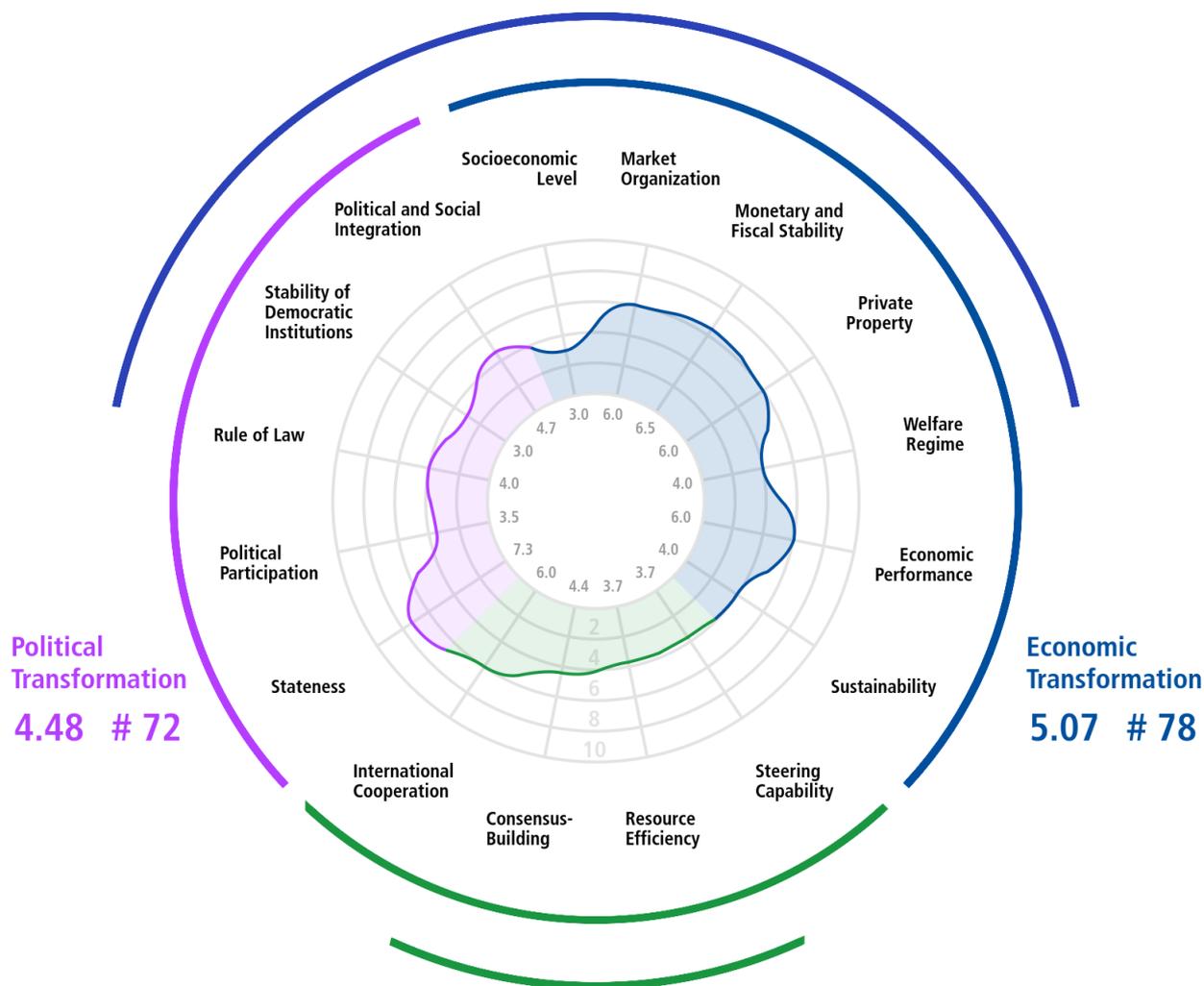


Uganda

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on 1-10 scale out of 137



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on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2026**. It covers the period from February 1, 2023 to January 31, 2025. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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Key Indicators

Population	M	50.0	HDI	0.582	GDP p.c., PPP \$	3276
Pop. growth ¹	% p.a.	2.8	HDI rank of 193	157	Gini Index	42.7
Life expectancy	years	68.3	UN Education Index	0.532	Poverty ³	% 71.8
Urban population	%	27.4	Gender inequality ²	0.524	Aid per capita \$	46.4

Sources (as of December 2025): The World Bank, World Development Indicators | UNDP, Human Development Report 2025. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.65 a day at 2017 international prices.

Executive Summary

While much in the overall dynamics of Uganda's politics and economy remains similar to recent years, developments in the civic and political spheres are worrying. Democratic governance continues to deteriorate, civic space is shrinking and political repression is on the rise. Incumbent President Yoweri Museveni appears on course to seek another mandate in 2026, the seventh time since he first ran for president in 1996 (after previously ruling on an unelected basis for 10 years between 1986 and 1996). Barring unforeseen circumstances and developments, the outcome is nearly a foregone conclusion. Because nothing has changed in how elections are organized, managed and decided, there is no indication the incumbent could lose, given his overwhelming influence and control over the system. The succession question remains unresolved. Museveni's son, General Muhoozi Kainerugaba, who has long been considered the heir apparent, aggressively began to use Twitter (now X) in 2022 to indicate that he wants to succeed his father. Yet in 2024 he announced that he would not be a candidate in the 2026 elections.

Respect for the rule of law has greatly declined. Opposition leaders and supporters have been charged and tried in military courts meant for the armed forces. The judiciary has become less independent. The travesty of justice has been blatant and brazen. In a notable development, Supreme Court Justice Esther Kisakye left the country in 2024 and announced she was seeking asylum in the United States, fearing for her life in Uganda. The main opposition party in parliament, the National Unity Platform (NUP), led by Robert Kyagulanyi, has faced serious internal crises, including conflict with a key leader, Matthias Mpuuga, who had been leader of the opposition and the party's vice president representing the Central Region. Similarly, the formerly leading opposition party, the Forum for Democratic Change, appears on the brink of implosion. In that case, a faction of the party allied with former presidential candidate Kizza Besigye (who was abducted by security forces in Kenya in December 2024 and faced trial in a military court, until a landmark Supreme Court ruling in January 2025 declared military trials of civilians to be unconstitutional) has accused the current leadership of selling out to Museveni and made moves to form a new political party.

Economically, Uganda recovered quickly from disruptions caused by the COVID-19 pandemic. GDP growth rebounded to about 5% in 2023 and increased to more than 6% in 2024. Average annual inflation remained slightly elevated at about 4% at the end of 2024 and is expected to rise in 2025 with an anticipated increase in public spending on election campaigns. While the country is striving to become a middle-income country, poverty, illiteracy and unemployment rates remain high. Uncertainty remained regarding the start date of long-anticipated oil production. The government remained broadly committed to free-market economics, although the push for savings and credit groups and cooperatives continued as it implemented the Parish Development Model and the National Development Plan IV. With a population nearing 50 million, more than two-thirds of whom are under the age of 35, Uganda faces an increasingly significant challenge of mass youth unemployment, and the government has not shown the resolve or strategic foresight to tackle this problem effectively.

History and Characteristics of Transformation

Uganda attained independence in 1962, adopting a Westminster parliamentary democracy model with an executive prime minister, Milton Obote, and a ceremonial president, Edward Mutesa, who was also a powerful monarch of the kingdom of Buganda. This hybrid resulted from a political marriage of convenience between Obote's Uganda People's Congress party, with republican ideals, and the Kabaka Yekka party, which was allied with the Buganda monarchy.

This alliance produced a federal arrangement for Buganda and a unitary system of government for the rest of the country – a very problematic and precarious starting point. Before long, the political settlement agreed at independence fell apart, beginning in 1964 and culminating in the so-called Kabaka Crisis of 1966, when President Mutesa (king of Buganda) fled as the army attacked his palace. Consequently, Prime Minister Obote abrogated the independence constitution and replaced it with a new republican constitution in 1967, with him as president. He abolished the position of prime minister and existing forms of traditional rule, banned political parties and instituted a one-party state.

A few years later, in January 1971, army commander General Idi Amin overthrew Obote's government. Amin went on to rule as a fascist military dictator until a Tanzanian invasion force, along with some Ugandan dissident groups, including a fighting force commanded by future president Yoweri Museveni, overthrew him in 1979. At the time of Amin's overthrow, the economy had nearly collapsed under the weight of ill-conceived statist policies and Africanization that included the expulsion of Asian businesspeople. The rule of law and democratic institutions were swept aside under Amin's military rule.

Following a year and a half of uncertainty and chaos with three different presidents – one lasting only 68 days (President Yusuf Lule) – elections were held in December 1980, and the results returned Milton Obote to power. Alleging election rigging and other abuses, Yoweri Museveni and a small group of loyal military officers rebelled, launching an insurgency that brought them

to power five years later, in January 1986, following a second coup against Obote in July 1985. The new National Resistance Army/Movement (NRA/M) government promised to restore peace and security, the rule of law and democracy, and freedom and liberties, and set the goal of rebuilding the economy through a mixed approach entailing markets and state intervention. Museveni regarded political parties as divisive and banned them at the outset of his rule, instituting what he called a no-party democracy, or movement – a one-party authoritarian system in which all Ugandan citizens were automatically part of the movement. A new national assembly was instituted and expanded in 1989, while a national consultative constitution-making process began that resulted in the 1995 constitution. General elections took place in 1996; all candidates were independents because political parties were still banned. Since then, elections have been held on a five-year cycle, and the incumbent president, Museveni, has won each presidential election (with the opposition rejecting the results). This makes him one of Africa's longest-serving rulers, now at 40 uninterrupted years.

In the 2021 presidential elections, Kizza Besigye, a four-time presidential candidate for what was then the most important opposition party, did not run. Robert Kyagulanyi, an Afrobeats singer who entered politics as a member of parliament in 2017, took his place as the de facto opposition leader. He effectively mobilized supporters particularly among the youth and urban poor, formed a political movement and then a party, the National Unity Platform (NUP). In the 2021 general elections, NUP was relatively successful in urban centers, especially in the Central Region, and Kyagulanyi received 35% of the vote despite an uneven playing field, political repression and election fraud. The regime responded with increasing moral politics, control over civic and activist spaces, and political repression.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

Since at least 2008, the Ugandan state has enforced a near-monopoly on the legitimate use of force throughout the country. No part of the country is under the control of armed insurgents, separatists or gangs. The last rebel group to exercise some territorial control was the Lord's Resistance Army (LRA) in the north, nearly two decades ago. However, the policing and security capacity of the Ugandan state is limited, and the state's monopoly on the legitimate use of force is not robust. In recent years, criminal gangs have operated in and around the capital, Kampala, and reportedly benefit from collusion with and corruption within the security and police forces.

Additionally, violent conflict between ethnic groups or traditional kingdoms breaks out occasionally, mostly over land or traditional authorities. A recent example was a land-based conflict between the Acholi and the Madi in February 2024 over the contested Apaa township, in which two people were killed and one was injured.

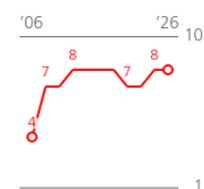
Uganda is a target of global terrorism, including from the Allied Democratic Front (ADF) – a Ugandan rebel group that operated in the Rwenzori region in the 1990s and is now an Islamic State group affiliate based in the Congo. Somalia's al-Shabaab also sees Uganda as an enemy because the Uganda People's Defense Forces have been deployed in Somalia since 2007 as the main component of the African Union peacekeeping force. However, those are isolated examples that do not generally threaten the state's monopoly on the use of force.

