UK-UGANDA

3RD UGANDAN UK CONVENTION

Trade & Investment Forum 2013

theme "Driving Growth in Uganda"

DIASPORA PERSPECTIVE

SUMMARY REPORT

and presentation's transcripts

Saturday, 14 September 2013

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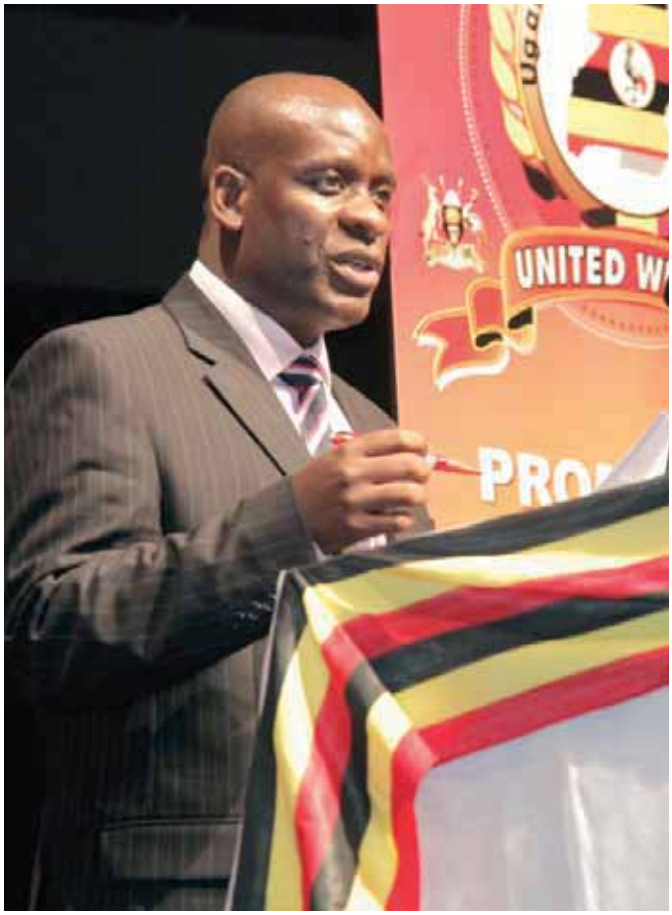

Willy Mutenza, *Chairman*
UGANDAN UK CONVENTION
Ugandan UK Trade and Investment Forum
- Driving Economic Growth in Uganda

For the 3rd time Ugandans in the Diaspora hosted its annual forum with flying colours of success, investors, Ugandans, business leaders, politicians blessed the events in great numbers.

We can't attribute the success of the convention to only the number of delegates but the outcome and achieving some of our objectives. During his keynote presentation the Vice President of Uganda Hon. Edward Ssekandi reported that the Ugandan government plans to establish a fully pledged department to handle Diaspora matters in the Ministry of Foreign Affairs and that a legal frame work shall be put in place and its key objectives will be:

- Promotion of dual -citizenship
- Extending visiting rights and participation in the electoral process
- Creating platforms for the Ugandan Diaspora to participate in national development planning and policy formulation.
- Creation of economical opportunities including operating Diaspora Forex accounts, access Diaspora bank and the purchase of Diaspora bonds.
- Promotion of the Diaspora rights and observation of the Diaspora week

He further said that "This is an effort by the government to be accountable to her people both at home and the Diaspora".

Hon. Mariam Nalubega who was representing Rt Hon. Rebecca Kadaga delivered another positive message from the speaker of Parliament to assure Ugandans in the Diaspora that she is pursuing the issue of appointing the Minister of Diaspora affairs, scraping of the dual citizenship fees and that she has already established a desk in the parliament of Uganda in-charge of Diaspora affairs. All these were resolutions from previous conventions and an indication that the Ugandan government is listening to views and issues affecting Ugandans in the Diaspora.

It was also a milestone achievement to host Buganda Land Board and its investment company (BICUL), this was an indication that Buganda Kingdom has embraced the Convention.

We wish to express our deepest thanks to the Hon. Edward Kiwanuka Ssekandi, Vice President, Patrick Bitature – Chairman of Uganda Investment Board, Mr. Richard Kamajugo, commissioner for customs, Sebaggala M. Kigozi, CEO, Manufacturing Authority, Hon. Amongin Aporu (MP) Minister of State for Teso, Hon. Sam Engola, Minister of State for Housing, Hon. Nekesa Barbara Oundo, Minister of State for Karamoja, Commissioners and Ambassadors, Honourable Members of Parliament, Officials from different Government Ministries, Departments and Agencies, Representatives of the Private Sector Speakers and Panelists.

Special thanks goes to the community and community leaders for their dedicated support and all our exhibitors. You have all paved the way forward for enhanced and enriched communication between members of the Ugandan Diaspora, investors and Uganda itself, and have also, undoubtedly brought Ugandans in the UK closer together.

Without forgetting all visitors, who through their attendance have acknowledged the crucial role that the Diaspora has to play in the development of Uganda, and with whom, a definite way forward can now be etched to fully participate in Ugandan affairs in a most fruitful and successful way.

Last but not least I would like to acknowledge the work of the volunteers and the convention organising team who helped to make it possible, their support and contribution are highly appreciated and to all those too many to mention, who in one way or another have given their encouragement and shared ideas to make this third Ugandan UK Convention a truly outstanding success thank you so much all for your contribution.

For God and My Country

Willy Mutenza, *Chairman*

UGANDAN UK CONVENTION 2013
Ugandan UK Trade and Investment Forum

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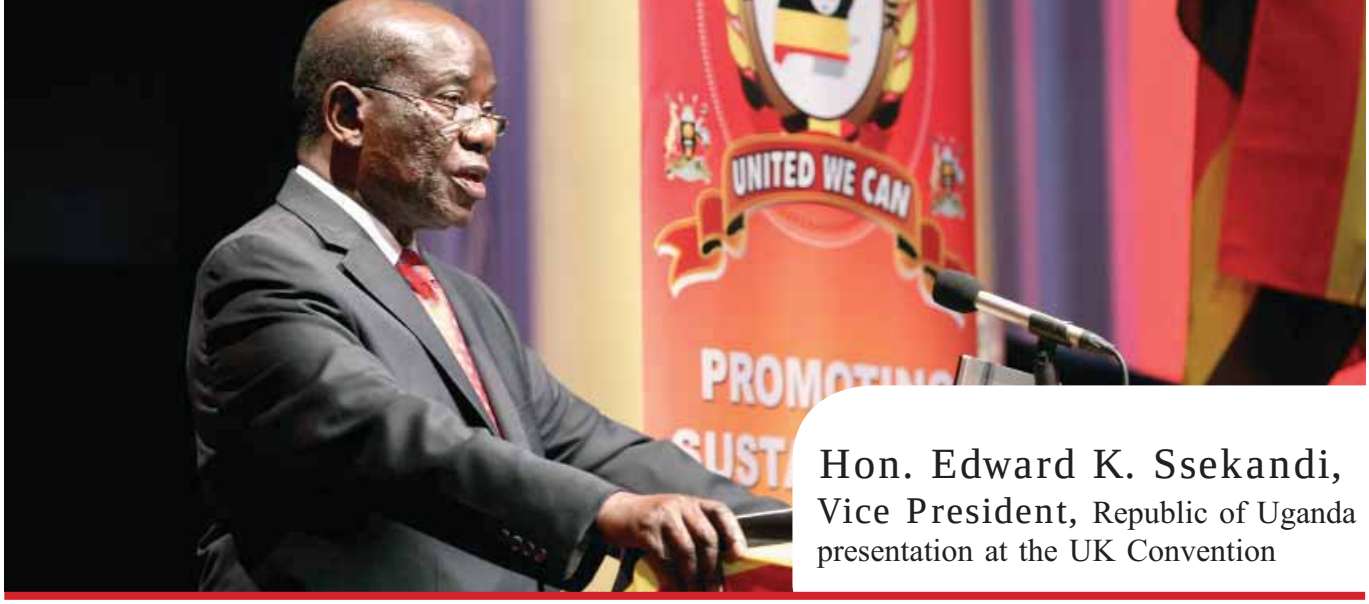


Hon. Edward K. Ssekandi, Vice President, Republic of Uganda presentation at the UK Convention

The Vice President HE Edward K Ssekandi during his keynote speech stated that the UK Convention is an opportunity for all delegates to map out the social economic destiny of our country Uganda. He recognised and appreciated the very important role that Ugandans in the Diaspora play. The Vice President expressed his gratitude, on behalf of the government and people of Uganda, for having been able to participate in this forum and gladly noted that a cross-section of experts, business leaders,professionals, representatives from prominent bodies based in Uganda, UK and everywhere had graced this forum. "I am convinced that the third Ugandan forum shall enable us to develop new business ideas, form business partnerships, create networks and suggest best solutions for Uganda's development" he said.. He reiterated that the road to development and growth is partly vested in investment by local Ugandans and foreign investors.

He then proceeded to outline Government plans to establish a fully pledged department to handle Diaspora matters in the Ministry of Foreign Affairs and that a legal frame work shall be put in place to support the national Diaspora and that its policy key objectives will be:

1. Promotion of dual -citizenship
2. Extending visiting rights and participation in the electoral process
3. Creating platforms for the Ugandan Diaspora to participate in national development planning and policy formulation.
4. Creation of economical opportunities including operating Diaspora Forex accounts, access Diaspora bank and the purchase of Diaspora bonds.
5. Promotion of the Diaspora rights and observation of the Diaspora week

"This is an effort by the government to be accountable to her people both at home and the Diaspora" he reiterated. He informed delegates that the government has always endeavoured to ensure a safe, stable and conducive environment for business by instituting appropriate policies and putting in place physical infrastructure to ease the conduct of doing business in Uganda.

