



MEMORANDUM ON THE
PROTECTION OF SOVEREIGNTY
BILL, 2026

Thursday, April 23, 2026

Addressed to the Committees on Defence and
Internal Affairs and Legal and Parliamentary
Affairs, Parliament of the Republic of Uganda



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A. Cover and Introductory Note

We, the undersigned leadership, in the name of the East Africa Law Society, have the privilege of addressing the Honourable Committees of the Parliament of the Republic of Uganda, on matters pertaining to the Protection of Sovereignty Bill, 2026, currently in consideration for enactment.

We are grateful for the invitation and opportunity to address the honourable assembly of representatives regarding the proposed law which, as is apparent from the high degree of public interest both within and without the territory of Uganda, has a raft of implications for the Rule of Law, the ongoing East Africa Community integration process, the development of the legal profession in the region (and beyond), regional commerce, international trade and foreign relations.

As the regional Bar Association for East Africa, whose mandate revolves around the promotion of the Rule of Law, Governance and the observation, protection and extension of the frontiers of Human Rights, the foregoing matters are of great interest and our views insofar as the said Bill is concerned are articulated in the following section of this memorandum.

The Association's forty-five thousand (45,000) members are the proud handmaidens that seek to foster regional integration, cross-border commerce and the regulation of legal professional standards. In this respect, we acknowledge the central place and role that Uganda plays as a founding member of the East African Community project and whose contributions over the decades in pursuit of the Common Market and other Commons such as the East African Court of Justice cannot be gainsaid.

We hope that the submission enriches the deliberations thereof and assists both Committees and the House as a whole in arriving at a determination that is consistent with the 1995 Constitution of the Republic of Uganda, the Treaty for the Establishment of the East African Community of 2000, the Constitutive Act of the African Union of 2000, as well as Uganda's domestic and international obligations under the African Charter on Democracy, Elections and Governance of 2012, the International Covenant on Civil and Political Rights of 1966, the Universal Declaration of Human Rights of 1948, and the 1945 Charter of the United Nations.

Within the scope of our regional mandate, we take particular inspiration from the following provisions of the aforesaid Treaty for the Establishment of the East African Community of 2000:

- i. Articles 6(d) & 7(2) which underscore governance, the rule of law, and democracy as fundamental principles for Partner States; and,



- ii. Article 3(3)(b), which place a premium on democratic principles and human rights a strict requirement for membership; and

Beyond this memorandum, we hereby undertake to remain available to the two Committees for any further interactions pertaining to this legislative agenda and any related matters.

B. Main Submission and Analysis

(i) Issue 1: Definition of "Foreign Agent" (Clause 1):

Under the Bill, a "foreign agent" is defined as any person acting as an agent, representative, employee, or servant—or in any other capacity—at the order, request, or under the direction or control of a foreigner. This includes any person whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized by a foreigner.

This definition captures the following categories of people and entities:

- a) Persons formally appointed as agents of a foreigner, e.g., a Ugandan acting as a company representative of a foreign company;
- b) Persons acting as representatives of a foreigner e.g., a dealer of products of a foreign company;
- c) Employees of foreign companies and entities operating within Uganda, e.g., employees in most banks and telecoms;
- d) Legal practitioners (advocates) representing foreign clients;
- e) Accountants and consultants working for foreign firms and companies, e.g., of the Big Five audit firms;
- f) Individuals, such as relatives or friends, managing the interests or funds of Ugandans residing outside Uganda, e.g., a mother of a girl working as a housemaid in The Gulf or of a son working as a security guard in the Middle East;
- g) Companies or businesses transacting with foreigners or foreign entities;
- h) Ugandan traders and companies with international trade partnerships or franchises;
- i) Ugandan institutions receiving funding or with partnerships with foreigners, e.g., churches, mosques, or cultural institutions being supported by foreign donors or diaspora members for social causes such as hospitals, schools, and social enterprise, etc.



When read in conjunction with the definition of a "foreigner," the Bill targets an excessively wide demographic, requiring them to register as foreign agents or face criminalisation. This creates significant legal ambiguity and risks stigmatizing innocent citizens by virtue of their employment, trade, or family ties.

In general, the Bill targets all Ugandans receiving funds, regardless of whether they pose a security threat or not. These sweeping provisions are likely to harm the economy and negatively impact citizens whose lives and livelihoods depend on foreign remittances—such as ordinary people receiving money from relatives for school fees, education, and healthcare. Furthermore, the vagueness of the definitions violates Article 28 of the Constitution, which requires legal clarity in legislative drafting. It also contravenes Articles 1 and 2 of the Constitution, which uphold the supremacy of the Constitution and the sovereignty of the people.

Critical Implications:

1. **Usurpation of Sovereign Rights:** The Government seeks to replace the sovereign rights of citizens with a permit system, requiring citizens to seek state permission to exercise their fundamental freedoms.
2. **De Facto Stripping of Citizenship:** The Bill attempts to strip Ugandans living and working abroad of their citizenship rights by branding them "foreigners."
3. **Constitutional Dilution:** The Bill seeks to dilute the National Principles and Directive Principles of State Policy and amounts to an illegal amendment of the Constitution without following proper procedures.
4. **Violation of Regional Treaties:** The Bill interferes with the EAC Treaty and Common Market Protocol regarding the free movement of persons, goods, and services, as well as the AfCFTA Protocol.
5. **Economic Sabotage:** By targeting trade partnerships and international employment, the Bill discourages diaspora remittances and severely threatens Foreign Direct Investment (FDI).