Finally, in the Karamoja subregion, armed cattle rustling remains a problem. Since 2019, the Ugandan military has been using violent means to disarm people in the region and engage suspected cattle rustlers and their collaborators. While the Ugandan government and military claim to be doing so successfully, members of parliament from eastern and northern Uganda continue to say there is a security crisis, with hundreds of guns remaining in private hands.

Question
Score

Monopoly on the
use of force

8



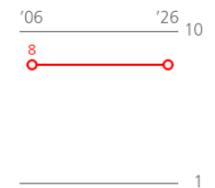
The citizenship question remains contested because some ethnic groups, or at least some people within those groups, prefer allegiance to ethnic identity rather than to the nation-state. This primarily reflects the fact that Uganda is a colonially created nation. The clearest example of an ethnic identity that trumps national identity is the Baganda, located in the heart of the country, in the capital, Kampala, and which is historically the territory's dominant and most powerful ethnic and cultural grouping. With an ancient kingdom and a reigning monarch, Buganda's ethnic identity sits in an uneasy relationship with Ugandan identity. Some demands and campaigns for secession have been made, but this prospect is impracticable and highly unlikely. There have been similar secessionist sentiments among the Acholi people of northern Uganda and the Bakonjo of the Rwenzori region in the west. However, there is a broad national citizenship identity, and no ethnic group or section is denied citizenship-related rights or privileges. In fact, unlike in many other countries, refugees in Uganda enjoy freedom and rights that would otherwise be reserved for citizens. However, becoming a citizen as a foreigner is a complex endeavor, since citizenship depends on being a member of one of the ethnic groups recognized in the constitution. Thus, ethnic belonging determines citizenship, creating ongoing struggles by ethnic groups for official recognition.

Uganda is a secular state, but Ugandans are very religious, with well over 90% of the population identifying with a religion. Legally and constitutionally, the state and government are clearly barred from religious affiliation, and the constitution guarantees freedom of religion and worship. But religion nonetheless plays a significant role in Ugandan politics. Historically, parties and political processes were heavily influenced by the two main Christian denominations, as well as by the Muslim faith, with the latter a minority. In the last few decades, religion has not been particularly prominent, although religious influence especially from the Catholic Church remains part of the political landscape. The recent passage of the Anti-Homosexuality Act was heavily influenced by religious groups and their beliefs. Generally, religious beliefs dominate legislation related to family matters, marriage and divorce, sexual and reproductive rights, health matters, and related policy fields. Religion-influenced arguments are frequent and accepted in the political sphere.

Evangelical churches and born-again Christian groups have strong ties to the presidency, especially through the first lady and one of the daughters, who is a pastor. Generally, no single religion has a direct or overtly dominant role in policymaking or legislative processes, although much of what happens in the public sphere and in governance circles is framed in religious terms.

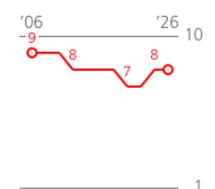
State identity

8



No interference of religious dogmas

8



Uganda's administrative state capacity is one of its weakest points. While the country has administrative structures that cover the width and breadth of society, their efficacy and capacity to provide critical public goods and services are at best average and at worst poor. The state's ability to collect revenue has improved significantly under a semiautonomous agency, the Uganda Revenue Authority, but even by regional East African and African trends and standards, Uganda's taxation capacity remains poor. This can be seen in the country's tax-to-GDP ratio, estimated at 14% in 2024/25, which is below the government target and the African average. Individualized petty and grand bureaucratic corruption as well as pervasive political corruption that serves the interests of regime survival severely limits the administrative efficiency of the state. This is true both centrally and at the subnational levels, where basic goods and services such as roads, sewerage management, water and garbage collection are either unavailable or poorly provided. According to the World Bank's 2024 World Development Indicators (for 2022), an estimated 59.3% of the population had access to water, 21% to sanitation and 47.1% to electricity.

The decentralization policy of devolving power to local units at the district and sub-county levels has been only marginally successful in improving service delivery, and has been marred by corruption, embezzlement, and political and ethnic power struggles.

The capital, Kampala, faces endemic infrastructure problems and suffers from a weak administrative apparatus that has failed to keep pace with a rapidly growing and highly complex socioeconomic landscape. The entire West Nile region was connected to the national power grid only in 2024, following long-term pressure by civil society and political campaigning.

2 | Political Participation

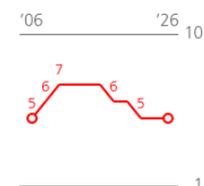
Since 1996, Uganda has consistently held general elections on a five-year cycle, with the latest scheduled for January 2026. However, the electoral playing field is highly uneven.

Opposition parties do not operate freely. The ruling party, the National Resistance Movement (NRM), is fused with the state and the security sector, which in effect means that opposition parties, especially in presidential election campaigns, compete against the state of Uganda, not the party in power. Some parliamentary races, particularly in urban centers starting with Kampala and surrounding peri-urban areas, can be freely and fairly fought among parties and independent candidates. The same is true of a few local government contests. But generally, Uganda's elections do not meet international standards for being free and fair.

The election management body, the Electoral Commission, is neither truly independent nor professionally run. Police, military and security agencies are heavily politicized and deployed to benefit the incumbent party and president. The media

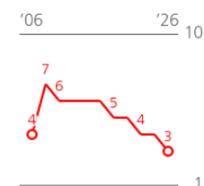
Basic administration

5



Free and fair elections

3



landscape is biased toward the incumbent. Opposition newspapers and magazines exist but face repression and censorship, especially before elections. Most upcountry FM radio stations are owned by politicians allied with the ruling party or by private businesspeople who support the ruling party.

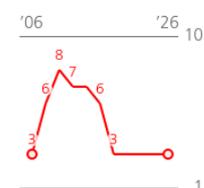
Opposition party leaders and supporters are routinely arrested, harassed, tortured and incarcerated. Recently, leading members of the regime have openly threatened opposition leaders with the death penalty, thus far without facing any repercussions. Legal frameworks support repression, for example in relation to the online freedom of speech and the freedom of assembly, which means campaigning opportunities are not equal.

While universal suffrage and secret-ballot voting are guaranteed under the constitution, in rural areas there is often intimidation and disenfranchisement led by security personnel and ruling party operatives. Ballot stuffing and mass election rigging are common. In some cases, the judiciary adjudicates electoral disputes commendably, but in others, especially in the presidential race, the courts lack independence.

Uganda's representative institutions and structures, as provided for in the laws and the constitution, are impressive on paper. In practice, they are less so. Local government councils and the national legislature offer broad representation for different constituencies and often make decisions without undue pressure or influence, but overbearing presidential power comes into play especially when contentious issues are at stake. The president has representatives in every district, called resident district commissioners, whose powers overlap with those of elected leaders. Intelligence networks provide the central government with information on opposition and civil society initiatives across the country, and the centrally directed security sector can act quickly and brutally. The president has effective power to govern, but he is not elected in free, fair and credible elections, and there is thus a problem of legitimacy. Parliament has considerable legislative and oversight powers that it exercises only to the extent that the executive and president do not feel threatened or are not affected directly. Accountability institutions can function fairly well but, again, only to the extent that doing so does not threaten regime survival. There are informal veto players like the president's younger brother, General Salim Saleh, who holds no elected position, is retired from the army and does not hold an official executive-branch office, but nonetheless wields far more power than any elected official. Military and security actors often override or ignore the authority of elected representatives and of the courts of law. As one example, civilians are tried in the military court system despite the Constitutional Court ruling against this. In Kampala, the elected lord mayor (an opposition leader) is largely powerless and unable to govern the city because the national executive controls the purse and coercive power, and appoints the bureaucratic team that runs the city. The president has repeatedly said that areas of the country that elect opposition leaders should not expect to receive government services or public goods.

Effective power to govern

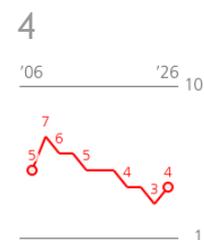
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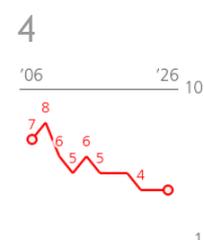
The freedoms of association and assembly are guaranteed under the constitution but are heavily constrained by laws such as the Police Act and the Public Order Management Act. Despite rulings by the Constitutional Court and the Supreme Court reaffirming the right to assemble and striking down sections of the law that are unconstitutional, the police and security agencies routinely limit and even violently disperse public gatherings and rallies by opposition parties and leaders. The police often insist that those seeking to hold public rallies must first obtain their authorization, but there is no legal requirement for such permission. Moreover, while the police and military routinely break up or obstruct public activities by the opposition, supporters of the incumbent president and groups and actors associated with the ruling party are not subject to the same restrictions and treatment. While citizens are free to join political parties and civic groups, the overall political environment is rather hostile to free political and civic associations and activities seen as either oppositional to or critical of the ruling party and government. Some minority groups, such as sexual and gender minorities, have no rights to association and assembly, and Muslim organizations and actors often face enhanced repression under anti-terrorism legislation. Autonomous civic associations, such as professional membership organizations, are often infiltrated by state agencies and ruling party operatives in ways that undermine their independence and *raison d'être*.

Uganda was an African pioneer in liberalizing FM radio broadcasts in the 1990s under the no-party (in practice one-party) political system. In recent decades, the print, broadcast and new/digital media landscape has expanded, but media freedom remains constrained both directly and indirectly. The constitution explicitly provides for freedom of speech and the media. The Daily Monitor newspaper, among other publications, is fairly independent and serves as a platform for critical voices, including very well-known columnists who are fierce regime critics. Social media and other digital media tools and platforms, including dozens of news websites, today provide alternative avenues for speech and expression. However, the main newspaper is government-owned and is heavily skewed in its reporting and coverage in favor of the ruling party and president. The same applies to the public broadcaster, Uganda Broadcasting Corporation (a consortium of TV and FM radio stations). Independent media outlets face threats and are forced to engage in self-censorship. On the eve of elections, it has become standard practice for the government to order the shutdown of the internet and mobile money services. Offenses like cyber harassment and offensive communication are written into legislation yet vaguely defined. These provisions can be liberally and randomly applied, and the government and security agencies use them to further limit the freedoms of speech and expression. Academic freedom also faces censorship and limitations in subtle ways.

Association / assembly rights



Freedom of expression



3 | Rule of Law

The constitution and other laws provide for the separation of powers, but in practice this does not work as well or as consistently as it should. The national legislature, the unicameral parliament, was long a key institutional site for checking the excesses of the executive and powerful state agencies. Parliament holds the levers to exercise oversight, demand accountability, and push back against executive excesses and judicial overreach, but these powers have gradually been undermined and eroded at the behest of a powerful, overbearing president. Legislative independence and prudence tend to be watered down by the ruling party's supermajority, making parliament little more than a rubber stamp for the executive. Over the years, the president and NRM party have ensured that a pliant and minimally assertive speaker and deputy speaker are elected to lead the legislature. This is especially true of the current speaker and deputy. The ruling party does all it can to achieve a supermajority and full control of parliamentary business, including engaging in gerrymandering, intimidation, violence and vote-rigging. The resulting supermajority guarantees the party's choice of a preferred speaker and deputy, and ensures that parliament is whipped to do what the president wants. This state of affairs has arguably worsened under the current parliament. In the same vein, appointments to the judiciary are determined by considerations of party loyalty, not competence or independence. The judiciary has increasingly become politicized in the service of the ruling regime. Even when the judiciary acts independently, its rulings tend to be ignored by the government and security sector institutions. Judicial independence has been further undermined by the continued arraignment and trial of civilians in military court, especially after the 2021 elections, often on accusations that are essentially political, not criminal or military offenses.