"In this regards therefore" HE Sekandi said, " the government is working on the necessary legal framework to provide public private partnerships based on the desire to have public goods with private participation and meet efficiency in service delivery. This will also save public funds for other priorities, hence a public private partnership bill 2012 is currently before Uganda parliament for appropriation.

The Vice President stated that over the years the government has advanced much which Ugandans ought to be proud of. He shared some statistics to illustrate the economic recovery as follows; tax collection has risen from 5 billion shillings in 1986 to 9475 billion in this financial year 2013-2014, which has empowered the government to create an energy fund which has helped fund a number of energy regeneration and transmission projects including a total of 17905 of electricity distribution lines now being put up while load shedding has become history. In the transport sub-sector, the Vice President said the government of Uganda has been able to fund reconstruction, rehabilitation and periodical maintenance of roads using internally generated funds.

He reported that the 2.3 Trillion Uganda shillings for roads in this year's budget will enable government to upgrade a number of roads to tarmac, and with the discovery of oil, Uganda's strategic importance has gone up and that the oil sector and related businesses shall enormously fast track the transformation drive of the country. He then called on those interested in the oil and gas sector to work towards its success.

He also highlighted the main factors that make Uganda a prime investment destination:

1. Predictable business environment
2. A fully liberalized economy

He revealed that an investor can freely bring in and repatriate their money, market accessibility, security for investment, tax exemption, duty free import for plant machinery and many other incentives which all make Uganda today ripe for investment in the following sectors:
Agro- business, Fishery, Forestry, Manufacturing, Mining, Financal services, Tourism, IT and Infrastructure

Mr Ssekandi reminded delegates that significant effort is needed to develop physical and non- physical infrastructure as a way of ensuring faster development in the country and that given the cross-section of business minded people in the forum he was hopeful that a lot would be achieved through the UK Uganda Investment Forum 2013.

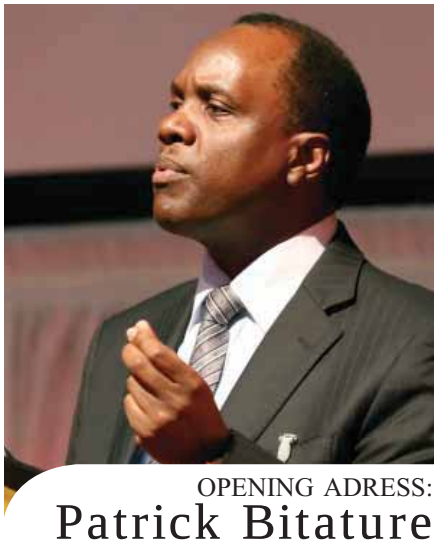
In conclusion, the Vice President categorically stated that the government of Uganda and its people are proud of Ugandans in the Diaspora because they have not forgotten their country by demonstrating their love and commitment to develop Uganda by the kind of investments they are making in Uganda.

He assured delegates that government will protect their interests and ensure that Ugandans in the Diaspora have a say in policy formulation of Uganda.

He reiterated that Diasporans have a right to have the kind government they want He ended his speech by thanking the organisers for such a successful event and the sponsors for the good heart.

For God and My Country

Hon. Edward Kiwanuka Ssekandi,
Vice President, Republic of Uganda ■



OPENING ADRESS:

Patrick Bitature

Chairman of Uganda Investment Board
CEO Simba Group

Mr Patrick Bitature Chairman Uganda Investment Board and CEO Simba Group, in his opening address recognised the Vice President, Ministers, Members of Parliament, Members of the Diplomatic Corps, Captain of business and industries, ladies and gentlemen. He expressed his pleasure for having been given the opportunity to talk about Uganda investment opportunities and share what he has been doing in the last few years, trying to encourage investment to Uganda.

He shared an incident he witnessed recently at a funeral in Uganda where an old man pointed out the importance of the rear view driving mirror, something everyone takes for granted.

It helps one to reflect on where they are coming from, because a single event can change everything in one's life so quickly and that is why it is so important to look back. He reminded delegates that it was twelve years since 9/11, the event that transformed lives and changed the trajectory of life completely especially in the area of travel. "It reminds us of what effect one single event can have on the entire world".

He said events about global warming followed with droughts, floods and shortly after that came the global financial crisis which affected Uganda as well with its effects still being felt. Mr. Bitature also reminded delegates about the Arab spring that took place in Tunisia, Libya and Egypt, then he wondered how one could take a minute to reflect where we are as a country and a continent if we do not have that driving mirror to see where we are coming from. He said because people thought the Arab Spring was going to be contagious, African governments had to become steady fast and ensured their countries stayed on track. He then reminded delegates about the Eurozone recently and in Uganda, the scandals of corruption in the Office of the Prime Minister.

Referring to the events in Syria, Mr Bitature wondered why people keep asking whether they will have impact on Africa. He pointed out that Africa must be seen as the last frontier. "This is the time to invest and take a position in Africa, and more so focusing on Uganda as Uganda lies in the heart of Africa" Mr Bitature said. He concluded his background by emphasising that Africa possesses a huge opportunity which could engulf the rest of the world.

Turning his focus on Uganda, Mr Bitature said Uganda's population is growing very fast and probably the fastest in the world at 3.2%, and that we need a GDP of 9% just to maintain where we are. We hope to target double digits population growth that will help us overcome the challenges of our fast growing population. He reminded delegates that the picture most people in the west have about Africa is poverty, riots, war and these images have to change in order to change the image of Africa.

"Africa is not about turmoil, even here in the UK we see turmoil, demonstrations every day and Africa has its own challenges and problems although it possesses a lot of opportunities". He outlined the opportunities in Africa as a new trajectory focusing on infrastructure, working with the private sector throughout Africa on connectivity focusing on developing roads, railways, ICT and electricity which he emphasised are key to development in Africa. As a businessman, Mr. Bitature, appreciated the direction Uganda is taking on addressing infrastructure because it is key to breaking the stranglehold of poverty the country has had for far too long. "Power infrastructure has been a big challenge and without power there cannot be industries and without industries there cannot be meaningful jobs" Mr Bitature reiterated. He compared Uganda to Spain which produces 68 gigawatts and yet the entire continent of Africa produces 68 gigawatts of power of which 44 is produced by South Africa. He emphasised that Africa needs to address those issues. He was happy to note that fortunately resources have been mobilised in that direction partly because of macroeconomic stability and good governance.

Mr Bitature reminded delegates of the reference to Africa as the Dark Continent, which according to him presents enormous opportunities. He cited the mobile phone industry which in the year 2001 there were hardly no mobile phones, but today 550 million people are using mobile phones in Africa. A market that did not exist but because challenges bring opportunity and the same will happen in the energy sector, roads and railway in the coming years. Delegates were informed that as far as broad band is concerned, East

Africa is now connected to the new high-speed undersea internet cable with the rest of the world and this presents huge opportunities that IT brings.

"Uganda is strategically located in the heart of Africa largely because it is land linked to very many people" Mr Bitature pointed out, that though Uganda has a population of 33 million, it is hardly a market to talk about when someone wants to make a huge investment. The solution of getting adequate market lies in the East African Community and other economic blocs that Uganda has joined such as COMESA, the Great Lake region and that the opportunity presented to potential investors becomes much bigger as this presents a market of 130 million people. He singled out the South Sudan as another potential market in Africa.

Mr. Bitature shared that in the last year, Uganda has managed to attract a reasonable amount of direct foreign investment largely because of good corporate governance and a liberalised economy. He reported that the target to attract a billion dollars annually was missed due to the global financial crisis but that does not mean there are no investment opportunities in Uganda. He pointed out the following investment opportunities; manufacturing, agriculture, transport, infrastructure, logistics, ICT, energy, mining, petroleum, services ranging from health, finance, education and tourism. He said all those areas are easy to attract money and that the cost of doing business in Uganda is coming down every single day.

Focusing on the oil and gas sectors, Mr Bitature informed delegates that substantial amount of oil were found in Uganda, South Sudan, Kenya and a lot of gas in Tanzania. He called on delegates to seize this opportunity to invest in East Africa due to the stability in the region."Estimated reserves are in the region of five billion and hopefully we shall have a refinery which will refine products from Uganda as a means of adding value to our petroleum products" he said" And the pipeline to export the rest, with those new inflow Uganda should position itself and more so as a region."

He reiterated that the petroleum industry presents unique opportunities broken down in different sectors and that there are so many related services that present a lot of opportunities in Uganda.

Talking about mining in the region, Mr Bitature informed delegates that Tanzania and Democratic Republic of Congo are famous for mining but Uganda is positioned right between Tanzania and DRC. He said Uganda is also endowed with natural resources, only that they have not yet been explored."The government has done the aero-magnetic surveys, information is readily available and the demand and opportunities presented in the mining industry has grown considerably, with tremendous opportunities in gold, tin and copper which are all easy to venture into" he reported.

Another area with opportunities for investment in Uganda is in agro-based manufacturing. Mr. Bitature informed delegates that Uganda is a fertile country where livestock also presents opportunities. Mechanised methods, partnering with the locals and creating cooperatives are some of the approaches recommended while irrigation is a new trend, as well as technology and affordable systems.

He observed that Uganda needs to build capacity before trading with outside markets as skills, sustainable productivity, quality and standard control are key factors in transforming the agro business from the subsistence farming that most people rely on in Uganda.

Mr. Bitature shared that Uganda has a strategy to develop business and industrial parks across the country rather than having the rural-urban migration where everyone migrates to the city looking for services and work. He said this strategy will create jobs in rural areas where resources are and the government will put mechanisms and incentives to encourage people to make investments in this area to promote rural development.

