax body who may have testified against him during the trial.¹⁷ Museveni vowed on 24 June to put an end to corruption and inefficiency within the government, theft of government funds, non-compliance with guidance, and unauthorised actions by officials but his actions continue to speak otherwise.

Planner

22 - 23 Jul 2024 **Kampala (Uganda) Bank of Uganda** (central bank) **Monetary Policy Committee** meeting

1 Jul 2024 **(Uganda)** Demarcation of new electoral areas for the 2026 presidential elections

2 Jan 2025 **(Uganda) Uganda Electoral Commission** to update voters registrar

Jan 2026 **(Uganda)** Presidential and parliamentary elections

Chronology

8 Jul 2024 **Kampala (Uganda) Al Jazeera. United Nations** report says Uganda's army has provided support to the **M23** rebel group operating in eastern **Democratic Republic of Congo (DRC)**;

5 Jul 2024 **Kampala (Uganda) Business Insider.** Accountant general **Lawrence Semakula** says taxation of oil and associated goods have substantially contributed to overall revenue;

4 Jul 2024 **Kampala (Kampala) Reuters. Uganda National Oil Company (UNOC)** says its first shipment of oil has docked at **Mombasa (Kenya)** carrying 58,000 metric tonnes of petrol;

3 Jul 2024 **Kampala (Uganda) Independent. Society of Automobile Engineers (SAE) International** recognises Uganda's motor vehicle industry by awarding it a **World Manufacturers' Identifier (WMI)**. SAE International is the leader in connecting and educating mobility professionals to enable safe, clean, and accessible mobility solutions;

2 Jul 2024 **Kampala (Uganda) East African.** Countries backing the **Northern Corrido** - a regional road connectivity project connecting **Kenya, Uganda, Rwanda, Burundi,** and eastern **Democratic Republic of Congo** - are seeking **Tanzania's** buy-in to allow cargo to pass through its borders to shorten transit time and ease costs;

1 Jul 2024 **Kampala (Uganda) Independent. Uganda Bureau of Statistics** reports headline inflation for June reached 3.9% compared to the 3.6% registered in the year ended May 2024, increasing prices of tilapia fish, dry soap, and chicken;

30 Jun 2024 **Kampala (Uganda) East African. Uganda Airlines** announces plans to spend \$95m on procurement during the 2024/25 fiscal year and is exploring ways of supporting local suppliers to bid for greater procurement tenders;

¹⁵ Ulii.org 5, Jul 2024

¹⁶ Ulii.org 5, Jul 2024

¹⁷ Local politician, Kampala, 4 Jul 2024

29 Jun 2024 **Kampala (Uganda)** *East African*. Uganda reinstates a 25% import duty on fully electric vehicles, hybrid vehicles, and electric motorcycles;

28 Jun 2024 **Kampala (Uganda)** *Daily Monitor*. Energy minister **Sidronius Okaasai Opolot** says government is preparing for the **Uganda Electricity Distribution Company** to take over from **Umeme Limited** when its concession expires in March 2025;

27 Jun 2024 **Kampala (Uganda)** *World Bank*. **World Bank** report notes economic activity in **Uganda** has remained resilient despite multiple successive shocks, with real gross domestic product (GDP) accelerating from 5.3% in the 2022/2023 financial year (FY) to an estimated 6% in the 2023/2024 FY;

25 Jun 2024 **Kampala (Uganda)** *Monitor*. Energy ministry announces it is set to start generating electricity from four geothermal sites out of the 27 identified sites, as they are now ready;

24 Jun 2024 **Kampala (Uganda)** *New Vision*. Government reports an increase in the number of mining licence issues from about 100 in 2003 to 556 licenses as of June 2023;

20 Jun 2024 **Kampala (Uganda)** *UBC*. President **Yoweri Museveni** presides over the signing of a memorandum of understanding (MoU) between the government and **United Arab Emirates (UAE)**-based **Sharjah Chamber of Commerce** to construct **Kidepo International Airport** near **Kidepo National Park** and construct hotels within the park to boost the tourism sector and the economy;

20 Jun 2024 **Kampala (Uganda)** *KFM Radio*. The meeting between President **Yoweri Museveni** and Kampala city traders intended to discuss the traders' grievances over high taxes is postponed;

19 Jun 2024 **Kampala (Uganda)** *UBC*. The **Uganda Coffee Roasters Association** urges government to provide them with funds at minimum interest rates to enhance the value of all coffee products sold on the international market, noting that selling raw products results in significant financial losses;

17 Jun 2024 **Kampala (Uganda)** *Parliament*. The **Public Accounts Committee (PAC)** raises concerns over the utilisation of a \$217m **World Bank** grant intended for the **Generating Growth Opportunities and Productivity for Women (GROW) Project**, reporting that a significant portion of the money is being directed towards mindset change programmes, infrastructure development and competitions rather than directly benefiting female entrepreneurs as intended;

15 Jun 2024 **Kampala (Uganda)** *Independent*. President **Yoweri Museveni** says Uganda will earn \$2 billion per annum once oil production starts in 2025 and will be devoted to infrastructure and science development while also significantly relieving government's external borrowing and external debt;

13 Jun 2024 **Kampala (Uganda)** *Daily Monitor*. Mineral development minister **Phiona Nyamutoro** says government is moving to regulate the operation of one million Ugandans who directly or indirectly benefit from artisanal and small-scale mining by introducing artisan mining licenses and small-scale mining licenses;

13 Jun 2024 **Kampala (Uganda)** *Zawya*. High court charges three ruling **National Resistance Movement (NRM)** legislators with corruption for trying to influence the state-funded **Uganda Human Rights Commission (UHRC)** to inflate its budget;

12 Jun 2024 **Kampala (Uganda)**. *UBOSS*. The **World Bank Global Economic** prospects indicate that Uganda and the **Democratic Republic of Congo (DRC)** will have the second fastest growing economies in **East African Community** with a growth rate of 6% in 2024;

10 Jun 2024 **Kampala (Uganda)** *Al Jazeera*. **Environmental Governance Institute (EGI)** says activist **Stephen Kwikiriza** is safe after being abducted, beaten and abandoned on the side of a road in **Kyenjojo**. EGI and Kwikiriza have been campaigning to stop the **East African Crude Oil Pipeline Project (EACOP)**;

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