

PARLIAMENT OF UGANDA

**REPORT OF THE JOINT COMMITTEE OF THE COMMITTEE ON DEFENCE
AND INTERNAL AFFAIRS AND THE COMMITTEE ON LEGAL AND
PARLIAMENTARY AFFAIRS ON THE PROTECTION OF SOVERIEGNTY
BILL, 2026**

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LIST OF ACRONYMS

Acronym	Full Meaning
ACHPR	African Charter on Human and Peoples' Rights
AG	Attorney General
AMFIU	Association of Microfinance Institutions of Uganda
BoU	Bank of Uganda
CCG	Centre for Constitutional Governance
CSOs	Civil Society Organisations
EAC	East African Community
EALS	East Africa Law Society
EFRIS	Electronic Fiscal Receipting and Invoicing System
FHRI	Foundation for Human Rights Initiative
FIA	Financial Intelligence Authority
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
ICCPR	International Covenant on Civil and Political Rights
ICESCR	International Covenant on Economic, Social and Cultural Rights
ICRAD	International Centre for Religious Advocacy and Development
LDC	Law Development Centre
MUASA	Makerere University Academic Staff Association
MSMEs	Micro, Small and Medium Enterprises
NAB	National Association of Broadcasters
NCSA	National Christian Students Association
NDP	National Development Plan
NPA	National Planning Authority
NUDIPU	National Union of Disabled Persons of Uganda
NUP	National Unity Platform
PFF	People's Front for Freedom
PLHIV	Persons Living with HIV
PSFU	Private Sector Foundation Uganda
RIC	Remnant Identity Coalition
SDGs	Sustainable Development Goals
SMEs	Small and Medium Enterprises
UBOS	Uganda Bureau of Statistics
UBA	Uganda Bankers Association
ULS	Uganda Law Society
UMA	Uganda Medical Association
UMYA	Uganda Muslim Youth Assembly
UN	United Nations
UNCT	United Nations Country Team
URSB	Uganda Registration Services Bureau
USSIA	Uganda Small Scale Industries Association
UVRI	Uganda Virus Research Institute
WPI	Women's Probono Initiative

1 INTRODUCTION

On Wednesday, 15th April 2026, the **Protection of Sovereignty Bill, 2026** was read for the first time under Rule 135 (1) of the Rules of Procedure of Parliament and referred to the joint Committee made up of the Committee on Defence and Internal Affairs and the Committee on and that of Legal and Parliamentary Affairs for scrutiny and reporting under Rule 135 of the Rules of Procedure of Parliament.

The Joint Committee (hereafter referred to as "*the Committee*") has examined the Bill, taking into account submissions from stakeholders, and now presents its Report. This Report sets out the Committee's analysis of the Bill's objectives, key provisions, and likely effects, together with a synthesis of stakeholder views and the Committee's recommendations to Parliament.

2 OBJECT OF THE BILL

The object of the Bill is to;

- i. Enact a law that seeks to provide for the protection of the sovereignty of the people of Uganda,
- ii. To designate the department responsible for peace and security as the responsible entity for the registration and regulation of agents for foreigners,
- iii. To provide for the protection of the sovereignty of Uganda,
- iv. To provide for the registration of agents of foreigners,
- v. To regulate the funding and any other assistance to agents of foreigners and for related matters.

3 DEFECTS IN THE EXISTING LAW

The Bill identifies the principal defect in the existing legal framework as the absence of a specific law operationalising the protection of Uganda's sovereignty, which has allowed continued external interference in Government policies and programmes. In particular, it points to increasing influence by foreign actors and their agents in shaping policy

and development priorities, often through conditional funding and parallel programmes that conflict with national objectives. It further highlights inadequate regulation of civil society organisations, especially those receiving foreign funding, leading to concerns about transparency and alignment with national interests. Additionally, the Bill notes the growing use of digital platforms by foreign actors to spread misinformation and incite social discord, collectively undermining Uganda's ability to self-govern independently and safeguard its political, economic, and social stability .

4 METHODOLOGY

4.1 Meetings

In considering the Protection of Sovereignty Bill 2026, the Committee undertook an extensive and transparent stakeholder engagement process to ensure broad public participation.

Public notices were published in the *New Vision* and *Daily Monitor* on 17th April 2026, inviting memoranda and views from all interested parties. To facilitate meaningful input, the Committee suspended its sittings for one week to allow stakeholders adequate time to prepare and submit written memoranda.

Upon resumption on 24th April 2026, all stakeholders who had expressed interest were accorded the opportunity to present their views. The Committee engaged them directly, seeking clarifications where necessary. In total, the Committee interfaced with 224 stakeholders clustered under 60 groups, drawn from diverse sectors. In the diaspora, the Committee held a zoom meeting with representatives of the Uganda Global Forum (Diaspora Council), whose memoranda included the views of Ugandans from 32 countries across all regions that gave their perspectives on the Bill.

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In addition to hearing from stakeholders who appeared before the Committee, the Committee also took into account the perspectives shared by H.E. the President in his guidance to the nation through his letter, particularly those addressed to the Bazukulu regarding the Bill.

Following these engagements, the Committee held further sittings during which the Attorney General responded to stakeholder concerns and proposed refinements to the Bill. This interactive process ensured that the review incorporated both legal scrutiny and practical implementation considerations.

This structured approach, characterised by open invitations, dedicated submission time, inclusive hearings, and responsive dialogue, demonstrates that the Committee's work was informed by a wide, participatory, and nationally representative consultation process. The stakeholders the Committee interfaced with include the following.

Government & Public Institutions (Actors with statutory mandates or constitutional roles).

1. Bank of Uganda (BoU)
2. Financial Intelligence Authority (FIA)
3. National Planning Authority (NPA)
4. Uganda Human Rights Commission (UHRC)
5. Parliament Committees (Foreign Affairs)

A. Legal & Professional Bodies (Organizations focused on law, governance, and regulatory coherence)

6. Uganda Law Society (ULS)
7. East Africa Law Society (EALS)
8. Law Development Centre (LDC)
9. Constitutional Governance Centre (CCG)
10. Independent legal practitioners (multiple submissions)

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B. Political Actors & Movements (Political parties or politically affiliated formations).

11. Alliance for National Transformation (ANT)
12. Forum for Democratic Change (FDC)
13. National Unity Platform (NUP – including diaspora chapter)
14. People's Front for Freedom (PFF)

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C. Private Sector & Business Associations (Formal business organizations across sectors).

15. Uganda National Chamber / Chambers of Commerce
16. Kampala Arcade Traders Association (KATA)
17. Kampala City Traders Association (KACITA)
18. Uganda Small Scale Industries Association (USSIA)
19. Uganda National Traders Association (UNATA)
20. Gen Z Business Owners Association
21. Innovation Village (startup ecosystem)
22. Independent private sector consultants

D. Financial, Insurance & Economic Sector Actors (Sector-specific institutional stakeholders).

23. Uganda Insurers Association
24. Supervised financial institutions (banks, mobile money operators – via sector submissions)
25. Payment Service Providers Association (PSPA)
26. Uganda Forex Bureau and Money Remittance Association (UFBMRA)

E. Digital, Telecom & Media Sector (Actors in communications, broadcasting, and digital economy).

27. Communications Sector Operators (telecoms)
28. National Association of Broadcasters (NAB)
29. Media practitioners / journalist submissions

F. Civil Society & Non-Governmental Organizations (NGOs) -

Domestic and international civic actors.

- 30. Anti Corruption Coalition Uganda
- 31. Foundation for Human Rights Initiative (FHRI)
- 32. Legal Aid Service Providers Network
- 33. Rotary Uganda
- 34. Women's Probono Initiative (WPI)
- 35. INGO Country Directors Network
- 36. Various national NGOs (unnamed individual submissions)

G. International Organizations & Development Partners -

Multilateral and international cooperation actors.

