GOVT RESCUES NDERE CENTRE, ACQUIRES SH10B STAKE

By Mary Karugaba

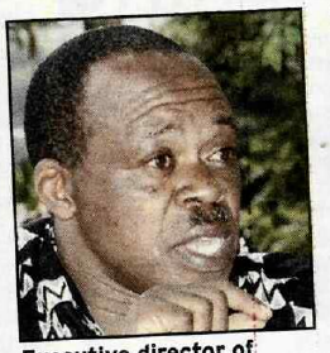
The Government has rescued Ndere Cultural Centre with a sh10.4b financial bailout, averting the imminent auction of one of Uganda's most iconic cultural institutions.

According to documents seen by the *New Vision*, the sh10.4b capital injection will be turned into government shares in the cultural institution once the processes have been finalised.

Highly placed sources in the finance ministry revealed that the bail out will be channelled through the Uganda Development Corporation (UDC).

"This was after the Government agreed to invest in the cultural institution in order to rescue it from financial distress and safeguard Uganda's cultural heritage," the source said.

Ndere Cultural Centre was established in 1999 by the Ndere Troupe, a dance group founded in 1983 and led by Stephen Rwangyezi. The bailout, according to sources, represents a shift from a simple financial rescue to a structured state investment, giving government an ownership stake in Ndere Centre.



Executive director of Ndere Cultural Centre Stephen Rwangyezi

PHOTO BY COLLEB MUGUME



The entrance of Ndere Cultural Centre in Ntinda, Kampala. In an interview with *New Vision* in September 2024, the centre's executive director Rwangyezi said that its management had appealed for Government intervention to save the centre from debts



Minister of State for Finance in charge of general duties, Henry Musasizi

NOT A GRANT

In a budget document seen by *New Vision*, the allocation has been provided for in the 2026/27 financial year budget.

The source emphasised that the sh10.4b injection will be treated as equity, not a grant, with UDC taking shares in Ndere Centre.

"This is a strategic investment in a nationally significant cultural enterprise. The Government is not merely settling a debt; it is acquiring shares to ensure sustainability, accountability and long-term value," the source said.

UDC will oversee governance reforms and strengthen financial management systems to safeguard the investment.

According to the source, the move, aligns with UDC's mandate to invest in commercially viable projects that support national development goals, including tourism, job creation and the creative economy.

HOW THE LOAN EMERGED

The intervention comes months after Ndere Troupe faced the threat of losing its cultural centre and other properties over a mounting loan owed to Uganda Development Bank Limited (UDB). Ndere Centre had accumulated a debt of about sh10b.

The debt originated from a sh6.8b loan secured in December 2019, to fund expansion projects, including a hotel in Bira and a resort in Kisoro on the shores of Lake Mutanda.

According to sources, Ndere Centre's financial distress started when the COVID-19 pandemic hit the economy for nearly three years, disrupting the troupe's performances, which are its primary revenue source.

The effect caused cost overruns and repayment difficulties. With interest and penalties accruing, auctioneers had issued notices to sell the centre's 3.645-hectare property based in Ntinda, Kampala, along with other assets.

The threat of auction had sparked concern among cultural advocates and tourism stakeholders, warning that losing the centre would deal a blow to Uganda's cultural identity and soft power.

In an interview with *New Vision* in September 2024, one of the centre's main proprietors and director (Rwangyezi) said in an effort to save the centre, the management had appealed to the Government, especially President Yoweri Museveni, for intervention. "We humbly request the President's assistance in relieving us from this heavy burden. The bank, which is a government institution, has placed a loan around our necks like a rock. If possible, we kindly ask that this loan be forgiven. If that is not feasible, we request for more time to reorganise ourselves," Rwangyezi said.

He said they are committed to raising the necessary funds through equity share sales, business operations, and public fundraising efforts.

"We will pay off this loan, but we need time to do so. Please, do not let this cultural icon—the only place where the world experiences the rich heritage of our beautiful country—be destroyed over sh10b," he said.

With the Government intervention now, the Ndere Centre proprietors can now have a sigh of relief.

For decades, Ndere Centre has been a hub for traditional music and dance, hosting weekly performances and training young artistes.

It also serves as a venue for conferences and cultural diplomacy events.

One arts promoter described the bailout as "a turning point for the recognition of culture as an economic asset rather than mere entertainment."

RWANGYEZI'S TAKE

When contacted, Rwangyezi said when they appealed to government, the finance ministry told him that they were handling the matter.

"I don't know what has since transpired. What I know is that the President wrote to the finance ministry and finance told me to wait; that they were still discussing the matter," Rwangyezi said.

GOVERNMENT POSITION

The Minister of State for Finance, Henry Musasizi, confirmed the development, saying the move was agreed upon after consultations.

"Its true we have allocated some funds in the budget to rescue Ndere Centre from its financial challenges. The Government had to come in and intervene since Ndere Troupe is th leading creative busines in Uganda and has been carrying Uganda's flag high at international platforms," Musasizi sa

To allow the company go down, he said, tantamounts to negatir the Government's responsibility to sus' companies with high economic impact in terms of job creation, tourism and showcasin Uganda's culture, amo others.

He said if govern agrees to acquire share Ndere Centre, then they first value the property determine its cost. How Rwangyezi said this ha yet been done.

The bailout comes scrutiny of UDC's br investment performance.

The Auditor Ge Edward Akol, recently report to Parliament re that UDC generated a of just 0.09% on inves totalling to sh1.3 trillio the past decade.

However, minister M defended UDC sayi is still early to evalu performance in ter profits. "For now, we c the economic impact. companies are youn they need to be help government, we look benefits," Musasizi said

IN LOVING MEMORY OF OUR BELOVED SON, BROTHER AND FATHER



09th April 1973 –2nd March 2026

The Gureme family, with deep sorrow, announce the passing of

ALLAN MUGISHA GUREME

FUNERAL SERVICE

Thursday 12th March 2026
10:00am
All Saints Cathedral, Kampala
(The family respectfully requests that no wreaths are brought to the Funeral Service)

Burial will be in Bukoba, Tanzania on Saturday 14th March 2026

His love, humour and memories will forever stay in our hearts.