

## **PRESS RELEASE**

### **DIRECTORATE OF PUBLIC PROSEUTIONS**



### **STATEMENT ON THE DISMISSAL OF THE PENSIONS CASE INVOLVING THE MISAPPROPRIATION OF 165 BILLION BY THE MINISTRY OF PUBLIC SERVICE**

#### **(UGANDA VS JIMMY LWAMAFA AND 8 OTHERS)**

**12.4.2015**

The Directorate of Public Prosecutions yesterday 13<sup>th</sup> April, 2015 received the ruling of a Chief Magistrate at the Anti-corruption Division of the High Court, Her Worship Sarah Langa Siu, by which she dismissed the corruption case involving Ministry of Public Service Officials who misappropriated over 165,000,000,000/= (one hundred sixty five billion shillings).

In light of the above dismissal, the DPP communicates as follows:

1. The case was first registered in court on 29<sup>th</sup> January, 2013, and the nine suspects implicated in the scam were charged and took plea. They denied the charges and were released on bail two days later. These were Lwamafa Jimmy (Permanent Secretary), Kiwanuka Kunsu Stephen (Director Research and Development), Obey Christopher (Principal Accountant), Oloka David Japiens (Senior Accounts Assistant), Lubega Francis (Information Systems Analyst) and Lwanga Stephen (Accounts Assistant) all officials of Ministry of Public Service.

Other accused persons charged are Ssajjabi Peter (Secretary, East African Community Beneficiaries Association) and Ssentongo Ishaka (Asst. Manager

Operations) and Nakigozi Rahmah Mugeere (Compliance Officer) both officials of Cairo International Bank.

They were charged with various offences of abuse of office, Causing Financial Loss, neglect of duty, embezzlement, theft and conspiracy to defraud.

2. The case suffered several technical legal challenges and setbacks since its registration in court.

a) A constitutional petition challenging the constitutionality of the operations of the magistrates at the Anti-corruption division resulted in the freezing of all criminal cases and matters before the Magistrate's courts for a period of about 7 months. The pensions case therefore could not proceed until 8<sup>th</sup> January, 2014 when the freezing of the Magistrate's operations was lifted.

b) Having been cleared by the constitutional court, the case was refixed for hearing on 3<sup>rd</sup> April, 2014. The DPP then took a decision to amend the charges to include Cairo International Bank (as a separate legal entity) and Tarekh Mohamed (the General Manager Cairo Bank) on the basis of the further evidence received.

This amendment resulted into another legal challenge before the High Court Civil Division, which issued a ruling on 5<sup>th</sup> May, 2014, restraining the DPP, his officials or any person acting under his authority from charging, prosecuting, arresting or summoning Cairo Bank.

Consequently the trial stalled till 26<sup>th</sup> January, 2015 when the High Court made a final ruling, quashing the decision of the DPP to prefer charges of Theft and Conspiracy to Defraud the Government of Uganda of 165,416,588,331/= (One hundred sixty five billion four hundred sixteen million five hundred eighty eight thousand three hundred thirty one shillings) against Cairo International Bank.

The DPP being dissatisfied with the ruling requested the Attorney General to file an appeal against the ruling of the High Court which appeal is currently pending before the Court of Appeal.

The proceedings before the Chief Magistrates' court resumed and the case was subsequently fixed for hearing on 23<sup>rd</sup> March, 2015 and the 13<sup>th</sup> April 2015 when it was dismissed.

The DPP's office is committed to playing its constitutional role in prosecuting the pensions case to its logical conclusion and has committed resources, time and expertise to that end. It has worked with other stake holders to focus the investigations and ensure that evidence secured is reliable and admissible. We are convinced that the evidence so far secured not only implicates the nine accused persons initially charged but also Cairo Bank and the then General Manager of the same bank.

The dismissal of a criminal case for want of prosecution does not under the law preclude/bar the Directorate from re instating the charges afresh against all the accused persons.

The office is committed to have this case re-instated and prosecuted to its logical conclusion.

***ISSUED: 14<sup>TH</sup> April, 2015***