



EXTENDED STUDY ON CAMPAIGN FINANCING FOR PRESIDENTIAL AND MEMBER OF PARLIAMENT RACES



FINAL REPORT 2016



**EXTENDED STUDY ON CAMPAIGN FINANCING FOR
PRESIDENTIAL AND MEMBER OF PARLIAMENT RACES
2015-2016 IN UGANDA**

**ALLIANCE FOR CAMPAIGN FINANCE MONITORING
REPORT MAY 2016**



C/O Transparency International Uganda
Plot 3 Martyrs Way
Ntinda
P.O Box 24335, Kampala
www.acfimuganda.org

© ACFIM copyright 2016

You may re-use this information (not including logos) free of charge in any format or medium

ACFIM PARTER ORGANISATIONS



**ANTI CORRUPTION
COALITION UGANDA**



**Kick Corruption
out of Kigezi**



First African Bicycle
Information Organisation

FABIO



ACKNOWLEDGEMENTS

On behalf of the Steering Committee of ACFIM and on my own behalf, I wish to extend our most sincere gratitude to the Researchers, Research Assistants and District Supervisors who endured difficult times and collected data on campaign financing at constituency and national levels over an extended period of 10 months. We thank all political party officials and campaign agents that volunteered vital information to our Researchers and Research Assistants. Without you this report would never have been. Special recognition goes to the Database Manager who worked tirelessly in navigating the database, testing the quality and consistence of data posted, following up with data entry clerks, cleaning and analysing the data to be able to provide us with the information that makes this report unique.

I cannot forget to thank our development partners, the Democratic Governance Facility (DGF) for trusting and believing in ACFIM to do what no other organisation has successfully done in Africa. Without your financial support the dream of ACFIM partners to come up with credible estimates of expenditure in 16 districts for Presidential and Member of Parliament campaigns, would probably never have seen the light of day.

To the National Democratic Institute (NDI) and National Endowment for Democracy (NED) we thank you for your continued technical and financial support. The parallel projects you supported produced synergy that strengthened the capacity of ACFIM Secretariat and partner organisations to manage and coordinate a project of this nature.

To the staff of ACFIM and the host organisation Transparency International Uganda (TIU), thank you for the hard work you put into the project.

Last but by no means least, the Steering Committee of ACFIM and particularly the Chairperson that worked hard to ensure the smooth running of the ACFIM Secretariat in coordinating the implementation of this study. Your efforts are priceless.

Thank you very much every one.

TABLE OF CONTENTS

ACKNOWLEDGEMENTS	i
LIST OF TABLES	v
LIST OF FIGURES	vii
ABBREVIATIONS.....	ix
EXECUTIVE SUMMARY.....	xi
1.0 INTRODUCTION Page 1	<ul style="list-style-type: none"> 1.1 Background and Context 1 1.2 National Budget 2015/20166 1.3 Increase in the Cost of Contesting for Elective Position 10 1.4 Sources of Political Party Financing in Uganda 10 1.5 Party Primary Elections 13 1.6 Overview of General Expense Categories during Campaigns..... 13
2.0 SCOPE OF THE STUDY	16
2.1 National Level Analytical Studies	16
2.2 Monitoring of Campaign Expenses at Constituency Level.....	17
3.0 METHODOLOGY	19
3.1 Campaign Expenses Monitoring at Constituency Level.....	19
3.2 Analytical Case Studies on the Flow of Budget Resources	21
3.3 Key Informant Interviews	21
3.4 Sampling	21
3.5 Statistical Significance and Confidence Intervals	22
3.6 Report Structure	22
4.0 REGULATORY FRAMEWORK FOR CAMPAIGN FINANCING IN UGANDA Page 23	<ul style="list-style-type: none"> 4.1 Legal Framework 23 4.2 Key Gaps in Legal Framework Pertaining to Election Campaign Financing 25 4.3 Institutional Framework for Campaign Financing ...26
5.0 FINANCING OF ELECTION CAMPAIGNS 2015/2016 Page 27	<ul style="list-style-type: none"> 5.1 Anatomy of Campaign Expenditure..... 27 5.2 Combined Expenditure on Pre-Campaign and Campaign Activities 27 5.3 Pre-Campaign Expenses..... 32 5.4 Breakdown of Combined Campaign Expenses by Category.....34 5.5 Breakdown on Combined Expenses by Political Affiliation.....36 5.6 Breakdown of NRM Party Expenses.....39

5.7	Independent Candidates Expenses	45
5.8	Forum for Democratic Change (FDC) Party Campaign Spending	48
5.10	How UPC Money Was Spent - The Breakdown	59
5.11	How DP Money Was Spent - The Breakdown	55
5.12	Analysis Campaign Expenses by Other Parties	55

**6.0
OVERALL CAMPAIGN
SPENDING BY
PRESIDENTIAL
CANDIDATES
Page 59**

6.1	Trends in Combined Spending by Presidential Candidates	62
6.2	Analysis of Monthly Spending by Presidential Candidates	62
6.3	Variation in Campaign Spending by Month	63
6.4	Breakdown of Campaign Spending of Presidential Candidates	63
6.5	Campaign Spending Categories Disaggregated by Presidential Candidate.....	65
6.6	Yoweri Kaguta Museveni Expenses - The Breakdown	66
6.7	Amama Mbabazi Expenses - The Breakdown.....	70
6.8	Kizza Besigye Estimates - The Breakdown.....	72
6.9	Campaign Spending at District Level	74

**7.0
GENERAL
OBSERVATIONS AT
CONSTITUENCY LEVEL
Page 78**

7.1	Type of Event Observed.....	78
7.2	Duration of Campaign Rallies/Events	79
7.3	Estimated Number of Participants on Campaign Events.....	80
7.4	Expenses on Means of Transport Used.....	81
7.5	Expenses on Campaign Materials.....	82
7.6	Expenses on Electronic and Print Media.....	83
7.7	Event/Rally/Consultative Meetings Expenses Resources.....	84

**8.0
ANALYSIS OF
DONATIONS TO VOTERS
Page 86**

8.1	Donations by Candidates.....	86
8.2	Donations by Presidential Candidates.....	91
8.3	Handout Materials	93
8.4	Analysis of Expenditure on Handout Materials.....	98
8.5	Voter Bribery	98
8.6	Acts of Voter bribery During the Final Five Days to Election Day	100
8.7	Donations and Voter Hospitality are akin to Voter Bribery	101

9.0	VOTER TOURISM	102
10.0	MISUSE OF GOVERNMENT ADMINISTRATIVE RESOURCES FOR CAMPAIGNS.....	104

11.1 Unprecedented Rise in FY 2015/26 National Budget ...
 107

11.2 Half Year Budget Performance 2015/16: 108

11.3 Office of the President Financial Flow in FY 2015/2016
 110

11.4 Half Year Budget Utilisation by Office of the
 President 110

11.5 State House Financial Flow in FY 2015/16 113

11.6 Ministry of Defence financial flow in FY 2015/16 115

11.7 Flow of Funds in the Office of the Prime Minister ..119

11.8 General Observations on Campaigns and National
 Economy..... 119

12. COMPLIANCE AND ENFORCEMENT OF REGULATORY FRAMEWORK FOR
 POLITICAL FINANCING 121

13. RECOMMENDATIONS 124

APPENDIX I (NRM Party Estimated Expenses by November 2015) 129

APPENDIX II (SUMMARY of NRM Party Minimum Expenses Nov - 2015) 130

APPENDIX III (M7’s Cash Donations/Pledges - Jan 2015 & Aug 2015) 131

APPENDIX IV (Campaign Expenses for Eng. Mabiriizi)..... 135

APPENDIX V (Detailed Campaign Expenses for Venasius Baryamureba)..... 136

APPENDIX VI (Detailed Campaign Expenses for Benon Biraaro).....137

APPENDIX VII (Detailed Campaign Expenses for Abed Bwanika) 138

APPENDIX VIII (Detailed Campaign Expenses for Joseph Mabirizi) 139

APPENDIX IX (Detailed Campaign Expenses for Maureen Kyalya)..... 140

LIST OF TABLES

Table 1:	Sector Budget Allocations for FY 2014/15 and FY 2015-16 (UGX, Billions)	8
Table 2:	Budget Allocation to the Various Political Parties.....	10
Table 3:	Districts Covered in the Study ACFIM	17
Table 4:	Minimum Expenses by Political Affiliation (May 2015 – Feb 2016)	29
Table 5:	NRM Party Pre-Campaign Expenditure	32
Table 6:	Estimates of Go Forward Pre-Campaign Expenditure	32
Table 7:	FDC Party Pre-Campaign Expenditure	33
Table 8:	DP and UPC Party Pre-Campaign Expenditure	33
Table 9:	Breakdown of Combined Campaign Expenses for All Parties.....	35
Table 10:	Breakdown of Expenses by Category by Political Party/Group.....	38
Table 11:	NRM Party Expenses - The Breakdown	39
Table 12:	NRM Guidelines for Utilization of the 20m for Constituency Mobilisation	41
Table 13:	NRM Party Expenses - The Breakdown	41
Table 14:	NRM Party Minimum Pre-Campaign Expenses (May – October 2015)..	41
Table 15:	Party Spending on Flagbearer in Presidential Campaigns.....	44
Table 16:	NRM Spending on Cash Campaign Contribution to Party Flagbearers for MP Races.....	42
Table 17:	Independent Candidates Expenses - The Breakdown	46
Table 18:	FDC Party Expenses - The Breakdown.....	48
Table 19:	FDC Party Minimum Expenses June 2015 – February 2016	49
Table 20:	FDC Party Expenses - The Breakdown.....	50
Table 21:	Go Forward Expenses - The Breakdown.....	51
Table 22:	UPC Party Expenses - The Breakdown.....	55
Table 23:	UPC Party Expenses - The Breakdown.....	56
Table 24:	Breakdown of Other Political Parties Expenses.....	57
Table 25:	Minimum Expenses by Presidential Candidates (Nov. 2015 – Feb. 2016)..	61
Table 26:	Presidential Candidates Combined Expenses - The Breakdown	64
Table 27:	All Presidential Candidates Expenses - The Breakdown.....	66
Table 28:	Yoweri Kaguta Museveni Expenses - The Breakdown.....	67
Table 29:	Amama Mbabazi Estimates - The Breakdown.....	70
Table 30:	Kizza Besigye Estimates - The Breakdown	72
Table 31:	Minimum District Expenses per Month (Nov 2015 – Feb 2016).....	78
Table 32:	Type of Event Observed (Nov 2015 – Feb 2016).....	79

Table 33:	Duration of Events Observed (Nov 2015 – Feb 2016).....	80
Table 34:	Estimated Number of Participants (Nov 2015 – Feb 2016)	81
Table 35:	Expenses on Means of Transport Used (Nov 2015 – Feb 2016).....	82
Table 36:	Expenses on Campaign Materials (Nov 2015 – Feb 2016).....	83
Table 37:	Expenses on Electronic and Print Media (Nov 2015 – Feb 2016)	84
Table 38:	Event/Rally/Consultative Meetings Expenses (Nov 2015 – Feb 2016) ...	87
Table 39:	Expenses on Donations	89
Table 40:	Examples of Donations in November and December 2015.....	92
Table 41:	Observed Donations by President in Monthly Minimums.....	92
Table 42:	Illustrating Some Donations by Incumbent Presidential Candidate	93
Table 43:	Expenses on Handout Materials (Nov 2015 – Feb 2016).....	96
Table 44:	Examples of Materials Handed out During Campaigns	106
Table 45:	Other Examples of Misuse of Government/State Resources.....	108
Table 46:	Expenditure Outflows for the FY 2015/16	109
Table 47:	Office of the President Budget Utilisation by First Half of FY 2015/16...	111
Table 48:	Half Year Budget utilization for State House for FY 2015/16.....	148
Table 49:	Ministry of Defence Budget Utilisation by item First Half of FY2015/16	117

LIST OF FIGURES

Figure 2:	Survey on Commercialization of Uganda’s Political Culture	4
Figure 3:	High Rise in Flows during the Election Fiscal Year	8
Figure 4:	Trends in Supplementary Budget	9
Figure 5:	Distribution of 10bn Government Contribution to Political Parties	11
Figure 6:	Map Showing the Geographical Spread of the Districts Covered Under this Study	18
Figure 7:	Minimum Expenses by Parties (May 2015 – Feb 2016).....	28
Figure 8:	Variation in Combined Spending by Political Parties by Month	30
Figure 9:	Variation in Spending by Political Affiliation (Month by Month).....	31
Figure 10:	Estimates of Pre-Campaign Expenditure by Political Party	33
Figure 11:	Illustration of Combined Campaign Expenses Breakdown	36
Figure 12:	Visual Representation of NRM Party Expenses Breakdown	40
Figure 13:	Who Spent the NRM Money?.....	42
Figure 14:	Percentage Share of Campaign Spending by Independent Candidates in Comparison to other Parties in January 2016.....	45
Figure 15:	Percentage Share of Campaign Spending by Independent Candidates in Comparison to other Parties in February 2016.....	45
Figure 16:	Independent Candidates Expenses - The Breakdown	47
Figure 17:	Illustration on FDC Party Expenses by Category.....	49
Figure 18:	FDC Party Expenses - The Breakdown.....	50
Figure 19:	Illustration of Go Forward Expenses by Category	53
Figure 20:	UPC Party Expenses - The Breakdown.....	55
Figure 21:	UPC Party Expenses - The Breakdown.....	56
Figure 22:	Other Parties Expenses - The Breakdown	58
Figure 23:	Minimum Expenses by Candidates (Nov 2015 – Feb 2016).....	60
Figure 24:	Monthly Variations in Combined Spending of Presidential Candidates.....	62
Figure 25:	Minimum Candidates Estimates per Month (Nov 2015 – Feb 2016).....	63
Figure 26:	Breakdown of Presidential Candidates Combined Expenses.....	65
Figure 27:	Yoweri Kaguta Museveni Expenses - The Breakdown.....	68
Figure 28:	Amama Mbabazi Estimates - The Breakdown.....	71
Figure 29:	Kizza Besigye Estimates - The Breakdown	72
Figure 30:	Minimum District Expenses per Month (Nov 2015 – Feb 2016).....	76
Figure 31:	Percentage Minimum District Expenses per Month (Nov 2015 – Feb 2016).....	77
Figure 32:	Type of Event Observed (Nov 2015 – Feb 2016).....	78

Figure 33: Duration of Events Observed (Nov 2015 – Feb 2016).....	80
Figure 34: Estimated Number of Participants (Nov 2015 – Feb 2016)	81
Figure 35: Event/Rally/Consultative Meetings Expenses (Nov 2015 – Feb 2016) ...	82
Figure 36: Expenses on Campaign Materials (Nov 2015 – Feb 2016).....	83
Figure 37: Expenses on Electronic and Print Media (Nov 2015 – Feb 2016)	84
Figure 38: Event/Rally/Consultative Meetings Expenses (Nov 2015 – Feb 2016) ...	85
Figure 39: Donations & Fundraising	87
Figure 40: Cash Donations by Pres. Museveni (January 2015 to October 2015).....	93
Figure 41: Expenses on Handout Materials (Nov 2015 – Feb 2016)	94
Figure 42: Flow of Funds in the Office of the President.....	110
Figure 43: State House Flow of Funds in the FY 2015/16 budget	113
Figure 44: Budget Allocation Trends for State House over 8 Financial Years	114
Figure 45: Flow of Funds in the Ministry of Defence for the FY 2015/16	115
Figure 46: Illustration of Percentage Allocation of Supplementary Financing	116
Figure 47: Flow of funds for OPM FY 2015/16	119
Figure 48: Growth Rates of Currency Circulation	120

ABBREVIATIONS

ACCOB	Anti-Corruption Coalition of Busoga
ACCU	Anti-Corruption Coalition Uganda
ACFIM	Alliance for Campaign Finance Monitoring
CEON-U	Citizens Election Observers Network - Uganda
CIPDA	Citizens Platform for Democracy and Accountability
CODI	Community Development and Children Welfare Initiatives
COG	Commonwealth Observer Group
CP	Conservative Party
DGF	Democratic Governance Facility
DP	Democratic Party
EC	Electoral Commission
FABIO	First African Bicycle Organisation
FDC	Forum for Democratic Change
FY	Financial Year
GDP	Gross Domestic Product
KICK	Kick Corruption out of Kigezi
LC	Local Council
MACCO	MAYANK Anti-Corruption Coalition
MDA	Ministries, Departments & Agencies
MIRAC	Midwestern Region Anti-Corruption Coalition
MONARLIP	Moroto Nakapiripirit Religious Leaders' Initiative for Peace
MP	Member of Parliament
NDI	National Democratic Institute
NRM	National Resistance Movement
NTF	Native Travel Festival

NUAC	Northern Uganda Anti-Corruption Coalition
PPOA	Political Parties and Organizations Act
RA	Research Assistant
RAC	Rwenzori Anti-Corruption Coalition
SMS	Short Message Service
TAACC	The Apac Anti-Corruption Coalition
TAC	Teso Anti-Corruption Coalition
TDA	The Democratic Alliance
TIU	Transparency International Uganda
UBOS	Uganda Bureau of Statistics
UGX	Uganda Shillings
UPC	Uganda Peoples' Congress
WACSO	Western Ankole Civil Society Forum

EXECUTIVE SUMMARY

Introduction

Currently, money dominates Uganda's politics and as a result the gap between elected politicians and their voters has widened substantially. This has created an environment where the principles of political accountability are grossly undermined.

In November 2014 the Governor Bank of Uganda Emmanuel Tumusiime-Mutebile was reported confessing that he had been misled by the government into indirectly financing election activities in 2011, an action which plunged the country's economy into chaos. He promised not to repeat the same mistake in 2016. ACFIM observed that during the campaign period of 2015/2016 Government spending was kept within sector ceilings, so there was no extreme surges and no visible shocks in the economy. This, however, is not the whole story.

This report is an outcome of a 10 month study conducted by the Alliance for Campaign Finance Monitoring (ACFIM)¹ on the financing of campaigns for the Presidential and Member of Parliament Ugandan elections of 2016.

Scope and Methodology

The study was conducted in 16 districts across Uganda and focused on both the money spent by candidates at the constituency level as well as the use of the national budget by the incumbent government during campaigns. Primary data was collected at both constituency level and national level and entered into a centralized database where the data was then cleaned and analysed. All expenditures reported are statistically significant at the 95 per cent confidence level.

Regulatory Framework for Campaign Financing

The regulatory framework for campaign financing in Uganda is very weak. The electoral laws have a few provisions on party financing, voter bribery and misuse of government resources but they are neither followed nor enforced.

Campaign Spending

ACFIM's study has recorded that the total expenditure incurred by all political parties and candidates that contested in the Presidential and Member of Parliament races in the 16 districts combined is a minimum of UGX 435 billion (US\$ 128 million). If this figure is extrapolated in view of all the 112 districts of Uganda, it can be estimated that at least UGX 2.4 trillion (US\$ 716 million) was spent by political parties and

¹ACFIM is a coalition of 16 local non-government organisations network that came together in 2014 to foster transparency and accountability in financing of political and electoral processes.
(for details visit: www.acfimuganda.org)

candidates on the elections campaigns of 2015/2016.

The majority of the recorded campaign spending in the 16 districts (76.6 per cent) was done by the Incumbent National Resistance Movement (NRM) party to the tune of at least UGX 333bn (US\$ 98 million), followed by independent candidates. A combined minimum of UGX 122.5 billion (US\$ 36 million) is estimated to have been spent by all the other presidential candidates combined during the campaign period (November 3rd 2015 – February 16th 2016).

Incumbent candidate Yoweri Museveni outspent the other candidates by 91.5 per cent. The second biggest spender was candidate Amama Mbabazi (6.3 percent) and third biggest, candidate Kizza Besigye (1.8 per cent). The lowest spender amongst the presidential candidates was candidate Mourine Faith Walube Kyalya representing 0.01 per cent of the observed combined expenditure by presidential candidates. Other candidates' spending was below 2 per cent namely: Venasius Baryamureeba (0.18 per cent), Benon Biraaro (0.1 per cent), Abed Bwanika (0.1 per cent) and Joseph Mbirizi (0.05 per cent).

Kampala district recorded the highest campaign spending at constituency level with a share of 27.3 per cent, followed by Luweero District (16 per cent), Masaka District (9.4 per cent), Iganga District (7.5 per cent) and Jinja District (7.2 per cent). The districts in which presidential candidates spent the least was in the districts of Nwoya (1.1 per cent), Hoima (1.6 per cent), Kanungu (2.1 per cent), Kabalore (2.3 per cent) and Apac (2.6 per cent).

Campaign Finance Offenses

Voter bribery and misuse of government resources for campaigns was prevalent throughout the entire campaign period. The amendment of section 25 and scraping of section 26 of the Public Finance Management Act 2015 relaxed the principles governing the supplementary budgets. This potentially created a loophole that enabled the manipulation of inflows and outflows of budget funds and expenditure. By December 2015, votes like Statehouse, Office of the President and Ministry of Defence had used up over 80 per cent of their budgets requiring supplementary financing. The Ministry of Defence received the highest budget allocation in the FY 2015/16 budget of over 1 trillion. On top of this it was also the biggest beneficiary of supplementary financing accounting for 72.94 per cent of the supplementary budget.

Recommendations

Ministry of Justice and Constitutional Affairs; and Parliament

Develop tougher laws and institutions on Campaign financing.

- a) A law to be created on political financing to regulate the power of money in political and electoral processes.
- b) Redefining what constitutes voter bribery with a view of enforcing legislations in respect to vote buying.
- c) More stringent and explicit regulations limiting the use of state resources for campaign purposes are critical.
- d) Prohibit Government from undertaking large procurements in less than half a year before election period.
- e) Create institutions that will enforce laws on campaign financing.
- f) Re-amend the Public Finance Management (PFM) Act 2015 to among other things restrict supplementary financing to cases that are unavoidable, unforeseeable and unabsorbable.
- g) Amend relevant laws and where possible develop new legislations to prevent private interests from subverting the democratic process through “purchase of control”² and favours.

Electoral Commission

1. Enforce on the all major political parties the provisions laid out in Political Parties and Organisations Act (as amended) 2010.
2. Designate an office or officer to handle matters of campaign and political party/ organisation financing.

Inspectorate of Government

The Inspectorate of Government (IG) should take keen interest in cases of corruption in campaign financing.

Office of the Auditor General

- 1) Review financial reports on budget utilisation and supplementary financing for key Ministries, Departments and Agencies
- 2) Audit utilisation of government funding of UGX 10 billion to political parties which was on the basis of numerical strength in parliament was shared between NRM, FDC, DP, UPC, CP and JEEMA³.

² Purchase of control is when a private company used the power of its contribution to a political candidate to influence business decisions in its favour.

³ Political Parties and Organisations Act (as amended) 2010, Section 14 (d), provides that “the funds provided to political parties and organisations under this Act, shall be subject to audit by the Auditor General”.

Political Party Leaders

- 1) Leaders of political parties should take rigorous action against voter bribery and the commercialization of politics in Uganda.
- 2) Detailed disclosure of campaign income and expenditure.

Civil Society Organisations

- 1) Revitalise the Advocacy for Electoral Reforms on areas highlighted by international and domestic election observers as well as court of appeal.
- 2) Advocate for restoration in the Public Financial Management (PFM) Act 2015, of appropriation of supplementary funding to be approved by Parliament with a two thirds majority vote.
- 3) Organise grassroots based awareness interventions targeting voter attitudes towards vote buying and levying unlimited financial demands on Members of the 10th Parliament.
- 4) Build capacity of civil society monitors to track and document campaign spending by political parties and candidates at constituency level.

1. INTRODUCTION

1.1 Background and Context

There is a broad consensus within civil society, academia and in the political sphere that the commercialisation of political and electoral processes is a major challenge to Uganda's progression into a modern democracy. Ugandans often observe with disbelief as elected politicians in parliament or local councils get co-opted and sometimes "bought" to serve the interests of the one with biggest pockets, rather than the one who will serve the people the best. The use of money to induce voters during campaigns has given leeway for stained politicians to successfully compete in elections at the expense of talented and well-intentioned but less resourced leaders. Equally, when a political party or candidate resorts to paying for votes rather than focusing on the quality of its campaign message, democracy suffers.

Covert party and candidate funding streams, influence peddling and leveraging state resources for party campaign purposes serve to compromise the greatest asset of democracy – fair competition, faith and support of ordinary citizens in the political process. Corruption in the financing of election campaigns damages democracy because it undermines elections and distorts and inhibits political competition. But the damage does not end there, it goes deeper to affect the quality of governance when subsequent decisions by elected politicians are taken to pay back those who funded their ascent to power, rather than for the benefit of the population as a whole. Corruption in political finance erodes trust in the institutions of democracy, when scandal after scandal reveals politicians sharing the spoils of power with their financial backers.

Alliance for Campaign Finance Monitoring (ACFIM) has been promoting transparency and accountability in financing of political and electoral processes since 2014. From May 2015 to February 2016, the organisation embarked on the onerous task of monitoring the financing of political party activities and campaigns in Uganda. This research was conducted in order to investigate the means by which political parties and candidates in Uganda raise financial resources and how they spend them in election campaigns. This undertaking was implemented by 16 ACFIM partners working in 16 sample districts where Research Assistants were deployed on the ground to track campaign activities and used data collection tools to quantify the amount of money political parties and candidates spend. No other organisation in Africa had ever succeeded in doing this, and this task was made even harder as Uganda is a country which has no legal provisions requiring candidates and political parties to disclose campaign income and expenditure.

As elaborated in the subsequent chapters of this report, the playing field for campaign financing between the incumbent political party and opposition parties is uneven. Political parties and candidates that participated in the election campaigns 2015/2016 spent huge amounts of money, in what could turn out to be the most expensive campaigns in the history of Uganda's multiparty democracy. The country's electoral laws⁴ have provisions requiring all political parties to disclose to the Electoral Commission their annual income and expenditure and provide copies of their annual audit report. There are also provisions against voter bribery and misuse of government resources but these are not enforced.

1.1.1 Historical Context

The ushering in of the National Resistance Movement (NRM) in 1986 with Yoweri Kaguta Museveni as president marked the beginning of a new era in the political history of Uganda. Subsequently a new constitution was promulgated in October 1995 completing a process that begun in 1989. The constitution provided that until 2000, elections were to be held under the 'movement system' - that was introduced in 1986 - whereby political candidates contested as individuals to be elected on personal merit. It further provided for a unitary republic, an executive President, and a Parliament directly elected for a five year tenure by a universal adult suffrage which comprised of 375 elected members. Out of these, 137 were from special interest groups from electoral colleges including: women (112 members), the Defense forces (10 members), youth (5 members), people with disabilities (5 members) and workers' representatives (5 members), where the president was mandated to appoint the cabinet, with non-parliamentary members becoming ex-officials. The two elections held under this political system in 1996 and 2001 were subsequently won by President Yoweri Kaguta Museveni.

This 'movement system' ended in 2005 when Ugandans voted for a constitutional referendum in favor of the return to a multiparty political system under which the disputed elections of 1980 had been conducted. However in 2005, citizens witnessed the genesis of monetary tendencies beginning to dictate the trend of political decision making in Uganda. This was followed by a extremely significant amendment to the constitution where all, but two Members of Parliament from the ruling NRM party, voted in favor of dropping presidential term limits. It later transpired that MPs had received a cash reward of UGX 5,000,000 (five million shillings) to support the motion of amending Article 105(2) of the constitution that provided for only two presidential term limits, robbing us of independent and democratic legislations. Henceforth, money has influenced greatly politics at the national level.

25 years down the road, Uganda held elections in February 2006 under the multiparty political system. These were the first held in 25 years. National Resistance Movement (NRM) party flag-bearer Yoweri Museveni was declared the winner with 59% while

⁴ Electoral Commission Act Cap.140; Presidential Elections Act (as amended) 2010; Parliamentary Elections Act (as amended) 2010; Political Parties and Organisations Act (as amended) 2010; Local Government Act (as amended) 1995.

Forum for Democratic Change (FDC) party flag-bearer Kizza Besigye Kifefe came second with 37% of the total votes casted. International election observers concluded that while the results reflected the will of Ugandans that were able to vote, there were serious irregularities and shortfalls. In particular, the Commonwealth Observer Group (COG) noted that:

- a) There was lack of a level playing field and a failure to ensure a distinction between the ruling party and state.
- b) The COG further observed harassment of Kizza Besigye, the lead opposition candidate
- c) The lack of balance in media coverage and the use of financial and material handouts to induce voters.

Against that background, the Commonwealth Observer Group recommended among other things the following:

- a) More stringent and explicit regulations limiting the use of state resources for campaign purposes should be introduced, thereby helping to create a more level playing field for the elections.
- b) Enforcement of legislation with respect to vote buying.
- c) The Introduction of regulations stipulating expenditure ceilings on election campaigns.
- d) A requirement for political parties and candidates to provide more detailed accounts of funding and expenditure for their campaign, which will help to create a higher level of transparency and accountability. This would also help to address the current misuse of money on political campaigns.

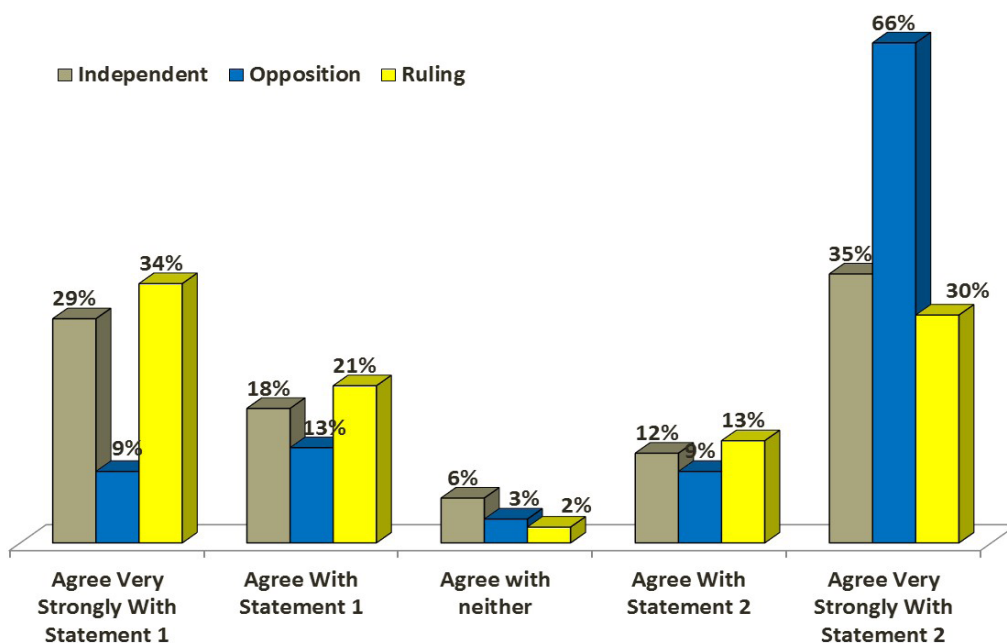
These recommendations were aimed at strengthening the regulatory framework for campaign financing in Uganda with a view of equalizing the conditions for political competition.

1.1.2 Political context

In 2004 president Museveni announced that he had retired from the army, while remaining army commander-in-chief. This opened the way for him to participate in multiparty politics. It was against this backdrop that government proposed substantial amendments to the constitution including lifting the presidential term limits. In November 2005 Museveni announced he would contest for the presidency again in the 2006 elections and he won. Monitoring Reports from 2006 presidential and parliamentary elections revealed that the trend of using money to influence voting behavior had emerged. These reports were corroborated by petitions filed in the Supreme Court protesting the declaration of 2006 general election results.

Kizza Besigye in specific indicted President-elect Yoweri Museveni and the Electoral Commission on several grounds, including voter bribery. Ultimately, three out of five judges declared that although they had sufficient evidence to prove voter bribery had taken place, it was not significant enough to alter the outcome of the elections. Subsequently the use of money in political and electoral processes escalated to unprecedented levels in 2011. Although information to back up this statement remains largely anecdotal, a number of Members of Parliament ascertain that in 2011, candidates with “more money” are the ones that were largely voted into the 9th parliament.

Figure 1: Survey on Commercialization of Uganda’s Political Culture



Source: ACFIM MP Survey on the Commercialization of Politics, 2014

When asked about the sources of campaign financing, MP’s said that most of their campaign income (79 per cent) came from their “personal resources”. They indicated that donations from their Party was their second most important source for financing their election campaigns representing 39 per cent of their total campaign income.

In another survey conducted by ACFIM titled “Shaking the Mango Tree”⁵, in which the citizens at the grassroots were targeted in February – March 2015, revealed among other things the following:

- a) There is deep seated cynicism about the political processes in Uganda. People do not trust politicians’ promises. Citizens do not believe that casting their

⁵The study involved 64 focus group discussions attended by between 10-15 people. It was conducted at village level 13 Districts namely: Kabale, Kabalore, Bushenyi, Luweero, Masaka, Jinja, Iganga, Bukedea, Moroto, Apac, Lira, Arua and Hoima.

vote can transform into an improvement in their living conditions. There is little or no trust in elected leaders to act for and on behalf of the people.

- b) Voters are determined to get as much as they can from the candidates because they suspect that the big spenders on the election campaigns are probably those that have access to government coffers and can abuse the public funds
- c) People are currently more than happy to take money in exchange for their votes as they see campaigns as a chance for them to gain something from their politicians. A chance which only comes once every five years. The perception is strengthened by media reports about MPs increasing their emoluments and receiving financial rewards from the president to pass certain legislations.
- d) Voters know it is illegal to demand or accept money and/or gifts from political candidates but the law is not enforced. Some would like it to stop, but want others to help them stop this. They look up to the police and the President to do this.
- e) Some of the voters are envious about how much campaign agents receive (high in comparison to the ordinary villager).
- f) Some believe taking the money means forfeiting their future. These citizens realise that if they accept the bribe, they won't be able to lobby for the improvement of public services.

During this study, an observation was made that politicians, printers, transporters, advertising agencies, and events managers who had 'tested the shallow waters' of monetized electoral processes in 2011, were ready to 'dive into the deep end' of the same behaviour in 2016. At grass root level, the general perception of voters was that election campaigns provide them a rare opportunity to harvest from political candidates who disappear in parliament, only to return to the electorates soliciting for more support.

1.1.3 Economic Context

In 2011 the European Union Election Observers pointed out the increase in campaign spending and the 'monetization of the elections as a major concern'. They also recalled how the aftermath of the 2011 election saw the economy of Uganda suffer from acute inflationary pressure.

In November 2014 the Governor Bank of Uganda Emmanuel Tumusiime-Mutebile was reported confessing that he had been misled by government into indirectly financing electioneering activities in 2011, an action which plunged the country's economy into chaos. Tumusiime-Mutebile reportedly made the confession while

addressing the 10th annual meeting of the African Science Academies at the Lake Victoria Serena Hotel in Kampala. In the reportage Tumusiime-Mutebile explained that although the Central Bank did not directly print money for the elections, there were indirect expenditures by the government into what he called “areas that were not transparent”. The statements of the Central Bank Governor were consistent the following month (December 2014) when he was reported accepting the mistake he had committed in 2011 but noted that it was not his role to determine how the government uses the money obtained from treasury bills. He however promised Ugandans that the Central Bank would not print more money in 2016 for fear that some of it may end up facilitating political campaigns or even worse, fuel inflation such as the one that hit the economy after the 2011 elections.



The statements from the Central Bank Governor provided Ugandans with a clue of what may have happened to some of their tax payers’ money budgeted for the delivery of development and social services in FY 2010/2011. To the elite citizenry of Uganda the Governor’s statement gave an insight into what was likely to happen in 2016, the possibility of budgeted funds being diverted once again for campaign financing ostensibly by the incumbent government. The discourse within the citizenry about what may or may not happen to budget funds during the year of campaigns increased public suspicion and speculation about the diversion of budget funds to finance campaigns in favour of incumbent political party.

1.2 National Budget 2015/2016

There was an unprecedented increase in the size of the national budget for FY 2015/16 of UGX 23.9 trillion up from UGX 14 trillion in the previous FY 2014/15. With the increase taking place during the year of the elections and with the revelations of the Central Bank Governor still fresh in the minds of the citizens, debate and

speculation grew about the intentions of government. In October 2015 government questionably amended the Public Finance Management Act 2015 which had only been passed and assented to by the president on February 23rd 2015 and came into force on March 6th, 2015. Civil society, media, academia and development partners among others questioned the timing of the amendment coming in the middle of an election campaign. The amendment changed amongst others sections, the section 25 of the Public Finance Management Act 2015 which relaxed the principles governing supplementary budgets and the movement of money from one vote to another. This created a loophole than could potentially enable a manipulation of inflows and outflows of budget funds and its expenditure.

By conducting the analytical studies on the flow of national budget resources during the campaign period, ACFIM set out to investigate the possibility of resources intentioned for government programs finding their way into financing election campaigns. If and when this occurred ACFIM's aim was to track and expose these.

Whereas the total approved budget was UGX 23.9 trillion, the budget for sector allocations was UGX 18.3 trillion. The break down for the UGX 23.9 trillion budget was such that UGX 18.3 trillion was mobilised from domestic resources of which UGX 11.3 trillion would come from Tax and Non-Tax revenue and UGX 6.3 trillion from Domestic Financing. From external sources, UGX 5.6 trillion would be sourced of which UGX 5.13bn was to come from budget support and UGX 5.5 trillion to come from project support.

The major planned expenditure lines for these moneys UGX 8.6 trillion for recurrent expenditure and UGX 9.6 trillion for development expenditure. Whereas no money was allocated for taxes, UGX 4.7 trillion was allocated for domestic debt repayment.

Peculiar about this budget allocation is that in the FY 2014/15 no money was allocated for domestic debt repayment irrespective of the cat that government knew that they had borrowed UGX 2.7 trillion from the domestic market. This domestic debt repayment accounted for 20% of the total budget for the FY 2015/16. No sector has ever got such an allocation to spend in one FY in the history of Uganda's expenditure. This was also the first time since the inception of domestic borrowing that government had not budgeted for repayment of domestic debt. Therefore in terms of utilisation of the national budget for the FY 2015/16, we witnessed huge sums of money, being channeled to an item that cannot be easily verified.

