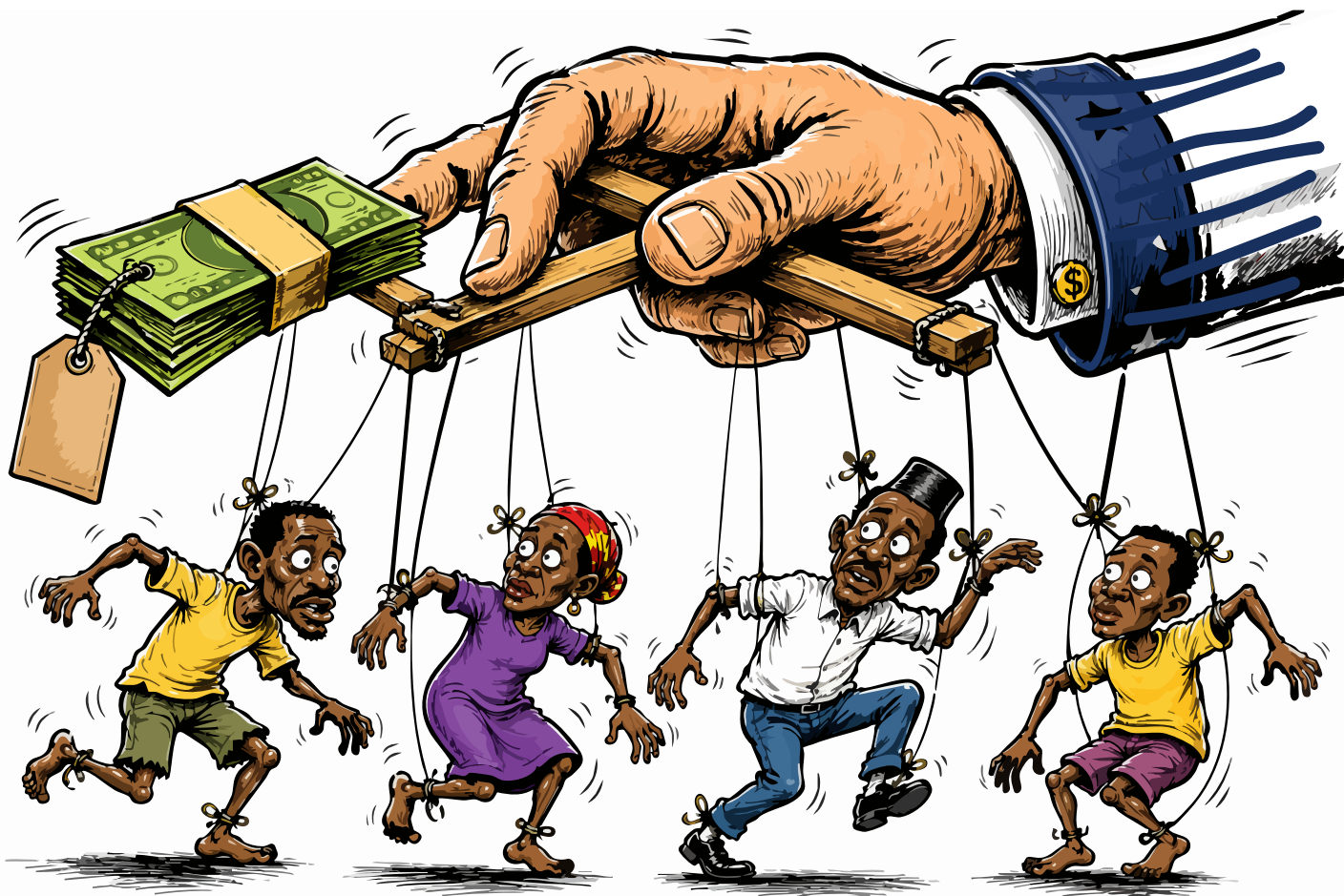


**SUBMISSION TO PARLIAMENT
ON THE PROTECTION OF
SOVEREIGNTY BILL, 2026**



Presented to:

**The Joint Committee on Internal
Affairs and Legal and Parliamentary
Affairs Parliament of Uganda**



OPENING REMARKS

Chair and Honourable Members,

Thank you for the opportunity to present the views of the Centre for Policy Analysis on the Protection of Sovereignty Bill, 2026.

The Centre for Policy Analysis is a public policy think tank that has, since 2010, worked on issues of legislation, governance, and public policy in Uganda. Through our work, we have consistently engaged Parliament, Government institutions, and other stakeholders with one central focus, to support the development of laws and policies that are clear, effective, and grounded in the realities of how systems function in practice.