Mr. Bitature also advised delegates to invest in the money belt, money is concentrated in the area where goods move, from Mombasa to Nairobi, Nakuru, Eldoret, Kisumu, Busia, Tororo, Jinja, Kampala, Masaka, Mbarara, Kabale, Kigali and also North to South Sudan and the DRC. "The infrastructure in this area is being developed and goods are now moving from Mombasa to Kampala in five days where it used to take twelve

days in the past. This easy flow of goods is partly because of the integration of the East African Community. He continued that Governments in the region are working together to remove non-tariff barriers and obstacles like the road blocks mounted by various agencies to enforce tax compliance which will bring down the cost of doing business in the region.

Mr. Bitature then went on to talk about residential and commercial buildings, real estate in general, which has made more money for investors than any other area. He testified that he has made more money in property development than in telecommunication simply because property value keeps appreciating. He pointed out that the demand for property in sectors like schools, hospitals, hostels presents huge opportunities for developer, and that Uganda property developers who have been building horizontally are now being encouraged to take advantage of vertical free spaces by building upwards.

Another area that presents huge investment opportunities in Uganda is the ICT sector. Delegates were informed that the growth in mobile money coupled with broadband availability will enable traders to trade at ease with one another in Africa, buying goods, sharing information and opportunities, setting up portals and that Uganda has advantage because of her light access and the time zones.

"Business outsourcing is an easy business to setup with as little as twelve workers targeting local businesses, dealing with local companies that need a service" Mr Bitature advised.

On tourism sector, Mr Bitature said that Uganda is endowed with very rich diversity in climate and tourism products and he encouraged Ugandans in the Diaspora to become Ambassadors to encourage people to invest in tourism, a sector which has been taken for granted. He reiterated the importance of promoting Uganda's national parks including the big five animals in Kidepo National Park, Queen Elizabeth, the gorillas, butterflies, birds and fauna.

He referred to Kenya which has done a great job in marketing her tourism industry and that people go there to see mountain of the moon, Kilimanjaro assuming it is in Kenya because of aggressive marketing which gives them advantage over our weakness in marketing and they are currently taking a lead. He informed delegates that Uganda has the biggest family of gorillas, an amazing creature so powerful and yet gentle and all these present opportunities.

He introduced Culture tourism as another area of potential opportunities, sharing that very little investment is needed but fantastic opportunities exist. He cited the cultural institutions noting that Buganda has huge advantage over the rest of the country but the rest of the Kingdoms are waking up like the Toro, Itesot, Basoga and Banyoro. He gave an example of Morocco where tourists visit and pay a lot of money to see local people and observe how they live their ordinary lives which is a big business and attracts millions of dollars. He challenged delegates that this kind of tourism is not something for the government or ministry to undertake, but for everybody to encourage foreigners to come and explore how the tourism industry can be developed.

He also referred to the entertainment industry as an area that presents huge opportunities since Kampala is one of the safest cities in Africa as endorsed by Lonely Planet.

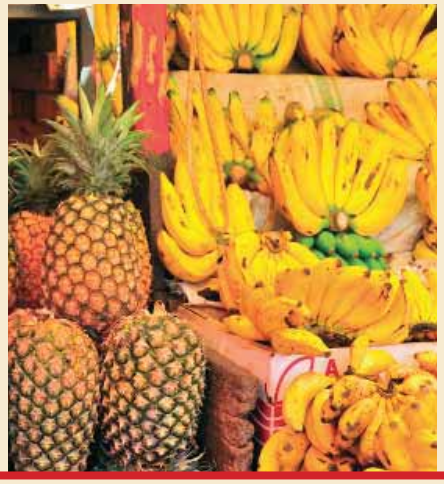
Mr Bitature wondered why Africa is so behind and called for the need to focus on education. He noted that whereas many Ugandans are educated today they are still stuck in this quagmire. He expressed gratitude that our leaders are now refining their position and that leadership is much more effective than political leaders, and he observed that today everybody is a leader and there is need to rise up to the responsibilities at hand and the challenges that we have. "Education is a must but must be structured. Educated people must be analytical and be able to address their social issues because they are educated." Mr Bitature emphasised. He concluded on this point by calling on government to ensure that children are taught the ability to identify problems, find solutions and achieve results. He lamented that if that is not achieved then the education system is in a mess.

Mr Bitature pointed out that Africa today is faced with a number of challenges as follows; corruption, fragile and weak institutions and leaders. "We must accept our positions as leaders and we must strengthen our institutions and all institutions must have a role to play and work together harmoniously then we shall eliminate corruption and make huge strides going forward." He advised.

As he ended his presentation, Mr Bitature emphasised the need for ethics, pointing out that unfortunately the current college graduates have a strong sense of entitlements without a sense of responsibility as they come out of college with a feeling of entitlement to strike if their demand are not met."This is an attitude we have got to shift and go back to business and strive to create a better society for our people." He said.

"Can we create a perfect society? No. However when you reach for perfection we can achieve excellence." Mr Bitature concluded his address.

by Patrick Bitature
Chairman of Uganda Investment Board
CEO Simba Group ■



Lord Sheikh,

Active member of House of Lords
Chairman of Macmillan Sheikh plc and
Iqra Ethical plc.

Lord Sheikh is a serving Lord in the house of Lords and one of the most successful Ugandan Asian businessmen in the UK chairing 4 successful companies. Jambo was the greeting tag line he used to greet delegates amid applaud. He said that he may be an active serving Lord but at heart is just a simple Indian who was brought up in Uganda, thanked Mr. Mutenza for asking him to speak on a key subject of attracting UK investment in Uganda. Being an active member of the House of Lords he stressed that he speak on a variety of subjects which includes business, trade and foreign affairs and very keen for UK business to take business to foreign countries including Uganda.

In the House of Lords he emphasizes that this is the right time for British companies to invest in Africa. Lord Sheikh referred to the 7% good club and they are now 9 African countries which achieved more than 7% growth this year. In Uganda the GDP growth has been at average of 6.5% for the last 20 years and he pointed out that it will not be long before Uganda joins the 7% club. Uganda is one of the fast growing economies of Africa. In 2012 Uganda GDP was over 20billion dollars. UK is Uganda's largest foreign direct investor with investment worth over 1.1 billion dollars. UK has historical ties with Uganda and believes if the ties are strengthened further will create more business links and opportunities for the two countries.

Uganda is a democratic government with a multi party system and NRM with its leadership has been in power since 1996, there has been stability in Uganda ever since and Lord Sheikh commended the ruling government for the peace and stability which are vital elements that influences investors to come into a country.

He further pointed out that top exports to Uganda includes road maintenance equipments, pharmaceutical, power generating machinery and general industrial machineries. Top imports from Uganda relates to agriculture products which includes vegetables, fruits, tobacco, coffee, tea, and spices, He commended his wife Lady Sheikh for being an excellent chef and always buys Ugandan Matooke (applaud). He emphasised that you never forget your roots wherever you are.

The elements of marketing Uganda is outlined as follows; stable liberalised economy. strong natural resources base, government commitment to private sector, low cost and trainable workforce, investment incentives and security with repatriation of profits, re-export support schemes. Regional markets like South Sudan, COMESA and the East African common market and DRC places Uganda as a strategic market to be a hub for businesses not only for Uganda but for the entire region.

Lord Sheikh talked of being chairman of four successful companies whose business interests ranges from insurance, financial services and properties. Besides his living in the UK for a long time he still has great satisfaction and affection for Uganda (applaud), born and educated in primary and secondary education in Uganda. As Winston Churchill named it the pearl of Africa, Uganda has not lost its glory and Uganda is shinning now than it has ever been before. He thanked his father who was a visionary businessman, philanthropist, politician who contested on the card of DP in the day and most importantly sown a seed in Lord Sheikh which has enabled him to succeed in politics and business in the UK. Thanked Uganda (applaud).

He said that he would like to address his remarks to the Ugandans Asians in the UK and recognised Jaffer Kapasi in the audience who is a leading personality in the Asian community. He further addressed remarks to the African Diaspora in the UK and commended the Vice President who spoke excellently on the subject and the potential of investors. The Ugandan Asians were expelled with nothing. Amin took everything but never managed to take away their brains and they used that to succeed. Ugandan Asians have done well in every walks of life and a considerable number have done well in business, professional and politics.

Recently the House of Lords debated the success of Ugandan Asians. He appealed to Ugandan Asians to invest in Uganda and repatriate resources and expertise which Uganda needs to develop and encouraged them never to have any grudge with the government and the people of Uganda, "the past is past and we should forget and move on, this is the time to think about the present and the future of the coming generations" he said.

The African Diaspora have done well , both in business and professional and have remitted a significant amount to their countries. He pointed out that Uganda is soon launching a Diaspora bond to provide a safe method for Ugandans in the Diaspora to invest in their country.

He urged the Uganda Diaspora that Uganda needs them (applaud).

Sheikh urged potential investors to look at opportunities which includes agriculture, oil and gas and being new it presents a lot of opportunities in the field of exploration, engineering, training, refinery and infrastructure which has apply opportunities in building roads, commercial housing and design of hydro power generation plants. Fisheries is another sector to consider as vast opportunities in fish farming and processing for exports.

Further urged investors to look into mining, forestry, financial services, telecommunications, tourism, manufacturing, printing and publishing, just to mention a few.

He finally referred investors to utilise the expertise of advisory staff at the British Embassy in Kampala to guide them on the various business opportunities and how to succeed in Uganda.

by Lord Sheikh ■

Hon Muloni, Minister of Energy/Mineral Development

Sebuwufu Roland, CEO Buganda Investments (BICUL)

Mrs Janet Mukiibi, KK Advocates

Sector Panel Discussion:

Energy & Natural Resources, Real Estate, Housing and Construction, Infrastructure, Manufacturing and Transport

An overview on opportunities in Energy, Real Estate sector, Housing and Construction and infrustructure. Specific discussion on Land acquisition | Development costs | Finance Availability | Urban vs Rural Project Economics | Priority PPP Infrastructure Projects

The session was moderated by Ambassador Wanume Kibedi Zaake, Denmark and the Nordic Countries and panelists included: Hon. Eng. Irene Muloni, Minister of Energy and Mineral Development, Hon. Sam Engola, Minister of State for Housing, Sebaggala M. Kigozi, Executive Director, UMA, Mrs Janet Mukiibi, KK Advocates and Roland Sebuwufu, CEO Buganda Investment.

