

Monthly e-newsletter **SEPTEMBER 2010**

Mission: To Strengthen Private Sector capacity for effective policy advocacy and market competitiveness

PSFU & MBALE DISTRICT ORGANISE ECONOMIC EMPOWERMENT WEEK FOR EASTERN UGANDA



Private Sector Foundation Uganda (PSFU) in partnership with Mbale District organised the Economic Empowerment Week in Eastern Uganda from 23rd - 26th September 2010. This event was part of the District World Food Day celebrations. The event took place at Maluku Grounds Mbale District Headquarters.

The purpose of the event was to stimulate the growth of small and medium Agri-business with a focus on commercial agriculture and trade within the region. Over 100 farmer groups attended the event which attracted over 5,000 participants. The farmer groups showcased a number of agricultural inputs, value addition and use of integrated methods of farming. The event also showcased successful Agro enterprises from all the

districts of Eastern Uganda and International Development Organizations.

Some of the International Organisations who partnered with PSFU to organise the event included; SNV, Heifer International and Technoserve. Some of local institutions included; Makerere University Food for Science and Technology, Uganda Industrial Research Institute (UIRI), Uganda Investment Authority (UIA), INSPIRE, Eastern Private Sector Development Centre (EPSEDEC), CocaCola, Zain. The financial Institutions included; Housing Finance Bank, Barclays Bank and Stanbic Bank.

The event was also supported by Second Private Sector Competitiveness Project (PSCP II), Business Uganda Development Scheme – Energy for Rural Transformation (BUDS-ERT) and Uganda Country Capacity Building Programme (UCCBP).

The various farmer groups showcased the following; Honey processing, Sun flower processing, coffee processing, solar drying, live stock development, value addition for ground nuts, animal breeding, bucket irrigation, fruit grafting, soil and water conservation, banana management, dairy goats, environmental management and much more.

With the Theme 'Land Management and Value Addition', the event provided business information, capacity building and networking for eastern Uganda people engaged in commercial agricultural and trade activities. The event was also used as a forum for discussing policy issues for Advocacy.

The guest of honour was H.E the President of the Republic of Uganda Yoweri Kaguta Museveni who was represented by the State Minister for Agriculture Hon. Aggrey Bagiire. While delivering his speech, he encouraged the farmers in Eastern Uganda to grow more food because food insecurity remains one of the persistent food crises despite technological advances to increase food production. He called upon farmers to do the following;

- a. Increase and diversify the production and export of primary products like cotton, beans, soya beans, oil seeds, tea and maize.
- b. Resource import list by utilising the whole range of our natural resources in order to manufacture most consumer goods locally.
- c. In addition to exporting a wide range of the usual primary products, Ugandans should launch an aggressive programme of exporting finished industrial products for example fruit and food stuffs, beef and dairy products, fertilizers, industrial chemicals and metal products.

He added that by taking such a course, Ugandans shall have made some progress towards realising the cherished aim of building an economy that is independent, integrated and self sustaining.

The President also emphasised the importance of Public-Private Partnerships (PPPs). He said the Public Private Partnerships potentially bring the efficiency of business to public service delivery and avoid the politically contentious aspects of full privatisation.



Mr. Gideon Badagawa Executive Director PSFU explains to the State Minister for Agriculture Hon Aggrey Bagiira the role Private Sector Foundation Uganda as an Apex body of the Private Sector in Uganda at the opening of the 4-day Economic Empowerment Week in Mbale.

PICTORIAL – ECONOMIC EMPOWERMENT WEEK



On the left is a farmer from Bududa explaining to one of the participants the modern ways of Managing Bananas for better yields. On the right, Vice Chairman Mbale District Administration Mr. Wandwasi Robert, Mr. Juma Walusimbi Board Member PSFU, Hon Aggrey Bagiira State Minister for Agriculture, Mr. Barnard Mujasi Chairman Mbale District and other delegates at the Eastern Economic Empowerment Week.



On the Left, a farmer explains about modern ways of growing Barley. On the right is Mr Rogers Matama, of Family Business Limited giving skills to various farmer groups and participants about how to manage a family business successfully.



On the left is a local band and various farmer groups with PSFU after marching through Mbale town performing for the invited guests. On the right, a farmer demonstrates modern and simple ways for cultivation.

