

LAUNCH OF **TALK TO YOUR REGULATOR**

A PLATFORM FOR NGOs AND
THEIR REGULATORS IN UGANDA

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NGO REGULATORS IN UGANDA



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#Talk2Regulators

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Introduction and Background

Talk to Your Regulator (T2R) is one of the initiatives under DPI's Compliance Watch Program which is geared at mitigating the unintended consequences attendant to any regulatory policy framework of the NGO sector in Uganda.

T2R in particular focuses on mitigating the knowledge gap and the misapplication of the NGO regulatory framework and its adverse effects on the civic space. Recently, the NGO Bureau sent out a notification of cessation/suspension of operations of a large number of NGOs, citing non-compliance to the little-known Non-Governmental Organisations Act 2016 by many domestic and international bodies.

Additionally, most beneficiaries under the **Compliance Watch** program expressed concern about the restrictive NGO regulatory framework and its undesirable impact on the ability of the NGO actors to function independently in their contribution to good public works.

This, compounded by the prevailing mistrust between the non-profit sector and the regulators, necessitated a platform for NGOs actors and sector regulators to meet, learn from each other, and also voice sectoral concerns in line with the compliance obligations.

Talk To Your Regulator #T2R

Defenders Protection Initiative (DPI) in collaboration with the Uganda National NGO Forum (UNGOF) instituted the Talk to Your Regulator, a platform that aims at mitigating the knowledge gap and the misapplication of the NGO regulatory framework and its adverse effects on the civic space.

T2R dialogue meetings will be held quarterly both in, and out of the capital, as practical spaces for the NGO sector actors, relevant regulators, and segments of selected service providers to discuss and clarify issues relating to regulations and compliance.

This program aims at enhancing regulatory excellence and operational efficiency while at the same time mitigating the risk of overregulating the sector and its associated unintended consequences.

Key Note Address| Steven Okello, Executive Director NGO Bureau

Mr Okello lauded the organisers DPI and NGO Forum for providing a platform that brings together all sector players and regulators to have an open dialogue. “The sharing, recommendations and lessons from this initiative, he added, will further contribute to the growth of the sector.”

The NGO Bureau leader echoed the **organisation’s** mandate as established by the Constitution and the NGO Act, 2016 which is to register all NGOs operating in Uganda, to regulate their operations, monitor, inspect and coordinate and oversee the activities of the NGOs.

These NGOs include;

- › Indigenous NGOs: wholly controlled by Ugandans only.
- › Regional NGOs: Organisations already incorporated in any of EAC partner countries.
- › Continental NGOs: Organisations already incorporated in Africa.
- › International NGOs: Incorporated outside Africa and want to open a branch in Uganda.
- › Community Based Organisations: Restricted to operating at sub county level.

Obligations of NGOs

According to Mr Okello, under the law NGOs must meet the following obligations;

- › That they must be a legally recognised entity in order to be awarded a permit by the NGO bureau.
- › Must be registered by the NGO Bureau.
- › The NGOs are required to be in possession of a valid permit.
- › File annual returns for purposes of accountability of their operations.
- › Continuously collaborate and share information with all stakeholders.
- › NGOs are required to grant NGO Bureau inspectors access to their premises and voluntarily avail them with pertinent and correct information.
- › They are required to sign MOUs with local government authorities of the districts within which they operate and, with their donors, partners and other stakeholders.
- › Operate within the permitted areas that they indicated in their application for a permit.
- › Engage in activities that do not undermine the security and laws, dignity of the people in the country.
- › Engage in political processes but remain non-partisan.

“The NGO Bureau is in possession of a registry of all NGOs operating in Uganda. Therefore, an organisation cannot claim to be an NGO unless they have been registered and issued a permit by the Bureau.”

