



PSFU News 7<sup>th</sup> November 2016

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## TURKEY – AFRICA, Business & Economic Forum

The Turkey Africa Business and Economic Forum (TABEF) took place from 1st to 4th November 2016 in Istanbul Turkey. Earlier this year HE Erdogan of Turkey led a business delegation to Africa to explore trade and Investment opportunities between Africa and Turkey. In Uganda, the Business forum was coordinated by Private Sector Foundation Uganda (PSFU) and Uganda National Chamber of Commerce and Industries (UNCCI) which signed MoUs with the Foreign and Economic relations department (DEIK) of Turkey. DEIK represents the interests of the Turkish business community.

The TABEF held this month was a follow up on the earlier resolve by the cooperating governments and the business community to support and promote business, trade and investment between Africa and Turkey. Attendance at the forum was drawn from several African countries. From Uganda we had representation from PSFU, Traders, manufacturers, contractors and the health sector.

The forum was opened by both the Turkish president and the Chair of the African Union who is also the President of the Republic of Chad, HE Idriss Derby. Later, B2B sessions were organised in which the discussion concentrated on investment experiences in Africa by Turkish firms that have investments on the African continent and challenges of the business environment were strongly sounded. Along with this was the complex issue of financing infrastructure projects.

The Turkey-Africa cooperation was launched in 2005, and since then Turkey has had several projects spread across North, West, East and Southern Africa in the areas of social and human development including technical training, water and sanitation, energy and infrastructure, oil and Gas (mainly in oil refinery), trade and commerce, agribusiness, gender equality and women empowerment.

For Uganda, through our MoU, PSFU and DIEK have developed a catalogue of several companies that are doing business in Africa and which could be attracted to Uganda. This will soon be posted on our website so that Ugandan companies can identify with and partner with some of these major projects. Below are some of them.

1. **PLANETtek** is a waste water treatment company that has worked in various countries in West Africa and wishes to partner with Ugandan firms to provide sustainable domestic water treatment solutions.
2. **Limak construction** does work ranging from hydroelectric power dams to highway construction, pipelines, airports, hotels, irrigation projects etc. Both Government and the business community may take interest in this company. It is one of the biggest construction firms in Turkey.
3. **Mezgit Hydrolic** has specialised in drilling (both equipment and expertise). Ugandan companies dealing in water drilling, irrigation equipment/water for production can partner with them. The company provides free technical assistance.

Contacts and Profile information on these and many other companies (in steel, textiles, construction, etc) that have expressed willingness to partner with Ugandan business companies is available at PSFU and will soon be posted on the PSFU Website.

### **PSFU to implement new Grant Project; the Skills Development Facility (SDF)**

The Skills Development Facility is part of the Skills Development Project which is a Government of Uganda Project funded by the World Bank implemented by Private Sector Foundation Uganda. The SDF will be operated through a Matching Grant aimed at promoting employer led short term training in order to address prevailing skills imbalances and shortages in Uganda.

An important element of the initiative is to facilitate collaboration between training providers and industry to promote demand driven skills development with special attention to innovative modes of training. For details please contact [rbusoke@psfuganda.org.ug](mailto:rbusoke@psfuganda.org.ug) / [fnabbimba@psfuganda.org.ug](mailto:fnabbimba@psfuganda.org.ug)

### **EALA begins third round of sensitization of stakeholders in region**

**East African Legislative Assembly, Arusha, Tanzania:** EALA this week commenced the third round of sensitization in the Partner States with legislators targeting various stakeholders in outreach. The sensitization activities, been carried out by the EALA local Chapters in the Partner States, commenced on October 28<sup>th</sup>, 2016, and shall run over the next ten days. The sensitization is anchored on the theme: *“EAC Integration Agenda: Accessing the gains.”*

The sensitization programmes target Parliamentarians, youth groups, representatives of the business community and local government authorities. Other groups include government officials, students and media in the respective Partner States.

In Rwanda, the EALA Chapter is scheduled to tour the Tanzania International Container Terminal Services (TICTS) Liaison Office as well as the Rwanda Standards Board to hold discussions with the stakeholders. Also on the cards are visits to the Nemba One Stop Border Post on the Rwanda/Burundi border as well as a tour to the Rusumo One Stop Border Post bordering Rwanda and Tanzania and at Gatuna on the Rwanda/Uganda frontier.

The Uganda Chapter on its part, has a date with students at the Kyambogo University on Wednesday this week and later on with representatives of the Chamber of Commerce. Yesterday, the Chapter was expected to hold talks with the Speaker of the Parliament of Uganda, Rt Hon Rebecca Alitwala Kadaga. They shall also visit the Uganda Heart Institute which is an EAC Centre of Excellence and hold public hearings on four Bills before the House, according to a Program availed to the Public Relations Office. The Bills are the EAC Gender Equality and Development Bill, 2016, EAC Prohibition of Female and Genital Mutilation Bill, 2016, the EAC Whistle Blower Protection Bill, 2016 and the EAC Retirement Benefits for Specified Heads of Organs Bill, 2016.