Our submission is guided by that same approach to provide a practical, evidence-based perspective that supports the work of this Committee.

Let me begin by stating that the objective of protecting Uganda's sovereignty is both legitimate and important. However, as a matter of policy and legislation, the key issue before this Committee is whether the approach proposed in this Bill is necessary, clear, and proportionate to the challenges it seeks to address.

Chair, it is also important to situate this discussion within Uganda's constitutional framework. The Constitution already provides a clear foundation on sovereignty. Article 1 vests sovereignty in the people and establishes the basis upon which that sovereignty is exercised.

In that context, the question is not whether sovereignty needs to be recognised, it already is, but whether additional legislation of this nature is necessary, and if so, how it should be structured to avoid overlap and unintended consequences.

KEY QUESTIONS FOR THE COMMITTEE

Chair and, Honourable Members, In considering this Bill, we invite the Committee to reflect on five fundamental questions:

A

What is the specific mischief that this Bill seeks to cure? What is the precise problem being addressed, and to what extent is it clearly defined and supported by evidence?

B

To what extent is this mischief already addressed under existing laws? Is the challenge one of absence of law, or of enforcement and coordination?

C

Does the Bill clearly define the conduct it seeks to regulate? Does it distinguish between unlawful interference and legitimate engagement?

D

What is the intended reach of the Bill in practice? Who will be affected, and how broadly will it apply?

E

What are the likely practical consequences of the approach taken legally, economically, and in terms of governance?

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KEY ISSUES IN THE BILL ISSUE 1: BROAD AND UNCLEAR PROVISIONS

Chair,

The first issue relates to the use of broad and undefined provisions within the Bill, which create uncertainty as to the scope of the law and the conduct it seeks to regulate.

When we examine the provisions of the Bill particularly Clauses 1 and 2 on the definition of “foreigner” and “agents of a foreigner,” Clauses 14 to 20 on registration and oversight, Clauses 21 and 22 on the regulation of foreign funding, and Clauses 10 to 13 on offences relating to governance, public order, and economic activity, it becomes evident that the Bill operates across multiple areas of regulation that are already well established within the legal system.

Against this broad scope, a number of provisions are framed in very wide and open-ended language. Clause 12, which addresses “interference with the operations of Government,” does not clearly define what constitutes interference. Similarly, Clause 13, which introduces the offence of economic sabotage, extends to the publication of information that may be considered to weaken or affect the economy. Other provisions refer to concepts such as promoting the interests of a foreigner or influencing public processes, without providing clear thresholds, elements, or legal tests to distinguish between lawful and unlawful conduct.

Chair, the concern here is one of legal clarity.

Where key terms are not clearly defined, it becomes difficult for individuals and institutions to understand what conduct is permitted, what is prohibited, and how the law is likely to be applied. In practical terms, this creates uncertainty, particularly in areas such as research, policy engagement, public commentary, and the publication of information, which may fall within the scope of these provisions depending on interpretation.

This uncertainty is further compounded by the fact that these provisions are linked to serious offences and significant penalties, which increases the potential impact of unclear drafting.

From a policy perspective, laws that combine broad scope with unclear thresholds tend to influence behaviour beyond their intended purpose, as individuals and institutions become more cautious in their engagement due to uncertainty rather than clear legal boundaries.

Our position, as CEPA, is that where legislation seeks to regulate sensitive areas such as governance, public information, and economic activity, it is important that provisions are:

- 1** Clearly Defined
- 2** Narrowly Framed
- 3** and supported by specific legal thresholds and tests

This ensures that the law provides certainty, supports effective enforcement, and avoids unintended effects on lawful and constructive activity.

ISSUE 2: OVERLAP AND DUPLICATION WITH EXISTING LEGAL FRAMEWORKS

Chair and Honourable Members,

The second issue relates to the extent to which the Bill introduces provisions that overlap with, and potentially duplicate, existing legal frameworks in Uganda.

When we examine the provisions of the Bill particularly Clauses 1 and 2 on the definition of “agents of a foreigner,” Clauses 14 to 20 on registration and oversight, Clauses 21 and 22 on the regulation of foreign funding, and Clauses 10 to 13 on offences relating to governance, public order, and economic activity it becomes apparent that the areas being regulated are not new to Uganda’s legal system.

Uganda already has established legal frameworks that address these same areas. The Penal Code Act, as amended, provides for offences relating to public order, security, and acts that may harm the State. The Anti-Money Laundering Act establishes mechanisms for monitoring and regulating financial flows. The Non-Governmental Organisations Act provides for the registration and oversight of organisations. In addition, the Foreign Exchange Act regulates cross-border financial transactions, while the Investment Code Act governs foreign participation in the economy.

