How Sovereignty Bill will affect political parties

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BY BUSEIN SAMILU

Parliament is set to debate, approve or reject the contentious Protection of Sovereignty Bill, 2026, with some of its new clauses seeking a stranglehold on financing opposition political parties, silencing critical civil society organisations (CSOs), and individuals.

President Museveni last week disowned sections of the proposed law, saying some of the restrictive clauses that had stirred public outcry were not what he had initiated in the Cabinet.

Mr Museveni said the initial Bill focused on sovereign or independent policy decision-making on women and army in legislation, socio-cultural, economic, and diplomatic issues.

He then tasked the ruling NRM Caucus chairperson, Mr Hamson Obua, and relevant parliamentary committee chairpersons to rework the Bill.

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The Bill that Mr Museveni rejected had sought to restrict, among other things, foreign direct investments (FDIs), external support for religious bodies, and remittances from Ugandans living or working abroad.

But some of the major clauses in the reworked Bill now target individuals engaged in political activism, publishing, criticising, or seeking to negatively impact or disrupt, or weaken the country's image, fortunes, and economy, or promote the interests of foreigners.

Some of these prickly amendments, inserted at the weekend, led to a physical altercation between some of the MPs on the joint Committee on Legal and Parliamentary Affairs, and Defence and Internal Affairs.

The report on the amendments is expected to be tabled before Parliament today.

Political players and civil society actors that *Daily Monitor* spoke to for this article yesterday rejected the new amendments and called for the withdrawal of the entire Bill.

Mr Mathias Mpuuga, the president of the Democratic Front (DF) party, said the Bill doesn't pass the bi-partisan test because it allegedly intends to prolong the stay of the ruling National Resistance Movement (NRM) party in power.

"The NRM cannot circumvent or even stop the opposition to it that's growing geometrically. They (NRM MPs) must, for their own good, climb down and listen to the people, including the Opposition. The Bill, once passed, would only serve to confirm them as a communist outfit, and that will be their legacy," he warned.

President Museveni last week disowned sections of the Bill. PHOTO/FILE

Mr Fred Ebil, the secretary general of the Uganda Peoples Congress (UPC) party, insisted: "Our earlier call remains; let the Bill be withdrawn because you cannot bring a law that stops [parties] from legally getting funding, yet political parties run on soliciting foreign funding to manage some of their activities."

An amended section seen by this newspaper defines an agent of a foreigner as anyone who solicit, collects, disburses, or dispenses contributions, loans, money, or other things of value for or in the interest of a foreigner, the purpose of financing or sponsoring political activities to further the interest of a foreigner.

> **Bill.** ... make the Bill concentrate on the sovereignty of policy-decision-making and not to meander in the areas of the freedom of private enterprise transfers or private money transfers or church donations."
> – President Museveni

These must be licensed by the minister of Internal Affairs upon application, which is determined between 14 days and three weeks, and their licences are subject to renewal every two years.

The Forum for Democratic Change (FDC) party president, Mr Patrick Oboi Amuriat, said the interpretation of '... furthering the interest of a foreigner...' is subject to the interpretation of an individual and can be used to clamp down on Opposition political players.

"The threshold of Shs400m per year for political parties is small; moreover, this is subject to censorship by the minister. This is meant to starve political parties but also to criminalise their capacity to mobilise funds. Overall, it is meant to kill political parties in the Opposition and weaponise money as a tool for soliciting support," he said.

Exemptions

However, the new amendments now exempt Ugandans living abroad from the list of foreigners, and also exclude some categories of funding from being affected by the proposed law.

These categories include a supervised institution or any other institution regulated by a regulatory body under an Act of Parliament for purposes of meeting its regulatory requirements, or undertaking its commercial licensed or permitted activity, a health or medical facility for purposes of performing an activity permitted under the laws, and an academic or research institution for purposes of funding research and innovation, or any other.

Also exempt are funds meant for educational activity permitted under the laws, a person for commercial, domestic, or family use; and a faith-based organisation for activities that are connected with the mission of the faith-based organisation.

"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 assistance, grants, concessional financing, development assistance, or any other lawful foreign exchange inflow and related activities," the new Bill reads.

The government was moved to make these critical changes after the majority of the stakeholders who had submitted their views before the joint committee rejected the proposed Bill, warning of its gross negative impact on the economy.

The most rigorous opposition came from the Governor of the Bank of Uganda, Mr Michael Atingi-Ego, who warned that the proposed legislation, if passed as is, would retard the economic growth and bury Uganda's big vision of expanding the economy from the current $66 billion (Shs247 trillion) to $500 billion by 2040 since the proposed law will prohibit financial inflows, which has a direct negative impact on FDI, remittances, affecting the country's reserves.

Persisting contention

Unlike in the earlier proposal, where a foreign agent was required to get clearance from the minister to directly or indirectly obtain, solicit, or receive any financial support, donation, loan, or other assistance exceeding Shs400m, they will now, in the new proposal, be required to declare the excess funds instead.

Mr Ebil said such clauses are meant to frustrate the activities of Opposition political parties. "As UPC, we have directed our MPs to reject the Bill in its entirety and seek its complete withdrawal."

Another contentious clause in the new Bill is about the Shs1b fine or 20 years imprisonment tagged on any agent of a foreigner who will be found guilty of intentionally influencing the consent of any person to decide on how he or she shall be governed.

Besides exonerating the nominated candidate, the Bill does not define which influence would resonate with this intentional influence.

Mr Mpuuga said: "[This Bill] will definitely affect in some way our international partners, who have no ill will but an interest in ensuring that Uganda fully democratises. The signals of a failed State are on the horizon."

Knowingly publishing false information or participating 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, attracts Shs4b for an entity, and Shs2 billion or 20 years for individuals.

This particular clause was part of the Bank of Uganda, World Bank Group, and other development partners' concerns in the earlier Bill, because they publish periodic reports that show a grim picture of the country's economic status.

An example of this can be traced to mid-2022, when the Uganda Bureau of Statistics declared Uganda a lower-middle-income country, only for the World Bank to dispel these claims a few days later. The proposed law now allows these institutions to criticise Uganda's economic growth but not individuals.

Should the National Unity Platform (NUP) party president, Mr Robert Kyagulanyi, encourage the European Union and the United States of America to stop funding the NRM government over his claims of widespread torture and human rights violations, when this Bill is passed and signed into law, he will be held liable.

A few years after blocking the pop-star-turned-politician's musical performances, President Museveni was questioned by former BBC Newsday reporter Alan Kasujja at State House, Entebbe, and his response was, "Mr Bobi Wine went to America and said that people should not come and invest in Uganda. That means he's an enemy of progress in Uganda. I was in Opposition myself in the 1960s as a member of the Democratic Party (DP). But when I was a member of DP, I could not say 'don't build the Masaka-Kabale road because I'm not in the government.' I couldn't say that."