



PRIVATE SECTOR FOUNDATION UGANDA

Your Partner in Private Sector Led Development

Monthly e-newsletter 1st -31st May 2008

Mission: To promote the private sector influence for business growth and competitiveness through policy advocacy and capacity building in a sustainable manner.

PSFU submits budget proposals for 2008/09 budget

On the 22nd May 2008, PSFU members presented the Private Sector Budget Proposals for consideration in the 2008/09 national budget to the Minister of Finance Planning and Economic Development Dr. Ezra Suruma. The primary areas for consideration were;

- i. Reducing the high cost of doing business
- ii. Enhancing efficiency of productive sectors in order to create wealth through value addition particularly, in the Agriculture, Manufacturing, Tourism and Services sectors.
- iii. Increasing technological and human resource proficiency to support industrial growth

Specific Proposals

- a. Transport Infrastructure; Development of an alternative Transit Transport Route, Removal of regional transport imbalances, Completion of the Jinja-Bugiri highway & ensuring sufficient fuel reserves.
- b. Development of a comprehensive investment package to promote local industries especially in the rural areas
- c. Expeditious enactment of the counterfeits law
- d. Pension Reforms
- e. Access to low cost/long-term business finance
- f. Support to Agriculture and Agri-business
- g. Removal of regional imbalances i.e. Lack of Tax parity in the EAC e.g. import duty on trucks & polythene bags; RVRU not delivering on concessionaire agreement and existence of non-tariff barriers from Kenya.

Start Your Business Competition heads into next phase



Around 1,100 Start Your Business Competition (SYBC) competitors are facing some sleepless nights. Their thoughts are around one central question: Will I qualify for the next round of the competition? On Thursday May 15th, PSFU organised an event to mark the end of phase II of the SYBC. Over 1,100 individuals qualified for this stage of the competition, while only 200 to 300 applicants will be selected to go on to phase III. While PSFU expects to award a number of prizes, only one person will receive the top prize of US\$50,000.

Beyond the winner

Although not every participant receives an award, all entrants will benefit from this initiative. Apart from taking their business ideas on paper, participants will get the opportunity to network with other entrepreneurs, business professionals, and

potential financiers. The uniqueness of this project is its training aspect. Entrants will be trained on how to develop a business plan, how to market their ideas, and even how to use new and important tools such as the internet. One of the participants revealed that she had never used the internet before she qualified for phase II. She stressed the importance of the competition while saying: "This project has given us the motivation to take on new skills. With the help of PSFU, I now have an email account!"

Overwhelming response

Business culture in Uganda is flourishing. This could be extricated not only from the countries' high entrepreneurship rate, but also from the amount of competitors at the SYBC. The initial 4,000 submissions surpassed the target of 1,000. Although the country has a high entrepreneurship rate worldwide, it still lacks good management skills. Therefore, one of the objectives of the competition is to impart business planning skills.

Website

The website <http://www.startyourbusiness.ug> was one of the most visited Ugandan websites during the two weeks between 1st -15th May 2008, phase 2 of the competition. In addition, internet traffic spiked up during this period in the whole country.

Reviewing the proposals

A team of 20 judges, headed by Dr. Jan Martin Witte (Global Public Policy Institute) is currently reviewing all proposals. From the 10th of June 2008, all applicants will receive the results of the second phase by email and SMS. The ideas are carefully guarded and protected and only read by the judges.

Sign up now for the International Trade Facilitation Expo

Private Sector Foundation Uganda (PSFU) in collaboration with MTN will hold a special Trade Exhibition on June 27, 2008 intended to further make it easier for the private sector to conduct both import and export trade at the most competitive rates in the region. The theme for the event is "Making It Easier to Trade Locally and Across Borders". East Africa is fast becoming one village with shared people, cultures, and business. This special exhibition is therefore meant to reinforce the trader's relationships with their service providers with a long term view of obtaining mutually

beneficial partnerships. The event will take place on Friday 27, June 2008 at the Main Exhibition Hall, UMA Show grounds Lugogo.

All stakeholders of PSFU are requested to attend at the Trade Facilitation Expo. Entrance is free for everybody. Nevertheless, individuals or organisation who recognize themselves in understanding question, should sign up immediately.

- Do you make it easier for the private sector to buy and sell in domestic and/or international markets?
- Do you facilitate trade?
- Are you interested in meeting over 1,000 exporters and importers?
- Do you want to meet the ambassadors from over 15 countries to talk about trade issues?

The exhibition is aimed at reinforcing traders' relationship with their service providers.



At a press conference organised to brief the media about the Trade Facilitation Expo

Meeting with Kenya Shipper's Council

PSFU met with the Chairman, Kenya Shippers Council (KSC) and the Managing Director, Unilever East and Southern Africa Mr. David Mureithi. The purpose of the meeting was to interest PSFU into spearheading the formulation of a Uganda Shipper's Council as a step towards an East African Shippers Council. According to David Mureithi the KSC has been instrumental in

negotiating better shipping costs for the Kenyan Private Sector. Uganda's freight forwarders have raised the issue of the increasing costs from the shipping lines thus a council would help address such issues including other modes of Transport.

Meeting with Hon. Min. MoFPED to discuss Anti-Money Laundering Bill

PSFU and the Banker's Association met with Dr Ezra Suruma Minister of Finance Planning and Economic Development to make comments on the money laundering bill. PSFU was in agreement with the greater part of the bill save for the following queries; we sought clarification on the criteria that had been used to determine the threshold of 1500 currency points and the penalty fine of 9000 currency points/or 15 years imprisonment as the maximum punishment.

Private Sector Proposals,

- Maintain the 1500 currency points as the threshold of cash transactions with which to raise queries.
- Increase penalties to 100,000 currency points and life imprisonment as the maximum punishment.

PSFU's Resource Centre Update



PSFU Resource Centre

The PSFU Resource Centre has been visited by over 200 individuals this month. The centre is getting more popular among PSFU members, organisations, associations, the business community, students and individuals. The attendance at the Resource Centre

was sometimes over whelming that there was no space to accommodate all of them at the same time.

Positive comments

A good number of associations, organisations and individuals who have visited the PSFU Resource Centre are happy with the services available.

Both electronic and hard copy information on Trade, Policy Advocacy, business and all information you need on private sector is available. Some of the recent arrivals include;

- i. "SMALL AND MEDIUM ENTERPRISE BUSINESS GUIDE" from Uganda Investment Authority (UIA)
- ii. "UGANDA COUNTRY SELF-ASSESSMENT REPORT AND PROGRAM OF ACTION", from the African Peer Review Mechanism.

Upcoming events at PSFU

1. **June 27:** PSFU International Trade Fair, Main Exhibition Hall, UMA Show grounds – Lugogo.



2. **July 25:** Chairman's Forum
3. **May 29-June 4th 2008** Western Trade Fair

For more information Contact

Private Sector Foundation Uganda (PSFU)
Plot 43, Nakasero Hill Road,
Tel: 256-312-263850/ 0312-263849, 0312-261850
Fax 256-41-259109, P.O Box 7683 Kampala,
Uganda, Email: psfu@psfuganda.org,ug Website:
www.psfuganda.org,

Note: For comments and feedback email to
Communications Officer
snakibuuka@psfuganda.org

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