

BILLS SUPPLEMENT

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Bill No. 25

Anti-Terrorism (Amendment) Bill

2022

THE ANTI-TERRORISM (AMENDMENT) BILL, 2022

MEMORANDUM

1. Policy and principles of the Bill

The policy behind the Bill is to provide for the offence of proliferation financing and for related matters.

The Financial Action Task Force (FATF) defines proliferation financing as the act of providing funds or financial services which are used, in whole or in part, for the manufacture, acquisition, possession, development, export, trans-shipment, brokering, transport, transfer, stockpiling or use of nuclear, chemical or biological weapons and their means of delivery and related materials (including both technologies and dual-use goods used for non-legitimate purposes), in contravention of national laws or, where applicable, international obligations.

2. Defects in existing law

Uganda's AML/CFT Mutual Evaluation Report (MER) was adopted in 2016. The MER contains an assessment of Uganda's AML/CFT legal and regulatory regime. The MER highlighted several matters that Uganda needs to address in its AML/CFT legal and regulatory framework for Uganda to be considered compliant with the FATF Recommendations.

Specifically, Recommendation 7 of the FATF Recommendations requires countries to **implement targeted financial sanctions** to comply with the UN Security Council Resolutions relating to the prevention, suppression, and disruption of proliferation of Weapons of Mass Destruction and its financing.

The UN Security Council has also called upon countries to apply Recommendation 7 and related guidance papers for effective implementation of targeted financial sanctions related to proliferation.

At present, the offence of proliferation financing as required by the FATF is not provided for in Uganda's legal system.

3. Remedies proposed in Bill

The intention of the Bill, therefore, is to amend the Anti-Terrorism Act to provide for the offence of terrorism financing.

Provisions of Bill

The Bill has 2 clauses.

Clause 1 seeks to insert a new section 9B to provide for the offence of proliferation financing.

Clause 2 seeks to make consequential amendments to section 32A to incorporate the aspects of proliferation financing.

NORBERT MAO,
Minister of Justice and Constitutional Affairs.

A BILL for an Act

ENTITLED

THE ANTI-TERRORISM (AMENDMENT) ACT, 2022

An Act to amend the Anti-Terrorism Act to provide for the offence of proliferation financing and for related matters.

1. Amendment of section 2 of Anti-Terrorism Act, 2002

The Anti-Terrorism Act, 2002, in this Act referred to as the principal Act, is amended by inserting immediately after section 9A, the following—

“9B. Proliferation financing

(1) A person or organisation commits the offence of proliferation financing where the person or organisation—

- (a) makes available an asset;
- (b) provides a financial service; or
- (c) conducts a financial transaction,

and the person knows that, or is reckless as to whether, the asset, financial service or financial transaction is intended, in whole or in part, to facilitate any of the activities specified in subsection (2), regardless of whether the specified activity occurs or is attempted.

- (2) The activities referred to in subsection (1) are—
- (a) the manufacture, production, possession, acquisition, stockpiling, storage, development, transportation, sale, supply, transfer, export, transshipment or use of—
- (i) nuclear weapons;
 - (ii) chemical weapons;
 - (iii) biological weapons; or
 - (iv) materials related to nuclear weapons, chemical weapons, biological weapons or radiological weapons that are prescribed by regulations or restricted or prohibited under any enactment relating to export or import controlled measures; and
- (b) the provision of technical training, advice, service, brokering or assistance related to any of the activities mentioned in paragraph (a).

(3) A person or organisation that contravenes subsection (1) is, on conviction, liable to imprisonment not exceeding twenty years or a fine not exceeding five hundred thousand currency points or both.

(4) Where an organisation commits an offence under this section, any officer, director, or agent of the organisation who directed, authorised, assented to, acquiesced in or participated in the commission of the offence is a party to the offence prescribed in subsection (3) and is liable to the punishment for the offence.

2. Amendment of section 32A of principal Act

Section 32A of the principal Act is amended by inserting immediately after “Act” the following—

“including on targeted financial sanctions on terrorism financing and proliferation financing.”