

The United States government has issued an advisory discouraging its citizens, and institutions from doing business in Uganda.

According to the October 23 business advisory statement issued by the US Departments of State, Labor, Health and Human Services, Commerce, and the U.S. Agency for International Development, all businesses, organizations, and individuals should be aware of potential financial and reputational risks resulting from endemic corruption and violence against human rights which are likely to be exacerbated by the stricter anti-gay law.

The US government noted that Uganda has continued to portray high cases of “violence against human rights activists, media members, health workers, members of minority groups, LGBTQI+ persons, and political opponents.”

“We are deeply concerned about the human rights abuses and the potential pitfalls that businesses may encounter. However, this advisory is not designed to impose any legal obligations but is meant to offer essential information to make informed decisions,” the document reads

The advisory places emphasis on the potential financial and reputational risks faced by U.S. entities considering business operations in Uganda.

It specifically mentions concerns related to violence against various groups, including human rights activists, media personnel, health workers, members of minority groups, LGBTQI+ individuals, and political opponents in the country.

In June this year, shortly after Parliament passed the Anti-Homosexuality Act (AHA) on May 29, 2023, the US government issued a travel advisory warning its citizens that they “may encounter serious risk to their safety.”

On the other hand, yesterday’s advisory claims labor abuses, including child labor, in goods imported from Uganda into the United States.

In addition, it mentions that officials frequently engage in corrupt practices with impunity, and many corruption cases remain unresolved for years.

“Corruption in Uganda is a critical issue that affects the business environment. U.S. businesses may face unfair practices, which can hinder their operations and damage their reputation,” the advisory reads in part.

The statement further warns that entities should be aware of the potential legal conflicts between Ugandan and U.S. laws and should seek legal counsel to navigate these complex legal landscapes.