Recommendations:

The clause should be redefined to only focus on people who may have actual threats to the sovereignty of the country. There should be evidence that such a person either because of what he does or the source of funds, has actual threats to the sovereignty of Uganda.

Justification:

For clarity and to align the Bill with the Constitution.

(ii) Issue 2: Definition of "Disruptive Activities" (Clause 1):



Under the Bill, "disruptive activities" are defined to include:

- (a) Any act or conduct prejudicial to or threatening the security of Uganda;
- (b) Any act or conduct threatening violence against any person;
- (c) Threatening to cause bodily harm, whether to the person to whom the threat is made or to another;
- (d) Threatening the destruction of property;
- (e) Employing, recruiting, engaging, sponsoring, or contracting any person to promote the interests of a foreigner;
- (f) Engaging or participating in a riot or unlawful assembly.

The Clause fails to provide a clear legal standard for what constitutes an activity "prejudicial to security," leaving it open to subjective interpretation and state abuse. By including threats of violence and property damage between private individuals, the Bill inappropriately expands the scope of "national security." These matters are already governed by the Penal Code Act, which covers assault, grievous harm, and malicious damage to property.

Furthermore, the prohibition on "promoting the interests of a foreigner" is vague. Not all foreign interests are detrimental to the nation; for example, foreign companies engaged in legitimate commerce and development contribute significantly to the economy. The Bill does not specify which foreign interests are prohibited. Consequently, a domestic worker, a consultant, or a service provider for a foreigner could technically be accused of "promoting foreign interests." Such generalized regulation threatens the operations and safety of all foreign entities and individuals in Uganda, creating a hostile environment for vital investment and development work.

Recommendations:

- a. **Define Foreign Interests:** The Bill must explicitly specify which "foreign interests" are subject to regulation. Legitimate social and economic interests should be protected to avoid deterring foreign investment. Since not every interest from a foreigner is bad, the Bill should provide for prohibited interests and interests that are not.
- b. The Bill covers issues already covered in the Penal Code Act such as violence and providing bodily harm. These should be removed from the Bill. In the alternative, there should be a standard that separates the issues under this Bill from those set out in the Penal Code Act.

Justification:



- a. To align the Bill with the Constitution
- b. To remove ambiguity and ensure clarity

(iii) **Issue 3: Definition of "Foreigner" (Clause 1):**

Provision:

The Bill defines a "foreigner" to include:

- a) A non-Ugandan citizen;
- b) A Ugandan citizen residing outside Uganda;
- c) A foreign government, consulate, high commission, embassy, or other diplomatic mission;
- d) A company, NGO, or entity registered outside Uganda;
- e) An international or multinational organization; or
- f) Any institution that the Minister may declare via Statutory Instrument.

While the clause addresses standard foreign entities, several inclusions are deeply problematic and legally unrealistic:

- 1) **Disenfranchisement of the Diaspora:** By categorising Ugandan citizens living abroad as "foreigners," the Bill effectively disenfranchises over a million people. This directly contradicts the spirit of Article 1 of the Constitution—which the Bill ironically claims to promote—and undermines constitutional protections for citizens' inherent rights. The Bill violates Articles 9, 10, and 14 of the Constitution, which provide for the rights of citizens, and it clearly states how citizenship can be lost. Citizens who do no wrong should not lose citizenship merely based on where they reside or choose to work. In practice, this creates a tier of "second-class" citizens and amounts to a de facto revocation of citizenship, violating Uganda's dual citizenship policy.
- 2) **Vague effect on how long a person spends before becoming a foreigner:** The Bill does not clearly define how long someone needs to have stayed outside Uganda for him or her to be categorized as a foreigner nor does it describe how someone regains the citizenship status after returning to the country.
- 3) **Threat to Ugandan Multinationals:** There is a significant risk that Ugandan-owned businesses expanding regionally or internationally will be reclassified as foreign entities. The Bill fails to clarify whether Ugandan entities registered abroad for commercial purposes retain their domestic status, potentially penalising national economic growth.
- 4) **Unfettered Executive Discretion:** The clause grants the Minister absolute power to categorise any person or business as a "foreigner" through statutory instruments.



Without clear legal parameters or parliamentary oversight, this power is highly susceptible to political weaponisation or personal misuse.

Recommendations

- a. The Bill should focus on foreigners where there is demonstrated evidence that such foreigners or their acts are a threat to the sovereignty of the country.
- b. **Protect Diaspora Rights:** Ugandan citizens living abroad should be explicitly excluded from the definition of "foreigner" to uphold their constitutional rights.
- c. **Clarify Corporate Status:** Ugandan-owned entities registered outside the country should not be categorised as foreign businesses.
- d. **Establish Clear Criteria:** Introduce objective requirements and thresholds that must be met before an entity or individual can be classified as foreign.
- e. Where a person or entity is declared a foreigner on the basis of what they have done or the threat to sovereignty, the Bill should provide for situations where such a declaration can be lifted when the threat has been removed or no longer exist.
- f. **Account for Dual Citizenship:** The Bill must be harmonised with existing laws regarding dual citizenship to avoid legal contradictions.

Justification

- a. To remove ambiguity created by the definition, which may make enforcement difficult.
- b. To align the Bill with the Constitution.
- c. To ensure there is no permanent crime and provides for situations when threats are no longer in place and persons can no longer be subject to restrictions.

(iv) Issue 4: Application of the Bill (Clause 2):

The Bill applies to:

- a) Agents of foreigners;
- b) Persons engaged in political activities in the interest of a foreigner;
- c) Persons who solicit, collect, disperse, or dispense contributions, loans, or other items of value for the interests of a foreigner;
- d) Persons who agree, consent, assume, or purport to act as a representative of a foreigner;
- e) Persons who influence the development of government policy;



- f) Persons who oppose government policy.