- 37. United Nations Country Team (UN Uganda)
- 38. International NGO community (collectively represented)

H. Labour, Religious & Social Institutions

- 39. National Organisation of Trade Unions (NOTU)
- 40. Inter-Religious Council of Uganda (IRCU)
- 41. Muslim organizations coalition
- 42. Other faith-based organizations

I. Health & Scientific Community - Public health and research institutions.

- 43. Uganda Medical Association (UMA)
- 44. Uganda Virus Research Institute (UVRI)
- 45. PLHIV (People Living with HIV) advocacy groups

J. Education & Academic Sector

- 46. Makerere University Academic Staff Association (MUASA)
- 47. Universities and academic researchers
- 48. Student groups

K. Human Rights, Advocacy & Special Interest Groups

49. National Union of Disabled Persons of Uganda (NUDIPU)

50. Young Lawyers Voice on Climate Change (YLVOCCF)

51. Gender rights advocates

52. Climate advocacy groups

**L. Diaspora & Transnational Communities - Ugandan actors
operating outside the country.**

53. Uganda Global Forum (Diaspora Council)

54. Kyeyeyo Association Uganda

55. NUP Diaspora Chapter

56. Individual diaspora submissions

M. Professional & Individual Submissions - Unaffiliated or cross-cutting contributors.

57. Independent consultants (IT, development, policy)

58. Individual citizens (multiple submissions)

59. Business professionals

60. Researchers and analysts

4.2 Document Review

In conducting its analysis, the Committee referred to the following documents:

- i. The Constitution of the Republic of Uganda, 1995
- ii. The Non-Governmental Organisations Act, Cap. 109
- iii. The Bank of Uganda, Cap. 54
- iv. The Anti-Money Laundering Act, Cap. 118
- v. The Anti-Terrorism Act, Cap. 120
- vi. The Public Finance Management Act, Cap. 171
- vii. The Financial Institutions Act, Cap. 57
- viii. The National Payment Systems Act, Cap. 59
- ix. The Political Parties and Organisations Act, Cap. 178
- x. The Uganda Communications Act, Cap. 103
- xi. The Penal Code Act, Cap. 128

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- xii. The Insurance Act, Cap. 191
- xiii. The Data Protection and Privacy Act, Cap. 97
- xiv. The Universities and Other Tertiary Institutions Act, Cap. 262
- xv. Oliver Wendell Holmes, Jr., The Common Law (Little, Brown & Co. 1881).

Consequently, the Committee's recommendations reflect a balanced synthesis of stakeholder perspectives in the key findings and salient observations below.

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5 KEY FINDINGS AND SALIENT OBSERVATIONS ON THE BILL

5.1 Introductory Consideration: Scope and Interpretation of Clause 2

Before presenting its findings, the Committee found it prudent to clarify the key interpretive issue of Clause 2 (Application) of the Bill. Clause 2 sits at the core of the legislative framework, as it defines the reach of the law and determines who is regulated, under what circumstances, and for what conduct.

The Committee reviewed the Hon. Attorney General's comments, noting that Clause 2 limits the Bill to specific activities tied to foreign influence. According to the AG's interpretation:

- i. the Bill does not apply to all persons generally;
- ii. it applies only to persons acting as agents of foreign actors; and
- iii. even then, only where such persons engage in specified conduct, including influencing Government policy, political processes, or public decision-making for the interest of the foreigners.

The Attorney General clarified that Clause 2 is meant to *limit* the Bill, not expand it. He guided that it applies only to agents of foreign actors, and only when they engage in specific influence-related activities (e.g., affecting government policy, politics, or public decision-making). In addition, he noted that the Bill is activity-based, not identity-based, so ordinary transactions (remittances, business, family support) are excluded unless tied to regulated influence.

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On this reading, the Bill is presented as a targeted regulatory instrument, aimed at structured foreign influence operations, rather than legitimate international engagement.

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However, the Committee observes that this interpretation, while persuasive as a matter of policy intent, is not shared by the majority of stakeholders. there's a gap between the AG's intended narrow scope and how the Bill is actually drafted. When Clause 2 is read together with the broad definitions in Clause 1 and the expansive list of activities including concepts such as "influencing public opinion" and activities that the Minister may prescribe, stakeholders interpret the Bill as having a much wider practical effect. The East Africa Law Society (EALS) in their submission, warn that the term "agent of a foreigner" in Clause 2 could apply to many regular economic, professional, and family connections, such as employees of foreign businesses, traders, and those receiving support from relatives abroad. The Law Development Centre (LDC) notes that Clause 2 does not distinguish harmful actions from lawful ones, so people could be held liable simply because of their associations, not because they caused any actual harm.

This divergence reveals a fundamental issue. The intended limitations of Clause 2 are not sufficiently clear on the face of the law, creating uncertainty as to the boundary between harmful foreign influence and legitimate activity. While the AG maintains that Clause 2 limits application to specific regulated activities, stakeholders consistently note that this limitation is not clearly reflected in the drafting

Therefore, the Committee found that the line between harmful foreign interference and legitimate activities is unclear. Clause 2 is meant as a safeguard but does not effectively limit the Bill. This gap between policy and law shapes all of the Committee's subsequent findings.

5.2 Understanding Sovereignty: What the 1995 Constitution Says vs What the Bill Proposes

Sovereignty under the 1995 Constitution

The Committee discussed sovereignty, referencing the Constitution of the Republic of Uganda, 1995 (herein referred to as "the Constitution"). The Committee found that the 1995 Constitution determines that sovereignty belongs to the people of Uganda, and not the government. Specifically,

- Article 1(1) states that *"All power belongs to the people who shall exercise their sovereignty in accordance with this Constitution"*
- Article 1(2) adds that *"Without limiting the effect of Clause (1) of this Article, all authority in the State emanates from the people of Uganda; and the people shall be governed through their will and consent."*

These provisions establish that the people are the original source of political authority, while the Government merely exercises power as a trustee on their behalf. This position is reinforced by the Preamble, which recognises that the Constitution was adopted by the people *"in the exercise of their sovereign and inalienable right."*

Accordingly, the Committee concludes that the State does not own sovereignty but holds and exercises it in trust for the people. Sovereignty is actively exercised through democratic processes such as elections and referenda under Article 1(4), and safeguarded through the duty imposed on citizens under Article 3 to defend the Constitution.

Sovereignty in the Protection of Sovereignty Bill, 2026

The Committee further notes that sovereignty has two dimensions: a popular dimension, where power ultimately rests with the people, and a security dimension, where the State exercises authority to safeguard national interests.

Justice Oliver Wendell Holmes Jr. (1841–1932), a renowned American jurist who served as a Supreme Court Judge, described sovereignty in

similar terms. He perceives sovereignty as the ultimate practical power of the state to govern and maintain order grounded in the historical and social necessity for societal existence and survival. State action is therefore legitimate only when it remains grounded in popular sovereignty.

Guided by this understanding, the Committee observed that the Bill introduces a strong emphasis on shielding Uganda from foreign influence and expands the State's regulatory powers over political and civic activity. Summarily, the Bill aims to:

- “protect the sovereignty of the people”
- prevent foreign interference on governance

The key features include:

- Restricting activities that promote foreign interests (Clause 5)
- Restricting non-state actors from performing government functions (Clause 6)
- Criminalising interference in elections and government operations (Clauses 11–13)
- Regulating foreign funding and civil society activities
- Restricting interference of government policy.

The Committee, therefore, found that the Constitution grants ultimate authority to the people, with the Government acting as a trustee. The Protection of Sovereignty Bill, 2026 regards the State as the primary guardian of sovereignty and adopts a cautious approach to foreign-linked actors. Whereas the Constitution vests sovereignty in the people of Uganda, the Bill focuses on the protection of sovereignty through state action, reframing sovereignty in security terms and promoting stricter regulation of foreign influence.

