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Security forces detain Go Forward candidate Amama Mbabazi's staff following clashes with National Resistance Movement (NRM) supporters in Ntungamo (Western Region). Both the NRM and opposition parties appear to recruit youth cadres ahead of February election. The World Bank cancels \$265m Uganda Transport Sector Development Project in Western Region citing serious contractual breaches. British American Tobacco PLC (BAT) faces possible international anti-corruption investigations into its business practices in Uganda. President Yoweri Museveni (1986- present) chairs Burundi peace talks, though their prospects are uncertain.

Clashes increase ahead of February election

Tension has increased in **Uganda** ahead of the February elections, with reports of sporadic clashes between supporters of the ruling **National Resistance Movement (NRM)** and opposition parties. It is unlikely that the limited clashes will trigger systemic violence, as opposition parties lack the support and organisation to resist a security crackdown. The **Uganda Human Rights Commission** has reported approximately 30 incidents of electoral violence since campaigning started in November.¹ The violence has escalated markedly since clashes between NRM and **Go Forward** supporters in **Ntungamo (Western Region)** on 14 December.² NRM supporters allegedly triggered the violence, throwing stones at vehicles containing Go Forward candidate **Amama Mbabazi** and his security detail as they entered the town ahead of an election rally.³ The security detail responded violently, triggering running battles.⁴ Inspector general of police **Kale Kayihura** on 15 December ordered the arrest of Mbabazi's security detail.⁵ While the **Electoral Commission** prohibits political parties from holding counter rallies, NRM supporters have looked to disrupt opposition events. Retired **Uganda People's Defence Force (UPDF)** officer Major General **Henry Tumukunde** is reportedly organising these NRM counter rallies.⁶ Following the incident, security forces detained 20 members of Mbabazi's staff during a raid on his offices and personal residence in the **Kololo** and **Nakesero** districts of **Kampala**.⁷ The day before the arrests, President **Yoweri Museveni** (1986- present) alleged that the Go Forward supporters were responsible for the incident in Ntungamo.

In a separate incident, the **Uganda Police Force (UPF)** used live ammunition and teargas to prevent Mbabazi from addressing a Go Forward rally at **Dokolo (Northern Region)**.⁸ There are contradictory accounts about the number of injuries.⁹ The incident is notable in that the UPF also used force to disperse NRM supporters allegedly planning to disrupt the Go Forward rally in Dokolo.¹⁰ In the Ntungamo incident, the UPF appeared unwilling to intercede to protect the Mbabazi convoy.

¹ East African, 2 Jan 2016.

² Daily Monitor, 14 Dec 2015.

³ Daily Monitor, 14 Dec 2015.

⁴ Daily Monitor, 14 Dec 2015.

⁵ Daily Monitor, 15 Dec 2015.

⁶ Daily Monitor, 14 Dec 2015.

⁷ Daily Monitor, 22 Dec 2015.

⁸ Daily Monitor, 28 Dec 2015.

⁹ Daily Monitor, 28 Dec 2015.

¹⁰ Daily Monitor, 28 Dec 2015.

The Electoral Commission has attempted to halt the violence. On 1 January, it issued a directive prohibiting presidential candidates from campaigning in certain locations ahead of the 18 February election.¹¹ The directive was a response to Kayihura's request that it limit campaigning and NRM criticisms of the choice of location for opposition rallies,¹² raising questions about the autonomy of the Electoral Commission.

*"People have reached a conclusion that the police and the Electoral Commission only act on the orders of Museveni."*¹³

The directive prohibits campaigning in places of worship, markets and health institutions.¹⁴ Opposition politicians including **Forum for Democratic Change** presidential candidate **Kizza Besigye** have attempted to overcome their lack of state media coverage through campaigns in public places. The opposition has raised the possibility of seeking legal redress over the directive.¹⁵

The tension is likely to increase. Opposition groups concerned about electioneering and electoral fraud have formed volunteer cadres to monitor campaigning and polling.

*"The problem we have in Uganda is that some camps have already taken a position that the elections are going to be rigged and they have also gone ahead to recruit militias to protect their votes. Some factions are also saying that it is better to put off fire with fire and are forming militias for self defence."*¹⁶

This has unintentionally benefited the ruling NRM. It has allowed the government – including prime minister **Ruhakana Rugunda** – to warn that opposition parties are forming militias to cause electoral violence, thus legitimising a security crackdown.¹⁷ According to a senior NRM official,

*"We are very much aware of plans by the opposition to cause chaos and they are doing this by stirring up sectarianism in the countryside. For example, Besigye is recruiting a militia called **Power Ten (P10)**. This P10 is being prepared to incite provocation and violent confrontations, starting on polling day until the swearing in ceremony, in case they lose. We [the government] are currently investigating the leaders behind this group and we shall arrest them."*¹⁸

It has also justified the UPF – which the NRM has used for political means¹⁹ – recruiting greater numbers of youth to its so-called **Crime Preventers**.