The Bill appears to be a redundant legislative effort seeking to solve a non-existent lacuna (gap) in our laws, as existing frameworks like the Anti-Money Laundering Act and the NGO Act already regulate these areas.

- 1) **Vague Definitions as a Tool for Abuse:** The Bill fails to define "interests of a foreigner," creating a vacuum susceptible to state abuse. Since many foreign interests align with national development, the lack of distinction between prohibited and permissible interests is dangerously vague. Furthermore, reclassifying the diaspora as "foreigners" criminalises their political engagement, violating Article 1 (Sovereignty of the people), Article 21 (Right to non-discrimination), Article 38 (Right to participate in government), Article 42 (Right to just administrative treatment), and Article 72 (Right to form political organisations).
- 2) **Economic Paralysis:** The restrictions on soliciting and disbursing funds or loans pose a severe threat to legitimate commerce. Foreign banks, venture capital firms, and providers of Islamic banking—which rely on asset-backed transactions—could find their daily operations criminalised. This also threatens large-scale syndicated banking operations essential for national infrastructure projects.
- 3) **Criminalisation of Professional Services:** The provision unfairly targets advocates and accountants. Their professional duty to ensure legal compliance and financial transparency for international clients could be misconstrued as acting "in the interest of foreigners," leading to the criminalisation of essential professional services.
- 4) **Suppression of Civic Participation:** The provisions regarding the "influence" or "opposition" of government policy are alarmingly broad. A government can only gauge the success of its policies through independent research and public critique. By stifling the ability of citizens to provide feedback, the Bill undermines the constitutional mandate for citizens to participate in their governance, effectively creating a feedback loop that rewards silence over accountability. The provision violates Article 38 of the Constitution that provides for citizens' right to participate in civic activities, including activities aimed at influencing government. It also violates Article 59, which guarantees citizens the right to vote and be voted into any political office in Uganda.

Recommendations

- a. **Define Regulated Interests:** The Bill must specify which foreign interests require regulation and explicitly protect those that do not. Only acts that cause actual



threats to the sovereignty of the country should be suspended. The Bill should set standards on a kind of acts that are a threat to sovereignty of the country.

- b. **Uphold Diaspora Rights:** Remove provisions that bar Ugandans from political participation based on their residence abroad, as these are likely unconstitutional.
- c. **Protect Capital Inflow:** Remove restrictions on the solicitation and disbursement of funds and loans to prevent the flight of foreign capital.
- d. **Exempt Professionals:** Explicitly exempt legal and financial professionals providing standard services to foreign clients.

Justification

- a. To align the Bill to the Constitution.
 - b. To remove ambiguity and possibility of abuse.
- (v) **Issue 5: Administration of the Act and Functions of the Department (Clauses 3 and 4):**

The Bill provides that the Act will be administered by the department responsible for peace and security within the Ministry of Internal Affairs. This department is mandated to implement the Act in coordination with other government agencies.

Standard legal drafting requires that when a law establishes a new administrative entity, it must define the rules for its constitution, leadership, and governance. This Bill is conspicuously silent on the composition and oversight of the Department created under Clause 3. Without a clear governance structure, the department operates in a legal vacuum, lacking the accountability mechanisms necessary to prevent administrative overreach or the abuse of power.

Recommendation

The Bill should be amended to clearly define the composition, qualifications, and appointment process for the officers of the Department to ensure transparency and accountability.

Justification

To remove ambiguity.

(vi) **Issue 6: Sovereignty of the People (Clause 5):**

This clause provides for the sovereignty of the people of Uganda. It prohibits persons



from promoting foreign interests over the interests of Uganda and criminalises any conduct that does so.

The Bill fails to provide a legal definition for "interests of Uganda" versus "foreign interests." This ambiguity makes it impossible for an individual to determine which actions are legally permissible, directly violating Article 28 of the Constitution, which requires that any criminal offence be clearly defined so that an accused person understands the nature of the charge. Furthermore, by framing sovereignty as the exclusive preserve of residents, the Bill suggests that Ugandans in the diaspora are excluded from their constitutional role in exercising national sovereignty—a clear contradiction of the universal rights afforded to all citizens under Article 1.

Recommendation

The Bill must clearly define the "interests of Uganda" and "foreign interests" to meet the constitutional threshold of legal certainty.

Justification

To align the Bill with the Constitution and remove clauses that may be unconstitutional

(vii) Issue 7: Implementation of Government Policy (Clause 8):

This clause stipulates that government policy shall be approved by the Cabinet and implemented exclusively by government agencies and ministries. It prohibits private persons from implementing government policies without formal authorisation.

- 1) **Ambiguous Criminal Triggers:** Clause 8(3) prohibits an "agent of a foreigner" from hindering, frustrating, or disrupting the implementation of policy. However, the Bill provides no legal definitions for these terms. As these are the "trigger words" for criminal liability, their vagueness invites subjective interpretation and state abuse. Since agents of foreigners are citizens and some citizens are categorised as foreigners, the Bill stops citizens from participating in government policy, which is against Articles 38 of the constitution on civil rights, Article 59 on the right to participate in elections, Article 1 on Sovereignty of the People and Article 2 on Supremacy of the Constitution.
- 2) **Prohibition of Sovereign Rights:** By barring private individuals from implementing or engaging with policy, the clause strips citizens of their rights under Articles 1, 38, 42, and 72. These articles mandate that citizens participate in their governance and economic activities. Sovereignty is not merely the right to vote; it is the right to actively execute and participate in policies that affect one's life.
- 3) **Bureaucratic Obstruction:** Clause 8(4) creates an unnecessary hurdle by requiring government approval for any activity related to policy implementation. These risks



alienating the public and the private sector. For instance, it remains unclear if a private school owner would require special state authorisation to align their curriculum with UPE or USE standards. Such red tape discourages private sector contributions to national development goals.