Common Compliance Issues

That said, several NGOs fail to comply with the mandated obligations. The most common compliance breaches registered by the Bureau are;

- › Failure of organisations to incorporate/register as a legal entity with the Uganda National Registrations Bureau (URSB).
- › Failure to register with the regulator—NGO Bureau.
- › Operating with expired permits.
- › Failure to renew permit within 6 months of expiry.
- › Failure to operate within the parameters of the organisation's own internal governing system/policy.
- › Effecting changes within the internal governing document without informing the Bureau.
- › Providing false information.
- › Failure to sign MOUs with local government authorities, **line ministries**, donors, **partners and** other relevant stakeholders.

“One of the biggest issues is NGOs not complying with their own Internal governing document/policy. More than 80% of people in the NGO sector do not know what is contained in their own internal governing document.”

Challenges Faced by NGOs

Compliance breaches aside, the NGO Bureau head, acknowledged that the non-profit sector faces a number of challenges in execution of their mandates.

NGOs are faced with financial challenges and this ties into weak sustainability. Most NGOs do not have a guaranteed source of funding. This then removes the sense of independence and security for organisations.

Okello also highlighted competition for time, talent, credibility and especially funding opportunities as another of the major challenges faced among NGOs.

NGOs are also under a lot of pressure to demonstrate their relevance in the country and effectiveness and accountability to their funders and therefore are likely to compromise themselves to prove their relevance.

Most NGO directors and social justice leaders are well intentioned and impassioned however, they lack the capacity to manage their organisations. Not only are the organisations understaffed, but their human resources lack the technical skills. Capacity deficiencies in NGO are also demonstrated by under qualified Board of Governors.

The sector has been marred by a lack of integrity and trust. Some organisations have been flagged for transparency and accountability issues.

Organisations, especially at grassroot level are lagging behind in terms of technological advancement. Many have failed to leverage technology for their activities, operations and advocacy.

Collaborating to Create an Enabling Environment.

According to Mr Okello, challenges notwithstanding, there are avenues for collaboration between NGOs and the regulator to create an enabling environment for the civil society. Avenues such as continuous dialogue between the organisations and the regulating bodies.

Increasing collaboration and information sharing to promote partnerships instead of mutual suspicion. Work collectively to build the capacity building for all sector actors.

Ensure that contributions of the sector are highlighted and appreciated. The Bureau is doing this through the **State of the NGOs Report** that is currently being compiled. It aims to highlight contributions of the NGO sector to national development, document sector best practices and ultimately quell negative narratives about NGOs.

To conclude his address, Okello advised that ensuring NGOs are compliant with the NGO regulatory framework is a shared responsibility for all regulators. And, that there is a need for mindset shift among both state and non-state actors to appreciate the rapid and continual shift in the new and fundamental NGO operational environment. This will greatly help in enhancing the level of confidence, transparency, accountability, integrity and trust in the sector.

“NGOs are key stakeholders in the NGO regulatory framework and should comply with it with full appreciation and competence NGOs are key stakeholders in the NGO regulatory framework and should comply with it with full appreciation and competence.”

Perspectives and Voices of the Regulated| James Nkuubi, Human Rights and Peace Centre (HURIPEC)

Mr. Nkubi shared views and recommendations gathered from a recent DPI initiated online survey— **Operation Know Your Status** in which over 630 NGOs participated. The survey aimed at examining the degree of awareness on legal framework and compliance requirements among NGOs. The survey also sought to find out what the ideology of the regulated was about the regulators.

One of the notable perceptions revealed in the study was that there seems to be a slow but emerging transformation of regulators becoming service providers. A change from gate keepers with a robust punitive controlling mechanism to customer care, empathy and openness to engagement.

That said, a substantial number of respondents expressed the need for negotiated enforcement versus punitive enforcement. “Not to be confused with negotiated compliance,” Nkuubi clarified, “as compliance

is statutory.” Punitive enforcement was defined as when the regulator uses the last resort tool of enforcement as the first.

Compliance Challenges

Other compliance challenges highlighted in the survey included;

The rise of secondary regulatory groups at the sub-national levels such as the District Security Committees, Resident District Commissioners (RDC) who demand a separate set of compliance obligations from the NGOs, different from those set by the statutory regulatory bodies.

