A land-linked hub

Interview with AMELIA ANNE KYAMBADDE

Minister of Trade, Industry and Cooperatives

AMELIA KYAMBADDE began her career with the Ugandan Civil Service in 1979. She rose to the rank of Principal Private Secretary (PPS) to the President of Uganda. She contested the parliamentary seat of "Mawokota County North", Mpigi District during the National elections of 2011 and is now the incumbent MP for that constituency. On 27 March 2011, she was appointed Minister for Trade & Industry. She also holds a Bachelor of Business Administration degree (BBA), from Makerere University.

To what extent does Industry contribute to the growth of the Ugandan economy?

Industry is the biggest contributor to our GDP (51%), which includes the important sub-sectors of manufacturing, mining and construction. According to the UBOS 2013 Statistical Abstract, the contribution of Industry to GDP grew by 6.8 percent in FY 2012/13. Other significant sectors also contribute substantially to the GDP such as agriculture (24%) and services (25%).

What policy iniatives are you planning in order to mitigate the growing trade deficit?

We need to address the supply side constraint by generating more power in order to solve the problem of unreliable power and to reduce the cost of energy in Uganda. We must also foster innovation and entrepreneurial skills among our workforce. Aside from this it is important for us to focus on advancing the appropriate technologies by training and producing technical experts along the value chain. Above all however, I believe we need to harmonise regional integration to increase market access. Uganda is a land-locked country but we prefer to see it as 'land-linked'. We are in a central location with access to an array of regional markets. This is why we must improve our infrastructure – our roads and railways particularly – in order to capitalise on our position.

What are your key sectoral priorities for the next three to five years?

We will continue to give priority to investment in key infrastructure and production sectors as well as improving the quality of public service delivery. The strategy for this is to maintain macroeconomic stability and stimulation of economic growth, increase the stock and quality of physical infrastructure (with emphasis on Transport, Energy and ICT) and generally increase production and productivity of key growth sectors such as Agriculture, Industry, Mining, Trade and Tourism. We also recognise the need to develop our human resources and skills in order to create employment and improve the quality of life by increasing access to quality education and training as well as other social services like health, water, housing and social protection. Other priorities include technological innovation and value addition, implementation of the Pay Reform Strategy with emphasis on Salary enhancement for all Public Servants and Strengthening Governance and Accountability for public resources for better Service Delivery.

According to the Sector Budget Framework Paper FY 2014/15, key priorities include:

- Develop a competitive and export oriented industrial sector
- Conserve, preserve and ensure sustainable development of Uganda's unique natural and cultural heritage
- Develop and promote Uganda's tourism both domestically and internationally
- Strengthen the cooperative movement in Uganda
- Promote efficient, effective and results oriented resource management in the Ministry
- Promote international competitiveness of Uganda's exports and improve market access of Ugandan products and services
- Develop and implement standards so as to ensure quality of all manufactured goods through conformity assessments (i.e. Standardization and quality assurance).

How would you describe the trade and investment relationship with the UK and how can it be further improved and enhanced?

Unfortunately, trade between the two countries has dropped in recent years. Uganda's export declined from USD 118.39M in 2008 to USD 58.02M in 2012 and the trade imbalance in favour of the UK increased from USD 19.23M to USD 68.8M in the same period. But Uganda has partnered with UK for more than 50 years, and indeed Uganda still exports raw materials to the UK. We encourage the UK to invest more in value addition especially in agricultural products in Uganda, as well as in the services sector (particularly telecommunications). British investors should bring in financial capital and the expertise, but they ought to pay close attention to opportunities in Ugandan tourism, especially in marketing our tourist sites.

How does the Ugandan economy fair vis-à-vis its regional counterparts such as Kenya and Tanzania?

A closer look at our economy is the best way to demonstrate our competitive advantage in the region. Uganda has substantial natural resources, including fertile soils, regular rainfall, small deposits of copper, gold, and other minerals, and recently discovered oil. Agriculture is the most important sector of the economy, employing over 80% of the work force.

Coffee accounts for the bulk of export revenues. Our main industries include sugar, brewing, tobacco, cotton textiles; cement and steel production. Our industrial production growth rate estimated for 2013 is 3.8%.

We have abundant mineral resources including oil, phosphates, limestone, iron ore and copper. We have fertile soils and a favorable climate which gives Uganda the potential to be the regional food basket – opportunities in agro-processing industry. We have a booming service industry which offers opportunities in various sectors such as telecommunications, transport, education and banking. We also have tremendous untapped tourism potential.

Uganda is a investment destination in the region due to its strategic location in the hub of the Great Lakes Region, which has a huge market, with a population of over 200m. We are a member of the EAC and COMESA, having about 400 million consumers. And once the Tripartite Agreement is signed, enabling EAC, COMESA and SADC to become one big PTA, we will have a market of over 530 million people. The regional market constitutes 61.8% of Uganda's entire global trade which makes Uganda a leading player in the inter-regional trade in Africa.

Ugandan Economy compared to other East African Countries

Country	GDP (purchasing power parity) (2013 est)	GDP - real growth rate	GDP - per capita (PPP)
Uganda	$54.37 billion	5.6%	$1,500
Kenya	$79.9 billion	5.1%	$1,800
Tanzania	$79.29 billion	7%	$1,700
Rwanda	$16.37 billion	7.5%	$1,500
Burundi	$5.75 billion	4.5%	$600

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