

AFRICA RISK CONSULTING

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Uganda Summary 11 October 2023

Police arrest opposition leader Robert Kyagulanyi (also known as Bobi Wine) on 5 October and place him under house arrest. Further clamping down on opposition, police raid Wine's National Unity Platform party headquarters and arrest several party supporters and members. The public denounce reports that government officials disguised their spouses as delegates to attend the United Nations General Assembly (UNGA) meeting in New York (United States) held between 18 and 27 September. The Uganda Microfinance Regulatory Authority (UMRA) says it supports the directive President Yoweri Museveni (1986-present) issued on 28 September to curb the exorbitant interest rates charged by money lenders by imposing a cap on the rates.

Opposition Leader Bobi Wine under house arrest

Police arrested **Robert Kyagulanyi** (also known as **Bobi Wine**), leader of **Uganda's** main opposition party the **National Unity Platform (NUP)**, on 5 October at **Entebbe International Airport**, and placed him on house arrest.¹ Following his arrest, on 9 October, police raided the NUP's offices and arrested several party supporters who had turned up to celebrate a parallel **Independence Day** celebration at the party headquarters.² Wine posted on social media that police also arrested secretary general **David Lewis Rubongoya** and spokesperson **Joel Senyonyi**.³

Wine left the country last month after the government banned all countrywide rallies held by the opposition leader, citing public order problems.⁴ The police initially authorised a demonstration to be held on 2 September, an unprecedented decision, but reneged on its decision on 14 September. In particular, the police cited road accidents and a rally on 9 September in the central Ugandan district of **Luwero** that "was used to incite violence, promote sectarianism, launch illegitimate calls for the removal of an elected government and publish defamatory statements against the President of the Republic".⁵ During the rally, Wine made several tribal comments, stating that President **Yoweri Museveni** (1986-present) was using some **Baganda** people to oppress other Baganda people. Ruling party members reported his speech as inciting tribalism.

A political science lecturer at **Kampala University** told **Africa Risk Consulting Briefing (ARC Briefing)** that police allowed Wine to conduct his tours as they thought his supporters, which are largely the younger population, had crossed over to the **MK movement** led by Museveni's son General **Muhoozi Kainerugaba**. However, the massive turnout of the youths at the rallies addressed by Wine shocked the authorities prompting the cancellation of the mobilisation tours.⁶

Uganda is set to hold its next presidential election in 2026 but Museveni has not yet announced his intentions for the election. However, the support for Wine's rallies may prompt Museveni to reconsider his decision and announce his intention to run again.⁷ Despite the challenges facing him, Wine is also anticipated to run again. The countrywide tours that he had in September were meant to reassure the country that he is still popular. Kainerugaba, who also announced his intention to run in

¹ The East African, 5 Oct 2023

² Uganda Analyst, 9 Oct 2023

³ Uganda Analyst, 9 Oct 2023

⁴ Uganda Analyst, 6 Oct 2023

⁵ Uganda Police, 14 Sep 2023

⁶ Uganda Analyst, 7 Oct 2023

⁷ Uganda Analyst, 7 Oct 2023

March, has been moving around the country as part of an early campaign but reportedly pays people to attend his rallies. Kainerugaba created a perception among people that he was popular based on the number of people who were attending his rallies, but the moment Wine started his tour people rather focused on this. If Wine is to contest against Kainerugaba he will win. These events would have also signalled to Museveni that if he does not run, his son will not win the presidency, and Wine will take over, something he has worked tirelessly in recent years to avoid.

Public denounces ministers taking spouses to UN General Assembly Meeting

There has been public uproar following reports that government officials disguised their spouses as delegates to attend the **United Nations General Assembly (UNGA)** meeting in **New York (United States)** held between 18 and 27 September.⁸ Vice president **Jessica Alupo** and the foreign affairs minister **Henry Okello Oryem** together with other cabinet colleagues included their spouses on the list of delegates.⁹

Local media reports indicate that apart from disguising their spouses as delegates, **Alupo** and prime minister **Robinah Nabanja** travelled with parallel teams to the UNGA, leading to diplomatic confusion, and a staggering 71 officials representing Uganda at the expense of the taxpayer's money.¹⁰ This comes despite Museveni designating Alupo to represent him.