The overwhelming enforcement approach is based on a flawed perception that NGOs are homogeneous. NGOs are non-homogeneous and therefore their ability to comply also differs in terms of capacity, cost and skills.

The regulated (NGOs), submitted that compliance should be with the view of facilitating growth rather than sieving or weeding.

It was also inferred from the survey responses that District NGO Monitoring Committees seem to lack the financial and technical capacities to function. Some respondents reported having facilitated the committee to sit and consider their certificates.

Another key concern was the redefinition of the sector as a meal cow. Regulators have seemingly defined NGOs not as contributors to national development but rather sources of revenue.

Similarly, the turn around time for processing necessary documentation; permits, registration, applications and MOUs is not only delayed but NGOs are extorted for access to these services.

Respondents also faulted the regulators for failure to leverage technology as a tool for compliance especially in documentary transfer and filing. This, they said, adds to the cost of compliance. The recommendation was a creation of NGO compliance data hubs where the same information can be accessed by the different regulators.

NGO Compliance Obligations under the Financial Intelligence Authority | Sydney Asubo, Executive Director-FIA

Mr Asubo clarified that the primary regulation for NGOs is the NGO Act, 2016. However other secondary regulations apply to them as well, particularly the **Anti Money Laundering (Amendment) Act, 2017**, in which NGOs are categorised as Accountable Persons. Their obligations under the law include;

- > Registration with the FIA.
- > Filing Annual Compliance Reports

The FIA Executive Director pointed out that under the law, all accountable persons were required to have registered with the FIA within the first year of passing of the law. Adding that, contrary to popular misconception, the FIA, to this date, has not penalised any NGO under the law even though many are yet to comply.

Compliance breaches are the requirements under the law that NGOs are obliged to fulfil and attract sanctions such as reprimands and warning letters. While criminal acts attract penalties such as fines and imprisonment.

Instead over the years the FIA has opted for an outreach approach to create awareness on their mandate and the compliance obligations of NGOs under the AMLA (2017).

Mr Asubo surmised that the misconceptions about the alleged regulatory overreach of the FIA stem from cases in which certain organisations or directors of these organisations have been investigated under the AMLA (2017) or the Anti-Terrorism Act.

“For an investigation to commence under the AMLA/ATA, there doesn’t need to be a report from the FIA. Actions taken by Uganda Police or other law enforcement bodies under AMLA/ATA are not initiated by the FIA.”

Under the Anti-Terrorism Act, regardless of NGOs being reporting entities or not, if the FIA is tipped off on suspicion of support or participation in terrorism acts, and if those suspicions are investigated and found to be credible, then the FIA is obligated by law to freeze their accounts. After freezing the Director of Public Prosecutions has to be notified within 48 hours.

The FIA however, doesn’t have control on the timeline of the DPP processes. Asubo noted that a proposal had been made to the Ministry of Internal Affairs to consider adding a provision for a specified timeline within which all pertinent officials should attack.

“Penalties for compliance breaches are enforced by the regulator while criminal acts, investigations or enforcement of their penalties are undertaken by Uganda Police, Criminal Investigations Department and the DPP.”

Susceptibility of NGOs to the Risk of Terrorism Financing

The key obligation of the FIA as regards NPOs Under the Anti-Terrorism Act, is, to carry out terrorism financing risk assessment to determine how susceptible the NGO sector is to being used for terrorism financing. This exercise was conducted in 2016 under the **Mutual Evaluation Report**. This was submitted to FATF which reviewed it. FATF raised issues regarding the approach which led to the revision and resubmission of the report. It is due for review on 9th September 2022.

Through the study, however, two categories of NGOs were found to be susceptible to terrorism financing. These, Asubo said, would be closely monitored. This does not mean that they will be shut down but rather tasked to demonstrate that they have policies in place to mitigate the risk of being used as channels for terrorism financing.

