



Top left: Former Minister of Trade and Industry, Hon. Major General Kahinda Otafiire, with the then UIA Executive Director Dr. Maggie Kigozi, Bernard Hoekman from World Bank and Amb. Julius B. Onen at the 4th National Trade Sector Review Conference at Speke Resort, Munyonyo.

Bottom left: A cross section of the Ministry Staff and other stakeholders listening to the presentations at the conference.

Top right: The new Ministers from right to left, Hon. Amelia Kyambadde, the Minister of Trade, Industry and Cooperatives, Dr. James Mutende, State Minister for Industry and Technology and Hon. Ephraim Kamuntu, Minister of Tourism, Wildlife and Antiquities at the Ministry's Team building event

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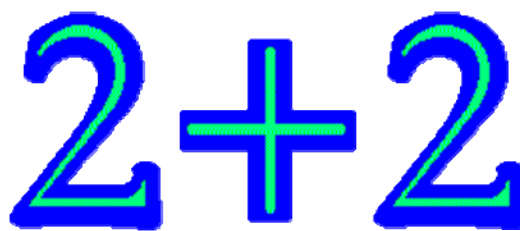




Editorial

This Uganda Trade Review highlights the main activities that have taken place in the Trade Sector. It focuses on issues that have been taking centre stage within Ministry, covering issues such as the East African Community Common Market, Non –Tariff Barriers to trade in the EAC trade corridors and also how the Ministry is taking the National Trade Policy to the grassroots through training District Local Government Officers on how to incorporate trade into their respective District Development Plans.

The Ministry has been split into two; the Ministry of Trade, Industry and Cooperatives and the Ministry of Tourism, Wildlife and Heritage. The Ministry also welcomed new Ministers on board. On behalf of the Editorial Team, we would like to congratulate and welcome all the newly appointed Ministers, we look forward to working with you in promoting trade and industry for the prosperity of Uganda.



There once was a business owner who was interviewing people for a division manager position. He decided to select the individual that could answer the question "how much is 2+2?"

The engineer pulled out his slide rule and shuffled it back and forth, and finally announced, "It lies between 3.98 and 4.02".

The mathematician said, "In two hours I can demonstrate it equals 4 with the following short proof."

The physicist declared, "It's in the magnitude of 1×10^1 ."

The logician paused for a long while and then said, "This problem is solvable."

The social worker said, "I don't know the answer, but I am glad that we discussed this important question."

The attorney stated, "In the case of *Svenson vs. the State*, 2+2 was declared to be 4."

The accountant looked at the business owner, then got out of his chair, went to see if anyone was listening at the door and pulled the drapes. Then he returned to the business owner, leaned across the desk and said in a low voice, "What would you like it to be?"

The trader asked, "Are you buying or selling?"

Word from the Editor



Welcome to this first issue of the year 2011. The quarterly Uganda Trade Review bulletin is intended to keep the public informed about trade issues.

This particular issue covers various topics such as the EAC Common Market which is a gateway for trade in the five Partner States. It tackles issues such as doing business community, getting employment and settling in other East African countries.

The issue also talks about the Ministry's work on Non-Tariff Barriers, the National Trade Policy and how it can be implemented at the grassroots level, the Sanitary and Phytosanitary Measures Policy which is in offing.

It would not have been possible to publish the bulletin with out support from the Ministry staff and the staff of the EPA TAPSS Programme who submitted articles. Many thanks to them and to all the readers.

We hope you enjoy the reading and look forward to your comments. If you would like to contribute to the next issue, please send your articles to; dkansiime@mtti.go.ug or epatapss@mtti.go.ug

Doreen Kansiiime
Editor

Editorial Board

Managing Editor: Emmanuel Mutahunga
Editor: Doreen Kansiiime



HON. AMELIA KYAMBADDE PROMISES TO CATER FOR THE NEEDS OF SMALL & MEDIUM ENTERPRISES - As Ministry of Tourism, Trade and Industry splits into two and receives new Ministers.

**By Doreen Kansiime
Communications Officer, EPA TAPSS**

It was a mixture of emotions as the staff of the former Ministry of Tourism, Trade and Industry were introduced to their new Ministers on the 17th June 2011.

The Ministry was split into two after the recent changes in Ministries by the President, and is now the Ministry of Trade, Industry and Cooperatives which is led by Hon. Amelia Kyambadde while the Ministry of Tourism, Wildlife and Heritage is headed by Hon. Prof. Ephraim Kamuntu.