Recommendation

- a. The requirement for formal approval should be removed. Citizens and private entities should be encouraged—not restricted—in their efforts to support and enforce national policies.
- b. The clause should be deleted since it is unconstitutional insofar as it restricts citizens' constitutional rights.

Justification

- a. To align the Bill with the Constitution.
- b. To remove ambiguity.

Issue 8: Prohibition of the Promotion of Foreign Policy of Another Country (Clause 10):

This Clause prohibits any person from soliciting, receiving, or obtaining funding or assistance from a foreigner to sponsor or organise meetings aimed at promoting the foreign policy of another country.

- 1) **Scope Inconsistency:** There is a significant disconnect between the Clause's headnote and its practical scope. It is unclear if the prohibition applies only to the official foreign policies of sovereign states or to any policy originating from abroad. Since foreign policies are usually managed through diplomatic channels, prohibiting private engagement could inadvertently criminalise the promotion of bilateral or multilateral agreements to which Uganda is already a party.
- 2) **Stifling Policy Innovation:** If the goal is to prevent the "importation" of foreign ideas, the Bill threatens national progress. Most successful reforms in Uganda are informed by international best practices and comparative research. This provision makes it legally perilous for researchers and citizens to advocate for reforms based on successful global models, effectively stifling policy innovation and the civic engagement guaranteed by the Constitution.

Recommendations

- a. **Clarify Scope:** The Bill must specify exactly what type of "policy promotion" is prohibited. It should provide for actions or omissions that can amount to policy promotion



- b. The Bill should provide for what amounts to Uganda's foreign policy.
- c. The Bill should provide for what amounts to foreign policy of other countries.
- d. **Protect Policy Innovation:** The prohibition on promoting policies adopted by other countries should be removed. Learning from global practices is essential for policy development; criminalising this process would undermine Uganda's ability to modernise its legal and social frameworks.

Justification

- a. To align the Bill with the Constitution.
- b. For clarity and to remove the possibility of abuse of the law.

Issue 9: Prohibition of Interfering with Electoral Processes (Clause 11):

This Clause prohibits foreigners or their agents from interfering in Uganda's elections and electoral processes. While protecting electoral integrity is a standard legislative goal, the Bill's overly broad definition of "foreigner" creates a high risk of disenfranchising Ugandan citizens.

Analysis of Key Issues:

- 1) **Vagueness of "Interference":** The clause fails to define what constitutes "influencing" or "interfering." Consequently, Ugandan citizens employed by international firms or those representing the interests of the diaspora could be arbitrarily classified as foreign agents and barred from engaging in the electoral process.
- 2) **Disenfranchisement of the Diaspora:** Because the Bill defines Ugandans residing abroad as "foreigners," Clause 11 effectively prohibits the diaspora from participating in the country's democratic process. This directly undermines the right to vote and be elected as enshrined in Article 59 of the Constitution. Rather than stripping these rights, the government should create avenues for Ugandans abroad to exercise their political participation and voting rights.
- 3) **Unconstitutional Penalties:** Clause 11(3) criminalises an "agent of a foreigner" for participating in an election, penalising citizens for exercising civic rights in violation of Article 59 and Article 21 (freedom from discrimination) and Article 38 (civic rights of citizens).
- 4) **Inadequate Protections:** While Clause 11(4) offers a narrow exemption for officially nominated candidates, it fails to protect citizens participating in internal party primaries, campaign agents, or ordinary voters who may fall under the Bill's broad "foreign agent" definition.



Recommendations

- a. Delete clauses that prohibit citizens from participating in their governance since this violates the Constitution. Specifically, Clause 11(3) should be deleted.
- b. Clarify "Interference": The Bill must provide a clear, objective definition of what constitutes "influencing" an electoral process.
- c. Protect Citizen Rights: Remove provisions that penalise citizens based on their residence outside Uganda or their association with diaspora interests, as these are likely unconstitutional.

Issue 10: Prohibition of Interfering with the Operations of Government (Clause 12):

This clause prohibits meetings or the solicitation of funds for activities that undermine the general functioning of the government.

The clause fails to define what acts constitute undermining or "interfering with the operations of government," leaving the provision open to extreme administrative abuse. For instance, if citizens meet to criticise a government program or collectively opt out of a non-mandatory plan, such actions could be labeled as undermining or "interference." As drafted, the Bill risks criminalising any form of public oversight or critique. This ambiguity threatens Article 1 (Sovereignty of the people) and Article 28 (legal certainty). By criminalising challenges to government programs, the Bill effectively bans the democratic right of citizens to hold their government accountable.

Recommendation

Delete Clause 12: This provision should be removed entirely, as it fundamentally prevents citizens from exercising their constitutional sovereignty and oversight roles.

Justification

To align the Bill with the Constitution.

Issue 11: Prohibition of Economic Sabotage (Clause 13):

The Bill stipulates that any person who publishes information or participates in any activity that weakens or damages the economic system, or causes economic disruption, insecurity, or instability, commits an offence.