Taken together, these laws already provide the State with the necessary legal tools to regulate foreign funding, oversee organisational conduct, and address activities that may affect national interests. Chair, the concern therefore is not the absence of a legal framework, but the potential for duplication.

In practical terms, introducing a new framework over areas that are already regulated may lead to:

- 1** overlapping mandates across institutions
- 2** parallel compliance requirements for the same activities
- 3** and uncertainty as to which legal framework applies in a given situation

This can increase the complexity of compliance without necessarily strengthening enforcement or improving regulatory outcomes.

From a policy perspective, effective legal systems are strengthened not by the multiplication of frameworks, but by coherence, coordination, and clarity

Our position, as CEPA, is that where existing laws already address a particular issue, priority should be given to:

- 1** strengthening enforcement
- 2** improving institutional coordination
- 3** and addressing clearly identified gaps through targeted reforms

rather than introducing a broader framework that risks duplication and overlap.

ISSUE 3: THE SCOPE AND PRACTICAL REACH OF THE BILL IS OVERLY BROAD

Chair,

The third issue relates to the scope of the Bill and its practical reach, particularly in terms of the range of actors and activities that may fall within its application.

When one considers the definition of an “agent of a foreigner” under Clauses 1 and 2, together with the regulatory and operational provisions that follow, it becomes evident that the scope of the Bill is very broad and not clearly delimited.

The definition does not appear to be limited to specific high-risk actors or clearly defined categories of conduct. Instead, it extends to individuals and entities that may, directly or indirectly, engage with foreign partners, receive external funding, or participate in activities that have an international dimension.

In practical terms, this may include:

- 1** civil society organisations engaged in development work
- 2** private sector actors involved in investment, trade, and partnerships
- 3** financial institutions facilitating cross-border transactions
- 4** research institutions and academic bodies
- 5** and individuals who receive support or engage in activities linked to external actors

Chair, the issue here is one of scope and proportionality. A regulatory framework of this nature is typically intended to address specific and identifiable risks. However, where the scope is broad and not clearly defined, there is a risk that the framework extends beyond high-risk activities and begins to affect ordinary and lawful engagement across the economy and governance system.

This concern becomes more pronounced when the scope of the Bill is considered alongside provisions on registration, approval, reporting, and offences.

In effect, the Bill may create a situation where a wide range of actors many of whom operate lawfully and contribute to national development are subject to additional layers of regulation and compliance, not necessarily because of the nature of their activities, but because of how broadly the law is framed.

From a practical perspective, this may lead to:

- 1** increased compliance costs and administrative burden
- 2** uncertainty in operational and strategic decision-making
- 3** and reduced predictability in the regulatory environment

These factors are particularly important in areas such as investment, financial systems, and development partnerships, where clarity and consistency are key to sustained engagement.

The concern therefore is not the intention to regulate certain forms of foreign engagement. Rather, it is whether the scope of the Bill is sufficiently targeted to address the intended risks, without extending into areas that do not require that level of control.

Our position, as CEPA, is that legislation of this nature should be clearly limited to defined categories of risk, with thresholds that distinguish between:



activities that present a demonstrable risk to national interest



and those that form part of normal economic, social, and policy engagement

This ensures that regulation remains focused, effective, and proportionate.

ISSUE 4: CONCENTRATION OF POWERS AND LIMITED PROCEDURAL SAFEGUARDS

Chair,

The fourth issue relates to the concentration of powers under the Bill and the extent to which adequate procedural safeguards are provided to guide their exercise.

The Bill particularly Clauses 14 to 20 on registration and oversight, Clause 22 on the approval of funding, and Clause 28 on inspection and enforcement indicates that significant authority is vested within a centralised regulatory framework, with a strong reliance on Ministerial decision-making and security-linked oversight.

Chair, the issue here is not the existence of regulatory authority. Effective oversight requires institutions to exercise powers of registration, approval, monitoring, and enforcement.

The concern, however, is how those powers are structured and guided within the law.

In several instances, the Bill provides for decisions to be made on the basis of broad considerations such as suitability, security concerns, or national interest, without clearly defining the criteria that should guide those determinations. In addition, there is limited clarity on:

1

the timelines within which decisions are to be made

2

the procedures to be followed in granting or refusing

3

and the mechanisms available for review or appeal

Chair, this raises important considerations of governance and predictability.

Where authority is broad and procedural guidance is limited, outcomes may depend more on discretion than on clearly established rules. This can create uncertainty for those subject to the law, particularly in areas such as registration, access to funding, and ongoing compliance.