Hon. Amelia Kyambadde is deputized by Hon. David Wakikona as State Minister for Trade and Cooperatives and Hon. Dr. James Mutende as State Minister for Industry and Technology. Hon. Prof. Ephraim Kamuntu is deputised by Hon. Agnes Akiror as State Minister for Tourism.

At the inaugural meeting of the Ministers with the staff, the Ministers promised to work closely with the Ministry staff to ensure success of their respective Ministries. The Minister of Trade, Industry and Cooperatives, Hon. Amelia Kyambadde expressed her commitment to helping Small and Medium Enterprises (SMEs) address their challenges by setting up a Directorate for SMEs which form the biggest trade block in the country. The Directorate would help the SMEs in skills development and provide them with relevant information among other things so that they are better able to capture local and international markets.

Hon. Prof. Ephraim Kamuntu, said he was glad to be back in the Ministry where he had worked before. He said that he was looking forward to making Tourism the number one sector in the country and requested the staff to work closely with him, since he could not do it on his own.

The function also acted as a handover by the outgoing Minister, Hon. Major General Kahinda Otafiire. In his



The outgoing Minister of Tourism, Trade and Industry Hon. Major General Kahinda Otafiire, gestures as he welcomes the Ministers for the recently split Ministry, Hon. Amelia Kyambadde (extreme right in blue) Minister of Trade, Industry and Cooperatives, Hon. Prof. Ephraim Kamuntu (2nd from the left) Minister of Tourism, Wildlife and Heritage, Dr. James Mutende (4th from the left) State Minister for Industry and Technology and Hon. David Wakikona (2nd from extreme right) State Minister for Trade and Cooperatives. The Permanent Secretary, Amb. Julius B. Onen (extreme left) looks on.

remarks, Hon. Major General Kahinda Otafiire, said that he had enjoyed working in the Ministry because of the cooperation of the staff which enabled him to achieve a lot of success.

He said that while with the Ministry he had several policies passed and called upon Parliament to pass the Anti – Counterfeit Goods Bill to ensure a level playing field for traders who contribute a lot in terms of revenue to the country.

He also urged the new Minister of Tourism to follow up with the Commission of Inquiry on the Uganda Wildlife Authority, so that the image of tourism in Uganda is cleared ■

**European Union Reviewing its Preferential Trade Tariffs Regime for Poorer Countries; *Should Uganda Get Concerned?***

By Emmanuel Mutahunga

Ag. Principal Commercial Officer – External Trade and Programme Manager, EPA TAPSS

Introduction

The European Union (EU), Uganda's second main export destination importing an average of US\$351,803,200 annually over the last five years from Uganda, has embarked on the process of reviewing its preferential trade tariffs regime. The European Union, composed of twenty seven Member States, has traditionally extended preferential trade treatment to imports from (exports of) poorer countries such as Uganda. This treatment has been going on since the early 1970s, and under the arrangement exports from the eligible countries enter the European Union market without being subjected to import taxes or quantitative restrictions (that is, duty free and quota free).

Uganda has been accessing this kind of preferential treatment under the Generalized System of Preferences (GSP) as well as under the African, Caribbean and Pacific-European Union Partnership Agreement (commonly known as the Cotonou Agreement). However, the trade section of the Cotonou Agreement expired on 31st December 2007 and was expected to be replaced by the Economic Partnership Agreements (EPAs).

The negotiations for the EPAs are yet to be concluded, with a Framework Agreement initialed in November 2007 but yet to be signed due to some divergences between the East African Community (under which Uganda is negotiating) and the European Union. To maintain preferential trade treatment to exports from countries that initialed the EPA as the finalization and ratification process is undertaken, the European Union is unilaterally implementing her market access offer of duty free and quota free access for all products under Regulation 1528 passed by the European Council in December 2007.

The ongoing review covers preferential market access under the Generalized System of Preferences, of which Uganda is also a beneficiary.

The Generalised System of Preferences

Defined in the context of this Article, the GSP is a System that aims at helping developing countries by making it easier for them to export their products to the European Union. This is done in form of reduced tariffs (read taxes) levied by European Union Customs Authorities when goods exported from the beneficiary countries are entering the European Union market. In effect, the Scheme allows the beneficiary countries to engage more in international trade and generate additional export revenue by allowing exports from these countries to be more price competitive than similar exports of countries that are not beneficiaries of the Scheme.

