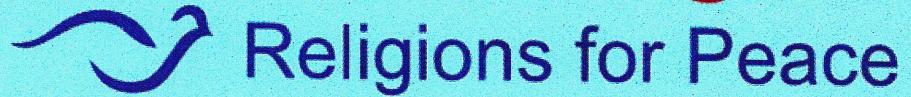


Inter-Religious Council of Uganda



PRESS STATEMENT OF THE IRCU ON THE PROTECTION OF SOVEREIGNTY BILL, 2026

Kampala, Uganda: The Inter-Religious Council of Uganda learnt of the legislative processes currently being fast tracked by the Parliament of Uganda in respect to **the Protection of the Sovereignty Bill-2026** following its first reading in the House and eventually the Call by the Clerk to Parliament for public opinions on the same. The IRCU has convened several Consultative engagements with other partners including the Muslim Center for Law and Justice, the Uganda Catholic Lawyers' Association, the Uganda Christian Lawyers' Fraternity and the Uganda Muslim Lawyers' Association, hence this statement.

The bill seeks to establish a legal framework that requires organizations and individuals to disclose foreign funding, stretch the Minister of Internal Affairs' oversight powers on foreign funding and prevent "actions perceived as undermining national sovereignty".

The Bill further seeks to "safeguard Uganda's national interests and institutional independence," The Bill attempts to safeguard Uganda's national sovereignty by regulating foreign financial inflows and other external influences, specifically ensuring that funds, grants, donations, or other resources entering Uganda do not undermine the country's independence, security, and national interests.

This Bill follows last year's (2025) amendment of the second schedule of the Anti-Money Laundering Act that excluded Churches, NGOs and Charitable organizations from the list of accountable Persons, thereby relieving them to report to the Financial Regulatory Authority. The Bill however signals a reversal of that trend, seeking to impose more, not less, scrutiny on the relationship between local organizations and their foreign principals.

It is our prophetic call as religious leaders to guide the nation and be a voice for the voiceless and we now state as follows;

1. This legislation will undeniably have a profound impact on the operations and funding for religious, Non-Governmental Organizations and individuals in Uganda because of the following reasons.

- a) While the Bill purports to protect the Sovereignty of the People of Uganda, in reading its contents, **the Bill usurps the sovereignty of the people and attempts to vest it in the government of Uganda in violation of Article 1 of the 1995 Constitution that provides that All power belongs to the people who shall exercise their sovereignty in accordance with this Constitution.**
- b) Registration Requirement; **under Clause 14**, the Bill introduces a mandatory registration requirement for all persons acting as agents of foreigners. Upon registration a Certificate of two years shall be issued. The certificate shall be subject to renewal at least three months before its expiry. The Bill gives the Minister of Internal Affairs unchecked powers to revoke or suspend any registration on grounds that the activities of the agents of foreigners are disruptive in nature, pose a security threat and are no longer fit for purpose. **This provision imposes an extra burden to NGOs, Religious and Faith-based Institutions requiring another unnecessary mode of registration, which may be burdensome and bureaucratic in the circumstances as organizations are already required to register with KCCA, URSB, FIA, NGO Bureau, Law Council, URA, NSSF, Interpol, etc.**

Additionally, the registration requirements may lead to operational bottlenecks in the operation of NGOs and private dealings due to the lack of defined timelines in Ministerial Approvals.

- c) The Bill proposes sweeping restrictions on foreign influence and foreign funding including hefty, oppressive and heavy fines in Billions of shillings, long prison terms and tighter controls especially under Clauses 10, 11, 12, 13, 14, 21, 22, 23, 25, 26 and 28 among others. **The IRCU observes that the penalties imposed by this bill if passed into law in its current form are excessive and will tantamount to the gross violation of individual and organizational rights, since they do not align to the Constitutional sentencing Standards, do not conform to basic principles of**

proportionality of penalty and more still the Punishments prescribed by Parliament in the Bill, positions the different offences specified in the Bill as capital offences. The IRCU opines that these fines and respective penalties may be used to stifle the lawful activities of NGOs, individuals, Religious and Faith Institutions in descent of unconstitutional government policies or practices.

