

TELEGRAMS: "MINTRADE"
TELEPHONES: +256-312 324 218, +256-414 231 104
General: +256-312 324 000

Email: mintrade@mtic.go.ug
Website: www.mtic.go.ug

IN ANY CORRESPONDENCE ON
THIS SUBJECT, PLEASE QUOTE NO. **PMD 508/516/01** THE REPUBLIC OF UGANDA



OFFICE OF THE MINISTER,
MINISTRY OF TRADE, INDUSTRY
AND CO-OPERATIVES,
FARMERS' HOUSE, PLOT 6/8,
PARLIAMENTARY AVENUE
P.O. BOX 7103,
KAMPALA, UGANDA

26th August, 2025

URGENT MEMORANDUM

SYSTEMIC CORRUPTION CRISIS AT UGANDA NATIONAL BUREAU OF STANDARDS (UNBS) BY ENG. JAMES KASIGWA'S LEADERSHIP THAT IS UNDERMINING NATIONAL INTERESTS, A DIRECT THREAT TO UGANDA'S ECONOMY, PUBLIC SAFETY, AND GOVERNMENT CREDIBILITY

This is brought to your urgent attention what can only be described as an organized scheme to dismantle Uganda's standards regime through calculated acts of Corruption and Administrative malpractice by the current UNBS Executive Director, Eng. James Kasigwa.

The corrupt and reckless leadership of Eng. James Kasigwa, Executive Director of UNBS for personal gain, constitute a grave betrayal of public trust and pose an immediate danger to Uganda's economy, public /consumer safety, and national reputation.

Critical Areas of Concern includes:

1. Criminal Endangerment of Public Safety

- a. Potentially Radioactive second-hand vehicles entering Uganda without proper inspection. Eng. Kasigwa is exempting the inspection of second-hand vehicles believed could be having high radiation level which is health risk to Ugandans and environment. He is conniving with big importers for personal monetary gains.
- b. Procurement of the PVoC for Motor Vehicles was supposed to be for 3 years but instead only one year was approved yet it is a tedious process which normally takes more than eight months to realize the procurement. But also, in respect to this procurement, there was a long-time lag (over a month) between the approval of the contracts by the Solicitor General and the signing of the contracts by the PVoC Service Providers yet the procurement was done as an emergency one. These are symptoms of hidden vices such as extortion.

Buy Uganda Build Uganda (BUBU)

2. Sabotaging Key Government Projects

a. Digital Tax Stamp Sabotage

Kasigwa deliberately derailed the DTS project. Eng. Kasigwa is deliberately breaching the DTS contract with service provider SICPA, exposing URA, UNBS, MOF and Uganda Government to multi-million-dollar liabilities. The Digital Tax Stamp (DTS) system safeguards Uganda's economy by preventing tax evasion, eliminating counterfeit goods, and protecting consumers, while boosting local industries and securing revenue. Any sabotage of this system directly threatens national economic security and public safety.

- b. Eng. Kasigwa is creating a parallel IT system to sabotage the DTS project with intention to undercut SICPA the service provider and take over the project with a private company of his choice, this is after allegedly unsuccessfully demanding bribes from SICPA (the contracted provider). Now, UNBS faces legal liability and massive taxpayer losses.

3. Economic Sabotage & Revenue Losses

- a. For 12 consecutive months, UNBS has failed to verify weighing equipment like scales nationwide due to intentional cancellation of the verification stickers' contract by Eng. Kasigwa. This is against the PPDA Act Sec 129(1)(g) and the penalty is either 3 years imprisonment or a fine of not less than 200 currency points or both. The company asked for an upfront payment of 80% (**UGX 104 million**) and this required approval from PSST as it is provided by law but ED declined to ask for the permission and instead suggested an alternative procurement worthy **7-8 billion** and another worth above **UGX 900 million** which figures are way above what was provided for in the budget. Verification activities of measuring and weighing equipment have stalled due to delays occasioned by ED. There is daily revenue losses because of unverified weighing scales because UNBS staff are unable to go into the field. No Scale Verification = No Revenue.

The ED/AO acted contrary to the PPDA Act because he had no power to cancel a contract that was awarded by the Contracts Committee without following the due process other than doing it unilaterally. This is a criminal act.