The Bill fails to define what constitutes "weakening" or "damaging" an economic system, focusing on the perceived result rather than a specific act. This vagueness provides a broad opening for the state to target researchers, journalists, or whistle-blowers whose reporting might be interpreted as "damaging" to the economy. Without a clear definition of what an "economic system" is or how damage is measured, this clause serves as a tool to suppress legitimate economic discourse and transparency.

In broad terms the Bill violates the provisions of the Constitution in relation to freedom of expression, speech, and academic freedom provided for under Article 29 of the Constitution. The Bill in its present state, will affect genuine research, businesses, and publications. It exposes the economy to a culture of secrecy, which makes it difficult to invest.

Recommendation

The Bill must include specific definitions for "economic system" and clearly outline the specific acts that constitute "damage" or "sabotage" to meet the constitutional requirement of legal certainty.

(viii) Issue 12: Registration of an Agent of a Foreigner (Clause 14):

This clause requires all "agents of foreigners" to register and criminalises acting as an agent in Uganda without such registration.

Given the expansive definition of a "foreign agent"—which captures employees of international companies, legal and financial professionals, and even relatives of Ugandans living abroad—this requirement creates an impractical and massive bureaucratic burden.

- **Criminalising Family Support:** An elderly parent receiving funds from a child working abroad would technically be required to register as a foreign agent.
- **Economic Friction:** Such red tape frustrates citizens' access to financial support and diaspora remittances. It undermines employment and creates unnecessary administrative costs, serving only to discourage the financial inflows that sustain the Ugandan economy.

Recommendation

Given the overly broad scope of the definition, the mandatory registration requirement should be eliminated to prevent the criminalisation of ordinary citizens and disruption to the economy.

Justification



To remove ambiguity and the possibility of abuse of the law, as well as the likely negative impacts of the provision to the economy.

Issue 13: Considerations for Application for Registration (Clause 16)

This clause mandates that the government evaluate several subjective factors before registering a person, including their identity, character, and mental and physical health status.

The requirement to vet applicants based on "identity," "character," and "health" is highly subjective and creates a gateway for systemic discrimination and administrative abuse.

1. **Constitutional Violation:** Individuals who do not conform to state-preferred identities or character traits could be arbitrarily denied registration, violating non-discrimination protections under **Article 21** of the Constitution. Furthermore, the Bill risks violating the rights of persons with disabilities; those whose mental or physical conditions are deemed "unfit" by the Minister would face registration denial. This directly contravenes **Article 32 (2)**, which prohibits laws, cultures, and customs that undermine the dignity, welfare, or interest of marginalised groups.
2. **Interference with Freedom of Contract:** The state is effectively attempting to overreach into private professional and employment relationships. By dictating who may work for whom based on health or character assessments—factors that the actual parties to the contract may find irrelevant or secondary—the Bill undermines the fundamental right to contract and the right to work.

Recommendation:

- a. Provisions requiring individuals to prove their mental and physical abilities must be **deleted**, as they are discriminatory and violate **Articles 21 and 32** of the Constitution.
- b. Registration requirements and Ministerial considerations should be strictly limited to instances where a clear potential to violate state sovereignty exists. Refusal of registration should only occur following a formal hearing to determine such acts

Justification:

- a. To align the Bill with the Constitution of the Republic of Uganda.
- b. To remove ambiguity and prevent the potential for the law to be used as a tool for abuse.

Issue 14: Certificate of Registration (Clause 17):



This clause provides that approved agents shall be issued a two-year certificate confirming their status. It grants the Minister the power to impose additional conditions on the certificate, which the agent must follow.

The Bill grants the Minister excessive and unchecked power to impose conditions that are not defined in the law, making the process ripe for political or personal abuse. The agent is further subjected to a two-year permit renewal process, which is not only cumbersome but also costly, considering the time and resources that might be required, as defined by the regulations. The requirement for citizens to register before acting on behalf of others, and more so, to renew their agency status every two years, has far-reaching negative implications:

- 1) **Employment Risk:** Employees of international firms who are denied registration—or whose certificates are not renewed—may be forced out of their jobs, as working without a permit would become a criminal offence.
- 2) **Family Support:** Relatives managing family affairs or assets for Ugandans abroad may be barred from acting on behalf of their kin if the Minister denies their registration or refuses to renew their permits, potentially freezing family estates and support systems.
- 3) **Financial Sector Liability:** Banks and telecommunications companies could face severe penalties for processing transactions for "unregistered agents." This creates a massive liability for the financial sector and threatens the stability of the entire mobile money and banking ecosystem.
- 4) **Social Services:** Religious leaders, NGOs, and community-based organisations implementing social projects funded by external support could be criminalised if their staff or beneficiaries are not registered or don't have valid permits.
- 5) These uncertainties are unnecessary in a free and democratic society and pose a fundamental threat to the livelihoods and financial security of millions of Ugandans.

Recommendation

- a. The requirement for registration and certification should be removed. It is an unnecessary bureaucratic hurdle that undermines constitutional rights, restricts access to basic services, and threatens the vital flow of remittances into Uganda.
- b. In the alternative, if there should be registration, such a registration should be based on available evidence and should last the length of the project

Justification



- a. To remove possibility of affecting the economy such as employment and running of long-term projects
- b. To provide certainty and investor confidence that they can invest in the economy and their businesses or projects will not be affected mid-way.

Issue 15: Restrictions on Funding from Foreigners (Clause 22):

This provision prohibits any person in Uganda from receiving funds from foreigners exceeding UGX 400,000,000 (Four Hundred Million Shillings) within 12 months without prior written approval from the Minister. The Bill criminalises the receipt of such funds without explicit ministerial consent.