5.3 Broad definitions and Scope.

The Committee found that the Bill's definitions of “foreigner” and “agent of a foreigner” are overly broad. As defined in the Bill, it wrongly includes:

- Ugandans living abroad,

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- students, researchers, and professionals working with international partners,
- government Ministries, Departments and Agencies exercising regulatory authority under any Act of Parliament,
- organisations and companies that simply have foreign investors or cross-border business.

Instead of targeting harmful foreign interference, the Bill inadvertently ends up covering normal economic, academic, and community activities.

This blurs the line between harmful foreign interference and ordinary lawful activities, making everyday economic, academic, and civic engagement legally risky. Clauses 1 and 2 are especially powerful, determining who is regulated and punished, and even raising Constitutional questions about citizenship by classifying Ugandans abroad as "foreigners." Stakeholders warned that this could criminalize normal cooperation, such as research, education, or diaspora support. Infact, LDC has termed this as "regulatory contamination," where indirect foreign links extend liability across entire economic and socail chains.

Committee Recommendations.

To restore legal precision, ensure proportionality, and align the Bill with Constitutional principles and practical realities, the Committee recommends the following amendments:

- Amend the definition of "**Foreigner**" to limit it to non citizens and foreign registered companies.*
- Amend the definition of "**Agent of a Foreigner**" to only include people who formally and knowingly act on behalf of a foreigner to influence public policy, elections, or national security.*
- Insert new definitions of words and phrases used in the Bill to improve clarity.*
- Insert an intent requirement (mens rea) so liability only arises with deliberate influence.*

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- v. *Insert a Clause explicitly protecting legitimate economic, academic, humanitarian, developmental, and civic activities to prevent misinterpretation and ensure lawful activities are not captured by the Bill.*

5.4 Creation of a Parallel Regulatory Regime

The Committee observed that the Bill creates a new approval and monitoring system under the Ministry of Internal Affairs. However, many sectors in Uganda are already tightly supervised by strong regulators. These include the Bank of Uganda, the Financial Intelligence Authority, the Uganda Communications Commission, the Insurance Regulatory Authority, and university councils.

Stakeholders argue that the Bill repeats work already done by these regulators and may create conflicting rules instead of improving oversight. This duplication can lead to confusion about which rules apply, multiple reporting requirements, and uncertainty for businesses and institutions. For example, both the telecommunications and banking sectors already operate under strict regulatory systems. Adding another regulator with similar powers could disrupt systems that are currently functioning well.

The Committee notes that these sectors are already governed by detailed laws and licensing frameworks. Stakeholders also warn that the Bill would create a "parallel system" run by a security-linked department that may not have the technical expertise of existing regulators.

Media organizations point out that issues such as foreign funding, transparency, and external influence are already addressed under current laws, including anti-money-laundering legislation and NGO regulations.

Private-sector representatives highlight the economic impact of the Bill: more uncertainty, more regulators to satisfy, and higher costs of doing

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business. Stakeholders caution that the Bill risks creating duplication, institutional conflict, and opportunities for forum-shopping.

Committee Recommendation.

In light of these concerns, the Committee recommends that all institutions and individuals already supervised by a regulator established under an Act of Parliament should be exempted from the Bill.

5.5 Concentration of Executive Power in the Minister

The Bill gives the Minister responsible for Internal Affairs wide and layered powers. These include the authority to:

- define key terms used in the law,
- approve or reject foreign funding,
- register or cancel organisations, and
- determine how the law will operate through regulations.

The Committee notes that while each of these powers may be common in isolation, their combination in a single office creates a system where participation in economic, civic, or institutional activities depends heavily on the Minister's approval. This raises a deeper constitutional concern, not just about administrative efficiency, but about the overall design of governance.

The Committee elaborates these issues under three major themes.

i. From Regulatory Oversight to Discretionary Control:

Stakeholders observe that the Minister's role goes beyond implementing the law. The Minister effectively controls access to the law itself. The Minister can:

- decide who falls under the law,
- control access to funding,
- grant or withdraw legal status, and
- shape how the law functions in practice.

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This risks turning the framework into a permission-based system, where individuals and organisations must seek approval to operate, instead of following clear, predictable rules.

ii. **Constitutional Implications:** This concentration of authority raises significant constitutional concerns:

- It weakens the separation of powers by placing too much control in one office.
- It reduces checks and balances from independent institutions.
- It increases the risk of unfair or arbitrary decisions, especially where the Bill lacks clear procedures, timelines, or appeal mechanisms.

A system that relies on discretion rather than clear rules undermines legal certainty and public trust.

iii. **Reframing Sovereignty:** The Committee notes that many legal and governance submissions view this issue as more than an administrative matter. They see it as a shift in how sovereignty is exercised. Instead of power flowing through established institutions and the people, it risks being concentrated in a single office. From a human-rights perspective, any limitation on rights must meet three tests:

- legality(the law must be clear),
- necessity(the restriction must be essential), and
- proportionality(the measure must not exceed what is required).

The Bill does not clearly demonstrate how these standards are satisfied.

Committee Recommendations

To preserve the Bill's objective while restoring institutional balance and constitutional compliance, the Committee recommends the following amendments:

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- i. *Limit the application of the Bill to only agents of foreigner.*
- ii. *Exclude the application of the Bill to Ugandan citizen residing outside Uganda.*
- iii. *Remove the power of the Minister to declare any person a foreigner.*
- iv. *Remove the restriction on recruitment and employment of person who are aboard from disruptive activities.*
- v. *Provide for the elements of an offence.*
- vi. *Avoid unnecessary bureaucracy in the implementation of policy.*
- vii. *Replace ministerial approvals with declaration of funds to the relevant regulator.*

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5.6 Disruption of Financial and Economic Systems

The Committee noted that the Bill introduces a foreign-funding system with a low threshold of UGX 400 million, requires Ministerial approval for routine transactions, and applies widely across sectors. Although intended to improve oversight, stakeholders warn that it may disrupt how Uganda's financial and economic systems operate.

A major concern is the effect on core financial flows. Banks, investors, and financial service providers caution that requiring approvals for ordinary cross-border transactions could slow or block the movement of funds. This may discourage investment, strain international partnerships, and lead global institutions to "de-risk" by reducing their engagement with Uganda.

Diaspora remittances, one of the country's largest sources of foreign exchange, are especially vulnerable. These funds support school fees, healthcare, and daily household needs. Any delays or restrictions could directly affect families across the country.

Telecommunications operators warn that mobile money and digital payment systems depend on fast, high-volume transactions. Transaction-level approvals or verification requirements could cause delays, service interruptions, and setbacks to financial inclusion.

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The insurance sector highlights longer-term risks: increased regulatory friction may push foreign partners to withdraw, reduce reinsurance capacity, and weaken sector stability.

Taken together, these concerns point to potential system-wide stress—
affecting financial flows, investment, and key economic infrastructure.
The broader risk is capital flight, reduced investor confidence, and
financial instability.

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Committee recommendations.

To safeguard national interests without disrupting financial systems, the
Committee recommends shifting from broad approval-based controls to a
targeted, risk-based approach by:

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- i. Protect everyday financial flows by exempting personal remittances, routine banking transactions, and legitimate business financing.
- ii. Replace blanket approvals with disclosure requirements, reserving prior approval only for high-risk activities such as funding linked to political influence.
- iii. Adopting a flexible, risk-based declaration system developed with financial regulators and aligned with existing anti-money-laundering frameworks.

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5.7 Vagueness and Criminalisation Risks

The Committee noted that the Bill creates new offences, such as “economic sabotage” and “interference”, without defining what these terms mean. This lack of clarity violates the constitutional principle of legality under Article 28(12)¹, which requires criminal laws to be clear and precise. Stakeholders therefore argue that the Bill undermines legal certainty.

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¹ It provides that “Except for contempt of court, no person shall be convicted of a criminal offence unless the offence is defined and the penalty for it prescribed by law”.