Sectors like Public Administration where votes like Office of the President, State House and the Electoral Commission are domiciled, had an increase in allocation of UGX 198.81bn to raise their total budget allocation to UGX 753.651bn in the FY 2015/16. Table 2 below highlights the changes in allocation for the three sectors of Security, Public Administration and Legislature during the election period.

Table 1: Sector Budget Allocations for FY 2014/15 and FY 2015-16 (UGX, Billions)

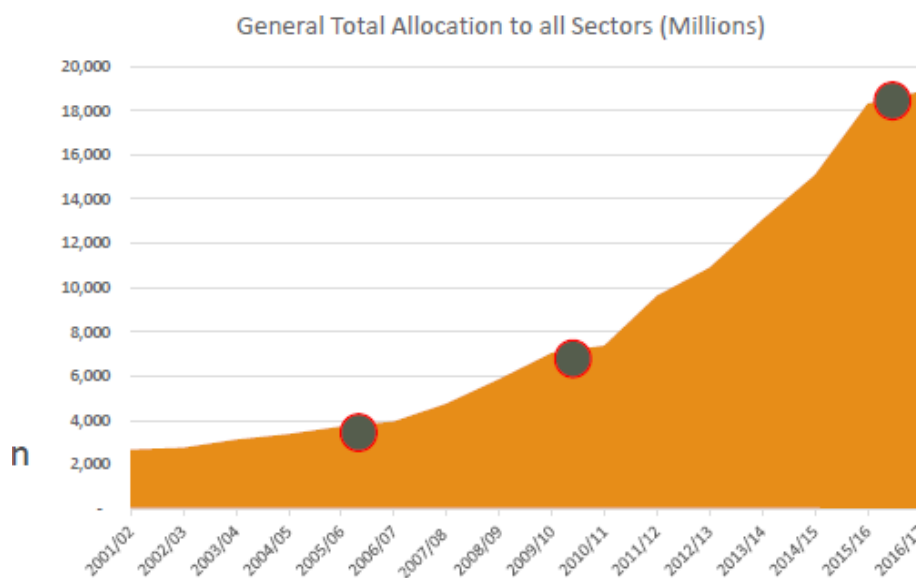
Sector	FY 2014/15 Approved Budget	FY 2015/16 Approved Budget	Variance	% change
Security	1,159.29	1,636.14	476.85	41%
Public Administration	554.84	753.651	198.81	36%
Legislature	331.92	371.30	39.38	12%

Source: Sector Approved Budgets

1.2.1 General Spike in Allocations, the Year Preceding the General Elections

In every financial year before an election year, there is a noticeable spike in flow of funds generally to all sectors. As seen in figure 1 below, there were peaks in the allocations of UGX 4 trillion in FY 2005/06 the year before the 2006 elections. There was another peak at UGX 6.5 trillion in financing in FY 2009/10 - the year before the 2011 elections. In 2014 all projections had put the national budget envelope at UGX 18.08 trillion only for the Ministry of Finance to announce to Parliament that the value of the national budget was to be UGX 23.9 trillion. That was FY 2014/15 a year before the 2016 general elections.

Figure 2: High Rise in Flows during the Election Fiscal Year

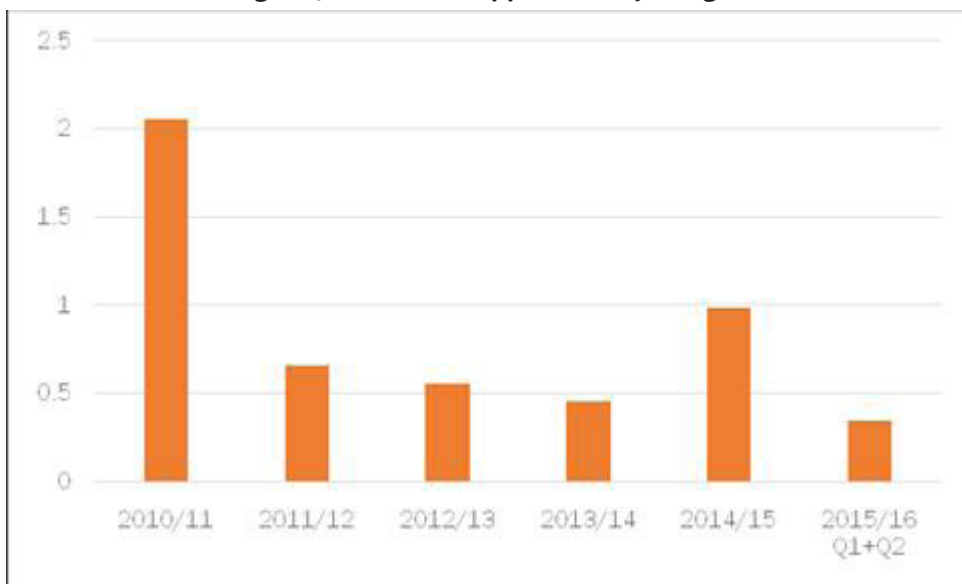


Source: Analysis of the Background to Budget Reports 2001/02 – 2016/17

1.2.2 Overall assessment of Supplementary Budget Financing

In accordance with Article 156 of the Constitution of the Republic of Uganda, the Government is required to lay before parliament proposals for supplementary allocations to different sectors. The total of these should not exceed 3% of the national budget. Analysis of supplementary funding for all sectors peaked at UGX 2.01Trillion for FY 2010/11, the highest in Uganda’s history and while this reduced (partly due to pressure from budget support development partners) it again rose sharply in FY 2014/15 to UGX 983 billion.

Figure 3: Trends in Supplementary Budget



Source: Analysis of Data from Budget Office, Parliament of Uganda

It is important to add that Development Partners and Civil Society Organizations roundly condemned government for the passage of the supplementary budget – mainly budget support development partners (Evaluation of Budget Support to Uganda Report DfID 2015). Great Britain, Ireland and Norway threatened to withdraw aid to Uganda and government relented as seen in the bars after 2010/11. However, the financial year before yet another election, there was again a spike noted in the supplementary budget allocation. In the election year 2015/16 gone only two quarters, already UGX 346 billion has been approved as supplementary budget – almost the whole value for 2013/14. The questions is therefore if there is a coincidental spending or a withdrawal of funds from consolidated funds to support public investments linked to a mobilization of political support.

1.3 Increase in the Cost of Contesting for a Political Position

The amendment of some electoral laws in 2015 within days to nomination of presidential candidates increased the cost of nomination for presidential and parliamentary races. Notably the Parliamentary Elections Act was amended to increase the nomination fees payable by parliamentary aspirants from UGX 200,000 (two hundred) to UGX 3,000,000 (three million). Additionally the Presidential Elections Act was amended to increase the nomination fees payable from UGX 8,000,000 (eight million) per aspirant to UGX 20,000,000 (twenty million shillings). Ironically the amendment further scrapped state funding to presidential candidates which had been UGX 20,000,000 (twenty million per candidate). The mandatory times for opening up polling stations were also changed from 8.00 am-5.00pm to 7.00 am – 4.00pm. The increase in MP nomination fees from UGX 200,000 (two hundred thousand shillings only) to UGX 3,000,000 (three million) presents a huge increase that points towards an over exaggerated increase of expenditure in the national budget

1.4 Sources of Political Party Financing in Uganda

In Uganda there are no definite sources of funding for political parties and election campaigns. The funding sources can be classified as “disclosed”; “non-disclosed” and “abused”.

1.4.1 Disclosed Sources

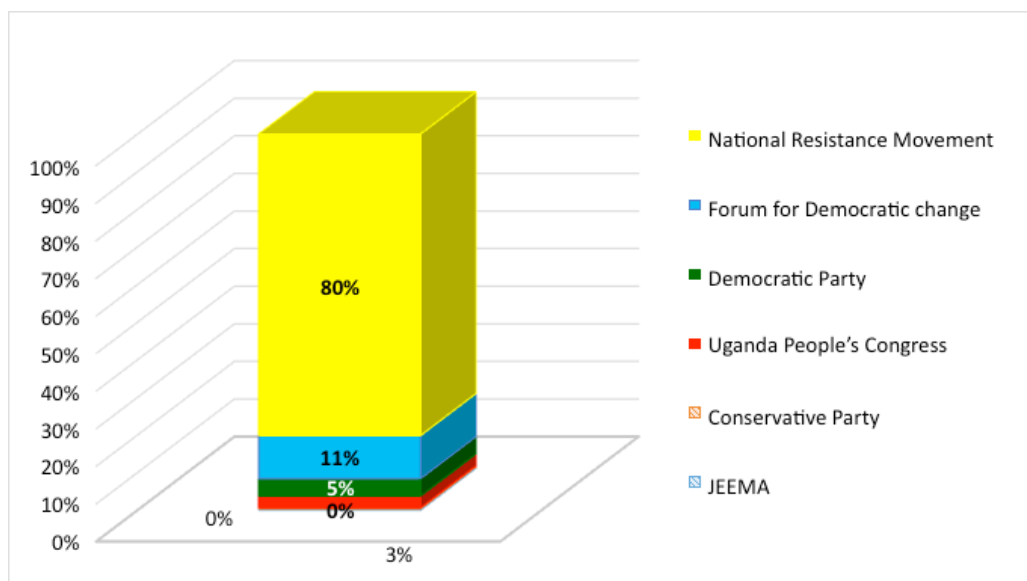
(i). *Public Financing.*

A total of 10Bn was appropriated in the FY 2015/16 national budget to facilitate political parties through the electoral commission body. The distribution is done as provided for under Section 14A (C) of the political Parties and Organizations Act, to facilitate only political parties that are represented in parliament. The ruling National Resistance Movement had the largest representation of 264 members, followed by Forum for Democratic Change with 34 members. Democratic Party had 12 members, Uganda People’s Congress 10 members, Justice Forum 1member and Conservative Party 1member. The parties therefore respectively received the following amounts:

Table 2: Budget Allocation to the Various Political Parties

Political Party	No. Seats	Budget Allocation (UGX)	% Share
Forum for Democratic change	37	1,145,510,836	11%
National Resistance Movement	259	8,018,575,851	80%
JEEMA	1	30,959,752	0%
Conservative Party	1	30,959,752	0%
Uganda People’s Congress	10	309,597,285	3%
Democratic Party	15	464,396,285	5%
Total		10,000,000,000	100%

Figure 4: Distribution of 10bn Government Contribution to Political Parties



Approximately, the NRM received a total of UGX 8.2 Bn (80.2%) of the total public funding. The FDC received an approximate total of UGX1.14bn (11.5%), DP received UGX 471 million, and UPC received UGX 309 million, while JEEMA and CP received UGX 30.9 million. Out of a total of twenty nine registered political parties in Uganda, only six qualified to benefit from the public resource distribution.

(ii). Sale of Party Membership Cards, T-Shirts, Badges, etc.

The second disclosed source of campaign financing is contributions from the sale of party cards (mainly done by the parties in the opposition). Despite the disappointment over ownership of political party cards (also because there are no alluring benefits of members), a few parties such as the FDC, UPC and DP managed to sell cards to potential members. However, this is not vigorously done as a mobilization and recruitment tool. The NRM on the other hand which boasts to have registered a total of 10.2 million members, carried out the registration and distribution of party cards without charging any money. Thus in terms of funding, the majority of the parties are losing income from this source rather than gaining.

(iii). Business Arm of the Party.

There is only one party in Uganda which can make reference to their own internal sources derived from business contributions. UPC through the Milton Obote Foundation; receives a monthly contribution of 5,000,000 (five million) shillings to cover administrative costs. Although parties like FDC and JEEMA have political homes with structures of their own, they do not generate additional resources from them.

(iv). *Party Well-Wishers.*

Well-wishers provide resources both in cash and in kind to promote their party ideologies and activities.

(v). *Remissions from MPs and Other Executive Members.*

The parties with a membership in Parliament have an arrangement for them to remit an agreed percentage off their monthly emoluments to the party on a monthly basis. The NRM members make a monthly contribution of UGX 500,000 (five hundred thousand shillings only); FDC remits a UGX 300,000 (three hundred thousand shillings only). The UPC members on the other hand are expected to contribute up to 1,000,000 (one million) shillings.

(vi). *Donations.*

Political parties especially those in the opposition have largely benefited from international development partner donations. These resources are characterized by a well prepared plan and budget. Majority of the donors that provide specific support to parties are interested in strengthening internal democracy; and supporting the participation of interest groups in party politics such as women and the youth. A few have also invested in institutional development by strengthening internal governance and systems, and procedures.

However, the capacity for political parties to sustain themselves using internal sources of income is very minimal. Political parties especially those in opposition are operating under extremely modest terms. Others disclosed include membership subscriptions and annual membership fees – since parties are not well organized and mobilized throughout the country, there is only a handful that can be realized. The sale of Party Cards, T/Shirts, Caps and Stickers among others is equally limited as well as nomination fees and other incomes from the members. Tanga Odoi, chairman of the NRM Electoral Commission, revealed that the party raised at least 202 million from parliamentary aspirants from the nomination of parliamentary candidates.

The sale of membership cards is supposed to be a big source of income for political parties, however, not all the parties are keen in promoting this component of fundraising including the NRM which boasts of 10.2 million registered voters.

1.4.2 Undisclosed' Sources

Whereas section 9 (3) of the Political Parties and Organizations Act (as amended) 2005 requires a declaration of sources of funds and other assets of the political party or organization, the practice is different. Available anecdotal information indicates that the business community makes concealed yet substantial financial campaign donations / contributions towards campaign budgets of different political parties especially during the campaign period. The level of secrecy about sources of funds

is higher in the opposition political parties partly for fear of economic repression or retribution by the government in power. A report by Roger Tangri and Andrew Mwenda indicates that the party in power - the NRM, always cashes into large sums of financial support coming from the Asian Businesses and local businesses in Uganda for its campaign activities in return for privileges and favors. The report mentions business enterprises like the Mukwano group of companies, Sudhir Ruparelia and his business empire that includes Crane bank and a chain of hotels; Karim Hirji, Madhvani, Mehta, SWIPCO and Mandela of City Oil and City Tyres. In 2011 alone, the NRM is alleged to have received US\$ 50m. All these business groups then reap the rewards in terms of tax deductions or waivers, land giveaways, and government contracts among others.

1.5 Party Primary Elections

The incumbent National Resistance Movement (NRM) is the only Political Party that carried out countrywide primary elections ahead of the general elections of 2016. The primary elections were conducted at the grass root level in October 2015 with all the 67,000 villages participating and giving the opportunity to many citizens to choose representatives for Parliament, District and Sub County Local Governments. Whereas the main opposition party – Forum for Democratic Change (FDC) conducted vibrant and transparent party flag bearer campaigns contested by Dr. Kizza Besigye and party president Gen. Mugisha Muntu in September 2015, their grass root elections did not live up to standards as in some constituencies it looked more like “selection” as opposed election. Historical parties namely Democratic Party and Uganda Peoples’ Congress were embroiled in internal leadership wrangles and ended up failing to organize party primaries. Justice Forum (Jeema) and the Conservative Party (CP) did not organize primary elections as well.

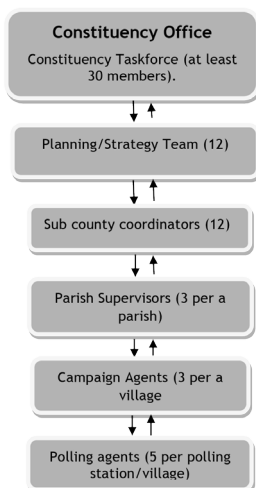
The NRM primary elections for Member of Parliament flag bearers for 2016 turned out to be the most expensive for contestants in the history of the party. It started with certification of academic papers where every candidate paid UGX 500,000 to Uganda National Examination’s Board (UNEBC) to have copies of their academic papers certified. The party introduced new nomination fees for aspirants seeking to contest on the party’s ticket. Accordingly presidential aspirants paid UGX 10million, MP race aspirants paid UGX 2m, while those aspiring for District LCV Chairperson paid UGX 1million. The village Local Council (LC) 1 aspirants were required to pay UGX 10,000. Nonetheless, positions for NRM flag-bearer especially at MP and LCV levels were highly contested and this constituted grounds for unprecedented expenditure.

1.6 Overview of General Expense Categories during Campaigns

Campaigning for an elective post in Uganda has become an expensive venture. Campaign expenditure requirements range from consultations, mobilization, planning, nominations, managing rallies, publicity- media, welfare, posters and

provision of support to organized groups to donations, voter inducements and transport. Below is a typical scenario of a candidate contesting in the race for Presidency or to become a Member of Parliament:

1.6.1 Establishment of a Campaign Structure



The MP aspirants all aim at ensuring that there is a campaign structure through which mobilization can be realized. Below is an example of one of the Constituencies in Western Uganda with 4 sub counties and 24 parishes in total.

1.6.2 Managing a Rally

Each rally requires an advance team to carry out mobilization of the members; hiring of so called “boda bodas”(motorbike cyclists) as part of the procession; the hire of a public address system; hire of pickups carrying people to cheer the candidate throughout the journey from one venue to another and another to carry the dancers/entertainment crew. A political candidate spends a minimum of UGX 1,500,000 (one million five hundred thousand shillings) per rally⁶.

1.6.3 Outdoor Advertising and Branding

Each aspirant is expected to have a branding plan that includes posters; PVC banners, t-shirts, placards and fliers. On some instances candidates invested in vehicle branding and expensive billboards.

1.6.4 Media Publicity

The use of the media is a necessary component of the campaign programme. These includes paying for radio talk shows; payment of musicians composing songs in praise of the aspirant; radio presenters (DJs) and journalists to promote the candidate

⁶ Discreet interviews with former political candidates and campaign managers.

on local print and electronic media as well as counter the negative publicity from opponents.

1.6.5 Financing Organized Groups

The campaign period is also a lucrative fundraising period for the organized groups (women, persons with disabilities; youth; and churches). All these groups are resident in the villages and the candidates must make a contribution to each one of the churches/mosques and interest groups.

1.6.6 Transport Expenses

Transport constitutes a major expenditure item during political campaigns for candidates as this allows them to reach out to as many voters as possible and they must do so with a crowd accompanying them as an indicator of popularity. Transport includes cost of hire of vehicles and fuel.

1.6.7 Voter Tourism and Voter Hospitality

Voter tourism is where political candidates provide buses, vans or trucks for voters to be driven around the constituency to enjoy a free ride. Voter hospitality on the other hand is when political candidates host voters to banquets, luncheons, dinners or provided with free disco dance among other incentives with a view of inducing them to support the generous candidate.

1.6.8 Campaign Gifts and Donations

Candidates always offer gifts in the form of fabrics and groceries to voters in order to establish a bonding relationship. Additionally they make donations to places of worship namely churches and mosques in the form of building materials or cash for faith-based development projects. Sometimes fundraising functions are organized targeting political candidates. This is very costly considering that a constituency can have 200 places of worship to which the candidate or his agents must visit and make a donation to.

1.6.9 Security Expenses

Candidates must spend on private security during campaigns. This expenditure includes hire of body guards or engaging a private security company to provide security services.

1.6.10 Administrative Expenses

It is a traditional practice for a political candidate to have a coordinating office in a constituency. The coordinating office must have administrative staff who are paid monthly stipends. The offices are maintained by payment of monthly rent and utilities including water, electricity and internet must also be covered.

2. SCOPE OF THE STUDY

The study on campaign financing for the 2015-2016 elections constitutes a major breakthrough for civil society in Uganda in coming up with credible estimates of expenditure of political parties and individual candidates on election campaigns; documenting how money is used in elections, how government resources (financial and administrative) are misused for campaigns and how each, or a mix of these, influences election outcomes.

The scope of this extensive study focused on answering questions on the following five aspects:

- 1) Quantity of money spent by political parties and candidates contesting in the presidential and Member of Parliament races.
- 2) The use of national budget funds during the financial year of 2015/2016 – the year of the general elections in Uganda
- 3) The extent and effects of vote buying on election outcomes
- 4) The misuse of government resources for political campaigns
- 5) If regulatory framework for financing of political parties and election campaigns was enforced and if so, how it was done.

The study comprised two strands namely:

- a) National level where analytical case studies were conducted pertaining to the flow and use of funds from the national budget during campaigns;
- b) Constituency level where the focus was put on monitoring campaign activities on the ground in order to quantify the amount of money spent by political parties and candidates during 2016 election campaigns in 16 districts.

2.1 National Level Analytical Studies

The analytical studies examined budget allocations and performance of selected budget votes⁷ of the last four years in order to investigate the hypothesis that resources intentioned for government programs find their way into financing election campaigns. The studies put particular emphasis on the flow of money allocated in the national budget for FY 2015/2016 and Supplementary Budgets. Typical examples include the deployment of state officials to organize campaign

⁷ The national budget is divided into different budget parts known as votes. There is a Budget Vote for each Ministry, Department or Agency.

events, use of government vehicles for campaign activities, and direct distribution to voters of public funds or goods and services purchased with public funds. We also analysed expenditure trends in selected government ministries, departments and agencies. The studies were limited to the following budget votes:

- 1) Office of the President
- 2) State House
- 3) Ministry of Defence
- 4) Office of the Prime Minister
- 5) Electoral Commission
- 6) Parliamentary Commission

2.2 Monitoring of Campaign Expenses at Constituency Level

ACFIM monitored campaign expenses of the Presidential and Member of Parliament races in 74 constituencies within 16 districts representing 14.4 per cent of the whole country. Out of the 74 constituencies covered, 16 were district woman Member of Parliament constituencies. The districts covered in the study include:

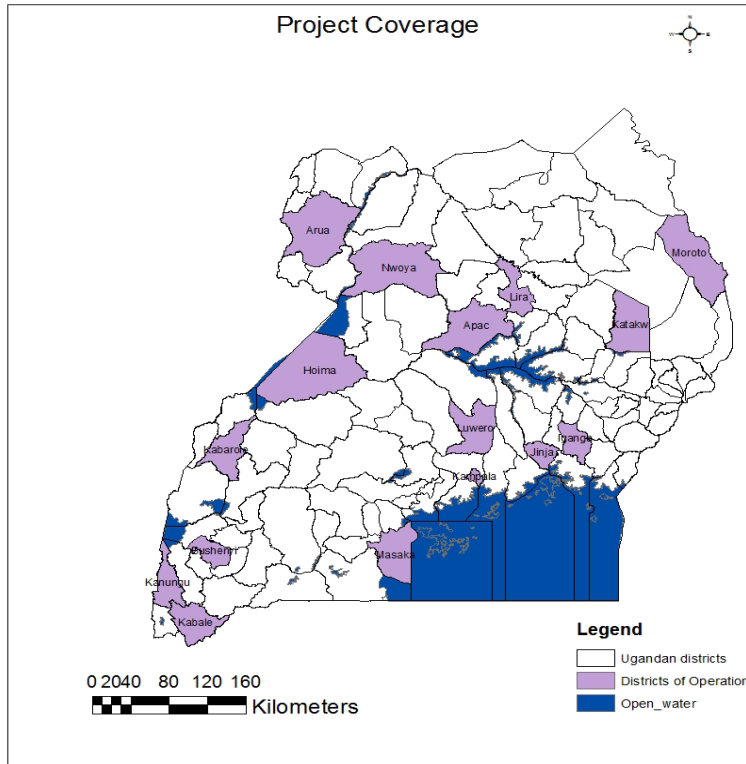
Table 3: Districts Covered in the Study ACFIM

	Name of District	Region	Direct Constituencies	Woman MP Constituencies
1.	Kampala	Capital City	8	1
2.	Masaka	Central	3	1
3.	Luweero	Central	3	1
4.	Jinja	Busoga	4	1
5.	Iganga	Busoga	4	1
6.	Kabale	Kigezi	6	1
7.	Kanungu	Kigezi	2	1
8.	Bushenyi	Ankole	3	1
9.	Kabalore	Rwenzori	3	1
10.	Hoima	Bunyoro	4	1
11.	Arua	West Nile	7	1
12.	Nwoya	Acholi	1	1
13.	Lira	Lango	3	1
14.	Apac	Lango	2	1
15.	Moroto	Karamoja	3	1
16.	Katakwi	Teso	2	1
	TOTAL		58	74

In a country where there are no legal provisions that require political candidates to disclose their campaign income and expenditure, the task of monitoring campaign expenses is a difficult one. Because of these difficulties, the study set out to track and record just minimum expenditures incurred by political parties and candidates on campaign trail. The study monitored the following campaign events:

- Consultative meetings
- Campaign Events / Rallies
- Publicity
- Fundraising events
- Outdoor advertising and promotional materials
- Stipends for campaign agents
- Transport and fuel expenses
- Media expenses
- Campaign donations and handout materials
- Expenses on voter tourism and hospitality
- Campaign Coordination and Administration expenses
- Election day expenses on polling agents

Figure 6: Map Showing the Geographical Spread of the Districts Covered Under this Study



3. METHODOLOGY

A preliminary / scoping study was conducted on campaign financing in Uganda. The study interrogated the means by which campaign money is raised and spent by political parties and candidates as well as the regulatory framework for campaign financing in Uganda. Findings informed the process of defining the scope of this extended study and determining the type of tools and caliber of Research Assistants that we needed to collect data.

Whereas the study is informed by data from primary and secondary sources, the analysis is mostly informed by primary data that was collected at constituency level and from discreet interviews with officials in political parties and government institutions. Secondary data was mostly used to support analysis of budget utilization at national level.

3.1 Campaign Expenses Monitoring at Constituency Level

Tools were developed for data collection at constituency level. These included:

- a) Campaign Expenses Form - designed to collect candidate/party expenditure on transport, campaign events/rallies, campaign materials, media, handout materials, donations and cash giveaways.
- b) Outdoor Advertising Form – designed to collect candidate/party expenditure on billboards, banners, posters, fliers and leaflets.
- c) Administrative and Coordination Expenses Form – used to collect candidate /party expenditure used to coordinate campaign activities and to maintain campaign offices in their respective constituencies.
- d) Election Day Expenses Form – designed to collect expenditure for facilitating polling agents
- e) Average Cost Estimate Form – This form listed all the known expenditure items that are used in a campaign and the unit cost per item based on the market rates obtained in a particular district. This form was updated every month to reflect changes in prices. This form was managed by the heads of the respective implementing member organizations.

All of these forms were pre-tested during the NRM primary elections and again cross-checked in a reflection forum attended by all Research Assistants and their supervisors. ACFIM leveraged the presence of 65 locally recruited and meticulously

trained long-term Research Assistants (RA's) that used their familiarity with the local context and situational awareness to gather the required data. These men and women kept their identity concealed but worked with a network of informers some of whom were campaign agents of different political candidates. Each Research Assistant was assigned one constituency in which they used skills obtained at their training to observe and document campaign expenses directly or indirectly through credible third party informers whom they identified using their familiarity with the constituency. The RA's tracked observable spending on campaign events, outdoor advertising and donations among others, and where possible, covert campaign spending done by presidential and Member of Parliament candidates through proxies.

Before an expense was entered into a form, the RA was required to verify the cost from at least three different sources namely: the campaign agent, the supplier and the ongoing market rate. The suppliers were skillfully approached to find out how much they charged the candidates. In some constituencies the candidates or their agents volunteered the information. Triangulation was also applied to the data before it would be entered for analysis. This was achieved by interviewing the suppliers of the goods and services, or a friendly member of the campaign team or in some cases, the candidate itself. In cases where the suppliers declined to share information and informers in the campaign camps also refused, we relied on the average cost estimate form. Monitoring misuse of government vehicles and civil servants for campaigns was also done through direct and indirect observation.

The district supervisors regularly visited the different constituencies to verify data that had been submitted to the different forms as well as to ensure that the RA's followed thoroughly the basic principles of quality data collection. In addition, ACFIM secretariat made monthly field visits in order to speak to the RA's about their experiences, challenges and lessons.

Data was entered into a central database by well-trained and closely supervised Data Entry Clerks. The Database Manager at ACFIM secretariat examined entered data for consistence and validity. Field visits were regularly made based on advice from the Database Manager to test-retest the data. This was done by independently interviewing some of the suppliers of campaign goods and services to establish the validity of data collected. Data was cleaned of inconsistencies, stored and analysed. Critical incidences were also transmitted to supervisors in real time through phone calls or SMS text messaging. ACFIM observers/monitors were strongly advised to collect photographic or video evidence to back up their data and reports. It is important to note that the RA's improved their skills immensely throughout the entire period which can be reflected in the improved quality of the data collected and subsequently, the quality of the ACFIM progress reports.

3.2 Analytical Case Studies on the Flow of Budget Resources

At the national level we adopted both inductive and deductive research approaches to monitor public spending and changes in the utilization of selected budget categories for FY 2015-2016. The national level strand of the study was premised on reviewing the current legal documentation on public finance management; reviews of budget data from the Ministry of Finance Planning and Economic Development and qualitative analysis from interviews of key personnel in the public finance management sector. The use of secondary data was critical in the interrogating flow of national budget resources. Documents reviewed include: Approved budgets for the selected Ministries, Department and Agencies (MDAs); and Budget performance reports for the MDAs over the past 5 Financial Years (FYs). The impetus for analyzing trends in budget spending over 5 years was to track campaign-motivated changes in budgetary allocations in the pre-election period. Special attention was put MDA Budget Performance Papers (MFPs) and Ministerial Policy Statements (MPS) for the FY 2015/16.

3.3 Key Informant Interviews

At constituency level, discreet interviews were conducted with campaign agent and mobilisers, suppliers of goods and services, bodaboda cyclists, drivers of trucks, buses and mini buses that were often hired by candidates, fuel pump attendants, providers of public address systems, journalists, radio presenters and candidates among others. At national level, key interviews were conducted with technical staff in the Office of the President, Ministry of Defence, Parliament of Uganda, Electoral Commission and State House. In-depth interviews elicited information on (a) the budget allocations for the past eight years, (b) supplementary budget allocations for the FY 2015/16 and (c) budget utilisation for the FY 2015/16. Interviews were further conducted with officials in the party headquarters of NRM, FDC, DP, and UPC.

3.4 Sampling

At the district level purposive sampling method was used to pick one districts in the regions where ACFIM partners operate and cover all the constituencies in the district. For the national level studies, sampling was used to select MDAs for review and analysis. This approach was helpful because it took into account the mandate and budgetary allocations of MDAs that were analysed. The selected MDAs here within included; Office of the President, Ministry of Defence, Parliament of Uganda, State House, and the EC. This was because these institutions play a key role in the administrative section of government, and more importantly played a key role during the 2016 general elections.

3.5 Statistical Significance and Confidence Intervals

In this report, all expenditures reported are statistically significant at the 95 per cent confidence level. That is to say, there is a 95 per cent probability that the expenses in this report are real and not the result of sampling error.

3.6 Report Structure

Following this chapter, Chapter two presents the scope of this extended study in terms of geographical and thematic coverage. Chapter three outlines the methodology used to collect and analyse data. Chapter four presents the regulatory framework for campaign financing in Uganda highlighting gaps therein. Chapter five is the articulated the main thrust of the study – campaign financing for the 2016 presidential and parliamentary elections. Chapter six analyses the flow of budget resources in selected ministries, departments and agencies interrogating the possibility that some budget funds could have been diverted to finance elections campaigns. Chapter seven examines the levels of compliance and enforcement of provisions in the electoral laws that relate to campaign financing. Last but by no means least, the recommendations chapter (Chapter 8) reviews key findings from each chapter and presents recommendations for improved regulatory framework and voter awareness with a view of fostering transparency and accountability in financing of electoral and political processes.

4. REGULATORY FRAMEWORK FOR CAMPAIGN FINANCING IN UGANDA

This section scrutinises the legal and institutional framework relating to campaign financing. The current legal framework has provisions that relate to routine financing of political parties and organisations (declaration of assets and liabilities, records and audit, restrictions on contributions from foreign sources); voter bribery; and misuse of government resources for campaigns; but it lacks provisions relating to campaign financing. This report draws a clear line between routine party financing and campaign financing. Routine financing refers to donations, contributions and expenditure of political parties while campaign financing refers to resources acquired and/or spent by electoral candidates and political parties in election campaigns. Election campaigns are subjected to different financial pressures and they need specific legal provisions to regulate them. In addition, the country has weak institutional framework to enforce the existing provisions on political party financing, voter bribery and misuse of government resources for election campaigns.

4.1 Legal Framework

A good legal framework for campaign financing is essential for equalising the conditions for political competition in order for a country to administer genuine democratic elections. The legal framework includes provisions in the national constitution and electoral laws that regulate money in politics, financing of political parties and organisations, disclosure of party income and expenditure, submission of annual returns, voter bribery and misuse of government resources for elections campaigns.

Article 72 section 5 of the Constitution of Uganda says that parliament shall by law regulate the manner of participating in, and financing of elections by individuals seeking political office as independent candidates. Uganda has five electoral laws namely:

- 1) The Presidential Elections Act
- 2) The Parliamentary Elections Act
- 3) The Political Parties and Organisations Act
- 4) The Electoral Commission Act
- 5) The Local Government Act

Provisions on Voter Bribery

Section 68 (1 & 2) of the Parliamentary Elections Act (as amended) 2005 makes voter bribery illegal. It clearly states that: a person who, either before or during an election ,either directly or indirectly, tries to influence another person to vote or refrain from voting for any candidate by giving any money, gift or other consideration to that person, commits the offence of bribery and is liable on conviction to a fine not exceeding 72 currency points or imprisonment not exceeding three years or both. Section 68 (2) incriminated the receiver as well. The law however makes exception of refreshments and food provided by a candidate or candidate's agent. Section 64 (1 & 2) of the Presidential Elections Act also highlights voter bribery as an illegal practice.

Provisions on Misuse of Government Resources for Campaigns

Section 25 (1) of the Parliamentary Elections Act, 2005 and Section 27 (1) of the Presidential Elections Act (as amended) 2005, prohibits the use of government and public resources for purposes of campaigning for elections, except as authorised under the Act. Sec 27 (2) of the Presidential Elections Act (2000) that allows a candidate who holds the office of the President to continue using government facilities attached to his office during the campaign.

Provisions on Public Financing of Political Parties

Section 14 A of the Political Parties and Organisations Amendment Act (2010) sets the principles upon which government contributes funds towards the activities of other political parties. Section 22 (2) (a) of the Presidential Elections Act 2005 provides that the EC shall facilitate candidates with 1000 currency points. Whereas the provision in Section 22 (2), (a) was repealed by Section 3 of the Presidential Elections (Amendment) Act 2015, the provisions in Section 14(a) of the Political Parties and Organisations (Amendment) Act were not repealed. This means that whereas government stopped facilitation of the candidates, the political parties are still eligible for this facilitation but dependant on the numerical strength of the party in Parliament. This development left independent candidates to fully finance their elections in 2016 without government support. The Political Parties and Organisations Act 2005 put a limit on foreign sources of 20,000 currency points per year, were a currency point is UGX 20,000 making the total limit UGX 400,000,000.

In 2010, the Political Parties and Organizations Act (PPOA) was amended to insert Section 14(a) that provides for the use of government funds or other public resources to political parties or organizations represented in Parliament; (b) in respect of elections funding shall be on equal basis; and (c) level of public financing for Political Parties and or Organisations shall be based on the numerical strength of each party in Parliament. Sec 12 (1) (b) of PPOA requires that every political party or organisation shall maintain at its national head office, an accurate and permanent

record of a Statement of its accounts, showing the sources of its funds and the name of any person who has contributed to the funds including contributions by persons who are not citizens of Uganda, membership dues paid, donations in cash or in kind and all the financial transactions of the political party or organisation which are conducted through, by or with the head or national office of the political party or organisation. As regards individual candidates, Sec 19 (6) of the Presidential Elections Act provides that they should maintain records of all assistance obtained during the campaigns.

4.2 Key Gaps in Legal Framework Pertaining to Election Campaign Financing

- a) Amendment of section 25 of the Public Finance Management Act 2015 in October 2015 (just 8 months after its enactment) that relaxed the principles governing supplementary budgets. This created a loophole that can enable manipulation of inflows of budget funds and its expenditure during the year of election campaigns. In other words the amendment circumvented the oversight of parliament and use the central bank and treasury to draw money for supplementary budget without prior approval.
- b) Section 27 (2) of the Presidential Elections Act (as amended) 2005 allows a candidate who holds the office of President to continue using government facilities attached to his/her office during campaigns. For election campaign year 2015-2016 the incumbent president had the entire budgets of State House and Office of the President to his disposal.
- c) There are no provisions in the national laws that restrict private companies/corporations (national and international) with running government contracts or partial government ownership from making campaign contributions to the incumbent party in government or other political parties participating in the elections. This provides fertile grounds for a form of corruption in campaign finance where private corporations make quid-pro-quo donations to prospective political parties or candidates in return for favourable treatment by elected representatives. This type of corruption often results in finance scandals, particularly in the domain of public contracting.
- d) There are no rules regulating campaign income and expenditure. Regulation in this context includes disclosure of campaign income and expenditure; and putting limits of campaign spending. Absence of restrictions on spending can result in spiralling campaign costs, which, in turn, encourages parties and candidates to engage in corrupt financing to meet ever-increasing financial demands. The significance of this gap is premised on grounds that election campaigns are one-off events that are subject to different financial pressures. Political parties and individual candidates invest large amounts

of money. The lack of regulatory framework for campaign financing largely explains the high levels of commercialisation of politics that Uganda's politicians especially the MPs are grappling with to date.

- e) There are no provisions that require political parties and individual candidates contesting in the election campaign to manage campaign finances transparently. In the absence of the law it is unclear who can be authorised and/or held accountable in regards to management or mismanagement of election campaign expenditure. In the absence of a provision alluding to this, political parties and individual candidates do not keep updated records on campaign income and expenditure. The ideal regulation should require candidates and political parties to open bank accounts on which campaign income and expenditure is managed. It should also be clear the number of people that need to be signatory to that account. This is where accountability has to begin.
- f) No provision on dispute resolution mechanisms - Dispute Resolution Allows any person to lodge a complaint alleging a breach of the Act has been committed which will then be investigated and determined.
- g) No provisions on Offences by a candidate/party States that fail to submit returns or submission of false returns/accountability.