For quite some time, Uganda's judiciary was a fairly independent and respected branch of government that operated without undue influence. However, the judiciary is today dogged by rampant corruption and judicial indiscretion, made worse by overt and indirect executive influence. Indirectly, the president has been appointing judges whom members of the bar and the wider legal fraternity do not consider to be well qualified and competent. However, such appointments serve the regime's political interests and the interests of other powerful actors in the private sector or political circles. Corruption is widespread, even affecting whether cases make it to trial. Large case backlogs have become endemic, and appeals take years to be heard. The Court of Appeal and the Supreme Court have cases pending that date back more than five years. Politically relevant cases take an exceedingly long time to be adjudicated. Problems at the nation's highest court have recently escalated, as reflected in the case of a senior judge of the Supreme Court fleeing the country and seeking asylum in the United States, allegedly fearing for her life.

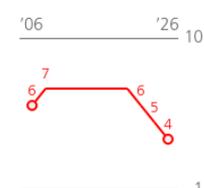
Separation of powers

4



Independent judiciary

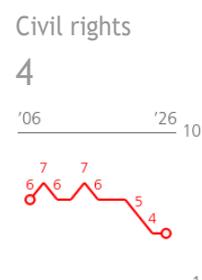
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While the supply of judicial officers has increased significantly, it remains below capacity. There is a case backlog across the judicial system. According to the deputy chief justice, a total of 43,161 cases were backlogged in 2023, meaning they had been pending in court for more than two years. Often, people remain in prison for years without trial, leading to overcrowded penal facilities in which human rights are routinely violated. Rather than being able to seek justice, citizens live with all manner of injustice because of the judiciary’s inefficiency and incapacity. Especially in rural areas, the judicial system is simply inaccessible for many people due to the cost of traveling to police stations or courts, and of finding and paying for legal representation. Many cases never make it into the judicial system, especially those involving sexual or gender-based violence. Public defenders are few and far between. Informal legal systems based on traditional or religious structures coexist with the formal one and tend to be more accessible. Because of their traditional, ethnic or religious background, they tend to be exclusive and favor groups and individuals in positions of societal power and with financial means. In many communities, mob justice is also seen as a legitimate solution to criminal acts.

Political corruption, much more than petty bureaucratic corruption, is Uganda’s biggest problem. It is where grand abuse of public funds takes place, and most who get away with it are in some way connected to the ruling regime. Corruption is a central part of how the NRM regime rules and endures. There is no political will to fight corruption as long as it serves the regime and its allies. There have been cases involving prominent individuals, including cabinet ministers, members of parliament and senior technocrats (permanent secretaries) who have been indicted and arraigned in court, but these cases often stall or end in acquittals. In 2024, four lawmakers were indicted and spent time in prison, as did a permanent secretary of the Ministry of Trade, but once they were released on bail, their cases appeared to lose momentum and may die. Senior army and security officers who engage in wrongdoing go unpunished because they serve the system. Powerful ministers who abuse their offices are rarely reprimanded or held accountable. The recent iron-sheets scandal – involving a slew of government ministers, members of parliament and the speaker of parliament – resulted in superficial attempts to prosecute some ministers and legislators (to no clear end in any event). However, more powerful individuals, including the speaker, got away completely with what was a clear case of criminal diversion of government property meant to benefit vulnerable, poor people in the Karamoja region.

The 1995 constitution contains a comprehensive Bill of Rights, making it a very progressive document. Civil rights are broadly protected under the law, but there is a disconnect between the law and actual practice. Politically motivated extrajudicial killings take place with no justice or accountability, as occurred in November 2020 after the arrest of opposition presidential candidate Robert Kyagulanyi. When supporters protested for his release, security institutions violently repressed the demonstrations, killing more than 50 people. Citizens’ rights to due process are often



violated through unwarranted arrests and detentions, including long prison stays on remand without the opportunity to appear in court. There are political prisoners, prisoners of conscience, and individuals who are wrongfully accused and unable to get justice. Torture is common. While high-level cases – for instance, the case of regime-critical author Kakwenza Rukirabashaija – receive public and international attention, the overwhelming majority of cases involve ordinary people caught up in criminal investigations and tortured in order to elicit confessions and close cases quickly. These are usually socioeconomically disadvantaged people who cannot rely on legal representation or powerful networks.

The rights to privacy and sexuality have been severely imperiled by the Anti-Homosexuality Act 2023 (AHA), which includes the death penalty for so-called aggravated homosexuality as well as far-reaching reporting duties for landlords, health care professionals and other service providers. Even before the AHA passed, members of the LGBTQ+ community in Uganda faced violence and discrimination. Shelter raids; arrests; incidents of being paraded before the press; forced outings; the undressing of suspected trans people; and a lack of access to the judiciary, including in cases of sexual violence, were already common. Since the AHA passed in 2023, (suspected) queer Ugandans have often been evicted from their homes, denied access to health care, criminalized and prosecuted for merely existing.

Several other groups experience discrimination and violence at the hands of the security sector and the judiciary, and are similarly denied access to justice. For instance, police officers often blame women who experience sexual and gender-based violence for the violence they have endured, siding with perpetrators and denying victims access to justice. When there are suspected, alleged or actual terrorist activities in the country, Muslims are arrested, killed extrajudicially or paraded before the press, as was especially pronounced after the bombings in Kampala in 2021. Additionally, anti-terrorism legislation targets Muslim businesses and organizations. Sex workers are extorted by police officers and informal security-sector actors such as Local Defense Units, and are routinely arrested for petty crimes.

Generally, the fewer resources and connections people have, the less protected their rights are and the less access to justice they have.

4 | Stability of Democratic Institutions

Uganda is a clear example of democratic institutions operating within an authoritarian system. Elections take place regularly, but they are not free or fair, which means the composition of parliament and, in many cases, of local councils does not represent the will of the electorate.

Parliament is dominated by the ruling party but functions well in some respects. For instance, members of parliament write minority reports, and debates take place. However, absenteeism is one of parliament's biggest problems, which is why laws are sometimes passed without a quorum. Representative institutions and structures at the subnational level take the form of local councils. Local councils exist at five levels and are elected regularly. Especially in urban districts, opposition parties at the national level often win majorities in the local councils, and the chairpersons of these bodies are also from the political opposition. However, parallel governance structures – such as the institution of resident district commissioners – as well as overreach by the central government and a lack of financial resources at the local level, tend to cause friction, an inability to govern and overlapping mandates.

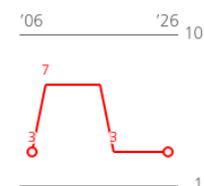
The judiciary is an elaborate branch of government comprising various courts and judicial processes. The Office of Public Prosecutions is constitutionally independent and works closely with the Uganda Police Force's Directorate of Criminal Investigations. The Inspectorate of Government, which serves as the ombuds office, is an independent investigative and prosecutorial body charged with fighting corruption. There is a dedicated anti-corruption division of the High Court. The media is relatively free and serves as a platform for spirited debates and disagreements on key national and local issues. Yet behind these institutions lies an insidious authoritarian tenor that undermines the proper functioning of a democratic system. The ruling party and regime are in de facto control of the administration, judiciary, legislature and other state institutions. They influence appointments, elections, outcomes and procedures.

Democracy and the rule of law were central to the agenda for which the current government, as a rebel group, fought to capture state power. While rhetorically embracing democracy, the regime often undermines democratic institutions and strips them of legitimacy. For instance, members of the ruling party and the regime routinely accuse opposition politicians of being terrorists, fabricate criminal charges against them, and use security sector institutions to carry out political repression and intimidation. High-level opposition members, such as the presidential candidates of the National Unity Platform and the Forum for Democratic Change, are arrested and incarcerated at random, with judicial institutions upholding charges and denying bail.

Most opposition actors and independent observers do not consider Uganda's democratic institutions to be credible or acceptable. This means there is a lack of broad national consensus on the appropriate character of democratic institutions and

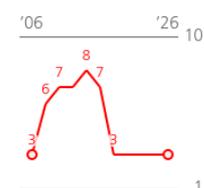
Performance of
democratic
institutions

3



Commitment to
democratic
institutions

3



on the current overarching governance framework. Nevertheless, opposition political actors participate in the system and seek change from within, for instance by winning parliamentary votes and local council majorities. Furthermore, civic actors mostly mistrust the legislature and the executive but have some trust in the judiciary. Strategic-interest litigation and petitions before the Constitutional Court have in the past been decided contrary to the interests of the ruling party and government. Whether and how these rulings are implemented is another question. A case in point is the ruling on parts of the Public Order Management Act, which the police have continued to implement as they did before the ruling ordering change.

At the same time, the ruling party and government use violence (including threats of violence) to maintain their hold on power. Paramilitary groups such as Crime Preventers and Local Defense Units are recruited before elections and used to intimidate voters. Generals have clearly stated that they would not accept anyone other than the current president as commander in chief. In addition, it is common for the military court system to counteract the civilian court system's decisions, for instance by rearresting people released from jail or prison.

5 | Political and Social Integration

Political parties have a long history, but Uganda today lacks socially rooted, organic parties that systematically aggregate and articulate societal interests and issues.

Since 2005, Uganda has officially and legally operated under a multiparty system. The main political parties, including the ruling NRM, lack a noticeable, distinct social base. The NRM is the only political party with structures across the country and at all levels of local governance. Other political parties did not have the chance to build similar structures during the years they were banned from operating. However, the National Unity Platform has proved able to mobilize young people and the urban poor in particular. It remains to be seen whether this support will ultimately evolve into a stable social base. The two old parties, the Democratic Party (DP) and the Uganda People's Congress (UPC), are currently in partnership with the ruling NRM. The Forum for Democratic Change (FDC), which was the main opposition party between 2006 and 2021, has suffered an internal meltdown and is on the brink of disintegration, while the new main opposition party, the NUP, has faced severe internal tension and may not hold together for long.

There is a high level of polarization between the ruling party and the opposition; however, it is not based on ideological differences, since political parties do not espouse a clear-cut, well-articulated ideological predisposition and have no long-term strategy beyond elections. Among opposition parties, voter fluctuation and party switching by politicians are frequent. Clientelism within political parties is the norm; the ruling NRM, in particular, hands out posts and resources based on favor with the president rather than merit. However, opposition parties also struggle with internal democratic structures and frequently operate based on clientelism and personal favor.

