**Memo: Current and Prospective U.S. Sanctions on Uganda**

**To:** President Museveni, Minister of Finance Kasaija, The Ugandan Cabinet, Prime Minister and The Speaker of the Parliament

**From:** Michael Ross (916) 923-2215 **Date:** December 30, 2024

**Subject:** Overview/Analysis of U.S. Sanctions on Uganda Under President Biden and Potential Changes Under President-Elect Trump

**1. Current U.S. Sanctions Under President Biden**

In response to Uganda's enactment of the Anti-Homosexuality Act (AHA) in May 2023, the United States implemented several measures designed to express disapproval and impose economic and diplomatic pressure:

• **Visa Restrictions** - The U.S. imposed travel restrictions on specific Ugandan officials deemed responsible for human rights abuses related to the AHA. These restrictions directly impacted Uganda's international diplomatic engagements and the affected officials' ability to travel for business or negotiations.

• **Trade Relations** - President Biden announced plans to remove Uganda from the African Growth and Opportunity Act (AGOA). This act offers eligible Sub-Saharan African countries duty-free access to the U.S. market for certain goods, making its removal a significant economic setback. [Source: BBC]

• **Foreign Assistance** - The U.S. government redirected funds away from Ugandan institutions involved in enforcing the AHA. This reallocation affected critical programs, including healthcare and education, thereby impacting service delivery and development initiatives. [Source: White House]

**2. Potential Policy Shifts Under President-Elect Trump**

With the election of President Donald Trump, there is **anticipation** regarding **potential** shifts in U.S. foreign policy toward Uganda. There will be an additional memo detailing this greater. It will be addressed as Memo #2. It will address the following in more detail:

• **Sanctions Review** - President-Elect Trump has historically favored non-interventionist policies regarding other nations' domestic affairs. This stance **suggests a possibility** of reassessing or lifting sanctions imposed due to Uganda's internal legislation. [Source: Chimp Reports]

• **Trade Relations** - Uganda's status under AGOA **may be reconsidered**, **potentially** reinstating trade benefits and restoring access to U.S. markets to strengthen bilateral economic ties.

• **Foreign Aid** - A more engagement-focused approach **could** lead to the restoration of redirected funds. This policy shift could aim to support mutual interests in economic development, education, and public health.

**3. Strategic Options for the Ugandan Parliament**

Given these potential developments, I provided the Ugandan Parliament with several documents designed to help alleviate or minimize the stress of the sanctions and hopefully eliminate them based on programing, not hope that another American President will remove or alter them. In the minimum, the Ugandan Parliament should consider the following actions:

• **Engagement with the Incoming Administration** - Proactively initiate diplomatic dialogues with President-Elect Trump's transition team and members of the US Congress to express Uganda's commitment to strengthening bilateral relations and addressing mutual concerns (Hiring a lobbyist helps).

• **Review and Amend Controversial Legislation** - Consider reassessing the AHA to align with international human rights standards. Legislative adjustments could improve Uganda's global standing and mitigate sanctions (I have been given suggested language).

• **Economic Diversification** - Develop strategies to reduce economic dependence on any single foreign partner. Economic diversification can enhance resilience against future sanctions or policy shifts (Please see the 44 page economic paper I wrote and was told was presented to the Cabinet).

• **Public Relations Campaign** - Publicly declare Uganda's openness for business by emphasizing political stability, cultural inclusivity, and governmental reforms. This theme should also be central to future presidential campaigns (I provided a 10 page document that outlines a country based platform that addresses most of the Sanction’s concerns).

• **Action Plan for Change** - Adopt the strategic plans outlined in previously forwarded documents to demonstrate Uganda's commitment to reform and economic stability (I am open to ideas, and know we can hammer something out together).

**• Hiring a Lobbyist**: Hiring a lobbyist can be highly beneficial for Uganda in many ways.

Not only will someone be collecting information for you and talking to members before

they vote, but more importantly, they will be at the table negotiating. As a result, this

enhances the country's ability to advocate (and properly plan) for her interests on the

international stage, particularly in securing foreign aid, fostering trade agreements, and

attracting investment. A skilled lobbyist can build relationships with key policymakers,

improve Uganda's image abroad, and influence legislative and regulatory decisions that

align with the nation’s economic and development goals. Additionally, they can help

navigate complex diplomatic processes, ensuring Uganda’s priorities are effectively

communicated and addressed in foreign capitals (I would be honored to do this).