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When offences are vague, people and organisations cannot easily tell what is lawful or unlawful. This creates uncertainty, forcing businesses, civil society, and ordinary citizens to avoid even legitimate activities for fear of unintentionally breaking the law.

Vague offences also increase the risk of selective or inconsistent enforcement. Without clear standards, different authorities may interpret the same conduct differently, weakening predictability and opening the door to arbitrary application.

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The result is a chilling effect: lawful activities, such as advocacy, research, journalism, or business operations, may be discouraged simply because the consequences of misinterpretation are too severe.

Constitutionally, criminal offences must be clearly defined so individuals can understand their obligations. Broad and undefined offences fall short of this standard and undermine the rule of law.

The Committee found that the issue is not just poor drafting; it is whether the Bill creates clear, predictable rules or a system where liability depends on interpretation. Criminal laws must leave little room for doubt. Additionally, the prescribed penalties are not only vague but also severe, raising concerns about potential violations of Articles 24 and 44 of the Constitution. The Bill's 20-year penalties seem disproportionate to the offences and contradict the principle that punishment should match the prohibited conduct.

Committee recommendations.

To align the Bill with constitutional requirements of legality and certainty, the Committee recommends the following amendments:

- i. *Clearly define all criminal offences, specifying the prohibited conduct, the required intent, and the harm addressed.*

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- ii. *Reduce the penalty of twenty years to ten years and a fine in the case of a legal entity from two hundred thousand currency points to one thousand currency points.*
 - iii. *Limit offences to conduct that poses a real and demonstrable threat to national interests, avoiding broad terms that may capture lawful activities.*
 - iv. *Include measurable thresholds or criteria, such as scale or impact, to guide enforcement and reduce subjective judgment.*
 - v. *Insert a saving clause to protect legitimate activities such as business operations, research, journalism, advocacy, and civic engagement.*
 - vi. *Introduce procedural safeguards, including enforcement guidelines, written reasons for decisions, and access to administrative or judicial review.*

5.8 Impact on academia, health, and innovation systems

Submissions from the academic and health sectors raise some of the strongest concerns about the Bill's impact. Universities, research institutions, and medical bodies warn that restrictions on foreign funding and collaboration could unintentionally disrupt the systems that support learning, research, and public health.

A central worry is the effect on international collaboration. Academic and research institutions depend on cross-border partnerships for funding, knowledge exchange, and joint projects. Stakeholders caution that, as drafted, the Bill could restrict or even criminalise routine activities such as research partnerships, academic publishing, and teaching where foreign support is involved.

The health sector faces similar risks. The Uganda Medical Association notes that many health programmes rely on external financing and technical cooperation. The Bill could complicate legitimate medical collaboration and weaken the systems needed to respond to public health emergencies. The Uganda Virus Research Institute adds that international

partnerships are essential for disease surveillance and epidemic preparedness; limiting them could undermine national health security.

Across academia, institutions warn that the Bill may also:

- reduce access to research resources,
- discourage open inquiry, and
- weaken universities' role as centres of independent knowledge.

These concerns point to broader national risks. Reduced research output, weaker innovation systems, and constrained knowledge exchange could affect long-term economic growth, public health outcomes, and Uganda's global competitiveness.

The Bill is therefore seen not only as a sovereignty measure, but as one that could shape, and potentially limit the country's ability to generate knowledge, innovate, and respond to health challenges.

Committee recommendation.

The Committee recommends that academic institutions, research bodies, and health or medical facilities legally operating in Uganda be exempted from the Bill.

5.9 Certificate of Financial Implications (CFI)

The Committee reviewed the Certificate of Financial Implications (CFI) and notes that it presents the Bill as administratively costly but fiscally manageable. Specifically, the CFI identifies:

- Direct cost: UGX 29.029 billion
- Cost drivers: institutional strengthening, digital surveillance systems, enforcement, and capacity building
- Financing approach: primarily through internal budget reallocation
- Revenue impact: none anticipated
- Macroeconomic framing: positive, citing improved sovereignty, governance stability, and policy coherence

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The CFI meets statutory requirements but only considers direct fiscal impacts, ignoring broader financial or macroeconomic risks. The Bank of Uganda (BoU) interprets “financial implications” broadly, focusing on risks to macro-financial stability rather than administrative costs. It identifies five major threats posed by the Bill:

- i. Central bank independence: Expanded ministerial powers could undermine BoU autonomy, weaken monetary-policy credibility, and raise Uganda’s borrowing costs.
- ii. Overbroad definition of “agent of a foreigner”: Financial institutions could fall under this definition, exposing banks to non-financial controls and disrupting normal operations.
- iii. Foreign-funding restrictions: The UGX 400 million approval threshold may constrain liquidity, reduce capital inflows, affect correspondent banking, and disrupt remittances, hurting forex availability and credit growth.
- iv. Regulatory fragmentation: Parallel reporting and licensing systems could weaken prudential supervision, increase compliance burdens, and push financial activity into informal channels.
- v. External-sector risks: Possible conflicts with IMF and multilateral obligations could reduce investor confidence, limit concessional financing, and negatively affect foreign direct and portfolio investment.

The Committee notes that the CFI sees the Bill as an administrative and fiscal measure, while the Bank of Uganda considers it a potential macro-financial shock. The Bank recommends excluding regulated financial institutions because; they are already governed by existing frameworks; disruptions could impact monetary policy transmission; and overregulation may heighten systemic risk by encouraging capital flight and informal transactions.

From a policy analysis perspective, while the Bill’s direct fiscal cost is estimated at UGX 29.029 billion, its potential macro-financial risks are



significantly broader and potentially more consequential. The Committee therefore concludes that:

- The CFI meets statutory requirements under the Public Finance Management frame work;
- However, it fails to capture systemic risks affecting financial sector stability, capital flows, and monetary policy effectiveness.

Accordingly, the Committee concludes that although the CFI is technically compliant, it does not capture the broader macro-financial risks that could arise from the Bill's implementation. The Committee therefore supports the Bank of Uganda's proposal to exclude financial institutions from the scope of the Bill in order to safeguard financial sector stability and maintain macroeconomic resilience.

6 CONCLUSION.

The Committee undertook extensive consultations, and the views received reveal a shared concern. Across all submissions, there is broad agreement on four key points:

- i. the Bill's objective is legitimate, but its definitions and application are overly broad;
- ii. the regulatory approach duplicates existing legal and institutional frameworks;
- iii. excess power is concentrated in the Minister; and
- iv. the Bill's impact could extend across the entire economy and society.

In response to these concerns, the Attorney General proposed areas for review, which were supported by the Bank of Uganda. The Committee has carefully considered these proposals and incorporated more amendments where applicable. The Committee's scrutiny, combined with the AG's recommendations and further amendments, has addressed stakeholder concerns and refined the Bill into a clear, transparent law that upholds Uganda's sovereignty.

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The Committee, therefore, recommends that the Bill proceed to Second Reading, subject to the proposed amendments attached hereto and any further improvements the House may consider and approve.