PSFU would like to thank the Mbale District organising Committee headed by the Chief Administrative Officer (CAO) Mr. Andrew Maweje for organising the event. Other members of the committee included; Mr. Charles Twikirize Deputy CAO, Mr. Paul Mwambu, Mr. Abednego Watengo, Ms Annette Magolo, Mr. Edris Lwese, Mr. David Wamburu, Ms Harriet Mwesigwa, Dr. Michael Wandukwa, Mr Moses Paul Lubowa the RDC, Mr. Nangoshay Willy, Mr Jacob Opolot DPC, Mr Manafa Mohamed and Mr. Geoffrey Nambafu. PSFU would like to thank them for organising the event. The Chairman Mr. Barnard Mujasi and the Vice Chairman Mr Robert Wandwasi also played a key role in the success of the event plus all other members who provided support

MEETING OF THE HIGH LEVEL TASK FORCE (HLTF) TO NEGOTIATE ANNEXES TO THE EAST AFRICAN COMMUNITY COMMON MARKET PROTOCOL SERENA HOTEL, KIGALI, RWANDA 13TH – 20TH SEPTEMBER 2010

The meeting was convened in accordance with the *Post Negotiations Programme* that was adopted by the Council of Ministers at its 19th meeting held on 18th November 2009. The meeting was attended by members of the HLTF from all the Partner States.

The meeting was officially opened by Mr. Robert Ssali, Permanent Secretary, Ministry of East African Community Affairs on behalf of Hon. Monique Mukaruliza, Minister of East African Community Affairs of Republic of Rwanda. The Hon. Minister welcomed the delegates to Rwanda and invited them to spare some time to enjoy the warm hospitality in the country of a thousand hills. In her speech read by Mr. Robert Ssali, the Minister noted with appreciation that the HLTF had made tremendous progress since resuming negotiations in May 2010 and urged the delegates to use the Kigali round to finalise the negotiations in readiness for the meeting of the Multi Sectoral Council scheduled for October 2010.

The following annexes were discussed and recommendations were given;

1. Consideration of the annex on mutual recognition of academic and professional qualifications.
2. Consideration of the annex on social security benefits in the community.
3. Consideration of additional commitments under the schedule on the progressive liberalisation of services.

4. Consideration of additional commitments under the schedule for the free movement of workers.

The meeting appreciated the warm hospitality and reception extended to members of the HLTF by the people and the Government of the Republic of Rwanda. The HLTF also appreciated the logistical support provided by the EAC Secretariat in facilitating the meeting. The HLTF agreed that the meeting of the Multi Sectoral Council of Ministers on the EAC Common Market will be held in Bujumbura, Burundi as follows:

- 11th – 12th October 2010 – Sub-Committees on Trade in Services and Social Security Benefits.
- 13th – 16th October 2010 - Meeting of the HLTF to consider the following agenda items:
 - Outstanding issues on the Annex on Mutual Recognition of Academic and Professional Qualifications.
 - Draft Directive on Social Security Benefits in the Community.
 - Additional Commitments under the Schedule on the Progressive Liberalisation of Services.
- 18th - 19th October 2010 - Meeting of the Multi Sectoral Coordination Committee.
- 20th - 21st October 2010 - Meeting of the Multi Sectoral Council.

PIRT REVIEW MEETING HELD ON 1ST OCTOBER 2010 AT THE OFFICE OF THE PRIME MINISTER

The Presidential Investors Round Table (PIRT) is an initiative of H.E the President of Uganda and brings together key actors from both the Private and Public Sectors, mainly to form a common agenda for accelerating economic development in Uganda.

H.E the President of the Republic of Uganda, hosted the 2nd PIRT meeting on 27th May, 2010, with participants drawn from; Members of the PIRT, relevant Government Officials; including among others: the Rt. Hon. Prime Minister, Cabinet Ministers and Permanent Secretaries plus selected members of the Private Sector. In his opening remarks, H.E the President emphasized the importance of an increasing tax base in Uganda for improved planning independent of external

, 2009 were discussed by the Chairman, UIA and a *progress report* on PIRT phases 1&2 '*pending issues*' were presented by the Rt. Hon. Prime Minister.

considerations (close to self-reliance, 13% of GDP). He noted that Infrastructural issues of transport (mainly *Roads and Railway*) and *Energy* are to be of main focus for Uganda to achieve growth. He informed the congregation however that Uganda's target for revenue from domestic taxes is 20% of GDP for total sustainability as compared to Paris.

At the meeting, sectors discussed included; *Petroleum, Transport and Logistics, Competitiveness in Doing Business, E-government & Creative Industry* plus *Agricultural Production and Value Addition*. Implementing *Public-private partnership* was also discussed by Mr. Phillip J. Kelly, the Guest Speaker, also *highlights of the PIRT achievements* since October 15th

Private Sector Foundation Uganda (PSFU) as part of the PIRT

organizing Secretariat¹ was represented by a team including; Mr. Gerald Ssendaula, the Chairman Board of Directors, Mr. Gideon Badagawa, Executive Director, plus two staff from the Policy Advocacy Unit. Below therefore are the follow-up activities that arose from the deliberations and conclusions for way forward as were recorded by our team².