Party system

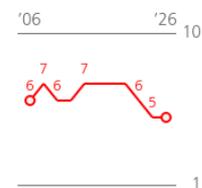
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Uganda is home to numerous interest groups, trade unions and some cooperatives in productive sectors, but none has the autonomy or independent existence that would insulate these groups from undue influence and interference by the state. Cooperative unions used to be well organized and relevant, but in the course of far-reaching liberalization programs in the 1980s and 1990s, they were disbanded or replaced by multinational companies. The same problems that professional associations and civic organizations face apply to this category of civil society. Interest group aggregation and articulation are at best of average, if not poor, strength. Much of the civil society space is occupied by NGOs that are not membership-based and are not representative of specific social or material interests. However, NGOs have important functions to fulfill in an environment in which the state does not provide services, where political parties are not based on ideological foundations or do not provide clear programmatic alternatives, and where activism is often met with repression and violence. In Kampala, NGOs in almost all thematic areas and policy fields engage in advocacy and lobbying. They are also relevant actors in movement building, whether around single topics or broader issues. One example is the women’s rights, or feminist, movement. Although it is not homogeneous and consists mostly of NGOs, it has managed to mobilize people and make inroads into the political sphere.

Interest groups

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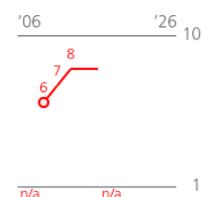


Grassroots organizations and community-based organizations also play a significant role in Uganda’s civic space, addressing diverse thematic areas. As their names indicate, they usually focus on small regions and communities, and therefore do not typically represent interests at the national level.

According to Afrobarometer surveys, the majority of Ugandans are committed to democracy but are dissatisfied with how their system works. Afrobarometer data from 2024 show the following: 91% of Ugandans reject one-party rule, 84% reject military rule, 81% reject one-man rule and 77% say they prefer democracy to any other kind of government. Moreover, 77% support multiparty competition, and 71% support presidential term limits – which are not present in Uganda.

Approval of democracy

n/a



When it comes to how satisfied Ugandans are with their present national government and elections, the picture is less clear: 55% said they thought the last national election was free and fair, 54% said they saw the country as a democracy (either full or with minor problems), and 57% said they were fairly or very satisfied with how democracy was working. A similar split appeared on whether the president never or rarely ignored the law and the courts (53% agreed) and whether the president ignores parliament (51%).

These numbers appear to show a split between those supporting the regime and those opposing it. Interestingly, the picture looks worse when moving away from the presidency toward parliament and local councils. In this case, only 25% of Ugandans said they thought local government councilors always or often listened to citizens, and only 15% said the same about parliamentarians.

A lack of social trust and of a shared civic identity is a major problem for Uganda. Interethnic tensions and mistrust have arguably deepened over the years, although they are unexpressed and underground. Ethnic identities trump identification with the Ugandan state, arguably because the NRM government has, over nearly 40 years in power, focused on establishing and maintaining power rather than on nation-building and laying the pillars for social cohesion. Accordingly, for many people, ethnic identities are the primary basis of identification, and political rule is seen as an ethnicized zero-sum game that people from western Uganda – specifically Museveni’s own ethnic group, the Bahima – are currently winning. Ethnic identities influence voting decisions and are often a basis for clientelism and favoritism in the political sphere.

There are not enough cross-national and interethnic associations and civic organizations that bring together diverse communities. Religious differences and animosities remain potential sources of social conflict, although they are usually not expressed openly.

Traditional cultural and religious institutions tend to command greater trust than state institutions. This holds for traditional authorities such as kingdoms and clan structures, as well as for informal security and justice systems, particularly in rural areas where the state and its institutions are perceived as largely absent.

Accordingly, trust among citizens often extends only to those who share a given person’s religion and ethnicity.

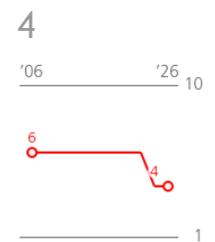
II. Economic Transformation

6 | Level of Socioeconomic Development

Poverty remains widespread in Uganda. Despite impressive strides in the 1990s and 2000s toward reducing the share of people living below the poverty line, with this rate falling from more than 70% to about 21% by the mid-2010s, multidimensional poverty and economic exclusion persist. The country has experienced strong GDP growth and significant gains in per capita income, but not enough to move the majority of people out of poverty. Income inequality is pronounced, with the most recent Gini coefficient in 2020 estimated at 45.5, and nearly one-third of the country lives below the global poverty line. The country’s score on the 2024 Human Development Index (HDI) was 0.54, ranking it at 158th place out of 193 nations.

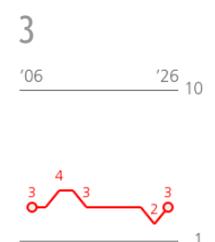
Regional inequalities exist with regard to socioeconomic development. The Northern Region is especially disadvantaged, as are parts of the Eastern Region, compared with the Central Region and the Western Region. This is particularly true in areas hit hardest by the conflict between the Lord’s Resistance Army and the Ugandan regime. Although development and support programs have been implemented, their output has been exceedingly small.

Social capital



Question Score

Socioeconomic barriers



Today, Karamoja in the northeast is the most socioeconomically marginalized region in the country. Karamoja is connected to the rest of the country only by poor roads and has overall poor health, education and physical infrastructure; thus, people living in Karamoja are disadvantaged compared with people in all other parts of the country. Gender is a major factor in economic opportunity, as indicated by the low Gender Inequality Index score of 0.527 in 2022. Although the legal framework grants women the same opportunities as men, the reality is vastly different. Gender inequality and patriarchal structures limit access to education and resources such as land and cattle, making it much harder for girls and women than for men to generate income and participate in the economy. The role of the male provider is idealized in Ugandan society, and men usually control the family's resources.

Economic indicators		2021	2022	2023	2024
GDP	\$ M	40529.8	45565.3	48769.0	53651.9
GDP growth	%	3.5	4.6	5.3	6.1
Inflation (CPI)	%	2.2	7.2	5.4	3.3
Unemployment	%	3.4	2.9	2.8	2.9
Foreign direct investment	% of GDP	4.1	6.5	6.1	6.2
Export growth	%	0.2	-19.7	0.3	46.4
Import growth	%	18.9	-7.0	-4.4	4.7
Current account balance	\$ M	-3604.9	-4063.9	-3607.2	-4198.8
Public debt	% of GDP	50.3	50.2	50.5	51.5
External debt	\$ M	19973.8	20407.0	19393.5	-
Total debt service	\$ M	774.2	932.8	2372.9	-
Net lending/borrowing	% of GDP	-7.9	-6.7	-4.9	-
Tax revenue	% of GDP	12.5	12.5	13.0	-
Government consumption	% of GDP	9.9	9.8	9.6	10.0
Public education spending	% of GDP	2.6	2.6	-	-
Public health spending	% of GDP	1.1	1.0	-	-
R&D expenditure	% of GDP	-	-	0.3	-
Military expenditure	% of GDP	2.6	2.0	2.0	-

Sources (as of December 2025): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

Uganda has a highly liberalized, privatized market economy, but its free-market, open-competition environment lacks a robust institutional and governance framework. For instance, the Uganda Investment Authority and the Ministry of Trade, Investment and Cooperatives are regularly involved in minor or major corruption scandals. Accordingly, laws and regulations that look good on paper, such as the Investment Code Act and the Trade Licensing Act, suffer from lackluster implementation and are undermined by corruption, patronage and clientelism. Weak regulatory mechanisms and a virtually complete absence of labor rights make it easy for foreign investors to exploit natural resources such as marble and oil, and to engage in large-scale land grabs for agricultural development, with support from a government that benefits rather than the general population. Thus, these investments make little contribution to the country's socioeconomic structural transformation.

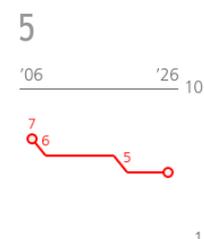
The informal sector is significant, and the majority of Ugandans are not formally employed, whatever the official statistics on unemployment may suggest.

An otherwise free-market economy is often distorted by patronage and cronyism, with government contracts in particular awarded to companies and individuals with political connections. Procurement and contracting tend to be problematic and contested, leading to a range of litigation and lobbying. Corruption in the public sector is directly linked to similar corrupt practices in the private sector because the government is the largest source of business for it.

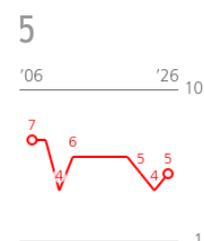
In 2024, the Ugandan parliament passed the Competition Act, intended to promote and sustain fair competition in Ugandan markets and to prevent practices that adversely affect competition in those markets. It covers issues including anti-competitive practices; anti-competitive agreements; the abuse of dominant positions; and the effects of mergers, acquisitions and joint ventures on competition. While the hope is that the Competition Act will encourage investment in Uganda, it remains to be seen whether its implementation will in fact have this effect. One cause for concern is that there is no independent body designated to oversee implementation of the act. Rather, a committee within the Ministry of Trade is to oversee enforcement of the act, prompting worries about political influence on implementation of the law. Nevertheless, on paper, the act aligns with regional and global competition standards.

This would mark a break with previously common competitive practices in the country. For instance, in 2021, the Ugandan government announced that all new public construction projects would go to the Uganda People's Defense Force (UPDF) Engineering Brigade. This has included major infrastructure projects such as the recent renovation of the country's only international airport. In March 2024 – after the Competition Act was already law – the government transferred responsibility for the construction of Luweero General Hospital and the Luweero District

Market
organization



Competition policy



Administration headquarters from private contractors to the UPDF Engineering Brigade. Similarly, the government has decreed that all government media advertising is to go only to government-owned media outlets, and that government printing is to be reserved for the government-owned Vision Group, which has a printing business. There have also been incidents of collusion and deal-making between government officials and private sector actors that undercut competition and transparency, for instance in the area of hospitality and tourism.

The president and the government are generally committed to free trade and an open market, and they have reduced tariffs and non-tariff barriers, resulting in a predominantly free-trade regime. For example, Uganda removed tariffs on rice imports and has phased out import bans on beer, soda, batteries and cigarettes. However, tariffs on basic agricultural goods such as flour, sugar and food-grade oils are still in place, and the requirements and procedures for importing or exporting animals and animal products are complicated and extensive. Imports of used cars are restricted, and cars older than 15 years cannot be imported.

As a member of the East African Community (EAC), Uganda is party to the EAC Common Market Protocol, in effect since 2010, which allows the free movement of goods, persons, services, labor and capital. Nonetheless, 2024 saw trade controversies over the export of Ugandan dairy products to Kenya, with dairy exports and imports a persistent point of controversy in the EAC.

Additionally, Uganda is a member of the Common Market for Eastern and Southern Africa (COMESA), which aims to reduce import tariffs among the 19 member states, and of the African Union Abuja Agreement, which established the African Economic Community.

According to the External Trade Act, the Ministry of Trade, Industry and Cooperatives grants import and export licenses for certain classes of goods. In the case of import licenses, examples include agricultural goods such as wheat, rice and sugar; chemicals; wiring and other electrical goods; used clothing; and specific items such as wheelbarrows and fishing nets. In the case of export licenses, examples include agricultural products such as sugar, cocoa, maize and tobacco; alcohol; wood and articles of wood; animal skins or rawhide; and PET bottles. For these classes of goods, a license may be denied if the minister finds their import or export contrary to Uganda's economic interest.

Foreign imports dominate large segments of the Ugandan market, including cosmetics and hygiene products, textiles, and technical and electrical products. The main importers are companies from Kenya, the United Arab Emirates, China and India.

Generally, there is free movement of goods, services and people in and out of Uganda, but tariffs and trade-related taxes remain a source of government revenue. However, informal barriers to trade – including high transport costs; insufficient transport and cooling infrastructure; corruption; bureaucratic and administrative inefficiency in

Liberalization of
foreign trade

7



granting permits and processing paperwork (for instance, concerning the import of animals and animal products); and lackluster control of counterfeit products – complicate trade and increase costs for foreign and Ugandan businesses.