Overall, he reported that NGOs have been very compliant by and large. The only complaint the FIA has registered is that the compliance document is too voluminous. The document is currently being revised to develop one that can be used for all accountable persons.

He committed that the FIA will continue the education outreach process extensively before they can start penalising.

NGO Compliance Obligations under Uganda Revenue Authority| Sarah Chelangat, Commissioner Domestic Tax - URA

Commissioner Chelangat reiterated the sentiments of the FIA Executive Director that Uganda Revenue Authority (URA) is ardent on educating the masses rather than penalizing. This has been done through several awareness campaigns across the country.

Registration

The Commissioner highlighted as key among the compliance obligations for NGOs, is registration with the revenue authority. Through this process the tax body is able to verify that an organisation is registered with the Uganda Registration Bureau Services (URSB).

NGOs also need to file returns. "Filing returns shows details of the organization's income, expenditure and assets. This helps the tax authority to understand the organization's business and verify the other taxes cleared and the financial status of the organisation," Chelangat said. Adding that a penalty lies in wait for those that declare incorrect information.

The registration process also necessitates stating details of the Directors and the sources of income; either donor, grant or business income. The NGOs that also run businesses for sustainability, have to also comply with the obligations and taxes specific to the industry in which they operate.

Taxes Applicable to NGOs

Non-profit Organisations can be exempt from income tax only if;

- › They support amateur sporting associations or are in amateur sporting associations that promote sports talents.
- › It is an organisation that supports educational institutions of a public character. Public character in this context means the owners of this institution do not benefit from this organization in any way, i.e No residual income and any surplus incomes are ploughed back into the core mandate of the NGO.

Value Added Tax is applicable to taxable supplies. However, all profits, if any, have to be ploughed back into the activities of the NGO.

NGOs also have an obligation to pay PAYE taxes. Any income paid out to an employee of a non-profit that exceeds 235,000 shillings per month is taxable. Ms Chelangat warned directors of NGOs against defaulting PAYE on their salaries. "This is employment income by virtue of the services they offer to the NGO."

Withholding tax also applies to NGOs. Organisations that are designated agents are required to withhold on all supplies of goods and services more than 1,000,000 shillings while non-agents should withhold on professional fees.

“Compliance can be a cost if you don’t comply.”

Outreach Initiatives

The URA commissioner revealed that they plan to embark on a sector-specific tax literacy campaign and training. *“Taxes change and tax laws are always changing and being amended every year so it is important that the masses are kept up to speed to avoid getting caught on the wrong side of the law”.*

Compliance Obligations of Organisations |Geoffrey Sajjabi, Chief Commercial Officer – National Social Security Fund

Role of NSSF

According to Mr. Sajjabi, the National Social Security Fund (NSSF) has a strict mandate to safeguard the collection, safekeeping, investment and distribution of retirement funds of workers in the private sector. According to Sajjabi, in executing this mandate, NSSF employs a relationship management model. However, this approach isn’t without challenges, he pointed out, it is no small feat to balance the interests of core members, the employees and the employers.

NGOs Statistics with NSSF.

1300 NGOs are active-- they regularly save with NSSF.

330 are dormant.

NGOs constitute about 7% of the total active database at the fund.

They have a compliance rate of at least 74% which is higher than the average compliance rate of employers in Uganda.

50,000 individuals of the total active contributors into the fund come from the NGO sector. Only beaten by education, trade/manufacturing and agriculture.

Compliance Obligations for NGOs

- › As stipulated under the NSSF Act, organisations are required to remit retirement savings payments for the right number of people employed by their institution.
- › That the savings are computed at the right rate – on gross pay.
- › The employers are obligated to ensure all their employees are registered with NSSF.
- › All deductions are expected to be paid otherwise the employer pays a penalty.
- › If the deductions are paid after the 15th day following the month in which wages were paid, the employer incurs a 10% penalty every month on the outstanding balance. In addition to the employer’s mandated 10%, they will also be required to pay the interest entitled to the employee(member).
- › NGOs are expected to file with the fund, whether they have resources to pay salaries or not.