Hon Muloni, Minister of Energy and Mineral Development started by thanking Patrick Bitature for the highlights in his presentation on mineral and energy opportunities in Uganda. We can't talk about investment without finding a solution to the challenges of infrastructure, energy. These are fundamentals and we need energy which is an engine for development. Energy to give you the power to drive the economy and Uganda is endowed by natural resources in plenty and it is your opportunity to harness those natural resources. Transforming them into goods and services so that we transform Uganda from where we are to a first country a few to come.

Hon. Muloni thanked the great leadership especially of HE Museveni for his visionary leadership, his focus which even highlighted especially focusing on what matters that is going to transform Uganda into a first world country. Right now we have confirmed 3.5 billion barrels of crude oil. It is intended to refine and add a value to it to meet our country need in terms of petroleum products and serve the needs of East African market and then look beyond the outside world.

The government has now put new laws for the upstream and mid-stream and is now trying to create a petroleum authority that is going to regulate the sector and also a national oil company that is going to take care of the commercial aspects of business on behalf of the country. Already three international companies are licensed; CNOOC (China) , Tullow (UK) and Total (France) and all these are on the ground working out development plans to start production. Within the next two years we could start producing oil and refining and going to be in a phased manner and expecting to produce about 30,000 barrels to 60,000 and later as exploration and production might be stepped up to 120,000 barrels.

And the entire value chain of petroleum exploration brings a lot of opportunities right from exploration where areas will be demarcated into blocks to welcome potential investors to bid for them competitively to join the exploration process. Logistics, facilities and services presents huge opportunities. Local content is encouraged as Ugandans into the sector. Despite the fact that all these involve huge investment capital but if you will be able to participate through joint ventures you will be able to participate in any of the opportunities in the value chain. Energy since the commissioning of Bujagali, load shedding is an issue of the past since we have enough energy to sustain Uganda but because of this development, the economy is growing very fast and many businesses are coming up and all require electricity, so the demand is growing so fast.

And plans are needed to increase the energy generation capacity, this presents opportunities in alternative renewable energy which ranges from hydro, solar, geo-thermal, wind and biomass all these are potential with government guarantee to buy all generated power to the national grid as there is a feeding tariff that has been structured by the regulator, this gives an idea of what is the cost of electricity that you are going to sell to the national grid.
Various sites for hydro power generation are available for investors and the regulator has a compiled list of these sites with feasibility studies already done.

Minerals is another area and so far Uganda has discovered about 13 metal minerals and 17 industrial minerals across the country. Geo data is available and has been carried out to about 80% of the country and readily available and the 20% which is in Karamoja are in the process of being surveyed. Investors are encouraged to invest in processes that add a value to minerals before they are

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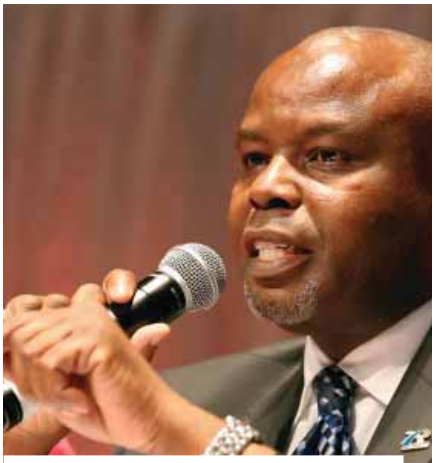
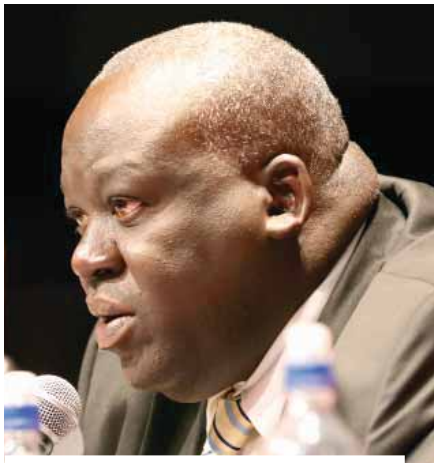
Ambassador Wanume K. Zaake, Denmark and the Nordic Countries



Sebaggala M. Kigozi, Executive Director, UMA



Hon. Sam Engola, Minister of State for Housing

exported out of the country.
Uganda new laws recognises local investors, emphasising that 48% of shares in any company that is investing into the petroleum must be Ugandan and opportunities within the value chain priority will be given to Ugandans companies with capacity. And this is an effort to ensure that all Ugandans are part and partial of the development process in harnessing these resources and take full advantage of the opportunities that exist back home.

Diasporans are encouraged to take advantage in order to transform Uganda into a middle income earning group.
Hon. Muloni invited investors to try Uganda as they are numerous opportunities. She assured that the legal, institutional and regulatory frameworks are all in place. Uganda is stable and your investment is guaranteed and the return on investment is very high comparing to other countries.

Hon Sam Engola, Minister of State for Housing highlighted the shortfall of 1.2 million houses. he invited investors to come to Uganda and introduce new and affordable housing technology. Technology is now key to fill the gap of deficit. In 1962 Uganda had a population of 5 million and now we are over 33 million people and we are not gaining any more land and there is a need to start developing vertically as Patrick Bitature advised in order to utilise the vertical free space.

Uganda has new districts which all needs houses for its staff, the army, police, prison, health and civil servants all needs new houses. The government has new private partnership arrangements which investors can take advantage where the government can come in as partners and provide land and together you can invest.

The price for property in Uganda is liberalised and the returns are very attractive though the government is putting up measures to mitigate price hyping.

New opportunities at Karuma for new 50,000 houses to house people in the new proposed city and the hydro-power plant will attract a lot of service providers in the area.

Sebaggala M. Kigozi, Executive Director, UMA stressed the importance of industries in our lives because whatever we use is from the industry sector. Uganda industry sector is still virgin. Statistics shows that 75% of what we use domestically is imported. This shows the vast opportunities for the manufacturing sector. Further he said that existing factories in other industries besides water, sugar are producing under capacity to about 30% and the 70% and over are opportunities. Opportunities to partner with existing established companies can be the best market entry into Uganda as it poses little risk to your investment Kigozi added. Finally advised Ugandans Diasporans to start small and grow bigger once gains market confidence.

Janet Mukiibi, KK Advocates is one of the Diasporans that recently returned to Uganda and was one of the first team that organised the first convention whose main objective was to harness the potential of Ugandans in the Diaspora. It was on this basis that Janet decided to go back home and now practices at KK Advocates. Janet is a corporate lawyers handling large transaction investment and advise on most of the biggest investors into Uganda. Merge and acquisition, finance and banking and general litigation are some of the services that she advises on. Janet advised investors to do their due-diligence and seek legal advice before making final investment decision.

Janet advised Diasporans that the way to go is to return to Uganda. There is so much you can do in Uganda and as a country is wide open with full of opportunities. With the exposure, knowledge, skills of people in the Diaspora you can achieve much.

Sebuwufu Roland, CEO of Buganda Investments and Commercial Undertakings Limited (BICUL), a Holding company of Buganda Kingdom. Land is the key element in investment and as Buganda Kingdom the greatest asset we have is the land. Closely Buganda work with the central government's agencies like Uganda Investment Authority, the Ministry of land to cater for the needs of investors to avail land for various development projects. The Kingdom of Buganda has strategic plans to attract investment in the residential and commercial real estate. Uganda has a huge deficit in housing units. Also the kingdom is seeking investors in commercialised agriculture, natural resources value addition and mining.

The Kingdom embraces partnership arrangements like the private public partnerships and equity sharing models and all welcome to partner with the Kingdom.
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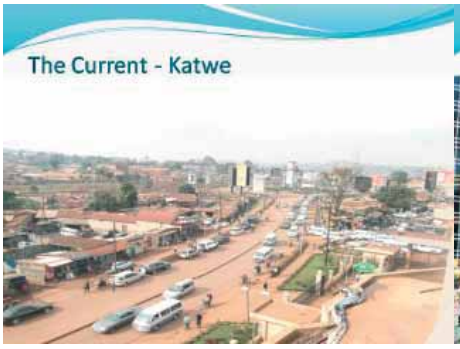

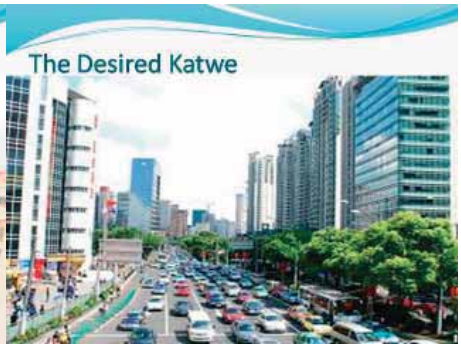

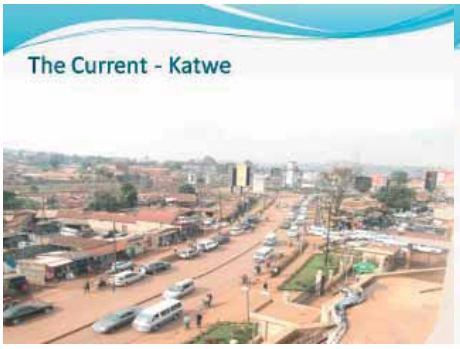

ADRESS:
Kyewalabye - Male David
CEO/Buganda Land Board

Investment Opportunities within Buganda region: Specific discussion on equity investment shared model, opportunities in real estate, un-tapped potential in mineral rock deposits, agricultural land leasing, leasing prime land in Kampala and land acquistion & title issues.