The GSP is an autonomous measure by the European Union (that is, it was not negotiated, but simply offered on terms and conditions set by the EU itself); and there is no expectation or requirement that this access be reciprocated by the beneficiary countries. In short, countries that access the EU market under preferential terms under GSP can continue levying their usual import taxes on products imported from the EU.

The GSP covers three separate regimes;

- ◆ The 'standard' GSP which currently provides 176 developing countries and territories with preferential market access to the EU
- ◆ The special incentive regime known as 'GSP+', which offers additional tariff reductions to support vulnerable developing countries in the implementation of international conventions in the areas of sustainable development and good governance, and
- ◆ The Everything But Arms (EBA) arrangement under which all products from Least Developed Countries (LDCs) are not subject to any import duties in the EU.



By virtue of being classified as an LDC by the United Nations, Uganda is a beneficiary of the EBA, which was introduced in 2001. Thus, in effect Uganda is eligible for preferential market access to the EU under the Cotonou Agreement (and now its successor arrangements) and the EBA.

Why Reform the GSP

The European Union has advanced three reasons for the review of the GSP system;

- ◆ The need to better focus the regime on those countries in need
- ◆ The need to further promote core principles of sustainable development and good governance, and
- ◆ The need to enhance legal certainty and stability

The EU argues that not all developing countries have the same needs, with the last twenty to thirty years seeing the emergence of more advanced developing countries that are now globally competitive. On the other hand, many poorer countries are lagging behind, and are affected by competition from more advanced emerging economies. Despite this, most advanced emerging economies are the biggest beneficiaries of GSP trade preferences, accounting for about 40% of preferential imports by EU under GSP.

With this scenario, the EU argues that there is need to concentrate the preferences on those economies that need them most; the lower and middle income countries. Indeed, a review of 2009 trade figures indicates that the main beneficiaries of the GSP 'standard' are India, Bangladesh, Thailand, Indonesia, Brazil and Russia; while the main beneficiaries of GSP+ are Sri Lanka, Ecuador, Peru, Venezuela, and Costa Rica. Regarding the EBA, the top beneficiaries are Bangladesh and Cambodia. In all these instances, no African country is ranked among the top beneficiaries although the majority of them are beneficiaries of at least one of the schemes.

European Union Proposals under the Review

Under the review, the European Union is proposing the

following;

- ◆ Countries which have been classified by the World Bank as high or upper middle income economies for the past three years, based on Gross National Income per capita, will no longer benefit from the GSP scheme
- ◆ Countries which enjoy another trade arrangement with the EU that provides substantially equivalent coverage as GSP will no longer benefit from GSP. Such arrangements include a Free Trade Agreement or with autonomous arrangements such as the Market Access Regulation for Countries with an Economic Partnership Agreement – EPA (Regulation 1528) or the special regime for Balkan countries
- ◆ Overseas Countries and Territories (OCT), ranging from Antarctica to American Samoa, which have an alternative market access arrangement for developed markets will no longer benefit from GSP

Countries in the first and second category remain 'eligible' but are no longer 'beneficiaries' of the GSP scheme. This means that in case their situation changes (e.g. if they are no longer classified as high or upper income countries by World Bank or if their trade arrangement expires) they can become beneficiaries of the Scheme again. In the entire review process, especially regarding GSP+, the EU has the objective of further promoting core human and labour rights, and the principles of sustainable development and good governance. Applicants will have to ratify and subscribe to binding commitments under various Conventions such as the International Convention on the Rights of the Child, the Right of Association and Protection of the Right to Organize Convention, the Convention on International Trade in Endangered Species, and the United Nations Framework Convention on Climate Change.

The next steps in the review process include tabling the proposals before the European Parliament and Council of Ministers for discussion, amendment and approval.



The current GSP scheme comes to an end in December 2011, and the EU has put forward a ‘roll-over’ Regulation extending the present system until the end of 2013. The revised GSP will apply as of 1st January 2014 at the latest. It is important to note that the EBA is already an open ended system.

Should Uganda be concerned?

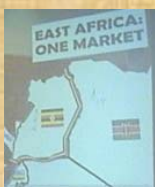
The European Union is currently the second main export destination for Uganda. The EU mainly imports agricultural products, both the traditional and non-traditional export crops. The country’s fish and fish products as well as floricultural (flowers) and horticultural (fruits and vegetables) are all essentially destined for the EU market. Uganda has two windows under which she accesses the EU market: the EBA and the Cotonou Partnership Agreement and its successor – Regulation 1528 on EPA Countries. Trade figures indicate that up to 99.5% of Uganda’s exports to the EU enter under the Cotonou Partnership Agreement and its successor arrangement rather than the EBA. This is mainly because of the stringent Rules of Origin under the latter; and being a unilateral offer, Uganda and other beneficiary countries cannot negotiate them.