*"I do not think it is right for the police to recruit youths who are brandishing sticks to keep peace during elections. First of all the manner of the recruitment is suspicious. The so-called crime preventers are recruited at night and passed out at midnight and they have no law backing their existence. They have been sighted in opposition rallies carrying knives and have similarities with the **Interahamwe** militia that caused the [1994] genocide in **Rwanda**."*²⁰

Rival youth groups pose a security risk in Uganda.

*"My concern is that it is happening on both sides. Even the NRM that is accusing the opposition of recruiting militias has also recruited young people known as crime preventers who are moving around beating people. The opposition has also recruited a counter militia. So we are setting up young people against each other."*²¹

¹¹ NTV, 1 Jan 2016.

¹² NTV, 1 Jan 2016.

¹³ Source, lawyer, Kampala

¹⁴ NTV, 1 Jan 2016.

¹⁵ NTV, 1 Jan 2016.

¹⁶ Source, lawyer, Kampala

¹⁷ Daily Monitor, 5 Jan 2016.

¹⁸ Source, senior government official, Kampala

¹⁹ Source, senior diplomat, East Africa

²⁰ Source, lawyer, Kampala

²¹ Source, politician, Kampala

Pre-election violence has provided an electoral advantage to Museveni as it ties in with his campaign message that he alone can guarantee Uganda's security and stability. However, observers blame the language of the leading presidential candidates for the increased tensions.

*"If there is going to be violence then it's the presidential candidates to blame. Besigye, for example, is moving around preaching the message of defiance and the other day he told his supporters that time has now come to 'chase Museveni and his foreigners out of Uganda'. Surely even if you don't like Museveni, you can't use such language. Mbabazi also told a rally in eastern Uganda that he is getting annoyed and about to unleash his anger against people who are harassing his team. You find Museveni saying 'these people have touched the anus of a leopard'. It is this kind of talk that incites violence. If anything happens then all these people are responsible."*²²

Nevertheless, widespread violence around the election remains unlikely. Opposition support is limited to urban areas, with the ruling NRM popular in surrounding rural areas, making coordinated opposition action difficult.

World Bank cancels road development project

World Bank president **Jim Yong Kim** on 17 December cancelled a \$265m roads project in the Western Region.²³ Substantial foreign aid cuts may force Uganda to either cut spending or borrow more heavily. The World Bank cited contractual breaches regarding government and contractor mismanagement, social and environmental concerns, and poor project performance for cancelling the **Uganda Transport Sector Development Project (TSDP)**.²⁴ The World Bank alleged that employees of a contractor involved in the project had engaged in misconduct and the sexual abuse of children.²⁵ The World Bank's independent internal watchdog, the **Inspection Panel**, launched an investigation into TSDP in September.²⁶ As well as criticising the Ugandan government and contractor, the World Bank acknowledged that its supervision of the TSDP was insufficient.

The cancellation of a World Bank project is rare, and raises the possibility of sanctions against the Ugandan government or the **National Roads Authority**. Uganda remains dependent on international donors for approximately 25% to 30% of government spending, most of it ring-fenced for social programmes. Donors continue to impose transparency and governance conditions to their financing and, in the case of Uganda, have proven willing to withdraw their support – including in 2012 following allegations of systemic corruption in the prime minister's office.

*"Delays to elections, legislation targeting minority groups, or heavy-handed security service response to popular protests could all trigger similar aid suspensions."*²⁷

The government has looked to **China** for non-concessional lending secured against future oil revenues to reduce its dependence on donors. On 17 December, the China and Ugandan governments signed a memorandum of understanding to build a light rail network in Kampala.²⁸ The **China Civil Engineering Construction Corp** will build the initial phase, which the government has incorporated into Kampala's metropolitan masterplan, and a 240km network will eventually run from the city centre to serve **Nsangi, Entebbe** and **Wakiso**.²⁹

"Deepening financial ties with China secured against future oil revenues could mitigate the impact (though oil would have to be flowing or likely to flow for the Chinese to buy in), but donor

²² Source, journalist, Kampala

²³ Financial Times, 22 Dec 2015.

²⁴ Financial Times, 22 Dec 2015.

²⁵ Financial Times, 22 Dec 2015.

²⁶ Financial Times, 22 Dec 2015.

²⁷ Source, senior western diplomat, East Africa

²⁸ Business Monitor Online, 17 Dec 2015.