4.3 Institutional Framework for Campaign Financing

Institutions that are relevant for campaign financing in Uganda include:

- a) Ministry of Justice and Constitutional Affairs that is among others charged with responsibility of drafting bills and policy development
- b) The Electoral Commission (EC)
- c) Inspectorate of Government
- d) Police
- e) Director of public prosecutions that prosecutes cases including those in breach of electoral laws

The Electoral Commission lacks the wherewithal to evoke sanctions in the electoral laws when political parties and organisations, as well as individual candidates fail to comply. For example, political parties do not follow the legal requirements in the Political Parties and Organisations Act 2005 that requires them to submit to the EC annually, a record that states sources of funding and other assets of the political party (section 9(3)). Instead, they simply ignore it and the EC fails to sanction them. It was clear throughout the campaign period (November 2015 – January 2016) that the Inspectorate of Government and Police are not very interested in offences relating to voter bribery and misuse of government resources for campaigns. In a nutshell, it remains unclear which institution in Uganda has the direct responsibility to regulate campaign financing.

5. FINANCING OF ELECTION CAMPAIGNS 2015/2016

5.1 Anatomy of Campaign Expenditure

This section presents credible estimates of campaign expenses incurred by political parties and candidates that contested in Presidential and Member of Parliament races as monitored and documented by ACFIM over an extended pre-election period of ten months. This period covers the months May 1st – December 30th, 2015 and January 1st – February 18th, 2016. Tracking and documenting campaign spending for the first time in the political history of Uganda was as challenging as had been anticipated due to a number of reasons.

First, politicians spend money not only through formal ways but also through proxies and third parties, as well as at times even at night. Covert campaign spending was difficult for ACFIM to track. Second, political parties and individual candidates do not keep updated record of campaign expenditure. As such many of them may not be in position to tell the correct amount of money they spent during the campaign period. Third, some of the people who received money from political parties and individual candidates were reluctant to reveal the correct information about the amounts received. Fourthly, the lack of legal requirements for the disclosure of campaign expenditure made the work to monitoring campaign spending much harder.

Nonetheless by exercising a high degree of cunningness and sustaining a network of informers, ACFIM Research Assistants were to the extent possible able to obtain credible data that has enabled us to quantify the minimum expenditure by political parties and individual candidates contesting in the Presidential and Member of Parliament races 2015-2016. The figures provided in relation to political party spending include observable expenditure made at national and constituency levels. Some of the national level expenses we observed include party delegates' conferences, party primary elections, contribution to party flag bearers, media expenses, office administration and campaign coordination expenses.

5.2 Combined Expenditure on Pre-Campaign and Campaign Activities

The combined observable expenditure recorded in the ACFIM database to have been incurred by all political parties and candidates that contested in the Presidential and Member of Parliament races in 16 districts is UGX 435 billion (US\$ 128 million). If this figure is extrapolated in view of all the 112 districts of Uganda, it can be estimated that at least UGX 2.4 trillion (US\$ 716 million) was spent by political

parties and candidates on elections campaigns 2015/2016. The computation covers minimum expenses incurred on pre-campaign activities, and campaign activities for Presidential and Member of Parliament races combined. These expenses were incurred between May 2015 and February 2016 – an extended period of ten months. It should be noted that these are only minimum expenditure incurred as there was more money spent covertly through proxies and third parties that ACFIM could not gain access to and/or independently verify. It was on rare occasions that ACFIM Researchers and Research Assistants were able to access discreet information from party insiders/candidates’ campaign camps.

Majority of the recorded campaign expenditure in the 16 districts (76.6 per cent) was by the Incumbent National Resistance Movement (NRM) party to the tune of at least UGX 333bn (US\$ 98 million). NRM is followed in expenditure by Independent Candidates whose observable expenses add up to UGX 77.5bn (22.8m) representing 17.8 per cent. ACFIM observers at constituency level noted that majority of the Independent Candidates contesting in the Member of Parliament races were NRM leaning having lost out during the laborious party primaries. Main opposition party Forum for Democratic Change (FDC) party comes third with a total recorded expenditure of UGX 12.0 bn (US\$ 3.5m) which translates into a percentage share of 2.8 per cent followed by Go Forward political pressure group in forth position having spent an estimated UGX 8.2bn (US\$ 2.4m) or 1.9 per cent. Candidates from the country’s two oldest political parties Democratic Party (DP) and Uganda Peoples’ Congress (UPC) are estimated to have spent at combined minimum of UGX 1.7 billion (US\$ 0.48m) or 0.4 per cent and UGX 894 million (US\$ 0.26) or 0.2 per cent respectively. The pie chart below illustrates the percentage party share of the total political party and independent candidates’ expenses presented.

Figure 6: Minimum Expenses by Parties (May 2015 – Feb 2016)

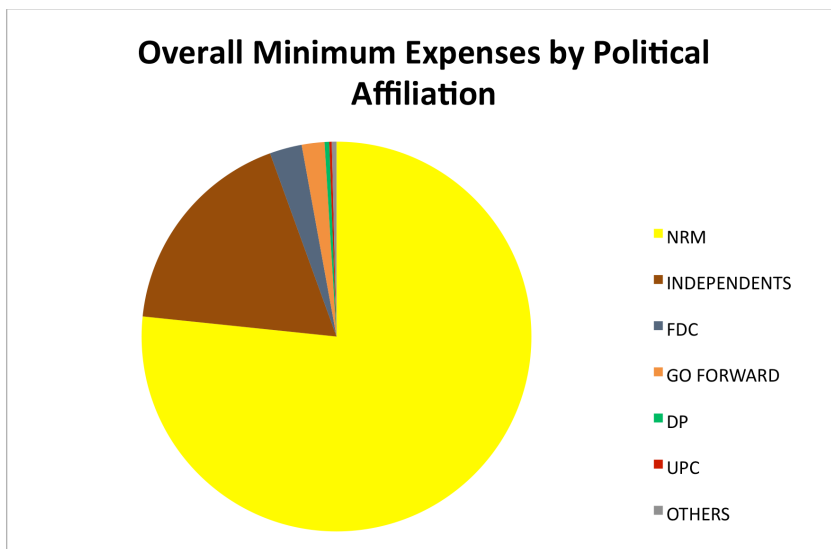


Table 4: Minimum Expenses by Political Affiliation (May 2015 – Feb 2016)

PARTY	May-2015 to Oct-2015 (000s)	Nov-2015 (000s)	Dec-2015 (000s)	Jan-2016 (000s)	Feb-2016 (000s)	Combined Spending in 16 Districts (000s)	Overall %	Projection for All Districts (000s)	Projection in US Dollars
NRM	100,000,000	44,413,292	76,589,135	67,325,800	45,032,200	333,360,427	76.6	1,733,522,989	509,859,703
INDEPEN-DENTS	-	2,327,800	8,529,394	42,543,780	24,068,100	77,469,074	17.8	542,283,518	159,495,152
FDC	1,512,000	1,293,965	1,612,253	4,432,770	3,196,390	12,047,378	2.8	75,259,646	22,135,190
GO FORWARD	327,900	849,120	649,786	2,964,231	3,427,440	8,218,477	1.9	55,561,937	16,341,746
DP	153,080	429,480	224,383	321,682	532,764	1,661,389	0.4	10,711,243	3,150,366
UPC	132,000	184,342	228,257	160,543	189,311	894,453	0.2	5,469,171	1,608,580
OTHERS	-	127,170	229,827	599,326	742,890	1,699,213	0.4	11,894,491	3,498,380
TOTAL	102,124,980	49,625,169	88,063,035	118,348,132	77,189,095	435,350,411	100.0	2,434,702,995	716,089,116
Overall	23.46	11.40	20.23	27.18	17.73	100.00			
Month %									
Monthly Increase			77.5	34.4	-34.8				

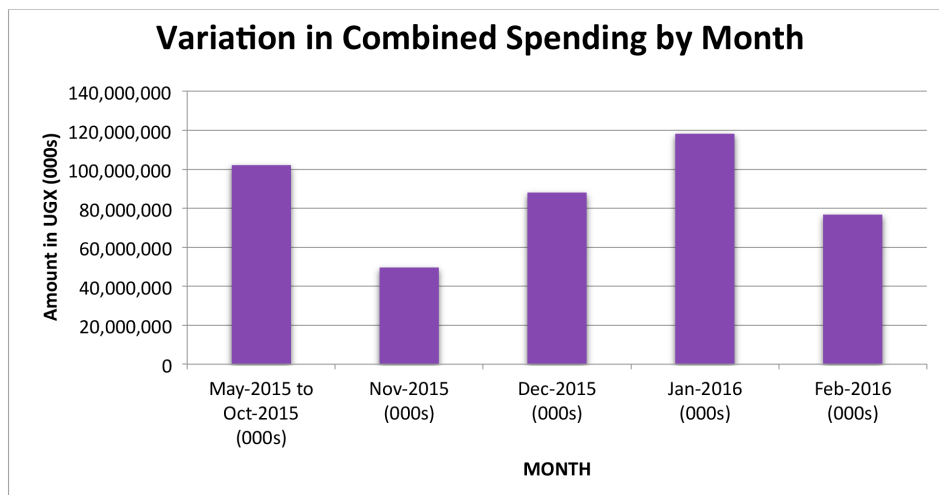
Source: ACFIM Database 2015/2016

5.2.1 Analysis of Spending Patterns by Political Affiliation

Political candidates from the NRM Party and Independents combined spent more money on campaign activities than the rest of the candidates. During the six month pre-campaign period (May – October 2015) NRM party conducted more political activities than any other party. These activities included among others retreat at Kyankwanzi Leadership Institute for all NRM incumbent members of parliament, a party delegates’ conferences to amend the party constitution, cleaning the party voters’ register, reactivating party structures at village level and conducting grass root primary elections countrywide. These activities combined, cost the party at least UGX 100 billion (US\$ 29.4 million).

During the campaign period which started in earnest on November 3rd, 2015 after the first round of presidential nominations, the NRM continued to outspend the other parties and independent candidates that were participating in the race. The highest campaign spending in a single month was recorded in January 2016 – the month in which political parties used up the biggest amount of money with a combined expenditure of UGX 118.3 billion (US\$ 34.8 million) representing 27.2 per cent of the total cash spent during the campaign period. This was followed by the month of December 2015 with a combined expenditure of UGX 88.1 billion (US\$ 26 million) or 20.2% per cent of the total expenditure on election campaigns; and February 2016 with UGX 77.2 billion (US\$ 22.7 million) or 17.7 per cent and lastly November 2015 with combined expenditure of UGX 49.6 billion (US\$ 14.6 million) or 11.4 per cent per cent of the combined expenditure. The combined months from May 2015 to October 2015 had expense of 102.1 billion UGX (23.5 per cent) of the total expenditure. The graph below illustrates the trend in campaign spending between candidates of different political affiliations.

Figure 7: Variation in Combined Spending by Political Parties by Month

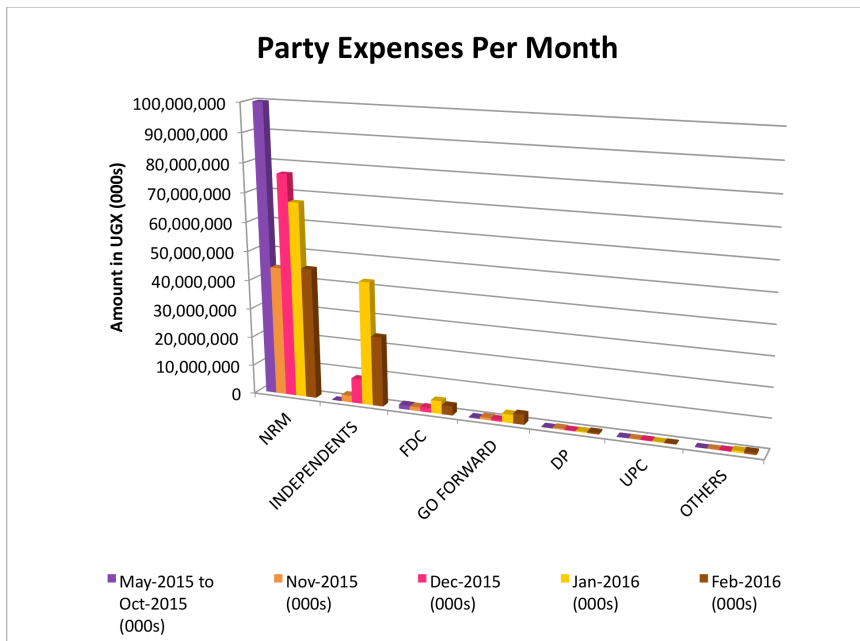


5.2.2 Variation in Spending by Political Affiliation

Throughout this period, political parties spent differently from one month to another. The biggest expenses by the political parties in a single month were in the following months: NRM (December 2015), Independents (January 2016), FDC (January 2016), Go Forward (February 2016), DP (February 2016) and UPC (December 2015).

The least expenses by the political parties were in the following months: NRM (November 2015), Independents (November 2015), FDC (November 2015), Go Forward (May-October 2015), DP (May-October 2015) and UPC (May-October 2015). The graph below illustrates the variation in party spending month by month.

Figure 8: Variation in Spending by Political Affiliation (Month by Month)



5.2.3 Overall Increase or Decrease in Monthly Spending

Political parties and candidates either increased or decreased their expenses from one month to another. Between the months of November 2015 and December 2015, there was an overall increase in the expenses by 77.5%. There was also an overall increase in expenses by 34.4% between the months of December 2015 and January 2016. However expenses by parties reduced by 35.1% between the months of January 2016 and February 2016 which may be attributed to the fact that the campaign period during this time was for a shorter period of time.

5.3 Pre-Campaign Expenses

The biggest percentage of funds spent during the pre-campaign (97.9 per cent) is apportioned to the NRM party of the total spending observed by ACFIM during the pre-campaign period. The pre-campaign period in the context of this study covers the period May – October 2015. During this period the NRM party spend an aggregable minimum amount of UGX 100 billion (US\$ 29.4m) on among other things reactivating party village structures, conducting delegates conferences, supporting party MPs to popularise the sole candidature on incumbent president Yoweri Museveni as party flag bearer for presidential nominations, procurement of Vehicles for senior officials at the party headquarters and carrying out party primary elections. FDC was second biggest spender during the pre-campaign period. The opposition party was observed spending on delegates conferences and making a contribution towards activities of The Democratic Alliance (TDA). All together the party spent a minimum of UGX 1.5 billion (US\$ 0.44m). Go Forward political group came third by spending a minimum of UGX 328 million (US\$ 96,470) mainly on consultative visits to eastern Uganda and donations. Other parties observed conducting activities during the pre-campaign period included DP and UP. The following tables and graphs provide details on pre-campaign expenditures.

Table 5: NRM Party Pre-Campaign Expenditure

NRM Party Minimum Expenses May - October 2015		
	Expense Category	Total Estimates (UGX)
1	Per village to reactivate NRM village structures	15,000,000,000
2	Delegates Conference - constitutional amendment	19,000,000,000
3	2nd Delegates Conference to elect Party Flag Bearer	20,000,000,000
4	Money to NRM MPs to popularise sole candidature	6,000,000,000
5	Procurement of Vehicles for Party Officials	10,000,000,000
6	Party Primary Elections	30,000,000,000
	TOTAL	100,000,000,000

Source: ACFIM Database

Table 6: Estimates of Go Forward Pre-Campaign Expenditure

Expense Category / Type		Total Estimates (UGX)
1.	St Paul Church, Wobulenzi	11,000,000
2.	All Saints Cathedral in Kabale	6,000,000
3.	Fundraising for Kigezi college Butobere	10,900,000
4.	Money spent on Rallies/Consultative Meetings in Mbale, Kapchorwa, Soroti and Jinja	300,000,000
TOTAL		327,900,000

Source: ACFIM Database

Table 7: FDC Party Pre-Campaign Expenditure

FDC Party Minimum Expenses June - December 2015		
	Expense Category	Total Estimates (UGX)
1.	Party Delegates Conference at UMA	350,000,000
2.	Coordinating campaigns for party presidential flag bearer (fuel, upkeep, stipends etc)	100,000,000
2.	2nd Party Delegates Conference for Pres. Frag Bearer elections at Namboole	409,000,000
3.	Contribution to TDA	70,000,000
4.	Party Primaries for MP&LG, Secretariat, Publicity	583,000,000
	TOTAL	1,512,000,000

Source: ACFIM Database

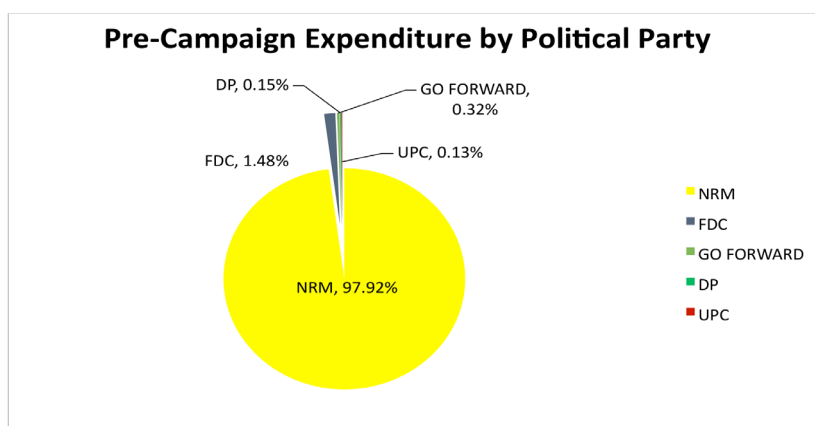
Table 8: DP and UPC Party Pre-Campaign Expenditure

	Political Party	Delegates' Conference	Contribution to TDA	Total Estimates (UGX)
1.	Democratic Party (DP)	153,000,000	3,000,000	156,000,000
2.	Uganda Peoples' Congress (UPC)	132,000,000	-	132,000,000

Source: ACFIM Database

The pie chart below shows that the NRM party outspent the other political parties during the pre-campaign period (May – October 2015) and in the process shadowing the other parties. NRM party accounts for 97.92 per cent of the combined pre-campaign expenditure.

Figure 9: Estimates of Pre-Campaign Expenditure by Political Party



5.4 Breakdown of Combined Campaign Expenses by Category

A combination of activities like organising delegates' conferences, conduct of party primaries and contribution to flag bearers, took the biggest percentage (18.4 per cent) of overall party expenditure categories observed. The NRM party spent a minimum of UGX 39 billion (US\$ 11.5m) on organising two delegates conference the first of which amended the party constitution while the second one legitimised the sole candidature of Yoweri K. Museveni as party flag bearer for Presidential race. The party's nationwide primary elections cost a minimum of UGX 30 billion (US\$ 8.8m) while contribution to flag bearers contesting in the Member of Parliament race cost the party a minimum of UGX 10.6 billion (US\$ 3.1m).

Leading opposition FDC party spent a minimum of UGX 410 million (US\$ 0.12m) on organising two delegates conference. The party refunded the nomination fees of party flag bearers for Member of Parliament which cost them a minimum of UGX 801 million (US\$ 0.24m). The Democratic Party (DP) spent UGX 150 million (US\$ 44,118) on organising the party delegates conference while Uganda Peoples' Congress spent UGX 132 million (US\$ 38,824) on similar party activity.

The second biggest expenditure category was election campaign management which took 13.5 per cent of the total expenses by political party. Election campaign management comprises facilitation and stipends to campaign managers and/or agents, polling agents, village and Sub-county supervisors and coordinators among others. The third most costly category is campaign materials which comprises among others: branded shirts, T-Shirts, Fliers, Capes, Badges, Bandanas, and wrist bands. These represent 13.0 per cent of the total spending observed. They are closely followed by donations to churches, mosques, schools, women groups, youth groups, veterans and elderly groups among others, translating into 11.8 per cent of the aggregate minimum expenses observed. Campaign Events/Rally/Meetings (Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc) took a percentage share of 9.9 per cent followed by Transport Expenses (Fuel and Hire of Buses, Lorries, Boda-Bodas, Helicopter, Van/Taxis, Cars etc) at 9.1 per cent. The least expenses were 2.2 per cent on Electronic & Print Media (Journalists Facilitation, Radio/TV/Newspaper Adverts & Shows, SMS/Robbo-calls etc), 4.1 per cent on Campaign Offices (Office Rent, Equipment/Furniture/Computer/Internet and Attendants/Drivers etc) and 4.9 per cent on Handout Materials (Sugar, Salt, Hoes, Seeds etc).

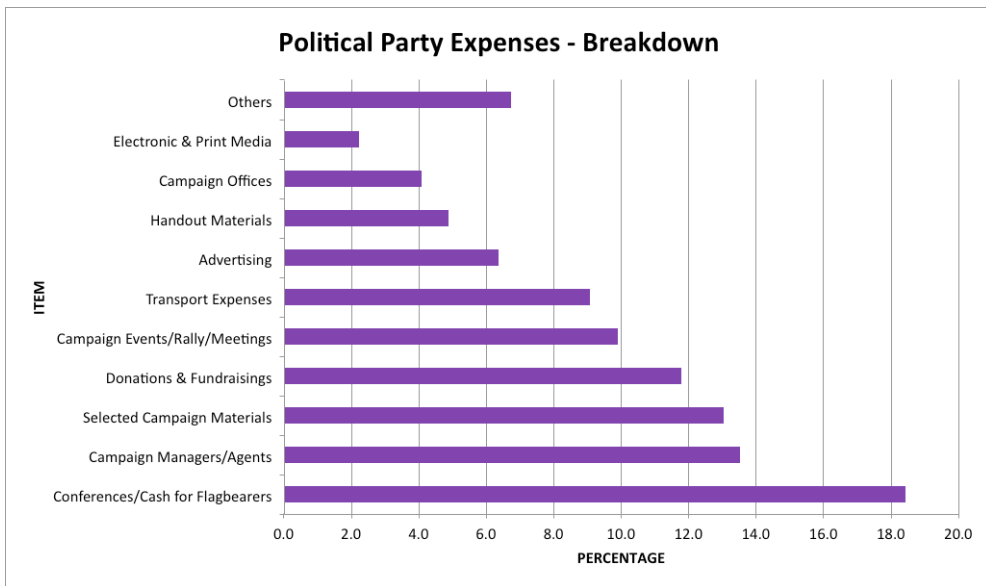
The next table gives a detailed breakdown of party expenses by category as observed over a period of 10 months.

Table 9: Breakdown of Combined Campaign Expenses for All Parties

COMBINED CAMPAIGN EXPENSES FOR POLITICAL PARTIES AND INDEPENDENT CANDIDATES			
ITEM	DESCRIPTION	EXPENSES	%
Conferences/ Cash for Flagbearers	Delegates Conferences, Organising Party Primaries, Flagbearers' Cash etc	80,250,139,000	18.4
Campaign Managers/ Agents	Polling Station Agents, Village/Parish/ Subcounty Supervisors & Coordinators etc	58,912,025,000	13.5
Selected Campaign Materials	Shirts, T-Shirts, Fliers, Caps, Badges, Bandanas etc	56,705,153,000	13.0
Donations & Fundraisings	Cash to Voters, Churches, Schools, Youth Groups, Women Groups etc	51,258,741,000	11.8
Campaign Events/Rally/ Meetings	Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc	43,052,790,000	9.9
Transport Expenses	Fuel & Hire of Buses, Lorries, Boda- Bodas, Helicopter, Van/Taxis, Cars etc	39,532,537,000	9.1
Advertising	Posters, Fliers, Banners & Billboards etc	27,743,133,000	6.4
Handout Materials	Sugar, Salt, Hoes, Seeds etc	21,237,412,000	4.9
Campaign Offices	Office Rent, Equipment/Furniture/ Computer/Internet & Attendants/Drivers etc	17,730,586,700	4.1
Electronic & Print Media	Journalists Facilitation, Radio/TV/News- paper Adverts & Shows ,SMS/Robbo Calls etc	9,678,243,000	2.2
Others	Cars for Party Officials, Upkeep for Team on Campaign Trail, Pressure Groups etc	29,249,651,000	6.7
TOTAL		435,350,410,700	100.0

Source: ACFIM Database

Figure 10: Illustration of Combined Campaign Expenses Breakdown



5.5 Breakdown on Combined Expenses by Political Affiliation

A deeper analysis of the combined expenditure reveals that the incumbent NRM party spent most of its campaign finance on delegates’ conferences, organising party primaries, cash contribution to party flag bearers and conferences/Cash for flag bearing candidates which claims 23.5 per cent of the overall minimum expenditure observed. Opposition FDC party spent more on advertising including posters, fliers, and banners, translating into 17.6 per cent of the total observed party spending. On the contrary independent candidates spent mostly on selected campaign materials including branded shirts, T-Shirts, Fliers, Caps, Badges and Bandanas among others, representing 18.2 per cent of their total observed expenditure. Overall this was the most common campaign spending category. Other parties including the Go Forward political group also spend significantly on branded shirts, T-Shirts, Fliers, Caps, Badges, Bandanas at 18.8 per cent. The next table illustrates this further. Overall, all parties spent massively on campaign branding.



FDC presidential candidate Kizza Besigye invested significantly in branding the mobile campaign platform and the public address system that moves with it.



The NRM party branded vehicle that carries the sound system and entertainers that integral to the advance party of candidate Yoweri Museveni. Observers reported third parties spending to support their candidates. Spending by third parties was not excluded from the data collected.



NRM Expenses on Billboards of Incumbent Yoweri Museveni. ACFIM Research Assistants reported that some of the billboards were not directly finance by NRM candidate Museveni but by supporters and well-wishers of the party. Spending by well-wishers and supporters was excluded from the data collected.

Table 10: Breakdown of Expenses by Category by Political Party/Group

ITEM	CAMPAIGN EXPENSES FOR ALL POLITICAL PARTIES AND INDEPENDENTS							TOTAL EXPENSES	%
	NRM	INDEPEN- DENTS	FDC	GO FORWARD	OTHERS	OTHERS	OTHERS		
Advertising	17,704,065,000	6,472,216,000	2,029,114,000	1,110,441,000	427,297,000			27,743,133,000	6.4
Donations & Fundraisings	41,293,770,000	8,944,430,000	532,568,000	357,203,000	130,770,000			51,258,741,000	11.8
Hand-out Materials	13,297,590,000	6,548,800,000	455,848,000	673,984,000	261,190,000			21,237,412,000	4.9
Electronic & Print Media	6,039,612,000	3,049,381,000	216,040,000	357,811,000	15,399,000			9,678,243,000	2.2
Selected Campaign Materials	38,727,545,000	14,069,190,000	1,443,030,000	1,541,288,000	924,100,000			56,705,153,000	13.0
Campaign Events/Rally/Meetings	28,300,320,000	11,520,340,000	1,235,210,000	1,483,800,000	513,120,000			43,052,790,000	9.9
Transport Expenses	27,308,622,000	8,896,288,000	1,856,442,000	946,869,000	524,316,000			39,532,537,000	9.1
Campaign Managers & Mobilisers	42,038,709,000	13,070,907,000	2,122,549,000	1,125,774,000	554,086,000			58,912,025,000	13.5
Campaign Offices	13,119,530,000	3,673,450,000	405,112,000	384,596,700	147,898,000			17,730,586,700	4.1
Conferences/Cash for Flagbearers	78,248,032,000	-	1,506,327,000	-	495,780,000			80,250,139,000	18.4
Others	27,282,632,000	1,224,072,000	245,138,000	236,710,000	261,099,000			29,249,651,000	6.7
TOTAL	333,360,427,000	77,469,074,000	12,047,378,000	8,218,476,700	4,255,055,000			435,350,410,700	100.0

Source: ACFIM Database

5.6 Breakdown of NRM Party Expenses

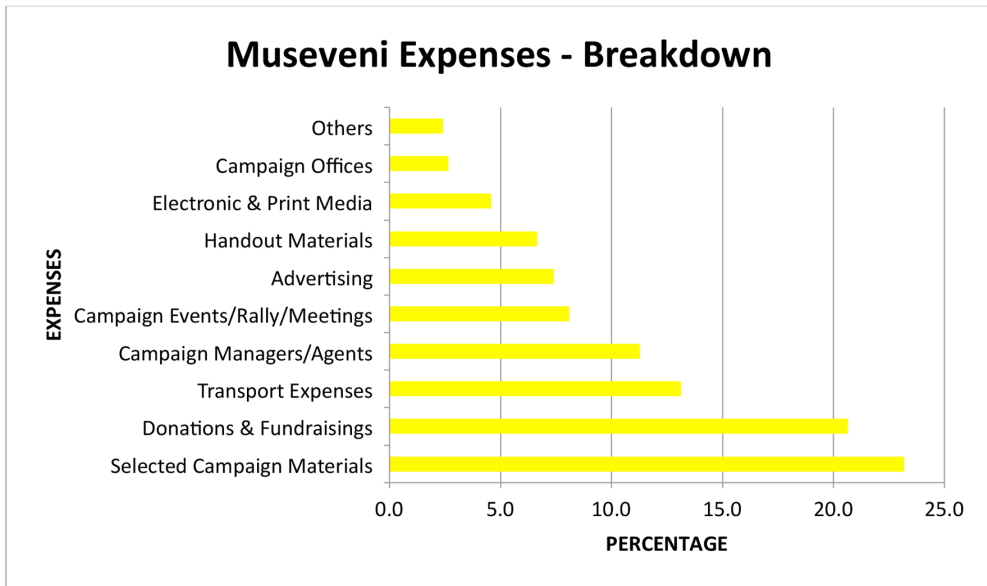
The biggest campaign expense category for NRM party was incurred on organisation of delegates, conferences, party primaries and contribution to flag bearers' campaign financing. These lumped together translate into 23.5% of the aggregated observed campaign spending by the party. This is followed by facilitation and payment of stipends for Campaign Managers, Village/Subcounty Mobilisers, and Polling Agents representing 12.6% on the entire expenditure. Donations to churches, mosques, schools, youth groups, women groups, market venders, SACCOs, elders, and army veterans come third at 12.4%. Expenses relating to campaign materials and campaign events got 11.6% and 8.5% respectively. The next table illustrates these further.

Table 11: NRM Party Expenses - The Breakdown

CAMPAIGN EXPENSES FOR NRM			
ITEM	DESCRIPTION	Expense in UGX	%
Conferences/ Primaries/ Cash for Flagbearers	Delegates Conferences, Fees, Organising Party Primaries, Flag-bearers Cash etc	78,248,032,000	23.5
Campaign Managers/ Agents/Mobilisation	Polling Station & Campaign Agents, Village/Parish/Sub-county Supervisors & Coordinators etc	42,038,709,000	12.6
Donations & Fundraisings	Cash to Voters, Churches, Schools, Youth Groups, Women Groups etc	41,293,770,000	12.4
Selected Campaign Materials	Shirts, T-Shirts, Fliers, Caps, Badges, Bandanas etc	38,727,545,000	11.6
Campaign Events/Rally/Meetings	Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc	28,300,320,000	8.5
Transport Expenses	Fuel & Hire of Buses, Lorries, Boda-Bodas, Helicopter, Van/ Taxis, Cars etc	27,308,622,000	8.2
Advertising	Posters, Fliers, Banners & Billboards etc	17,704,065,000	5.3
Handout Materials	Sugar, Salt, Hoes, Seeds etc	13,297,590,000	4.0
Campaign Offices	Equipment/Furniture/Computer/ Internet & Attendants/Drivers etc	13,119,530,000	3.9
Electronic & Print Media	Journalists Facilitation, Radio/ TV/Newspaper Adverts & Shows , SMS/Robbo Calls etc	6,039,612,000	1.8
Others	Posh Cars for Party Officials, Cash to Popularise the M7 Candidature etc	27,282,632,000	8.2
TOTAL		333,360,427,000	100.0

Source: ACFIM Database

Figure 11: Visual Representation of NRM Party Expenses Breakdown



How was NRM Money Spent?

It was difficult to track, observe how NRM spent all the campaign money. In August and September 2015 the party disbursed UGX 250,000 (US\$ 73.5) to each of the 67,000 villages of Uganda for mobilisation of party structures. This transaction was repeated in February 2016 just days before Election Day. An estimated total of UGX 33.5 billion (US\$ 9.8m) was spent on this activity. The first disbursement was sent through NRM village registrars while the second was sent to village Local Council 1 (LC1) chairpersons, days before polling day. In Apac, Nwoya, Lira, Katakwi, Hoima and Iganga the LC1 chairpersons were observed holding village meetings and presented the money as “a gift from Mzee⁸”. The money ended up being shared among the known NRM supporters in the village with each of them taking away UGX 1,000 or 2,000.

The party had supervisors at Parish and Sub-county level who were facilitated with cash payment as well to oversee mobilisation activities as presented in the following table. ACFIM observers in all the 16 district reported that the party sent UGX 20,000,000 (US\$ 5,882) per constituency for mobilisation ahead of the incumbent president. Uganda has 290 direct constituencies and 112 District Woman Member of Parliament Constituencies. The money was to ensure that the president’s rallies are massively attended by NRM supporters in every constituency. It would be received by the NRM District Chairperson who would in turn pass it on to constituency coordinators/mobilisers some of whom were incumbent Members of Parliament. To ensure consistency in utilisation of this money, the party developed a standard guide

⁸ Mzee is Swahiri word for a respected older person or eminent elder in a society.

that was handed over together with the money to every constituency coordinator/ mobiliser. The break down is illustrated in the second table below.

Table 12: NRM Guidelines for Utilization of the 20m for Constituency Mobilisation

No.	ITEM	No.	UNIT COST	Total Amount (UGX)
1	Hire of Tents (4)	4	150,000	600,000
2	Hire of Chairs (400)	400	500	200,000
3	Hire of Public Address System (2)	2	500,000	1,000,000
4	Water (600) Cartons	600	12,000	7,200,000
5	Transport (15) Lorries	15	400,000	6,000,000
6	Media/Publicity (Local)	-	1,000,000	1,000,000
7	Central Coordination	-	1,000,000	1,000,000
8	Constituency Coordination Team	-	1,000,000	1,000,000
9	Boda-bodas	-	500,000	500,000
10	Local Musicians	-	1,000,000	1,000,000
11	Brass Band	1	500,000	500,000
	TOTAL			20,000,000

Most of the NRM money was spent by the party at 120.7 billion (36.2 per cent) followed by money spent on Museveni at 112.1 billion (33.6 per cent) and money spent by the NRM MPs at 100.5 billion (30.2 per cent).

Table 13: NRM Party Expenses - The Breakdown

WHO IS SPENDING?	OVERALL ESTIMATE	%
NRM Party	120,692,400,000	36.2
M7	112,080,144,000	33.6
MPs	100,587,883,000	30.2
TOTAL	333,360,427,000	100.0

Table 14: NRM Party Minimum Pre-Campaign Expenses (May – October 2015)

NRM Party Minimum Expenses May – October 2015		
Expense Category		Observable Minimum Cost
1	Per village to reactivate NRM village structures	15,000,000,000
2	Delegates Conference - constitutional amendment	19,000,000,000
3	2nd Delegates Conference to elect Party Flag Bearer	20,000,000,000
4	Money to NRM MPs to popularise sole candidature	6,000,000,000
5	“Posh Cars” for Party Officials	10,000,000,000
6	Party Primary Elections	30,000,000,000
	TOTAL	100,000,000,000

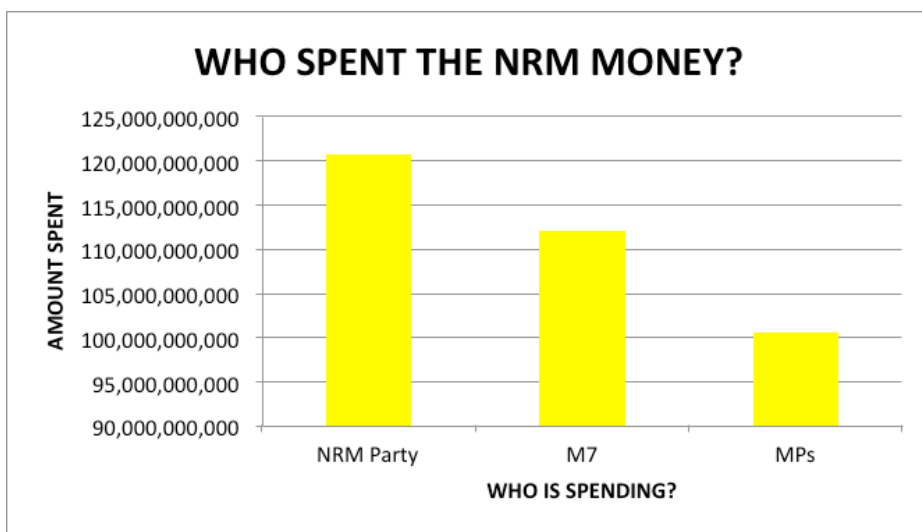
Table 15: Party Spending on Flagbearer in Presidential Campaigns

Expenses On Museveni (Mobilisation In Villages, Parishes Etc)					
Area	Concerned	Number	Number Country-Wide	Amount	Total Spent
Villages	Village Facilitation	2	67,000	250,000	33,500,000,000
Parishes	Parish Supervisors	1	7,431	100,000	743,100,000
Sub counties	Sub county Supervisors	1	1,403	300,000	420,900,000
Constituencies	Mobilisation Per Rally	1	290	20,000,000	5,800,000,000
Polling Stations	Polling Agents	4	28,010	60,000	6,722,400,000
Total					47,186,400,000

Table 16: NRM Spending on Cash Campaign Contribution to Party Flagbearers for MP Races

NRM EXPENSES ON FLAGBEARERS					
AREA	CONCERNED	Number	Number Country-Wide	Amount	TOTAL SPENT
Constituencies	Directly Elected MPs	1	290	25,000,000	7,250,000,000
Districts	Woman MPs	1	112	30,000,000	3,360,000,000
Districts	LC 5 Chairpersons	1	112	30,000,000	3,360,000,000
TOTAL					13,970,000,000

Figure 12: Who Spent the NRM Money?





