

Trade and business promotion in Uganda (Intra-Region and International Trade)

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Structure of the presentation

- Role of UEPB in trade promotion
- Importance of Intra-regional trade to Uganda
- Other trade partners
- Importance of logistics (transport, storage, handling, and documentation)
- Recommendations and conclusions



Where are the markets ?

Uganda's Markets

1. UAE
2. Kenya
3. South Sudan
4. Rwanda
5. DR Congo
6. Sudan
7. The Netherlands
8. China
9. Tanzania
10. Burundi

Kenya's Markets

1. The Netherlands
2. UK
3. USA
4. Uganda
5. Tanzania
6. Rwanda



Importance of Regional Markets

- **Regional market is Uganda's No. 1 export destinations**

Regional Markets:

- Market familiarity;
- Proximity,
- Growing demand,
- Less stringent standard requirements
- Buying valued added/ manufactured products.



Opportunities – products and markets

- **Products:**
 - **Agric:** Fruits & vegs; maize; beans; coffee; cocoa; tea; sesame seed; flowers;
 - **Manufactured:** building materials; plastics; beverages; detergents; cosmetics
- **Services:** Education; ICT; architecture & construction; accounting & audit legal;



Top 10 Export Destinations, 2014-2017

Country	Main Products
Kenya	Tea, tobacco, dairy & poultry products, maize,
UAE	Gold, Fish fillets, fruits and vegetables
Rwanda	Iron/steel products, confectionery, cosmetics
South Sudan	Beverages, sugar, vegetable oils & fats, maize
Sudan	Coffee, tea
The Netherlands	Flowers, fruits and vegetables, fish
DR Congo	Cereals, other food stuffs,
China	Hides/Skins, oil seeds, plastic scrap
Tanzania	Iron/steel, re-exports
Burundi	Stationary, building materials, vegetable oils/fats



Uganda: Key Destinations of Exports (US \$mio)

	2010	2011	2012	2013	2014	2015	2016
EU	409.39	576.07	503.51	547.56	526.85	464.95	460.93
Belgium	24.88	30.57	33.58	35.79	35.25	16.93	27.26
The Netherlands	84.46	92.96	92.00	99.45	85.17	74.64	76.05
REST OF EUROPE	25.21	53.19	45.45	64.74	51.31	39.90	51.62
Switzerland	17.42	46.85	38.10	51.28	41.31	34.45	34.43
THE AMERICAS	23.50	44.98	34.84	49.81	47.03	42.09	48.46
USA	20.97	32.63	23.35	38.70	36.02	32.18	35.86
MIDDLE EAST	131.32	158.02	234.87	101.49	198.08	231.66	502.16
UAE	120.00	143.39	220.25	82.20	176.60	205.82	485.13
ASIA	100.53	160.96	143.06	142.42	186.94	181.84	188.62
India	14.55	19.95	13.58	15.24	23.53	22.59	42.32
China	21.60	26.49	29.49	37.70	65.85	57.62	26.64
Hong Kong	18.29	31.86	26.98	24.97	34.21	36.10	38.63
COMESA	780.00	999.32	1,244.48	1,270.32	1,202.84	1,216.10	1,141.10
Kenya	187.61	229.33	254.61	314.11	341.81	427.33	422.99
Burundi	51.07	41.43	46.31	48.66	44.22	46.12	44.86
Rwanda	148.89	193.41	226.15	216.52	245.37	237.61	193.98
Sudan	202.55	329.20	403.68	239.11	101.87	77.83	48.48
Congo (D.R.)	182.24	181.49	238.68	267.93	182.29	152.05	177.66
South Sudan		0.00	1.92	174.23	280.55	265.26	239.25
REST OF AFRICA	57.21	64.64	58.15	96.90	95.04	89.69	107.64
Tanzania	37.61	42.76	54.92	48.32	56.12	62.25	68.09
Total (Formal)	1,635.60	2,163.29	2,349.73	2,407.45	2,310.18	2,268.06	2,502.01

INFORMAL TRADE

INFORMAL TRADE	2010	2011	2012	2013	2014	2015	2016
DR Congo	143.18	126.13	157.91	135.01	139.46	181.35	221.27
Kenya	94.07	69.46	79.95	69.69	92.89	96.44	79.13
Rwanda	32.88	35.07	38.10	27.85	24.55	21.75	33.47
S. Sudan	196.90	83.72	115.06	130.81	119.47	79.50	41.60* *
Tanzania	53.32	28.85	47.46	42.77	23.27	18.22	43.76
Total	528.34	355.84	453.73	421.26	414.59	399.13	419.24

