

AFRICA RISK CONSULTING

Country briefing – Uganda

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Summary

President Yoweri Museveni's apparent attempt to reach out to Kizza Besigye is unlikely to lead to reconciliation. David Sejusa's Free Uganda increasingly appears to be damp squib. Government issues first oil production licence in \$2 billion deal with China National Offshore Oil Corporation. Police repeat warnings about potential al Shabaab attack. The Ugandan People's Defence Force stands accused of selling weapons in Somalia.

1.1 The olive branch that wasn't...

Exiled Uganda's opposition remains weak and fractious. President **Yoweri Museveni** said ahead of the Independence Day celebrations on 9 October that **Kizza Besigye**, the country's top opposition figure and Museveni's former personal physician, should come back into the fold, that is the ruling **National Resistance Movement (NRM)**. He invited Besigye to attend the celebrations in **Rukungiri**, the region both Museveni and Besigye hail from. Museveni added that to qualify for the olive branch Besigye should apologise, although he did not specify for what. Besigye attended the Independence Day celebrations but walked out before the end, and indeed before Museveni's speech, complaining that what should have been a national celebration was in fact merely a gathering for the NRM.¹

The opposition **Forum for Democratic Change (FDC)** is weaker under its new leader, retired major general **Mugisha Muntu**. Besigye stepped down as FDC head in 2012, after making three consecutive unsuccessful bids for Uganda's top job in 2001, 2006 and 2011. His term as leader had been set to expire in 2014. General Muntu, who, like Besigye and Museveni hails from western Uganda, has also clashed with **Nathan Nandala Mafabi**, the leader of the opposition in parliament, who is from the east of the country.

"It's a question of leadership style. Mugisha Muntu is non-confrontational whereas Mafabi favours more confrontation with the NRM."²

¹ Source, journalist, Kampala

² Source, political journalist, Kampala

Muntu and Mafabi held a one-on-one meeting on 23 October to attempt to hammer out a common strategy.³ Little has filtered through from the meeting, with both leaders insisting they simply addressed routine issues. Mafabi stood for the post of FDC leader but lost to Muntu, something his supporters have still not accepted a year later.

Uganda's new opposition platform **Free Uganda** has got off to an underwhelming start. One month after the announcement of the group's creation, its website is down, undergoing "improvements". A message indicates it may have been down since inception. The contact section lists only an info@ address and no phone number is given.

While the group, founded by exiled general **David Sejusa** (previously **Tinyefuza**) and committed to "*struggle against the diabolical abuse of our people by the dictatorship*", does have supporters in Uganda they are reluctant to come out publicly in favour of Sejusa because the government has said it will crush his sympathisers.⁴ This is unlikely to change in the near future as the treason trial of several former aides to Sejusa is due to begin on 30 October. Sejusa remains in exile in **London** and is unlikely to return home to face his own treason charges.⁵

1.2 Uganda issues first oil production licence

Uganda issued its first oil production licence on 25 September when the state-owned **China National Offshore Oil Corporation (CNOOC)** won a \$2 billion contract.⁶ The deal is for the **Kingfisher** field which is estimated to hold 635m barrels of oil, of which 196m are recoverable. Production is expected to begin in 2017. As part of the contract CNOOC will construct a pipeline from Kingfisher to **Kabale**, the site of Uganda's proposed oil refinery. According to Ugandan junior energy minister **Peter Lokeris**, the field will have an initial capacity of 30,000 - 40,000 barrels per day.⁷ Chinese firms have been looking to secure energy resources to meet growing domestic demand amid economic expansion and urbanisation. According to media reports in September, **East African Community** member states will confirm their participation in the Kabale refinery by 15 October.⁸

³ The Monitor, 24 Oct 2013

⁴ Source, journalist, Kampala

⁵ Source, journalist, Kampala

⁶ Xinhua, 26 September 2013

⁷ Xinhua, 26 September 2013

⁸ New Times, 21 September 2013

1.3 Growing questions about motivation behind al Shabaab warnings

Ever since the **Westgate** mall siege in **Kenya**, Uganda has issued multiple declarations that it too is under threat from **al Shabaab**. However, the group has not been able to establish the same support structure in Uganda that it has in Kenya.⁹

Kampala was hit by an attack in 2010 in which around 70 people were killed. Al Shabaab claimed responsibility for the attack on an Ethiopian restaurant where patrons were watching the football world cup on television. The attack effectively hit three targets: Uganda, **Ethiopia** and football, which al Shabaab sees as an "unislamic" sport.