Uganda has a liberalized financial sector with more than half a dozen foreign-owned banks and many microfinance institutions. In line with the Basel Accords (Basel I, II and III), the Bank of Uganda (BoU), the country’s central bank, sets capital requirements for banks. The minimum paid-up capital was increased to UGX 150 billion by June 30, 2024. At the same time, the minimum cash reserve requirements for commercial banks were raised from 8% to 10% of total deposits. Both represent steps toward meeting recommended global standards.

In 2024, following these new requirements, the BoU downgraded three banks from the status of Tier 1 commercial banks to Tier 2 credit institutions, and shut down several other banks.

Also in 2024, the central bank introduced the Financial Institutions (Corporate Governance) Regulations 2024, which revoked the Financial Institutions (Corporate Governance) Regulations of 2005, and introduced the Microfinance Deposit-Taking Institutions (Corporate Governance) Regulations 2024. Both sets of regulations are intended to extend governance oversight to financial and microfinance institutions.

The capital market industry remains underdeveloped, even though it appears to be well run and prudently managed. The capital market authority appears to have done a commendable job supervising the industry. However, the ratio of non-performing loans to all loans is high (5.1% in 2022, according to the World Bank, and 5.37% at the end of 2023, according to calculations by Business Focus Uganda, a Ugandan business news website). In this climate, interest rates are high, and the private sector struggles to access credit.

8 | Monetary and fiscal stability

Over the years, the Ugandan central bank has created a fairly stable, well-managed monetary environment. The Ugandan shilling operates under a flexible exchange rate regime, and the central bank, especially under its former governor, Emmanuel Mutebile, has adhered to a prudent macroeconomic approach. In 2011, the Bank of Uganda transitioned from a monetary-targeting approach to an inflation-targeting framework. This framework allowed the BoU to pursue its primary goal of controlling inflation and to meet its numerical target of a 5% average annual inflation rate over the medium term. Between 2014 and 2024, inflation rates ranged from 2.1% to 5.6%, with a spike to 7.2% in 2022. For 2024, the Uganda Bureau of Statistics reported an average inflation rate of 3.3% – a noticeable improvement from 4.7% in 2023. Accordingly, the BoU has managed the post-pandemic economic recovery well.

Banking system

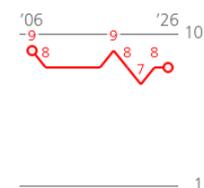
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Monetary stability

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The Bank of Uganda operates largely without political interference, although there have been allegations that the central bank has printed money for political purposes. In addition, the government's excessive domestic borrowing negatively affects fiscal and monetary stability. Keeping interest rates high has not helped small businesses that need cheap credit for investment.

The government's budgeting over the years has demonstrated considerable fiscal indiscipline, as it has run deficits and regularly seeks supplementary budget approvals from parliament. The budget process is fairly elaborate and includes transparent parliamentary oversight. However, spending on the state house, security and the presidency is generally shrouded in secrecy as classified expenditure.

In many government departments and ministries, there is a lack of prudence in determining spending priorities, a problem with allocative efficiency and budget underperformance. While the Uganda Revenue Authority performs fairly well in the field of tax collection, the domestic tax base is extremely narrow due to the large percentage of the population working in the informal sector or living off semi-subsistence farming. According to the World Bank, tax revenue amounted to only 12.55% of GDP in 2022.

Therefore, the government relies heavily on borrowing – both domestically and internationally – consequently exacerbating Uganda's debt situation. The debt-to-GDP ratio exceeded the IMF-recommended 50% threshold in 2023 and was estimated at 53% in 2024. Debt service now accounts for a leading share of the national budget. Accordingly, only 45% of the 2024/25 budget, approved in June 2024, was expected to be financed through domestic resources, including domestic borrowing. The ratio of debt service (excluding domestic debt redemptions) to domestic revenue increased from 33.4% to 40.3% in 2024.

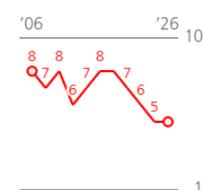
The Ministry of Finance, the Treasury and the Bank of Uganda are subject to political influence that compromises fiscal professionalism in the service of political interests.

9 | Private Property

Article 26 of the Ugandan constitution guarantees the right to own property individually or in association with others. It also guarantees freedom from deprivation of property unless such deprivation is necessary for the purposes of public use or in the interest of defense, public safety, public order, public morality or public health. Land ownership – a particularly sensitive type of property ownership – is also regulated by the Land Act 1998 (amended in 2004 and 2010), which recognizes four types of ownership under the customary, freehold, mailo and leasehold land tenure systems.

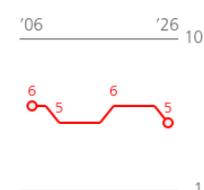
Fiscal stability

5



Property rights

5



While the legal framework exists, the overall environment is characterized by uncertainty and arbitrariness. Land titling and registration are problematic, with owners of land under customary land tenure often lacking official land titles and people holding overlapping claims to land. Corruption in the titling system and a lack of administrative and bureaucratic capacity, especially in rural areas, reinforce the problem.

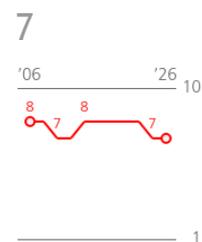
Land grabbing and forcible evictions by government agencies and international investors are a threat, especially to vulnerable communities and families. According to Witness Radio Uganda, in the first half of 2024 alone, 90 reported land evictions affected more than 360,000 people. According to the report, private security companies, the Uganda Police Force and private militias have enforced most of the evictions and land grabs, using violence when necessary. This land is mostly used for the purposes of oil and gas extraction, mining, or agribusiness. If compensation for the land being taken is paid, it is often insufficient, leaving people in abject poverty and without their main source of income.

Court cases and the settlement of business or commercial disputes are afflicted by endemic corruption and case backlogs. For instance, in September 2024, Jinja High Court reported a backlog of 3,190 cases, 516 of which were land disputes. Similarly, in November 2024, Hoima High Court, staffed with only one judge, reported handling 2,527 cases, 547 of which remained pending and 1,078 of which were related to land conflicts. The government and judiciary are encouraging citizens to revert to alternative dispute resolution and traditional and customary justice mechanisms. However, these mechanisms tend to disenfranchise women because traditionally women could not own or inherit land. Although this violates the constitution and legal framework, it is still often practiced.

Uganda's economy is generally privatized, and private enterprise has thrived over the years. Privatization was high on Museveni's reform and development agenda, and it began in the early 1990s with support from the World Bank and the IMF. The process generally consisted of the government selling most of the majority publicly owned companies to private buyers, and by the turn of the millennium, 93 of the roughly 150 parastatals had been divested. However, the privatization process of the 1990s was highly corrupt and mismanaged. The World Bank noted a lack of transparency, insider dealing, conflicts of interest and corruption, including politicians favoring buyers with whom they shared political and kinship ties and sales at prices below market value. Although many of these dealings were ultimately revealed – the president's brother Salim Saleh and close relative Sam Kuteesa were implicated in the scandals, among others – consequences were few, and some of the major offenders are still in office or business.

Today, the government's overall policy approach and posture are consciously oriented toward a "private sector-driven economy." Yet the government itself is the largest source of business, and many government actors collude with private sector

Private enterprise



players in ways that undercut free competition and fair enterprise. In the most important business sectors, such as tourism, natural resources and agribusiness, significant overlaps exist between officeholders and the business community. Small businesses and startups are numerous, but many collapse easily under the weight of credit constraints or limited market capacity. Public-private partnerships play an increasingly important role in Uganda. However, they face the same administrative and bureaucratic hurdles as other firms, along with a lack of accountability and governance oversight. One prominent example is the government’s controversial decision to partner with business mogul Sudhir to build a multimillion-dollar international convention center within one of Sudhir’s existing hotel structures.

10 | Welfare Regime

Most Ugandans have no pension or retirement savings. According to the Uganda Retirement Benefits Regulatory Authority, the retirement benefits sector covered only about 15% of Uganda’s workforce in 2024, which means about 85% of the workforce (most of them in the informal sector and non-salaried) was not saving for old age at all. Even retirees with savings often have trouble accessing their retirement benefits, or these are not paid on time.

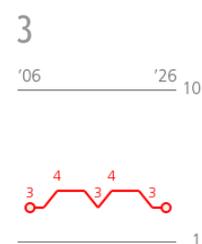
In recent years, the government has experimented with providing modest cash transfers to older adults and the most vulnerable, but there are no unemployment benefits. To combat poverty, the government has been implementing the Parish Development Model under the National Development Plan, through which subventions go to local communities. It is difficult to tell whether this intervention is making a difference.

The lack of access to welfare systems also manifests in conflicts between refugees and their host communities. While international organizations and NGOs often provide refugees with food deliveries and support for basic necessities, host communities do not have access to the same support.

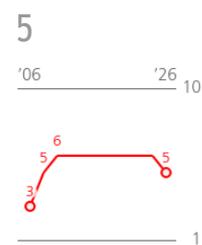
Universally free health care is not available. Public health facilities, such as clinics and hospitals, are understaffed and underfunded and often lack even the most basic supplies, such as soap or gauze.

The constitution includes provisions against discrimination and guarantees the right to equal opportunity. On paper, Ugandans can expect a fair shot and equal access to opportunity. In practice, discrimination is embedded along ethnic, religious and regional lines, often in subtle ways and in violation of the law. Job opportunities can be determined by social connections and the influence of patrons, not by merit or competence. Many political appointments and public jobs are decided on the basis of kinship or personal, ethnic or political affiliations rather than on merit or qualifications.

Social safety nets



Equal opportunity



The overall legal environment says little about actual opportunities and discrimination. For instance, the Northern Region, especially Karamoja, is socioeconomically marginalized, which is reflected in poor access to education, health care and nutrition, and often as a result, to employment. On paper, women have the same opportunities as men. In reality, they do not. Child marriage and early pregnancy are common, more so in some ethnic groups than in others. For many girls and women, domestic and gender-based violence is a normal part of everyday life, in part because marital rape is not addressed in legislation. Although school enrollment rates are nearly as high for girls as for boys, girls face a different reality. Girls have significantly more chores to fulfill than boys, which, together with the cost of education, often leads to girls not receiving the same education as boys. Stigma related to early pregnancy or menstruation also keeps girls out of school. In many communities, most women and girls still are not able to inherit or own land. These factors mean that, de facto, women do not have equal access or opportunities compared to men. When it comes to political office, women's quotas exist at all levels of governance. However, women rarely compete for, and are almost never elected to, open seats. This is partly because these are perceived to be men's seats, but also because there are no incentives or rules for political parties to support them in doing so. Thus, women's quotas also function as women's limits.

Three groups that have even less access to education, public office or employment are the LGBTQ+ community, people with disabilities and the Batwa ethnic group. The Batwa are among Uganda's smallest ethnic groups. They were originally forest dwellers and hunters who have been almost entirely displaced from their land and homes because of conservation interests and land claims by larger ethnic groups in the same area. Today, those who have survived displacement and their subsequent living conditions live mostly in abject poverty and face heavy discrimination.

People with disabilities are stigmatized, discriminated against and marginalized. Although seats are reserved for people with disabilities at all levels of governance, the living conditions of many people with disabilities have not improved. The situation is worse for people with intellectual disabilities; restrictive practices such as tethering or forced seclusion are common. Children with disabilities are often denied health care and do not attend school.