- d) Under Clause 13 of the Bill, Parliament has introduced the offence of Prohibition of Economic Sabotage. The IRCU observes that this Clause may potentially conflict with Article 29 of the 1995 Constitution of Uganda, which provides for Rubric Rights including freedom of association and expression. **Additionally, this Clause risks being misinterpreted by the Regulators, because it is too broad and ambiguous, and may potentially be used by Government to curtail ordinary business transactions, Freedom of speech and expression.**

- e) Generally, in reading of the Application of the Bill under Clause 2 and its interpretive Clause 1, most of the activities listed as restricted or described as disruptive by the Bill are in breach of the Bill of Rights listed under Chapter Four of the 1995 Constitution for example the Bill seeks to criminalize the freedom to assemble and to demonstrate together with others peacefully and unarmed and to petition government against any cause as provided for under **Article 29 (1) (d) of the 1995 Constitution**, cripple free political participation and funding of Political Parties, guaranteed under **Article 29 (1) (e) of the 1995**, among other violations.

- f) Under the Bill the Minister of Internal Affairs and the Department of Peace and Security, are vested with powers including the Power to revoke or deny Certificates of registration as agents of foreigners, or even declare a person or an organization an agent of a foreigner without an impartial due process. Furthermore, the inspectors appointed by the Minister shall have broad powers to inspect the premises of any agent of a foreigner at any reasonable time and to request any information relevant to the purposes of the Act. **The IRCU observes that the Privacy of individuals, religious institutions and organizations as provided for under Article 27 of the 1995 Constitution of Uganda, may be potentially abused by these unchecked powers, and yet there are no**

proposed sufficient alternative dispute resolution mechanisms proposed in the Bill. Furthermore, this legislation conflicts with existing laws like the Data Protection Act, Anti-Money Laundering Act, and Public Finance Management Act by mandating public disclosure of sensitive data and duplicating offences with harsher penalties and fewer safeguards.

- g) The broad definition of agents of foreigners; The Bill defines agents of foreigners to include; a person who acts as an agent, representative, employee or servant or any person who acts in any other capacity at the order, request or under the direction or control of a foreigner or of a person, any of whose activities are directly or indirectly supervised, controlled, financed or subsidized by a foreigner. A foreigner is also defined as a citizen of Uganda residing in another country. The IRCU makes the following Observations.
- i) The designation of a nonresident citizen of Uganda as a foreigner is derogatory in nature and conflicts with the constitutional guarantees for citizenship as provided for in the 1995 Constitution. A Ugandan Citizen cannot be categorized as a foreigner. One cannot simultaneously be a Citizen and then rendered a foreigner at will by law.**
 - ii) The categorization of Ugandan citizens residing abroad as foreigners will stifle the channeling remittances from labour externalization and limit foreign Funding to the detriment of the country's taxable base.**
 - iii) Additionally, being deemed or designated as an agent of foreigners by the Minister of Internal Affairs without any due process is derogatory in nature and a gross violation of rights of citizenship.**
- h) Part II of the Bill intends to prohibit a wide range of activities under the guise of protecting sovereignty for the example the Bill limits the following; Promoting the interests of a foreigner against the interests of Ugandans (Clause 5), Exercising Government functions specified in the 6th schedule to the Constitution without Cabinet approval (Clause 6), Implementing, hindering, frustrating or disrupting the implementation of

any Government Policy (Clause 8), Interfering with electoral processes or influencing the will and consent of Ugandans on governance matters (Clause 11), Interfering with the operations of Government (Clause 12) and Publishing or participating in any act that damages the economic system or viability of the country, constitution and economic sabotage. The IRCU observes as follows:

- I. **These restrictions are intended to stifle advocacy, civic and voter education, restrain election monitoring, policy engagements that call for accountability from Government, and economic reporting. This also shatters the prophetic role of religious leaders as they will not be expected to comment on Political or governance issues of any Kind.**

 - II. **The Bill will potentially limit investments by the Religious, Faith and Non-Government Organizations in key priority areas including Education, Health, Agriculture among others by requiring a special permission to engage in them, yet private institutions like religious institutions are partners of government in the social economic transformation of the country.**
- i) Restrictions on Funding; This is one of the most consequential provisions in the Bill. Under Clause 22, no person, or agent of a foreigner may directly or indirectly obtain, solicit or receive any financial support, donation, loan, or assistance from a foreigner whether in cash or in kind exceeding 20,000 currency points (equivalent of 400 million) within a period of 12 months, without the written approval of the Minister. The violation of this provision will expose religious institutions and NGOs to a fine not exceeding 200,000 currency points (approximately 4 billion shillings) and an individual to a fine not exceeding 100,000 currency points (2 billion shillings) or imprisonment of up to 20 years or both. Additionally, any money or assistance received in contravention of this Clause shall be forfeited by the State. **This clause gives government an opportunity to control, monitor and or take income of the religious institutions which amounts to government interfering into the affairs of religious institutions and other entities. It also violates the right to**

operational independence of individuals, private entities, religious institutions and NGOs.