Follow-on activities

- The next PIRT meeting will focus on *reporting the progress* made by Government on implementation of the Private Sector/PIRT recommendations of the meeting held May 27 2010³.
- A meeting was held on 1st October, 2010 from the Rt. Hon. Prime Minister's Office, in which respective Ministers presented their progress reports to the Minister of General duties⁴.

Key Issues reported upon

- The Computer Misuse Bill was passed by Parliament in August 2010.
- The Electronics Signatures bill will be tabled and discussed in Parliament in October 2010.
- Stamp duty on appraisal of valuation of mortgaged assets used as a collateral was reduced to a flat rate of 100, 000 Ugx in the FY 2010/2011 budget.
- VAT on computer software licenses was removed in the 2010/2011 budget.
- MoGLSD is to take lead on amending the Stage Plays and 'Public Entertainment Act 1943' and developing a law for the *Creative Industry*.
- Health Credit Facility/Fund; the MoH and the Competitiveness Working group to develop a concept paper supporting the proposal to create this facility and submit to Ministry of Finance.
- Air Uganda allowed to become the national flag bearer; Agakhan proposes shareholding offer to GoU.
- MAAIF and CAA to share 50: 50 of 132 hectares of Animal transit holding farm adjacent to Entebbe Airport. The Prime Minister is to write to MoLHUD to cancel the old land title then issue two new ones; to MAAIF and the other to CAA.
- MoFPED to follow up with URA on the establishment of a revenue collection point at the Company registry to enhance simplicity of registration procedures

¹ PIRT Organizing Secretariat; Uganda Investment Authority, Competitiveness Investment Climate Strategy & PSFU

² A copy of this can be accessed from the PSFU Policy Advocacy Department, for detailed reference purposes

³ Next PIRT meeting planned for 25th November 2010 at the Kampala Serena Hotel

⁴ The Executive Director, Uganda Investment Authority attended this meeting on behalf of the Private Sector

- MoFPED provides additional funding to the company registry to enhance on line business registration.

Conclusion

In her advocacy agenda, the Private Sector Foundation Uganda utilizes the Presidential Investors' Round Table meetings to further this cause and monitor implementation of agreed deliberations to ensure a conducive investment business climate and enhance competitiveness of the Private Sector in Uganda regionally and internationally.

For improved Public Private Partnerships, PSFU also continues to dialogue with Government Officials, Development Partners, key line Ministries, and various Policy Makers, as well as H.E the President of the Republic of Uganda while at the Presidential Investors' Round Table meetings forum.

As shown in the above, the meeting held at Prime Minister's Office was successful and a date for the PIRT local members meeting will be communicated for follow up.

FORUM ON CLEAN ENERGY FINANCING

PSFU attended the Forum on Clean Energy Financing co-organised by PSFU, Climate Technology Initiative / Private Financing Advisory Network (CTI/PFAN) and Rural Electrification Agency (REA). The objective of the forum was to expose Ugandan Projects to the wide investor group and loan providers. The forum was a climax of a Renewable Energy Business Plan Competition in which 2 Ugandan projects were participating. The projects are being supported by BUDS-ERT (feasibility study and hand holding).

UGANDA'S AGRICULTURAL DSIP POST CAADP COMPACT REVIEW AND HIGH LEVEL BUSINESS MEETING HELD AT IMPERIAL ROYALE ON 16TH & 17TH SEPTEMBER 2010

Uganda signed the Comprehensive Africa Agriculture Development Programme on March 31st 2010. This implies that Uganda now subscribes to the CAADP Compact which sets the Climate for Agricultural development on the entire African Continent, and therefore, it is up to the Private Sector to tap into this opportunity by planning for investments in Agriculture within the framework of the Development Strategy Investment Plan⁵ (DSIP) for Agricultural-led development in the region.