The Bill offers no clear justification or empirical basis for the UGX 400,000,000 (USD ~100,000) threshold; this arbitrary figure lacks any stated policy rationale. Furthermore, this restriction poses a severe threat to Uganda's investment climate and general commerce by targeting critical financial activities, including:

- 1) **Venture Capital:** Restricting the loans, grants, and equity capital essential for Ugandan startups and growing businesses.
- 2) **Commercial Banking:** Hindering licensed banks from providing large-scale credit facilities to local enterprises.
- 3) **Syndicated Lending:** Obstructing complex financing arrangements involving multiple international lenders.
- 4) **Diaspora Investment:** Discouraging Ugandans living abroad from transferring significant capital home for personal investment or development projects.
- 5) By creating these unnecessary hurdles, the Bill will inevitably stifle capital inflow and deter Foreign Direct Investment (FDI). Additionally, the clause is dangerously vague regarding whether the threshold applies to a single transaction or the cumulative total of smaller transactions over a year, creating a legal trap for unsuspecting businesses and individuals.
- 6) The provision of forfeiture of funds received without consent of the minister will not only discourage investors but also will violate the right to property of individuals which is guaranteed under Article 26 of the Constitution.

Recommendations

- a. There is no clear justification for these restrictions. To avoid damaging the country's capital inflow and economic growth, these limitations should be removed.



- b. In cases where there are restrictions, the threshold should be increased to above 5 million US dollars, and this should only be applied where there is evidence that the activities are likely to violate the sovereignty of the country.
- c. The provision of forfeiture should only be done through a court process where a crime is committed and the crime should be such that actual danger has been caused.

Justification

- a. To align the bill with the Constitution
- b. To remove ambiguity and the possibility of abuse
- c. To ensure there will be investor confidence that their funds will not be confiscated

Issue 16: Reporting on Foreign Funding (Clause 25):

This clause stipulates that a "supervised institution" shall not disburse funds to an agent of a foreigner unless the agent declares the source of the funding and provides written proof of ministerial authorisation. The Bill defines a "supervised institution" as any person licensed under an Act of Parliament to facilitate the cross-border transfer of money.

- 1) **Impractical Scope:** The definition of a "supervised institution" is dangerously wide. By covering anyone licensed to facilitate cross-border transfers, it potentially includes not only commercial banks but also thousands of individual mobile money agents. Requiring a local agent in a village to verify ministerial authorisation before paying out a transaction is both impractical and technically impossible.
- 2) **Bureaucratic Bottleneck:** The Bill requires a declaration of source and ministerial proof for every disbursement, regardless of the amount. By failing to set a minimum financial threshold, the provision becomes entirely unrealistic, ignoring the reality of millions of small-scale, high-frequency transactions that occur daily.
- 3) **Redundancy:** Since robust reporting and inquiry mechanisms for large or suspicious transactions already exist under Uganda's Anti-Money Laundering (AML) laws and Tier 1–4 financial regulations, this clause serves no genuine regulatory purpose. Instead, it acts as a tool to stifle routine financial transactions between Ugandans and their relatives or associates abroad. The Bill disempowers specialised government agencies such as the Bank of Uganda, Uganda Revenue Authority, the NGO Bureau and the Finance Intelligence Authority which already receive these reports and conduct analysis.

Recommendations



- a. **Eliminate Redundancy:** On the whole, this clause should be removed in favor of existing AML frameworks to avoid creating an environment that criminalises everyday financial support.
- b. Where the government finds that there is a gap in reporting, government should improve the monitoring and assessment function of different state agencies such as Bank of Uganda, Uganda Revenue Authority, the NGO Bureau and the Finance Intelligence Authority that already collect this kind of information.
- c. **Define and Limit Institutions:** The definition of "supervised institutions" must be narrowed to exclude retail agents and mobile money points to prevent the collapse of the grassroots digital economy.
- d. **Establish a High Threshold:** The requirement for authorisation should only apply to exceptionally large sums that pose a genuine national risk, rather than every small remittance.

Justification

- a. To remove duplication of work and save state funds that would be used to create new entities to do work already done by other entities
- b. To ensure there is cohesion and cooperation between state agencies that already collect and process financial data and to empower these entities to collect the data that may be required.

Issue 17: Filing Returns (Clause 26):

This clause requires every "agent of a foreigner" to submit periodic returns to the Minister detailing all funds received.

The obligation to file returns is an unnecessary and punitive administrative burden, particularly for ordinary citizens receiving remittances from relatives abroad or managing family affairs. This provision duplicates existing regulatory requirements; financial institutions and money transfer operators already submit comprehensive returns on foreign exchange and cross-border transactions to the Bank of Uganda and the Financial Intelligence Authority (FIA). Requiring individuals to do the same is inefficient, serves no unique regulatory purpose, and only increases the cost of compliance for the average citizen.

Recommendations

The clause on filing returns creates redundant bureaucracy that discourages formal financial engagement and should be deleted.



Justification

To ensure there is cohesion and cooperation between state agencies that already collect and process financial data, and to empower these entities to collect the data that may be required.

Issue 18: Inspection (Clause 28):

This clause provides that a person appointed by the Minister may, at any reasonable time, inspect the premises of an "agent of a foreigner" and request any information deemed necessary to give effect to the Act. Obstruction of an inspector is punishable by a fine of UGX 40,000,000 (USD. 10,000) and/or seven years of imprisonment.