j) Under Clause 21, agents of foreigners and any other person receiving funding from a foreigner shall be required to submit a declaration of the source of funds to the Minister and such declarations will be available for public inspection upon payment of a prescribed fee. Any false or misleading declaration shall be a criminal offence attracting a fine of up to 27,000 currency points (equivalent to UGX 1.44 Billion) or imprisonment of up to 5 years on conviction. Under Clause 25, supervised institutions (i.e. those licensed to facilitate cross-border money transfers) shall be prohibited from paying any funds to an agent of a foreigner without proof of registration and declaration of source of funds. They shall also be required to submit monthly reports to the Minister on all fund transfers to agents of foreigners. Under Clause 26, agents of foreigners shall be required to submit periodic returns to the Minister detailing the amount of funds received and the purposes of which they were used. Failure to submit returns will be an offence punishable by up to 20 years of imprisonments or a fine of up to 100,000 currency points (equivalent to UGX 2 Billion) for individuals and a fine of up to 200,000 currency points (4 Billion UGX) for legal entities. The IRCU opines that

- i. **These clauses give government a far-reaching right to interfere with internal/private matters of individuals and organizations including their funding. It also vests an unrealistic demanding role of continuously filling returns as and when funds are received.**
- ii. **The provisions risk to violate the Privacy of institutions and disrupt normal Business operations and transactions;**
- iii. **In addition, the information required here is already required by other Government Agencies.**

RECOMMENDATIONS

It is our considered opinion that Parliament should deliberate on the following recommendations before passing the Bill.

1. The Parliament should revise vague and overly broad definitions like the meaning of a foreign agent, a foreigner, interests of a foreigner, public interest and economic sabotage.
2. The Parliament should limit excessive and unrealistic Ministerial Powers of the Minister under the Bill, specifically the discretion to register or deregister organizations and approve funding without independent oversight.
3. Parliament should strike down provisions that are criminalizing fundraising activities by Ugandans living abroad in support of local investments as it is likely to affect the social economic development of the country.
4. Parliament should put in place mechanisms to enable Ministerial Coordination in implementing the Bill, strengthen or establish a central registry for information already shared among government agencies, since the information that is required in the registration processes are readily available to the NGO Bureau, URSB, Banks, Financial Intelligence Authority, Interpol and the Uganda Police, among others. *In the alternative the IRCU and its partners recommend strengthening the Capacity of the Financial Intelligence Authority (FIA) in respect to implementing the Bill, rather than creating another registration framework and a department of Peace and Security.*
5. The IRCU and its partners recommend that Government should strengthen Private Public Partnerships instead of stifling the engagement and participation of NGOs, religious and faith-based organizations in development.
6. The IRCU and its partners recommend the creation of an alternative dispute resolution mechanism to expeditiously address matters arising from the actions and omissions of the Ministers before any court process, for example the creation of a functional inter-ministerial tribunal. This will address the issue of backlog in the Courts and guard against unnecessary delay of justice in business and related transactions.
7. The Punishments generally proposed in the Bill, should be aligned to Constitutional guarantees and sentencing Guidelines.

8. The law should not restrict the amount of funds to be received but instead strengthen the existing entities like the FIA, Bank of Uganda, NGO Bureau and the Deposit Protection Fund of Uganda, that require proof for the source of Funding and the purpose the Funds received.

CONCLUSION

Given the above reasons, the Inter-Religious Council of Uganda and its Inter-Faith Legal Partners including the Muslim Center for Justice and Law, the Uganda Catholic Lawyers Association, the Uganda Christian Lawyers' Fraternity, the Muslim Lawyers' Association reject the Bill in its current Form due to the possible Constitutional violations including the possibility of the Bill shrinking Civic space, endangering both civil and political rights while creating legal conflicts with the existing financial regulations as highlighted herein.

SIGNED this 23rd day of April, 2026



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Apostle Dr. Joseph Serwadda

Presiding Apostle-Born Again Faith/

Co-Chairperson IRCU Council of Presidents

For and on behalf of the IRCU Council of Presidents

INTER-RELIGIOUS COUNCIL OF UGANDA