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7 PROPOSED AMENDMENTS TO THE PROTECTION OF SOVEREIGNTY BILL, 2026

CLAUSE 1: INTERPRETATION

Clause 1 of the Bill is amended-

(a) by substituting for the definition of “agent of a foreigner”, the following

—

“agent of a foreigner” means a person who engages in any of the activities referred to in section 2 —

- (a) as an agent, representative or employee of a foreigner;
- (b) on the order, request, supervision or under the direction or control of a foreigner; or
- (c) while being financed or subsidised by a foreigner;”

(b) in the definition of “disruptive activities” by deleting paragraph (e);

(c) by substituting for the definition of “foreigner”, the following —

“foreigner” includes —

(a) a non-Ugandan citizen who engages, undertakes, supervises, controls, finances or subsidises the activities specified in section 2

(2);

(b) a foreign government, consulate, high commission, embassy or other diplomatic mission which engages, undertakes, supervises, controls, finances or subsidises the activities specified in section 2

(2);

(c) a corporation, company, non-governmental organisation or other legal entity incorporated, unincorporated or registered outside Uganda which engages, undertakes, supervises, controls, finances or subsidises the activities specified in section 2 (2);

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(d) an international or multinational organisation which engages, undertakes, supervises, controls, finances or subsidises the activities specified in section 2 (2);

(d) by deleting the definition of "person";

(e) by inserting the following definitions in their appropriate alphabetical order—

(f) "political activities" means any activity aimed at influencing the enactment of legislation, the formulation of policy or the decision-making of Government or of the people of Uganda and includes—

(a) fundraising, sponsoring, registering, nominating, supporting or campaigning for a candidate in an election;

(b) registering, funding and campaigning for a political party in an election;

(c) fundraising, campaigning, canvassing for support, supporting or opposing a political party or candidate in an election;

(d) any activities aimed at influencing the outcome of an election;

(e) any activities aimed at influencing the will and consent of the people of Uganda to determine who shall govern them and how they should be governed;

(f) any activities aimed at influencing, imposing or normalising ideologies which are inconsistent with the Constitution or which conflict with any culture, customs

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or norms of any of the communities listed in the third schedule to the Constitution;

“interest of a foreigner” means interests of a foreigner that are not aligned with principles and laws adopted by Government;

“Interests of Uganda” means the national interests of Uganda based on the principles of national interest and common good enshrined in the national objectives and directive principles of state policy as provided for in the Constitution, laws of Uganda and Government policy;

“foreign policy” means a policy developed by a foreigner;

“Government policy” means a statement, decision or actions of government on how a sector is regulated or governed, issued in accordance with the Constitution and laws of Uganda;

“interest of Ugandans” means the interests of Uganda;

Justification

- To limit the application of the Bill to only agents of foreigners and not any other person.
- The amendments are intended to harmonise the definitions with the scope of the Bill as provided in clause 2.
- Under the definition of “foreigner”, to exclude the application of the Bill to Ugandan citizen residing outside Uganda.
- To remove the power of the Minister to declare any person a foreigner under the definition of a “foreigner”.
- Under the definition of the phrase “disruptive activities”, to remove the restriction on recruitment and employment of persons which was broad.

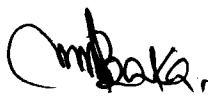
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- To define words and phrases which are used in the Bill in order to enhance clarity.

CLAUSE 2: APPLICATION

The Bill is amended in clause 2—

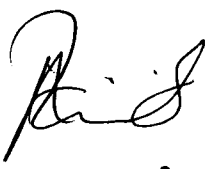
(a) in sub clause (1), by deleting the words “any person who acts as”;

(b) by substituting for sub clause (2), the following—

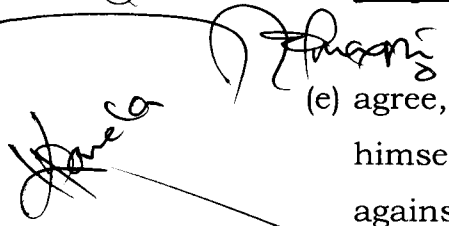
 “(2) For the avoidance of doubt, this Act applies to an agent of a foreigner who engages in any of the following activities through any means including the use of digital platforms to—

(a) engage in political activities in Uganda to further the interests of a foreigner;

 (b) solicit, collect, disburse or dispense contributions, loans, money or other things of value for the purpose of financing or sponsoring political activities to further the interest of a foreigner;

 (c) represent the interest of a foreigner before any agency or official of the Government of Uganda for the purpose of engaging in political activities in Uganda;

 (d) recruit, contract, engage, enter into a partnership or sponsor any person in Uganda to promote the interest of a foreigner for the purpose of engaging in political activities in Uganda;

 (e) agree, consent, assume or purport to act as, or who is or holds himself or herself out to promote the interest of a foreigner against the interests of Ugandans;

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(f) without the approval of Cabinet, influences the development of a policy of Government or implements a policy of Government; and

(g) influence the public to oppose the policy of Government;”

(c) by inserting immediately after sub clause (3), the following-

“(4) For the avoidance of doubt and notwithstanding the provisions of this section, this Act shall not apply to monies or funding received from a foreigner by-

(a) a supervised institution or a person or institution regulated by a regulatory body under an Act of Parliament for purposes of meeting its regulatory requirements or for purposes of undertaking its commercial, licensed or permitted activity under an Act of Parliament;

(b) a health or medical facility for purposes of performing an activity permitted under the laws of Uganda to be undertaken by a health or medical facility;

(c) an academic or research institution for purposes of funding research and innovation or any other educational activity permitted under the laws of Uganda to be undertaken by an academic or research institution;

(d) a person for commercial, domestic or family use;

(e) faith-based organisations for activities that are connected with the mission of the faith-based organisation.

(5) Nothing in this Act shall be construed as prohibiting or requiring compliance with this Act for lawful foreign direct investment, portfolio investment, diaspora remittances, export proceeds, trade finance, commercial loans, humanitarian assistance, technical

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assistance, grants, concessional financing, development assistance, or any other lawful foreign exchange inflow or outflow and related activities.”

Justification

- *To harmonise the provision with the scope of the Bill as provided in clause 2.*
- *To clarify the scope of the Bill to avert a possibility of extending the Bill to any person and activity beyond the scope of the Bill.*

CLAUSE 3: ADMINISTRATION OF ACT

Clause 3 of the Bill is amended by inserting immediately before the word “Ministry” appearing in the third line, the word “relevant”;

Justification

- *To require the Department to consult the relevant Ministry while implementing the Act.*

CLAUSE 4: FUNCTIONS OF DEPARTMENT

Clause 4 of the Bill is amended in sub clause (1)—

(a) in paragraph (d), by deleting the words “or foreign nationals”;

(b) in paragraph (h), by inserting the word “perform”, immediately before the word “any”.

Justification

To restrict the Bill to only agents of foreigners as prescribed in clause 2.

CLAUSE 5: SOVEREIGNTY OF THE PEOPLE

Clause 5 of the Bill is amended—

(a) in sub clauses (3), by substituting for the words “A person”, the words “An agent of a foreigner”;

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(b) by substituting for sub clause (4), the following—

“(4) An agent of a foreigner who intentionally promotes the interests of a foreigner against the interests of Uganda commits an offence and is liable, on conviction –

(a) in the case of a legal entity, to a fine not exceeding one hundred thousand currency points; and

(b) in the case of an individual, to a fine not exceeding fifty thousand currency points or to imprisonment for a term not exceeding ten years, or both. “

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Justification

- *To restrict the Bill to only agents of foreigners as prescribed in clause 2*
 - *To make the penalty and fine proportionate to the offence.*
 - *To provide for criminal intent in the commission of the offence.*
- (Handwritten signature: R. K. S. (R. K. S.))

CLAUSE 6: EXERCISING FUNCTIONS AND SERVICES FOR WHICH GOVERNMENT IS RESPONSIBLE

Clause 6 of the Bill is amended—

(a) in sub clauses (2), by deleting the words “A person or”;

(b) in sub clause (3) by deleting the words “any person or”;

(c) by substituting for sub clause (4), the following—

“(4) An agent of a foreigner who intentionally performs the functions or offers services for which the Government is responsible for without the approval of the relevant Government agency commits an offence and is liable, on conviction –

(a) in the case of a legal entity, to a fine not exceeding one hundred thousand currency points; and

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(b) in the case of an individual, to a fine not exceeding fifty thousand currency points or to imprisonment for a term not exceeding ten years, or both."

(d) In sub clause (5), by substituting for the word "a person", the words "an agent of a foreigner";

Justification

- To restrict the Bill to only agents of foreigners as prescribed in clause 2 and to make intention, an element of the offence.
- To make the penalty proportionate to the offence.

