

Uganda Country Report

LEGAL SYSTEM OVERVIEW

Uganda's anti-corruption framework consists of the Anti-Corruption Act, the Penal Code, the Inspectorate of Government Act 2002, the Public Finance Management Act 2015 and the Leadership Code Act 2002 (LCA). The Penal Code provides instruments to deal with various corruption offenses such as embezzlement, financial loss, abuse of office and fraud. The LCA is designed to increase transparency and to control corruption among senior public officials. It also criminalizes attempted corruption, active and passive bribery, extortion, bribery of a foreign official and abuse of office.¹

Uganda's judicial sector has a high risk of corruption due to political interference. Giving bribes and irregular payments in return for favourable judicial decisions are common in Uganda. Bribery and political influence in the judiciary is widespread in the lower courts.²

Uganda is a signatory to the 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards, and it is a member state of the International Centre for the Settlement of Investment Disputes.³ In 2017 Chief Justice Bart Katureebe recognised the extent of corruption in Uganda and the fact that it infiltrates the judiciary. Chief Justice Katureebe indicated that in several cases, corrupt judicial officers have been found guilty by the courts but were ultimately set free by the same corrupt system.⁴

BUSINESS SECTOR

Uganda is the 122nd largest export economy in the world and the 77th most complex economy according to the Economic Complexity Index (ECI).

The top exports of Uganda are Coffee (\$555m), Gold (\$416m), Dried Legumes (\$98.4m), Fish Fillets (\$87.1m) and Cocoa Beans (\$74.9m). Its top imports are Refined Petroleum (\$934m), Palm Oil (\$255m), Packaged Medicaments (\$236m), Broadcasting Equipment (\$213m) and Cars (\$141m).

The top export destinations of Uganda are the United Arab Emirates (\$427m), Kenya (\$391m), South Sudan (\$253m), the Democratic Republic of the Congo (\$189m) and Rwanda (\$171m). The top import origins are China (\$1.15b), India (\$724m), the United Arab Emirates (\$623m), Kenya (\$506m) and Japan (\$376m).⁵

Uganda ranks 127th in ease of doing business⁶ and ranks 107th in the Global index of Economic openness 2019.⁷ These low-ranking shows that corruption is an issue when dealing with businesses.

There is a high risk of corruption Uganda's public services sector. Businesses state that they are expected to give gifts to public officials 'to get things done' and that bribery is very common in the

¹ Uganda Corruption Report, <https://www.ganintegrity.com/portal/country-profiles/uganda/>

² Uganda Corruption Report, <https://www.ganintegrity.com/portal/country-profiles/uganda/>

³ Uganda Corruption Report, <https://www.ganintegrity.com/portal/country-profiles/uganda/>

⁴ Uganda Corruption Report, <https://www.ganintegrity.com/portal/country-profiles/uganda/>

⁵ Uganda, <https://oec.world/en/profile/country/uga/>

⁶ Ease of doing business index 2019, <https://www.doingbusiness.org/en/data/exploreeconomies/uganda>

⁷ Global index of economic openness 2019, [file:///Users/sumitasaini/Downloads/GIEO-2019-2%20\(3\).pdf](file:///Users/sumitasaini/Downloads/GIEO-2019-2%20(3).pdf)

process of obtaining public utilities.⁸ The Uganda Investment Authority (UIA) is in charge of vetting applications, deals with complaints, and helps foreign investors obtain necessary permits.⁹

Uganda's public procurement sector is riddled with corruption despite there being adequate legal and institutional instruments. Companies report that government officials often favour well-connected companies and individuals when awarding contracts and notice that the diversion of public funds due to corruption to be very common. Companies indicate that they expect to give gifts in order to secure government contracts. Foreign firms have complained of a lack of transparency in government procurement and possible collusion between competing business interests and government officials in the tendering process. The criteria used to evaluate bids are not readily available to the public.¹⁰ Companies are recommended to use a specialised public procurement due diligence tools to mitigate the corruption risks associated with public procurement in Uganda.¹¹