Changes in the Law National Social Security Fund (Amendment) Act, 2022

Under the amended law, the five-employee threshold was removed. So, an organisation is required to remit savings with the fund, regardless of the number of people they employ.

The new law also provides for midterm access. A member of the fund upon attaining 45 years of age and having made contributions for at least 10 years, is eligible to an amount not exceeding 20% of their balance. Persons living with disabilities can get up to 50% of their balance.

The fund now also receives voluntary savings. Members can contribute more than the 5% threshold. The provision was also expanded to expand social security coverage to workers from the informal sector.

Current Benefits Claims

Mr. Sajjabi also recapped on the types of benefits paid out;

Age Benefit: All members qualify to access their savings upon making 50 years of age regardless of whether they are still employed or not.

Medical Grounds: Paid out if a member is incapacitated based on medical grounds. They are unable to continue working due to health reasons.

Immigration Grant: Paid out to non-Ugandans, employed in Uganda, when they decide to leave the country. Also, to Ugandan nationals that have secured permanent residence elsewhere.

Exempted Employment Benefit: Paid out to individuals who secure employment with institutions or employers that the law exempts from contributing to NSSF.

Survivors Benefit: Paid out to a member's immediate dependants in the event that they pass on before accessing their savings from the fund.

In his closing remarks, Sajjabi implored both employers and employees in the NGO sector to ensure that their savings are paid to afford themselves a decent retirement. "The hardest thing that you face as an NSSF personnel, is someone retiring and discovering that their savings were never paid, and their employer is no longer in existence."

He assured the sector players of the funds commitment to securing their future. This has been demonstrated through the availability of payment plans with NGOs to ensure organisations meet their requirements. NSSF, he added, is also committed to partnering with NGOs to create more awareness about their compliance obligations, benefit claims and mostly the relevance of saving for advanced age.

Leveraging Technology to Increase Compliance| Johnson Tumusiime, IT Systems and Cyber Expert – National Information Technology Authority-Uganda

Mr Tumusiime gave a brief background about NITA-U as an autonomous body that was established under the NITA-U Act, 2009 to coordinate, promote and monitor IT development in Uganda. It's key mandate - enabling government wide efficiency and transformation to better citizen's life.

According to Tumusiime, NGOs can leverage technology to reduce the compliance burden through;

- › Utilising the existing online platforms to submit the regulatory requirements like license application and renewals forms, submitting returns to URA and URSB.
- › Taking advantage of digital payments for both receiving and disbursing out money thus creating a proper and efficient audit trail.
- › NGOs can also take advantage of digital platforms for data collection from beneficiaries and stakeholders.

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- › In order to ensure cyber security, he strongly emphasized the use of corporate email addresses for formal correspondence with the regulators.

Tumusiime expressed NITA's commitment towards supporting NGOs in embracing and leveraging technology through;

- › Availing the necessary technology and systems for data sharing like the UG Hub platform that allows for data sharing with government systems.
- › Provide technical guidance and best practices to NGOs and their staff.
- › Offering advisory services and support for personal data protection.
- › Developing a one-stop centre for compliance with different regulators. A centralized platform that allows submissions through one platform.

Tumusiime also confirmed that NITA-U is also currently in the process of engaging the NGO Bureau and Ministry of Internal Affairs to digitize some of their systems. He also went ahead and encouraged NGO operators to reach out to NITA-U with recommendations where they feel there is need for government consideration.

Ms. Christine Nalubowa IT Certification Supervisor at NITA-U also took an initiative to advise NGOs to procure IT services from companies that have been certified by NITA-U for purposes of building trust and promoting the local market. She also emphasized that the portal for certified service is available and accessible, <https://itco.nita.go.ug>

Uganda Registration Services Bureau|Racheal Kamusime, Representative of the Registrar General - URSB

Registration of NGOs

Under URSB, NGOs are characterised as Companies Limited by Guarantee, most of them are either charitable or non-profit organisations. These are companies that commit themselves to pay a specified amount of money upon winding up of business.