CLAUSE 7: DEVELOPMENT OF GOVERNMENT POLICY

Clause 7 of the Bill is amended—

(a) in sub clause (3), by deleting the words "A person or";

(b) by substituting for sub clause (4), the following—

"(4) An agent of a foreigner who knowingly develops a policy without the approval of Cabinet commits an offence and is liable, on conviction—

(a) in the case of a legal entity, to a fine not exceeding one hundred thousand currency points; and

(b) in the case of an individual, to a fine not exceeding fifty thousand currency points or to imprisonment for a term not exceeding ten years or both."

(c) in sub clause (5), by deleting the words "and implementing".

Justification

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- To restrict the Bill to only agents of foreigners as prescribed in clause 2
- To provide for criminal intent in the commission of the offence.
- To make the penalty proportionate to the offence.
- To harmonise clause 7 (5) relating to development of government policy and clause 8 (8) relating to implementation of government policy.

CLAUSE 8: IMPLEMENTATION OF GOVERNMENT POLICY

Clause 8 of the Bill is amended—

- (a) by deleting sub clause (1);
- (b) in sub clause (3),
- (i) by deleting the words “a person or”
- (ii) by deleting the word “implement”.
- (c) in sub clause (4), by deleting the words “A person or” and “the person or” wherever the words appear in the provision;
- (d) by deleting sub clause (5);
- (e) in sub clause (6)-
- (i) by deleting the words “a person or”;
- (ii) by substituting for the words “the person or agent”, the words “an agent of a foreigner”;
- (f) in sub clause (7), by substituting for the words “a person”, the words “an agent of a foreigner”;

Justification

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- To restrict the Bill to only agents of foreigners as prescribed in clause 2
 - Sub clause (5) is deleted in order to remove unnecessary bureaucracy in the implementation of policy.
 - To harmonise sub clause (3) and (4) of the provision.

CLAUSE 9: FOREIGN POLICY

Clause 9 of the Bill is amended by—

- (a) in the head note, by inserting immediately after the word “policy”, the words “of Uganda”;
- (b) in sub clause (4) by deleting the words “A person or”;

Justification

- To restrict the Bill to only agents of foreigners as prescribed in clause 2.
- To provide clarity on the headnote.

CLAUSE 10: PROHIBITION OF PROMOTION OF FOREIGN POLICY OF ANOTHER COUNTRY

Clause 10 of the Bill is amended—

- (a) in the head note, by deleting the words “of another country”;
- (b) in sub clause (1), by substituting for the words “A person”, the words “an agent of a foreigner”;
- (c) by substituting for sub clause (2), the following—

“(2) An agent of a foreigner who engages in any activity, solicits, receives or obtains any assistance from a foreigner to sponsor or organise a meeting or any function with the aim of promoting foreign policy in Uganda that has not been adopted by Cabinet as

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Government policy commits an offence and is liable, on conviction

(a) in the case of a legal entity, to fine not exceeding one hundred thousand currency points; and

(b) in the case of an individual, to a fine not exceeding fifty thousand currency points or to imprisonment for a term not exceeding ten years, or both."

(d) by inserting immediately after sub clause (2), the following-

"The Minister may, in consultation with Cabinet, by regulations, prescribe the procedure for adopting foreign policy."

Justification

- To restrict the Bill to only agents of foreigners as prescribed in clause 2.
- To empower the Minister to prescribe the procedures for adopting in Uganda, the foreign policy of another country.
- To make the penalty proportionate to the offence.

CLAUSE 11: PROHIBITION OF INTERFERING WITH ELECTORAL PROCESSES

Clause 11 is amended—

(a) by substituting for sub clause (3), the following –

"(3) An agent of a foreigner who intentionally influences the will and consent of any person to decide on how he or she shall be governed contrary to subsection (1) commits an offence and is liable, on conviction –

(a) in the case of a legal entity, to a fine not exceeding one hundred thousand currency points; and

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(b) in the case of an individual, to a fine not exceeding fifty thousand currency points or to imprisonment for a term not exceeding ten years, or both.

(b) in sub clause (4), by substituting for the words "a person", the words "an agent of a foreigner";

Justification

- To restrict the Bill to only agents of foreigners as prescribed in clause 2t
- To make the penalty and fine proportionate to the offence.

CLAUSE 12: PROHIBITION OF INTERFERING WITH OPERATIONS OF GOVERNMENT

Clause 12 of the Bill is amended-

(a) in sub clauses (1), by deleting the words "A person or";

(b) by substituting for sub clause (2), the following-

"(2) An agent of a foreigner who engages in any activity or solicits, receives or obtains any assistance from a foreigner to sponsor, organise a meeting or any function with the aim of interfering with the operations of Government commits an offence and is liable, on conviction -

(a) in the case of a legal entity, to a fine not exceeding one hundred thousand currency points; and

(b) in the case of an individual, to a fine not exceeding fifty thousand currency points or to imprisonment for a term not exceeding ten years, or both.

(c) by inserting immediately after sub clause (2), the following-

(A)

"For the purposes of this section, an agent of a foreigner interferes with operations of Government if the agent of a foreigner intentionally obstructs, impairs, hinders or prevents a public officer or any other person occupying a public office from performing his or her functions."

Justification

- To restrict the Bill to only agents of foreigners as prescribed in clause 2
- To define what amounts to interfering with operations of Government in order to comply with the legality principle enumerated under Article 28 (12) of the Constitution.
- To make the penalty and fine proportionate to the offence.

CLAUSE 13: PROHIBITION OF ECONOMIC SABOTAGE

Clause 13 is substituted with the following-

"13. **Prohibition of economic sabotage**

An agent of a foreigner who knowingly publishes false information or participates in any disruptive act or activity that weakens, undermines or damages the economic system or viability of the country, to cause economic disruption, insecurity or instability, commits an offence of economic sabotage and is liable, on conviction -

- (a) in the case of a legal entity, to a fine not exceeding one hundred thousand currency points; and
- (b) in the case of an individual, to a fine not exceeding fifty thousand currency points or to imprisonment for a term not exceeding ten years, or both."

Justification

- To restrict the Bill to only agents of foreigners as prescribed in clause 2
- To provide for criminal intent in the commission of the offence.

- To make the penalty proportionate to the offence.

CLAUSE 16: CONSIDERATION OF APPLICATION FOR REGISTRATION

Clause 16 of the Bill is amended—

(a) in sub clause (1), by deleting all the words appearing after the word “applicant”;

(b) by inserting immediately after sub clause (1), the following

“The Department shall, within fourteen days from the date the application is forwarded to the Department under subsection (1), conduct inquiries to ascertain the suitability of the application and the applicant, and make a recommendation to the Minister.”

(c) in sub clause (2),

(i) in paragraph (a), by deleting the words “mental and physical health”;

(ii) by substituting for paragraph (b), the following—

“(b) in the case of an applicant who is--

(i) an individual, whether the applicant has been convicted of an offence and sentenced to a term of imprisonment without the option of payment of a fine;

(ii) a company or any other legal entity, whether a director of the applicant has been convicted of an offence which renders him or her incapable of being appointed director in accordance with the applicable law;”

(d) by inserting immediately after sub clause (5), the following—

“The Department shall in considering an application under this section comply with rules of natural justice.”

Justification

- To remove the requirement to conduct a mental and physical health examination on a person applying to be an agent of a foreigner since a person's mental and physical health have nothing to do with his or her ability to be an agent of a foreigner.
- Subjecting an applicant to mental and physical health examination when he or she is not suffering from a mental illness conflicts with the Mental Health Act.
- To prescribe the time frame within which an application shall be determined by the Department.
- To ensure rules of natural justice are complied with during the application for a certificate.