COUNTRY OVERVIEW

Uganda is bordered to the east by Kenya, to the north by South Sudan, to the west by the Democratic Republic of the Congo, to the south-west by Rwanda, and to the south by Tanzania. The current population of **Uganda** is **45,828,869**¹² which is equivalent to **0.59%** of the total world population.¹³ Uganda ranks **31st** as the most populated country. The official languages in Uganda are English and Swahili.¹⁴ The major religions in Uganda are Christianity and Islam.¹⁵

On 25th January 1971, President Obote government was overthrown by General Idi Amin. General Amin seized control of the country and ruled Uganda as dictator with the support of the military. The International Commission of Jurists in Geneva, believe around 300,000 people died during the reign of General Amin. Another estimate, compiled by exile organisations with the help of Amnesty International, put the number of people killed at 500,000.¹⁶ The Uganda- Tanzania war which lasted from 1978 to 1979 overthrew the regime of General Amin.

President Yoweri Museveni and his National Resistance Movement (NRM) have ruled Uganda without interruption since 1986. In 2005 a constitutional amendment lifted presidential term limits, which allowed the president to win the 2011 presidential elections and the elections in 2016.¹⁷ In 2017 parliament voted to remove the 75-year age limit for presidential candidates, this cleared the way for president Museveni to run for a sixth term in office.¹⁸ Under president Museveni, Uganda has been involved in a conflict against the Lord's Resistance Army (LRA), which has been guilty of numerous crimes against humanity, including child slavery, the Atiak massacre, and other mass murders. The conflict has spanned three decades.¹⁹

To end the conflict the Juba peace talks took place between 2006 and 2008, which offered hope for a settlement to the conflict. However, after a long process, the talks collapsed when Joseph Kony the leader of the LRA failed to sign the final agreement.²⁰

⁸ Uganda Corruption Report, <https://www.ganintegrity.com/portal/country-profiles/uganda/>

⁹ Uganda Corruption Report, <https://www.ganintegrity.com/portal/country-profiles/uganda/>

¹⁰ Uganda Corruption Report, <https://www.ganintegrity.com/portal/country-profiles/uganda/>

¹¹ Uganda Corruption Report, <https://www.ganintegrity.com/portal/country-profiles/uganda/>

¹² Uganda Population, <https://www.worldometers.info/world-population/uganda-population/>

¹³ Uganda Population, <https://www.worldometers.info/world-population/uganda-population/>

¹⁴ Uganda country profile, <https://www.bbc.co.uk/news/world-africa-14107906>

¹⁵ Uganda country profile, <https://www.bbc.co.uk/news/world-africa-14107906>

¹⁶ Idi Amin, <https://www.theguardian.com/news/2003/aug/18/guardianobituaries>

¹⁷ Uganda country profile, <https://www.bbc.co.uk/news/world-africa-14107906>

¹⁸ Uganda country profile, <https://www.bbc.co.uk/news/world-africa-14107906>

¹⁹ History: Lord's Resistance Army conflict, <https://www.c-r.org/where-we-work/east-and-central-africa/history-lords-resistance-army-conflict>

²⁰ History: Lord's Resistance Army conflict, <https://www.c-r.org/where-we-work/east-and-central-africa/history-lords-resistance-army-conflict>

Uganda ranks 149th on the Transparency international index.²¹ The low ranking shows that Uganda has a long way to go to tackle corruption. The biggest scandal to date would be the embezzlement of \$12.7 million US dollars in 2012 from Uganda's Office of the Prime Minister (OPM). The funds were reserved for rebuilding northern Uganda which has been ravaged by a 20-year war with the LRA and Karamoja, Uganda's poorest region. Foreign aid was suspended by the European Union, United Kingdom, Germany, Denmark, Ireland, and Norway as a result of the OPM scandal and claims that the money was channelled into private accounts.²²

²¹ Uganda, <https://www.transparency.org/country/UGA>

²² Letting big fish swim, <https://www.hrw.org/report/2013/10/21/letting-big-fish-swim/failures-prosecute-high-level-corruption-uganda>