

Karamoja mineral scam: Minister's son arrested

By Simon Masaba and Chris Kiwawulo

The Police have arrested Felix Apo Oroma, a son of the state minister for minerals, Peter Lokeris, in connection with the sh9b that a Chinese company allegedly lost to a local mining firm – Welt Machinen Engineering Limited.

Welt Machinen Engineering Limited is owned by the minister's sons; Ben Koryang and Oroma. The sh9b was paid to the company after it (Welt) sued the China Road and Bridge Corporation (CRBC) over a rock in Nakapiripirit district.

The sh9b was part of the sh288b Uganda National Roads Authority (UNRA) owed to the Chinese company.

However, following a legal dispute between the Chinese, Welt Machinen Engineering and the Attorney General (AG) over the excavation of Kamusalaba rock for gravel to construct the 93.5km Moroto-Nakapiripirit road, UNRA says it deposited a total of sh20.6b in court, pending resolution of the dispute.

But the payment to Welt has raised questions and prompted investigations by the Police and the Inspector General of Government. There are reports that the matter involves influential figures in the corridors of power.

Although Welt's directors are Koryang and Oroma, when it came to picking the sh9b, the company filed a resolution to the registrar of companies,

In 2013, CRBC won a contract from UNRA to construct the road at \$80m (sh288b).

Documents show that the Nakapiripirit district local government entered into an agreement with CRBC to get aggregate from Kamusalaba rock for the construction of the Moroto-Nakapiripirit road.

According to CRBC, they agreed to pay sh50m to Nakapiripirit district local government to use that rock land in an agreement that the two parties signed on May 13, 2013.

Documents show that Welt secured a one-year mining licence on June 4, 2013 at sh200,000, a month after CRBC had signed an agreement with Nakapiripirit authorities.

The CRBC excavated the Kamusalaba rock for

gravel to construct the road.

Later, Welt sued the Chinese firm claiming they owned a mining licence for the rock and that it was excavated without their authorisation.

It is alleged that the Chinese firm was mining minerals from the rock clandestinely.

Subsequently, Welt claimed sh35.7b for the mined area, while the AG claimed sh10.5b for quarried land outside the area licensed to Welt.

Although the legal dispute is still in court, Welt has already received sh9b and is in the process of getting another sh11b from court.

New Vision exclusively broke the story of the payments to Welt last week.

BACKGROUND

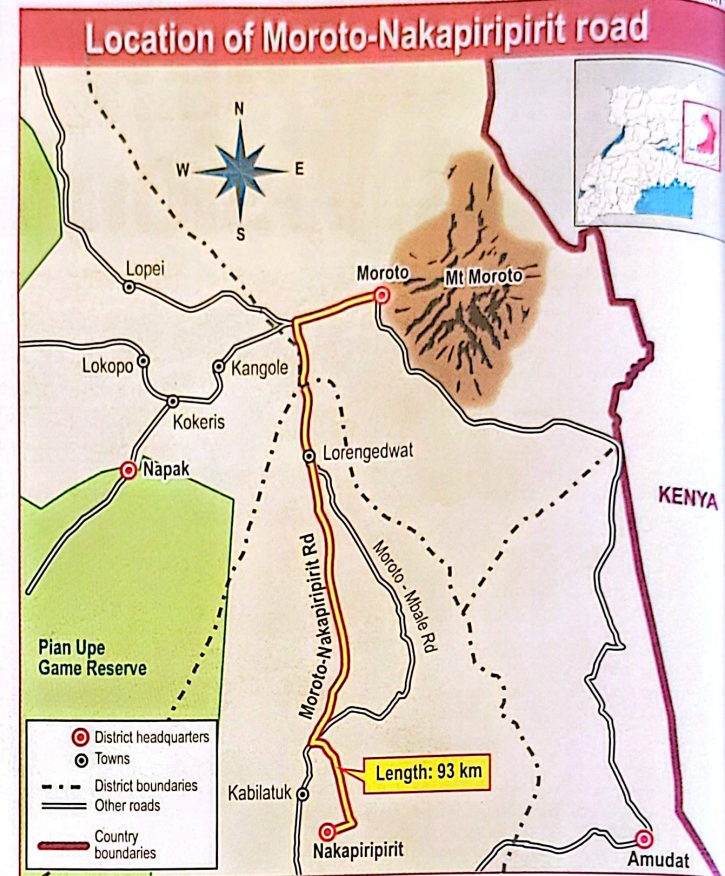
presenting Oroma, Andrew Muhwezi and Princess Nuwahereza as its signatories.

When UNRA released sh9b to the account of the High Court Registrar, Welt secured a court order and the money was transferred to its account in Cairo Bank. A total of sh4.9b was later wired from Cairo Bank to another account in Equity

Bank, allegedly belonging to Muhwezi.

According to Police, another sh2.5b was wired to the account of Ronnie Umo Lokeris in Centenary Bank. Some of the money was withdrawn in cash and only sh780m remained on the company's account in Cairo Bank.

The Police say sh400m was



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transferred to the account of a top official at the Uganda Road Fund. Police are investigating links between the official and Welt.

According to the Police, after the money was withdrawn from Welt's account, one of

Lokeris' sons (Koryang) lodged a criminal complaint at the Central Police Station (CPS) in Kampala against his brother (Oroma), accusing him of theft.

Police consequently arrested Oroma and detained him at Najjera Police Post in Wakiso

district, before he was transferred to CPS.

The Police also searched Oroma's home in Najjera and impounded two of his cars, one a Mercedes Benz, which is still parked at CPS. Oroma was detained for four days and later given Police bond.

The Police Flying Squad unit commandant, Herbert Muhangi, confirmed that Oroma had been arrested after his brother lodged a complaint.

"One of the boys complained that his brother had excluded him and signed new documents with Muhwezi and Nuwahereza," he said.