

Uganda: Why Museveni fired energy PS Isabalija after only 10 months

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Dr Stephen Isabalija has been fired as the permanent secretary in the ministry of energy and mineral development, after only 10 months in the job.



Dr Stephen Isabalija

Isabalija, who was appointed in November 2016, and replaced Kariisa Kabagambe, who had been at the ministry for 20 years.

Government spokesperson, Ofwono Opondo, confirmed Isabalija's sacking on Twitter, saying he has been asked to step aside. He did not give the reason for the sacking.

"Dr Isabalija had expectations that he was supposed to meet but failed so his contract was revoked by the president," he wrote. "Isabalija hasn't been posted anywhere. There president directed that he should be given one-month's salary in lieu."

Yesterday, the government announced that Isabalija has been replaced, in an acting capacity, by Robert Kasande, hitherto the acting director at the directorate of petroleum in the energy ministry.

Denis Kusasira, a lawyer and expert in energy industry, said Isabalija sold himself as "somebody who knew something about the industry and the president believed him" but he had failed to keep up once he was put on the hot seat.

"If you don't know and don't want to learn, the industry will reject you. This is an industry of knowledge. You cannot get into it if you don't know," he said. "The people you're dealing with know what they are doing. You can't come and gamble. He ended up messing up."

The most recent discomfort with Isabalija's management style was the way he handled the oil refinery deal. One of the consortia, led by Guangzhou DongSong Energy Group Ltd, complained they were appraised as best bidder but were surprised to see another firm being announced as having been chosen for the deal.

Government had chosen a consortium made up of American and Italian firms including General Electric [GE], Yaatra Ventures/ Intracontinent Assets Holdings and Saipem of USA and Italy.

The blame was laid squarely on Isabalija, who later told *The Observer* that they "went through a verifiable process that is open for scrutiny and we are still following the same"

Isabalija was blamed for choosing another consortium without informing the energy minister Irene Muloni.

However, some oil industry watchers told *The Observer* that it was highly unlikely that "a mere" permanent secretary would make a key decision on bids for such a strategic and highly lucrative piece of oil infrastructure without the nod or direction of President Museveni or cabinet, let alone the energy minister.

The refinery will cost about \$4bn to build. President Museveni has been intimately involved in key decisions concerning development of the oil sector, in particular the oil refinery and the pipeline.

Given this, observers say, Isabalija could have been fired to appease powerful actors in the oil industry, including the Chinese consortium, who are not satisfied with the decisions on lucrative oil deals.

But there have also been complaints over the handling of the chasing of artisanal miners from the Mubende gold fields.

A source at the ministry of energy told us one of Isabalija's transgressions was insubordination. He said he took decisions without the knowledge of the minister, which created discomfort at the ministry.

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