In practical terms, this may lead to:

- 1** delays in regulatory processes
- 2** uncertainty in planning and operations
- 3** and increased administrative burden in navigating approvals and compliance requirements

It may also affect the consistency of application, especially where multiple institutions are involved in implementation.

Chair,
Legislation of this nature is most effective where it strikes a balance between regulatory authority and procedural fairness.

Our position, as CEPA, is that where significant powers are provided, the law should also clearly establish:

- 1** defined and objective criteria to guide decision-making;
- 2** reasonable and clearly specified timelines within which decisions must be made, particularly in relation to registration, approvals, and access to funding, so as to avoid delays and uncertainty;
- 3** and accessible mechanisms for review or appeal, to ensure accountability and consistency.

These elements are essential for ensuring that the regulatory framework is not only effective, but also predictable, transparent, and fair.

Chair,
The fifth issue relates to the severity of offences and penalties provided under the Bill, and the extent to which they are proportionate to the conduct being regulated.

Across several provisions of the Bill particularly Clauses 5, 6, and 10 to 13 a range of offences are introduced, many of which are framed in broad terms, as earlier discussed. These provisions are accompanied by significant penalties, including substantial fines and custodial sentences of up to twenty years.

Chair, the issue here is not whether the law should provide for sanctions. It is well established that legislation must include enforcement mechanisms to ensure compliance.

The concern, however, arises where broadly framed offences are coupled with severe penalties, without a clear distinction between different types and levels of conduct.

From a legal and policy perspective, effective regulatory systems typically distinguish between:

- 1** administrative or technical non-compliance
- 2** regulatory breaches of varying degrees
- 3** and serious criminal conduct involving clear intent and demonstrable harm

This allows penalties to be applied in a manner that is graduated and proportionate, ensuring that enforcement is both fair and effective.

In the present case, where key terms such as interference, promotion of foreign interests, or economic harm are not narrowly defined, the application of severe penalties may extend beyond clearly harmful conduct to areas where the legal boundaries are less certain.

Chair, this creates a risk of what may be described as a chilling effect.

Individuals and institutions may become more cautious in their activities not necessarily because those activities are unlawful, but because the potential consequences are severe and the boundaries are not clearly defined. This may affect areas such as:

- 1** policy engagement and public discourse
- 2** research and publication of information
- 3** financial and institutional decision-making

This is particularly significant in a context where many sectors depend on active engagement, information sharing, and collaboration.

Chair,
The concern therefore is not only the severity of the penalties, but their relationship to the clarity and scope of the underlying provisions.

Where conduct is broadly defined, and penalties are severe, the combined effect may extend beyond the intended targets of the law and affect lawful and constructive activities.

Our position, as CEPA, is that where legislation provides for significant penalties, it is important that:

- 1** the conduct being regulated is clearly and narrowly defined
- 2** penalties are aligned to the nature and severity of the offence
- 3** and the framework allows for a graduated and proportionate approach to enforcement, distinguishing between administrative, regulatory, and criminal matters

This ensures that the law remains effective in addressing serious risks, while maintaining fairness, clarity, and confidence in the legal system.

RECOMMENDATIONS

Chair and Honourable Members,

In light of the issues we have outlined, we respectfully submit the following recommendations for the Committee's consideration.

First, there is need to clarify the scope and key definitions within the Bill, particularly in relation to terms such as interference, economic sabotage, and the promotion of foreign interests. Clear definitions and legal thresholds will help ensure that the law is applied consistently and that it distinguishes effectively between unlawful conduct and legitimate engagement.

Second, it is important to align the Bill with existing legal frameworks, including the Penal Code Act, the Anti-Money Laundering Act, the NGO Act, the Foreign Exchange Act, and the Investment Code Act. This will help avoid duplication, ensure coherence within the legal system, and strengthen the effectiveness of regulation.

Third, we recommend that the Bill adopts a more targeted and clearly defined scope, focusing on specific and demonstrable risks, rather than broadly capturing a wide range of actors and activities that form part of normal economic and governance processes.

Fourth, there is need to strengthen procedural safeguards within the Bill. This includes providing clear criteria for decision-making, establishing reasonable timelines for approvals, and ensuring accessible mechanisms for review or appeal. These elements are important for ensuring predictability, accountability, and fairness in implementation.

Fifth, we recommend a review of the offences and penalties framework, to ensure that penalties are proportionate to the nature and severity of the conduct being regulated. A graduated approach that distinguishes between administrative, regulatory, and criminal matters would enhance both fairness and effectiveness.

Finally, we encourage the Committee to consider an approach that strengthens coordination and enforcement within existing systems, rather than introducing overlapping regulatory layers. This will help ensure that the law supports, rather than complicates, the functioning of Uganda's legal and institutional framework.