** **S. Sudan** figures could be more.



Uganda Export
Promotion Board_g

COMPOSITION OF IMPORTS

IMPORTS	11/12	12/13	13/14	14/15
Machinery Equipment, Vehicles & Accessories	1,256.94	1,229.09	1,174.89	1,232.03
Wood & Wood Products	133.22	116.73	115.41	114.01
Petroleum Products	946.96	1,028.07	1,089.84	933.03
Chemical & Related Products	415.37	447.77	476.02	530.80
Veg Products, Animal, Beverages, Fats & Oil	444.35	447.09	413.08	441.54
Base Metals & their Products	344.90	283.97	319.31	345.28
Plastics, Rubber, & Related Products	242.28	245.88	252.15	302.06
Prepared Foodstuff, Beverages & Tobacco	307.39	222.42	246.83	203.79
Miscellaneous Manufactured Articles	181.76	230.33	226.19	238.63
Textile & Textile Products	136.99	132.97	162.43	165.93
Mineral Products (excluding Petroleum products)	263.10	136.12	147.86	153.94
Animal & Animal Products	19.60	18.41	24.10	24.39
Arms & Ammunitions & Accessories	0.03	0.11	0.04	0.10

Role of the state in international business

- Prioritize human resources and skills development
- Ensure peace and stability
- Regional integration (and regional stability)
- Enabling environment for the economy to grow with private sector friendly policies and strategies
- Support production and productivity
- Marketing the country for image purposes
 - Giving our exports products and services as seal of approval (the imprimatur)

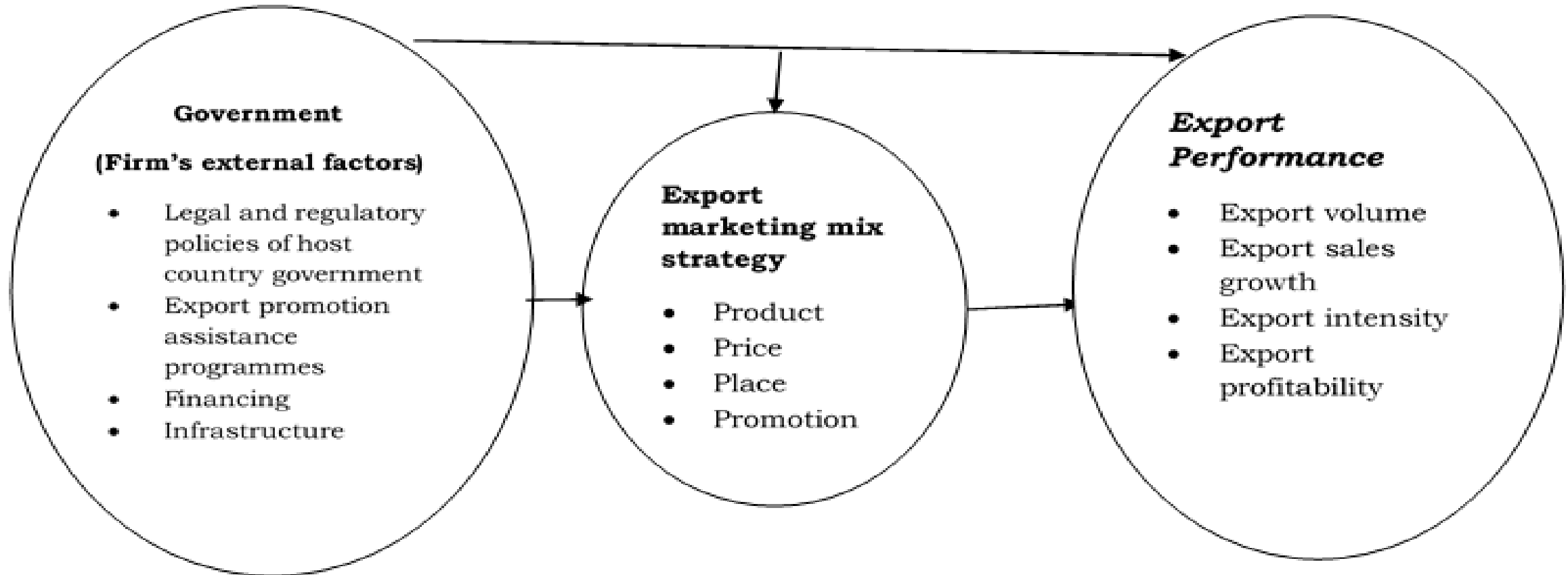


Logistics and export promotion

- Logistics and documentation
- Transport – rail, roads, air, water, and a combination of some
- Storage – warehousing; cold storage
- International trade terms (inCoTerms)
- Clearing and forwarding