Finally, for LGBTQ+ people, there are even legal provisions for discrimination and exclusion. In addition to prison sentences and the death penalty for aggravated homosexuality, the Anti-Homosexuality Act 2023 introduced mandatory reporting of suspected homosexuality. It also made "normalizing," "promoting" and "encouraging" homosexuality illegal. These stipulations apply to health care and education professionals, who can be accused of child grooming, promoting homosexuality or failing to report offenses. Similarly, renting to or housing LGBTQ+ people is prohibited, both commercially and within families. It is also illegal to provide financial support for the "promotion" of homosexuality or homosexual conduct.

11 | Economic Performance

Economic performance over the years has been modest. Today, the economy remains fairly stable and is growing, but not at the rate needed, especially given rapid population growth. The economy grew for three decades until the start of the COVID-19 pandemic. Following a severe shock during the pandemic, growth rebounded to just over 5% in 2023, and the inflation rate fell to slightly under 3%, but rose in 2024 and was projected to remain elevated and above the central bank target in 2025. Total foreign direct investment was reported at slightly more than \$1 billion in 2022, but this surged to about \$3 billion in 2023/24, driven largely by investments in the oil and gas sector. For a long time, one of Uganda’s macroeconomic successes has been relative price stability, but the shilling has always been quite weak against foreign currencies, making imports expensive (but exports cheaper, meaning, on paper, the country should export more and earn from exports). While inflation has tended to be low and remains relatively under control at present, unemployment rates remain high across age groups, especially among Uganda’s many young people.

Official unemployment figures in Uganda are not meaningful, as they include the 85% of Ugandans who work in the informal sector and do not have stable incomes.

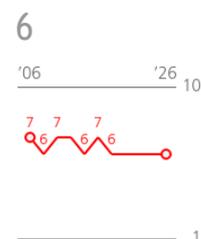
Smallholder agriculture – despite its central importance to the economy, with more than 80% of the workforce in agriculture – is among the most neglected sectors in funding and development. Other sectors – especially oil and gas, mineral development and mining, hospitality and tourism, and construction and real estate – are thriving and attracting growing foreign investment. In oil and gas in particular, the government is requiring firms to hire Ugandan nationals rather than allowing international oil companies to import their entire workforces. Nevertheless, economic growth has not translated into socioeconomic development at a similar rate. While the share of Ugandans living in absolute poverty has declined from about 60% in the 1990s, it remains at 20%, according to the World Food Programme. According to the Global Hunger Index, about 26% of children under the age of 5 are stunted (meaning they have experienced impaired growth due to malnutrition) and almost 37% of the population is undernourished.

12 | Sustainability

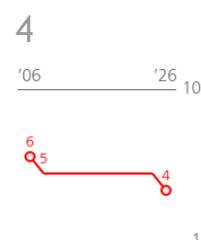
The National Environment Management Authority (NEMA) is the statutory regulator mandated to enforce environmental standards and ensure a balance between development and environmental protection. However, there is no systematic, consistent government apparatus to protect the environment. Thus, environmental degradation is widespread, resulting in mass flooding, mudslides and other disasters.

Oil and gas exploration and production have become crucial factors for the environment and sustainability. Oil and gas exploration around Lake Albert, including in Murchison Falls National Park, has become a topic of controversy

Output strength



Environmental policy



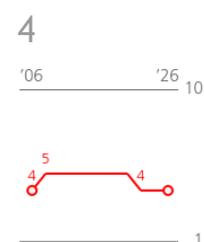
because of environmental and sustainability concerns. According to the wildlife law, these projects are legal even in protected natural environments, provided that impacts on the environment are minimized and, where possible, natural habitat is restored after extraction. Whether this will in fact be the case – and how these requirements are carried out if so – remains to be seen. However, the development of oil projects has already led to environmental degradation. For instance, the Kingfisher oil project, located on the shores of Lake Albert but outside the national park, is owned by Uganda National Oil Company together with CNOOC Uganda Limited (the project operator) and TotalEnergies EP Uganda; the project has led to degradation of the natural environment, polluting the land, water and air. A pipeline constructed to transport oil from the Kingfisher and other sites at Lake Albert to Port Tanga in Tanzania poses significant risks to water resources and wetlands, including the Lake Victoria basin, which is crucial for Uganda’s water supply and economy. The pipeline will also disturb about 2,000 square kilometers of protected wildlife habitats that are critical to the preservation of vulnerable species.

Cases of encroachment on protected areas – especially water catchment areas, green spaces and swamps filled to construct physical structures – are very common and often go unpunished, as they involve powerful individuals who have state connections or are rich enough to bribe their way to impunity. In February 2024, the government declared all 8,613 wetlands in Uganda to be officially protected, meaning that people living in wetland areas would be evicted and structures demolished. Evictions following the declaration have begun, among other places, in Munyonyo and Lubigi – both parts of the Kampala metropolitan area – and in Rakai, another district in the Central Region. The evictions in Lubigi, in particular, have drawn criticism, as the National Environment Management Authority (NEMA) has allowed large corporations and businesses to establish operations and buildings in these wetlands areas even as poorer residents have been forcibly evicted without compensation. NEMA and the government are thus repeating established patterns regarding environmental protection legislation.

In recent decades, the country’s total forest cover has declined significantly due to encroachment on forest reserves and the cutting of trees for energy (cooking) and lumber.

The primary and secondary education levels remain characterized by high enrollment rates (because education at these levels is universal and free for those who cannot afford expensive private schools) but also by high dropout rates and low completion rates. In 2020, the overall completion rate for primary education (including students who completed primary education with a delay of several years) was 57%, according to a report by UNESCO and the Association for the Development of Education in Africa. Post-pandemic data are not yet available. However, as schools were closed for two years, it is expected that completion rates in primary and secondary education have decreased significantly.

Education policy /
R&D



There are serious problems with the quality of instruction in public schools, which face shortcomings in terms of logistical supplies and human resources, limited or absent classroom space, and overall poor learning environments, especially in rural areas. Accordingly, learning outcomes are poor. According to UNESCO estimates, the learning poverty rate (the share of children unable to read and understand an age-appropriate text by age 10) is 83%. According to the Human Capital Index for Uganda, a child born in Uganda today is likely to reach only 38% of their potential, and Uganda has a relatively low education index score of 0.526. However, literacy rates (people ages 15 and older who can read and write a short, simple statement about their everyday life with understanding) were comparatively high at 80.6% in 2022.

In the past two decades, there has been an explosion in the number of tertiary and university educational institutions in the country, but they face serious questions about standards and quality. Government funding for higher education and research is weak, and there is no deliberate government policy of targeted investment in R&D. In recent years, the government has provided a research grant to Makerere University under the Research Innovations Fund, but the amounts are paltry, and Makerere and other institutions depend heavily on foreign sources to fund research. Overall, literacy levels remain low, advanced skills training is limited and the country's systems for human resources development are not competitive.

Governance

I. Level of Difficulty

A number of structural conditions limit the government's capacity to govern. Geographically, Uganda is a landlocked country in a volatile region. Armed conflict in South Sudan and the Democratic Republic of the Congo (DRC) spills over into Uganda. Some parts of Uganda regularly suffer from natural disasters such as droughts, locusts, landslides and floods. The colonial past remains the foundation for lingering ethnic tensions and internal socioeconomic inequalities. Since decolonization, Uganda has experienced decades of armed conflict and violent takeovers of power, the last of which brought the current regime to power. Demographically, Uganda has a fast-growing, very young population that has nearly tripled over the last four decades.

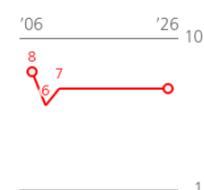
Further structural difficulties include high rates of illiteracy, poor physical infrastructure, the predominantly agrarian nature of the society, a reliance on rudimentary farming and the absence of modern technology in rural areas. These factors lead to low productivity levels and high unemployment rates. These challenges cannot be overcome swiftly and are not solely the result of the current leadership's actions. However, given that the current government has ruled the country for almost 40 years, there has been time to mitigate their effects on the leadership's capacity to govern, if not overcome them completely.

The tradition of civil society is largely of recent vintage in most of Africa. It is primarily a post-independence phenomenon, although a few civil society groups existed during the struggle for independence and on the eve of independence. Any incipient civil society that existed in Uganda after independence quickly faced repression and erosion, initially under Obote's rule beginning in the mid-1960s and especially during Idi Amin's military dictatorship in the 1970s. With the onset of NRA/M rule in 1986, the evolution of civil society became part of the sociopolitical landscape, but it largely involved a small segment of society. Professional associations have emerged, but they play very limited roles in shaping the civic arena and driving political processes.

Uganda's civil society landscape includes a large and vibrant NGO sector, but NGOs lack both the autonomy and organizational capacity to play the roles expected of civil society, for instance with regard to stimulating and sustaining citizen mobilization or influencing policy. This is partly because the legal framework and political

Structural
constraints

7



Civil society
traditions

6



interference with NGOs shrink the space for engagement and mobilization. However, NGOs provide health and education services, among other tasks, and try to educate and mobilize citizens around issues of governance, accountability and human rights. While the latter activity is often met with disinterest or fear and a certain mistrust of NGOs, people do tend to have enough trust in NGOs to rely on their services and engage with their programs and projects.

Trade unions and cooperatives were largely demobilized and dismantled during the 1990s era of neoliberal reforms. Associational life and civic engagement generally remain underwhelming, again partly because the NRM regime has no interest in allowing such organizations to thrive, and curbs activism it sees as critical of the regime and its policies.

The last large-scale intrastate armed conflict in Uganda ended in 2008, when the Lord’s Resistance Army left the country. Since then, armed rebellion has mostly ceased, with only the Allied Democratic Forces (ADF), an affiliate of the Islamic State group, sporadically crossing into Uganda from the neighboring DRC. The ADF claimed responsibility for several bombings in Kampala in 2021.

Nevertheless, there is potential for violent conflict in the country. The political landscape is highly polarized between the regime and its supporters and the opposition, especially represented by the National Unity Platform and its supporters. With deepening economic hardship amid a population surge, mass youth unemployment and heavy-handed political repression, the urban poor and young, educated but unemployed people are becoming increasingly frustrated and disillusioned.

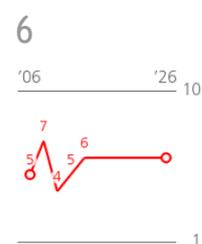
The land question is a major source of potential social violence. Here, ethnic homelands and political power, intermingling with ethnic ties and identities at the local level, play a major role. However, these land conflicts tend to be localized, and while they do occasionally break out violently, are unlikely to escalate into large-scale armed conflict.

II. Governance Performance

14 | Steering Capability

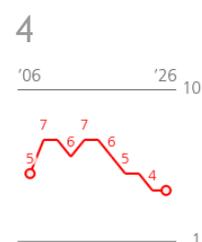
From its start in 1986, the current government has been long on rhetoric and blueprints but poor at consistently implementing strategies. It has constantly shifted from one development strategy to another, and from one anti-poverty policy to another. Policymakers have conceived a series of national development plans (NDPs), now in the fourth cycle, but there is no evidence that these have made a deep impact or effected structural transformation. There is little rationalization of government spending priorities and a lack of long-term strategic planning. Anti-poverty and development programs, most recently the responsibility of the military

Conflict intensity



Question Score

Prioritization



and handled through the Parish Development Model, are marred by pervasive corruption and abuses of power and resources, which for the most part go unpunished as long as the culprits are connected to the ruling regime or the corruption serves the interests of the rulers' survival. Political expediency and targeting in election campaigns often trump long-term, prudent planning and investment. Often, actions by the president and his government are populist (such as stopping evictions from settlements or halting activities in forest reserves and protected areas) and aimed at winning votes. Budgeting is not based on strategic priorities but follows short-term interests and power-maintenance considerations.