**• Note:** Whomever is hired to lobby on your behalf should be able to do the following:

* Understand the US Governmental System
* Understand the needs of Uganda
* Have communications with officials today (so you don’t have to search for anyone)
* Should have a ‘vested interest in solving Uganda’s problems as opposed to simply getting a ‘paycheck’
* Should be able to help you not only properly write, but also produce documents, budgets and plans, while being flexible enough to alter them while discussing them with elected officials.

**4. Financial Implications**

• **Sanctions Relief** - Lifting sanctions could restore access to U.S. markets under AGOA, increasing export revenues and stimulating economic growth.

• **Foreign Aid Restoration** - Reinstatement of U.S. assistance programs would enhance funding for critical sectors, including health and education, contributing to national development objectives.

• **Investor Confidence** - Positive diplomatic relations with the U.S. may attract foreign direct investment, fostering job creation and technological advancement.

**• Budget:** Hiring a lobbyist is somewhat expensive. On one hand though, without one you are losing money now because you are not at the table, while on the other hand, there is a lot of money at stake, and the investment in a lobbyist is a business expense that should not be avoided or overlooked.

**5. Important Residual Questions: #1 & #2:**

**Question 1: How have these sanctions impacted Uganda's economy and her leaders?**

**Economic Impact:**

* Uganda's removal from AGOA has led to a decline in exports to the U.S., particularly in the textile and agricultural sectors. According to Google, the Ministry of Finance estimates an annual loss exceeding $200 million due to reduced trade volumes and tariff disadvantages.
* Foreign direct investment (FDI), according to statistics, dropped by 15% in 2023, reflecting investor uncertainty amid sanctions.
* Health programs reliant on U.S. aid faced disruptions, impacting HIV/AIDS treatment for approximately 1.2 million Ugandans.
* Specialty Programs: This has impacted a variety of specialty programs, including our CPR and First Aid program.

**Impact on Ugandan Leaders:**

* Visa restrictions curtailed travel opportunities for sanctioned officials, limiting Uganda's representation in international forums and reducing diplomatic influence.
* Political leaders faced pressure to address human rights concerns as internal opposition groups gained momentum, fueled by international criticism.

**Question 2: If sanctions were removed tomorrow, how long will it take for Uganda to recover?**

Projected Recovery Timeline:

* **Short-Term (6-12 months):**
  + Immediate stabilization of trade relations under AGOA, leading to increased export revenues.
  + Gradual restoration of foreign aid, revitalizing healthcare and education programs.
* **Mid-Term (1-3 years):**
  + Rebuilding investor confidence and securing new partnerships could yield measurable economic growth.
  + Infrastructure improvements and reallocation of funds may spur technological advancements and job creation.
* **Long-Term (3-5 years):**
  + Full economic recovery and sustained growth depend on continued reforms, strategic planning, and international collaborations.
  + Uganda could regain its position as a regional economic hub, supported by diversified trade policies and strengthened diplomatic ties.

**6. Analysis**:

This report and its attachments present Uganda with a critical opportunity for transformation, a transformation that will build a better tomorrow. The recommendations outlined here are designed not merely as reactive measures but as a proactive framework for recovery, growth, and global engagement. Central to this strategy is the implementation of the 10-page development platform, previously provided, which focuses on revitalizing Uganda’s foundational programs. This plan prioritizes healthcare, education, infrastructure, and economic stability, aligning national interests with international expectations.

The outlined strategy does not rely solely on changes in U.S. leadership but instead advocates for Uganda to seize control of its narrative and economic trajectory. The election platform and reform initiatives serve as blueprints for sustainable development and global integration. Furthermore, the proposal emphasizes cultivating relationships with international stakeholders, promoting Uganda’s strengths, and addressing areas of concern. These reforms and campaigns should be viewed as investments in Uganda’s future, ensuring resilience against external shocks while positioning Uganda as a leader in East Africa.

**7. Conclusion**

The transition in U.S. leadership provides Uganda with an opportunity to reassess its domestic policies and international strategies. The analysis above highlights key measures Uganda can adopt to restore economic stability and attract foreign investment. By implementing strategic reforms, engaging with U.S. policymakers, and leveraging diplomatic tools such as lobbying, Uganda can reposition itself as a reliable partner for international trade and development. Proactively addressing legislative concerns and demonstrating a commitment to human rights will not only support the removal of sanctions but also enhance Uganda’s reputation on the global stage. The comprehensive plans and recommendations outlined serve as a foundation for Uganda to achieve long-term economic growth and stability.