Nabanja and her junior minister for general duties **Justine Lumumba** are also involved in a public spat over the two parallel delegations.¹¹ Nabanja has accused Lumumba of leaking the information about her delegation to the media and wants her to be held accountable. Lumumba retaliated by noting that she finds it hard to take orders from Nabanja as she who is less educated runs the prime minister's office casually.¹²

A Kampala-based retired diplomat told ARC Briefing that according to the existing norm, the prime minister was not supposed to travel to the UNGA as Museveni had designated Alupo as his representative.¹³ He noted that the 51-member team led by Alupo was enough to represent Uganda and where necessary would be backed by the staff at Uganda's high commission in New York.¹⁴

A **Central Uganda** member of parliament (MP) told ARC Briefing that the country missed an opportunity to pitch Uganda's efforts towards the attainment of the **Sustainable Development Goals (SDGs)** to other delegates and development partners.¹⁵

A women's league leader of the ruling **National Resistance Movement (NRM)** party also told ARC Briefing that sending two separate delegations to the UNGA is an indicator that most ministers were either not briefed upon taking over the office or have failed to grasp their roles.¹⁶ She explains that the five ministers who are appointed to work in the office of the prime minister should coordinate in a way that they can cover up any shortfall or mistake made by the prime minister.¹⁷

Uganda moves to curb interest rates charged by moneylenders

The **Uganda Microfinance Regulatory Authority (UMRA)** has backed the directive by Museveni to curb the exorbitant interest rates charged by money lenders by imposing a cap on the rates.¹⁸ Museveni on 28 September directed the finance ministry to come up with a statutory instrument to operationalise section 90 of tier four of the **Micro Finance and Money Lenders Act 2016** to control

⁸ Uganda Analyst, 7 Oct 2023

⁹ Uganda Analyst, 7 Oct 2023

¹⁰ Daily Monitor, 18 Sep 2023

¹¹ Uganda Analyst, 7 Oct 2023

¹² KFM Radio, 28 Sep 2023

¹³ Uganda Analyst, 7 Oct 2023

¹⁴ Uganda Analyst, 7 Oct 2023

¹⁵ Uganda Analyst, 7 Oct 2023

¹⁶ Uganda Analyst, 7 Oct 2023

¹⁷ Uganda Analyst, 7 Oct 2023

¹⁸ Uganda Analyst, 7 Oct 2023

the interest rates charged by the money lenders, within two weeks. Museveni posted on X (formerly Twitter) about the decision:

“These moneylenders who are causing suicide to our young people, who allow them to operate? Why should someone charge 20% interest on a loan per month? this must stop.”¹⁹

Uganda Microfinance Regulatory Authority (UMRA) executive director **Edith Tusubira** told the local media that she welcomed the president’s directive saying that they had delayed implementing the guidelines with the hope that stakeholders would be able to govern themselves.²⁰ Tusubira noted that some lenders are charging up to 20% interest a day and that many are digital lenders who are distortive to the market.²¹ She further noted that many lenders are taking advantage of tough economic circumstances by lending money at exorbitant rates.²²

There’s been a public outcry on the high interest rates charged by moneylenders especially those operating on mobile applications.²³ A person who borrows 30,000 shillings (\$8.04) on a mobile application is expected to pay back 55,000 shillings (\$14.75) within one week and after that, it starts attracting a daily interest rate.²⁴