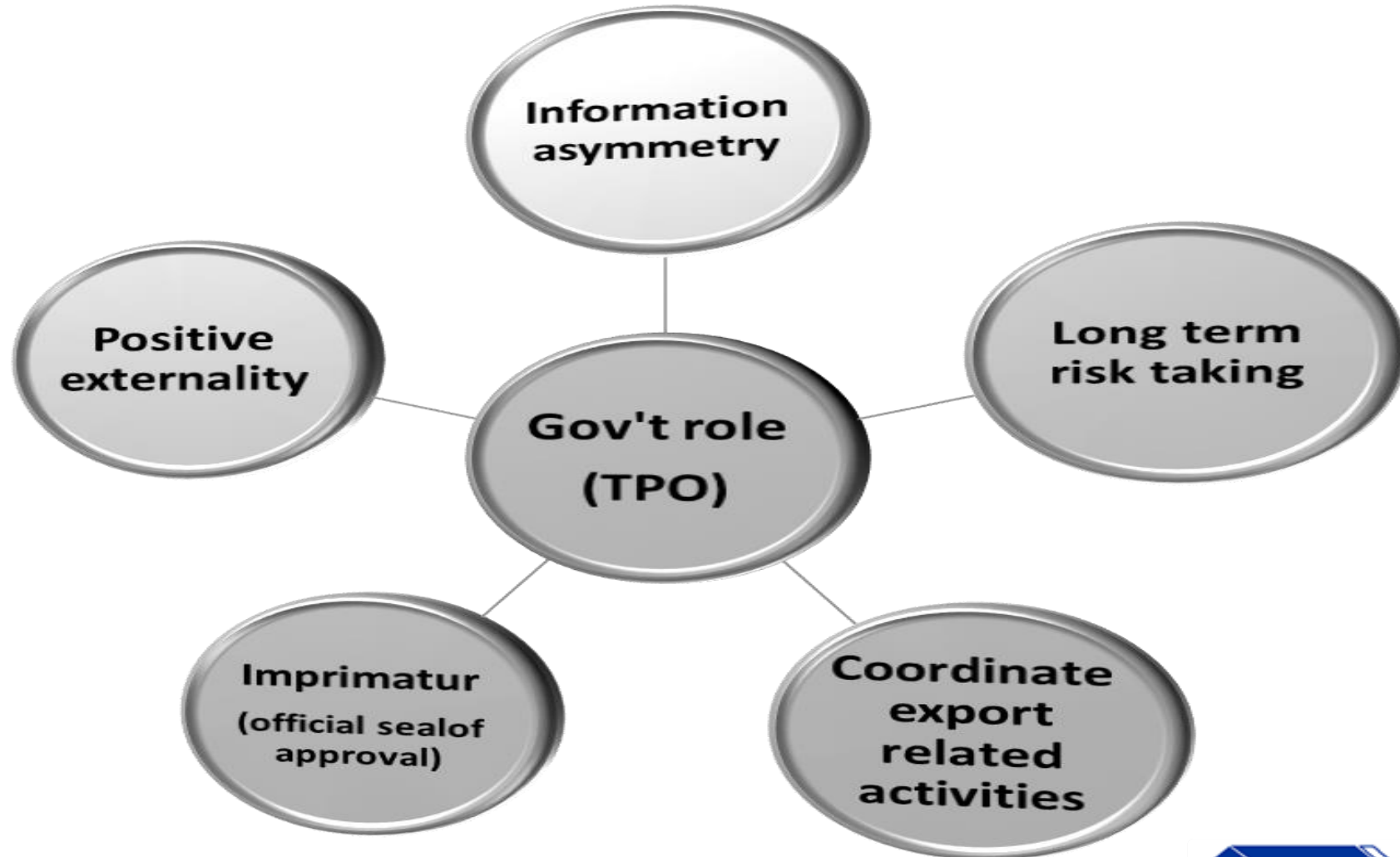
Gov't & Firm export performance



Source: Twineyo, R.E., (2009)



Gov't & Intervention logic



Functions of UEPB

- 1. To provide trade and market information services**
- 2. To promote the development of exports** including:
 - provision of hands-on technical advice in production and
 - postharvest handling of exports;
 - test-marketing new export commodities and products;
- 3. To provide trade promotional services**
- 4. To provide customized advisory services in various areas**
- 5. To formulate and recommend to the GoU** export plans, policies and strategies designed to provide efficient, adequate and coordinated measures for promotion of Uganda exports.



Gov't and export performance

Gov't (MDAs)	Role
UEPB	Export dev't; export promotion; Coordinate all export-related activities;
UIA	Investor facilitation; investor aftercare;
Ug Free Zones Auth (UFZA)	<ul style="list-style-type: none"> Investor facilitation; investor aftercare;
UNBS	<ul style="list-style-type: none"> Quality; standards
Immigration	<ul style="list-style-type: none"> Travel document; working permits;
MAAIF	<ul style="list-style-type: none"> Legislation; inspection; phytosanitary certificates
MTIC	<ul style="list-style-type: none"> Industry, MSMEs development; cooperatives; trade – internal trade; external trade
MOFA	<ul style="list-style-type: none"> Commercial diplomacy; public diplomacy;
MOFPED	<ul style="list-style-type: none"> Economic policies; budget; investment policies;
Others	<ul style="list-style-type: none">



WAY FORWARD

Challenges

- Market information
- Entry and sustainability (quality & quantity)
- Coordination of Gov't in export dev't & promotion

Required interventions

- Gov't support to acquire market information
- Export led production
- Gov't role TPO (Info asymmetry, long term risk taking, positive externality, coordination of all export related activities & **imprimatur**)
- Marketing offices in target market

One- Stop Centre for coordination of all export related activities (supported and empowered)



Thank you



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