

IGG grills minister Lokeris, sons over sh9b

BY CHRIS KIWAWULO

The Inspector General of Government (IGG) has grilled minerals state minister Peter Lokeris and his sons over circumstances under which a company linked to them, Welt Machinen Engineering Limited, secured sh9b from a court dispute.

The money that belonged to China Road and Bridge Corporation (CRBC), was released despite an appeal by the Chinese firm stopping the payment on grounds that it was fraudulent.

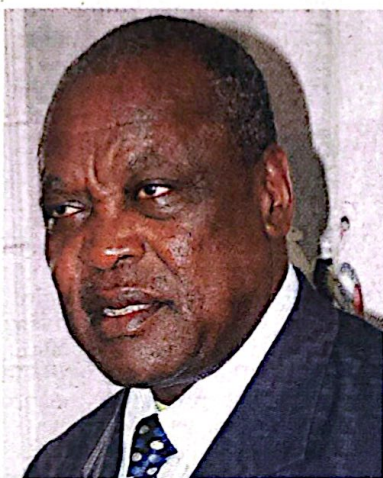
■ ORIGIN OF EVENTS

In 2013, CRBC won a contract from Uganda National Roads Authority (UNRA) to construct the 93.3km Moroto-Nakapiripirit road at \$80m (over sh290b). But as the Chinese firm worked on the road, Welt, a company owned by two directors, Ben Koriang and Felix Apo Oroma, both Lokeris' children, claimed it owned Kamusalaba rock from which CRBC got gravel to construct the road.

Although the Chinese presented evidence that they secured permission from the Nakapiripirit district leadership and community to use the rock, the High Court in Soroti ruled in Welt's favour and directed that Welt be paid sh21.13b for the rock.

CRBC appealed the ruling and applied for an injunction stopping the payment, but before the appeal could be heard, part of the money (sh9b) was hastily released to Welt through its account in Cairo Bank.

As a result, CRBC petitioned the IGG and President Yoweri



Peter Lokeris

Museveni over the issue.

In June, the IGG launched investigations into the matter after UNRA released sh21.19b to the High Court Registrar's account.

■ SUMMONS

Sources revealed that as a result, Lokeris was summoned with his sons, Koriang and Oroma and they recently appeared before investigating officers at the IGG's office to answer questions relating to their involvement in the matter.

"The minister appeared together with his sons and he was questioned over the matter. His sons were booked for another day to record statements, but only Koriang appeared. Oroma now faces arrest for failing to show up to record a statement," the source stated.

The deputy IGG, Mariam Wangadya, confirmed that investigations into the matter were underway.

As Welt was pushing for the release of the balance of sh12.13b, court on November 2 halted the payment, pending a ruling in the application by CRBC against the release of the money.

Justice Christopher Madrama of the High Court's executions division issued the directive stopping the release of the money, which UNRA deposited on the account of the High Court's Registrar.

The money was to be paid to CRBC, but it was transferred to court after Welt claimed it.

Through their lawyer, George Omunyakol, CRBC asked the High Court to stay the release of the remaining money for safety reasons. Hearing of the application had dragged on since March this year when CRBC filed it.

■ COURT ORDER

While stopping any further release of the money from the registrar's account, Madrama said: "In the meantime, let us preserve the rights of the applicants. Let us maintain the status quo and the money should remain in court until the application is heard and determined."

The judge asked the lawyers of Welt and CRBC to file written submissions regarding the Chinese firm's application.

Court will pronounce itself on the matter on December 19.

CRBC project manager, Fan Wei, noted that their application against the release of the money UNRA deposited on the Registrar's account had been adjourned four times since March.

He said court officials, without

the knowledge of CRBC or its advocates, processed the payment of the sh9b to Welt, despite them filing an interim order stopping the same.

According to a 'Clarification in final Orders' issued by Justice Henrieta Wolayo on March 20, 2017, Welt was to be paid sh21.19b in two installments (sh9.06b and sh12.13b).

Out of the second installment (sh12.13b), the Attorney General was to receive sh4.78b as dues for the rock and this was supposed to be paid by October 31, 2017.

But CRBC is also contesting the order, saying they were not served with it.

Documents show that 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 operate on the rock land in an agreement that the two parties signed on May 13, 2013.

CRBC said before commencing the project, they agreed with the then Nakapiripirit district chief administrative officer, Moses Bahemuka Kitembo, his deputy, Jobs Lomenen Ilukol, Lorengedwat sub-county chief, Tonny Okello Agaza and the community.

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