I take this opportunitiy to present to you the investment opportunities in Buganda Kingdom. Buganda Kingdom is within Uganda. It is the largest of the traditional kingdoms in present-day Uganda, comprising all of Uganda's Central Region, with an estimated population of 10 million people as a single tribe. Buganda Land Board manages 350sqm of Kabaka's (King of Buganda) land and buildings spread all over the Kingdom through promoting regularization of tenancy.

The land board's mandate has now been extended to include the recently returned square miles of land that government recently returned to the kingdom.

The kingdom categorizes investments into two;

1. Direct Kingdom Investments
2. Foreign direct investments which we look at under varying models e.g partnerships, PPP's.

Priority Opportunities

1. Real Estate Development
2. Agriculture
3. Stone Quarrying
4. Tourism potential

REAL ESTATE DEVELOPMENT

A few prime plots of land ranging from ½ - 4acres exist within a Road distance of approximately 3-7 Kilometers to the Central Business District. These are located within squatter settlements and are not totally vacant. However existing tenants can either be compensated/ relocated or incorporated in the development under the PPP Model. Land for a mass housing project in Buswa Wakiso District: this project would fill a gap in the housing sector. According to Uganda Bureau of Statistics (UBOS), Uganda has a housing deficit of 550,000 units. About 160,000 units of this backlog are in urban areas. Kampala alone has a housing deficit of 100,000 units.

Prime plots: a few prime plots of land ranging from ½ - 4 acres are available around Katwe and Mengo. These plots are not totally vacant but the tenants can either be compensated or incorporated in the development.

AGRICULTURE

There is vast land available for agricultural purposes in Kyaggwe. This land however is not totally vacant. There are a few tenants with scattered temporally and semi permanent developments who can be compensated or incorporated in the development. **Land for agriculture:** Located at Nanga- Kiwafu in Kimenyedde/Nagojje Sub Counties, 21Kilometre off Jinja High from Namataba.
Approximately 30sqm

STONE QUARRYING

Huge deposits of quality granite stone outcrops which can be used
for making hard core granite tiles, fabrication of kitchen/table counter tops, tombstones, bathroom vanity tops, Jacuzzi and fireplace surrounds, stone aggregate for road construction and reinforcing buildings.

TOURISM POTENTIAL

The Kingdom is endowed with a rich cultural heritage located in various areas in the Central Business District.

Modernising the Kabaka Lake, the lake is located in Uganda's capital Kampala, a few kilometers from the city center, it was established by King Mwanga II (1884-1888). To date it is one of the only two excavated lakes in East Africa and one of the biggest of this kind in Africa.

Once again I thank Mr. Mutenza for inviting us and assuring us that there will be no partisan politics discussed in the forum, we are happy and we hope it continues that way.

For more information or the full presentation:
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Ambassador Isaac Sebulime

Deputy High Commissioner

It gives me great pleasure to welcome you to the third Ugandan Investment forum (UK Convention). It is usually said that whenever you meet more than three Ugandans they are discussing politics. I am glad to say that the history and basis of this convention is different, we are all here to discuss economic growth of Ugandan. Our country is, it is our duty as Ugandans to ensure that we develop it because every generation owes the next generation the debt of making life easier for them.

Unfortunately Africa in the past lost out on that score. We have got fifty years of wasted time. When Uganda got independence its GDP was 1.5billion dollars, Singapore GDP by that time was 1.7 billion dollars and Kenya was 1.6 billion dollars. Today Singapore is 320billion GDP, with the highest concentration of billionaires per square mile in the world and Uganda is now hardly 20 billion dollar GDP. Where have we been, these are issues that leads to find solutions for contributing to the developing of our country. People would say that Ugandan is under-developed because Amin intervened in the developing process but I say no because there was no Amin in Kenya, Tanzania or some of those underdeveloped African countries.

Fundamentally there must be something done wrong, either at policy level and this is where the new leadership in Uganda has got it right. Uganda has a national development plan which lays out what and where Uganda wants to go. The Vision 2040 expect Uganda to be a middle income country in four years and at the rate in which the economy is developing we are certainly looking at achieving GDP per capital of 900 dollars from the present 560 dollars. Vision 2014 raise it out well. Uganda noticed that we are under developed because we didn't put the development drivers in place. And these includes infrastructure, roads, energy, the government has development plans for all these sectors, thus creating vast opportunities for investors to partner with the government of Uganda to take on some projects under private public partnership arrangements.

Ugandans need to look at the Madhvani story who left Gujarat India with nothing but now he has built a house-hold Ugandan brand and it is possible that this dream achieved by the Madhvani can be realised by anyone with little savings or just an idea.

Ugandans in the Diaspora are encouraged to start small partnerships among themselves and create cooperatives which can undertake some small projects like dams construction which do not need more than one million dollars and 100 people can contribute £10,000 and raise that money easily. Projects like this are guarantee as the main buyer is the government.

The onus is on us to give the next generation a better life than ours and I thank Willy Mutenza for the third time bringing us together to share, discuss and encourage each other to invest back home.

by Ambassador Isaac Sebulime

Richard Kamajugo

Commissioner for customs

Mr. Kamajugo, Commissioner Customs and Bonds, Uganda Revenue Authority, informed delegates that URA was formed in 1992 to collect government reserve and to ensure sustainable service delivery by government. He said infrastructure development has come out very clearly as one of the areas of investment which require funding and most of the funding comes from the taxes that are paid. He emphasised that development cannot be achieved without taxes.

He said URA has made huge investment so as to provide information about taxes and to make it easy and convenient for the tax payers to pay taxes.

"Uganda is a land locked country and efforts are being made to develop Uganda into a trade and distribution hub in the region, which requires that procedures and processes be put in place to encourage people to trade within the region using Uganda as a base." The Commissioner emphasised. He reported that there have been major improvements in the region, infrastructure investment services, improvement of the railway and road infrastructure as a region to ensure that the whole chain is seamless.

Mr.Kamajugo informed delegates that the cost of doing business has steadily been reduced in terms of the time it takes to move goods through the process and also focus on compliance is very critical. He reiterated that sharing compliance information between federated states is being undertaken to accord compliance companies with similar treatment. "Six months ago a process that would take 15days to clear goods from Mombasa has been reduced to five days, with huge investment in automation." He reported. He informed delegates that URA has improved service delivery and accountability and encouraged people in the Diaspora to visit URA website www.ura.co.ug for information to guide them to avoid misinformation by relatives and friends. He said there is need for systems to update them by email, SMS to boost confidence in using the systems that are put in place. Due to this confidence in the URA system, Mr Kamajugo reported that URA is able to collect 80% of the government budget and some of the government projects are financed through locally generated funds.

As he concluded his speech, the Commissioner shared that their observation in the forum was that people lack information. He ended by informing the delegates that before the budget process, normally consultations are carried out with various institutions and that they will work with the organisers of the convention to explore ways of receiving views from Ugandans in the Diaspora as input in the budget process.

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Hon. Maria Nalubega MP Butambala

Hon. Nekesa Barbara Oundo, Minister of State For Karamoja

Dr Allam Ahmed, President WASD

Sector Panel Discussion:

Investing in Agriculture & Agri-Processing in Uganda

Creating opportunities in rural areas, Funding mechanism for long term drought mitigation in Uganda, the promotion of horticulture, irrigation and livestock farming in rural Uganda. A personal overview from local MPs and entrepreneurs | Moderator: Estella Makumbi, Consultant at EMAK Consultants

Elizabeth Nyeko introduced the session by looking at agriculture as a source of food security. Africa has about 60% of arable land most of which is under-utilised. She added that Africa in 2012 imported food to a tune of 47 billion dollars, now focusing on Uganda, this is a country where agriculture is a bread winner of almost 85% of the population and opportunities are rife especially in the modernising of agriculture to meet food security demands.

Lloyd West of Abraaj discussed of various opportunities existing in Uganda but advised investors to narrow their interests on niche markets.

Hon. Amongin, Minister of State for Teso discussed opportunities in the rural areas focusing on Teso region. Rural areas are faced with numerous challenges to economic growth relating to infrastructure, information flow, unemployment, diseases, illiteracy levels, low food production capacity and poor agriculture mechanisation, rural-urban migration, access to clean water just to mention but a few. All these challenges presents huge investment opportunities.

Teso region is the biggest producer of citrus fruits and this is a huge opportunities as the region lacks fruit processing plants to add value to fruit products. Teso suffered twenty years of insurgency and this has contributed to the under-development of the region which has only one private university.

The government has allocated 420 acres of land for an industrial park in the area and the ministry of Teso has development plans in place and are calling for experts and skilled Ugandans in the Diaspora to take advantage of skills and knowledge transfer opportunities.

Due to drought and unpredictability of rain, irrigation and water harvesting is another opportunity coupled with horticulture not to mention value addition processing factories to add a value to fruits which most of it end up wasted.

Hon. Nekesa Barbara Oundo, Minister of State For Karamoja: Hon Nekesa focused her presentation on the opportunities and challenges in the Karamoja sub-region.

Geographically, Karamoja is found in the North Eastern part of Uganda, it is bordered by Kenya on the East, and South Sudan on the North. it covers 10 % of Uganda with a total area of 29,125 square kilometers and total population of 1,315,218 people representing a population density of 48 persons per square kilometer, which makes it a potential region for investment.

Lifestyle of the people; Karamoja suffers the highest poverty levels above the national average in the country with 76 % (UBOS 2009/2010) of the total population living below the poverty line. The Karimojong people are predominantly agro –Pastoralists, they combine extensive livestock keeping with seasonal cultivation of cereals. The Ministry of Karamoja Affairs has embarked on promoting food security at house hold level to substitute livestock keeping.