Minister of State for ICT, Hon. Nyombi Thembo (in army fatigue and eye glasses) was a key member of candidate Museveni's Campaign Taskforce



ACFIM Research Assistants christened him: "The Money Man". He is retired Lt. Gen. Henry Tumukunde, one of the main campaign agents for incumbent presidential candidate Yoweri Museveni. He was handing over a cash donation of UGX 20million to the Association of vendors in Entebbe Market in December 2015. He was observed leading the advance party of candidate Yoweri Museveni. Observers in Arua reported that he handed out UGX 50,000 to 400 voters who claimed to have converted from FDC – they met him at White Castle Hotel in Arua. In Apac he was observed meeting a group of Bodaboda cyclists in Judin Hotel and donated notes of UGX 50,000 to each of them. The General always met supporters in a secluded place and utilisation of phones and cameras was prohibited making it hard for Research Assistants to take a photo of him in action. Lt. Gen. Tumukunde headed President Museveni's advance party and was always observed arriving into a district five days ahead of candidate Museveni to "soften the ground" like he was pictured doing here.



Branded Aircraft was used as a mobilisation tool ahead of candidate Museveni's arrival for campaign rallies in various constituencies. It started hovering in the Ugandan skies from in November 2015. The Aircraft Number 5Y-HKK, Make: Bell 206L-4 Long-Ranger, was registered in Kenya by a private owner. ACFIM learnt that the market rate for renting the aircraft is US 2,000 per hour. It was reportedly a campaign donation offered by one of the East African presidents.



In addition to the branded Helicopter, the yellow buses were another symbol of campaigns for NRM Presidential candidate at constituency level. These buses were a constituent of the candidate Museveni's advance party in every constituency he visited. They were eleven in number, some would carry supporters other would go empty. The buses are registered with private number plates (UAX series). Fuel of these buses is included in the estimates of campaign expenses provided in this report. ACFIM continues to track where the money that purchased these buses came from.

5.7 Independent Candidates Expenses

Independent candidates contested in elective positions at different levels including Presidential and Member of Parliament races. Majority of the independent candidates that contested in the MP races had lost during the NRM party primaries and therefore were NRM leaning. ACFIM observers reported that independent candidates made significant campaign spending in the final two months of the campaign period namely January and February 2016. During the final two months, independent candidates at presidential and parliamentary level were the second biggest spenders after NRM party. The highest spending month by independent candidates was January 2016. The first pie chart below shows that campaign spending by independent candidates was estimated at 36 per cent of the total campaign spending while NRM party's was estimated at 57 per cent. In February 2016 spending by independent candidates fell to 31 per cent shown in the second pie chart.

Figure 13: Percentage Share of Campaign Spending by Independent Candidates in Comparison to other Parties in January 2016

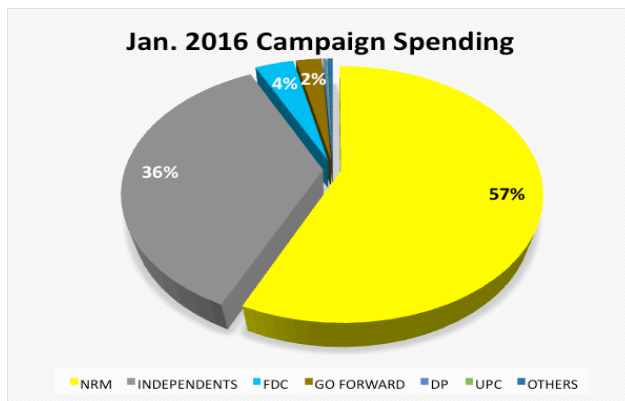
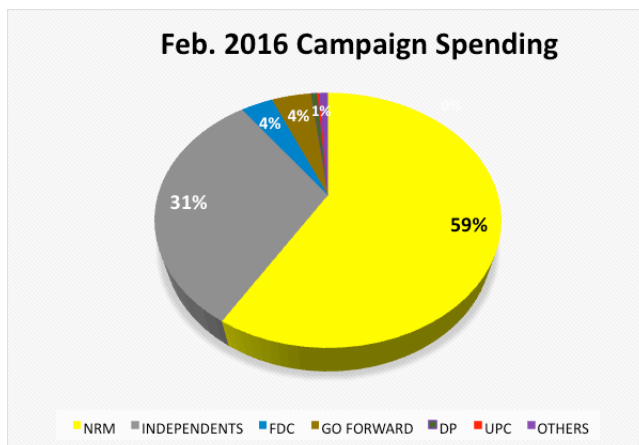


Figure 14: Percentage Share of Campaign Spending by Independent Candidates in Comparison to other Parties in February 2016



Analysis of Campaign Spending Categories by Independent Candidates

Further analysis shows that the biggest expense by independent candidates went to selected campaign materials namely branded shirts, T-shirts, fliers, caps and bandanas among others. These take a percentage share of 18.2 per cent followed by payments of stipends and facilitation for campaign managers, and polling agents at 16.9 per cent. Campaign Events/Rally/Meetings were the third biggest expense category at 14.9 per cent. Donations in cash or kind to individual voters or churches, mosques, schools, women groups, youth groups, market vendor associations, bodaboda associations, as well as and voter hospitality⁹ activities together translate into 11.5 per cent. Transport expenses for the candidate, campaign team, campaign agents, including fuel for bodaboda cyclists and voter tourism¹⁰ took the same percentage share. The next table gives a detailed breakdown of campaign spending by independent candidates at presidential and Member of Parliament level.

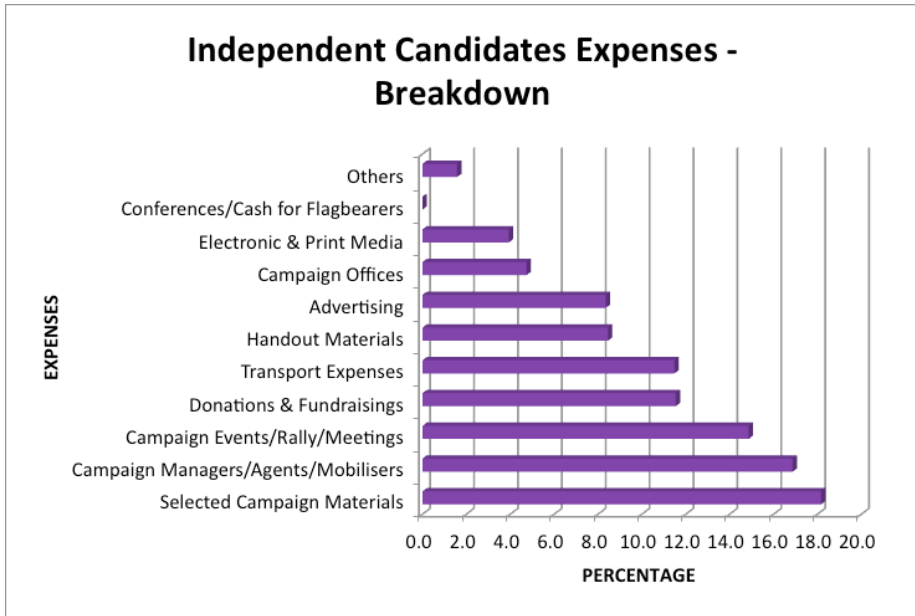
Table 17: Independent Candidates' Expenses - The Breakdown

CAMPAIGN EXPENSES FOR INDEPENDENTS			
ITEM	DESCRIPTION	ESTIMATES	%
Selected Campaign Materials	Shirts, T-Shirts, Fliers, Caps, Badges, Bandanas etc	14,069,190,000	18.2
Campaign Managers/ Agents/Mobilisers	Polling Station Agents, Village/Parish/ Sub-county Supervisors & Coordinators etc	13,070,907,000	16.9
Campaign Events/Rally/ Meetings	Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc	11,520,340,000	14.9
Donations, Fundraisings	Cash to Voters, Churches, Schools, Youth Groups, Women Groups etc	8,944,430,000	11.5
Transport Expenses	Fuel & Hire of Buses, Lorries, Boda-Bodas, Helicopter, Van/Taxis, Cars etc	8,896,288,000	11.5
Handout Materials	Sugar, Salt, Hoes, Seeds etc	6,548,800,000	8.5
Advertising	Posters, Fliers, Banners & Billboards etc	6,472,216,000	8.4
Campaign Offices	Equipment/Furniture/Computer/Internet & Attendants/Drivers etc	3,673,450,000	4.7
Electronic & Print Media	Journalists Facilitation, Radio/TV/ Newspaper Adverts & Shows ,SMS/Robbo Calls etc	3,049,381,000	3.9
Conferences/Cash for Flagbearers	Delegates Conferences, Fees, Organising Party Primaries, Flagbearers Cash etc	-	0.0
Others	Upkeep for Team on Campaign Trail, Facilitation for Organising Committee etc	1,224,072,000	1.6
TOTAL		77,469,074,000	100.0

⁹ Voter hospitality is a situation where a political candidate(s) hosts voters to a banquet or party or meal or retreat where they are treated to a good meal, bull roasting, lots of drinks, music/disco or live entertainment and sometimes lodging in a comfortable hotel, motel or lodge.

¹⁰ Voter tourism is a practice where political candidates provide voters with buses, trucks, minibuses or cars and driven from their homes to campaign rallies or around the constituency as an inducement to voters in return for their support come polling day.

Figure 15: Independent Candidates Expenses - The Breakdown



Nomination of aspiring MP candidates at the beginning of December 2015 was characterised by splendour and opulence with independent candidates standing out as “big spenders”. Buses, Minibuses, Commuter Vans and Trucks were hired to transport supporters that accompanied the candidates in to nomination and thereafter attended the inaugural campaign rallies. Above are some of the vehicles that escorted aspiring independent MP candidate Salongo Alfred Muwanga on nomination day in Luwero District. ACFIM Research Assistants in all the 16 districts observed similar happening.

5.8 Forum for Democratic Change (FDC) Party Campaign Spending

Forum for Democratic Change (FDC) is the strongest opposition political party among those that participated in election campaigns 2015 / 2016. Party spending started during the pre-campaign period and continued through February 2016. The party had a candidate at Presidential level (Rtd. Col. Dr. Kizza Besigye) and a number of candidates participating in the Member of Parliament races in at least 200 constituencies across the country. The biggest expense by FDC was on advertising (17.5 per cent), followed by payment of stipends and facilitation for Campaign Managers, grass root mobilisers and polling agents (15.7 per cent). Transport expenses represent 15.2 per cent of the party’s overall observed spending while 13.0 per cent went to financing part delegates’ conferences and refund of nomination fees to party flag bearers. Campaign materials took 12.4 per cent of the party’s campaign spending on Selected Campaign Materials.

Table 18: FDC Party Expenses - The Breakdown

CAMPAIGN EXPENSES FOR FDC PARTY			
ITEM	DESCRIPTION	ESTIMATES	%
Campaign Managers/Agents/Mobilisers	Polling Station Agents, Village/Parish/Sub-county Supervisors & Coordinators etc	2,122,549,000	17.6
Advertising	Posters, Fliers, Banners & Billboards etc	2,029,114,000	16.8
Transport Expenses	Fuel & Hire of Buses, Lorries, Boda-Bodas, Helicopter, Van/Taxis, Cars etc	1,856,442,000	15.4
Conferences/Cash for Flagbearers	Delegates Conferences, Fees, Organising Party Primaries, Flagbearers Cash etc	1,506,327,000	12.5
Selected Campaign Materials	Shirts, T-Shirts, Fliers, Caps, Badges, Bandanas etc	1,443,030,000	12.0
Campaign Events/Rally/Meetings	Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc	1,235,210,000	10.3
Donations	Cash to Voters, Churches, Schools, Youth Groups, Women Groups etc	532,568,000	4.4
Handout Materials	Sugar, Salt, Hoes, Seeds etc	455,848,000	3.8
Campaign Offices	Equipment/Furniture/Computer/Internet & Attendants/Drivers etc	405,112,000	3.4
Electronic & Print Media	Journalists Facilitation, Radio/TV/Newspaper Adverts & Shows ,SMS/Robbo Calls etc	216,040,000	1.8
Others	Upkeep for Team on Campaign Trail, Contribution to TDA etc	245,138,000	2.0
TOTAL		12,047,378,000	100.0

Figure 16: Illustration on FDC Party Expenses by Category

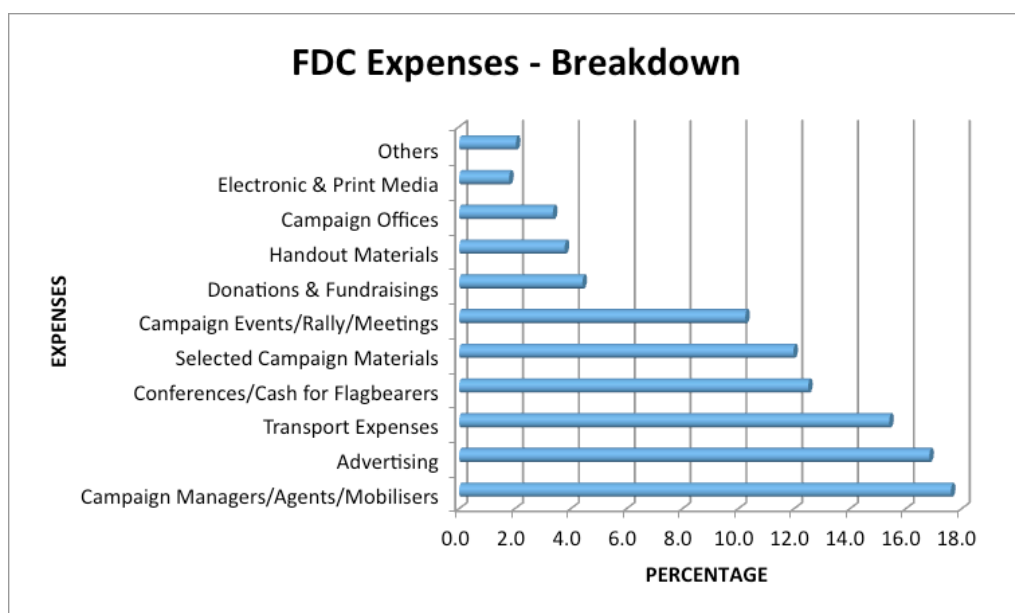


Table 19: FDC Party Minimum Expenses June 2015 – February 2016

Expense Category	Total Estimates (UGX)
1 Party Delegates Conference at UMA	200,000,000
2 2nd Party Delegates Conference for Pres. Frag Bearer elections at Namboole	210,000,000
3 Contribution to TDA	70,000,000
4 Fuel on Campaign Trail @ 900,000 x 95	142,500,000
5 Posters	120,000,000
6 Upkeep for team on campaign trail	379,240,000
7 Allowances for campaign agents	164,245,000
8 Hire of sound system for entire campaign period of 95 days @700,000	66,500,000
9 Mobilization and Coordination @ 550,000 per district	20,000,000
10 Radio Talk Shows	15,000,000
11 Reimbursement of Nomination fees to 267 MP flag bearers	801,000,000
12 Allowances for Polling Agents on polling day, @ 20,000 x 15,000 polling stations	300,000,000
13 Others	290,480,000
TOTAL	2,778,965,000

Source: ACFIM Database

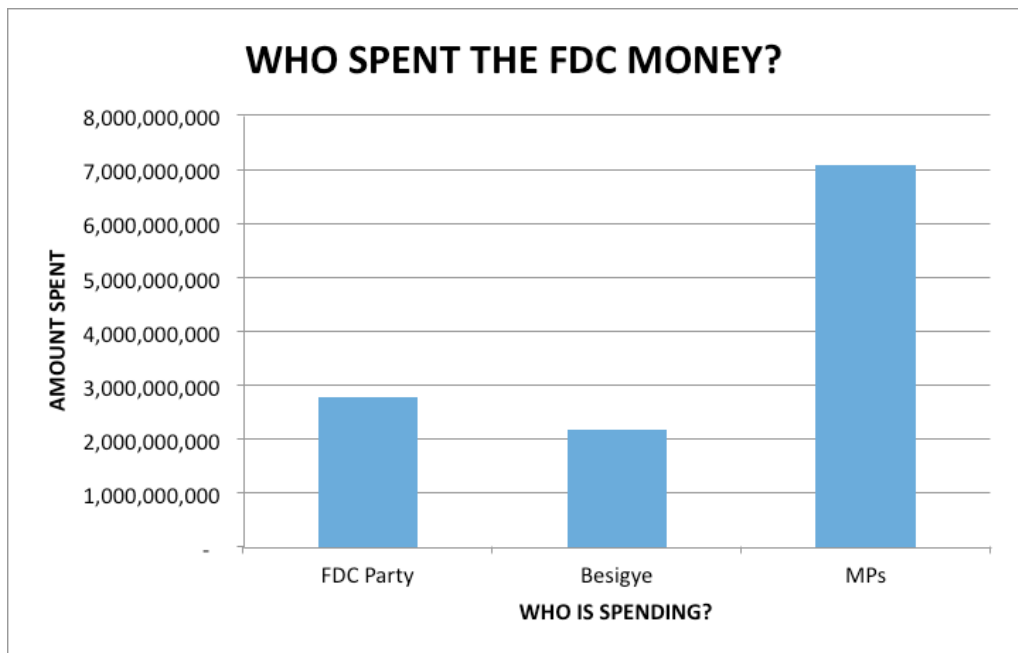
How FDC Money Was Spent - The Breakdown

Most of the FDC money was spent by the MPs at 7.21billion (58.8%) followed by money spent on the FDC party at 2.8 billion (23.1%) and money spent by Besigye at 2.2 billion (18.1%).

Table 20: FDC Party Expenses - The Breakdown

WHO IS SPENDING?	OVERALL EXPENSES	%
FDC Party	2,778,965,000	23.1
Besigye	2,182,789,500	18.1
MPs	7,085,623,500	58.8
TOTAL	12,047,378,000	100.0

Figure 17: FDC Party Expenses - The Breakdown





FDC Expenses on T-Shirts & Posters for Candidate Kizza Besigye



Kizza Besigye's Campaign Stage & Rally in Kibiito (Banners were used throughout the Campaigns by most candidates)



Kizza Besigye's Opening up party offices on 17th Dec 2015 at Rwimi Town Council

5.9 Go Forward Campaign Spending

Go Forward a political pressure group that was formed by former Prime Minister and NRM Secretary General, John Patrick Amama Mbabazi (JPAM). Whereas JPAM participated in the presidential elections as independent candidate, in the context of this report he is not treated as such. We have chosen to interrogate Go Forward in its own right in order to give it the attention it deserves. The campaign activities of Go Forward that were observed by ACFIM were more related to the race for Presidency. Research Assistants in the 16 districts covered under our scope did not observe any Member of Parliament candidate nominated and campaigning on the ticket of Go Forward.

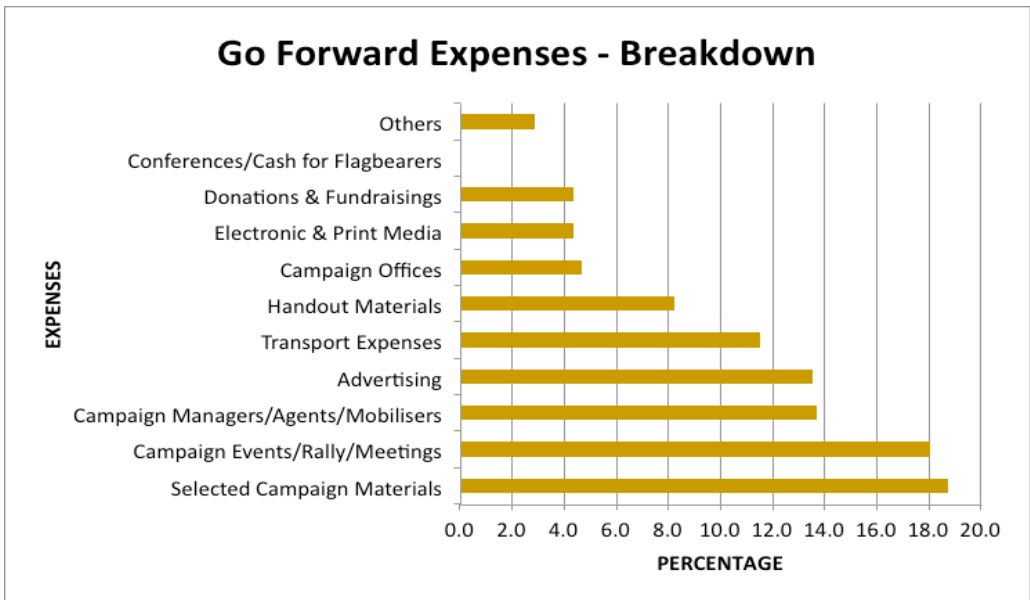
Analysis of Go Forward campaign expenditure shows that the biggest expense was incurred on campaign materials (18.8 per cent) followed by Campaign Events which were mostly rallies by candidate JPAM across the country's 112 districts (18.1 per cent). Remuneration of campaign managers, grass root mobilisers and polling agents was the third most expensive category of campaign spending translating into 13.7 per cent. Advertising and transport expenses are 13.5 per cent and 11.5 per cent respectively. ACFIM observers reported that spending by Go Forward's JPAM was the most sophisticated of the eight Presidential candidates to monitor because he mostly used mobile money to pay campaign agents, mobilisers, and make donations.

Table 21: Go Forward Expenses - The Breakdown

CAMPAIGN SPENDING BY GO FORWARD			
ITEM	DESCRIPTION	ESTIMATES	%
Selected Campaign Materials	Shirts, T-Shirts, Fliers, Caps, Badges, Bandanas etc	1,541,288,000	18.8
Campaign Events/Rally/Meetings	Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc	1,483,800,000	18.1
Campaign Managers/Agents/Mobilisers	Polling Station Agents, Village/Parish/Sub-county Supervisors etc.	1,125,774,000	13.7
Advertising	Posters, Fliers, Banners & Billboards etc	1,110,441,000	13.5
Transport Expenses	Fuel & Hire of Buses, Lorries, Boda-Bodas, Helicopter, Van/Taxis, Cars etc	946,869,000	11.5
Handout Materials	Sugar, Salt, Hoes, Seeds etc	673,984,000	8.2
Campaign Offices	Equipment/Furniture/Computer/Internet & Attendants/Drivers etc	384,596,700	4.7
Electronic & Print Media	Journalists Facilitation, Radio/TV/Newspaper Adverts & Shows ,SMS/Robbo Calls etc	357,811,000	4.4

CAMPAIGN SPENDING BY GO FORWARD			
ITEM	DESCRIPTION	ESTIMATES	%
Donations, Fundraisings & Vote Buying	Cash to Voters, Churches, Schools, women & Youth Groups	357,203,000	4.3
Others	Facilitation for Organising Committee, Contribution to TDA, Pressure Groups etc	236,710,000	2.9
TOTAL		8,218,476,700	100.0

Figure 19: Illustration of Go Forward Expenses by Category





Go Forward Supporter with candidate Amama Mbabazi T-Shirt and Stickers. Bodaboda cyclists (like one in the picture) received cash facilitation sometimes wired by mobile money to brand their motorcycles as such especially on the day candidate Mbabazi was expected to hold campaign rally.



Caption: Go Forward political group spent significantly on erecting metallic podiums at campaign rallies.

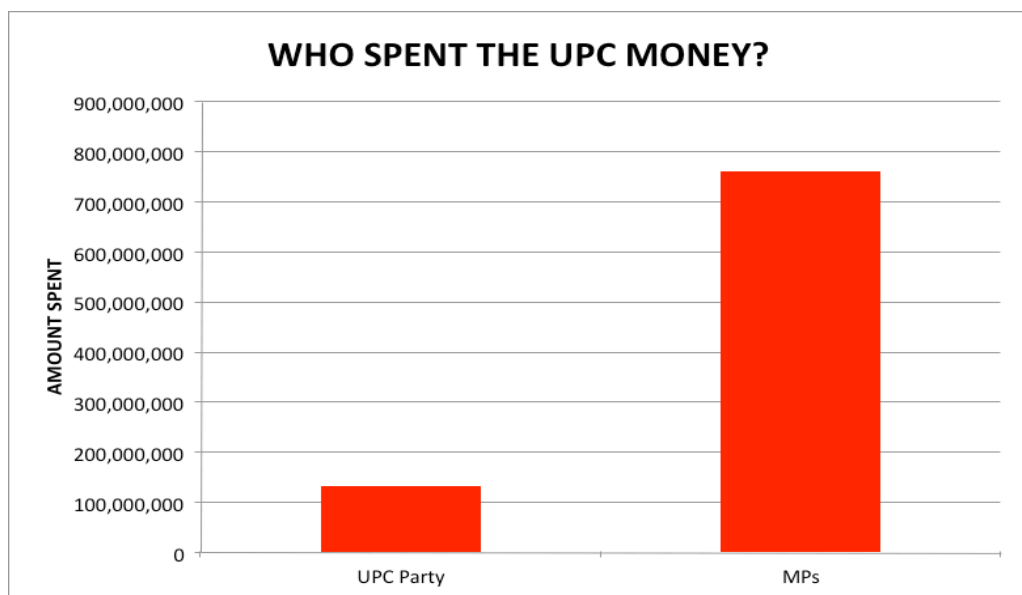
5.10 How UPC Money Was Spent - The Breakdown

Analysis from ACFIM database shows that the biggest amount of campaign expenditure made under the auspices of Uganda Peoples’ Congress (UPC) party was by candidates contesting in the Member of Parliament races. These candidates combined spent UGX 762 million (US\$ 224,117.65) representing 85.2 per cent of the total spending by the party. The rest of the money UGX 132 billion (14.8 per cent) was spent at the party headquarters on Uganda House to organise the party delegates’ conference.

Table 22: UPC Party Expenses - The Breakdown

WHO IS SPENDING?	OVERALL ESTIMATES	%
UPC Party	132,000,000	14.8
MPs	762,453,000	85.2
TOTAL	894,453,000	100.0

Figure 20: UPC Party Expenses - The Breakdown



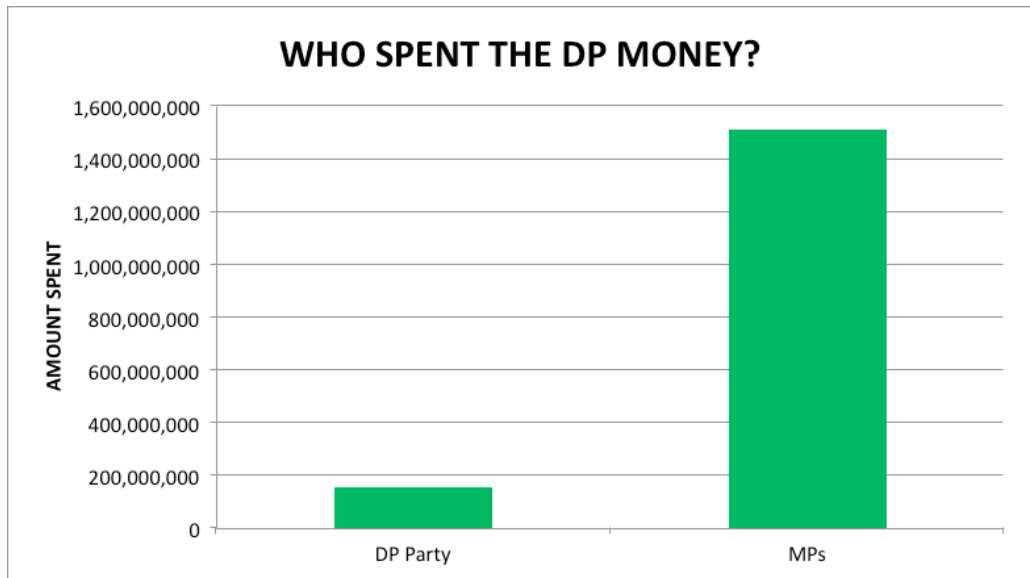
5.11 How DP Money Was Spent - The Breakdown

The combined minimum campaign spending by the Democratic Party (DP) was UGX 1.7 billion (US\$ 488,643.82) of which UGX 1.5 billion was spent by candidates contesting in the race for Member of Parliament. The balance of UGX 153,080,000 (US\$ 45,023.53) was spent at the party headquarters to organise the delegates’ conference.

Table 23: UPC Party Expenses - The Breakdown

WHO IS SPENDING?	OVERALL EXPENSES	%
DP Party	153,080,000	9.2
MPs	1,508,309,000	90.8
TOTAL	1,661,389,000	100.0

Figure 21: UPC Party Expenses - The Breakdown



Nabukenya Brenda, Former District Woman MP Luwero addressing a rally at Kasana



Expenses on Calendars with Candidates Photos.

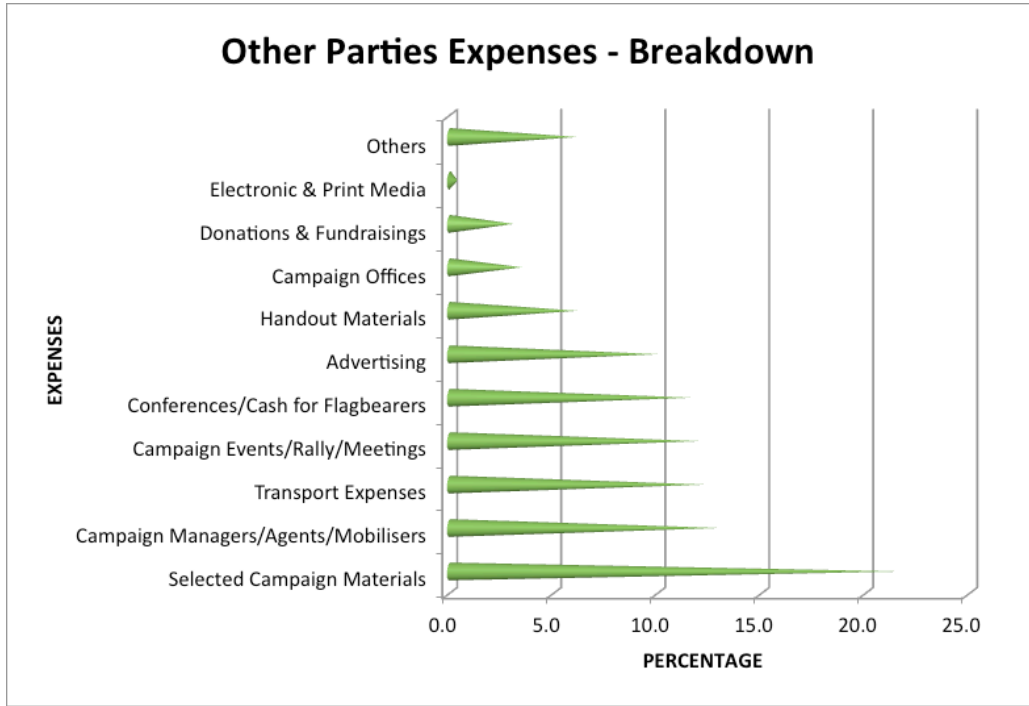
5.12 Analysis Campaign Expenses by Other Parties

The description “*Other Parties*” comprises of smaller political parties like Conservative Party (CP), Peoples Development Party (PDP), Farmers Party of Uganda (FPU), Justice Forum (JEEMA), Social Democratic Party (SDP), and Uganda Federal Alliance (UFA) among others that put forward a candidate or two in the Presidential and Member of Parliament races. The biggest campaign expense incurred by *Other Parties* was on Selected Campaign Materials (21.7 per cent), followed by facilitation for Campaign Managers and Polling Agents (13 per cent), and Transport Expenses (12.3 per cent). Campaign Events including rallies and consultative meetings consumed 12.1 per cent of the total observed campaign expenses. Details of minimum amounts of money spent are provided in the following table.

Table 24: Breakdown of Other Political Parties Expenses

CAMPAIGN EXPENSES FOR OTHER PARTIES			
ITEM	DESCRIPTION	EXPENSES	%
Selected Campaign Materials	Shirts, T-Shirts, Fliers, Caps, Badges, Bandanas etc	924,100,000	21.7
Campaign Managers/Agents/Mobilisers	Polling Station Agents, Village/Parish/Subcounty Supervisors & Coordinators etc	554,086,000	13.0
Transport Expenses	Fuel & Hire of Buses, Lorries, Boda-Bodas, Helicopter, Van/Taxis, Cars etc	524,316,000	12.3
Campaign Events/Rally/Meetings	Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc	513,120,000	12.1
Conferences	Selecting and Coordinating party flag bearers, party contribution to flag bearers, accompanying flagbearers on campaign trail	495,780,000	11.7
Outdoor Advertising	Posters, Fliers, Banners & Billboards etc	427,297,000	10.0
Handout Materials	Sugar, Salt, Hoes, Seeds etc	261,190,000	6.1
Campaign Offices	Equipment/Furniture/Computer/Internet & Attendants/Drivers etc	147,898,000	3.5
Donations & Voter Hospitality	Cash to Voters, Churches, Schools, Youth Groups, Women Groups etc	130,770,000	3.1
Electronic & Print Media	Journalists Facilitation, Radio/TV/Newspaper Adverts & Shows ,SMS/Robbo Calls etc	15,399,000	0.4
Others	Upkeep for Team on Campaign Trail, Facilitation for Organising Committee etc	261,099,000	6.1
TOTAL		4,255,055,000	100.0

Figure 22: Other Parties Expenses - The Breakdown



6. OVERALL CAMPAIGN SPENDING BY PRESIDENTIAL CANDIDATES

This section disaggregates campaign spending by presidential candidates. On November 3rd and 4th 2015, eight candidates (of which only one was female) were duly nominated at Nelson Mandela National Stadium to contest for President in the 2016 general elections. These were: incumbent president Yoweri Museveni, Dr. Abed Bwanika, Prof. Venansius Baryamureeba, Dr. Kiiza Besigye, Rt. Hon. Amama Mbabazi, Gen. Benon R.M. Biraaro, Joseph Mabirizi, and Mourine Faith Walube Kyalya.

Expenses by all presidential candidates were observed at constituency level in 16 districts for the months of November 2015, December 2015, January 2016 and February 2016. According to the ACFIM database, a combined minimum of UGX 122.5 billion (US\$ 36 million) is estimated to have been spent by all presidential candidates during this period. By way of extrapolation in view of the 112 districts Uganda is made of, ACFIM estimates that presidential candidates spent a combined total of at least 857 billion UGX (approximately US\$ 252 million). This figure excludes activities conducted at national level directly by party headquarters/secretariats. In other words, spending on delegates conferences, party primaries and coordination among others are exclusive of this estimated figure.

Going by the above extrapolation, incumbent candidate Yoweri Kaguta Museveni is estimated to have spent a minimum of US\$ 231 million on campaign train in the 112 districts on Uganda. He is followed by Amama Mbabazi with an estimated minimum of US\$ 15.9 million, Kizza Besigye US\$ 4.5 million, Venasius Baryamureeba US\$ 0.46 million, Benon Biraaro US\$ 0.26 million, Abed Bwanika US\$ 0.24 million, Joseph Mabirizi US\$ 0.13 million and Maureen Kyalya US\$ 0.02 million.

The pie chart and table that follow indicate that the incumbent candidate Yoweri Museveni outspent the other candidates by 91.5 per cent compared with the second biggest spender, candidate Amama Mbabazi (6.3 percent) and third biggest, candidate Kizza Besigye (1.8 per cent). The lowest spender among presidential candidates was candidate Mourine Faith Walube Kyalya representing 0.01 per cent of the observed combined expenditure by presidential candidates. Other candidates' spending was below 2 per cent namely: Venasius Baryamureeba (0.18 per cent), Benon Biraaro (0.1 per cent), Abed Bwanika (0.1 per cent) and Joseph Mabirizi (0.05 per cent).