CLAUSE 17: CERTIFICATE OF REGISTRATION

Clause 17 of the Bill is amended-

(a) by substituting for sub clause (1), the following-

"The Minister shall, within fourteen days from the date of receipt of the recommendation of the Department, consider the recommendation, and may, if satisfied that the application and the applicant meet the requirements of section 16, issue a certificate of registration to the applicant to act as an agent of a foreigner."

(b) in sub clause (2), by deleting all the words appearing after the word "necessary";

Justification

- To harmonise clauses 16 and 17 in order to ensure that the Minister only considers the recommendation of the Department when making a decision to grant a certificate of registration rather than opening up the application afresh.
- The amendment of sub clause (2) to bring finality to the application and the conditions applicable to the certificate.

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CLAUSE 18: REFUSAL TO GRANT CERTIFICATE OF REGISTRATION

Clause 18 of the Bill is amended—

(a) by substituting for sub clause (1), the following—

“(1) The Minister may refuse to issue a certificate of registration if—

(a) the Department recommends to the Minister to deny the application; or

(b) the Minister is not satisfied that the application or the applicant meet the requirements of section 16.”;

(b) by substituting for sub clause (2), the following—

“(2) Where the Minister refuses to issue a certificate of registration under subsection (1), the Minister shall, within fourteen days from the date of making the decision, inform the applicant, in writing, stating the reasons for the refusal.”

Justification

- To harmonise the provision with clause 16 and 17 to remove additional grounds for refusal of a certificate of registration which grounds are not considered at the time of application.
- To require the Minister to make a decision on the basis of the recommendation of the Department.
- To provide for a timeframe within which the Minister has to act on a recommendation from the Department.

CLAUSE 19: RENEWAL OF A CERTIFICATE OF REGISTRATION

Clause 19 of the Bill is amended by inserting immediately after sub clause (2), the following—

(A)

"The Minister shall consider the application for renewal of a certificate of registration and make a decision within fourteen days from the date of receipt of the application for renewal.

The Minister shall in considering an application under this section comply with rules of natural justice."

Justification

- To prescribe the timeframe within which an application for renewal of a certificate of registration shall be made.
- To ensure rules of natural justice are complied with during the renewal processes of a certificate.

CLAUSE 20: SUSPENSION AND REVOCATION OF CERTIFICATE OF REGISTRATION

Clause 20 of the Bill is amended—

- (a) In sub clause (2), by deleting paragraph (c);
- (b) by inserting immediately after sub clause (2), the following—

"The Minister shall while exercising any powers in this section, comply with rules of natural justice."

Justification

- A consequential amendment arising from the amendment in clause 18.
- To ensure compliance with rules of natural justice during revocation and suspension of a certificate of registration.

CLAUSE 21: DECLARATION OF SOURCES OF FUNDING

Clause 21 is amended—

- (a) in sub clause (1), by deleting the words "or other person receiving any funding from a foreigner";
- (b) by deleting sub clause (2);

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(c) in sub clause (3), by substituting for the words "A person", the words "An agent of a foreigner."

Justification

- To restrict the Bill to only agents of foreigners as prescribed in clause 2
- Sub clause (2) is proposed for deletion since it infringes on the right to privacy and data protection laws.

CLAUSE 22: RESTRICTIONS ON FUNDING FROM FOREIGNERS

Clause 22 is amended—

(a) in sub clause (1), by—

- (i) deleting the words "A person or";
- (ii) deleting the word "solicit";

(iii) inserting immediately after the word "without", the words "declaring the funds to";

(iv) deleting the words "the written approval of";

(b) by substituting for sub clause (2), the following—

"(2) An agent of foreigner who obtains or receives directly or indirectly funds, financial support, donations, loans or other assistance from a foreigner without declaring the funds in accordance with subsection (1) commits an offence, and is liable, on conviction —

- (a) in the case of a legal entity, to fine not exceeding one hundred thousand currency points; and

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(b) in the case of an individual, to a fine not exceeding fifty thousand currency points or to imprisonment for a term not exceeding ten years, or both."

(c) in sub clause (3) —

(i) by deleting the words "the person or";

(ii) substituting for the word "any person", the word "the agent of a foreigner";

(d) in sub clause (4), by substituting for the words "obtaining the written approval", the words "declaring the funds";

Justification

- To restrict the Bill to only agents of foreigners as prescribed in clause 2
- To substitute the requirement to seek for approval of the Minister every time an agent of a foreigner receives funds from abroad of more than twenty thousand currency with the requirement to declare the funds to the Minister.
- To provide for the penalty and fine proportionate to the offence.

CLAUSE 23: OBTAINING FUNDS TO ENGAGE IN DISRUPTIVE ACTIVITIES

Clause 23 of the Bill is amended—

(a) in sub clause (1)–

(i) by deleting the words "A person or";

(iii) by substituting for the word "one hundred", the word "fifty"

(iv) by substituting for the word "twenty", the word "ten";

(b) in sub clause (2), by substituting for the word "person", the words "agent of a foreigner";

Justification

- To restrict the Bill to only agents of foreigners as prescribed in clause 2.
- To provide for the penalty and fine proportionate to the offence.

CLAUSE 24: FOREIGN FUNDING TO GOVERNMENT INSTITUTIONS

Clause 24 is amended by deleting sub clause (2).

Justification

- The disapplication of the Public Finance Management Act contravenes section 28 of the Public Finance Management Act.

CLAUSE 25: REPORTING OF FOREIGN FUNDING

Clause 25 is amended—

(a) by substituting for sub clause (1), the following—

"(1) A supervised institution shall not pay out any money to an agent of a foreigner without the agent of a foreigner —

- (a) declaring the source of funds; and
- (b) submitting proof of declaration of funds."

(b) in sub clause (2), by substituting for the word "Minister", the words "relevant regulator";

(c) by substituting for sub clause (3), the following—

"(3) A supervised institution that contravenes subsection (1), commits an offence and liable, on conviction, to a fine not exceeding two hundred thousand currency points."

Justification

- This is a consequential amendment arising from the amendments made to clause 22.
- To make sub clause (3) a penal provision, breach of which attracts a penalty.
- To comply with the PFMA in relation to payment of funds into the consolidated fund.

CLAUSE 26: SUBMISSION OF RETURNS

Clause 26 is amended by substituting for sub clause (2), the following—

“(2) An agent of a foreigner who fails to submit returns to the Minister as required by subsection (1), commits an offence, and is liable, on conviction —

- (a) in the case of a legal entity, to a fine not exceeding one hundred thousand currency points; and
- (b) in the case of an individual, to a fine not exceeding fifty thousand currency points or to imprisonment for a term not exceeding ten years or both.

CLAUSE 28: INSPECTION

Clause 28 is amended—

(a) in sub clause (1), by—

- (i) inserting immediately after the word “may”, the words “upon obtaining a court order,”;
- (ii) deleting the word “that appears to him or her”

(b) in sub clause (2), by substituting for the words “A person”, the words “an agent of a foreigner”;

Justification

- To restrict the Bill to only agents of foreigners as prescribed in clause 2.

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- To require an authorised person to obtain a court order before inspecting premises of an agent of a foreigner.