Due to the vast availability of land, the communities are interested in partnering with potential investors to embark on large scale commercial farming and animal rearing to improve their income levels.

Karamoja has two climatic zones;

i) The Eastern Plateau along the Kenyan boarder which stretches from Amudat district north wards to Kidepo National Park. This belt has a concentration of mineral reeves like gold, limestone, and marble. The climate is dry savannah suitable for livestock rearing and ranching.

ii) The western green belt stretches from Namalu northwards to Iriiri, Abim to Karenga is characterized with green savannah grassland suitable for large scale agricultural production. The people living in this belt grow maize, cassava, beans, sweet potatoes, rice and different vegetables.

Governments' commitment to Pacify and Develop Karamoja

After assuming power in 1986, the NRM

▶

Hon. Ruth Nankabirwa, Minister of State for Fisheries

Hon. Amongin, Minister of State for Teso

Estella Makumbi, Consultant at EMAK Consultants

government in its 10 point programme recognized the Development of Karamoja as one of the Key priorities.

This commitment was reflected in the subsequent government development frameworks like the Poverty Eradication Action Plan (PEAP), the National Development Plan, and the formulation of the Karamoja Integrated Disarmament and Development Programme (KIDDP) in 2008, which is a government programme with the overall goal of Promoting Human security and creating conditions for recovery and development in the region.

Through the implementation of the KIDP framework, Government has strengthened its coordination role in the region, and the implementation of several development interventions both by government, development partners and the private sector are in high gear because of the enabling environment. Karamoja is now rife for investment like any other part of Uganda.

Investment opportunities in karamoja Mineral development/ Mining industry

Due to the prevailing peace in the region, many private companies both local and international have applied and have been granted with prospecting and exploration licenses by the Ministry of Energy and Mineral Development. Currently over 150 Companies have been licensed to undertake exploration in Karamoja by the Government and some of these Companies are looking for investment partners to enter into joint ventures with in gold mining, cement processing, copper, iron ore and marble processing.

Agriculture potentials

As stated earlier, the western green belt of Karamoja is suitable for large scale agriculture production with vast Savannah grassland. The people around Namalu, Iriiri Abim and Karenga practice subsistence farming yet a lot of land is left idle.

The availability of large amounts of flat arable land in Karamoja makes it viable for commercial farming.

To promote agriculture the government has made the following interventions;

- Strengthening monitoring of weather and climate at the national level
- And the government has exempted agriculture inputs from Value Added Tax (VAT), Removed tax barriers on agricultural related exports among other interventions.

Potentials for Renewable Energy Resources in Karamoja (Solar and Wind energy)

The goal of Uganda Governments' Renewable Energy Policy is to increase the use of modern renewable energy from the current 4% to 61% of the total energy consumption by the year 2017 (ERA June 2012). The government has therefore an elaborate institutional framework under the Ministry of Energy and Mineral Development that one can use to venture in the energy sector.

According to Electricity Regulatory Authority (ERA), solar energy in Uganda can generate up to 200 MW of power. Karamoja is one part of Uganda with unexploited renewable energy production resources such as abundant sunshine and strong winds that can be used to generate both solar and wind energy respectively.

Different groups of investors have been exploring possibilities of using the abundant sunshine in Karamoja to generate electricity that will be sold to government to feed into the national power grid that has already been connected to different parts of Karamoja. Therefore, this area is still open for potential investors.

Tourism potentials

Due to the prevailing peace, tourism is one of the fast growing industries in Karamoja with Kidepo national park becoming one of the tourist destinations in Uganda. The current capacity of social services existing in the park cannot accommodate the big number of tourists visiting the park especially during holiday seasons. The park management and the Uganda Wildlife Authority (UWA) have developed a plan to avail land to potential investors to establish hotel and recreational facilities in the park.

Besides, there are other wild life reserves areas like Moruajore where tourist go for viewing and spot hunting for buffalos but these areas have no hotel facilities because of the history of war.

In November 2012, the Minister for Karamoja Affairs with the Minister of Tourism and Wild life opened the first museum in Moroto which has a collection of the rich cultural antiquates of the Karimojong people.

Aloe Vera and Gum Arabic

Karamoja is endowed with different species of aloes of high quality that can be used in medicinal and herbal industries. The region is also endowed

Maureen Mwagale

Lloyd West
Abraaj

Elizabeth Nyeko
Benconolly Limited

with two species of gum Arabica namely acacia seyal and acacia Senegal.

The Karamoja private sector foundation has championed the formation of Uganda gum Arabic cooperative which has membership among the Karamoja communities. The gum Arabic cooperative seeks for potential investors to finance the purchase of gum for export market in Europe.

Government creates enabling environment for investment in Karamoja

In its effort to promote investment in the region, the government of Uganda has invested in basic enabling infrastructure to augment and support investment initiatives in Karamoja.

Establishment of Industrial and Business Park in Moroto

In July 2012, government through the Uganda Investment Authority (UIA) purchased over 400 acres of land in Moroto district for an industrial park. Government is in the process of establishing basic infrastructure like roads, water and power within the industrial park to make it easy for potential investors to start up businesses in the area and to avoid huddles of acquiring land for investment by the investors.

Electrification of the region

Government has established three power lines to Karamoja from the National Power grid as follows; the southern power line from Muyembe through Namalu to Amudat district, the central power line from Soroti through Katakwi to Moroto district and the Northern Power line from Lira to Abim district.

Plans are underway to connect a 132 kw power line from Soroti to Moroto for the establishment of heavy industries like cement due to abundant deposits of limestone in the area.

Rural areas have been provided with Hydro Electric Power to promote agro processing, enhance value addition, service sector, the mining sector, and the manufacturing sector in the region.

Improvement of road infrastructure

The construction of the tarmac road from Moroto to Nakapiripirit by a Chinese firm that was contracted by government has already started. Meanwhile plans are under way for the tarmacking of Soroti – Moroto road and Muyembe - Nakapiripirit roads. The periodic maintenance of different national and district roads by the Uganda National Roads Authority (UNRA) and the district local governments is ongoing.

Mechanisms for long term drought Mitigation in Uganda

Mitigating the effects of drought may not be sufficient to address the challenges of drought and therefore Uganda has concentrated on building long term resilience and sustainable livelihoods.
The Office of the Prime Minister through Ministry for Karamoja Affairs in collaboration with the Ministry of Water and Environment have developed plans to construct large water bodies in the region to provide water for production (irrigation) as well as taming the vagaries of weather in the region.

The Ministry for Karamoja Affairs plans to construct medium size valley tanks in every parish to provide water for livestock. So far a total of 25 valley tanks are being constructed in different locations in Karamoja.
Drought resistant crops are also being distributed to increase food production in the region.

Irrigation and livestock farming in rural Uganda

The revised Sector Investment Plan (SIP) by Ministry of Water and Environment recognizes irrigation as one of the major components of water for production and as being core to the eradication of poverty. A potential obstacle to the development of irrigation however is the cost.

The master plan acknowledges that development of infrastructure for irrigation is generally beyond the means of the average household or even the private sector. Therefore government of Uganda will take the lead in development of infrastructure for irrigation.

The irrigation cost will be divided into two – off-farm and on-farm. The government would be expected to meet the major costs of transferring water from the water bodies to the gates of the irrigable lands. In this process the farmers will meet 60% of the costs, while government meets the remaining 40%. The farmers' costs would depend on the type of technology suitable for use on individual farms, but could include digging on-farm tunnels or buying pumps.

The total area under formal irrigation in Uganda is 14,418 hectares (35,612 acres) out of an estimated 560,000 hectares with irrigation potential. The plan is to increase the utilization of land

near permanent water bodies from 5% to 10% by 2015, to 25% by 2020, and to 70% by 2035.

The Ministry for Karamoja Affairs has commissioned an assessment for the establishment of pilot irrigation project in selected areas in Karamoja. A technical team drawn from different line Ministries has already been dispatched to establish potential areas and irrigation options that could be applicable to specific locations.

Hon. Maria Nalubega was representing Hon. Rebecca Kadaga who could not attend the Convention and among the messages she delivered was the assuring of Ugandans in the Diaspora that she is pursuing the issue of appointing the Minister of Diaspora affairs, scraping of the dual citizenship fees and that she has already established a desk in the parliament of Uganda in-charge of Diaspora affairs.

Maria discussed the importance of ICT utilisation in relations to agriculture development and nature preservation. Forestation investment as a measure to preserve the environment is an area she advised investors in her area of Butambala. Factories and research in pest control is also key as most of the population in Butambala are farmers who greatly relied on pest control and market research would be a great bonus.

Introduction of small scale irrigation services affordable to local farmers in the area is also welcome from investors and silos and other storage for agriculture products is another opportunity.

The government of Uganda secured a 15 billion dollar funding from the world bank to roll-out a programme for the whole country that will empower and enhances capacity for rural people to produce economically rather than relying on subsistence farming.

Maureen Mwagale who runs a charity that helps the women of Karamoja addressed the forum on issues on social aspects, philanthropy and volunteering as a mean of skills transfer to boost growth in rural areas.

She urged Ugandans in the Diaspora to volunteer their time during their annual holidays in Uganda. She advised on looking at small investment like setting up a bakery which Karamoja lacks any and that Karamoja has good futile arable land which can also be good for other cash crops like Matooke which can be a great source of earning. Tourism is also another huge potential, Kidepo national park presents huge potential for investors.

Dr Allam Ahmed, the Founding President of World Association for Sustainable Development made his remark by recognising the empowerment of women in Uganda and this is exhibited on the panel which is surrounded by women. (applaud).

He referred to a quote by a Nobel prize winner in 1964 who said that a man who farms like his forefathers did he will never improve productivity, no matter how hard he works and no matter how futile is the soil.