Figure 23: Minimum Expenses by Candidates (Nov 2015 – Feb 2016)

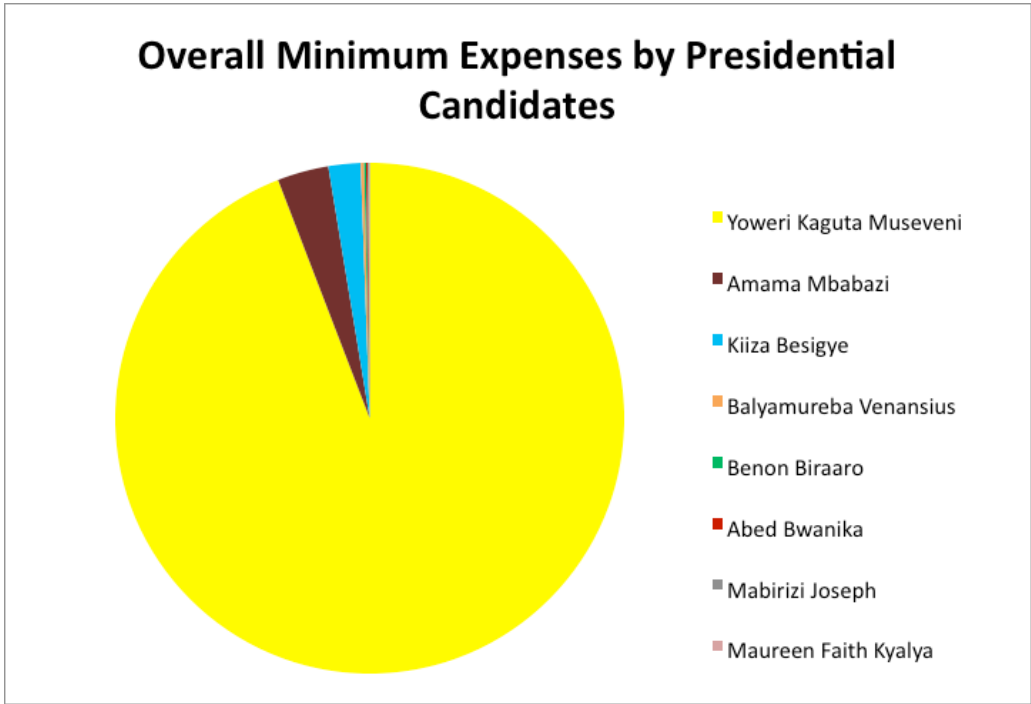


Table 25: Minimum Expenses by Presidential Candidates (Nov. 2015 – Feb. 2016)

PRESIDENTIAL CANDIDATE	Nov-2015 Estimates (000s)	Dec-2015 Estimates (000s)	Jan-2016 Estimates (000s)	Feb-2016 Estimates (000s)	Combined Spending in 16 Districts (000s)	Overall %	Projection for All Districts (000s)	Projection in US Dollars
Museveni	4,897,716	22,252,640	50,342,678	34,587,110	112,080,144	91.46	784,561,008	230,753,237.65
Amama	849,123	498,237	2,964,231	3,427,440	7,739,031	6.32	54,173,217	15,933,299.12
Besigye	129,557	847,103	654,900	551,230	2,182,790	1.78	15,279,527	4,493,978.38
Balyamureba	31,402	64,330	94,435	34,200	224,367	0.18	1,570,569	461,932.06
Biraaro	12,543	18,779	38,876	55,799	125,997	0.10	881,979	259,405.59
Bwanika	14,532	19,779	39,763	44,871	118,945	0.10	832,615	244,886.76
Mabirizi	11,571	14,915	12,763	23,632	62,881	0.05	440,167	129,460.88
Kyalya	3,710	1,983	2,076	2,592	10,361	0.01	72,524	21,330.44
TOTAL	5,950,153	23,717,766	54,149,722	38,726,874	122,544,515	100.00	857,811,605	252,297,530.88
Overall Month %	4.86	19.35	44.19	31.60	100.00			
Monthly Increase		299	128	-28				

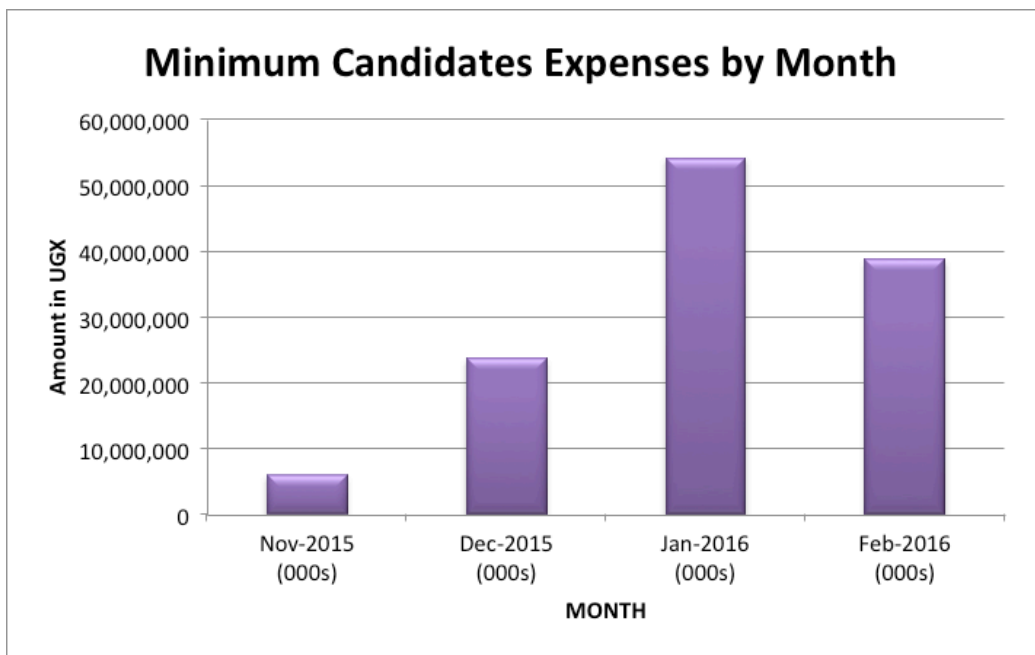
Source: ACFIM Database

6.1 Trends in Combined Spending by Presidential Candidates

January 2016 was the month in which presidential candidates spent most with a combined minimum expenditure of UGX 54.1 billion (44.2 per cent) of the overall expenditure on the campaign trail. This was followed by the month of February 2016 with UGX 38.7 billion UGX (31.6 per cent) and December 2015 with 23.7 billion UGX (19.4 per cent). The month with the lowest expenditure by the presidential candidates was the month of November 2015 with expenses amounting to 5.95 billion UGX (4.9 per cent) of the total expenditure.

The figure below shows the minimum expenses of presidential candidate by month (November 2015 – February 2016).

Figure 24: Monthly Variations in Combined Spending of Presidential Candidates



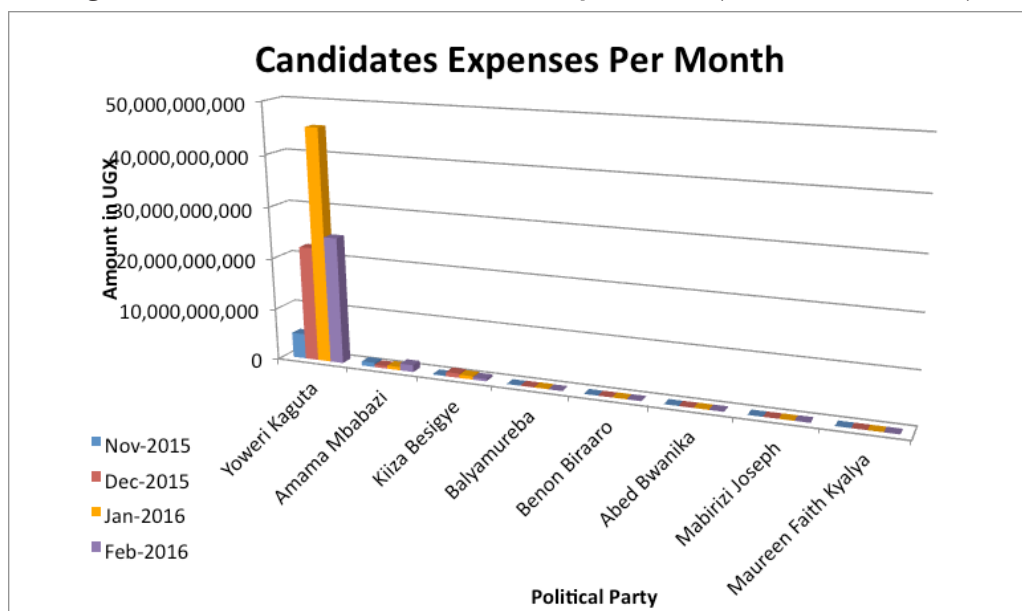
6.2 Analysis of Monthly Spending by Presidential Candidates

Whereas the previous section shows that combined campaign spending was highest in January 2016, deeper analysis reveals that only two candidates recorded peak spending in this month, and this was Yoweri Museveni and Venasius Baryamureeba. It is noted that during the almost four month campaign period (November 2015-February 2016), candidates recorded peak spending in different months on the campaign trail. Candidates - Amama Mababazi Benon Biraaro, Abed Bwanika, Joseph Mibirizi and Maureen Faith Kyalya recorded their highest campaign spending in February 2016 – the month of the elections. Candidate Kizza Besigye’s highest

spending month was December 2015. The degrees of spending depended on the volume of campaign activities that the candidate had in a particular month.

In contrast, the months were candidates spent the least were in the following: Yoweri Kaguta Museveni (November 2015), Amama Mbabazi (December 2015), Kizza Besigye (November 2015), Venasius Baryamureeba (November 2015), Benon Biraaro (November 2015), Abed Bwanika (November 2015), Joseph Mabirizi (November 2015) and Maureen Kyalya (December 2015). Figure 7 below shows the presidential candidates’ expenses (month by month).

Figure 25: Minimum Candidates Estimates per Month (Nov 2015 – Feb 2016)



6.3 Variation in Campaign Spending by Month

The presidential candidates either increased or decreased their campaign spending from one month to another. Between the months of November 2015 and December 2015, there was an overall increase in combined spending of 299 per cent. There was also an overall increase in expenses by 98 per cent between the months of December 2015 and January 2016. However spending reduced by 44 per cent between the months of January 2016 and February 2016 which may be partly attributed to the fact that the campaign period during this month was less than 17 days - a shorter period of time.

6.4 Breakdown of Campaign Spending of Presidential Candidates

Presidential candidates spent their money on a number of items during the election period. The biggest expense was 22.9 per cent on selected campaign materials (Shirts, T-Shirts, Fliers, Caps, Badges, Bandanas etc.), followed by donations (cash to voters, churches, schools, youth groups, women groups etc.) at 19.2 per

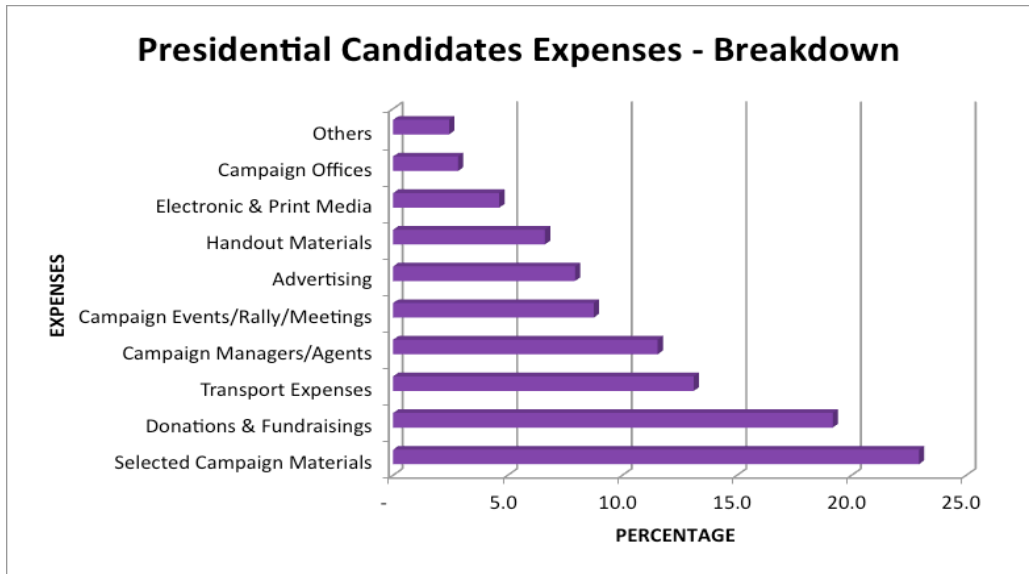
cent. In third position was transport expenses (fuel & hire of buses, lorries, boda-bodas, helicopter, van/taxis, cars etc.) at 13.1 per cent. Facilitation of Campaign Managers/Agents (Polling Station Agents, Village/Parish/Sub-county Supervisors & Coordinators etc) accounted for 11.5 per cent followed by Campaign Events/Rally/Meetings (Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc.) at 8.8 per cent.

ACFIM observers reported that candidate Yoweri Museveni outstripped other candidates in offering donations. It is further reported that in the evenings while on campaign trail, Museveni would be visited by groups of elders in the community, local women leaders or youth to whom he is reported to have donated cash per person in amounts ranging between UGX 500,000 and 1,000,000. However whereas some elders who received these gifts disclosed this information with ACFIM observers, we could not independently verify this information. As such these figures on cash donations by candidate Museveni are not part of the computation provided in this report.

Table 26: Presidential Candidates Combined Expenses - The Breakdown

CAMPAIGN EXPENSES FOR ALL PRESIDENTIAL CANDIDATES			
ITEM	DESCRIPTION	EXPENSES	%
Selected Campaign Materials	Shirts, T-Shirts, Fliers, Caps, Badges, Bandanas etc	28,113,168,000	22.9
Donations & Fundraisings	Cash to Voters, Churches, Schools, Youth Groups, Women Groups etc	23,501,536,000	19.2
Transport Expenses	Fuel & Hire of Buses, Lorries, Boda-Bodas, Helicopter, Van/Taxis, Cars etc	16,072,202,000	13.1
Campaign Managers/Agents	Polling Station Agents, Village/Parish/ Subcounty Supervisors & Coordinators etc	14,146,710,300	11.5
Campaign Events/ Rally/Meetings	Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc	10,724,928,000	8.8
Advertising	Posters, Fliers, Banners & Billboards etc	9,728,901,000	7.9
Handout Materials	Sugar, Salt, Hoes, Seeds etc	8,120,902,000	6.6
Electronic & Print Media	Journalists Facilitation, Radio/TV/ Newspaper Adverts & Shows ,SMS/Robbo Calls etc	5,674,970,000	4.6
Campaign Offices	Office Rent, Equipment/Furniture/ Computer/Internet & Attendants/Drivers etc	3,469,644,200	2.8
Others	Legal Fees, Upkeep for Team on Campaign Trail etc	2,991,553,500	2.4
TOTAL		122,544,515,000	100.0

Figure 26: Breakdown of Presidential Candidates Combined Expenses



6.5 Campaign Spending Categories Disaggregated by Presidential Candidate

From the next table it is observed that Yoweri Museveni (23.2 per cent), Amama Mbabazi (17.3 per cent), Kizza Besigye (30.3 per cent), Venasius Baryamureeba (27.9 per cent), Benon Biraaro (23.4 per cent) and Maureen Kyalya (30.9 per cent) spent most of their expenditure on Selected Campaign Materials (Shirts, T-Shirts, Fliers, Caps, Badges, Bandanas etc) whereas Abed Bwanika (21.7 per cent) spent most of his expenditure on Campaign Managers/Agents (Polling Station Agents, Village/Parish/ Sub county Supervisors & Coordinators etc) and Joseph Mbirizi (23.8 per cent) spent most of his expenditure on Campaign Events/Rally/Meetings (Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc). It is further noted from the same table that only two candidates, Yoweri Museveni and Amama Mbabazi, provided donations, handed out materials and engaged in other forms of voter hospitality including giving provision of food and drinks to campaign rally attendees.

Table 27: All Presidential Candidates Expenses - The Breakdown

CAMPAIGN EXPENSES FOR ALL PRESIDENTIAL CANDIDATES (000s)										
ITEM	Museveni	Amama	Besigye	Barya	Biraaro	Bwanika	Mabirizi	Kyalya	TOTAL	%
Advertising	8,290,380	1,010,441	332,270	41,439	26,180	21,611	5,560	1,020	9,728,901	7.9
Donations & Fundraisings	23,144,333	357,203	-	-	-	-	-	-	23,501,536	19.2
Handout Materials	7,446,918	673,984	-	-	-	-	-	-	8,120,902	6.6
Electronic & Print Media	5,122,196	357,811	139,727	16,100	17,320	13,481	7,685	650	5,674,970	4.6
Selected Campaign Materials	25,982,132	1,341,288	662,050	62,500	29,510	23,217	9,272	3,199	28,113,168	22.9
Campaign Events/Rally/Meetings	9,076,240	1,283,800	297,822	28,800	9,681	11,730	14,964	1,891	10,724,928	8.8
Transport Expenses	14,721,625	946,869	340,220	21,825	16,926	15,447	7,944	1,346	16,072,202	13.1
Campaign Managers/Agents	12,630,400	1,146,328	272,257	38,160	18,340	25,852	13,827	1,546	14,146,710	11.5
Campaign Offices	2,976,190	384,597	85,820	9,495	5,460	5,170	2,419	494	3,469,644	2.8
Others	2,689,730	236,710	52,624	6,048	2,580	2,437	1,210	215	2,991,554	2.4
TOTAL	112,080,144	7,739,031	2,182,790	224,367	125,997	118,945	62,881	10,361	122,544,515	100.0

Source: ACFIM Database

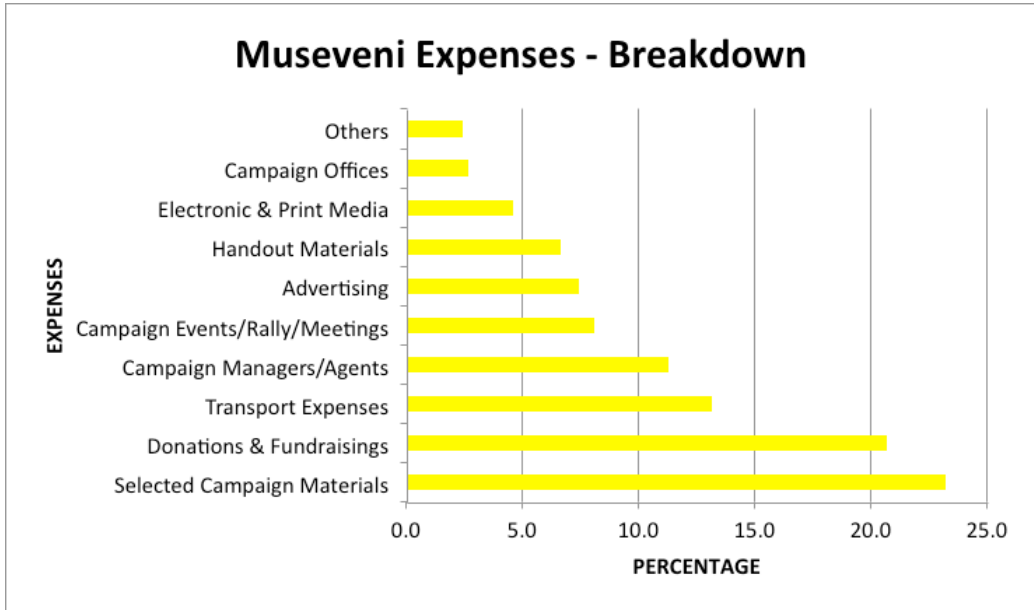
6.6 Yoweri Kaguta Museveni Expenses - The Breakdown

The biggest campaign expense by candidate Yoweri Kaguta Museveni was incurred on selected campaign materials (23.2 per cent), followed by donations and 20.6 per cent, and transport expenses at 13.1 per cent. Facilitation of campaign managers/agents accounted for 11.3 per cent of the total estimates while 8.1 per cent was spent on campaign events including rallies at constituency level.

Table 28: Yoweri Kaguta Museveni Expenses - The Breakdown

CAMPAIGN EXPENSES FOR YOWERI KAGUTA MUSEVENI			
ITEM	DESCRIPTION	EXPENSES	%
Selected Campaign Materials	Shirts, T-Shirts, Fliers, Caps, Badges, Bandanas etc	25,982,132,000	23.2
Donations	Cash to Voters, Churches, Schools, Youth Groups, Women Groups etc	23,144,333,000	20.6
Transport Expenses	Fuel & Hire of Buses, Lorries, Boda-Bodas, Helicopter, Van/Taxis, Cars etc	14,721,625,000	13.1
Campaign Managers/Agents	Polling Station & Campaign Agents, Village/Parish/Subcounty Supervisors & Coordinators etc	12,630,400,000	11.3
Campaign Events/Rally/Meetings	Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc	9,076,240,000	8.1
Advertising	Posters, Fliers, Banners & Billboards etc	8,290,380,000	7.4
Handout Materials	Sugar, Salt, Hoes, Seeds etc	7,446,918,000	6.6
Electronic & Print Media	Journalists Facilitation, Radio/TV/ Newspaper Adverts & Shows ,SMS/ Robbo Calls etc	5,122,196,000	4.6
Campaign Offices	Equipment/Furniture/Computer/ Internet & Attendants/Drivers etc	2,976,190,000	2.7
Others	Legal Fees, Upkeep for Team on Campaign Trail etc	2,689,730,000	2.4
TOTAL		112,080,144,000	100.0

Figure 27: Yoweri Kaguta Museveni Expenses - The Breakdown



Candidates spent significantly on branded T-shirts Branded such as these observed donned by supporters of candidate Yoweri Museveni in this photograph.



Expenses on Caps, Badges & T-Shirts for Candidates



Expenses on Tents, Venue, Chairs & Banners for Museveni Rallies



Expenses on Transport (Kamunye/Taxis) for Museveni Rallies



Entertainers & Disco Passing through Town before Museveni's Rallies

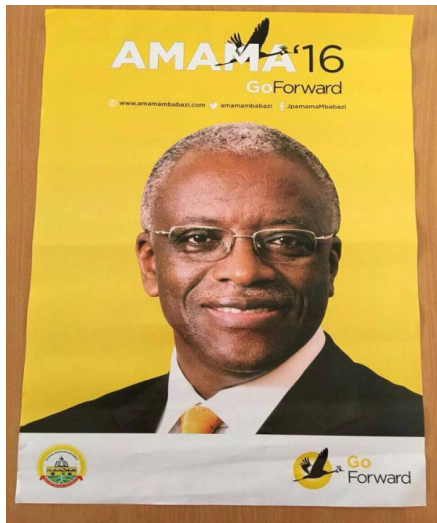
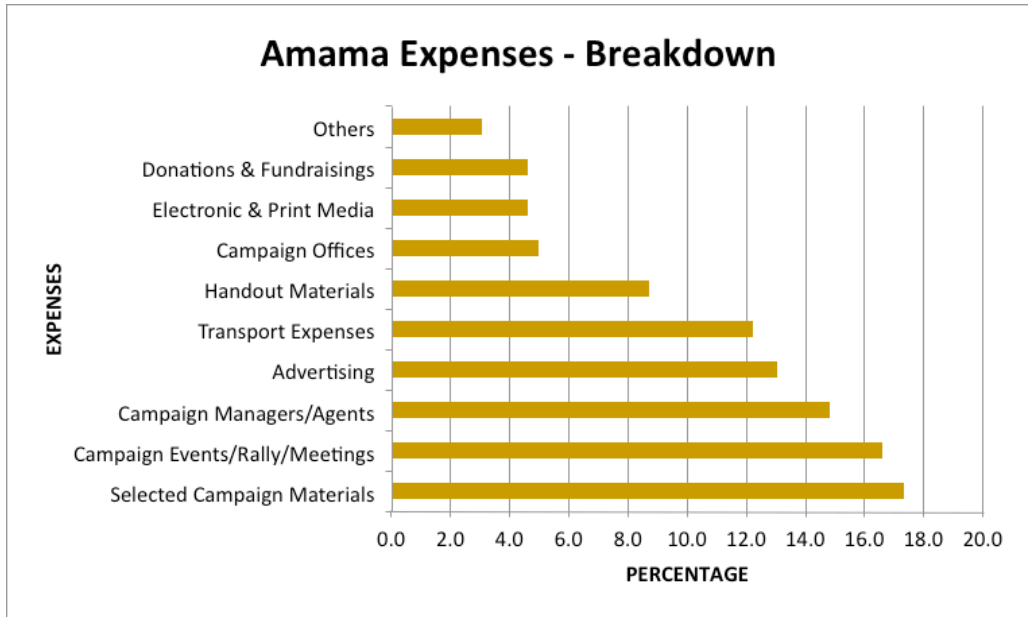
6.7 Amama Mbabazi Expenses - The Breakdown

The biggest expense by Amama Mbabazi was 17.3 per cent on selected campaign materials, followed by 16.6 per cent on campaign events like rallies and meetings, 14.8 per cent on campaign managers/agents, 13.1 per cent on Advertising, 12.2 per cent on transport expenses and 8.7 per cent on handout materials.

Table 29: Amama Mbabazi Estimates - The Breakdown

CAMPAIGN EXPENSES FOR AMAMA MBABAZI			
ITEM	DESCRIPTION	ESTIMATES	%
Selected Campaign Materials	Shirts, T-Shirts, Fliers, Caps, Badges, Bandanas etc	1,341,288,000	17.3
Campaign Events/Rally/Meetings	Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc	1,283,800,000	16.6
Campaign Managers/Agents	Polling Station Agents, Village/Parish/Subcounty Supervisors & Coordinators etc	1,146,328,300	14.8
Advertising	Posters, Fliers, Banners & Billboards etc	1,010,441,000	13.1
Transport Expenses	Fuel & Hire of Buses, Lorries, Boda-Bodas, Helicopter, Van/Taxis, Cars etc	946,869,000	12.2
Handout Materials	Sugar, Salt, Hoes, Seeds etc	673,984,000	8.7
Campaign Offices	Equipment/Furniture/Computer/Internet & Attendants/Drivers etc	384,596,700	5.0
Electronic & Print Media	Journalists Facilitation, Radio/TV/Newspaper Adverts & Shows ,SMS/Robbo Calls etc	357,811,000	4.6
Donations	Cash to Voters, Churches, Schools, Youth Groups, Women Groups etc	357,203,000	4.6
Others	Legal Fees, Contribution to TDA, Pressure Groups etc	236,710,000	3.1
TOTAL		7,739,031,000	100.0

Figure 28: Amama Mbabazi Estimates - The Breakdown



Amama Mbabazi Campaign Poster and T-Shirt

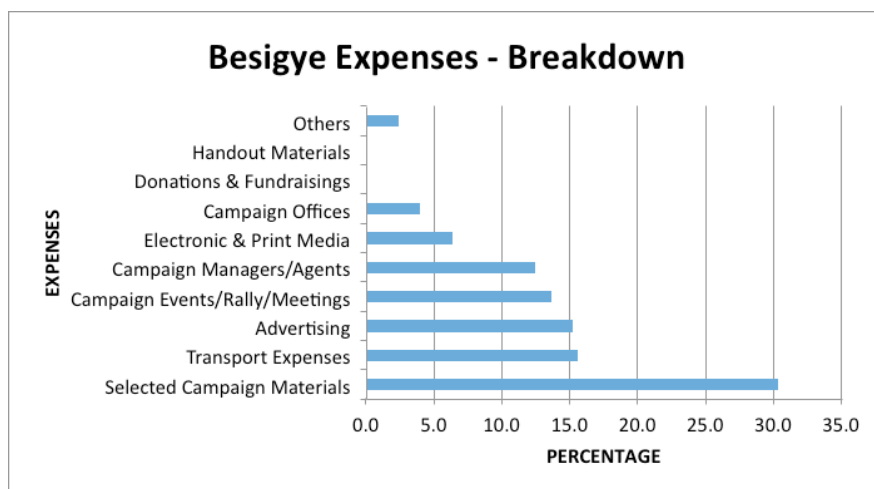
6.8 Kizza Besigye Estimates - The Breakdown

The biggest expense by Kizza Besigye was 30.3 per cent on selected campaign materials, followed by 15.6 per cent on transport expenses, 15.2 per cent on advertising, 13.6 per cent on campaign events – rallies, meetings and 12.5 per cent on campaign managers/agents.

Table 30: Kizza Besigye Estimates - The Breakdown

CAMPAIGN EXPENSES FOR KIZZA BESIGYE			
ITEM	DESCRIPTION	ESTIMATES	%
Selected Campaign Materials	Shirts, T-Shirts, Fliers, Caps, Badges, Bandanas etc	662,050,000	30.3
Transport Expenses	Fuel & Hire of Buses, Lorries, Boda-Bodas, Helicopter, Van/Taxis, Cars etc	340,220,000	15.6
Advertising	Posters, Fliers, Banners & Billboards etc	332,270,000	15.2
Campaign Events/ Rally/Meetings	Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc	297,822,000	13.6
Campaign Managers/Agents	Polling Station Agents, Village/Parish/Subcounty Supervisors & Coordinators etc	272,257,000	12.5
Electronic & Print Media	Journalists Facilitation, Radio/TV/Newspaper Adverts & Shows ,SMS/Robbo Calls etc	139,727,000	6.4
Campaign Offices	Equipment/Furniture/Computer/Internet & Attendants/ Drivers etc	85,819,500	3.9
Donations & Fund-raising	Cash to Voters, Churches, Schools, Youth Groups, Women Groups etc	-	0.0
Handout Materials	Sugar, Salt, Hoes, Seeds etc	-	0.0
Others	Upkeep for Team on Campaign Trail etc	52,624,000	2.4
TOTAL		2,182,789,500	100.0

Figure 29: Kizza Besigye Estimates - The Breakdown





FDC spent on erecting metallic Campaign podiums and powerful Public Address Systems.

Campaign Contributions from Party Supporters and Well-wishers

ACFIM Research Assistants reported that candidate Kizza Besigye profiled himself from the start as the candidate with the least resources. By doing so he reportedly avoided expenses by not providing donations, handout materials and the different forms of voter hospitality. Instead it is the voters who made campaign contributions to him in the form of cash or in kind. It was further reported that candidate Museveni on some occasions received in-kind donations from some voters.



The campaign trail of candidate Kizza Besigye was characterized with images like this one where citizens donated money towards his campaign expenses. ACFIM observers in Bushenyi District reported that on Sunday the 20th of December 2015, candidate Kizza Besigye (pictured above) attended mass at St Kagwa Parish church and later a service at All Saints Church. Christians in both churches made total cash contributions of UGX 1.2million towards his campaign financing. The principles of transparency and accountability demand that FDC party leadership come out to publicly declare the total of the campaign income raised through grass root contributions such as the one seen in the photograph above and how the money was utilised..



Goat donated to Muwanga Alfred Salongo (Independent-Katikamu South Constituency) by supporters at Waluleeta- Makulubita Sub County

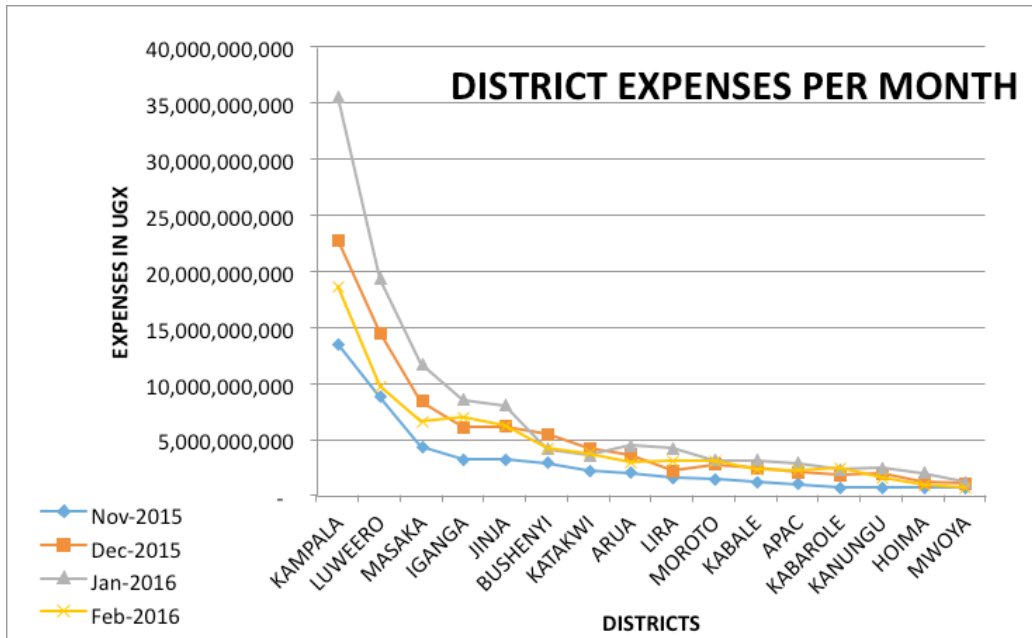
6.9 Campaign Spending at District Level

The table below shows that most of the spending by Candidates/Parties at constituency level during the observed period was in Kampala District (27.3 per cent), followed by Luweero District (16.0 per cent), Masaka District (9.4 per cent), Iganga District (7.5 per cent) and Jinja District (7.2 per cent). The least expenditure was in the districts of Nwoya (1.1 per cent), Hoima (1.6 per cent), Kanungu (2.1 per cent), Kabalore (2.3 per cent) and Apac (2.6 per cent).

Table 31: Minimum District Expenses per Month (Nov 2015 – Feb 2016)

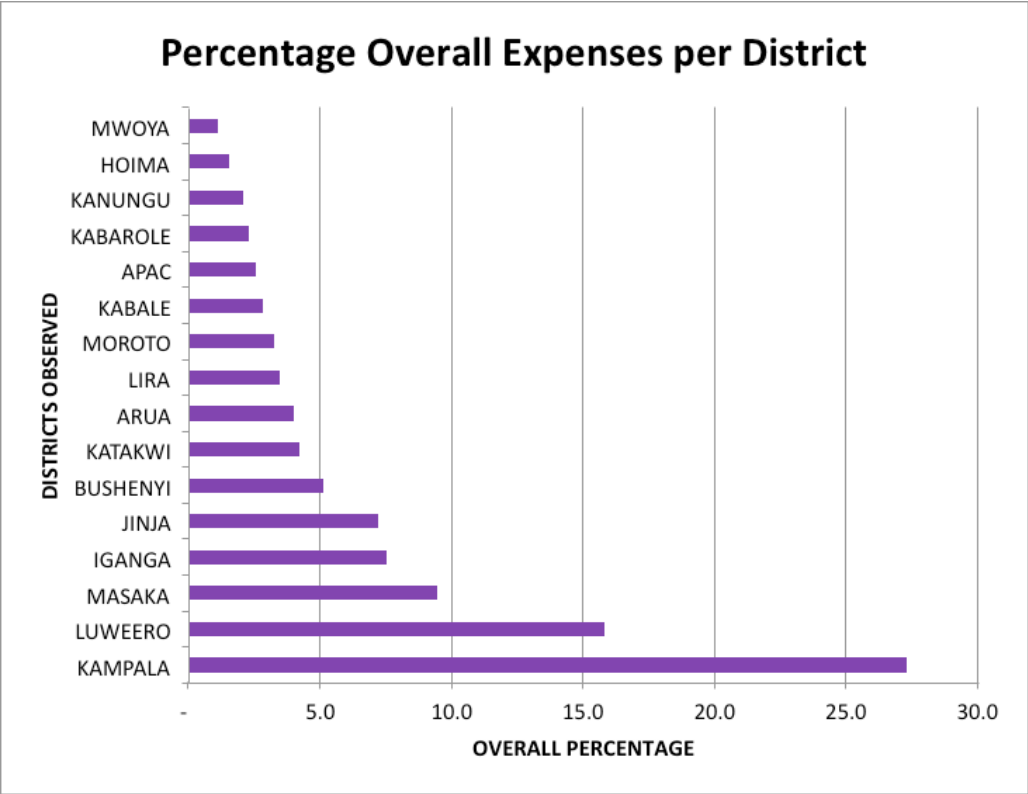
District	Nov-2015	Dec-2015	Jan-2016	Feb-2016	OVERALL TOTAL	Overall %
KAMPALA	13,609,018,000	22,859,128,000	35,682,200,000	18,711,940,000	90,862,286,000	27.3
LUWEERO	8,874,592,000	14,599,592,500	19,425,550,000	9,854,300,000	53,187,034,500	16.0
MASAKA	4,417,323,100	8,491,767,000	11,823,600,000	6,688,960,000	31,421,650,100	9.4
IGANGA	3,320,783,000	6,153,370,900	8,643,510,000	6,995,500,000	25,113,163,900	7.5
JINJA	3,296,972,800	6,241,036,000	8,111,750,000	6,328,800,000	23,978,558,800	7.2
BUSHENYI	2,975,282,000	5,593,768,000	4,267,800,000	4,246,660,000	17,083,510,000	5.1
KATAKWI	2,283,512,000	4,263,801,000	3,715,950,000	3,845,780,000	14,109,043,000	4.2
ARUA	2,130,552,200	3,721,684,000	4,532,400,000	3,009,755,000	13,394,391,200	4.0
LIRA	1,675,587,000	2,322,366,200	4,326,790,000	3,200,580,000	11,525,323,200	3.5
MOROTO	1,524,316,200	2,841,009,000	3,247,550,000	3,201,159,000	10,814,034,200	3.2
KABALE	1,281,064,900	2,575,309,000	3,217,990,000	2,400,240,000	9,474,603,900	2.8
APAC	1,113,817,200	2,125,504,200	2,997,860,000	2,341,360,000	8,578,541,400	2.6
KABAROLE	807,675,000	1,890,503,400	2,437,855,000	2,500,210,000	7,636,243,400	2.3
KANUNGU	780,340,000	1,997,027,500	2,550,278,000	1,700,420,000	7,028,065,500	2.1
HOIMA	826,031,600	1,259,060,000	2,134,590,000	975,571,000	5,195,252,600	1.6
NWOYA	708,302,000	1,128,108,000	1,232,459,000	754,860,000	3,823,729,000	1.1
TOTAL	49,625,169,000	88,063,034,700	118,348,132,000	76,756,095,000	333,225,430,700	100.0
Overall Month %	14.9	26.4	35.5	23.0	100.0	

Figure 30: Minimum District Expenses per Month (Nov 2015 – Feb 2016)



Mobile Clinic donated by incumbent MP Makindye East, Kampala District, Hon. John Ssimbwa (NRM flag bearer). He also provided commuter vans to transport voters from Makindye East to the central business district. Despite this spending, Hon. Ssimbwa lost the election to FDC candidate Ibrahim Kasozi.

Figure 31: Percentage Minimum District Expenses per Month (Nov 2015 – Feb 2016)



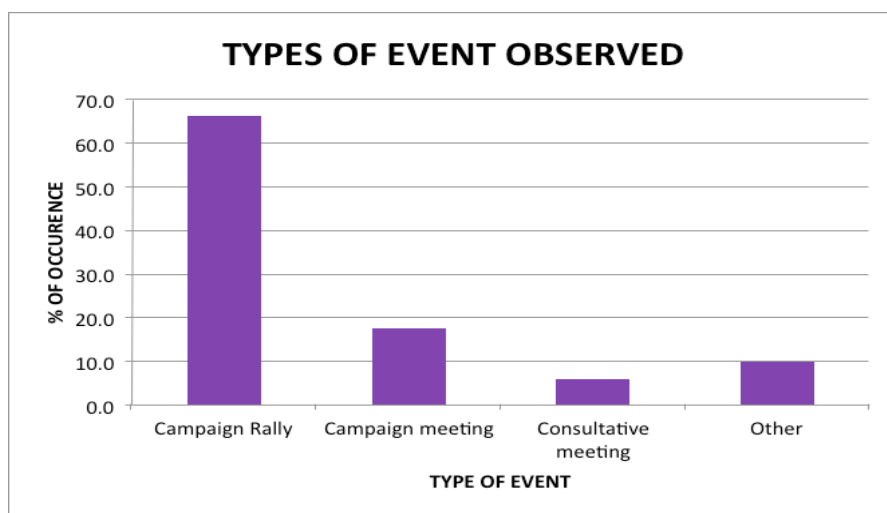
7. GENERAL OBSERVATIONS AT CONSTITUENCY LEVEL

7.1 Type of Event Observed

Table 32: Type of Event Observed (Nov 2015 – Feb 2016)

TYPE OF EVENT	PERCENT
Campaign Rally	66.4
Campaign meeting	17.7
Consultative meeting	6.0
Other	9.9
TOTAL	100.0

Figure 32: Type of Event Observed (Nov 2015 – Feb 2016)



The table and bar graph above show that several events were observed during the campaign period (November 3rd 2015 – February 16th 2016). These events included campaign rallies (66 per cent), campaign meetings (18 per cent), consultative meetings (6 per cent) and other events. Major spending items on a campaign rally included public address systems, campaign platforms, facilitation of musicians, hire of tents and plastic chairs, food and sodas/water. The most expensive campaign rallies observed were those organised for presidential candidate Yoweri Museveni which had a standard budget of UGX 20,000,000 (US\$ 5,882). These were managed by the constituency mobiliser and had a clear breakdown as was presented earlier in this report. At Member of Parliament level the candidates were observed to have spent on average UGX 2,337,267 on each campaign rally.