Planner

- 12 Oct 2023 **Kampala (Uganda)** International conference on mathematical applications
- 13 Oct 2023 **Kampala (Uganda)** International conference on business incubation and innovation
- 17 Oct 2023 **Kampala (Uganda)** International conference on sports science and medicine
- 24 Oct **Kampala (Uganda)** International Conference on Artificial Intelligence in renewable energy systems
- 30 Oct 2023 **Kampala (Uganda)** International Conference on biotechnology and Biomedicine

Chronology

- 8 Oct 2023 **Kampala (Uganda)** *Independent*. **Bank of Uganda** maintains the **Central Bank Rate (CBR)** at 9.5%, despite a further decline in inflation rates. Annual inflation dropped from 3.5% in August to 2.7% in September while, core inflation, excluding food and energy, declined from 3.3% to 2.4%, marking its lowest point in 22 months;
- 7 Oct 2023 **Kampala (Uganda)** *Nile Post*. Opposition leader **Robert Kyagulanyi**’s lawyer **Robert Amsterdam** says he is closely monitoring his client’s house arrest;
- 6 Oct 2023 **Kampala (Uganda)** *Daily Monitor*. The opposition **National Unity Platform (NUP)** releases a list of 100 supporters who it alleges were arrested by the police during an operation to block them from welcoming their leader **Robert Kyagulanyi** who returned from **Canada** and **South Africa**;
- 4 Oct 2023 **Kampala (Uganda)** *Independent*. **National Planning Authority’s (NPA)** September 2023 report reveals that 4.2 million youths are neither in employment, education, nor training, representing 41% of the country’s younger population;

¹⁹ Uganda Analyst, 28 Sep 2023

²⁰ Capital FM 28 Sep 2023

²¹ Capital FM, 28 Sep 2023

²² Capital FM, 28 Sep 2023

²³ Uganda Analyst, 7 Oct 2023

²⁴ Uganda Analyst, 7 Oct 2023

3 Sep 2023 **Kampala (Kampala) Daily Monitor**. Third deputy prime minister **Rebecca Kadaga** attacks **Kenya** and **South Sudan** for frustrating Ugandan business operators with what she calls unfair trade practices;

2 Oct 2023 **Kampala (Uganda) Independent**. In a landmark move set to redefine the future of transportation in Uganda, local electric vehicle (EV) manufacturer **BODAWERK** unveils a strategic partnership with **Watu**, a prominent financial services provider. The collaboration aims to fund an ambitious expansion project and electrify Boda Bodas;

1 Oct 2023 **Kampala (Uganda) Reuters**. Four environmental organisations have started legal action against **France**-headquartered **TotalEnergies** over the impact of the **East African Crude Oil Pipeline (EACOP)**, calling the pipeline "*climaticide action*";

1 Oct 2023 **Kampala (Uganda) Reuters**. **Uganda National Oil Company** CEO **Proscovia Nabbanja** confirms in an interview that the **Tilenga** and **Kingfisher** petroleum projects are on track for production by 2025 and also confirms that the **East African Crude Oil Pipeline (EACOP)**, which will carry oil from these fields, is also on track;

30 Sep 2023 **Kampala (Uganda) Nile Post**. **Uganda People's Defence Force** is set to launch a fourth large-scale round of the offensive dubbed **Operation Shuja** against **ADF** terrorists inside the **Democratic Republic of Congo**. The development comes after DRC extended Uganda's mandate as part of the operation which started in November 2021.

29 Sep 2023 **Kampala (Uganda) Independent**. **Africa Development Bank** warns that it is "*a race with time*" for **Uganda** to begin pumping its oil out of the ground or risk future losses;

28 Sep 2023 **Kampala (Uganda) Al Jazeera**. Local coalition **Convening for Equality (CFE)** reports that the enactment of the **Anti-Homosexuality Act (AHA)** in May has led to a wave of human rights abuses, mainly committed by private individuals who have been radicalised by the enactment of the law;

