

Growing commercial ties

By MARK SIMMONDS, MP

PARLIAMENTARY UNDER SECRETARY OF STATE, FOREIGN AND COMMONWEALTH OFFICE



MARK SIMMONDS was appointed Parliamentary Under Secretary of State at the Foreign and Commonwealth Office on 5 September 2012. He first entered Parliament in 2001 and is the Member of Parliament for Boston and Skegness. Born in 1964, he was educated at Workspop College and Trent University. Mark was elected onto Wandsworth Borough Council for the Southfield Ward in Putney in 1990 where he remained until 1994 when he stepped down to pursue a parliamentary career.

I am delighted that FIRST is producing this special report on Uganda and that the Ugandan Government is represented at the highest level during this important visit. This report celebrates not only our wide-ranging commercial relationship, but also new possibilities for working together.

I extend a warm welcome to His Excellency President Museveni, and the Ugandan delegation he leads. Their participation and willingness to engage with UK businesses clearly signals the Government of Uganda's seriousness about trade and investment, and confidence in the quality and expertise of UK companies.

Britain has world-class companies active in all sectors, including financial services, mining, hospitality, agri-business, infrastructure and energy. The conference is a call to action for UK companies to take advantage of the opportunities available, working alongside Ugandan partners to help facilitate growth and development.

The UK is committed to the dynamic, and mutually beneficial relationship with Uganda. Our friendship is based on shared history and vital political, security, and commercial interests. This year alone our bilateral development programme in Uganda totals £80 million including investment in roads and power plants, as well as providing finance that businesses need in order to generate growth.

Britain, with investments of over £2 billion, remains the largest cumulative investor in Uganda. We want to retain this position and increase British investment flows to Uganda. In March this year the London and Aberdeen Chambers of Commerce visited Uganda. We will break new ground this September when the Lord Mayor of London heads a high level financial services trade mission to Kampala. This underlines the importance of the Ugandan market to British interests.

When the UK's National Action Plan – *Good Business* – was launched last year the Foreign and Business Secretaries said “the promotion of business and respect for human rights should go hand in hand”. A country which is accountable and treats its people with dignity is more likely to foster creativity, ingenuity, and economic opportunity – all prerequisites for long term growth.

A strong partnership can include navigating through areas of disagreement. Our governments have that sort of relationship, and when we need to speak frankly we can do so, such as the recent discussions of human

rights issues. I believe that being able to have those exchanges, while recognising the strength and breadth of the partnership, strengthens the relationship in the long term.

This is an exciting time for Uganda and Africa. I have said before that I believe the continent is brimming with opportunities for British investors, who are well placed to provide the necessary expertise, goods, services and investment.

The UK Government is helping Africa to address the underlying barriers to trade and investment. We are providing £1.5 billion in Aid for Trade assistance, including the excellent work carried out by Trade Mark East Africa. Britain is committed to supporting African countries as they embed the values that are fundamental to a stable and transparent business environment and will ultimately lead to sustainable economic growth.

Uganda is one of the most industrialised countries in East Africa, and aims to become a middle income country by 2040. Between 2005 and 2011, economic growth in Uganda averaged 7.6% annually, and inward investment doubled. The World Bank predicts real GDP growth of 5.2% in 2013/14 rising to 6% in 2014/15. Interest in the Ugandan market continues to rise, reflected in higher bilateral trade figures.

I have made Uganda a key focus for the UK Trade and Investment (UKTI) East Africa High Value Opportunities programme, which helps UK companies develop business opportunities in major projects. Uganda offers significant oil & gas opportunities and a number of UK companies are actively seeking business.

One vitally important ingredient for success is the development of sustainable local content agendas. This is an area where the UK has significant experience and expertise. We are currently carrying out a study to identify skill gaps which will help British companies to facilitate partnerships with Uganda.

We share the same business language, common historical links, and entrepreneurial spirit. All of which are building blocks for further trade and investment. Helping British companies succeed overseas is a key priority for us.

Both the UK and Uganda want to see the commercial ties between our countries grow stronger. Our High Commission in Kampala and the UKTI team are there to support British businesses. I would encourage you to make the most of the support they can offer.