The drinks served to attendees on Candidate Museveni Rallies – This particular consignment was in observed in Usuk, Katakwi district.



Branded Mineral Water Bottles for some Candidates

7.2 Duration of Campaign Rallies/Events

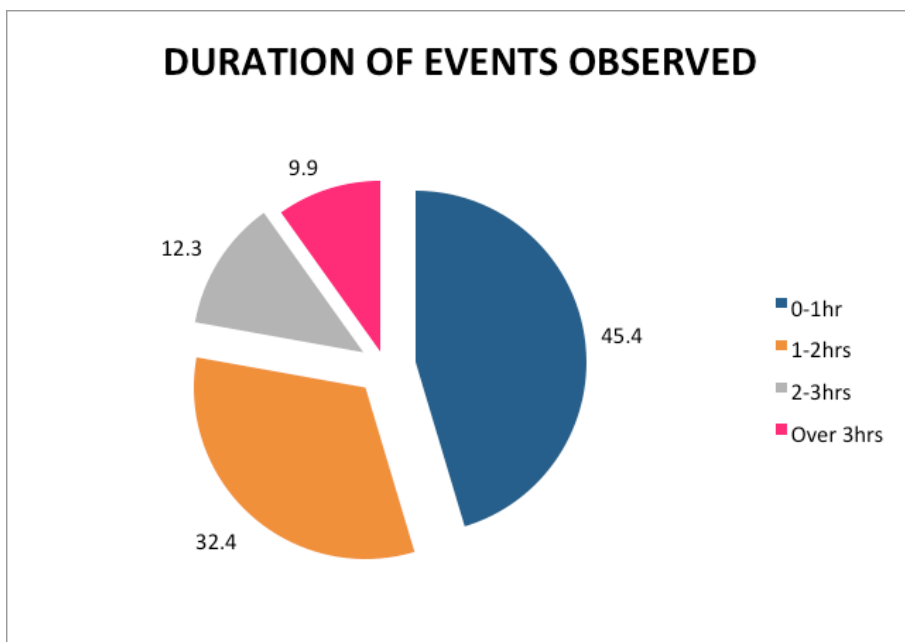
Table 33: Duration of Events Observed (Nov 2015 – Feb 2016)

DURATION OF EVENT	PER CENT
0-1hr	45.4
1-2hrs	32.4
2-3hrs	12.3
Over 3hrs	9.9
TOTAL	100.0

The table shows that the majority of campaign rallies/events (45.4 per cent) were held for one hour or less in the constituencies. Events held for 1-2 hours were the

second most common (32.4 per cent) while those that went beyond 3 hours were the least observed. The following pie chart illustrates this further.

Figure 33: Duration of Events Observed (Nov 2015 – Feb 2016)



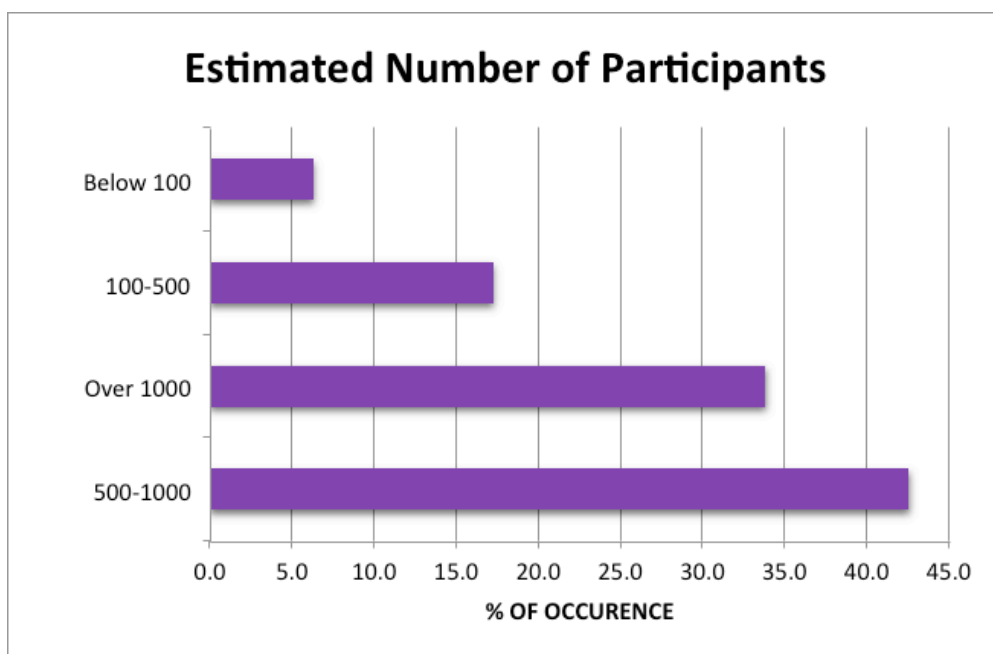
7.3 Estimated Number of Participants on Campaign Events

The table below shows that 42.6 per cent of the events observed by ACFIM Research Assistants had the number of participants/attendees ranging between 500 and 1,000 people and a third (33.8 per cent) of the events had less than 1,000 participants. These were mainly rallies of presidential candidates. Rallies/events of presidential candidates drew huge crowds at constituency level estimated to over 1,000. Crowds were particularly big for candidates Museveni, Besigye and Amama Mbabazi. The rallies for Member of Parliament races attracted far less attendees. Events that had below 100 people were about 6.3 per cent.

Table 34: Estimated Number of Participants (Nov 2015 – Feb 2016)

ESTIMATED NUMBER OF PARTICIPANTS	PERCENT
500-1000	42.6
Over 1000	33.8
100-500	17.3
Below 100	6.3
Total	100.0

Figure 34: Estimated Number of Participants (Nov 2015 – Feb 2016)



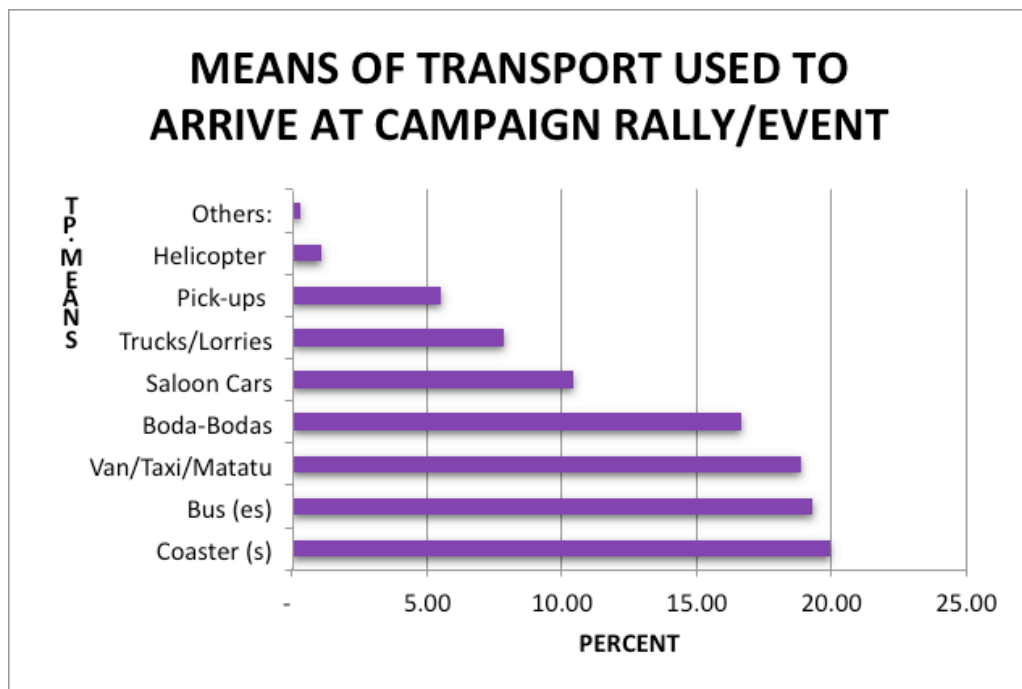
7.4 Expenses on Means of Transport Used

Different means of transport were used to arrive at campaign events/rallies. According to the data on expenses, the most common type used was Coasters (20 per cent), followed by Buses (19 per cent) and Van/Taxi/Matatu (19 per cent). Other means used were Boda-Bodas (17 per cent), Saloon Cars (10 per cent) and Trucks/Lorries (8 per cent).

Table 35: Expenses on Means of Transport Used (Nov 2015 – Feb 2016)

TYPE OF AUTOMOBILE USED	PERCENT
Coaster (s)	19.96
Bus (es)	19.33
Van/Taxi/Matatu	18.87
Boda-Bodas	16.67
Saloon Cars	10.43
Trucks/Lorries	7.86
Pick-ups	5.52
Helicopter	1.07
Others	0.29
TOTAL	100.00

Figure 35: Event/Rally/Consultative Meetings Expenses (Nov 2015 – Feb 2016)



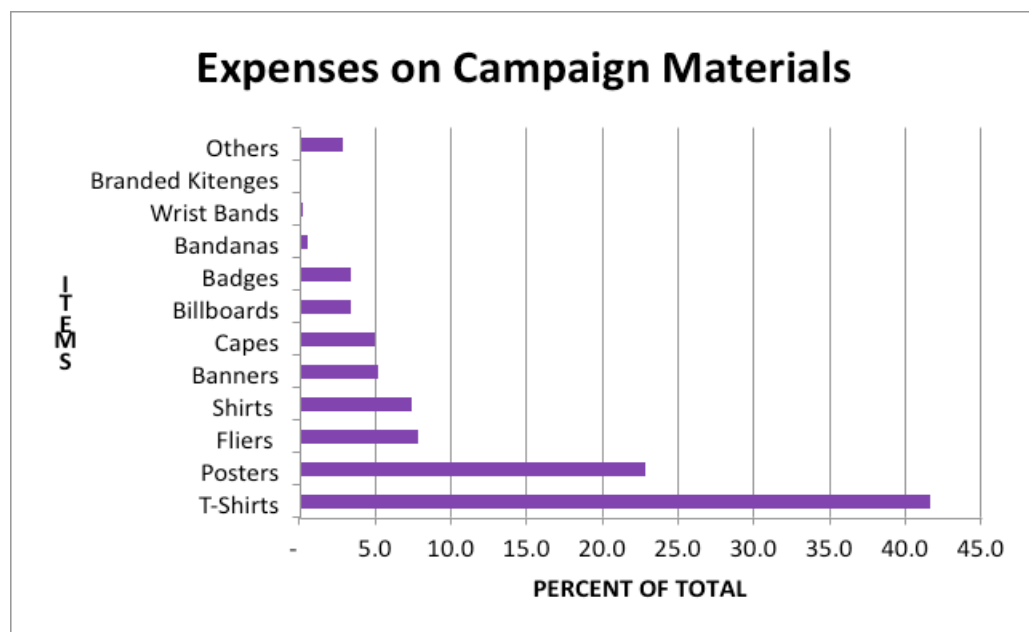
7.5 Expenses on Campaign Materials

Branded Shirts & T-Shirts (48 per cent), Posters (23 per cent), Fliers (8 per cent) and Banners (5 per cent) took up the biggest chunk of the campaign materials expenses.

Table 36: Expenses on Campaign Materials (Nov 2015 – Feb 2016)

CAMPAIGN MATERIALS	PERCENT
T-Shirts	41.7
Posters	22.8
Fliers	7.8
Shirts	7.3
Banners	5.1
Capes	5.0
Billboards	3.3
Badges	3.3
Bandanas	0.5
Wrist Bands	0.2
Branded Kitenges	0.1
Others	2.8
TOTAL	100.0

Figure 36: Expenses on Campaign Materials (Nov 2015 – Feb 2016)



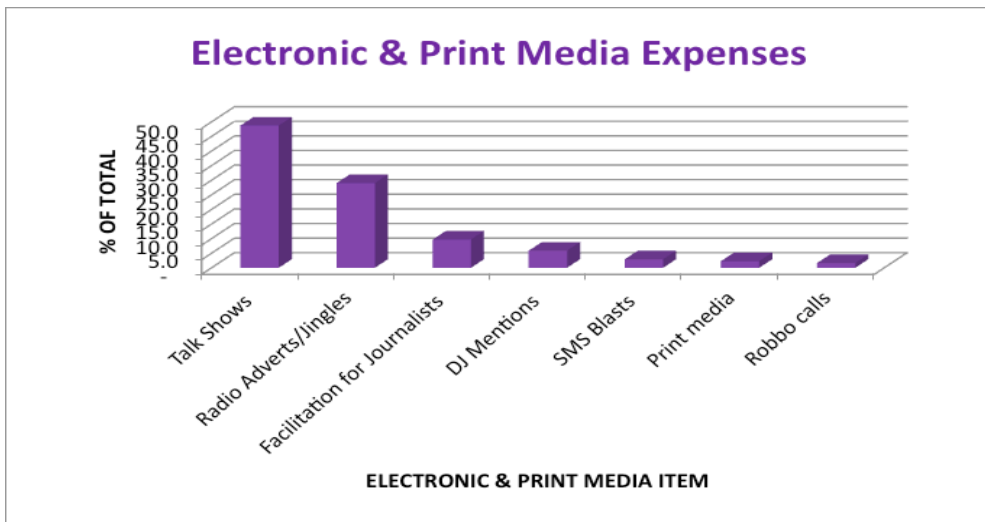
7.6 Expenses on Electronic and Print Media

From the next table it can be seen that when it came to media the largest portion of spending by candidates went to radio. This means to include talk shows (48.7 per cent), jingles (29 per cent) and DJ mentions (5.9 per cent). The table further shows that almost a tenth (9.7 per cent) of campaign spending on media went to facilitating journalists who were accompanying candidates on their campaign trail. At Presidential level, journalists travelling on candidate Museveni's campaign trail received daily facilitation of UGX 150,000 per day to cover their lodging and upkeep costs. ACFIM observers reported that candidate Museveni had a team of 20 journalists on his campaign trail.

Table 37: Expenses on Electronic and Print Media (Nov 2015 – Feb 2016)

ELECTRONIC AND PRINT MEDIA ITEMS	PERCENT
Talk Shows	48.7
Radio Adverts/ Jingles	29.0
Facilitation for Journalists	9.7
DJ Mentions	5.9
SMS Blasts	2.9
Print media	2.3
Robbo calls	1.6
TOTAL	0.0

Figure 37: Expenses on Electronic and Print Media (Nov 2015 – Feb 2016)



7.7 Event/Rally/Consultative Meetings Expenses Resources

The next table shows that donations in kind by candidates and physical cash combined took up more than 70% of the event/rally/consultative meetings expenses. The impetus of political candidates donating generously was clearly to induce voters to vote for them come February the 18th, 2016. Other expenses accounted were transport refunds for campaign attendees (9.8 per cent), public address (6.2 per cent) and food (4.0 per cent).

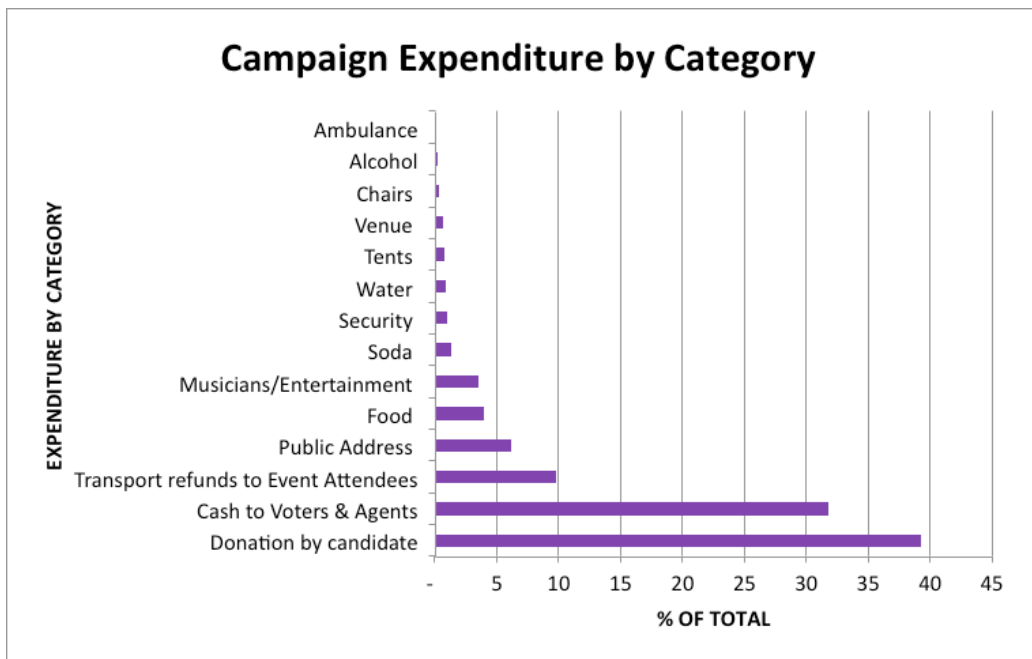
Table 38: Event/Rally/Consultative Meetings Expenses (Nov 2015 – Feb 2016)

RESOURCE/EXPENSE	PERCENT
Donation by candidate	39.27
Cash to Voters & Agents	31.81
Transport refunds to Event Attendees	9.81
Public Address	6.16
Food	4.01
Musicians/Entertainment	3.55
Soda	1.36
Security	1.01
Water	0.92
Tents	0.74
Venue	0.69
Chairs	0.29
Alcohol	0.24
Ambulance	0.15
TOTAL	100.00



Nomination day for Member of Parliament candidates in Luweero district: Above left is a state of the art platform build by independent candidate Patricia Magara of Katikamu South constituency.

Figure 38: Event/Rally/Consultative Meetings Expenses (Nov 2015 – Feb 2016)



8. ANALYSIS OF DONATIONS TO VOTERS

8.1 Donations by Candidates

The practice of candidates offering donations to voters was prevalent in all the constituencies in the 16 districts of our geographical scope. Whereas at presidential level it was just a few candidates that offered donations, all candidates in the Member of Parliament races across all parties that contested in the campaigns were observed donating to various groups of voters personally and on some occasions, through campaign agents. The difference was in the degrees. These donations were either in cash or in kind. In kind items included ambulances branded with candidates' photographs, solar powered lights, bicycles, iron sheets, cement, hoes, seeds, football jerseys, source pans, plastic chairs, tents, mattresses, branded cloths, T-shirts, and helmets for cyclists among others.

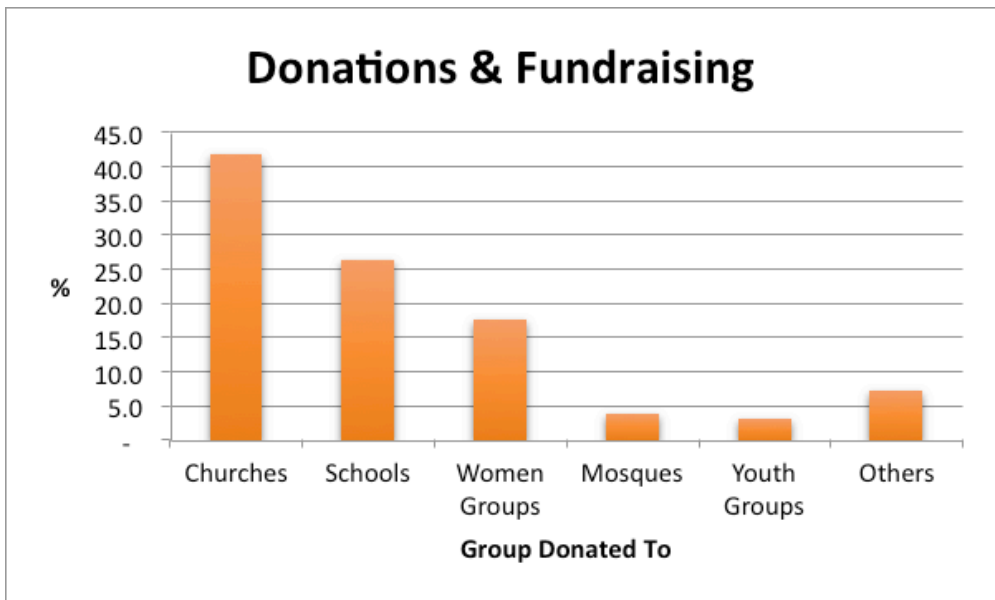
This generosity was a ploy to avoid being construed as engaging in voter bribery which is an offense under the Presidential Elections Act (as amended) 2005 and the Parliamentary Elections Act (as amended) 2005. Candidates hid under the cover of livelihood improvement initiatives to donate cash and items with a clear purpose of inducing voters to vote for them. This practice started as early as May 2015 and continued throughout the months of October, November, December 2015 and January 2016. In Arua district observers reported that donations to churches and mosques were prevalent in all the eight constituencies (including district woman MP). In Moroto district the incumbent woman MP donated branded kitenge cloth materials to women. Incumbent MPs for Kwanja constituency in Apac and Bugwere in Iganga districts donated hoes and hybrid maize seeds and candidate Jack Sabiiti (FDC) donated cash Ugx 1million to Kashamba Parents Primary School. In Rubanda East Hon. Musasizi donated 30 bags of cement to Karagama Church of Uganda and St.Thomas Aquinas Primary Schools.

The next table illustrates how churches were the major recipients of the donations (41.9 per cent), followed by schools at 26.4 per cent. Other beneficiaries included in women groups (17.7 per cent), mosques (3.7 per cent) and youth groups (3.1 per cent).

Table 39: Expenses on Donations

ITEM	PERCENT
Churches	41.9
Schools	26.4
Women Groups	17.7
Mosques	3.7
Youth Groups	3.1
Others	7.3
TOTAL	100.0

Figure 39: Donations & Fundraising





Bicycles donated by the incumbent candidate for Iganga District Woman MP Hon. Olivia Kabale. She lost the seat to Hallat Kawuda who had donated fumigation services against bedbugs to every household in the entire Municipality of Iganga and surrounding sub counties.

Cash Donation for livelihood improvement or Voter Bribery? The Race for Jinja East Constituency Member of Parliament.



Top Left: One of the youth leaders (yellow T-shirt) displaying a cash bundle of Ugx 5m which he had just received from NRM flagbearer in the race for Jinja East constituency Igeme Nathan Nabeta (2nd right) while the RDC Jinja, Gulume Richard (1st right in suit) and others looked on.

Top Right & Bottom Left: Women leaders counting cash bundles of Ugx 1m each received while the leader of one of the local women's development groups (left in yellow T-shirt) is all smiles upon receiving Ugx 10m. The event took place at Main Street Primary School in Jinja in August, 2015 where Nathan Igeme Nabeta made cash donations of over Ugx 40m to different groups of women and youth for livelihood improvement programmes. Nabeta is now the MP-elect having polled the highest number of votes beating the incumbent MP from FDC Party Hon. Paul Mwiru. Cash donations like these were observed in all the 16 districts.

Table 40: Examples of Donations in November and December 2015

EXAMPLES OF DONATIONS DURING CAMPAIGNS						
District	Parish/Village	Date	Organization	Party	Donation	Total Estimate
APAC	Awiri, Awiri	9/7/2015	Church	UPC	Cement	2,250,000
	Ayumi London	9/23/2015	St. Peters Catholic Church	NRM	Cement	40 Bags
ARUA	Kenya, Club Village	12/11/2015	Fundraising	Go Forward	Cash	1,000,000
	Okollo Trading Centre	12/15/2015	Appreciation of Supporters	Independent	Cash	300,000
BUSHENYI	Ryeishe, Kitabi	12/14/2015	Kitabi Women Group	Independent	Cash	100,000
	Kibaare	10/22/2015	Bwooma Women Group	NRM	Cash	1,500,000
HOIMA	Kidoma, Nyabunyira	10/26/2015	Tugende Omumaiso	NRM	Cash	400,000
	Kyamukenda	10/10/2015	Kitana Catholic Church	NRM	Cash	300,000
IGANGA	Bulwoza	9/20/2015	Kasolo Women Group	NRM	Cash	300,000
	Buwabe	9/16/2015	Community	NRM	Cash	1,000,000
JINJA	Mafumbira/Wairaka	9/22/2015	Pregnant Women	NRM	Mama Kits	100 Kits
	Nabitambala	9/24/2015	Farmers	NRM	Maize Seeds	14,000,000
KABALE	Central Ward	10/25/2015	All Saints Church	NRM	Cash	100,000
	Rutengye, Kazooha	10/24/2015	Kashamba Parents P. S	FDC	Cash	1,000,000
KABAROLE	Bazaar, Public Library	10/2/2015	Njara Church Of Uganda	NRM	Cash	1,000,000
	Bugongi	10/21/2015	Namunye Mosque	NRM	Cash	1,000,000

EXAMPLES OF DONATIONS DURING CAMPAIGNS						
District	Parish/Village	Date	Organization	Party	Donation	Total Estimate
KATAKWI	Katete	10/20/2015	Kirima Community S S	NRM	Bursaries	1,000,000
	Northern Ward, Katanga	9/20/2015	St Steven Catholic Church	NRM	Cash	10,000,000
	Ongongoja, Akwamor	10/10/2015	Akwamor Village	NRM	Iron Sheets	3,640,000
LUWEERO	Wobulenzi	11/23/2015	Kwagalana Women Group	Independent	Iron Sheets	2,000,000
	Kasana Kisaawe	11/9/2015	Healthy Centre 5	NRM	Cash	2,500,000
	Kyabakuza A	9/20/2015	Kyabakuza Catholic Parish	DP	Cash	1,000,000
MASAKA	Kamuzinda, Bukunda	11/1/2015	Teachers Day	DP	Beddings	880,000
	Kimanya, Kigamba	10/23/2015	St Lucia	NRM	Desks	2,000,000
NWOYA	Anaka Town Council	9/26/2015	Community, Hospital	NRM	Ambulance, Basins & Bore-holes	102,200,000

8.2 Donations by Presidential Candidates

President Yoweri K. Museveni made more donations than any of the other aspiring candidates. These donations started as early as January 2015 and were made in a manner that was construed to be aimed at enhancing his candidature that was to be confirmed less than five months later. Between May and August 2015, the incumbent president made observable cash donations totalling at least UGX 13.5 billion (US\$ 3.9 million) to different categories of voters. He made donations in September 2015 of at least UGX 500 million (US\$148,529) and in October of UGX 661 million (US\$194,412). The total recorded cash donations made by president Museveni between the months of January – October 2015 is UGX 14.7 billion (US\$ 4.3 million). It is important to note that it was difficult to access information on all cash donations made by the president Museveni. Some of the beneficiaries of the cash donations include the following:

- 1) Completion of St. Jane Frances Catholic Church in Nakabago, Mukono.
- 2) Construction of Uganda Institute of Science and Technology, a project of St Peter's cathedral Nyakatare in Kanungu district.
- 3) Staff savings scheme of Nkumba University.
- 4) Savings scheme of Wakiso Secondary School Headteachers' Association (WAKISSHA).
- 5) Construction of library complex for City High School.
- 6) Mbarara diocese to establish a shopping mall.
- 7) Abayita Ababiri Women Savings group.
- 8) Contribution for the renovation of Kigezi College, Butobere, Kabale.
- 9) Donation to Masaka Muslims during Idd-el-fitr prayers.
- 10) Civil servants saving scheme and boda boda cyclists scheme in Moyo.
- 11) Nurses savings scheme, women groups and boda boda cyclists scheme in Adjumani.
- 12) Completion of Church House in Kampala.
- 13) All Saints Church in Mbarara.
- 14) Construction of two mosques in Ntungamo, West Ankole Diocese, St Kaggwa Parish Bushenyi.
- 15) Construction of parish priest's residence at St Joseph's Catholic Church, Lweza.

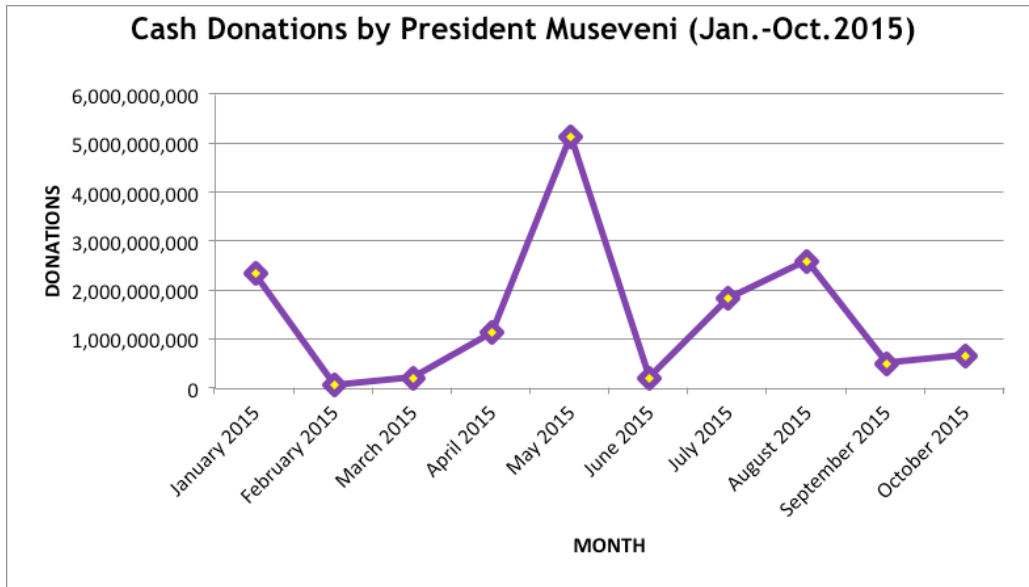
Table 41: Observed Donations by President in Monthly Minimums

Month/2015	Monthly Exp. In Billions (Ugx)
January	2,340,000,000
February	60,000,000
March	210,000,000
April	1,132,000,000
May	5,140,000,000
June	205,000,000
July	1,838,000,000
August	2,590,000,000
September	505,000,000
October	661,000,000
TOTAL	14,681,000,000

Table 42: Illustrating Some Donations by Incumbent Presidential Candidate

SEPTEMBER 2015		
DATE	CASH/PLEDGE	PURPOSE
Sept 1	20 million	SACCO - Lead Again and Again Youth Association
Sept 2	200 million	Rehabilitation of Obusinga Palace of Rwenzururu Kingdom
Sept 7	50 million	For the savings scheme of palm oil out growers in Kalangala
Sept 15	15 million	Contribution to funeral expenses of Gen Aronda Nyakairima
Sept 16	220 million	Mount Sion Catholic Prayer Centre, Bukalango for establishment of TV and Radio station
Total	Shs 505 million	
OCTOBER, 2015		
Oct 2	20 million	Medical bill for Gloria Ankunda from Bushenyi. She was operated due to carotid artery disease
Oct 7	230 million	Members of Kira Metal Fabricators Association in Najjera to purchase fabrication machines
Oct 7	1 million	Tea girl in Najjera to purchase charcoal stove and restaurant equipment
Oct 11	10 million	Funeral contribution for late Dr James Mutende
Oct 16	400 million	Local musicians who composed a song <i>Tubonga Naawe</i> for Museveni.
Total	Shs 661 million	

Figure 40: Cash Donations by Pres. Museveni (January 2015 to October 2015)



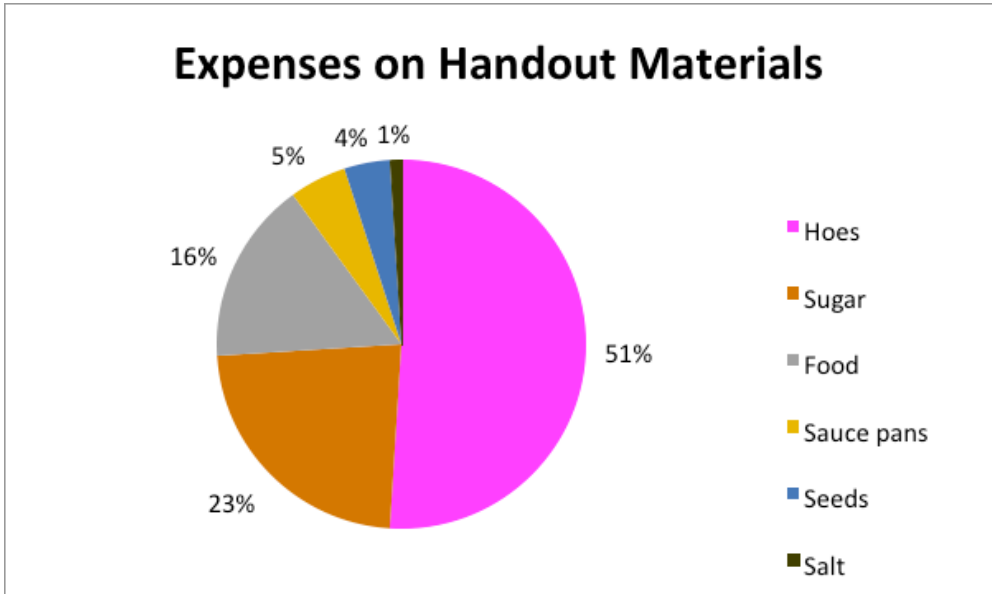
8.3 Handout Materials

Handout materials constituted another form of donations by political candidates to voters. Different materials were handed out during campaigns. The table below shows that the majority (51 per cent) of materials handed out were hoes, then followed by sugar (23 per cent), food (16 per cent), sauce pans (5 per cent), seeds (4 per cent) and salt (1%).

Table 43: Expenses on Handout Materials (Nov 2015 – Feb 2016)

HANDOUT MATERIALS	
Material Items (in a pack)	Percent
Hoes	50.9
Sugar	23.1
Food	15.9
Sauce pans	5.3
Seeds	3.8
Salt	1.1
TOTAL	100.0

Figure 41: Expenses on Handout Materials (Nov 2015 – Feb 2016)



Plastic chairs and NASECO maize seeds donated by incumbent Member of Parliament for Bukoto Central in Masaka District and incumbent Vice President Edward Kiwanuka Sekandi. He was re-elected to the 10th Parliament.



Mama Kit donated by incumbent Member of Parliament for Jinja Municipality East Constituency Hon. Paul Mwiru (FDC Party flagbearer).



Boxes of washing soap, sauce pans and other items awaiting distribution for supporters of the incumbent Katikamu North MP (NRM flag bearer) Hon. Abraham Byandaala in Luweero district. He was re-elected to the 10th Parliament.

