

National News

The ceasefire in the Middle East war has brought renewed optimism that fuel prices will return to normal.

BY STEPHEN OTAGE

The Minister of Energy has warned fuel dealers against increasing pump prices arbitrarily, insisting that the government is now in full control of fuel importation and pricing benchmarks.

Ms Ruth Nankabirwa said all oil marketing companies in the country procure fuel through the Uganda National Oil Company (Unoc), which absorbs global logistical and inflationary pressures that would otherwise justify price increases.

Speaking yesterday while accepting her role as the Third Abeto Peace Club Goodwill Ambassador, Ms Nankabirwa cautioned dealers against exploiting consumers, saying the government is aware of the actual import costs of fuel.

"We know we are operating under a liberalised economy where we don't fix prices on commodities, but oil marketing companies should know that I am your regulator and your licensee," she said.

"When I warn you, and you don't heed, next time you will be at my table. I am the one who imports the product and I know how much I have used, and the prices should reflect what I sell to them," she added.

Her remarks come amid growing public concern over fuel price fluctuations during global crises. Asked whether the government would impose sanctions on non-compliant companies, the minister said enforcement mechanisms exist but emphasised cooperation rather than punishment.

"There are no direct sanctions as such, but as a regulator, we have ways of dealing with such companies. That is why we keep reminding them. Those who do not cooperate will be dealt with," she said. The minister noted that the contracted supplier, Vitol, sources fuel

Govt warns fuel firms against hiking prices



Energy Minister Ruth Nankabirwa (3rd right) with permanent secretaries who were given the Abeto Peace Award in Kampala yesterday. PHOTO/STEPHEN OTAGE

from multiple global reserves, insulating Uganda from disruptions caused by geopolitical tensions, including ongoing conflicts in the Middle East.

"The current situation has not significantly affected our prices because the supplier has access to fuel reserves in different parts of the world," she said.

Uganda last year adopted a government-to-business (G2B) model under which Unoc oversees bulk fuel imports, a shift officials say has improved price predictability and supply security.

Meanwhile, the Abeto Peace Club installed Ms Nankabirwa as its Goodwill Ambassador during a ceremony that also recognised nine Permanent Secretaries with the Abeto Peace Award.

The awardees included Ms Doreen Ka-

tusiime of the Ministry of Tourism, Dr Amina Zawedde of the Ministry of ICT, Ms Irene Batebe of the Ministry of Ener-

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Analysts note that while Uganda has historically experienced frequent fuel price hikes linked to global shocks, the shift to direct government importation has contributed to relative stability over the past year. However, the effectiveness of the policy will largely depend on strict enforcement.

gy, Ms Doris Okalany of the Ministry of Lands, Mr Yunus Kakande from the Office of the President, Ms Winnie Agnes Kabogoza Musoke, the chairperson of Public Service; and Lt Gen Joseph Musanyufu of the Ministry of Internal Affairs.

According to Abeto Peace Board chairman Moses Musana, the organisation was founded in 1996 following a call by the late Queen of England during the Commonwealth Heads of Government Meeting in Zimbabwe, urging member states to establish mechanisms to promote peace in the aftermath of the Rwandan genocide.

He urged the awardees to champion peace-building initiatives.