With the review, Uganda will only access the EU market duty free and quota free under EU Regulation 1528 for the EPA countries – another unilateral initiative by the EU for countries that initialed the EPA to allow them continue enjoying trade preferences as they finalize the EPA.

Uganda, along with the other four East African Community Partner States, initialed the Framework EPA in November 2007. The Agreement remains unsigned and negotiations for the Comprehensive EPA as envisaged in the Framework EPA have stalled for about four years now. The EU could withdraw her autonomous offer under Regulation 1528 given the slow progress in the negotiations since it was meant to be a temporary transitory arrangement, in which case Uganda would have to fall back to the EBA. Given that Kenya, with whom Uganda is in the EAC Customs Union is not eligible to benefit from the EBA, she would have to

consider accessing the EU market under GSP or GSP+, with the ‘incentives’ of having to ratify and implement certain conventions. Of course, Kenya would have other options to consider, including ensuring that she remains eligible under Regulation 1528.

These possible scenarios have implications for Uganda’s market access to the EU as well as her regional integration agenda. It is therefore essential that Uganda gets concerned by these developments in EU trade policy and re-examines her approach to the handling of Uganda-EU trade relations as well as her engagement in the regional integration process and the time is now ◻



UNDERSTANDING THE EAST AFRICAN COMMUNITY COMMON MARKET; ANSWERING YOUR MOST FREQUENTLY ASKED QUESTIONS.

**By Raymond Agaba - Commissioner Internal Trade
Silver Ojakol - Commissioner External Trade
Emmanuel Mutahunga - Ag. Principal Commercial Officer External Trade**

Introduction

In its bid to promote the East African Community (EAC) Common Market and enable Ugandans benefit from the EAC integration, the Ministry of Trade, Industry and Cooperatives embarked on educating the public about the EAC Common market which was launched on the 1st July 2010. With support from the Economic Partnership Agreement Related Trade and Private Sector Support (EPA TAPPS) Programme, the Ministry of Trade and Industry held its first public dialogues on the East African Community (EAC) Common Market in Kampala and Mbale on the 28th and the 30th of September 2010 respectively. Others followed in Mbarara and Kabale to guarantee that the message about the Common Market was spread in all the corners of the Uganda. From these dialogues, the Ministry was able to identify the most frequently asked questions about the EAC Common Market. These questions are answered here below;

FREQUENTLY ASKED QUESTIONS ABOUT THE EAC COMMON MARKET

1. What are the benefits of the EAC Common Market?

The EAC Common Market presents immense opportunities to the people of East Africa and Uganda in particular. Key among them are;

- i. The EAC Common Market provides a “single” and bigger market than the domestic market for goods and services
- ii. It allows specialisation and efficiency in resource use
- iii. The Common Market widens and deepens cooperation among the five Partner States in economic and social fields, and ensures the achievement of a single market without internal restrictions (Tariffs and Non-Tariff Barriers) to trade, thus greater benefits to the business community and consumers.
- iv. The Common Market also increases economic efficiency, widens consumer choices of products and en-

hances the region’s competitiveness in global markets

v. The Common Market leads to increased production and provides opportunities to harness resources

2(a). With the EAC Common Market, why do we still have regulatory agencies such as URA or Immigration at the borders?

The Common Market defines and grants freedoms and rights to EAC citizens, but these are subject to limitations imposed by laws and regulatory regimes which are yet to be harmonised. These rights and freedoms are only available to EAC citizens, implying that someone has to be at the border to ensure that the rights and freedoms of EAC citizens are not freely enjoyed by non-EAC citizens, or goods and services not originating from the EAC. The presence of these Agencies at the borders is meant to ensure that the EAC citizens benefit more from the EAC Common Market by ensuring that non-EAC goods and services or citizens do not enjoy the benefits primarily meant for East Africans, and to ensure that national laws and regulations that are yet to be harmonized within the EAC are adhered to.

2(b). What are the steps being taken to harmonise the domestic laws, systems and policies in the Partner States?