Members/guarantors/ subscribers to the Memorandum of Understanding and Articles of Association, are supposed to pay this amount, (to which there isn't a threshold on the share capital) when the business decides to end operations.

Charitable organisations include;

- › Rotary clubs
- › The Civil Society Organizations
- › The Voluntary Organizations

The Companies Act, 2013 provides that every charitable organisation must have the word "Limited". However, Section 41 of the same law provides for exemptions where donors and funders require that these organisations dispense with "*limited*". In such cases the subscribers need to prove beyond reasonable doubt that these are indeed charitable organizations by swearing a statutory declaration.

Challenges in Registration of NGOs

Ms. Kamusiime clarified that the operations of the URSB are governed by the **Company's Act.2013** and Section 36 of the Company's Act provides for desirability but does not provide for parameters or criteria for desire. The discretion is left to the Registrar of URSB. This has caused grievance from many organisations whose names have been denied on the basis of not passing the desirability criteria which is;

- › The organisation's name should not be similar to any other names that already exist in the URSB database.
- › The name should not be inclined to any political party.
- › The name should have morally upright features. For this reason, sex workers' organisation or organisations that are aligned with LGBTI cannot be registered.

The registrars are also tasked to scrutinize the objectives of the company seeking registration to ensure the sources of funding are not terrorist organisations or proceeds from illicit trade (money laundering).

Procedure for Registration with URSB

- › Reserve a name
- › Fill in details specified in the registration form (S18). This breaks down details of the members /guarantors/ subscribers of the organisation.
- › Register the Memorandum of Association and Articles of Association which detail the internal management strategy, how the members plan to run the organisation including day-to-day operations.

Compliance Requirements

- › Filing annual returns
- › Notify the registrar of companies if a member /subscriber ceases to be a member either by leaving or death.
- › Notify the registrar of the valid postal address or change in address.

Ms. Kamusiime assured sector leaders that URSB is a partner in ensuring compliance of NGOs. Adding that they have to be stringent on registration requirements because all other regulators look to them to formalise organisations. And, the Registrar also has an obligation to protect the unsuspecting members of society from fraudulent organisations.

NGO Compliance Obligations with Local Government Authorities| John Bosco Bashinyora, Ag. Director Gender, Community and Production/Town Clerk -Kampala City Council Authority

Speaking on behalf of the city leadership, Mr Bashinyora clarified that the Government views NGOs as partners that supplement the efforts of the Government to execute its mandate. Government has the overall mandate as guided by the National Development Plan (NDP III). In addition to the NDP III, government interests in the city are also guided by the Kampala City Council Authority (KCCA) strategic plan.

Compliance Obligations of NGOs

- › NGOs operating in Kampala are obligated to align their work plans with the KCCA five-year strategic plan.
- › NGOs are expected to participate in participatory planning meetings at division and city level including budget conferences.
- › NGOs need to build and maintain good working relationships with the Community Development Officers as their focal persons.
- › Submission of quarterly reports. According to Bashinyora, these help to capture the contributions of NGOs to national development.
- › Sign MOUs with local government authorities in the area in which they operate.

Compliance Issues Registered by Local and City Administration

Mr Bashinyora highlighted defaulting on submission of quarterly reports as the key compliance issue city and local government administrators register in their interactions with NGOs. This he said was the underlying cause of delays in signing MOUs and recommendation letters.

“Compliance level for NGOs as far as submitting reports is below 10%.”

Most NGOs do not submit quarterly reports to the office of the Director General or the Community Development officer who in turn cannot sign MOUs if they have no record of the organisation’s operation or even existence. He also mentioned that those that submit often lack the necessary supporting documentation such as work plans of the activities they plan to execute.

Local Service Tax

This ought to be paid to the local authority where those employees of the organisations reside. This tax is also deducted within the first four months of the new financial year.