- b. Many Ugandans for the last one year have been cheated by traders with faulty weighting scales. This includes farmers losing large amounts of the agricultural produce to unverified weigh bridges in factories.
- c. Substandard Goods Flood Markets: Eng. Kasigwa unlawfully issues exemptions hence dangerous products harmful to consumers are on the open market and legitimate businesses are suffering unfair competition from sellers of substandard goods. There is loss of government revenue which is occasioned by those illegal unauthorized exemptions.

4. Financial Malfeasance & Budget Manipulation

- a. Eng. James Kasigwa, in clear violation of the Public Finance Management Act and without the approval of the National Standards Council, unilaterally opened two bank accounts (Centenary and Housing Finance Bank) to divert and spend Non-Tax Revenue (NTR) at source. By doing so, he has directly undermined the Government's consolidated revenue framework, weakened national revenue collection efforts, and is trying to establish a parallel financial system outside the law. This action not only erodes accountability but also creates fertile ground for abuse and corruption within UNBS's financial management structures. Such conduct poses a serious threat to transparency, good governance, and public trust in the institution. **The opening of the accounts was done without approval of the board or in its absence, the Hon Minister of Trade Industry and Cooperatives.**
- b. Eng Kasigwa was directed by PSST to send DTS revenue to the consolidated fund but he has so far defied that instruction.
- c. Eng. Kasigwa is illegally diverting 40% of UNBS's none wage budget from essential regulatory work to unauthorized,

questionable expenses. This blatant financial misconduct not only violates public trust but clearly sabotages UNBS' core functions and threatens Uganda's product safety, revenue collection, and actively undermines Uganda's economic stability, demanding immediate intervention.

Some of the areas of concern in the budget allocation are as follows:

- Training costs of Eng James Kasigwa to a tune of UGX 152,800,000/= which cost is more than a technical department training budget.
- The consultancy budget to a tune of UGX 1,128,000/= yet the institution has a recently approved structure which awaits implementation but Eng. Kasigwa wants as a person desire to selfishly restructure the institution.
- The need to quickly set up the National Quality Institute and allocate money to it yet the infrastructure to support it is not yet in place.
- Allocation of funds to insurance of buildings and machinery without prior authorization from PSST. The procurement of the likely service providers is also questionable.

There is financial fraud being committed in the budget.

- d. Eng. Kasigwa misused taxpayer money to sponsor 3 MPs to Arusha (defying H.E. the President and Speaker's directives) prohibiting MDAs' from funding members of Parliament of Uganda.
- e. Eng. Kasigwa initiated a payment of USD 30,000 to the Ministry of Trade, Industry & Cooperatives Permanent Secretary for unclear reasons.
- f. Kasigwa is contracting private laboratories which are incompetent to do the UNBS mandates. He is doing so to divert government budgets to selected private companies for personal gain. This defeats government's industrialization agenda as it keeps substandard products on the market. Privatized Lab Testing services undermines UNBS labs leading to the killing of local industry trust in testing services.

- g. Kasigwa is contracting private laboratories which are not incomplete to do the UNBS mandates. He is doing so to divert government budgets to selected private companies for personal gain. This defeats government's industrialization agenda as it keeps substandard products on the market.
 - h. Eng. Kasigwa stopped buying laptops for field staff and diverted the funds to procure a TV studio from a supplier selected by him.
5. **Eng. Kasigwa has systematically purged UNBS of its most ethical leaders when he refused to extend their contracts as directed by the Hon MTIC, forcibly keeping out of office 26-year veteran Eng. John Paul Musimami (Compliance Director) and Legal Manager Hassan Walusimbi for resisting corruption.** Their targeted expulsion has dismantled critical internal oversight, creating a pliant leadership structure that enables unchecked graft and institutional collapse. **This act by Eng. Kasigwa is blatant insubordination.**
6. Eng. Kasigwa's appointment as UNBS Executive Director was fundamentally flawed from inception because the procurement process as spelt out by the PPDA Act was violated. This specific recruitment never followed the due process of: initiation by the user department, evaluation of the bids by the Evaluation Committee and award decision by the Contracts Committee (CC). The firm that conducted the interviews was handpicked by the former board without following the due process as required by the PPDA Act. This led to an unqualified professional. His disastrous tenure has proven this was never a merit-based selection which has crippled Uganda's standards body through incompetence and malfeasance. In terms of performance, UNBS is at its lowest.

These matter on Eng. Kasigwa mismanaging UNBS transcends typical administrative issues. It represents an existential threat to Uganda's quality infrastructure. The continued operation of UNBS under its current leadership constitutes a clear and present danger to both public safety and economic security.