The Partner States have undertaken to harmonise their national laws and to harmonise their policies and systems. The harmonisation of Partner States’ Commercial Laws is one of the first initiatives that have been undertaken, and the process of harmonizing these laws and policies is already going on, with the identification of laws and policies that need harmonization already completed.

3. Does a trader still have to pay taxes on imports from an EAC Partner State?

Yes! Traders still have to pay domestic taxes such as VAT, excise duty and/or withholding tax.



Important to note is that under the EAC Common Market, traders are exempted from “Import Duty” for products originating from an EAC Partner State. To benefit from this arrangement however, a trader must produce evidence before customs officials at the time of clearing his/her goods in form of a “Certificate of Origin”. Thus, for Ugandan importers importing from any of the other four EAC Partner States, it is essential that you obtain a Certificate of Origin from the Competent Authority of the country you are importing from in order for your imports to attract zero import duty under the EAC integration process. The person/company you are importing from should provide the Certificate of Origin among the documents relating to the transaction that they provide you with. Similarly, for Ugandan exporters to any of the other four EAC Partner States, they should obtain a Certificate of Origin in order for their exports to attract zero import duty in the country of exportation, thus making the exports more competitive than those from sources outside EAC.

Please note that in cases where the ‘origin criteria’ is not met, import duty will have to be paid. For more information on origin criteria, contact Uganda Revenue Authority or Ministry of Trade and Industry.

4. Where does one get a Certificate of Origin in Uganda?

Uganda Export Promotion Board (UEPB) is mandated by the Ministry of Trade and Industry to issue the Certificate of Origin. UEPB is located on;

5th Floor – Conrad Plaza,
Plot 22 Entebbe Road,
P.O Box 5045,

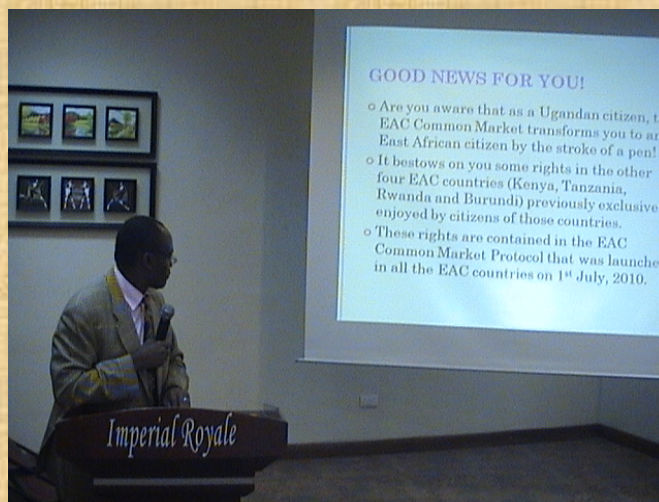
Kampala Uganda. Tel. +256 414 230 250, +256 414 230 233,

Fax: +256 414 259 799,

Email: uepc@starcom.co.ug.

The Ministry of Trade, Industry and Cooperatives is currently exploring the possibility of having issuance of the Certificates decentralized so that exporters do not have to first travel to Kampala to get the Certificates.

5. Who provides Standards on goods for export in the EAC Common Market and other Countries?



Commissioner Internal Trade, Mr. Raymond Agaba, shares the good news about the East African Community Common Market during one of the Ministry's Public Dialogues.

Each Partner State has a Bureau of Standards from where information on standards may be accessed. The Partner States are currently harmonising their national standards. For Ugandan goods, Uganda National Bureau of Standards (UNBS) under the Ministry of Trade, Industry and Cooperatives is the competent authority on standards. The UNBS is located on Plot M217 Nakawa Industrial Area, P.O Box 6329, Kampala, Tel. +256 414 505995, email: info@unbs.go.ug, and has regional offices in Jinja, Plot 6, Rippon Road, P. O Box 1830, Tel; +256 43 121496, Mbale Plot 24 Cathedral Avenue, P. O Box 358, Lira, Plot 26/28 Olwol Road, P. Box 804, and Mbarara, Plot 22, Bananuka Drive, P.O Box 279, Tel; +256 48 521644. The business community and general public are encouraged to contact the UNBS for more information on Standards and compliance thereto.