MAAIF held a Uganda's Agricultural Development Strategy and Investment Plan post CAADP Compact review and high

⁵ DSIP's main objective is to enhance the quality of Agriculture development and increase effectiveness

level business meeting in September 2010. After signing of the CAADP, an external technical team from Zambia reviewed the DSIP to assess the actions taken by Uganda since March 31st and developed a country report⁶, and discovered a funding gap of 25% hence the aims of the business meeting were two-fold;

- Review the DSIP country report and agree on the way forward/recommendations
- Discuss the funding alternatives of the 25% gap as identified

Private Sector Concerns as raised in a presentation by PSFU at the forum

At the meeting, the Private Sector was requested to make comments or reactions on the 'highlights of the DSIP including the experiences and lessons after post CAADP signing'. Therefore, PSFU together with Farmers analyzed the DSIP review report and presented the following concerns which should be duly considered in the implementation strategies of the CAADP/DSIP.⁷

- **Implementation of agreed upon actions;** The Private Sector noted that the DSIP is good since it's more of a business-like hence welcome. However, the only challenge is on Implementation. It was therefore proposed that the DSIP ought to be tailored in a way that timely implementation through consultations with the Private Sector should be instituted.
- **Legal and regulatory frameworks;** it was noted that the DSIP has good policies for a conducive investment climate, but other concerns related to Taxation policies were not well incorporated. It was therefore proposed that MAAIF partners with MoFPED, URA, e.t.c to incorporate taxation related issues.
- **Oil as a risk to Agriculture;** the Private Sector raised the concern of Oil as a big risk to investments in other sectors. It was therefore proposed that the DSIP should put into consideration oil management mechanisms for it not to be a risky activity.
- **Monitoring and Evaluation;** the Private Sector noted with concern that there's need for an M&E framework which should involve all relevant stakeholders, and mechanisms to interlink/work together should be put in place to enhance successful implementation.
- **Prioritization;** the PS noted that there's need for prioritization in order to ensure efficiency in implementation. Rather than spread resources thin, it is vital that a few activities are prioritized for efficiency and effectiveness,

there is also need to enhance PPP's in areas such as research and development⁸.

- **Market access;** to assist farmers gain, there's need for the Government to consider Market access concerns through commodity markets, cooperatives, invest in post-harvest/storage facilities, curb counterfeiting, among others. Agricultural **zoning** should as well be taken into consideration in the DSIP.
- **Capacity building;** farmers' capacity ought to be enhanced, especially those organized in groups. Private Sector capacity ought to be prioritized through institutions, attitudes should also be improved to ensure implementation i.e. activities in NAADS have good policy frameworks in place but poor attitudes hinder implementation.
- **Climate Change;** Uganda should be more pro-active on climate change than wait for when the problem is her. There is therefore a need to put in place technologies such as irrigation to counter any climatic hazards way in time.
- **Strengthening synergies;** it is important that duplication is minimized by working in collaboration. For instance, MAAIF should collaborate with other institutions such as UIA, UNBS, MTTI, PSFU, among others, this kind of partnership would help reduce the funding gap of 25% as identified.
- **Extension services;** the Government should put in place clear mechanisms for more reliable extension services/policies to avoid oslations, and improve planning mechanisms of farmers as opposed to experimentations.
- **Farm inputs/seeds;** this is clearly left to the hands of the Private Sector-which is still weak to duly offer this. For improved seeds, fertilizers, the Government should support the private Sector-Agro-Chemical seed dealers to curb counterfeits; all should be formalized, licensed and certified by UNBS.
- **Land reforms;** consider land use planning and reforms for better farming methods as opposed to land fragmentation. There is also need to ensure clear communication to all up to grass-root levels.
- **Fast track implementation of various policies;** Agricultural related policies such as the Food and Nutrition policy, SPS policies among others should be fast tracked to ensure food security.

Conclusion

An M& E framework is to be developed with the involvement of the Private Sector to ensure implementation of all agreed activities, climate changes as well to be considered. Capacity building of the Private Sector is also to be considered. Linkages between MAAIF and other implementing institutions to be enhanced as well to reduce duplication and spreading thin.

⁶ This review is so critical in the post CAADP compact implementation plans

⁷ The PSFU Policy Unit was at the meeting and made a presentation with all Private Sector views

⁸ The funding gap of 25%, if there's prioritization, the 75% would be enough to implement the plans

LAST CALL FOR ENTRIES;

BUSINESS ASSOCIATION & COMMUNITY DEVELOPMENT AWARDS 2010

Private Sector Foundation Uganda (PSFU) recognizes the role that networks such as business associations, community groups and cooperatives play in nurturing small and business enterprises in Uganda. Through such collaborations small firms can achieve competitive advantage and also gain access to the necessary resources for business start ups, growth and success. As a growing economy there's need to encourage formation of long term relationships that rely on the incentives of repeated interactions in order to overcome institutional failure and make significant contributions to productivity, exports and growth

It's against this background that PSFU will this year recognize the best business models of associations, cooperatives, and community groups operating from Village, sub-county, district and national level. This award is expected to attract nominations from at least 50 key districts of Uganda. This will be the third year that PSFU is recognizing the role that Associations or networks play in strengthening the competitiveness of SMEs in Uganda.