28 Sep 2023 **Kampala (Uganda) The East African**. Energy ministry official **Irene Bateebe** says Uganda is in final stage negotiations with **Chinese** financiers to help fund the **East African Crude Oil Pipeline (EACOP)**;

27 Sep 2023 **Kampala (Uganda) World Bank**. **World Bank** says Uganda's economy has rebounded strongly, with agriculture, industry, and the services sector weathering recent successive shocks to push growth in gross domestic product (GDP) to 5.3% during the 2023 financial year compared to 4.7% the year before;

26 Sep 2023 **Kampala (Uganda) Nile Post**. Justice and constitutional affairs minister **Norbert Mao** says for the **Uganda Registration Services Bureau** to hit its target of 90 billion shilling (\$24m) as non-tax revenues, the bureau needs to harmonise its systems to favour the junior businesses to be able to compete with the giant businesses;

25 Sep 2023 **Kampala (Uganda) Aljazeera**. The breakaway region of **Somaliland** says it has no plans to discuss unity with **Somalia**, appearing to contradict President **Yoweri Museveni** who said he would act as a "*unification mediator*" between the two;

26 Sep 2023 **Kampala (Uganda) The East African**. Attorney general's office confirms that it is investigating allegations that a former senior **International Criminal Court** official **Brigid Inder** was involved in the financing of the extremist **Lord's Resistance Army (LRA)**. Inder has denied the allegations;

23 Sep 2023 **Kampala (Uganda) Reuters**. President **Yoweri Museveni** says that an air strike carried out in neighbouring **Democratic Republic of Congo** by the military has killed members of the **Allied Democratic Forces (ADF)**, including a key person responsible for bomb attacks in Kampala;

22 Sep 2023 London (**United Kingdom**) *Mining Weekly*. **United Kingdom**-based **Blencowe Resources** signs an agreement with the **United States International Development Finance Corporation (DFC)** to provide \$5m in funding through a technical assistant grant for the definitive feasibility study (DFS) programme on the **Orom-Cross** project in Uganda;

21 Sep 2023 **Kampala (Uganda)** *Independent*. President **Yoweri Museveni** appeals to politicians and public servants not to frustrate investors since they are very crucial in Uganda's progressive industrialisation agenda. Museveni makes the appeal while commissioning the new **Tororo Cement** vertical rolling mill plant in **Tororo District**;

17 Sep 2023 **Kampala (Uganda)** *Independent*. President **Yoweri Museveni** criticises the coup leaders in **Guinea** in a statement, questioning their ideological stand;

16 Sep 2023 **Kampala (Uganda)** *Daily Monitor*. **Sudan's** de-facto leader **Abdel Fattah Al-Burhan** flies to Uganda as battles rage in **Khartoum** to discuss bilateral and regional issues;

14 Sep 2023 **Kampala (Uganda)** *Mining Technology*. Gold experts **Alexander Smith** and **Aron Hoddinott** cast doubt on the gold deposit announced in July this year by the government, arguing that the validity first needs to be proven with geophysical and geochemical surveys because the analyses done to date represents only "*step one of 20 exploratory steps needed*";

13 Sep 2023 **Kampala (Uganda)** *UBC*. Police suspend leading opposition **National Unity Party's (NUP)** countrywide mobilisation activities until further notice, citing breaches of guidelines;

12 Sep 2023 **Kampala (Uganda)** *Independent*. **Stanbic Purchasing Managers' Index (PMI)** dips slightly in August, falling from 53.9 in July to 51.6, as businesses grapple with the implications of the **World Bank's** suspension of further loans to Uganda;

11 Sep 2023 **Kampala (Uganda)** *Parliament Watch*. Parliamentary speaker **Anita Among** orders for an independent investigation into 9.6 billion shillings (\$2.5m) spent by the office of the prime minister to teach Ugandans how to drink coffee, describing the expenditure as wastage of taxpayers, money and calling for the recovery of funds from the individuals behind this scheme.

About Africa Risk Consulting:

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