6. Where can one find more information on the EAC Common Market?

Information may be obtained from the Ministry of Trade, Industry and Cooperatives at 5th Floor, Farmers House, P. O Box 7103, Kampala, Uganda (or www.mtti.go.ug , ps@mtti.go.ug), Tel; +256 414 314000 and the Ministry of East African Community Affairs – Postel Building (or www.meaca.go.ug). For other sectoral specific information, you are encouraged to visit the respective institutions ◼



NON TARIFF BARRIERS: MECHANISMS FOR THEIR ELIMINATION IN THE EAST AFRICAN COMMUNITY COMMON MARKET FRAMEWORK

By Emmanuel Atwine

Commercial Officer, Internal Trade

Introduction

In the theory of economic integration, a Customs Union is the third stage of integration after a Preferential Trade Area and a Free Trade Area. However, the Treaty establishing the East African Community provides that a Customs Union becomes the first stage in the process of economic integration. Therefore, real economic integration in the region commenced with the coming into being of the Customs Union. The Treaty provides that the Customs Union shall be followed by a Common Market, then a Monetary Union and subsequently a Political Federation.

It is important to note that the Protocol on the Establishment of the East African Community (EAC) Common Market entered into force on 1 July 2010, following ratification by all the five Partner States: Burundi, Kenya, Rwanda, Tanzania and Uganda. The Protocol was signed by the Heads of State on 20th November 2009, coinciding with the 10th Anniversary celebrations of the revived Community.

The Protocol provides for “Four Freedoms”, namely the free movement of goods, labour/persons, services; and capital, which will significantly boost trade and investments and make the region more productive and prosperous. However, in exercising these freedoms, traders and investors face a number of obstacles in form of Non-Tariff Barriers also known as Non-Tariff Measures (NTMs) in International Trade.

Under **Article 13 of the EAC Customs Union protocol**, Partner States commit to the immediate removal of all Non Tariff Barriers (NTBs) among Partner States and refrain from introducing new NTBs. It is from this commitment that the Sixteenth Meeting of the East African Community (EAC) Council of Ministers held on 13th September 2008, directed the Secretariat to prepare a Draft Time Bound Program for elimination of identified and future Non Tariff Barriers.

The NTB Monitoring and Reporting Mechanism – the Regional Approach

In implementing the EAC Council Decision, Partner States formed National Monitoring Committees (NMCs) for NTBs. The NMCs are composed of both Public and Private Sector institutions and few individual companies that are involved in import and export business. The Committees usually hold national meet-

ings aimed at receiving reports on the new NTBs traders meet within the region so as to update the Time Bound Programme. These meetings are chaired by the Ministries of Trade in all the Partner States and co-chaired by the Private Sector. In Uganda, the Chairman of Uganda Clearing Industry and Forwarding Association (UCIFA), Mr. Kassim Omar, is the co-chair of the NMC. The reports of these national meetings form part of the work program and agenda for the NTB regional fora and the regional meetings of the EAC Sectoral Council of Trade, Industry, Finance and Investment (SCTIF). During the regional NTB fora;

- ◆ Partner States make reports on new NTBs met by their traders and ask imposing Partner State(s) to remove the reported NTBs
- ◆ The meetings receive reports from Partner States on progress being made to remove the previously reported NTBs and also make commitments on actions being taken to remove the reported NTBs

It is also important to note that the EAC Secretariat developed NTB reporting forms which the Ministry of Trade and Industry placed at Customs Offices on all major borders of Busia, Mutukula, Katuna and Malaba. The forms can also be got from UCIFA offices at the same borders. Truck drivers are encouraged to pick these forms as they traverse within the region and report by filling in the forms indicating the nature/type of NTBs they meet. When filled, the forms can be returned to either their Company offices for delivery to the Ministry of Trade Industry and Cooperatives (MTIC), trade associations for example UCIFA, or placed in the NTB form collection boxes placed at border points or directly to MTIC to enable evidence based reporting at the EAC NTB fora and other Partner State meetings like the SCTIF meetings.

The NTB Monitoring and Reporting Mechanism – The Bilateral Approach

NTBs by their nature and form are very complicated. Eliminating them is specifically hard because they mutate into different forms every other day. As indicated above, under article 13 of the Customs Union Protocol, member states are directed to



immediately eliminate NTBs. Whereas now, we are in a Common Market dispensation; Partner States tend to have protectionist practices that mutate as NTBs/NTMs thus distorting the free flow of trade and limiting the level of competitiveness.

In the National Trade Policy, the Government has committed to put in place measures that nurture the Private Sector and make it competitive. These measures support identification and removal of NTBs faced by the traders through bilateral engagements with the imposing countries. In the National Development Plan (NDP), removal of NTBs has been identified as an area for immediate intervention.