Table 44: Examples of Materials Handed out During Campaigns

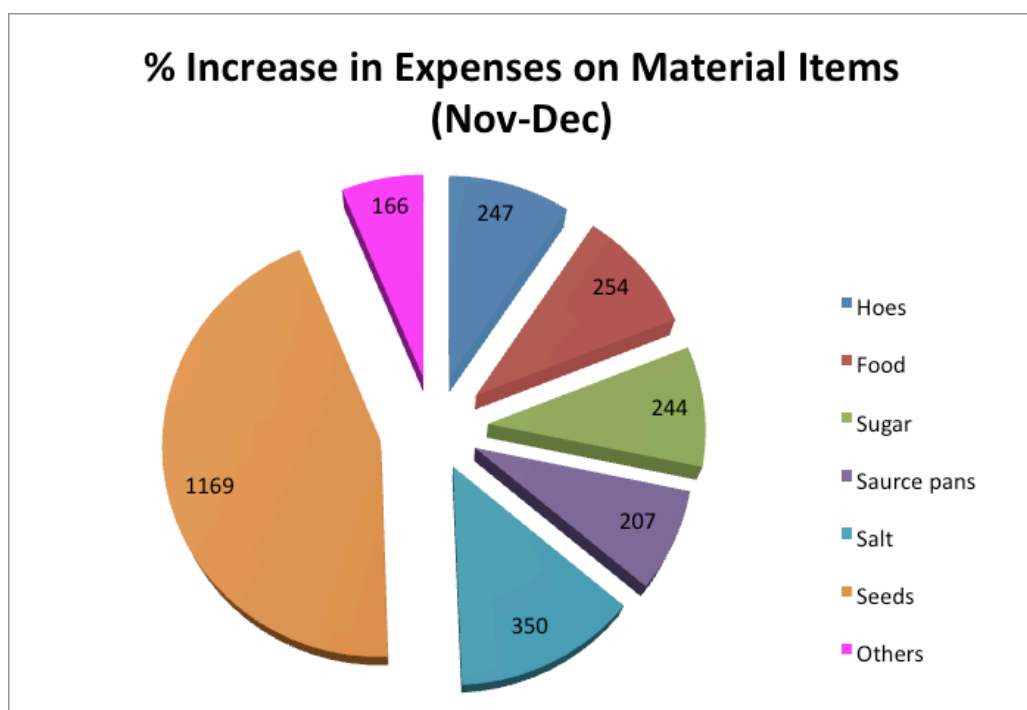
EXAMPLES OF HANDOUT MATERIALS DURING CAMPAIGNS						
District	Parish/Village	Date	Event	Party	Handout/Donation	Total Estimate
APAC	Western Ward B, Akere	9/24/2015	Consultative Meeting	UPC	Cash	1,200,000
	Atik Owang	10/9/2015	Campaign Rally	UPC	Cash	1,150,000
ARUA	Nicu	10/21/2015	Campaign Rally	NRM	Cash	100,000
BUSHENYI	Bushenyi Town	11/20/2015	Consultative Meeting	Go Forward	Food	3,004,000
	Katungu	10/27/2015	Campaign Meeting	NRM	Movit Products	6,290,000
HOIMA	Nyagabo	10/23/2015	Campaign Meeting	NRM	Boxes of Soap	380000
	Lunju	10/12/2015	Campaign Meeting	NRM	Dozens of Plates	250000
IGANGA	Nyamundeija	10/25/2015	Campaign Meeting	NRM	Jericans of Kwete	30000
	Nsale/Nawansega	11/26/2015	Campaign Rally	FDC	Hoes & Cash	12,500,000
JINJA	Bukoyo, Busu Village	10/8/2015	Campaign Rally	NRM	Borehole maintenance	200,000
	Butamila/Buyengo	10/23/2015	Campaign Rally	NRM	Iron Sheets	1,500,000
KABALE	Nyakabungo	10/25/2015	Campaign Rally	NRM	Salt Sachets	167,500
KANUNGU	Kabale Municipality	10/4/2015	Campaign Rally	NRM	Bars of Soap	603,000
	Rugyeoyo	10/22/2015	Campaign Rally	NRM	Cash	200,000
KAMPALA	Kambuga	10/21/2015	Campaign Rally	NRM	Cash	900,000
	Kawempe 2	10/25/2015	Campaign Rally	NRM	Sugar	64,000

EXAMPLES OF HANDOUT MATERIALS DURING CAMPAIGNS						
District	Parish/Village	Date	Event	Party	Handout/Donation	Total Estimate
	Nakivubo	10/24/2015	Campaign Meeting	FDC	Loaves of Bread	51,000
KATAKWI	Alogook,Wera	9/23/2015	Campaign Rally	NRM	Pipes & Sockets	132,000
	Agodingod,Okeriso	9/15/2015	Campaign Rally	NRM	Plates	30,000
LUWEERO	Lusanja/Bwaliba	11/24/2015	Campaign Meeting	NRM	Tarpaulins	105000
	Bwaliba/Lusanja	11/24/2015	Campaign Rally	NRM	Sprayer, Tarpaulin, Ball	320,000
MASAKA	Kirumba, Kirumba	10/22/2015	Campaign Rally	NRM	Iron Sheets & Sand	210,000
	Kyabakuza, Kyabakuza B	10/22/2015	Campaign Meeting	DP	Cow & Firewood	1,100,000
MOROTO	Mogoth, Kisop & Atedeoi	10/23/2015	Campaign Rally	NRM	Bull	1,000,000
	Acherer, Arengekeju	10/20/2015	Campaign Rally	NRM	Jerricans of Kwete	65,000
MWOYA	Alero/Panyabono	9/22/2015	Campaign Meeting	NRM	Transport Refund	450,000
LIRA	Ireda West, Ireda Shamba	9/19/2015	Campaign Rally	NRM	Cash	100,000

8.4 Analysis of Expenditure on Handout Materials

On average, minimum expenses on handout materials increased by 165 per cent between the months of November and December. The biggest expense increase was in Seeds (1069%), followed by Salt at 250 per cent, and food at 154 per cent. Providing food to attendees of campaign rallies, meetings and other voters that visited homes of political candidates was a manifestation of voter hospitality which candidates invested in significantly to increase their popularity. The pie chart below illustrates the increase in handout materials between the first two campaign months of November and December 2015.

Figure 21: % Increase in Expenses on Handout Materials in November & December



8.5 Voter Bribery

Providing money or other benefits to voters to support a particular party or candidate is an offense under the electoral laws of Uganda, namely the Parliamentary Elections Act (as amended) 2005 and the Presidential Elections Act (as amended) 2005. Section 68 (1 & 2) of the Parliamentary Elections Act (as amended) 2005 provides that: “a person who, either before or during an election with intent, either directly or indirectly to influence another person to vote or refrain from voting for any candidate, gives or provides or causes to be given or provided any **money, gift or other consideration** to that person, commits the offence of bribery and is

liable on conviction to a fine not exceeding 72 currency points or imprisonment not exceeding three years or both. Section 68 (2) incriminates the receiver as well. The law however makes exception of refreshments or food provided by a candidate or candidate's agent. Section 64 (1 & 2) of the Presidential Elections Act also highlights voter bribery as an illegal practice.

Reports by ACFIM Research Assistants/Observers show that voter bribery was prevalent in all 16 districts. It was observed during party primaries of the NRM party and throughout the campaign period November 3rd 2015 – February 16th, 2016. Candidates across political parties, political groups and independents were reported to be complicity of providing “**money, gifts**” and other forms of inducements that may be interpreted as what the law refers to as “**other consideration**”.

Whereas the chairperson of the Electoral Commission for the National Resistance Movement (NRM) Dr. Tanga Odoi had strongly warned against voter bribery, the practice was prevalent during the party primary elections. Observers reported an escalation in voter bribery during the month of October targeting mostly women and youth in all the 16 districts in which the study was conducted. Bribery was manifested in form of cash and/or groceries, and even on some occasions in buying booze. The practice of putting money in kaki envelopes and getting them delivered to groups of youth and women during campaign rallies was prevalent. ACFIM observers saw these envelopes being opened containing money in denominations of 1,000 and 2,000 totalling between UGX 100,000 (US\$ 30) – 500,000 (US\$ 147) across districts. The money would eventually be split so that every person present at the event got Ugx 1,000 or 2,000. All candidates used a strategy of participating in village visits where they would again leave money ostensibly for “a drink” or “a bite”. In Moroto district one of the candidates for Tepeth and Metheniko constituencies bought bulls that were slaughtered and then shared by voters. The Moroto Municipality NRM frag bearer-elect bankrolled by the business community distributed groceries like sugar, cooking oil and maize flour to voters. On the eve of the elections all candidates sent their agents knocking on doors of voters between 6.00pm – 11.00pm at night giving out cash Ugx 5,000 or 10,000 per person of voting age in the household. In Iganga district observers in Bugweri and Kigulu south constituencies reported agents of candidates on polling day who stood near polling stations and were openly paying out Ugx 5,000 to every voter that would promise to cast the ballot in favour of their candidates.



One of the candidates for the race of Lira District NRM Chairperson Moses Ocip dishing out a 10,000/= note to each of the voters that gathered at Lira Hotel to participate in the just concluded elections for NRM grass root structures. The other voters that are looking on had already received their share of the money. It is estimated that Mr. Ocip spent over 1,000,000 on that occasion alone. Three candidates competed for this post. Ocip lost out to the incumbent and eventual winner Sam Engola who hosted voters in his Lira Hotel on voting day where they enjoyed free food and drinks on the house. The former treasurer Agasaki Abdu also dished out money in this style but also lost. However Sam Engola later lost the February 18th, 2016 MP election.

8.6 Acts of Voter bribery During the Final Five Days to Election Day

In the final five days that preceded Election Day we conducted a mini-survey where we asked Research Assistants to observe and interview ten respondents per constituency to tell whether they have received, heard or been informed of any of the following acts taking place in their constituency.

- a) Cash giveaways to voters including doing so at or near polling stations
- b) Hand out materials / groceries
- c) Voter incentives in form of intangible services like voter tourism, being hosted to a banquet, a free disco dance, and free tickets to theatre or video hall among others.
- d) Misuse of government vehicles and
- e) Turnout buying¹¹.

¹¹Turnout buying is where voters stay in their homes or hand around major trading centres hesitating to vote until a candidate that wants their vote given them money to turnout any vote.

The next table shows that all these acts were prevalent during the final five days. The majority of respondents (75 per cent) either received, saw or heard candidates giving out cash to voters during this last stretch of the campaign. Handout materials were received or witnessed by 68 per cent of the respondents. On elections day (February 18th, 2016) 62 per cent of the respondents witnessed or heard about cash being given away at or near polling stations and 65 per cent reported acts of turnout buying. Misuse of government vehicles was minimal with less than half (42 per cent) of the respondents attesting to it.

8.7 Donations and Voter Hospitality are akin to Voter Bribery

Whereas there is no provision in the electoral laws that stops political candidates from offering donations to voters during election campaigns, it is the opinion of ACFIM that donations whether made in cash or in kind, are clearly intended to induce voters to vote for that particular candidate(s) rather than to extend generosity. Voter hospitality is said to be where political candidates host voters to a banquet or a party or retreat where they are entertained with food, bull roasting, lots of drinks including booze, music or live entertainment among others things. Going by intent and purpose, donations and voter hospitality are forms of voter bribery, which is an offense under the Ugandan electoral laws. There is, however, no clear demarcation line between what the electoral laws refer to as gifts, handout material or services like voter tourism and/or voter hospitality, all of which were prevalent during the campaign period (November 2015 – February 16th, 2016). As ACFIM we strongly believe donations of whatever kind should be understood as a form of voter bribery and be condemned without qualification.



Hospitality: Food being prepared at a campaign event in Bukalasa for attendees who came for one of the campaign rallies of independent candidate Patricia Magara – one of the contestants in the race for Katikamu South Member of Parliament – Luweero District. She lost the election.

9. VOTER TOURISM

ACFIM defines voter tourism as the practice by candidates where voters are provided with buses, trucks, minibuses or cars to drive them around the Sub-county or constituency as they escort the candidate's campaign entourage or mobilisation team. Voter tourism was prevalent during election campaigns 2015/2016 as candidates invested in hiring buses, mini-buses or trucks to transport voters from their village to campaign rallies/events. ACFIM observers reported that during the campaign period many voters were more than to enjoy a ride in any automobile provided by the candidate.



Voter Tourism in Jinja District (above) and in Arua Municipality observed during the months of December 2015



Voters tourism as observed at constituency level



Voters observed being driven around in Hoima town in December 2015 (above) and in Bushenyi (below)



10. MISUSE OF GOVERNMENT ADMINISTRATIVE RESOURCES FOR CAMPAIGNS

Misuse of government administrative resources in the context of this report refers to the use of state infrastructural, and human resources for campaign purposes. This practice undermines the integrity of state functions by using them as a means for conducting electoral campaigns rather than for their established purposes. Typical examples include among others the deployment of state officials on campaign events or activities and use of government vehicles for campaign activities. Misuse can further manifest in form of direct distribution to voters of public funds or goods and services purchased with public funds. Public funds are another category of administrative resource that may be used to promote the electoral prospects of incumbent parties and candidates but that will be handled in the next chapter.

Section 27 of the Presidential Elections Act (as amended) 2005 makes it illegal for any candidate to use government resources for the purpose of campaigning for election. Section 27 (1)The law however makes exception of the incumbent president who is permitted to continue using state resources that are attached to and utilised by the holder of that office.

ACFIM Research Assistants observed incidents of misuse of government vehicles in different districts. On November 9th, 2015 a number of government vehicles were used on candidate Museveni's rally held at Kasana Play Ground, Luweero. Some of the vehicle registration plates observed in action at the rally include: UG2183C, UG 0178H, UG1427W, UG 0187D, UG 2688D, UG 2183C, UG 2043C, UG 2405C. UG 1832S, UG1768C.



Office of the President van was observed being used to ferry people to attend the NRM flag bearer's rally in Jinja district. This is in breach of the legal provisions against use of government resources for campaigns.

Miss use of government vehicles



Bus used by independent candidate Katikamu South, Luweero District, Patricia Magara to transport attendees to her first rally at Bukalasa after being successfully nominated in Luweero on December 3rd, 2015. ACFIM Research Assistants observed the bus transporting campaign event attendees from Wobulenzi, Bombo, Nyimbwa and other villages to Bukalasa all day. Patricia is a daughter to the late bush war veteran Sam Magara. Here the bus was pictured at the venue of her nomination rally at Bukalasa.

Table 45: Other Examples of Misuse of Government/State Resources

EXAMPLES OF MISUSE OF STATE RESOURCES						
DISTRICT	PARISH/VILLAGE	DATE	VEHICLE/GOVERNMENT OFFICE USED FOR PARTY	PARTY	EVENT	
KABALE	Kashasha, Ndeego	10/17/2015	UG 2253C	NRM	Campaign Rally	
	Nyaruhanga, Ntaranga	10/14/2015	Sub County Premises	NRM	Campaign Rally	
KATAKWI	Omodoi, Atirir	10/19/2015	UG 2600E	NRM	Consultative Meeting	
LUWEERO	Luweero TC/Kasana	11/9/2015	UG 2688R, UG 2183C, UG 2405C, UG 2708R, UG	NRM	Campaign Rally	
	Zirobwe	12/3/2015	BUS UG0187D	NRM	Campaign Rally	
	Bukalasa	12/3/2015	UG0187D	Independent	Campaign Rally	
MASAKA	Kyantale, Kyanamukaka	9/14/2015	UG 1771C, UG 1831C, UG 2236C	NRM	Consultative Meeting	
	Kyantale, Kyanamukaka	9/14/2015	SUB- COUNTY HALL FOR KYANA-MUKAKA S/C	NRM	Consultative Meeting	
IGANGA	Kamuzinda, Bulegeya	10/22/2015	UG 2431C, UG 1831C, UG 2340C, UG 2339C	NRM	Campaign Meeting	
KATAKWI	Bulubandi Central 'B'	12/3/2015	UG 3077R	NRM	Campaign Rally	
LIRA	Omodoi, Atirir	10/19/2015	UG 2600E	NRM	Campaign Rally	
	Omot	11/3/2015	UP 4690	NRM	Campaign Rally	

11. ANALYTICAL CASE STUDIES ON FLOW OF NATIONAL BUDGET RESOURCES

This chapter will focus on the use, misuse and/or abuse of national budget resources during election campaigns 2015/2016. It establishes whether or not it happened, and in times when it happened, maps loopholes that facilitated this to take place. In order to investigate this, case studies were conducted to examine budgetary allocations to selected ministries, departments and agencies (MDAs). These included the following:

- 1) Ministry of Defence
- 2) Office of the President
- 3) State House
- 4) Ministry of Gender Labour and Social Development
- 5) Parliament of Uganda
- 6) Office of the Prime Minister

In each of these institutions the analysis was made on how funds disbursement and extension arrangements (mainly supplementary budget) for FY 2016/17 were handled, the nature of the requisition and for what these funds were earmarked.

11.1 Unprecedented Rise in FY 2015/26 National Budget

The national budget for FY 2015/16, the year of election campaigns, was unprecedented. It rose from UGX 15,829.8 trillion to UGX 23,972.3 trillion reflecting a 51.4 per cent increase in the total budget. The recurrent budget grew by 8.9 per cent and the development budget grew by 37.2 per cent. A deeper analysis of the figures revealed that MDAs in focus, which are largely suspected to be sources of election financing, were among the prominent beneficiaries of the increase in the budget. The table below summaries the expenditure of FY 2015/16 budget which allows us to compare spending to the previous financial year's budget.

Table 46: Expenditure Outflows for the FY 2015/16

	Budget Estimates FY 2014/15	% of Budget	Budget Estimates FY 2015/16	% of Budget
Recurrent Expenditure	7,948.5	50.2%	8,656.7	36.1%
o/w Wage	2,904.3	18.3%	2,894.1	12.1%
o/w Non- Wage(excluding Statutory interest)	3,961.4	25.0%	4,106.4	17.1%
o/w Statutory Interest Payments	1,082.9	6.8%	1,656.2	6.9%
Development Expenditure	7,037.0	44.5%	9,654.7	40.3%
o/w GoU	4,362.7	27.6%	4,057.0	16.9%
o/w External Financ- ing	2,674.3	16.9%	5,597.7	23.4%
Sub-total	14,985.6	94.7%	18,311.4	76.4%
Domestic Arrears	80.0	0.5%	80.0	0.3%
Amortisation	139.2	0.9%	172.0	0.7%
Taxes	56.3	0.4%	-	0.0%
Domestic Debt Repayment	-		4,787.5	20.0%
Total Including Taxes, Amortisation & Arrears, Debt	15,261.0	96.4%	23,350.9	97.4%
Appropriation in Aid (AIA)	568.8	3.6%	621.4	2.6%
Grand Total Including Taxes on Imports, Amortisation & Arrears	15,829.8	100.0%	23,972.3	100.0%

Source: Ministry of Finance Planning and Economic Development

11.2 Half Year Budget Performance 2015/16:

Assessment of warrants and cash limits against the non-wage approved budget across MDAs but focusing on Defence, State House, Presidency, Office of the Prime Minister (OPM) among others, shows that it is the MDAs that received the highest amount of supplementary financing from the national budget that have the highest percentage of payments to warrants. Looking from the table below, even with supplementary financing (and hence the revised budget) The State House and

Ministry of Defence had by the end of the first half year (by December 2015) 94.6 per cent and 80 per cent respectively of the releases.

Table 3: Analysis of flows from the National Budget for Q1+Q2 of the FY 2015/16

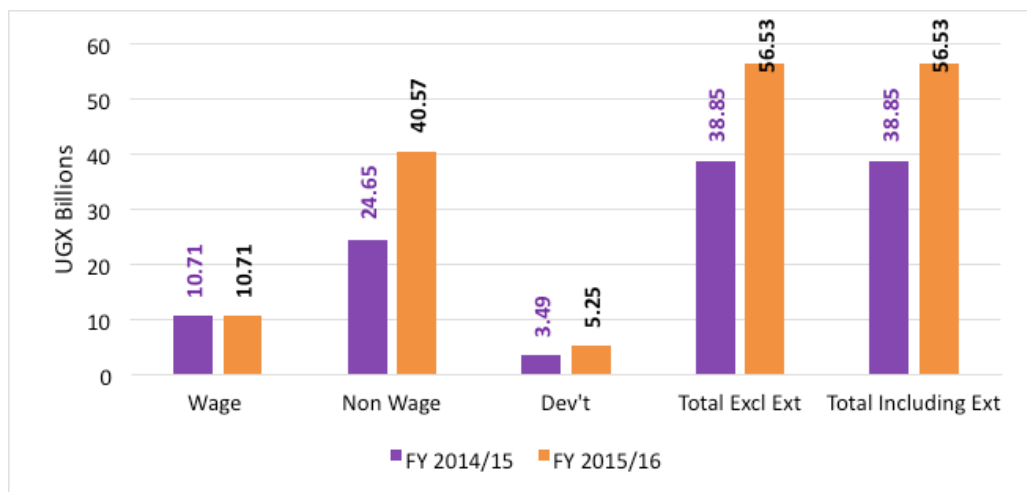
VOTE AND FUNCTION	Total Revised Budget (Mn)	Total Cash Limits (Q1+Q2) (Mn)	Total Warrants (Q1+Q2) (Mns)	Total Payments (Q+Q2) (Mn)	% Warrant to Cash limit	% Payments to Warrants
001Office of The President	117,132	66,545	64,545	47,042	96.99	72.88
002State House	257,811	204,644	173,422	164,000	84.74	94.57
003Office of The Prime Minister	127,032	79,148	79,148	29,821	100.00	37.68
004Ministry of Defence	1,003,174	572,753	572,753	458,762	100.00	80.10
018Ministry of Gender, L & S.D	79,599	25,079	25,079	18,913	100.00	75.42
102Electoral Commission	295,580	193,055	193,055	25,520	100.00	13.22
104Parliamentary Commission	371,30	196,368	196,351	143,115	99.99	72.89

Source: Ministry of Finance Planning and Economic development

The Office of the President as well as State House are directly under the MDAs that are directly under the President. As Commander-in-Chief, the budget of the ministry of defence which is for the most part classified, is also largely under the control of the President as are other classified budgets for Internal and External Security Organisations (ISO and ESO).

11.3 Office of the President Financial Flow in FY 2015/2016

Figure 42: Flow of Funds in the Office of the President



Source: Ministry of Finance Planning & Economic Development

The money allocated for Office of the President in the FY 2015/2016 budget was UGX 117 billion of which UGX 40.27 billion went to paying wages and UGX 70.95 billion was allocated to Non-Wages. The bar graph below this section shows that for FY 2015/16, the budget for the non-wage recurrent for the Office of the President shot up astronomically from UGX 24.65 billion to UGX 40.57 billion; an increment of 64.6 per cent. Funds categorised as non-wage finance day-to-day activities of the office of which the main beneficiary is the incumbent president.

In the absence of any new mandate or additional activities as adduced from both Ministerial policy statements and Sector Budget Frame Work, it can be argued that this noticeable increment may have been a direct response to the added needs and pressures to the office of the President at a time of elections. By end of the first half of the financial year (H1), the expenditure performance for the vote translated into 89.1 per cent.

11.4 Half Year Budget Utilisation by Office of the President

The following table provided a detailed picture of how funds allocated to the Office of the President were utilised during the first half of the Financial Year 2015/2016 (July – December 2015). In the breakdown there is an item called classified expenditure which resonates with the vote function for the Coordination of security. Classified expenditure such as this was very difficult for ACFIM to ascertain.

Table 47: Office of the President Budget Utilisation by First Half of FY 2015/16

Item	Budget	Releases	Expenditure	% of budget released	% of release spent
Outputs Provided	31.89	19.66	17.65	61.6%	89.8%
Classified Expenditure	3.94	5.3	5.3	134.5%	100.0%
General Staff Salaries	10.3	5.75	4.13	55.8%	71.8%
Pension for General Civil Service	1.89	1.42	1.45	75.1%	102.1%
Gratuity Expenses	2.98	1.34	1.22	45.0%	91.0%
Travel inland	2.27	1.08	1.07	47.6%	99.1%
Allowances	1.36	0.66	0.65	48.5%	98.5%
Travel abroad	0.85	0.41	0.39	48.2%	95.1%
Fuel, Lubricants and Oils	0.74	0.38	0.38	51.4%	100.0%
Workshops and Seminars	0.87	0.38	0.36	43.7%	94.7%
Rent – (Produced Assets) to private entities	0.9	0.35	0.35	38.9%	100.0%
Maintenance - Vehicles	0.98	0.47	0.33	48.0%	70.2%
Staff Training	0.65	0.29	0.29	44.6%	100.0%
Telecommunications	0.53	0.27	0.27	50.9%	100.0%
Contract Staff Salaries (Incl. Casuals, Temporary)	0.41	0.21	0.2	51.2%	95.2%
Welfare and Entertainment	0.33	0.16	0.16	48.5%	100.0%
Commissions and related charges	0.6	0.15	0.15	25.0%	100.0%
Printing, Stationery, Photocopying and Binding	0.33	0.15	0.12	45.5%	80.0%
Maintenance – Machinery, Equipment & Furniture	0.24	0.09	0.09	37.5%	100.0%
Maintenance - Civil	0.19	0.08	0.08	42.1%	100.0%
Maintenance – Other	0.17	0.08	0.08	47.1%	100.0%
Cleaning and Sanitation	0.16	0.07	0.07	43.8%	100.0%

Item	Budget	Releases	Expenditure	% of budget released	% of release spent
Special Meals and Drinks	0.15	0.07	0.06	46.7%	85.7%
Subscriptions	0.12	0.06	0.06	50.0%	100.0%
Computer supplies and ICT	0.14	0.07	0.05	50.0%	71.4%
Guard and Security services	0.1	0.05	0.05	50.0%	100.0%
Statutory salaries	0.09	0.04	0.04	44.4%	100.0%
Books, Periodicals & Newspapers	0.06	0.05	0.04	83.3%	80.0%
Electricity	0.09	0.04	0.03	44.4%	75.0%
Water	0.08	0.03	0.03	37.5%	100.0%
Consultancy Services-Short term	0.07	0.03	0.03	42.9%	100.0%
Medical expenses (To employees)	0.04	0.02	0.02	50.0%	100.0%
Incapacity, death benefits and funeral expenses	0.05	0.02	0.02	40.0%	100.0%
Advertising and Public Relations	0.04	0.02	0.02	50.0%	100.0%
Small Office Equipment	0.05	0.02	0.02	40.0%	100.0%
IFMS Recurrent costs	0.05	0.02	0.02	40.0%	100.0%
IPPS Recurrent Costs	0.03	0.01	0.01	33.3%	100.0%
Information and communications technology (ICT)	0.03	0.02	0.01	66.7%	50.0%
Uniforms, Beddings, Protective Gear	0.01	0	0	0.0%	#DIV/0!
Class: Outputs Funded	19.47	10.93	9.72	56.1%	88.9%
Transfers to other govt. Units (Current)	14.99	8.76	7.62	58.4%	87.0%
Other Current grants (Current)	4.46	2.16	2.09	48.4%	96.8%
Contributions to Autonomous Institutions	0.02	0.01	0.01	50.0%	100.0%
Class: Capital Purchases	2.65	1.35	0.81	50.9%	60.0%

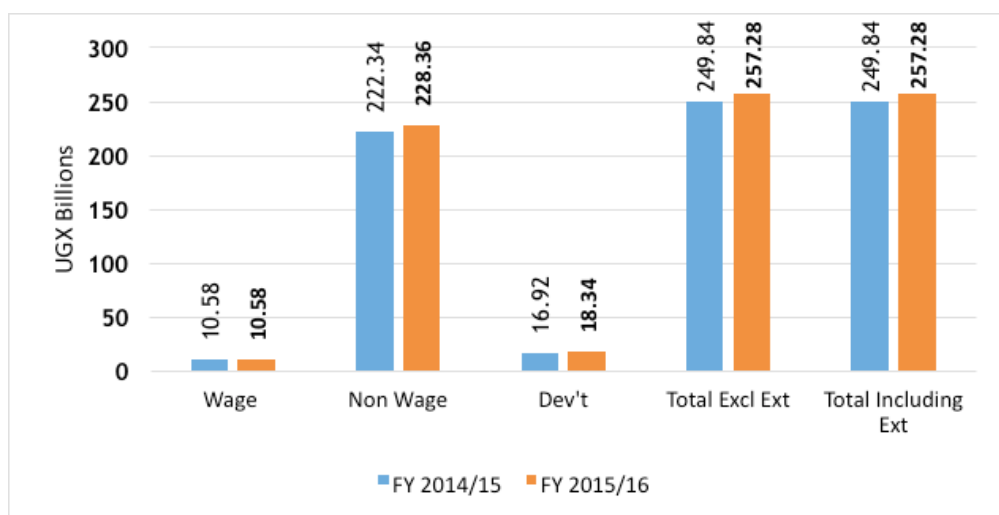
Item	Budget	Releases	Expenditure	% of budget released	% of release spent
Transport Equipment	2.65	1.54	1.43	58.1%	92.9%
Non-Residential Buildings	1.51	0.81	0.81	53.6%	100.0%
Furniture and fittings (Depreciatn.)	0.04	0.01	0	25.0%	0.0%
Machinery and Equipment	0.23	0.09	0	39.1%	0.0%
Furniture & Fixtures	0.22	0.07	0	31.8%	0.0%
Taxes on Machinery, Furniture & Vehicles	0.65	0.37	0	56.9%	0.0%

Source: Office of the President

11.5 State House Financial Flow in FY 2015/16

The total budget for statehouse for FY 2015/2016 rose from UGX 249.84 billion in 2014/15 to UGX 257.26 billion of which UGX 228.36 billion was Non-Wage. The budget for wages was constant at UGX10.58 billion, the same as the previous financial year (2014/2015). The overwhelming allocation of non-wage of 88.6% is the total agency’s budget. By the end of the end of the first half of the financial year (December 2015), UGX 219.9 billion had been released of which UGX 215.43bn was spent. This translated into an expenditure performance of 98 per cent. This explains why the agency required supplementary financing to help it meet its routine operations.

Figure 43: State House Flow of Funds in the FY 2015/16 budget



Source: Ministry of Finance Planning & Economic Development

The following table further shows that the actual amount of money released for State House for the first two quarters (half year) was UGX 217.93 billion out of which UGX 213 was spent by December 2015, leaving a balance of just UGX 4.3 billion which could not meet the office requirements for the month of January 2016. By the middle of the financial year (December 2015) State House has exhausted the UGX 89 billion budget for donations alongside the UGX 38 billion for classified expenditure. Travel inland and abroad too had their budgets nearly exhausted (above 85 per cent). All these items have a big bearing on the expenditure of the president, especially donations.

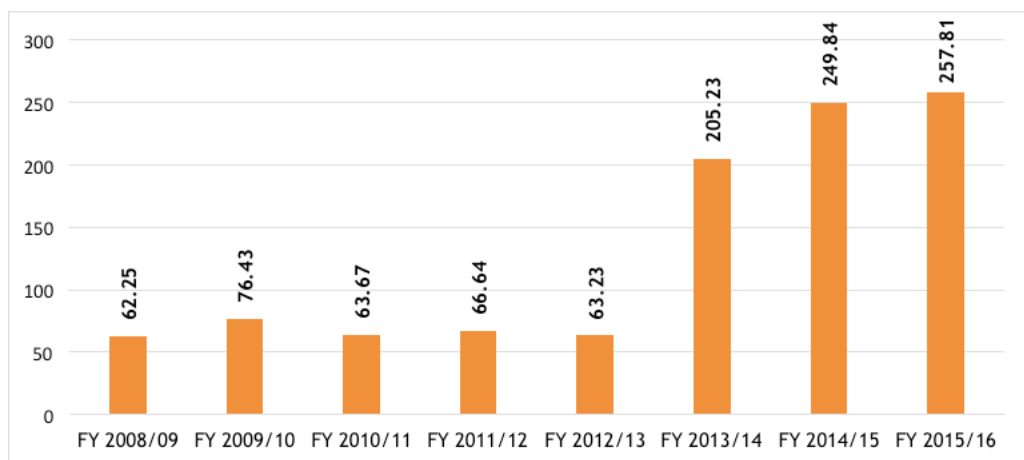
Table 48: Half Year Budget utilization for State House for FY 2015/16

Vote Functions		Approved	Budget Released	Released Spent
VF:1611	Administration & Support to the Presidency	254.43	217.93	213.55
	Total For Vote	254.43	217.93	213.55

Source: State House half year performance report

Further analysis shows that the rise in budget allocation for State House was effected three financial years back, in FY 2013/2015 when it rose from UGX 63.23 billion in FY 2012/2013 to UGX 205.23 in FY 2013/2014. By doing this government avoided surges and shocks in the economy that would have happened if had been effected during the campaign year. The bar graph below illustrates the trend in budget allocation for State House over the past eight financial years.

Figure 44: Budget Allocation Trends for State House over 8 Financial Years



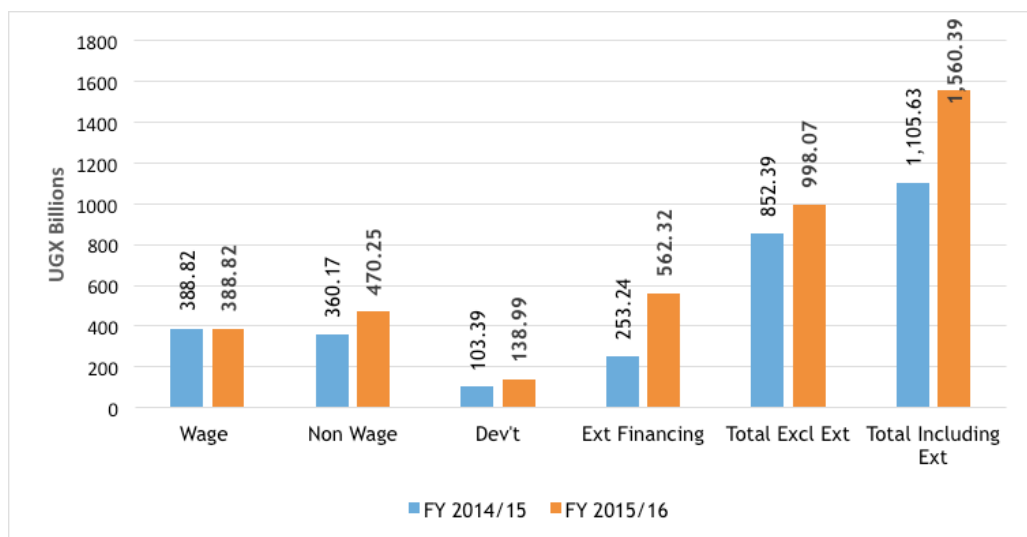
Source: Ministry of Finance Planning & Economic Development

11.6 Ministry of Defence financial flow in FY 2015/16

The security sector is composed of the Ministry of Defence, Internal Security Organization and External Security Organization. The Sector’s approved total budget allocation (excluding Tax and Arrears) amounted to UGX 1,636.15 billion (US\$ 489.86 million) for the FY 2015/16 of which; UGX 427.57 billion was Wage, UGX 506.22 billion was Non-Wage, UGX 140.04 billion was Government of Uganda Development and UGX 562.32 billion was earmarked for external financing. The bulk of the sector allocation went to the Ministry of Defence whose budget increased in non-wage and external financing.

The ministry had an allocation of UGX 1,560.786 billion of which UGX 671.798 billion was released by December 2015. Out of this, UGX 663.362 was spent giving an expenditure performance of 98.7%. It was noted that by December 2015 there was already supplementary financing of UGX 345 billion over and above what was appropriated in the 2015/2016 National Budget. Most of this supplementary financing (72.94 per cent) was allocated to the Ministry of Defense. It was understood that the supplementary budget was sought to cater for National Defense but no work plan on how the funds were used is shown in the progress reports. Most activities within this Ministry are classified making it very difficult to find out which funds made their way into financing election campaigns between November 2015 and February 2016.

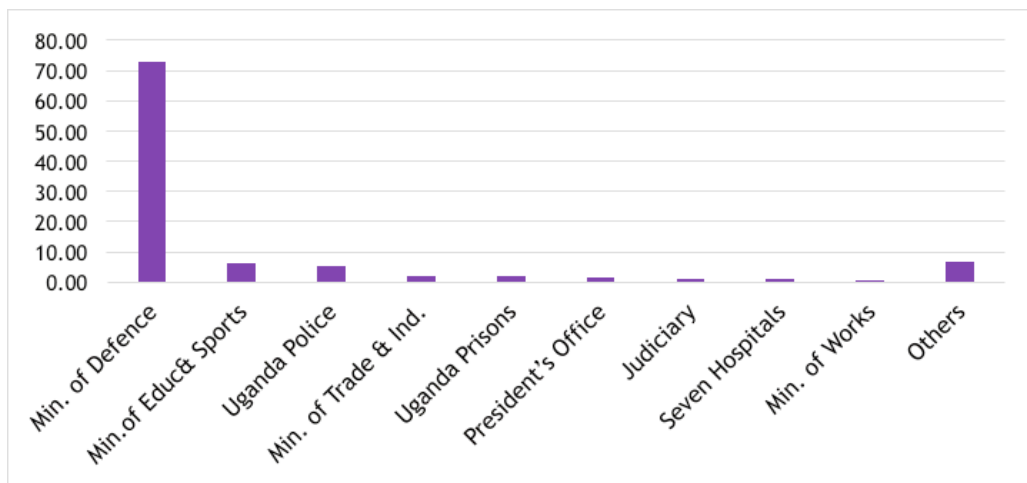
Figure 45: Flow of Funds in the Ministry of Defence for the FY 2015/16



Source: Source: Ministry of Finance Planning & Economic Development

The bar graph below show percentage allocation of supplementary financing of UGX 345 billion that was appropriated by December 2015. From the illustration it is clear that Ministry of Defense was allocated the biggest proportion of the money. It is important to note that the Ministry of Defence has since 2010 been the single largest recipient of supplementary financing followed by State House among all other ministries, departments and agencies.

Figure 46: Illustration of Percentage Allocation of Supplementary Financing



Analysis of Spending by Ministry of Defense

In the table below we have highlighted the section of “*general supply of goods and services*”. This item had no budget allocation but had a release and expenditure of UGX 250 billion and its expenditure was exhausted (100 per cent). ACFIM notes that this item was restricted by the Ministry of Finance planning and Economic Development (MFPED) because it is ambiguous. The ministry requires that such expenditure items are broken down for the sake of accountability but this is not done here. We further note that not only had this item been declared defunct by MFPED, but it was not originally budgeted for. ACFIM finds this expenditure questionable. In addition expenditure on classified items that was funded up to 99.6 per cent has no work plan on how the funds were used in the progress reports. Overall, the Ministry of Defense had about 36.7 per cent of the total half year expenditure on items that cannot be verified.