Purpose of the award

The purpose of the award is to promote good governance, excellent association management and leadership practices, within the business association sector in Uganda. The Business Association and Community Development Award recognizes an association that has demonstrated good governance and outstanding efforts in representing the interests of its members, organizing activities and delivering services and information for the benefit of the members (or the industry or profession in general).

Goal of the Award: "Assessing and ensuring continuity of good governance and excellent leadership among private sector associations"

Award categories

1. Business Association/Network of the Year - National Level
2. Excellence Award in Urban or Suburban Development
3. Excellence Award in Rural Economic development (according to 5 Regions of Uganda)
4. Excellent award in Environment or Energy Economic Development

Business Association/Network of the Year - National Level

This award recognizes a business association, network or any form of member based organization that has a national presence. With a well established secretariat, good

governance structures, audited accounts and has been in existence for more than 7 years with recognizable achievement in membership development, policy research and advocacy.

Excellence Award in urban or sub-urban development

This award recognizes an urban based network based initiative with a focus on innovation, market based strategies to improve urban or sub urban development results. Formal groups, networks and registered cooperative societies at sub county or division level that have been in existence for more than 4 years will be eligible to participate in this category.

Excellence Award in Rural Economic Development (from 5 Regions)

This award recognizes a network based initiative with a focus on innovation, market based strategies and economic empowerment for rural communities. Formal groups, networks and registered cooperative societies at village, sub county or division level that has been in existence for more than 4 years are eligible for this category.

Excellent award in Environment or Energy Economic Development

This award recognizes a network based initiative which promotes innovative strategies in the development of an environmentally led or energy led projects in rural or urban communities that attract substantial capital investment and attract higher wage jobs.

Criterion for the award

The following aspects of association management will be considered during the evaluation process:

Good governance; Membership development; Activities for members; Representation of members, lobbying and advocacy; Financial management of the association; Communication; Innovativeness; Transferability; Community commitment and leverage; Measured objectives

Eligibility and Entry Guidelines

All business or professional associations, community development groups at village, sub-county, district or national level. Cooperatives or any form of network groups can participate in the nomination process for the various categories. Participation is by filling in the nomination forms and post to PSFU by mail, fax or email.

Who should participate in the competition?

- All business or professional associations, community development groups at village, sub-county, district or national level cooperatives or any form of network or group

How to participate

- State the name and key activities of the business organization/ network you are nominating for and give the reasons why it deserves the award

Note: only short listed business organizations/ networks will be contacted for details.

Please note deadline for submission of entries is 15th October, 2010. Submit your entry in a sealed envelope clearly marked : Business Association and Community Development Awards to Private Sector Foundation Uganda Plot 43 Nakasero Road Kampala Uganda (PSFU), P.O Box 7683 Kampala

Director Member Services

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UGANDAN WINS AWARD OF EXCELLENCE FOR RAISING CORPORATE PRODUCTIVITY

International Renaissance Centre (IRC), a Management and Development Organisation based in Nairobi, Kenya in collaboration with African Renaissance Centre (ARC), Swaziland Awarded Mr. Avarist Ahimbisibwe the Personal Assistant to the Minister of Transport and Communications as Personal Assistant of the Year 2010 in Africa.

In October, 2007, IRC launched the Executive/Personal Assistant's Award of Excellence of the Year in Africa in Nairobi Kenya with Ms. Hope Jemimah Kasimbazi, PSFU being the inaugural winner. Since then, IRC has constantly organized the symposium and awards in Uganda 2008, Tanzania 2009 and

Malawi 2010 with winners being a Ugandan, Tanzanian and Ugandan respectively.

For the last four years, PAs symposium has created conducive platform and network for extensive interaction by the participating PAs drawn from Malawi, Tanzania, Kenya, Zambia and Uganda who have shared wealth of knowledge, experience/ideas, resolved common problems and greatly benefited from the cross rich cultural exchange. This has yielded strong capacity building, improved performance at work place and innovativeness, passion for the job, inspired and motivated work force that have gained extensive exposure.

UPCOMING EVENTS;

- 🇺🇬 The Proudly Ugandan Campaign November 2010
- 🇺🇬 Business Association and Community Development Awards November 2010

For more information Contact:

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**Note: Do not miss to participate in the 2011 PSFU Business Directory.
Book your space today. Cal 0772540480/ sbakibuuka@psfuganda.org.ug.**