- 1) **Absence of Judicial Oversight:** The powers granted here are excessively broad and lack necessary judicial checks. By allowing inspections "at any reasonable time" without a court-issued search warrant, the Bill bypasses standard legal protections for privacy and property. This violates Article 26 of the Constitution.
- 2) **Invasion of Private Residences:** When read alongside the definition of a "foreigner"—which includes Ugandan citizens residing abroad—this clause becomes particularly dangerous. Since "premises" is not defined, it could be interpreted to include the private homes of relatives or associates who receive funds or manage affairs for those in the diaspora. This creates a high risk of state-sanctioned invasion of privacy.
- 3) **Discretionary Overreach and Intimidation:** The authority to request "any information" grants inspectors unfettered discretion, violating the principle of legal certainty and risking the forced exposure of sensitive personal data. Furthermore, the 40 million fine and/or seven-year penalty for "obstruction" is disproportionately harsh; it serves to intimidate citizens, as even questioning an inspector's presence in a private home could be construed as a criminal act.

Recommendations

- a. The Anti Money Laundering Act and tax laws already give government officials powers to conduct such searches; the clause should be deleted and instead those entities be empowered to carry out such a duty.
- b. **Judicial Oversight:** The Bill must be amended to require that any inspection of private or business premises be conducted only upon the issuance of a valid search warrant by a court of law. Furthermore, such inspections should be restricted to a specific timeframe—strictly within standard working hours—to prevent arbitrary harassment and protect the constitutional right to privacy.



- c. Search and inspection should be done after a court warrant to avoid violating the right to privacy of individuals.
- d. Define "Premises": The law should clearly define "premises" and explicitly exclude private residential homes to protect the constitutional right to privacy.
- e. Defined Scope of Information: The powers of the inspector must be limited to information specifically relevant to the administration of the Act, rather than "any information" they personally deem necessary.
- f. Proportional Penalties: Penalties for obstruction should be lowered to ensure they are consistent with other administrative laws in Uganda and proportional to the offense.
- g. Right to Appeal: The Bill should explicitly provide a mechanism for individuals or organisations to challenge an inspector's request or conduct in court to prevent administrative harassment.

Justification

- a. To align the Bill with constitutional provisions relating to the right to privacy.
- b. To ensure transparency and avoid abuse of the law.
- c. To provide clarity.

Issue 19: Regulations (Clause 29):

This clause empowers the Minister to make regulations for the implementation of the Act. Specifically, subsection (2) grants the Minister the authority to prescribe additional penalties for the contravention of these regulations, including fines of up to UGX 40,000,000 and/or imprisonment for up to seven years.

1. **Excessive Delegation of Legislative Power:** This clause grants the Executive branch dangerous quasi-legislative powers. By allowing a Minister to prescribe substantial criminal penalties—including lengthy prison terms—via regulations, the Bill bypasses the rigorous scrutiny and public debate of Parliament.
2. **Breach of Separation of Powers:** Under constitutional principles, the creation of criminal offences and the determination of severe custodial sentences must remain the exclusive preserve of the Legislature. Regulations can be created or amended by a Minister with minimal oversight, creating an unstable legal environment where the "rules of the game" can shift arbitrarily.
3. **Risk of Victimisation:** This lack of parliamentary oversight makes the law susceptible to being used as a tool to target specific groups, such as political critics, the diaspora, or NGOs. Prescribing a seven-year sentence through a statutory instrument rather



than substantive law denies citizens the legal certainty required under Article 28 of the Constitution, as their liberty becomes subject to the shifting discretion of a single political appointee.

Recommendations

- a. **Limit Penal Powers:** The power to create criminal offences carrying custodial sentences should be removed from the Minister. Any significant penalties for contravention should be explicitly debated and defined within the primary Act of Parliament.
- b. **Parliamentary Oversight:** Any regulations developed under this Act must be subject to mandatory Parliamentary approval (affirmative resolution) to ensure they do not infringe upon the fundamental rights of Ugandans.
- c. **Proportionality:** Penalties for administrative breaches of regulations should be civil in nature or significantly lower than the seven-year imprisonment term currently proposed.
- d. **Clarity and Stability:** The Bill should specify the exact scope of the Minister's regulatory powers to prevent the creation of "new" laws under the guise of "implementation."

Justification

To remove potential ambiguity and abuse of the law.

Issue 20: Minister's Power to Amend Schedule (Clause 30):

This clause provides that the Minister may, by statutory instrument and with the approval of Cabinet, amend the Schedule to this Act. The Schedule defines the value of a "currency point," currently set at UGX 20,000 (~USD. 5).

- 1) **Executive Circumvention of Legislature:** This clause grants the Executive branch unilateral power to alter the financial severity of criminal penalties without Parliamentary oversight. Since all fines in the Bill are calculated in currency points, any amendment to the Schedule fundamentally changes the monetary penalty for every offense. By allowing the Minister to increase these values via statutory instrument, the Bill bypasses the formal legislative process required for substantive amendments to criminal law.
- 2) **Risk of Arbitrary "Re-sentencing":** This creates a dangerous precedent where the Executive can effectively "re-sentence" citizens or businesses by inflating fines overnight. Such power is highly susceptible to abuse and could be used to target specific stakeholders—such as NGOs or the business community—by making compliance financially impossible.



- 3) **Instability for Investors:** This provision undermines the principle of legal certainty. Investors and citizens require a stable legal framework; allowing a single Minister to shift the financial stakes of the law at will creates an unpredictable environment that discourages long-term investment and civic engagement.