CLAUSE 30: MINISTER'S POWER TO AMEND SCHEDULE

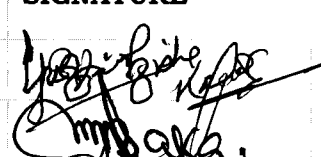
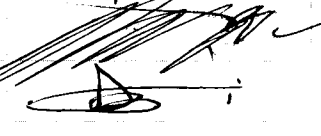
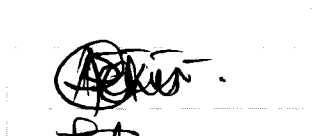
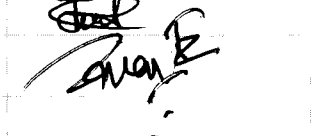
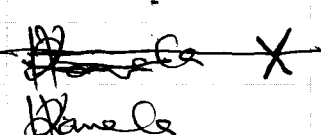
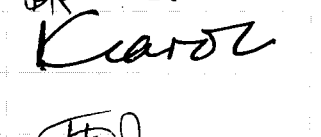
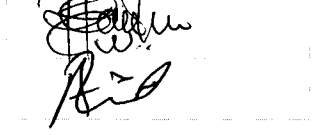
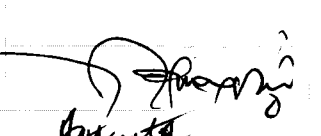
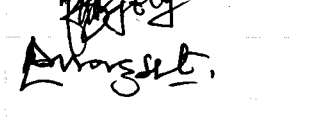
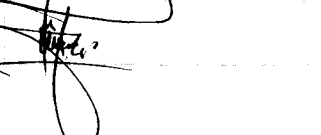
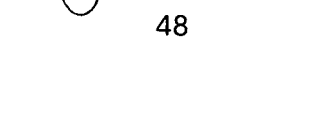
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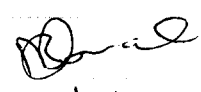
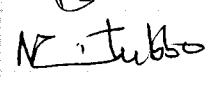
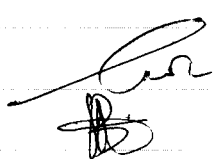
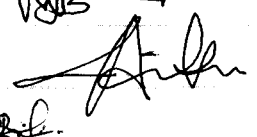
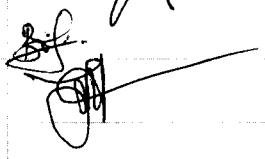
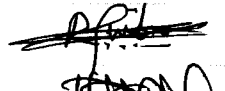
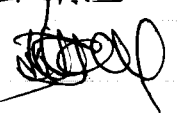
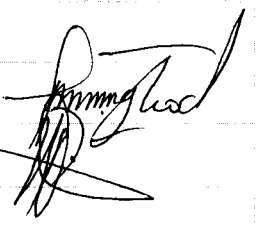
- (a) by inserting immediately after the word "may", the words "in consultation of the Minister responsible for finance;
- (b) by numbering the existing provision as sub clause (1) and inserting immediately after sub clause (1), the following-
"The statutory instrument referred to in subsection (1) shall be laid before Parliament for approval."

Justification

- To require the Minister of finance to be consulted before amendment to the value of a currency point.
- To require the statutory instrument to be approved by Parliament.

MEMBERSHIP OF THE JOINT COMMITTEE MADE UP OF THE COMMITTEE ON DEFENCE AND INTERNAL AFFAIRS AND THE COMMITTEE ON LEGAL AND PARLIAMENTARY AFFAIRS

Sn.	NAME	CONSTITUENCY	PARTY	SIGNATURE
1	HON. WILSON KAJWENGYE C/P	NYABUSHOZI	NRM	
2	BAKA STEPHEN MUGABI C/P	BUKOOLI COUNTY NORTH	NRM	
3	HON. NGOMPEK LINOS D/CP	KIBANDA NORTH	NRM	
4	HON. TEIRA JOHN D/CP	BUGABULA NORTH COUNTY	NRM	
5	HON. ODOI-OYLWELOWO FOX	WEST BUDAMA NORTH EAST	NRM	
6	HON. ACHAYO LODOU JULIET	NGORA COUNTY	NRM	
7	HON. ACHIA REMIGIO	PIAN COUNTY	NRM	
8	HON. AEKU PATRICK	SOROTI COUNTY	NRM	
9	HON. ALUM SANTA SANDRA	DWR, OYAM	UPC	
10	HON. ARINAITWE RAUBEN	ISINGIRO WEST-ISINGIRO	IND	
11	HON. BASALIRWA ASUMAN	BUGIRI MUNICIPALITY	JEEMA	
12	HON. JAMES MUGIRA	UPDF	N/A	
13	HON. KAMUGO PAMELA NASIYO	DWR, BUDAKA	NRM	
14	HON. KAMUSIME CAROLINE	DWR, RUKIGA	NRM	
15	HON. KATUNTU ABDUL	BUGWERI COUNTY	INDEP	
16	HON. KAUMA SAUDA	DWR-IGANGA	NRM	
17	HON. KINTU ALEX BRANDON	KAGOMA NORTH	NRM	
18	HON. KIWANUKA ABDALLAH	MUKONO COUNTY NORTH	NUP	
19	HON. KOMOL EMMANUEL	DODOTH EAST COUNTY-KAABONG	IND	
20	HON. KYOTO IBRAHIM MULULI	BUDIOPE WEST	NRM	
21	HON. LAMWAKA MARGARET	CHUA EAST-KITGUM	IND	
22	HON. LOKKII PETER ABRAHAMS	JIE COUNTY	NRM	
23	HON. LT. GEN. ELWELU PETER	UPDF	UPDF	
24	HON. LUBEGA MEDARD SSEGOONA	BUSIRO COUNTY EAST	NUP	
25	HON. LUMU RICHARD KIZITO	MITYANA SOUTH	DF	
26	HON. MALENDE SHAMIM	DWR, KAMPALA	NUP	
27	HON. MUGABE DONOZIO KAHONDA	RUHINDA SOUTH	NRM	

28	HON. MUSEVENI WILLIAM	BUWEKULA SOUTH-MUBENDE	IND	
29	HON. MUSINGUZI YONA	NTUNGAMO MUNICIPALITY	NRM	
30	HON. NAJJUMA SARAH	DWR, NAKASEKE	NRM	
31	HON. NAKWANG CHRISTINE TUBO	DWR-KAABONG	NRM	
32	HON. NAMANYA NABOTH	RUBABO	FDC	
33	HON. NAMBESHE JOHN BAPTIST	MANJIYA COUNTY	NUP	
34	HON. NAMBOOZE BETTY BAKIREKE	MUKONO MUNICIPALITY	NUP	
35	HON. NIWAGABA WILFRED	NDORWA COUNTY EAST	INDEP.	
36	HON. NIYONSABA ALEX	BUFUMBIRA SOUTH	NRM	
37	HON. NKWASIIBWE HENRY	RUHAAMA COUNTY	NRM	
38	HON. NSANJA PATRICK KAYONGO	NTENJERU COUNTY SOUTH	INDEP	
39	HON. NYEKO DERRICK	MAKINDYE EAST	NUP	
40	HON. OCHERO JIMBRICKY NOMAN	LABWOR	NRM	
41	HON. ODOI BERNAD ONEN	YOUTH REP., EASTERN	NRM	
42	HON. ODUR JONATHAN	ERUTE COUNTY SOUTH	UPC	
43	HON. OKEYOH PETER	BUKOOLI	NRM	
44	HON. OKIA JOANE ANIKU	DWR, MADI OKOLLO	NRM	
45	HON. OKIROR BOSCO	USUK COUNTY	NRM	
46	HON. OKOT MOSES JUNIOR BITEKE	KIOGA	FDC	
47	HON. OLANYA GILBERT	KILAK SOUTH	FDC	
48	HON. OSEKU RICHARD ORIEBO	KIBALE COUNTY	NRM	
49	HON. SSEBIKAALI YOWERI	NTWETWE	NRM	
50	HON. SSEKIKUBO THEODORE	LWEMIYANGA	NRM	
51	HON. SSEKITOLEKO ROBERT	BAMUNANIKA COUNTY	NUP	
52	HON. TINKASIIMIRE BARNANBAS	BUYAGA WEST COUNTY	NRM	
53	HON. WAKOOLI GODFREY	BUIIRU COUNTY	NRM	
54	HON. WERIKHE PETER CHRISTOPHER	BUBULO COUNTY WEST	NRM	
55	HON. ZIJJAN DAVID LIVINGSTONE	BUTEMBE COUNTY	INDEP.	
56	HON. BAINOMUGISHA JANE KABAJUNGU	IBANDA	NRM	