He emphasised the need for the government to promote technical change and mechanize agriculture.

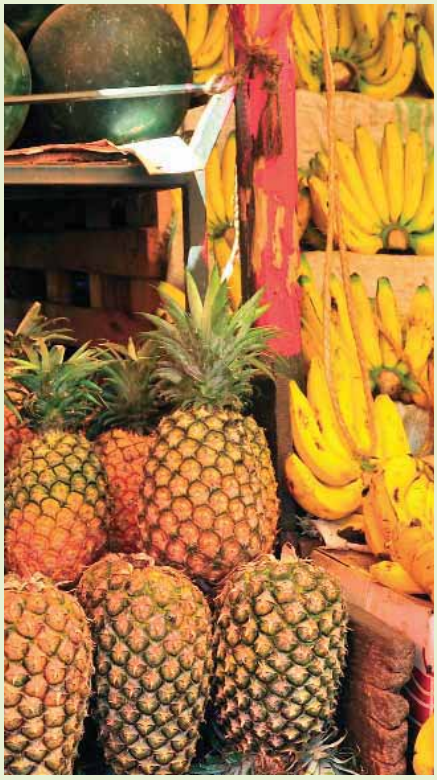
Marketing is another aspect that need to be looked at critically, without marketing and market accessibility then there is no point of improving productivity. To get Africa products to the European market, international standard and quality control has to be met to satisfy the required standards for international compliance.

Lord Sheikh interjected as a point of information and appreciated the presentation from Hon Barbara Nekesa on the opportunities she outlined in the Karamoja sub-region. The point made by Dr. Allam are key elements he added that needs to be noted. Uganda has a good product but needs to be packaged well and marketed not only in the UK but internationally.

A delegate pointed out that Africa should not be deluded by the global financial crisis. Africa has got everything it needs, the talent, resources, what it needs is a financial model, a monetary model which does not enslave the people to outside multi-national, banks. It needs an ethical models which empowers Africans and equal partnerships and sustainability.

Hon Nakabirwa responding to a question posed on incentives to local farmers. She said that the government is putting in places as incentives to local farmers like cold rooms, hatcheries, infrastructure. The government is also identifying progressive farmers and partner with them to help them to get access to markets.

Hon. Nakabirwa also responding to the issue of confusion in land acquisition, she referred individuals to do their own due-diligence and try also to know the Uganda land tenure system before buying or trusting agents. Uganda has four tenures which includes Mailo land, freehold, leasehold and customary. She advised in the next convention someone from the government to come and discuss solely the issue of land as it is very contentious. ■



Presentation:

Hon. Ruth Nankabirwa,

Minister of State for Fisheries

Driving growth in the agricultural sector

The Government of Uganda recognizes the importance of agriculture to the Ugandan economy and the central role it plays in economic growth, development as well as poverty reduction. Both the Prosperity for All (PFA) frameworks, with its goal of improving the lives of all Ugandans, and the National Development Plan (NDP-2010 -2015) recognize agriculture as one of the key productive sectors driving the economy. The sector employs about 66 per cent of Uganda's total labour force. The vast majority of our population directly or indirectly depends on agriculture; therefore agriculture is a livelihood for the majority of Ugandans, and has a great potential to transform the economy.

Given the importance of the agricultural sector, the National Resistance Movement (NRM) Government decided to set five key objectives to be achieved in five years between 2011 - 2015.

These are:

- To increase income of the majority farming households targeting shs. 20 million per family per year by increasing production and productivity through appropriate enterprise mix.
- To ensure household food and nutrition security by deliberately targeting specific crop and animal enterprises.
- To create on-farm and off-farm employment opportunities especially for the youth.
- To promote value addition to agricultural products as a way of minimizing post harvest loses and increasing shelf life; and
- To promote domestic and external trade in agricultural products.

The most important consideration for investing in agriculture in Uganda lies in its comparative advantages in a competitiveness world.

It has unique agro-ecological location, lying astride the equator and have both tropical and temperate climate making it possible to raise a wide range of tropical and temperate crops and animals.

There is rising demand in domestic, regional and international markets for agricultural commodities generally, and Uganda cannot afford to be left out of these markets.
Specially, there is global demand for Food which offers an opportunity to grow more food staffs.

Uganda is a member to bigger markets for which access is duty and quota free. For example, East African Community which covers Uganda, Kenya, Tanzania, Rwanda and Burundi has over 125 million people; the COMESA region 19 countries has over 400 million people and European Union as well as the Middle East countries.
NRM government has put in place and maintained sound macro and micro-economic frame work conducive for investment; such

- as liberalization, privatization, tax holidays and abolition of export taxes.
- There are also supportive Research Technology developments in the areas of planting and stocking materials for crops, livestock and fish, animal biotechnology exist.
- There is ample arable land, good for mechanization and with plenty of fresh water for irrigation when necessary. In most parts of Uganda there are two cropping seasons with a possibility of a 3rd crop in some places.
- Perhaps, one of the most important factors for an investor is the availability in plenty of skilled and semi skilled labour.

Area for investment

There are many areas of investment but broadly, they are placed into the following categories:

✓ Crop Sub-Sector

Cotton and Textiles

1. There is Potential for over 1,000,000 bales which can be produced annually and turned into high class textile manufacture especially for regional markets, mixed fiber production e.g. fiber yarn and fabrics are all huge opportunities.
2. **Cocoa, Coffee and tea**
   Cocoa production during 2011/12, was projected at 17,500 MT. Uganda is among the leading countries of the world, 2nd in the Common Wealth after India and 2nd in Africa after Ethiopia. Currently, production stands at 4 million bags. Tea exports is over 92 million US$. There is high return on investment in processing and marketing of the above products e.g. instant coffee, chocolate and branding of Uganda Tea.
3. **Fruits and Vegetables**
   There is packaging of fruits and vegetables for export of dehydrated fruits and vegetables and export of fruit concentrates. There is huge potential for citrus, pineapples, mangoes, passion fruits, etc – organically produced.
4. **Floriculture**

Expansion of Rose Industry by growing of other floriculture plants other than roses;

and manufacture of green house plastics and manufacture of packaging materials are all opportunities in this sector.

5. **Grain** (maize, wheat, rice etc. all those can be manufactured into food for humans and feed animals.

6. **Other viable opportunities**
Honey processing for export, cassava processing for industrial starch, packaging of beans and pulses for export, Gum Arabic, and Bananas. Uganda is 2nd largest producer of Bananas in the world after India.

✓ Livestock Sub-sector

1. Diary and Diary products
Currently, Uganda is producing 1.8 billion litres of milk annually with potential to double. Opportunities exist for powdered milk Production, flavoured and UHT milk, butter and ghee production, cheese, cream and ice-cream and establishment of collection and distribution facilities.

2. Meat and Meat products
Cattle stand at 11.4 million, goats 12.4 million, sheep 3.4 million, poultry 52 million all with potential to more than double; all ideal for meat exports, leather processing, animal feeds manufacture and commercial breeding, abattoirs of international standard.

3. Fisheries
Current exports up to 143 million US$. Uganda has 20% of its surface area as water. Huge potential exists for aquaculture development e.g. aquaculture parks, premium species like cage fish, eel fish, etc. The Ministry has obtained resources to intensify regulation and enforcement activities to address challenges in capture fisheries in all major water bodies. This will boost fish catches and exports in a sustainable manner.

4. Success stories in agribusiness trade and investment in Uganda
- Uganda Breweries and Nile Breweries linkage with Barley and Sorghum production, processing and beverage marketing.
- Kinyara Sugar Company linkage with commercial sugar out growers.
- Sameer Agriculture and Livestock Ltd.; Dairy processing linkage with Dairy Cooperatives.
- Tianjin Machinery Company (U) Ltd. Involved in Farm inputs manufacture.
- Bidco Palm Oil Project, involved in Vegetable Oil production and processing.
- Kaweerti Coffee Project, Coffee production, processing and marketing.
- Green Field Uganda Ltd. – Fish processing.
- Tilda Rice production and processing.

5. Agro-Processing
Considering the success stories just outlined, developing competitive agro-industries is crucial for generating employment and income opportunities. It also contributes to enhancing the quality of, and the demand for; farm products. Agro-industries have the potential to provide employment for the rural population not only in farming, but also in off-farm activities such as handling, packaging, processing transporting and marketing of food and agricultural products. There are clear indications that agro-industries are having a significant global impact on economic development and poverty reduction, in both urban and rural communities.
The most important thing is that by processing our products in Uganda, the country would significantly earn far more than what is being realized now.

Agricultural constraints In agro-processing, value addition and marketing

Uganda has a huge market potential for agricultural and value-added products. Nevertheless, a number of constraints threaten to undermine this potential, unless they are urgently addressed. The binding constraints are:

i. Lack of critical supply capacity so that quantities are in line with orders.
ii. Failure to comply with quality assurance standards.
iii. Inadequate flow of market and production information.
iv. Poor linkage between farmers and agri-businesses especially for niche markets.
v. Lack of affordable and accessible export finance. The conventional commercial banks are reluctant to finance agriculture and agro-based export business due to its unpredictability.
vi. Inadequate market infrastructure.
vii. Insufficient national export development competencies: Exporters should be able to negotiate and execute export orders properly as well as have reasonable knowledge in strategic export planning, management and marketing.

These are the issues where attracting experienced investors would help to sort out these constraints and would also train our Ugandans.

8. Investment Incentives Under Domestic Taxes: Uganda has incentive regime in the form of initial allowances, generous depreciations deductions and internationally competitive 5% deductions for commercial buildings as well as exemptions.

I take this opportunity to thank you for the invitation to this important convention. Uganda is peaceful, beautiful and has an excellent investment climate. Please endevour to come and invest in Uganda & spread the gospel too.

