



PRIVATE SECTOR FOUNDATION UGANDA

Your Partner in Private Sector Led Development

Monthly e-newsletter May 2009

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

PSFU to hold International Trade Facilitation Expo

The impact of the global economic slowdown on Uganda's private sector can now no longer be underestimated. Export volumes and earnings have reduced. In April 2009, the Uganda Coffee Development Authority reported a 13.3% drop in coffee volumes exported and a 39.9% drop in value. Tourist numbers and expenditure as well as remittances from Ugandans working abroad are falling. Importers' revenues are also falling because the consumer in Uganda is poorer today than s/he was at the same time last year. The global economic crunch continues to bite.

Within these hard times, importers and exporters require better services to make it easier to export or import. The private sector requires better, faster and more affordable trade finance services, cross-border telecommunication, internet services, insurance for goods in transit, courier services, customs clearance, port management at Mombasa, transport and logistics, money transfer, standards and certification, visa services, cargo handling, etc. these services are called Trade Facilitation services. These services represent up to 15% of the value of traded goods globally according to the Organization of Economic Development (OECD).

Better Trade Facilitation is therefore critical in reducing the cost of doing business and in increasing Uganda's competitiveness within the current global economic slowdown. Better trade facilitation requires both policy and non-policy interventions; policy interventions include removal of Non Tariff Barriers, tax waivers, setting up infrastructure and road construction etc. The non-policy interventions required include increased flow of information and increased linkages between the demand and supply sides of trade facilitation, both government and non-government.

To enhance linkages and service delivery between the users (exporter and importers) and the providers of the above trade

facilitations services. PSFU has organized a special two-day import/export show called the PSFU Trade Facilitation Expo 2009. The exhibition will be held on 24th and 25th June 2009 at Main Exhibition Hall UMA Show Grounds Lugogo. The exhibition will enable over 1,000 exporters and importers to acquire information on the available Trade Facilitation services and will provide an additional platform to over 200 providers of trade facilitations services to show case their services to the private sector. At the expo, the importers and exporters will interact with Ambassadors and High Commissioners of countries that significantly trade with Uganda to demystify the process of acquiring VISAs and to explore the other services offered by the Embassies and High Commissions. Importers and exporters will also meet with key government bodies that facilitate exports or imports. These include the Ministry of Tourism, Trade and Industry, Uganda National Bureau of Standards, Uganda Export Promotion Board, Uganda Investment Authority and the Kenya Ports Authority, among many others.

This year's exhibition is expected to be bigger than the 2008 MTN-PSFU import export show whose exhibitors and sponsors included UAP Insurance, Barclays Bank, DHL, Uganda Clearing & Forwarding Agents Association, STANBIC, SKYNET, the Japanese KAIZEN Institute, Brussels Airlines, the African Trade Insurance Agency, The British Council and Standard Chartered Bank. This year, PSFU is to partner with UBC TV to transmit the exhibition live on TV to enable importers and exporters from up country or those who may not be able to attend in person, to benefit from the presentations and the question and answer sessions at the exhibition.

PSFU wishes to call upon all importers and exporters to attend this exhibition. PSFU wishes to appreciate the support from MTN Uganda, KCB, Stanbic Bank, UAP Insurance, Bank of Baroda, Fina Bank and Infocom in the 2009 PSFU Trade Facilitation Expo.

To participate please contact

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PSFU holds its AGM

PSFU organised its AGM on 8th April 2009 at Main Exhibition Hall Lugogo. The AGM was attended by the Members of PSFU. Mr Gerald Ssendaula Chairman PSFU said the business community is faced with formidable challenges in view of the global financial crisis. Co-operation and rigorous teamwork are key to surmounting and mitigating the direct threat this poses to businesses. It is therefore important that the Government and the Private Sector come together to explore innovative ways to overcome the huge challenge. That enhanced collaboration will strengthen further the partnership between Government and the private sector. It will help counter the threat of reversal of achievements gained. It will also provide an avenue for refocusing our priorities to safeguard our gains as much as possible, tackle the challenges while exploiting the opportunities in the interest of Uganda's economy.



From left: Dr Eve Kasilye Alemu Board Member PSFU, Hon Gerald Sendaula Chairman PSFU, Mr Gabriel Hatega Executive Director PSFU and Mr Lamin Manjang Board Member PSFU at the AGM

The Chairman extended his appreciation to the PSFU members, Government and development partners for their contribution to the successful implementation of PSFU programmes in 2008. He specifically extended appreciation to the World Bank, USAID-ACT, Uganda Country Capacity Building Programme (UCCBP) and other development partners for the technical and financial support provided to strengthen the private sector. He also thanked the Board Members, Chairman and Members of the Advisory Council, the Board committees, the Management and Staff of PSFU for their hard work, selfless support and dedication to PSFU throughout the year.

African Trade Insurance Agency's launch in Uganda

Africa's only credit and political risk insurance agency officially opened its doors in Kampala on 6th April 2009. The launch attended by various stakeholders and the members of the private sector and the business community was held at Serana Hotel.

Ugandans are expected to benefit from ATI's presence because it makes available more flexible insurance options that cover risks faced by exporters, investors, projects and anyone doing business in Uganda. To support Ugandan exporters in the Floricultural sector against export credit risks, for example, ATI is working with the flower exporters industry to create a specialised insurance product expected to launch later this year. The Agency also plans to roll out a ground breaking product it developed for Kenya in 2008 covering Political Violence, Civil Disturbance, Terrorism and Sabotage.

ATI hopes to leverage its reputation and strong financial standing as the Agency was assigned a long term 'A' rating by Standard & Poor's last year committing it to structure the best deals possible for African companies. Having issued insurance policies for political and commercial risks supporting trade and investments worth some US\$769 million last year, the Agency is confident that its position as the second-highest rated African institution will continue to help African trade and investments.

UPCOMING EVENTS:

- Post BUDGET Luncheon 12th June 2009 at Sheraton Hotel 12:00pm-2:00pm
- PSFU International Trade Facilitation Expo 24th& 25th June 2009

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