Policy implementation is one of the biggest challenges in Uganda. The government of Uganda does a poor job implementing projects and programs in a timely manner. The problem is not only a failure to enforce laws and policies, as in the case of environmental protection and physical planning, but also poor contract execution and the slow, low-quality implementation of large-scale infrastructure projects that take an inordinately long time to complete and which often involve shoddy workmanship. Government programs have over the years been dogged by massive corruption and poor supervision; in the case of the universal primary and secondary education program, for example, this has also led to low-quality school supplies and materials, all of which factors directly and negatively affect the quality of education. The current Parish Development Model, a localized approach to enhancing the productive capacity of communities and promoting wealth creation, is shrouded in corruption allegations, as has been the case with nearly all previous similar programs. Policies and regulations regarding urban spaces, road reserves, building construction and so on are not enforced, and too little is done to hold those responsible accountable. Policy and program ineffectiveness and inefficiency are core characteristics of the current state and government in Uganda. The only policies for which implementation is not a major issue are those that directly benefit the ruling regime and contribute to maintaining its power. For instance, repression, surveillance and intelligence policies tend to be implemented more efficiently and effectively. This proves that lackluster policy implementation is mostly a matter of insufficient political will.

On paper and rhetorically, the government claims to have an open mind and a readiness to learn and do better. In practice, given that similar flaws and failings continue to appear in different rounds and cycles of government policies and programs, it is hard to say the NRM government takes learning seriously.

For example, while it long ago became apparent that corruption and the abuse of public resources impede and frustrate successful implementation, the government has not undertaken any particularly innovative or alternative tactics in the civil service to limit the extent of corruption. Absenteeism and a failure to perform have long been endemic among technocrats and public officials. Not much has been done to change the culture and pursue different methods that maximize human resources.

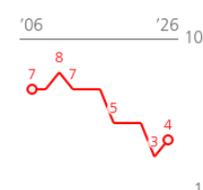
Implementation

3



Policy learning

4

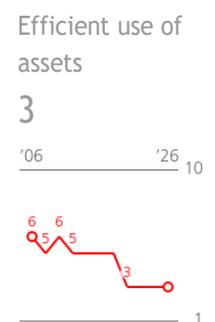


However, in recent years, the government openly conceded that some of the neoliberal policies implemented in the 1990s were ill-conceived and needed to be remedied. For instance, it has brought back cooperatives for farmers and producers, thus demonstrating some policy learning. It is also important to note that the government learns with respect to repressive capacities and in pushing through discriminatory practices and policies. For instance, it seems that the previous failure to reach a quorum when the parliament passed the Anti-Homosexuality Act 2014 led all relevant actors to ensure there was no technicality on which the successor law could be repealed in 2023.

15 | Resource Efficiency

Concerning the efficient use of available human resources, the situation is not clear-cut. On the one hand, the government does fairly well at making the best of some of Uganda's human resources, including the scientific community, which the president often praises. In recent years, the government has committed to raising the salaries of science teachers – albeit starting from very low salaries and with poor working conditions to begin with. The government also has made good use of scientists and government technocrats in the oil and gas industry, with that sector's development running more smoothly than is true of most other sectors, including crucial ones like agriculture and tourism. On the other hand, appointments, promotions and dismissals are not based on merit, but usually instead on political and personal ties and loyalties. Accordingly, the Ugandan public sector is bloated, inefficient and populated by many political appointees and elected officials who add little value to the country's overall governance capacity. Administrative organization is neither transparent nor efficient, and the character of bureaucratic hurdles depends as much on the people one interacts with as on the forms and paperwork one fills out. This dynamic has been reinforced through decentralization: With a constantly increasing number of districts, the majority of which are not self-sustaining financially, the number of political and administrative positions has also increased, despite providing little added value in terms of service delivery on the ground.

Inefficiency and waste are particularly pronounced in the use of financial resources. The budgeting process itself does not lend itself to optimal allocation or rational spending prioritization. Allocated funds tend to disappear through corruption and embezzlement or be reallocated as the need arises. The office of the president, the state house and the security sector receive disproportionate shares of available resources, often through secret budgets.



Policies in Uganda are usually well written and coherent, and they balance conflicting objectives convincingly. However, this coherent balancing act exists mainly on paper. Given that implementation is generally lacking in Uganda, this area is no exception. On paper, the Office of the Prime Minister is the clearinghouse and coordinating center for policy initiation and implementation. While the executive branch therefore appears cohesive and compact, competing factional interests and particularistic pursuits in fact pull in different directions as individuals and groups scheme to skim slices of the public budget for private gain. Different political actors also compete to deliver services and benefits to their constituents in ways that undermine the cohesive and coordinated implementation of government programs. In this situation, short-term gains trump long-term objectives.

An additional problem is that authority and oversight do not always lie where one might expect them to be based on legal and institutional frameworks. This is especially true in areas key to regime maintenance, such as security and justice, where personal ties often override formal command-and-control structures. At the local governance level, responsibilities are equally vague. Elected local governments operate alongside central structures staffed by presidential appointees, creating a lack of transparency and overlapping functions.

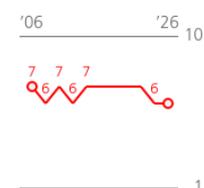
Despite the consistency of anti-corruption rhetoric and the presence of various agencies and institutions to combat such activities, the problem persists and remains a central feature of Uganda's government landscape. One of the agencies created to fight corruption, the Inspectorate of Government, estimated in May 2024 that Uganda loses about UGX 10 trillion annually to corruption-related activities. In early 2024, the Uganda Parliament Exhibition, an online exhibition mostly on X (formerly Twitter) that cited leaked official documents, exposed the abuse of public resources, nepotism in staff recruitment, widespread financial malpractice, corruption, embezzlement of funds, and even collusion between civil servants and lawmakers on oversight committees. For instance, the online exhibition alleged that the speaker of parliament, Anita Among, was paid \$894,500 in per diems and entertainment allowances between July 2023 and January 2024, including for foreign travel that did not occur. While some of the people implicated in the exhibition were investigated, there had been no serious consequences or public accountability as of the close of the review period.

Political corruption is part of the technology of control for the president and his party. Money procured through grand corruption – essentially from large government contracts, especially in infrastructure projects that are mostly funded by Western donors or Chinese loans – is invested in the regime's patronage machinery.

Uganda has no official legal framework governing election and party financing. As a result, while opposition politicians mostly rely on private resources and donations for their campaigns, the ruling party augments its campaign budget with public funds.

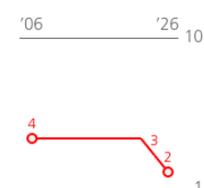
Policy coordination

6



Anti-corruption policy

2



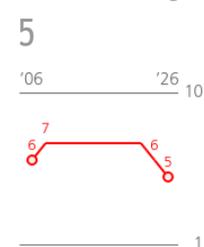
Prosecuting corrupt officials often depends on whether the culprit has close ties to the state house or other major power centers. Small fish might be convicted and imprisoned, but not the big fish. Many have personally enriched themselves through political power and connections, yet they have seldom had to defend their wealth in court or through any accountability process. One problem is that petty and large-scale corruption is rampant in the police and the judiciary. In July 2024, the police violently dispersed anti-corruption protests and arrested at least 45 protesters on charges of creating a “common nuisance,” claiming that their behavior was threatening the peace. This demonstrates not only that official anti-corruption institutions and mechanisms fail, but also that the civic space to engage with corruption is narrowing.

16 | Consensus-Building

There is consensus on the value of democracy in principle, not in practice. The constitutional and political consensus on democracy embodied in the 1995 constitution has for the most part been torn apart as Museveni has become more autocratic, and as his regime has become more repressive toward the opposition. The president and his party are interested in winning elections, regardless of how they achieve the results, and show little consideration for the fact that democracy is more than elections. Civil liberties and engagement have been increasingly curtailed over the last 15 years, with public input into the political process seen as citizens overstepping their boundaries and threatening peace. In recent years, especially following the 2021 elections, opposition leaders and their supporters have been arrested, detained and prosecuted in ways that speak to a fractured and contentious political landscape. However, Afrobarometer surveys report high levels of public support for democracy compared with alternatives, and all major political parties and leaders rhetorically espouse democracy.

Economically, elites and the mass public broadly agree on the value of markets as a way to buy and sell goods and services and on the importance of supply-and-demand dynamics. However, this does not reflect a free-market orthodoxy as associated with the Western world. While the NRM became a full convert to neoliberalism, and Uganda has for decades been a free-market economy, both Museveni and the movement he led initially adopted a mixed-economy approach in which markets play a role, but the state is involved through centralized planning in certain aspects of the economy. This approach continues to appeal to many in the political and business classes. Museveni and his party have in recent years spoken with increasing frequency about returning to a mixed-economy approach, which other actors, including the opposition, support.

Consensus on goals



There was a time when the NRM had many progressive and moderate voices. Most have died, retired or been politically sidelined. Members of the NRM who were too vocal on the issue of political reform have typically been forced out or have voluntarily left the ruling party. Currently, it is difficult to identify credible reform-minded voices capable of overcoming the power of those who are invested in the political and economic status quo, which is not good for the country's present and future. As political, economic and social power currently lies with anti-democratic forces and actors, it is hard to imagine a dramatic, unexpected shift toward democratization and progress. As long as President Museveni is in power, the status quo will likely remain firmly in place. As the president ages, many speculate about his successor.

Since the end of the last armed conflict with the Lord's Resistance Army, President Museveni and his government have succeeded in keeping major social cleavages at bay. The administration accomplishes this either through co-optation – for example, of the political opposition and ethnic groups – or repression. Due to the prevalence of the latter approach, many grievances and interests that diverge from the regime's interests are today simmering on the political back burner but are not included in any broad consensus. This includes ethnic and class differences. Political differences are especially visible during elections and are openly polarizing, often resulting in violent repression against opposition forces when the strategy of co-optation fails. Religious conflict does not currently play a major role, but religious cleavages manifest in repression against members of the Muslim community in the context of alleged terrorist attacks and crime.

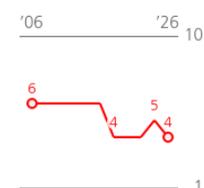
Additionally, ethnicity plays a major role in appointments and promotions. This is most pronounced in the political, higher-level administrative and security spheres. Here, ethnicity-based nepotism, patronage and favoritism trump merit and seniority, despite legal texts and official rhetoric prescribing the opposite. The most obvious examples include the many members of Museveni's family who hold government offices, including his wife, who serves as the minister of education, and his son, the chief of the country's defense forces.

Parliament solicits public submissions and testimony during legislative processes. During such processes, any member of the public may appear before a committee of parliament or submit written memoranda. Whether those submissions have any influence over the final version of the laws as passed is another matter. Generally, the executive has no deliberate, proactive policy or practice to seek out civil society for discussions on critical national issues.