Plans for Outreaches

He revealed that KCCA in partnership with the NGO Forum plans to organise a dialogue with the NGO sector to discuss and recommend ways in which to harmonize and streamline operations of both sectors. “We appreciate NGOs for supplementing government programmes and in some instances for financial

support on projects. We therefore want to know each other better; continue to foster this and streamline the way we work together.”

Q&A SESSION

Is it possible for the NGO bureau to organize capacity building sessions for District NGO Monitoring Committees?

Steven Okello: Capacity building for District Monitoring Committees is already being done though there is a challenge of continuous transfers for the teams in the districts which also has the bearing of limited resources.

Can these time lags be eliminated by having the NGO regulators synchronise compliance obligations across all regulatory bodies?

Steven Okello: The NGO Bureau is in the process of automating bureau services and integration with other regulators to achieve streamlined processes.

Geoffrey Sajjabi: To achieve ease of doing business NSSF set up an online platform where clients can easily apply and access the services needed.

NSSF also integrated with NIRA and URA for easy access of reliable and accurate information.

Is a certificate of incorporation a necessity for an NGO to operate despite the fact that it is a registered CBO?

Steven Okello: Incorporation is necessary for every organisation to operate legally. CBOs however are not supposed to be incorporated before they can fully operate.

The NGO Bureau intends to print Certificates for CBOs in order to achieve uniformity all over the country.

Can the mandate overlapping between the District Security Committees and District NGO Monitoring Committees be eliminated by clear definition of roles for both parties?

John Bosco Bashinyora: Through the involvement of the NGO Bureau, Minister for Presidency and the Minister for Local Government the issue of being charged for registration by the district local authorities and the frustration caused by overlapping roles and responsibilities is being addressed.

COMMENTS AND RECOMMENDATIONS

- › NGOs need to strengthen their internal regulatory policies, clearly identify gaps and opportunities for improvement.
- › Continuous outreach and engagement on compliance obligations and pertinent regulatory frameworks is necessary especially at sub-national level.
- › Increased sensitisation on FIA obligations, AML and ATA regulations especially in rural areas.
- › Fundamental human rights such as the freedom of association should not be denied under the guise of enforcement of compliance/the law.
- › Definition of a clear mandate for the “secondary regulators” at local government level.
- › Create an online platform(one-stop-centre) to streamline the process of compliance, reporting requirements across all regulatory entities.

Closing Remarks | Moses Isooba, Executive Director-Uganda National NGO Forum

The NGO Forum leader reassured regulators that the sector places a very high premium on compliance. This has been demonstrated through initiatives like [Talk to Your Regulator](#), the quarterly dialogues with the Ministry of Internal Affairs and others, all in a bid to bridge the gap between the regulator and the sector.

“It is better to comply with what is considered a bad law than being caught on the wrong side of it.”

Compliance, he added, is also a big part of proving the sector’s legitimacy. The sector is cognizant of the presence of some actors that are not wedded to its values which is why the [Quality Assurance Mechanism \(QUaM\)](#) – a self-assessment initiative was instituted by NGOs.

“We want to comply with procedural legitimacy but our first point of legitimacy lies with conforming to values of the sector that is why self-regulation is important,” Isooba emphasized.

He recounted that the sector is also aware of the negative narratives that have been purveyed about it in the past couple of years. Adding that initiatives such as **Talk to Your Regulator** also aim to demystify the negative narratives. In addition, the sector, spear-headed by the NGO Bureau, is in the process of conducting a study to assess the value of the sector. This, it is hoped, will quell some of the negative narratives.

Isooba, on behalf of the sector, affirmed their unequivocal commitment to compliance despite the multiple levels that can be tedious, interference from secondary level regulators at the sub national level, and illegal fees and fines that continue to be demanded of NGOs.

The event was closed with an appending of signatures ceremony by regulators, sector players, and development partners, as a symbol of commitment to engaging in subsequent versions of the Talk to Your Regulator initiative.