Issue 21: General Critique: Excessive and Disproportionate Punishment

Throughout the Bill, the penalty for failing to meet obligations—such as registration or financial declaration—is a fine of up to 100,000 currency points (UGX 2 billion) for individuals and 200,000 currency points (UGX 4 billion) for companies, or imprisonment for a period not exceeding 20 years.

- 1) **Lack of Proportionality:** The punishments provided are grossly excessive, particularly for administrative defaults such as failing to register or neglecting to file returns. Under the Constitution of Uganda (Sentencing Guidelines for Courts of Judicature) (Practice) Directions, 2013, sentences must be proportionate to the gravity of the offending behavior and the culpability of the offender. These 20-year terms for administrative "oversights" mirror penalties typically reserved for violent capital offenses like aggravated robbery, directly violating the principle of parsimony, which dictates that a sentence should not be more severe than necessary to meet the purposes of justice.
- 2) **Breach of Global Standards:** International human rights law, specifically the International Covenant on Civil and Political Rights (ICCPR) to which Uganda is a party, requires that restrictive measures must be the least intrusive instrument amongst those capable of achieving the desired result. The UN Human Rights Committee has clarified that penalties must demonstrate necessity and proportionality to the interest being protected. By imposing billion-shilling fines for simple non-disclosure, the Bill ignores the "enforcement pyramid" standard, which suggests that criminal prosecution should be reserved only for the most serious and harmful violations, while administrative warnings should suffice for minor non-compliance.
- 3) **Legislative Redundancy:** Many requirements in this Bill—such as the declaration of funds and filing of returns—are already governed by the Companies Act, the NGO Act, the Anti-Money Laundering Act, and the Anti-Terrorism Act. These existing laws already provide institutional mechanisms to address financial transparency and security. Introducing a new, more punitive regime for identical acts creates legal conflict and violates the principle of parity, which requires similar sentences for similar offenses.
- 4) **Violation of the Right to Dignity:** The African Charter on Human and Peoples' Rights (Article 5) absolutely prohibits cruel, inhuman, or degrading punishment. The African Court has held that this prohibition is absolute and must be extended to provide the widest possible protection against abuse. Imposing a UGX 4



billion fine on an organisation for a breach involving a fraction of that amount is inherently degrading and designed to cause institutional liquidation rather than reform.

- 5) **Encroachment on Fundamental Rights:** We maintain that administrative requirements like registration and fund declaration should not be criminalised. Turning these into high-stakes crimes directly threatens the rights of citizens, including the right to participate in governance, the right to vote, and the inherent rights of citizenship. Under Article 28(12) of the Ugandan Constitution, no person shall be convicted of a criminal offense unless the offense is defined and the penalty is prescribed by law; however, the vagueness of the "offenses" paired with these extreme penalties creates a regime of fear rather than a regime of law. To protect the constitutional order, such criminal provisions should be removed entirely.

- a. **Recommendations**

- a. **Parliamentary Approval:** Any amendment to the Schedule must require an affirmative resolution from Parliament to ensure that changes to the country's penal structure remain subject to democratic debate and oversight.
- b. **Standardisation:** The value of a currency point should remain governed by the Surcharge and Management of Public Recovery Act or other general Ugandan laws regarding currency points, rather than giving a single Minister the power to create a unique or fluctuating value for this specific Act.
- c. **Limit Executive Discretion:** The Bill should explicitly state that the Minister's power is limited to administrative updates and cannot be used to fundamentally alter the punitive nature of the Act without a formal amendment to the law.

C. Prayers and Conclusion

On the strength of the above submission, the conclusions below are self-evident:

- i. Uganda's democratic experiment will descend into the murky waters of Rule by Law (as opposed to the Rule of Law), which would constitute an unfortunate regression from years of painstaking efforts at building a durable democracy.
- ii. The citizenship of our fraternal brothers and sisters from the State Party of Uganda, and by extension their membership and privileges accruing from being part of the Community will henceforth be jeopardised by the proposed



law because of its arbitrary designations of Ugandans living outside the country, or those in any way interfacing with foreign companies.

- iii. As a critical component of East Africa's Gross Domestic Product and related development indicators, the Bill, if enacted, will lead to the isolation of Uganda from ongoing joint economic ventures and projects that benefit the economic bloc.
- iv. Similarly, the cooperation that exists amongst the EAC Member States on education, turnkey research undertakings, public health, security, environmental standards and technological development will be jeopardised as a result of this law.
- v. On a related note, Uganda's law enforcement community and regulatory institutions will inevitably find themselves in the unenviable positions of having to enforce the prohibitive and punitive prescriptions of the law on companies from friendly countries.
- vi. Significant gains that have been made insofar as the development of cross-border trade on all of Uganda's borders, together with the communities found in the neighbouring countries will be curtailed if the Bill is enacted into law.
- vii. The Republic of Uganda will likely find its way into the ill winds of disruptive litigation by multinational corporations, affected groups and individuals in regional and international tribunals, which does not augur well for East Africa as an investment destination.
- viii. Finally, but by no means the least, the Protection of Sovereignty Bill of 2026 is likely to send the wrong signals that might be emulated by neighbouring countries, thereby leading to contagion, which will further threaten the shared quest for open, democratic and free societies in the region.

Accordingly, we implore the honourable Members of Parliament on the Committees on Defence and Internal Affairs and on Legal and Parliamentary Affairs of the Parliament of Uganda to shelve the Protection of Sovereignty Bill, 2026, as a safeguard to prevent the anticipated political and socioeconomic upheaval that its implementation would occasion on Uganda's society, livelihoods, human rights and on the more than a million Ugandan citizens living outside the country.

ENDS