Table 49: Ministry of Defence Budget Utilisation by item First Half of FY2015/16

Items	Approved budget	Release	Expenditure	% of budget released	% of release spent
Out puts provided	972.96	659.19	651.05	67.8%	98.8%
General Supply of Goods and Services	0	250	250		100.0%
General Staff Salaries	388.82	207.11	207.07	53.3%	100.0%
Classified Expenditure	372.48	107.04	106.61	28.7%	99.6%
Welfare and Entertainment	37.61	18.81	18.48	50.0%	98.2%
Fuel, Lubricants and Oils	18.98	16.8	16.01	88.5%	95.3%
Gratuity Expenses	35.31	10.66	10.65	30.2%	99.9%
Pension for Military Service	34.77	10.38	8.38	29.9%	80.7%
Maintenance - Vehicles	14.81	8.19	6.11	55.3%	74.6%
Subscriptions	9.41	4.71	4.7	50.1%	99.8%
Staff Training	8.29	4.14	4.11	49.9%	99.3%
Travel inland	6.35	3.18	3.17	50.1%	99.7%
Consultancy Services- Short term	2.99	2.5	2.49	83.6%	99.6%
Electricity	7.47	3.74	2.06	50.1%	55.1%
Travel abroad	4.18	2.09	2.04	50.0%	97.6%
Information and communications technology (ICT)	3.6	1.8	1.77	50.0%	98.3%
Water	3.68	1.84	1.77	50.0%	96.2%
Medical and Agricultural supplies	3.19	1.6	1.5	50.2%	93.8%
Telecommunications	2.53	1.26	1.04	49.8%	82.5%
Commissions and related charges	1.06	0.53	0.53	50.0%	100.0%
Carriage, Haulage, Freight and transport hire	1.13	0.57	0.53	50.4%	93.0%
Medical expenses (To employees)	1.01	0.5	0.5	49.5%	100.0%
Compensation to 3rd Parties	0.4	0.3	0.28	75.0%	93.3%

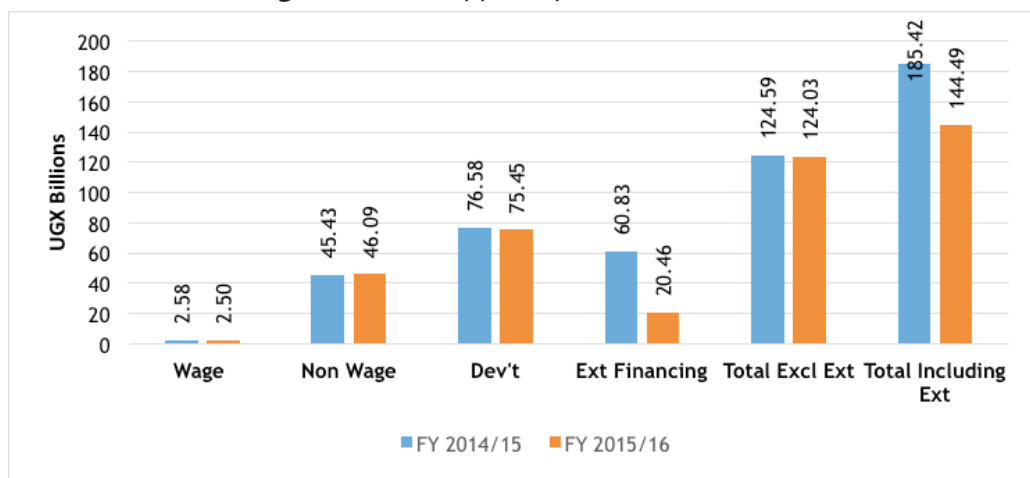
Items	Approved budget	Release	Expenditure	% of budget released	% of release spent
Allowances	0.56	0.28	0.27	50.0%	96.4%
Maintenance - Civil	0.49	0.25	0.25	51.0%	100.0%
Rent – (Produced Assets) to private entities	0.49	0.25	0.18	51.0%	72.0%
Incapacity, death benefits and funeral expenses	0.31	0.15	0.15	48.4%	100.0%
Printing, Stationery, Photocopying and Binding	0.49	0.25	0.15	51.0%	60.0%
Small Office Equipment	0.22	0.11	0.11	50.0%	100.0%
Computer supplies and ICT	0.12	0.06	0.06	50.0%	100.0%
Advertising and Public Relations	0.09	0.05	0.04	55.6%	80.0%
Property Expenses	0.03	0.02	0.02	66.7%	100.0%
IFMS Recurrent costs	0.02	0.01	0.01	50.0%	100.0%
IPPS Recurrent Costs	0.03	0.01	0.01	33.3%	100.0%
Uniforms, Beddings and Protective Gear	12.04	0	0	0.0%	#DIV/0!
Class: Capital Purchases	25.09	12.64	12.32	50.4%	97.5%
Land	1.12	0.56	0.53	50.0%	94.6%
Residential Buildings	16.41	8.21	8.2	50.0%	99.9%
Transport Equipment	5.16	2.58	2.58	50.0%	100.0%
Machinery and Equipment	2.23	1.16	0.89	52.0%	76.7%
Furniture & Fixtures	0.17	0.13	0.12	76.5%	92.3%
Class: Arrears	5.11	3.16	1.02	61.8%	32.3%
Domestic arrears (Budgeting)	2.01	1.01	0.83	50.2%	82.2%
Telephone arrears (Budgeting)	0.03	0	0	0.0%	
Electricity arrears (Budgeting)	3.07	2.15	0.19	70.0%	8.8%

Source: Ministry of Defence

11.7 Flow of Funds in the Office of the Prime Minister

The budget for the OPM in the FY 2015/16 did not significantly change as regards the GoU resources. The visible change in resources was due to the reduction in external funding from UGX 60.83bn to UGX 20.46bn. However it is noted that the expenditure for purchase of hoes promised by the incumbent president during the campaigns was charged on OPM budget. In the FY 2014/15 the office of the Prime Minister received UGX 4 billion as supplementary financing and by the second quarter of the FY 2015/16, the institution had requested and obtained UGX 1.3 billion.

Figure 47: Flow of funds for OPM FY 2015/16



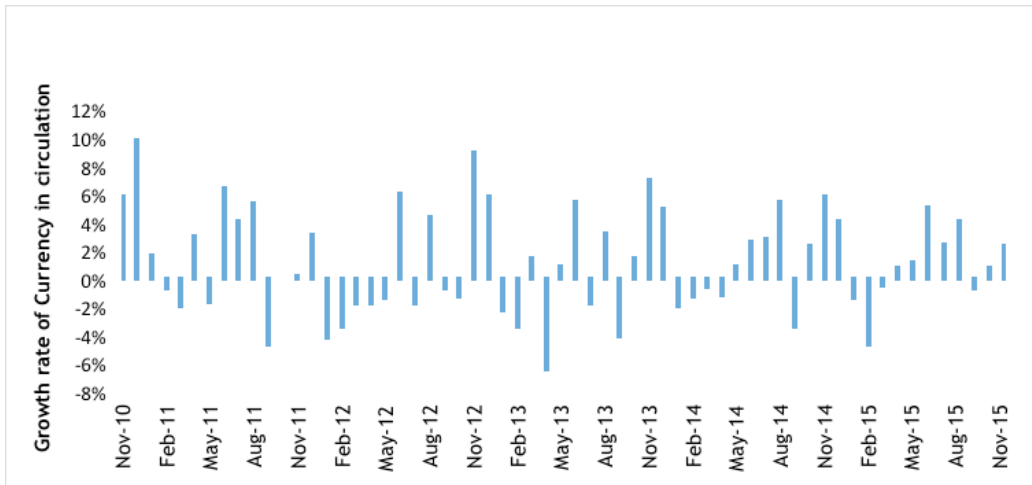
Source: Source: Ministry of Finance Planning & Economic Development

11.8 General Observations on Campaigns and National Economy

Government spending during the campaign period seems to have been kept within the ambits of Bank of Uganda fiscal policies. ACFIM observed that government spending was kept within sector ceilings which ensures that the country avoided significant surges and shocks in the economy. Bank of Uganda deliberately maintained the CBR at 17% for at least six months as one of the mechanisms to keep fiscal pressures under control. Inflation was observed reaching a high percentage of 9.1 in November 2015 and this is the highest it has been in Uganda since August 2012 when inflation was 11 per cent.

The shilling that had lowered its value significantly in the 2015 started strengthening gradually after February 2016 – the election month. The volume of currency in circulation was also better controlled compared to what was observed in 2011.

Figure 48: Growth Rates of Currency Circulation



Source: Bank of Uganda statistics

From the figure above, the growth rate trend of currency in circulation shows that there is a positive trajectory of cash in circulation. Following the tight monetary policy stance¹² that was adopted by BoU since June 2015, one would expect that the currency outside depository corporations would reduce. To the contrary, we notice a steady increase in cash in circulation in the economy and this is not necessarily backed by economic activity.

¹²Central Bank Rate is currently at 17% signaling a tight monetary stance

12. COMPLIANCE AND ENFORCEMENT OF REGULATORY FRAMEWORK FOR POLITICAL FINANCING

Public Finance Management Act (as amended) 2015

The Public Finance Management (PFM) Act 2015 that was amended in October, just eight months after it was enacted, stipulates that when a general election is held, the government must publish a pre-election and a post-election economic and fiscal update detailing all election-related spending. This was not done before the elections and it remains to be seen whether the second part of the provision will be complied with. The PFM Act had been put in place in order to safeguard the supplementary budget but this Act was hastily reversed in October 2015, which made it easier for government to access supplementary funding without approval or sanctions from Parliament. This has created public discontent as it implies that government seeks to bypass fiscal oversight and obtain funding directly from the central bank only to account to Parliament four months after the money's appropriation and spending.

Political Parties and Organisations Act (as amended) 2005

Part III, section 12 (1) of the Political Parties and Organisations Act (as amended) 2005, requires every political party or organisation to maintain at its head office an accurate and permanent record consisting of the following:'

- a) Any contribution, donation or pledge of contribution whether in cash or in kind made by the funders or promoters of the political party or organisation.
- b) A statement of its accounts showing the sources of its funds and the name of any person who has contributed funds including contributions by persons who are not citizens of Uganda, membership dues paid, donations in cash or kind and all the financial transactions of the political party or organisation which are conducted, through or with the head of the national office of the political party or organisations;

Subsection (3) indicates that every political party or organisation shall be audited once every year but not later than six months after its financial year by an auditor from a recognised professional body.

Subsection (4) provides that a copy of the audited accounts provided in subsection (3) shall be filed by the political party or organisation with the Electoral Commission within six months from the end of its financial year. Subsection (5) permits among others a member of the public to access these records upon request and payment of a reasonable fee. Subsection (6) prescribes how the EC can proceed against a political party or organisation that fails to comply. ACFIM noted that Political parties and organisations are poor at keeping updated records of campaign income and expenditure.

The Political Parties and Organisations (amendment) Act 2010 section 14 (1-9) puts a limit on foreign donations but these limits are hardly followed by some of the political parties and the Electoral Commission as the relevant institution is noticeably reluctant to enforce them.

Submission of Audited Accounts to Electoral Commission

Political parties and organisations rarely comply with section 12 subsection (4) that requires them to submit copies of audited accounts to the Electoral Commission. Information accessed from the electoral commission shows that between 2011 and 2015, only three political parties complied with this requirement. These were: National Resistance Movement (in 2014), Conservative Party (in 2014) and Forum for Democratic Change (in 2013). The EC is yet to stamp its authority of these big political parties to enforce compliance. However, in 2013 the Electoral Commission took a decision to de-register eleven “*small parties*” that had failed to comply with key provisions of the Political Parties and Organisations Act including failure to submit an annual audit report and a declaration of assets and liabilities. Parties that fell victim of this decision include among others: Social Democratic Party, Action Party, Progressive Alliance Party, Reform Party, Uganda Mandate Party, Movement for Democratic Change and Movement Volunteer Mobilisers’ Organisation.

Use of Public Resources for Political Party or Organization Activities

Section 14 (a-c) of the Political Parties and Organisations (amendment) Act 2010 appoints government to contribute funds or other public resources towards the activities of political parties or organisations represented in Parliament in accordance with the following principles:

- a) Registered political parties or organisations shall be funded by Government under this Act in respect of elections and their normal day to day activities;
- b) In respect of elections, Government shall finance political organisations and parties on equal basis;
- c) In respect of normal day to day activities, funding shall be based on the numerical strength of each political party or organisation in Parliament.

Subsection-c above was enforced when the Electoral Commission released UGX 10 billion that was shared among the five political parties represented in parliament namely, NRM, FDC, DP, UPC and JEEMA.

Provisions on Voter Bribery

In accordance with the Presidential Elections Act (as amended) 2005, section 64 and Parliamentary Elections Act (as amended) 2005 Section 68, it is illegal for a person either before or during an election to directly or indirectly influence another person to vote, or refrain from voting for any candidate by, providing money, gifts or other considerations to that other person. Committing these acts constitutes an offense known as bribery. ACFIM observers reported that the provisions on voter bribery are not followed by political parties and candidates, but furthermore, that the relevant government enforcement institutions namely: Inspectorate of Government, Police and Electoral Commission do not enforce them. For example, campaigns for NRM primary elections, and presidential and parliamentary races were characterised by candidates offering cash and gifts to the electorate under the guise of donations. This report will examine these cases and furthermore as this report has exposed but none of them was brought to book. The expressed view of the Inspector General of Police was that the law falls short of drawing a clear line between voter bribery and voter facilitation.

Provisions on Misuse of Public Resources for Campaigns

Presidential Elections Act 2005, Section 27 (1) and Parliamentary Elections Act Section 25 (1-5), prohibits any political candidate from using government resources for purposes of campaigning for elections. Under the parliamentary elections act ministers and other candidates that hold political office are permitted to continue using facilities attached to their office provided that the use is restricted to official duties of that office. However during elections campaigns it is difficult to draw the line between what is official duties and electioneering. Subsection (2) makes exception to a candidate who holds the office of the president but shall use only those facilities that are ordinarily attached and utilised by the holders of that office. Throughout the campaign period there were incidences on misuse of government vehicles, fuel cards, and personnel among others which relevant government institutions were reluctant to interrogate the offenders.

13. RECOMMENDATIONS

In view of the findings discussed in this report, ACFIM makes the following recommendations.

Ministry of Justice and Constitutional Affairs; and Parliament

- a. **Tougher laws and institutions on Campaign financing.** The current electoral laws of Uganda do not contain provisions on campaign financing that promote a level playing field for all candidates to compete. There are no legal provisions that require political parties and candidates to open an official campaign finance account, keeping detailed and scrupulous records of campaign income and expenditure with a view of making public declarations of the same. There are also no provisions in the electoral laws that put a limit on campaign spending, a factor that has contributed to the overly commercialized electoral campaigns. This has meant that potential good political leaders who don't have access to huge funds have not been able to enter into political races as they cannot meet the high costs of campaigning for Presidency or a seat in Parliament. The disproportionate expenditure on the incumbent political party and its flag bearers as highlighted in this report has eroded the principle of fairness that is so central to democracy. According to a survey by Afrobarometer of 2015 in Uganda, eight out of ten respondents supported the enactment of tougher laws to curb the commercialization of politics. Specifically, Uganda needs the following legal reforms:
- b. **A law on political financing to regulate the power of money in political and electoral processes.** Transparency of political financing is the starting point for any regulatory framework. Transparency of campaign income and expenditure by political parties and candidates empowers voters to make informed choices on Election Day¹³. As such the law should obligate political parties and candidates to provide more detailed accounts of funding and expenditure for their respective campaign. The impetus for this recommendation is to curb corruption in campaign financing as well as promoting fair competition between the incumbent party and opposition parties and candidates. ACFIM is cognisant of the fact that reforming campaign financing in Uganda will not depend on laws and institutions alone but will require political will and commitment from the executive and parliament.

¹³The United Nations Convention against Corruption calls on states to “enhance transparency in the funding of candidates for elected public office and, where applicable, the funding of political parties. The African Union Convention goes a step further and is the only convention to have mandatory provisions on the subject of political finance, requiring members to “incorporate the principle of transparency into funding of political parties”

- c. **Redefining what constitutes voter bribery with a view of enforcing legislation in respect to vote buying.** The provisions on voter bribery should qualify donations to voters be through churches, mosques, groups of people or individuals as a form of voter bribery. In addition the law should impose a ban from public office and standing for elections for five years for politicians who are found guilty in a competent court of law. This we believe would be one of the deterring factors to candidates and campaign agents from engaging in this vice during campaigns.
- d. **More stringent and explicit regulations should be introduced limiting the use of state resources for campaign purposes** with a view of reducing the power of the respective party in power, especially at Presidential level, thereby helping to create a more level playing field for the elections.
- e. **Prohibit Government from undertaking large procurements in less than half a year before the election period.** This recommendation is premised on the growing public perception that public funds could be syphoned out of government by way of inflated or bogus public contracts. This can only be remedied by having a law in place to regulate procurements of goods and services during the pre-campaign and campaign period. Such a law would prohibit government from undertaking contracts involving colossal sums of money.
- f. **The Ministry should further consider carrying out institutional reforms for campaign financing.** Regulating campaign financing is central for ensuring that regular free and fair elections are held, which is one of the core functions of the Electoral Commission (EC)¹⁴. However the EC is visibly paying little attention to regulating how money is obtained and utilised during election campaigns. As highlighted in this report political parties rarely comply with the legal requirements to submit to the EC annual returns including audited reports. The EC does not enforce these requirements for various reasons that may include lack of wherewithal to do so. As such we recommend that government consider establishing or designating an independent agency to which political parties, candidates and politicians should disclose campaign income and expenditure. Such information should be presented in a timely manner, on an annual basis, but particularly before and 6 months after each election. It should list donors and the amount of their campaign donations, including in kind contributions and loans, and should also list destinations of expenditure. The information should be made available to the public in a timely manner so that the public can take account of it.
- g. Re-amend the Public Finance Management (PFM) Act 2015. Supplementary financing should be restricted to cases that are unavoidable, unforeseeable and unabsorbable. Section 25 of the PFM Act 2015 should be amended to restrict supplementary expenditure to the contingency funds.

¹⁴ Constitution of the Republic of Uganda, 1995; Chapter Five, Section 61 (1-4)

- h. Amend relevant laws and where possible develop new legislations to prevent private interests from subverting the democratic process through “purchase of control”¹⁵ and favours. There should be a law that requires private companies and business corporations to make quid pro quo campaign contributions/donations to prospective political parties and/or candidates with a view of gaining advantage to future government business/contracts or trade/tax concessions. ACFIM identifies contributions to political/campaign finance as one of the high-risk areas where bribery takes place. Businesses should make donations within the contribution limits specified in the electoral laws. The Company’s Act 2012 should be amended to require companies to list all donations made to political parties and candidates, and publish them on their websites.

Electoral Commission

- a. Enforce on all major political parties the provisions requiring political parties and organisations to maintain accurate and permanent record of donations, sources of the funds and expenditure, and filing with the EC a copy of the audit report within six months from the end of its financial year. Provisions against voter bribery and misuse of public resources for campaigns should be enforced as well.
- b. Designate an office or officer to handle matters of campaign and political party/organisation financing. This officer should be charged with reviewing financial/audit reports filed by political parties and organisations including following up on those that fail to comply. This report should be publicised in order to help promote accountability.

Inspectorate of Government

- a. **The Inspectorate of Government (IG) should take a keen interest in cases of corruption in campaign financing.** One of the core functions of the inspectorate is to eliminate and foster the elimination of corruption, abuse of authority and of public office¹⁶. However experiences from the 2015/2016 campaigns reveal that the IG does not take keen interest in corruption offenses related with campaign financing. Voter bribery - which is a form of corruption – was prevalent during NRM party primaries in October and throughout the entire Presidential and Parliamentary campaign period however to our knowledge no case was picked up by the IG or followed up.

Office of the Auditor General

- a. **Review financial reports on budget utilisation and supplementary financing for key Ministries, Departments and Agencies including Ministry of Defence,**

¹⁵Purchase of control is when a private company used the power of its contribution to a political candidate to influence business decisions in its favour.

¹⁶Inspectorate of Government Act 2002, Part III, Section 8 (1b)

Office of the President, Statehouse, and Office of the Prime Minister among others during the campaign period (October 2015 – February 2016). Among other things, the use of government fuel cards for the above MDA's such as the Ministry of Gender Labour and Social Development, Ministry of ICT, Parliamentary Commission and Uganda National Roads Authority should be examined.

- b. Audit the utilisation of government funding of UGX 10 billion to political parties which was given on the basis of numerical strength in parliament and was shared between NRM, FDC, DP, UPC, CP and JEEMA¹⁷.

Political Party Leaders

- a) **Leaders of political parties should take rigorous action against voter bribery and the commercialization of politics in Uganda.** ACFIM welcomes the robust statements against voter bribery that were made by some NRM party leaders including Chairman of Party Electoral Commission, Dr. Tanga Odoi during the party primaries in October 2015 as did the incumbent president¹⁸. Unfortunately most of the pronouncements were mere rhetoric as candidates continually ignored them. Words without action are not enough. Party leaders should adopt a No voter-bribery policy for all flagbearers during campaigns. Party leaders should be seen to be taking disciplinary action against offenders including sanctioning thorough investigation on cases of voter bribery highlighted in this report.
- b) **Detailed disclosure of campaign income and expenditure.** Notwithstanding the absence of legal requirements for the disclosure of campaign income and expenditure, political parties and flag bearers should voluntarily declare campaign income and expenditure in respect of the election campaigns 2015/2016. Conversely, Candidates that were observed on campaign trails receiving campaign contributions from the public including Kizza Besigye, Yoweri Museveni, Abedi Bwanika and others, be it at presidential or parliamentary level, should voluntarily disclose how much was collected and how it was utilised.

Civil Society

- a) **Revitalise the Advocacy for Electoral Reforms on areas highlighted by international and domestic election observers as well as the court of appeal.** Critical to this are reforms around the regulatory framework for campaign financing. ACFIM and partner organisations should engage with the 10th Parliament, Ministry of Justice and Constitutional Affairs, and the Electoral Commission for dialogue on areas of legal and institutional reform.

¹⁷Political Parties and Organisations Act (as amended) 2010, Section 14 (d), provides that "the funds provided to political parties and organisations under this Act, shall be subject to audit by the Auditor General"

¹⁸Statement by President YK. Museveni while addressing the NRM National Delegates Conference, 15th December 2014: *"They attempt to fundraise for this church, the other mosque, this other school, etc., etc. What is the result? Heavy indebtedness by the leader – to the extent of having their properties sold off."*

- b) **Advocate for restoration in the Public Financial Management (PFM) Act 2015, of the appropriation of supplementary funding to be approved by Parliament with a two thirds majority vote.** This is in respect to the amendment on the PFM Act in October 2015 that thwarted budget prudence and could lead to abuse of public resources in a manner that undermined oversight by parliament and other state authorities.
- c) **Organise grass root based awareness interventions targeting voter attitudes towards vote buying and levying unlimited financial demands on Members of the 10th Parliament.** Ugandans from all walks of life including religious leaders, cultural leaders, the academia, civil society organisations, faith based organisations and the media among others should take collective action to curb vote buying/selling and the resultant commercialization of politics. Commercialization of politics is a problem that requires Ugandans from all walks of life to take collective action to reduce it. The practice of ordinary citizens making campaign donations towards political candidates should be strongly encouraged.
- d) **Build capacity of civil society monitors to track and document campaign spending by political parties and candidates at constituency level.** This will include improving the quality of data collection tools and establishing a standard data base to store and analyse data on campaign spending.

Source: Eng. Mabiriizi Official Campaign M

	EXPENSE	OBSERVABLE MINIMUM COST
1	Money advanced per village to reactivate NRM village structures	15,000,000,000
2	Delegates Conference that confirmed Pres. Sole candidates and amending the constitution to make SC position appointive	19,000,000,000
3	2nd Delegates Conference to elect Party Flag Bearer October 30-November 2nd	20,000,000,000
4	Money received by NRM MPs to popularise sole candidature of Pres. Museveni	6,000,000,000
5	“Posh Cars” for Party Officials	10,000,000,000
6	Party Primary Elections	30,000,000,000
7	Outdoor Advertising	
	a) Bill Boards	1,274,100,000
	b) Posters	1,706,400,000
	c) Banners	214,550,000
8	Media Advertising	
	a) Newspapers	132,370,000
	b) Radio	439,962,000
	c) Television	829,200,000
9	Yellow T-Shirts	15,806,630,000
10	Other Expenses	
	Allowances for Journalists on Campaign Trail	42,000,000
	Allowances for Media Coordinator	7,000,000
	Cash to constituency coordinators to transport supporters to rally (voter tourism)	140,000,000
	First Aid	5,000,000
	Water and/or Soda in cartons	28,800,000
	Pressure groups (15 in W.Nile, 7 in Luweero)	7,350,000
	Tents	2,400,000
	Plastic Chairs	4,000,000
	Team coordinators’ allowances per district	6,000,000
	Cash to 400 FDC Converts that given by Lt. Gen. Henry Tumukunde at White Castle Hotel, Arua	20,000,000
	Cash to 60 boda-boda riders in Arua	1,200,000
	12,000 A3 Glossy Color Posters valued at 1,000/=	12,000,000

EXPENSE	OBSERVABLE MINIMUM COST
65 packs of yellow T-shirts each containing 48 pieces valued at 8,000/= each	24,960,000
Compensation to BCU farmers' arrears out of the 9bn demanded	4,000,000,000
Fuel for 2 media vans per day	24,000,000
Fuel (full tank) for 12 Coasters per day	72,000,000
Allowance for 500 SFC men and women 20,000 per day for 30 days	300,000,000
Facilitation for at least 40 Journalists on 6 regional press conferences in Lango, W.Nile, Gulu, Karamoja, Kapchorwa and Soroti: 500,000/= per person	120,000,000
TOTAL MINIMUM	125,219,922,000

Expenses for Venasius Baryamureba) [???

[????????] Source: ACFIM Da-

EXPENSE	OBSERVABLE MINIMUM COST
Party Primary Elections	30,000,000,000
2nd Delegates Conference to elect Party Flag Bearer October 30-November 2nd	20,000,000,000
Delegates Conference that confirmed Pres. Sole candidates and amending the constitution to make SC position appointive	19,000,000,000
Yellow T-Shirts	15,806,630,000
Money advanced per village to reactivate NRM village structures	15,000,000,000
"Posh Cars" for Party Officials	10,000,000,000
Money received by NRM MPs to popularize sole candidature of Pres. Museveni	6,000,000,000
Compensation to BCU farmers' arrears out of the 9bn demanded	4,000,000,000
Outdoor Advertising	3,195,050,000
Media Advertising	1,401,532,000
Other Expenses	816,710,000
TOTAL MINIMUM	125,219,922,000

APPENDIX VI (Detailed Campaign Expenses for Benon Biraaro) [?][?][?][?]

JANUARY 2015		
DATE	CASH/PLEDGE	PURPOSE
Jan 1	Shs 30 million	Sacco of Nswere Church of Uganda, Kiruhura district
Jan 9	Approx Shs 2.1 billion	11 Mitsubishi Pajeros to district khadis of Iganga, Ntungamo, Kamuli, Masindi, Tororo, Kanungu, Mayuge, Hoima, Bushenyi, Nebbi and Sebei *Each Pajero costs about Shs 200 million)
Jan 10	Shs 10 million (cash)	Construction of Tunyi Catholic church in Bulambuli district
Jan 24	100 million	Donation to Queen mother Best Nursery, Primary and Vocational School in Fort Portal
Jan 25	Pledged Shs 100 million (deposited 30 million)	Boost church projects of St Paul Cathedral, Namirembe, Kampala
TOTAL (JANUARY)	SHS 2.275 BN	
FEBRUARY 2015		
Feb 4	Pledges 30 million (deposits 10 million)	Donation to KAWADISA sacco at the Chieftaincy of Mubende Rehabilitation Centre
Feb 17	Shs 30 million	Bishop Janani Luwum parish church in Mucwini, Kitgum
TOTAL (FEBRUARY)	40 MILLION	
MARCH 2015		
March 4	200 million	For purchase of 20,000 hoes for farmers in Arua
March 20	10 million	Completion of the House of late singer AK 47
TOTAL (MARCH)	210 MILLION	
APRIL 2015		

JANUARY 2015		
DATE	CASH/PLEDGE	PURPOSE
April 14	Shs 120 million	Construction of a 300,000-litre underground tank at Mary Hill school, Mbarara
April 17	Shs 12.3 million	To purchase 300 bags of cement and 300 iron sheets for St Charles Lwanga church in Koboko
April 17	Shs 50 million	Contribution to burial expenses of Supreme Mufti Zubair Kayongo
April 18	Shs 10 million	Contribution to burial expenses of Canon Justina Kabushenga in Kanungu
April 19	Shs 500 million	Contribution to the RDCs saving scheme
April 22	Shs 350 million	Development of an HIV/AIDS orphans centre in Kiruhura district
April 27	Shs 30 million	Contribution to veterans savings group in Masaka
April 28	Shs 60 million	To Uganda amateur golf team for winning the Zone VI Africa Championship
TOTAL (APRIL)	1.132 BN	
MAY 2015		
May 5	20 million	Completion of St Jane Frances Catholic Church in Nakabago, Mukono
May 6	10 million	Burial expenses for Idah Kamuntu, wife of Prof Ephraim Kamuntu
May 11	100 million	To the construction of Uganda Institute of Science and Technology, a project of St Peter's cathedral, Nyakatare, Kanungu
May 25	10 million	Staff savings scheme of Nkumba University
May 24	5 billion (pledge)	Construction of perimeter wall around Makerere university
TOTAL (May)	5.140 BN	

JANUARY 2015		
DATE	CASH/PLEDGE	PURPOSE
June 5	5 million	Burial expenses of late Bishop of West Buganda Diocese. Rt Rev Godfrey Makumbi
June 19	20 million	To the savings scheme of Wakiso Secondary School Headteacher's Association (WAKISSHA)
June 20	80 million	Towards construction of library complex for City High School
June 22	80 million	Mbarara diocese top establish a shopping mall
June 25	20 million	Abayita Ababiri Women Savings group
TOTAL	205 MILLION	
July 2	Shs 10 million	Burial expenses for Sheikh Ibrahim Kirya
July 4	Shs 350 million	Food items for Muslims in Kampala for the month of Ramadhan
July 6	Shs 60 million	Contribution for the renovation of Kigezi College, Butobere, Kabale
July 13	Shs 10 million	Burial expenses for Enock Bahemurwabusha, brother to Amama Mbabazi
July 17	Shs 20 million	Donation to Masaka Muslims during Id-el-fitr prayers
July 21	Shs 20 million	(10 million each) for civil servants saving scheme and boda boda cyclists scheme in Moyo
July 22	Shs 30 million	(10 million each) for nurses savings scheme, women groups and boda boda cyclists scheme in Adjumani
July 22	Shs 50 million	Completion of Riyadh mosque in Obongi

JANUARY 2015		
DATE	CASH/PLEDGE	PURPOSE
July 29	1 billion (pledge)	Funding for Alliance of Mayors and Municipal Leaders Initiative for Community Action on HIV/Aids at Local Level (AMICAALL)
July 30	Shs 288 million	Competition of various grain milling machines in Amolatar district
TOTAL	1.838 BN	
AUGUST 2015		
August 3	400 million (pledge)	Completion of Church House in Kampala
August 5	60 million	Construction of Burora Pastoral centre in Kibaale
August 9	400 million (Pledge)	Fundraising for All Saints Church in Mbarara
August 11	640 million	Funds to launch the University of Saint Joseph Mbarara
August 13	50 million	Construction of two mosques in Ntungamo
August 18	20 million	For St Mary's Catholic Church in Kagadi, Kibaale
August 20	400 million	Redevelopment of Namugongo Martyr's shrine
August 26	200 million	To West Ankole diocese
August 26	300 million	To St Kaggwa Parish, Bushenyi
August 26	60 million	Women's savings group in Bushenyi
August 31	60 million	Construction of parish priest's residence at St Joseph's catholic Church, Lweza
TOTAL	2.590 BN	

Expenses for Abed Bwanika) [REDACTED]

Source: ACF

CAMPAIGN EXPENSES FOR ENG. MABIRIZI		
1	Outdoor advertising (posters, banners ,flyers)	22,100,000
2	Fuel	28,100,000
3	Administration costs	15,800,000
4	Facilitation for campaign agents	120,200,000
5	Mobilization and publicity	101,100,000
6	Donation	-
7	T-shirts	7,300,000
8	Public Address System	32,500,000
9	Venue ,tents and chairs	2,800,000
10	Accommodation for the team	31,500,000
11	Refreshments during the campaign (including meals)	35,800,000
12	5600 Polling Agents on E-Day @ 10,000/- per agent	56,000,000
13	230 parish supervisors @ 20,000/-	4,600,000
	TOTAL	457,800,000

APPENDIX VIII (Detailed Campaign Expenses fo

r Joseph Mabirizi) [REDACTED] Source: ACFI
M Database APPENDIX IX

CAMPAIGN EXPENSES FOR VENASIUS BARYAMUREEBA IN 16 DISTRICTS			
ITEM	DESCRIPTION	EXPENSES	%
Advertising	Posters, Fliers, Banners & Billboards etc	41,439,000	18.5
Donations, Fundraisings & Vote Buying	Cash to Voters, Churches, Schools, Youth Groups, Women Groups etc	-	0.0
Handout Materials	Sugar, Salt, Hoes, Seeds etc	-	0.0
Electronic & Print Media	Journalists Facilitation, Radio/TV/News-paper Adverts & Shows ,SMS/Robbo Calls etc	16,100,000	7.2
Selected Campaign Materials	Shirts, T-Shirts, Fliers, Caps, Badges, Bandanas etc	62,500,000	27.9
Campaign Events/Rally/Meetings	Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc	28,800,000	12.8
Transport Expenses	Fuel & Hire of Buses, Lorries, Boda-Bodas, Helicopter, Van/Taxis, Cars etc	21,825,000	9.7
Campaign Managers/Agents	Polling Station Agents, Village/Parish/Subcounty Supervisors & Coordinators etc	38,160,000	17.0
Campaign Offices	Equipment/Furniture/Computer/Internet & Attendants/Drivers etc	9,495,000	4.2
Others	Upkeep for Team on Campaign Trail etc	6,048,000	2.7
TOTAL		224,367,000	100.0

ampaign Expenses for Ma

Iya) [REDACTED] Source: ACFIM Database <?>
 ACFIM is a coal

CAMPAIGN EXPENSES FOR BENON BIRAARO IN 16 DISTRICTS			
ITEM	DESCRIPTION	EXPENSES	%
Advertising	Posters, Fliers, Banners & Billboards etc	26,180,000	20.8
Donations, Fundraisings & Vote Buying	Cash to Voters, Churches, Schools, Youth Groups, Women Groups etc	-	0.0
Handout Materials	Sugar, Salt, Hoes, Seeds etc	-	0.0
Electronic & Print Media	Journalists Facilitation, Radio/TV/ Newspaper Adverts & Shows ,SMS/ Robbo Calls etc	17,320,000	13.7
Selected Campaign Materials	Shirts, T-Shirts, Fliers, Caps, Badges, Bandanas etc	29,510,000	23.4
Campaign Events/Rally/ Meetings	Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc	9,681,000	7.7
Transport Expenses	Fuel & Hire of Buses, Lorries, Boda-Bodas, Helicopter, Van/Taxis, Cars etc	16,926,000	13.4
Campaign Managers/ Agents	Polling Station Agents, Village/Parish/ Subcounty Supervisors & Coordinators etc	18,340,000	14.6
Campaign Offices	Equipment/Furniture/Computer/Internet & Attendants/Drivers etc	5,460,000	4.3
Others	Upkeep for Team on Campaign Trail etc	2,580,000	2.0
TOTAL		125,997,000	100.0

cal non-government orga

isations network that cane together in 2014 t o foster trans

CAMPAIGN EXPENSES FOR ABED BWANIKA IN 16 DISTRICTS			
ITEM	DESCRIPTION	EXPENSES	%
Advertising	Posters, Fliers, Banners & Billboards etc	21,611,000	18.2
Donations, Fundraisings & Vote Buying	Cash to Voters, Churches, Schools, Youth Groups, Women Groups etc	-	0.0
Handout Materials	Sugar, Salt, Hoes, Seeds etc	-	0.0
Electronic & Print Media	Journalists Facilitation, Radio/TV/ Newspaper Adverts & Shows ,SMS/ Robbo Calls etc	13,481,000	11.3
Selected Campaign Materials	Shirts, T-Shirts, Fliers, Caps, Badges, Bandanas etc	23,217,000	19.5
Campaign Events/ Rally/Meetings	Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc	11,730,000	9.9
Transport Expenses	Fuel & Hire of Buses, Lorries, Boda-Bodas, Helicopter, Van/Taxis, Cars etc	15,447,000	13.0
Campaign Managers/ Agents	Polling Station Agents, Village/Parish/ Subcounty Supervisors & Coordinators etc	25,852,000	21.7
Campaign Offices	Equipment/Furniture/Computer/ Internet & Attendants/Drivers etc	5,170,000	4.3
Others	Upkeep for Team on Campaign Trail etc	2,437,000	2.0
TOTAL		118,945,000	100.0

countability in financi

itical and electoral processes. (for details visit: www.acfimu)

CAMPAIGN EXPENSES FOR JOSEPH MABIRIZI			
ITEM	DESCRIPTION	EXPENSES	%
Campaign Events/Rally/Meetings	Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc	14,964,000	23.8
Campaign Managers/Agents	Polling Station Agents, Village/Parish/Sub-county Supervisors & Coordinators etc	13,827,000	22.0
Selected Campaign Materials	Shirts, T-Shirts, Fliers, Caps, Badges, Bannanas etc	9,272,000	14.7
Transport Expenses	Fuel & Hire of Buses, Lorries, Boda-Bodas, Helicopter, Van/Taxis, Cars etc	7,944,000	12.6
Electronic & Print Media	Journalists Facilitation, Radio/TV/Newspaper Adverts & Shows ,SMS/Robbo Calls etc	7,685,000	12.2
Advertising	Posters, Fliers, Banners & Billboards etc	5,560,000	8.8
Campaign Offices	Equipment/Furniture/Computer/Internet & Attendants/Drivers etc	2,419,000	3.8
Donations & Fund-raisings	Cash to Voters, Churches, Schools, Youth Groups, Women Groups etc	-	0.0
Handout Materials	Sugar, Salt, Hoes, Seeds etc	-	0.0
Others	Upkeep for Team on Campaign Trail etc	1,210,000	1.9
TOTAL		62,881,000	100.0

Purchase of control is

when a private company used the power of its contribution t

CAMPAIGN EXPENSES FOR MAUREEN KYALYA IN 16 DISTRICTS			
ITEM	DESCRIPTION	EXPENSES	%
Advertising	Posters, Fliers, Banners & Billboards etc	1,020,000	9.8
Donations, Fund-raising & Vote Buying	Cash to Voters, Churches, Schools, Youth Groups, Women Groups etc	-	0.0
Handout Materials	Sugar, Salt, Hoes, Seeds etc	-	0.0
Electronic & Print Media	Journalists Facilitation, Radio/TV/Newspaper Adverts & Shows ,SMS/Robbo Calls etc	650,000	6.3
Selected Campaign Materials	Shirts, T-Shirts, Fliers, Caps, Badges, Bandanas etc	3,199,000	30.9
Campaign Events/ Rally/Meetings	Venue, Tents, Chairs, Public Address, Drinks, Entertainment, Security etc	1,891,000	18.3
Transport Expenses	Fuel & Hire of Buses, Lorries, Boda-Bodas, Helicopter, Van/Taxis, Cars etc	1,346,000	13.0
Campaign Managers/Agents	Polling Station Agents, Village/Parish/Sub-county Supervisors & Coordinators etc	1,546,000	14.9
Campaign Offices	Equipment/Furniture/Computer/Internet & Attendants/Drivers etc	494,000	4.8
Others	Upkeep for Team on Campaign Trail etc	214,500	2.1
TOTAL		10,360,500	100.0

candidate to influence

C/o Transparency International Uganda
Plot 3 Martyrs Lane Ntinda.
P.O. Box 24335 Kampala
Email: acfimuganda@gmail.com
Tel: +256 414 255836, +256 773 001434, +256 704 934668