²⁹ Business Monitor Online, 17 Dec 2015.

cuts would – all the same – curb Museveni’s capacity to use patronage to grease the electoral wheels and the NRM’s internal machinery.”³⁰

BAT faces international anti-corruption investigations

London Stock Exchange-listed **British American Tobacco PLC (BAT)** faces possible international anti-corruption investigations into its business practices in Uganda.³¹ Former BAT employee **Paul Hopkins** alleged in a **British Broadcasting Corp (BBC)** documentary that the company paid bribes to Ugandan MP **Kasirivu Atwooki (Bugangaizi West)**, **World Health Organisation’s Framework Convention on Tobacco Control** officials, and politicians in **Kenya**.³² Hopkins is reportedly planning on using whistleblower legislation to testify to the **United Kingdom’s Serious Fraud Office (SFO)**, which may also trigger a **United States** department of justice investigation.³³ Any investigation would likely extend to Uganda where BAT has a 70% share of leaf production.³⁴ Former BAT lobbyist **Solomon Muyita** in July brought an ongoing unfair dismissal case against **British American Tobacco Uganda** at Kampala high court alleging that BAT regularly asked him to pay “cash gifts” and “illicit payments” to parliamentarians and officials, including at the **National Environmental Management Authority** following a January 2011 fire at a BAT warehouse.³⁵

Museveni chairs Burundi peace talks

Museveni has chaired **Burundi** peace talks that started in Entebbe on 28 December as a representative of the **East African Community**.³⁶ Museveni has also confirmed the deployment of a Ugandan team to Burundi to investigate reports of extra-judicial killings.³⁷ Museveni tends to support

*“... wider western interests in the region to persuade Uganda’s main creditors (western governments) not to pick a fight on his electoral misconduct”.*³⁸

Former Burundi presidents **Pierre Buyoya** (1987-1993 and 1996-2003), **Sylvestre Ntibantunganya** (1994-1996), **Domitien Ndayizeye** (2003-2005) and **Jean Baptiste Bagaza** (1976-1987) attended the talks.³⁹ Burundi foreign minister **Alain-Aime Nyamitwe** is leading the government delegation.⁴⁰ There is uncertainty about the prospects for the negotiations, after Burundi’s ruling **Conseil National Pour la Défense de la Démocratie–Forces pour la Défense de la Démocratie** imposed pre-conditions on the talks.⁴¹ The government has also rejected the possibility of negotiating with the **Conseil National pour le respect de l’Accord d’Arusha pour la Paix et la Réconciliation au Burundi et la Restauration d’un Etat de Droit (CNARED)** opposition coalition. The CNARED is committed to upholding the **Arusha Accords** peace agreement that ended the Burundi civil war, between **Tutsis** and **Hutus** from 1993 to 2005. On 6 January, the government boycotted a second round of talks saying it would not negotiate with groups that advocated violence.⁴²

Political violence in Burundi has continued since April when President **Pierre Nkurunziza** (2005-present) announced his intention to stand for a third term in alleged violation of the Arusha Accords. Previous Museveni-chaired peace talks stalled in July. Since then, the situation in Burundi has deteriorated, with unknown gunmen attacking 87 people in three military installations in the capital,

³⁰ Source, senior western diplomat, East Africa

³¹ Financial Times, 1 Dec 2015.

³² Financial Times, 1 Dec 2015.

³³ Financial Times, 1 Dec 2015.

³⁴ Financial Times, 1 Dec 2015.

³⁵ Financial Times, 1 Dec 2015.

³⁶ Daily Monitor, 29 Dec 2015.

³⁷ Daily Monitor, 29 Dec 2015.

³⁸ Source, former western diplomat, Uganda

³⁹ Daily Monitor, 29 Dec 2015.

⁴⁰ Daily Monitor, 29 Dec 2015.

⁴¹ Daily Monitor, 29 Dec 2015.

⁴² Xinhua, 5 Jan 2016.

Bujumbura, in December.⁴³ The **African Union** has proposed the deployment of a 5,000 strong peacekeeping mission, prompting Nkurunziza to say he would view any deployment as an invasion.⁴⁴

Implications

The risk of political violence is increasing as the election approaches. There is a moderate risk especially of further clashes in other contested constituencies especially **Busia** and **Mbale** in **Eastern Region**, **Hoima** and **Mbarara** in Western Region, and **Mpigi** in **Central Region**, and around opposition offices in Kampala. This will, however, take the form of sporadic limited clashes, with security forces responding quickly to curb the risk of violence spreading.

Donor suspensions will increase pressure on Uganda's balance of payments. An immediate concern would be whether Uganda would be able to finance its fiscal and current account deficit without issuing more debt to the private sector. Donor suspensions would also increase pressure on Museveni's use of patronage and payments to shore up his support within the NRM.

Corruption represents a key risk for investors in Uganda, with enforcement of existing corruption legislation poor. Investors also allege judicial bias towards domestic parties. The BBC documentary that contained the allegations about BAT malpractice highlights the level of media scrutiny now facing international investors in **Africa**.

Museveni will continue to use regional diplomatic initiatives to dissuade western governments from criticism of his human rights record. In the worst case scenario, the ethnic nature of the conflict in Burundi means that, if unresolved, it could become a regional conflict dragging in Rwanda, the **Democratic Republic of the Congo** and Uganda.

⁴³ VOA, 12 Dec 2015.

⁴⁴ East African, 19 Dec 2015.

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