"FOR GOD AND MY COUNTRY"

Hon Ruth Nankabirwa,
Minister of State for Fisheries
■

FEEDBACK | OPINIONS AND QUESTIONS

Opinion 1: Promoting Ugandan Constitution
The Ugandan Embassy should start promoting or giving access to the Uganda Constitution as a way of keeping Ugandans in the Diaspora aware of their constitutional rights. The same should apply to promoting National Development programmes like the Uganda Vision 2040.

Opinion 2: Annual Diaspora day
The government should setup a Diaspora day, an annual event that would involve Diasporans from all over the world and includes those already settled back in the country. The day will celebrate achievements, share experiences, showcase good cultural values from the west, promoting volunteer and philanthropy spirit. Most Diaspora events in Uganda are centred on individual interests and do not represent the interests of people in the Diaspora. To network and engage in various ways towards achieving the Vision 2040 and Millennium Development Goals (MDG's).

Opinion 3: Social media
Government institutions should have a presence on social media platforms like facebook, twitter and Google plus, this will ease the flow of information between Diaspora networks. Innovative technologies and social media have played a key role in bridging distances and changing diaspora relations with their home countries.

While low budget travel enables people today to move faster, more frequently and in many directions, the Internet and social media – with their real-time connectivity – have spawned a large and growing number of online or electronic Diaspora networks that have changed the nature of migration and mobility. Enterprising Diasporas can contribute their knowledge, experience and skills to the development of the country or community of origin without actually returning home. Temporary contract workers can stay abroad longer yet remain in close contact with their families.

Opinion 4: Diaspora industrial park and facilitating Diaspora investment
In order to encourage more Diasporans to repatriate skills especially in the manufacturing sector, an initiative to establish a dedicated industry park for small scale manufacturing projects by Diasporas is key. Uganda should setup a task force to assess the country's skills needs, and is considering how skilled returnees could further fill some of the identified skills gaps in the manufacturing sector.

Uganda's Ministry of Foreign Affairs needs to have a policy to protect the rights of its nationals when they return, to enable them to participate in national affairs.

Opinion 5: Diaspora desk at Embassies
Uganda should set-up a desk at its foreign missions to focus on issues that affects Ugandans in the Diaspora, guide them on issues like doing business in Uganda, their constitution rights etc.Uganda can engage, enable and empower Diasporas for development purposes through appropriate communication, outreach and partnership policies and actions at home and abroad. Connecting with Diasporas, and leveraging their various resources for development, involves a multitude of government departments and other partners, and the interest and commitment of government at the highest levels to move such a cross-cutting agenda forward. A governmental ministry or entity dedicated to Diaspora issues can facilitate the necessary inter-ministerial coordination and ensure that these communities abroad are included in any national development plan.

COMMENTS

The occasion was great, the people I invited from Sweden found great value in the convention and also had the opportunity to meet with Rt. Hon. Minister, Sam Engola and Hon MP. Mariam Nalubega.

The brief meeting went well and am just waiting to hear from all parties. All companies I had talked to are in the building industry and want to take part in the housing sector plus.

Once again, thank you for putting on such a great meeting event and now I cannot wait for next year. I look forward to playing the same role next year.

Edwin Senjobe

Dear William,

On behalf of Gifted and Talented Foundation Africa I write to thank the convention team very much for their continuous support and advice. We acknowledge your support, The opportunity you gave our young people to stand on stage and sing the Uganda National anthem is an experience they are very proud of and indeed they express a feeling of inspiration. They are born in UK but they were made to feel proud of their country of origin. We were able to interact with quite a number of people and the experience gave us such an opportunity to learn new things.

I strongly believe in the values the convention imparts on us. We are looking forward to next year.

Sarah Ngoma (GTFA)

Dear Rt. Hon. Minister Sam Engola and Hon. MP. Mariam Nalubega,

On behalf of myself and my colleagues Ake, Jan and Leif, I would like to express our gratitude for the opportunity to sit with you to discuss housing in Uganda.

I would like to commend Mr. William Mutenza for his admirable initiative and efforts in organizing the Ugandan Convention, and I especially thank Mr. Edwin Senjobe for his diligence and perseverance in making the Housing Session possible.

SIAB will make every effort to visit Uganda with the intention to demonstrate VBH construction technology first hand as you kindly suggested during the session.

Louie de Keyzer

Congratulations

Many, many congratulations. As a Ugandan Asian businessman based in the UK I was inspired by the many presentations from H.E the Vice President, Mr Edward Ssekandi, Honourable Ministers, Ambassadors to prominent businessmen.
Fantastic audience, you and your team deserves praise for all the hard work.
All this is because we love Uganda and its people.
I wish the programme has started on time.

Best wishes

Jaffer Kapasi OBE
jaffer@btconnect.com
Director of Leicestershire
Chamber of Commerce & Industry

Dear Willy,

We really enjoyed this event. I thought some of the speakers were absolutely excellent and there were lots of interesting people in attendance. The atmosphere was very positive and everyone was keen to network.

Yours,

Sam Foxman
developedafrica.com

Question 1: Douglas Oppong
Has the government thought of raising finance for projects mentioned under PPPs arrangements from Ugandans locally and in the Diaspora or from African investors within Africa? There is vast amount of finance within all these people which can be raised rather than waiting for the Chinese to land.

Hon. Muloni answered that it is about who gives favourable, lowest interest on the finance who gets the attention and the deal. China Development Bank and Export-Import Bank of China are lending billions of Yuan at interest rates several percentage points below the cheapest commercial loans available at international markets, some Chinese loans had a 2 per cent interest rate and a 22-year repayment period. It is our time in Africa to utilise this opportunity for cheap money.

Question 2: Robert Lutalo
What is the government policy for employment? Regulations stipulate that 80% of employers should be Ugandan but you find that most foreign companies especially the Chinese bring in all their employees.

Hon. Muloni responded that in some new sectors like oil and gas a lot of effort is going into developing capacity and being new in the industry, it implies that other countries need to provide the expertise but also effort to develop capacity are being made in terms of professional competence and so far over 60 Ugandans have been trained in petroleum at Masters level and other technicians sent to Trinidad and Tobago while courses in the sector are started at our local universities.

Before a work permit is issued to a foreign expert, initial checks are done to ensure no local competence is available. Let the local force participate in building capacity, know-how, knowledge and skills in this sector.

Question 3: Zorica Mowat (Gulu Independent Hospital)
As investors in Uganda we try to maintain international standards as enjoyed in the west. Thus, we employ and source specialists from all over the world to train local staff and also carry out some specialised duties.

As investors we encounter a lot of challenges especially the VISA and work permit system. The fees on work permits levied on foreign experts are too high and unjustifiable. The system should be made easier and also the fee should be more affordable.

Question 4: Ida Horner
In her 2013 – 2014 budget speech, Ugandan Finance Minister and Economic Planning, Maria Kiwanuka observed that one way of mitigating levels of unemployment and skills shortage amongst the youth in the country would be to tap into skills that exist amongst the Diaspora. She further noted that the Diaspora could potentially impart technical skills, transfer knowledge as well as lessons learned in job creation. Whilst the Minister of Finance recognises the need of tapping into the Diaspora skills set, Uganda's policy in this area remains rigid and unfavourable for Diaspora that surrendered their Ugandan passports and not yet in possession of the dual nationality visa. Such people are still treated as foreign nationals, which means that companies looking to hire these people have to justify hiring such a people over Ugandan Nationals. This creates a policy conflict.

What is the government doing to mitigate this conflict in policy?

Question 4: Brain Drain-Gain/Incentives
What is the government doing to attract back thousands of skilled professionals and highly educated Ugandans who were lured by the Western dream? A programme needs to beput in place to facilitate and give incentives to firms in Uganda that are employing those professionals from the Diaspora.

COMMENTS

Dear Mr Mutenza,

This is to express my appreciation to you for the arrangements towards the success of the 3rd Uganda-UK Convention in London on 14th Sept 2013. This was my first time to participate in the convention and my observation was that the Ugandans in the Diaspora specifically those that I interacted with at the convention lack upto date information about what is happening at home.

During my brief presentation, I informed the audience that we consult widely with organised private sector associations during the budget process. I committed to open a channel for Ugandans to submit their views and proposals in a similar manner. It would be helpful if you had a group mail for Ugandans living and working in UK through which we can communicate and receive proposals on what measures they think should be implemented.

Please advise on how we can take this forward so that we narrow the information gap.

Richard K. Kamajugo, Commissioner,
Customs Department
Uganda Revenue Authority

Hi Chairman, I wanted to reach out and give our sincerest thanks for having us join you at the Ugandan Convention. Denese said that the event went off very well and she was impressed with the talks she managed to go and listen to. She also said that she met some great people at the stand.

Thanks again Willy - look forward to collaborating again!

Regards

Megan de Villiers
Managing Executive
Homecoming Revolution

Dear Mr Mutenza,

Thank you for organising the 3rd.Uganda-UK Investment Conference. A lot of excellent contributions from speakers, panel and exhibitors.

I know what it takes to organise an event: you've made us proud again.

Don't give up. I am sure there will a chance to see what needs refining for the future. For now be glad that your work, and of the team, volunteers etc has been appreciated by the community.

Geoffrey Lutaaya

Hello Convention team

I have since returned to Uganda and starting to plan how things will take shape after being away nearly 3months. I am grateful for the opportunity to exhibit and present my eco-stove innovation to the Convention's delegates.

I met interesting client and the platform opened a lot of communication doors for our company.

A Big Thank you for all you did for us as Eco Group Ltd

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SUMMARY REPORT

and presentation's transcripts

2013

Potential Investment opportunities in Real Estate, Property and Housing Sectors

Focusing on: Land acquisition | Development costs | Property Prices | Finance Availability | Land Title Mechanics | Urban vs Rural Project Economics | Priority PPP Infrastructure Projects

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