During the early years of the NRM regime, public consultations had a firm place and often influenced policies and laws. However, this is rarely the case today. For instance, in the past, government anti-poverty programs were participatory, and broad-based input was sought. Today, the authoritarian political system is not structured to incorporate opinion-based grievances and dissent. Parts of civil society,

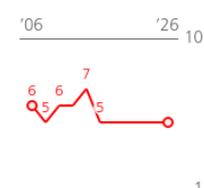
Anti-democratic actors

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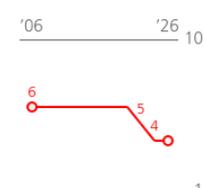
Cleavage / conflict management

5



Public consultation

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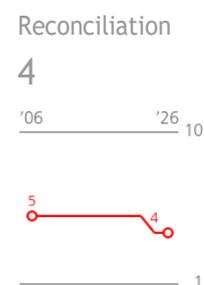
such as relevant parts of the women's movement in the 1990s and early 2000s, have been co-opted. Accordingly, some NGOs, especially older and established ones, have managed to build rapport with the government. Those are usually the ones included in policymaking processes. NGOs that are more critical of the status quo or that work in areas that contravene government policies are rarely included in consultations. Given that civil society consists largely of NGOs, this means that large parts of that civil society are excluded. This is evident, for instance, in areas such as women's rights or sexual and reproductive health and rights, in which actors critical of the regime's moral-political agenda and discourse are fundamentally excluded, while more conservative women's rights groups are included in discussions.

At the local level, there are still attempts to involve the public in consultations. However, these consultations are mostly cosmetic and inconsequential.

There has been no democratic transfer of power in Uganda since the country gained independence. Throughout the various armed conflicts, human rights violations were frequent. All regimes have engaged in retaliatory violence against the ethnic groups from which previous presidents came, and which had been strongly represented in their predecessors' militaries. The armed conflict between the Lord's Resistance Army (LRA) and the National Resistance Army saw both sides commit human rights abuses. At the height of the conflict, millions of people were forcibly displaced and made to live in camps for internally displaced persons in the Northern Region. The legacies of this armed conflict remain visible and palpable, for instance in land conflicts stemming from past displacement, socioeconomic marginalization, physical wounds and injuries (for instance, amputations and bullets that have never been removed), and widespread trauma and mental illness.

The government has not taken meaningful steps to address these grievances or engage in reconciliation. The Peace, Recovery and Development Plans for Northern Uganda, which were supposed to improve the socioeconomic situation in the region, were not effectively implemented. The Amnesty Act of 2000 led many LRA combatants to give up armed struggle. However, it did not contribute to reconciliation, as participating in reconciliation, truth-telling or transitional justice measures was not a prerequisite for being granted amnesty. When combatants engaged in truth-telling and reconciliation voluntarily, it occurred mostly at the local level in traditional formats. However, large-scale violations have not been addressed.

One problem is that the regime is unwilling to admit its own wrongdoing and denies even partial responsibility for how the armed conflict unfolded and progressed. In 2019, more than a decade after the guns fell silent in northern Uganda, the cabinet approved a transitional justice policy that did not address the regime's violence and violations, and has not since been followed by a law or backed by resources or concrete action.



More recent examples of state brutality, including extrajudicial killings in Kampala and other urban centers, torture cases, disappearances, and displacement in urban centers and the countryside are not being addressed by the government. Attempts by activists and the opposition to enforce accountability and gain justice have been largely unsuccessful.

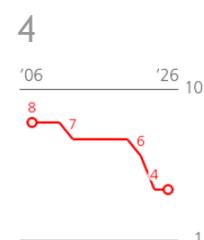
17 | International Cooperation

Uganda under Museveni has been characterized as a “darling” of foreign donors, especially the World Bank, the European Union and the United States. In the 1990s, this was due to the regime’s impressive progress in fighting HIV/AIDS and its education policies. With the so-called War on Terror in the early 2000s, the Museveni government became a stable, reliable partner in a volatile region, as well as a major troop-contributing country for United Nations and later African Union missions in Somalia. As a result, significant levels of foreign funding have consistently flowed into the country. Policy fields such as health, education, and agrarian and rural development still depend to a large extent on financial aid in the form of project and direct budget support. However, as the still-deficient state of these sectors indicates, despite some improvements, outcomes have in no way matched the resources invested. This is because foreign aid has long been a critical source of revenue for the government, helping to provide the means to oil Museveni’s patronage machinery. Misuse and embezzlement of donor funds are common at all levels of government and administration. These practices have consequences only when they become full-blown scandals, for instance, in 2012, when the European Union and several European countries suspended budget support following allegations that up to \$13 million in aid money may have been embezzled through the prime minister’s office.

Large sums of money also flow directly into the security sector, with the military in particular benefiting from foreign funding and technical support. These resources often directly contribute to regime maintenance by bolstering a security sector that is crucial to this endeavor. However, regime survival is the only long-term goal that President Museveni’s government pursues. Long-term development strategies, such as consecutive national development plans and the Vision 2040 agenda, are generally impressive on paper but suffer from poor planning and implementation as well as corruption and the misuse of resources.

In recent years, relations with the international community have soured, particularly following the passage of the Anti-Homosexuality Act of 2023. However, this did not lead to a complete suspension of funding by the European Union or the United States. While the World Bank halted new lending to Uganda in August 2023, the bank is testing mitigating measures intended to ensure that LGBTQ+ people are not excluded from ongoing projects receiving World Bank funding.

Effective use of support



In recent years, the government has become less reliant on Western donors, borrowing domestically and from alternative sources, including China, Türkiye and Saudi Arabia. To counter the cuts in funding mentioned above and similar sanctions, Uganda joined the BRICS group of states on January 1, 2025.

Museveni has been a vocal advocate of regional and continental cooperation and a unified approach to shared problems in a Pan-African spirit. By contributing troops to international and African peacekeeping missions and being perceived as an anchor of stability in an unstable, volatile region, the Ugandan president has positioned himself as a reliable partner. Furthermore, Uganda takes in and hosts hundreds of thousands of refugees each year, resulting in roughly 1.8 million refugees and asylum-seekers living in the country at the end of 2024. These factors have established Museveni as a reliable ally to Western countries.

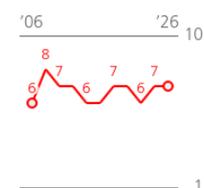
Uganda is a signatory to diverse international agreements and treaties, such as the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment and the Convention on the Rights of the Child. Furthermore, Uganda is a signatory to regional conventions, such as the African Charter on Human and Peoples' Rights. The country is committed to regional integration within the East African Community (EAC) and the African Union (AU), and has signed on to the Sustainable Development Goals and climate change agreements. Combined with Museveni's diplomatic skills, these commitments have established Uganda's reputation for reliability and credibility. Uganda reliably submits reports and drafts legislation in compliance with these commitments, establishing it as a credible and reliable actor in the international and regional community. However, there are stark differences between what is signed and submitted on paper and the reality in the country. For instance, particularly in the areas of human, women's and children's rights, Ugandan reality lags far behind its international commitments.

Uganda's interactions with the International Criminal Court (ICC) exemplify its relations with institutions that monitor compliance. While the Ugandan government referred the Lord's Resistance Army (LRA) case to the ICC, it later turned its back on the institution when the ICC indicted former Sudanese President Omar al-Bashir and later Kenyan President Uhuru Kenyatta and Vice President William Ruto. Similarly, the Ugandan office of the U.N. High Commissioner for Human Rights closed in 2023 after the Ugandan government terminated its mandate.

Since taking power in 1986, Museveni has advocated Pan-Africanism and African solutions to African problems. He believes that regional security cooperation and EAC integration are crucial for domestic stability. Accordingly, he has consistently pushed for East African Community integration and continental unity through the African Union. While he has succeeded in some respects (the East African Community is growing, with Somalia joining as the eighth member state in 2024, and regional economic integration is progressing), Kenya and Tanzania in particular have long viewed his push for regional integration with suspicion. On the one hand, they see Museveni claiming a regional leadership position for himself; on the other, they

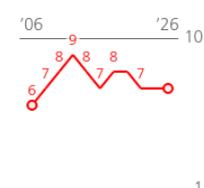
Credibility

7



Regional cooperation

7



see a mismatch between their own political systems and Museveni's authoritarian system. Still, on the whole, Museveni's government has had significant influence in regional and international circles, especially on issues relating to eastern Africa and the Great Lakes region. For instance, Museveni mediated armed conflicts in South Sudan and Burundi, and in October 2024 he offered to mediate between warring factions in Sudan.

Additionally, the Uganda People's Defense Force (UPDF) has been militarily engaged in neighboring countries. It intervened quickly in South Sudan's escalating conflict in 2013. Although it was invited by the government of South Sudan, there was no coordination with the mediating Inter-Governmental Authority on Development. Currently, the UPDF is active in the DRC, among other countries, officially in pursuit of ADF rebels. However, there are also reports that Uganda, together with Rwanda, is supporting M23 rebels fighting against the Congolese government.

In 2024, despite trade disagreements between Kenya and Uganda, the two countries strengthened security cooperation, both militarily and in combating human trafficking and other cross-border crime.

While Museveni presents himself as an elder statesman and peacemaker in the region, his son, Muhoozi Kainerugaba, chief of the defense forces, took to X in December 2024 to threaten a military takeover of Khartoum, ruffling feathers and provoking disbelief. In the past, Muhoozi has made similar threats against Kenya, the DRC and other states in the region, although the Ugandan foreign ministry and government have usually distanced themselves from these statements.

Strategic Outlook

Uganda's population is estimated at nearly 50 million. More than two-thirds of Ugandans are younger than 35, and most have no meaningful economic activity or paid employment. Economic growth is insufficient in sectors that would affect the majority, such as smallholder agriculture. Urbanization has been rapid but largely unplanned, and the country's physical infrastructure remains thin and underdeveloped. For these reasons, Uganda needs to radically rethink its approach to tackling the most pressing socioeconomic problems. A key shift would be to move away from the focus on the production and export of raw materials. In recent years, the government has realized that some neoliberal reforms of the 1990s were rushed and unsuited to Uganda's long-term strategic goals, and it is attempting to change course by reintroducing cooperatives and emphasizing public-private partnerships.

Reviving the cooperative movement and building local production networks and value chains for shared learning and linkages could help improve the country's value-added production capacity. Technology transfer remains vital, and accelerating skills training and incentivizing local innovation are also important. Startups and small businesses need access to affordable credit, and the government has not addressed this prudently. This is a core bottleneck to spurring entrepreneurship. Channeling money through savings and cooperative credit societies (SACCOs) and the so-called Parish Development Model (PDM) does not appear to be the appropriate framework, as funds in these programs or channels are both inadequate and poorly administered.

Politically, Uganda remains at a dangerous crossroads. After 40 years in power, President Museveni is presiding over a runaway, repressive autocracy that benefits him and a small group of insiders. With corruption now endemic and the administrative state weak, markets cannot function properly. General elections are merely a tool to mask authoritarianism rather than a mechanism to deliver democratic consolidation and good governance.

Key actors and constituencies – from established cultural, faith and civic institutions to political parties, the military and external actors – must engage in concerted dialogue and negotiations on a new pact and programmatic agenda identifying the best way forward for Uganda. To move on from its troubled past and the scars of war and political repression, Uganda will need a national program of truth-telling, healing and reconciliation, along with a redesign of its system of government, power-sharing and representation.