It is from this background that MTIC is engaging in various activities aimed at the removal of NTBs. In August 2010, the Ministry with support from the Economic Partnership Agreement Related Trade and Private Sector Support Programme (EPA TAPSS) conducted a covert study to verify the existence of NTBs along the Northern Corridor. The need for the study arose out of complaints by traders on the obstacles (NTBs) they face as they carry out trade with or as they transit through Kenya. The results of the study and other reports received on a day to day basis from traders are used for bilateral engagements with the Kenyan Government and other Partner States. The Ministry has a memorandum of understanding with Kenya that enables the two Governments to quickly remove the identified and reported NTBs by the Minister/Permanent Secretary contacting his/her Kenyan counterpart on specific NTBs for immediate removal.

The Tripartite Framework on NTB Elimination

Identification, removal and monitoring of NTBs to trade within the Tripartite Community is one of the priority areas for Policy harmonization and coordination under the Tripartite Framework so as to boost intra/inter -regional trade.

To this end, COMESA, EAC and SADC are implementing a NTBs reporting, monitoring and eliminating mechanism which incorporates concrete timelines for the removal of NTBs. The mechanism was developed with funding from TradeMark South Africa.

The online NTBs reporting, monitoring and eliminating mechanism, developed for the Tripartite enables stakeholders to report and monitor the resolution of barriers encountered as traders conduct their business in the Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC) and Southern Africa Development Community (SADC) regions. It enhances transparency and easy follow-up of reported and identified NTBs and NTMs within the



Trucks in the parking area as they wait to be cleared by Customs Officers at the Malaba - Busia Border in Uganda. The time spent waiting to be cleared at these border points is one of the NTBs that affect traders.

Tripartite Framework. Partnering with TradeMark South Africa, a training programme for the Private Sector players and all NMCs on the use of the system was scheduled for 14th July 2011.

Progress on elimination of NTBs

Under the approaches highlighted above, a number of NTBs have been reported and removed while ongoing work to remove others is being done. For example;

- ◆ The number of road blocks along the Northern corridor has been reduced from about 36 about 18 in a period of one year (2008/2009-2009/2010)
- ◆ The EAC SPS Protocol is in the process of being finalised and this will simplify procedures and regulations of testing certain products under its scope (mainly agricultural products)
- ◆ The Kenyan Government's ban on Ugandan day-old chicks was removed.
- ◆ Holding and retesting milk and milk products bearing Uganda National Bureau of Standards quality marks and imposition of import quotas by Kenya government was removed while Uganda government did the same for milk and milk products from Kenya.
- ◆ There is work in progress to harmonise varying application of axle load specifications within the EAC region. This is being handled through the EAC committee of Transport, Communication and Metrology .



Entry into the Customs Offices at the Malaba border where traders can pick forms to report any NTBs that they meet along the Kenya—Uganda Corridor.

- ◆ In addition, the unnecessary Scanning and Verification of transit cargo to Uganda, a process that is time wasting and also requires an undisclosed fee that is collected by Kenya Revenue Authority (KRA), has been reduced out of constant engagements with the Kenya Authorities.

While significant work on removing the NTBs has been done, more remains to be done. We encourage the business community to use the reporting mechanism, so that we can have a strong partnership to fight NTBs.

Conclusion

This bilateral approach is proving to be one of the most effective ways of tackling and eliminating NTBs with our trading partners. Therefore, importers and exporters are encouraged to always report the NTBs they meet, so that the Ministry can take immediate action.

To make the regional mechanism very effective, the truck drivers and other business persons that operate within the region are encouraged to use the NTB reporting forms that have been put at the borders. The forms can be picked from the Uganda Revenue Authority Custom Offices or the Uganda Clearing and Forwarding Association (UCIFA) offices at every border point. These forms should be filled by the traders or truck drivers to report any obstacles/NTBs they face within the EAC and Tripartite region. The filled forms can be returned to District Commercial Officers (DCOs) or sent directly to the Ministry of Trade, Industry and Cooperatives as per the address below or placed in the NTB form collection boxes at the border points. Affected traders can also log onto the internet to access the form from the East African Community secretariat website (<http://www.eac.int>) for online reporting ☐

The Permanent Secretary
Ministry of Trade, Industry and Cooperatives
P.O. Box 7103
Kampala, Uganda
Email: ps@mtti.go.ug
eatwine@mtti.go.ug
Telephone: +256 414341254