Inspector general of police **Kale Kayihura** gave his first warning the day after Kenyan security forces regained control of Westgate, and kept repeating it into October. On 18 October Kayihura went as far as suspending police officers' leave and recalled those already on leave, saying he needed extra men to counter grave terror threats. The police have beefed up lax security at shopping malls.

There is, however, growing cynicism about the threat that al Shabaab poses in Uganda.

*“While it is undoubtedly the case that Uganda is in the crosshairs of al Shabaab for its role spearheading the **African Union Mission in Somalia**, a reality underscored by the 2010 bombings in Kampala, the talk of threats in the wake of the recent Nairobi attack smacks a bit of political opportunism. That threat levels might be heightened would be understandable given that al Shabaab would probably like very much to hit Uganda. However, such aspirations call for vigilance, not alarmism.”¹⁰*

*“Rather, what does exist in Uganda are political circumstances which make it all that much more convenient to cry ‘wolf’, both to retain the massive amounts of assistance which have financed the military and to maintain the diplomatic leverage which the sacrifices of the **Ugandan People’s Defence Force (UPDF)** has purchased for the regime with international donors.”*

⁹ Source, journalist, Kenya

¹⁰ Source, political analyst, US

1.4 Extent of corruption in military revealed

More details of alleged corruption on the part of Ugandan People's Defence Force (UPDF) officers leading Uganda's contingent in the AMISOM have emerged. In September, 23 officers were suspended amid allegations they sold food and fuel meant for their troops on the black market, making their men go without food and without armoured vehicles [see *ARC Uganda September Briefing*]. Foot soldiers who met with Museveni at **Singo Army Training School** in **Nakaseke** district in the week of October 14, alleged their commanders also sold weapons and ammunition in **Mogadishu**.¹¹ If confirmed the allegations are embarrassing for Uganda which has made its contribution to AMISOM the cornerstone of its status as a regional power at the forefront of the fight against terror. The allegations that commanders sold arms that may have been bought by the very Islamists they were supposed to be crushing could prove far more embarrassing than allegations they made their men fight on an empty stomach.

2 Implications

The latest developments in Uganda's opposition emphasise the challenge facing those attempting to unseat Museveni in 2015.

The government's deal with CNOOC is symbolically important as Uganda moves from exploration into development and towards production in 2017. However, challenges in this period remain. The most notable is the government's need to implement an effective regulatory framework which will be increasingly politically contentious as the 2015 election approaches. However, two pieces of legislation for midstream and downstream activities remain pending. Parliament passed the **Petroleum (Refining, Gas Processing and Conversion, Transportation and Storage) Bill 2012** in February, but Museveni is yet to sign it into law. The **Public Finance Bill** remains before parliament.

On the security front, while companies should be vigilant given Uganda's role as a pillar of the African Union force in Somalia, there is no proof that Uganda received specific threats in the wake of the Westgate attack.

Neither endemic corruption nor brutal rape allegations will threaten Uganda's role in Somalia. With the exception of poverty-stricken **Burundi**, whose soldiers freely admit they are motivated by the sums paid out to their families if they die fighting in Somalia, nations are not queueing up to fight in the ranks of AMISOM. Kenya joined AMISOM because it realised too late the massive financial cost of its ill-planned

¹¹ Sunday Monitor, 20 Oct 2013

solo military intervention in Somalia. The first **Djibouti** troops for AMISOM had to be forced off the plane by their commanders when it landed in Mogadishu. However, such large-scale corruption does raise questions as to whether Uganda's intelligence agencies are in a position to protect the country from Islamist extremists.