In Burundi, the EALA Chapter was expected to commence their activities with courtesy calls on the President of the Burundi National Assembly and the Minister for EAC Affairs before heading to Muyinga Province. There, the Chapter will meet with the Governor then proceed to the Kobero One Stop Border

Post. Business communities living at the border are expected to benefit from a visit where discussions on the benefits of integration shall take centre stage. The EALA Burundi Chapter is then heading to Ngozi Province to meet with stakeholders. It shall also take the opportunity to hold public hearings on Bills before the House.

The Chapter in Tanzania also commenced the sensitization activities with a tour of the Immigration Department in Dar es Salaam. The program also includes a courtesy call on the Chama Cha Mapinduzi Secretary General and EALA Speaker *Emeritus*, Rt Hon Abdulrahman Kinana, as well as sensitisation of different stakeholders in the coastal areas of Dar, Tanga and the environs. The Chapter led by Hon Makongoro Nyerere, will also visit the border post of HoroHoro, which neighbours that of Lunga-Lunga on the Kenyan side. The Chapter hopes to undertake joint sensitization with citizens who reside on both sides of the borders.

In Kenya, EALA shall visit Government authorities including courtesy calls on the Immigration department and its parent Ministry of Internal and Co-ordination of National Government. The Members are also expected to touch base with private sector representatives including blue chip conglomerate, Safaricom and the healthcare providers, AAR. Other consultative meetings with parastatal bodies will include Kenya Maritime Authority, Kenya Civil Aviation Authority, Communications Authority of Kenya and the Kenya Wildlife Service. A number of consultations will be held with regards to the pending Bills in the House.

This is the third phase of the outreach programme following a successful phases held in the Partner States in April and June 2016. The activities hope to sensitise EAC citizens on the overall integration process and to promote liaison with key stakeholders in the process.

The outreach programmes also hope to keep the EAC populace informed on the role of EALA in the integration process and to enhance interaction between the Private Sector and the Civil Society.

Sensitization is a key component of EALA's work. The EALA Strategic Plan (2013-2018) envisages a people-centered approach to widening and deepening of the integration agenda.

### **The Arusha Conference Calls for Further Integration and Reforms in EAC on the Road to a Monetary Union**

The East African Community (EAC) Secretariat, the European Union (EU), and the International Monetary Fund (IMF) jointly organized a high-level conference entitled "*Regional Integration in the EAC: Making the Most of the Common Market on the Road to a Monetary Union*" in Arusha, Tanzania on October 31–November 1, 2016. Discussions focused on progress in establishing Customs Union and Common Market so far, steps for strengthening them, and the prerequisites for an effective transition to East African Monetary Union (EAMU).

The conference brought together Finance Ministers and Ministers in charge of regional cooperation, Central Bank Governors, other senior policymakers, regional capital markets regulators, academics, civil society, and private sector leaders from across EAC member countries, as well as senior representatives

from international financial institutions and other monetary unions. Policymakers of the EAC region reaffirmed their commitment to build a strong economic and monetary union.

Participants assessed the current state and pace of economic integration since the inception of the Customs Union in 2005 and the Common Market in 2010. Participants noted considerable progress towards a single entry visa, processing times at ports, and removal of internal tariffs. As indicated in the second EAC Common Market Scorecard 2016 which evaluates Partner States' compliance to the free movement of capital, services, and goods, private sector representatives in particular underlined the need for further progress in the areas of non-tariff barriers, rules of origin, tax administration and harmonization, automation of trade process, and labor mobility to facilitate trade of goods and services further. Given experiences in other regions, sequential harmonization could be pursued in implementing the single customs territory and tax harmonization. Accountability and ownership are critical to a successful integration process.

Considerable progress has been made in financial sector integration, including integration of the payment systems and financial markets. In this regard, participants noted still high compliance cost in light of different regulations in member countries. On the Fintech front, however, the EAC region is ahead of many other countries in the world. The importance of proper sequencing and pace of financial integration was stressed in light of risks involved.

Under the theme "*The Road toward a Monetary Union*," the status of macroeconomic convergence in the EAC was discussed. Participants acknowledged that fiscal deficits need to be brought down to meet the convergence criterion and to ensure the stability of the future monetary union. Convergence goes beyond headline fiscal deficits and public debt, and fiscal risks need to be monitored closely. Moreover, further progress is needed in data harmonization and monetary policy frameworks and operations, and there is a need to establish the new institutions that will play a key role for the implementation and resilience of the union.

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### **In others News:**

- Click on the link below for a story on lessons Uganda can pick from the Crane Bank takeover. <http://www.monitor.co.ug/Business/Prosper/Lessons-Uganda-can-pick-from-Crane-Bank-s-takeover-/688616-3436280-1587k0xz/index.html>

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