TRADE SECTOR NEWS

- ◆ The Ministry of Trade, Industry and Cooperatives is preparing for the 5th National Trade Sector Review Conference which will be held on the 1st September 2011. The wider Sector Review Conference (Tourism, Trade and Industry) will be held on 15th September 2011. EPA TAPSS is facilitating the processes.
- ◆ The Ministry with the support of the EPA TAPSS Programme also held the District Commercial Officers (DCOs) Forum in June 2011 which was attended by over 100 DCOs from all over Uganda; the Forum was used to disseminate Policy Guidelines for the Supervision of, and Reporting by District Commercial Offices.
- ◆ The EPA TAPSS Programme started on its 2nd Programme Estimate which runs from April 2011 to April 2012
- ◆ The Ministry and the EPA TAPSS Programme held another training for DCOs from Central region on integrating the National Trade Policy into their District Development Plans.
- ◆ Trade Laws have been posted on the Ministry website so that they can be easily accessed by the public; please visit: <http://www.mtti.go.ug/index.php/trade-laws.html>
- ◆ The Taskforce reviewing commercial laws with a focus on business registration laws completed the final phase. The 2nd phase of effecting the necessary administrative changes, and/or reviewing relevant legislations is now ongoing ☐

**DEVELOPING TRADE FROM THE GRASSROOTS; Ministry of Trade Industry and Cooperatives trains District Officers on how to integrate the National Trade Policy into their District Development Planning Process**

By Didas Kumwesiga

Programme Officer - Trade Policy, EPA TAPSS

The training of District Commercial Officers (DCOs) on integrating and mainstreaming trade into the District Development Planning process is part of the Ministry of Trade, Industry and Cooperatives (MTIC)'s strategy to implement the National Trade Policy. The European Union initially funded the Ministry to implement the Policy through the Technical Support for Economic Partnership Agreement Finalisation (TSEPAF) Project. Through this Project, the training curriculum was developed and the first training delivered in Soroti (December 2008), followed by Mbarara (March 2009) where 21 districts and 98 officials were trained.

Under EDF 10, the European Union is funding the Economic Partnership Agreement Related Trade and Private Sector Support (EPA TAPSS) Programme and one of the activities under the Programme is rolling out the training to more districts as per the National Trade Sector Development Plan.

The EPA TAPSS Programme supported the Ministry to carry out a third Training in Gulu (April 2010). Since then, more trainings have been held in Masaka (September 2010), Jinja (December 2010) and Kampala (May 2011) where a total of 38 districts and 183 District Officials have been trained. So far 60 districts and 281 officials from all the regions of Uganda have been trained. All the remaining districts should also be trained within the next one year.

The District Officials trained are purposely selected from the technical and the political sides, an approach that eases integration of trade in the District Planning process. These include;

- ✦ The District Planner
- ✦ District Commercial Officer
- ✦ Secretary for Production and Marketing

- ✦ District Production Officer, and the
- ✦ District Agricultural Officer

Objectives of the training

The objectives of the training are to enable the district officials to:

- ✦ Appreciate the role of districts in trade policy issues, particularly with respect to formulation and implementation
- ✦ Understand the links between districts, and domestic and international markets
- ✦ Appreciate the role of trade in the process of economic transformation, competitiveness and prosperity
- ✦ Be change agents in the districts by advocating for trade issues to be integrated and mainstreamed at lower levels of Local Government planning
- ✦ Integrate and mainstream trade policy issues into the District Development Planning process.

Training Topics

The training content is customised to achieve the objectives and some of the topics include;

- ◆ An Introduction to District Development Planning and the interface between planning at District and the Central Government Levels
- ◆ The Logic and Practice of Domestic/International Trade and Uganda's Trade performance
- ◆ Uganda's National Development Priorities: A focus on Trade and Complementary Sectors.
- ◆ The National Trade Policy: *Trading out of Poverty into Wealth and Prosperity*
- ◆ The National Trade Sector Development Plan 2008/09-2012/2013
- ◆ The District Commercial Office and the Private Sector Development; tackling the tasks ahead.



The District Commercial Officers having a group discussion at the DCOs Forum organised by the Ministry at Hotel Africana in Kampala.

- ◆ Constraints and challenges to Development and Growth of Trade in Districts.
- ◆ Identifying and recognizing trade opportunities: Key Trade and Trade related aspects for consideration at District at District Level
- ◆ The role of the District Commercial Office (DCO) in Trade Policy implementation: and Policy Reporting and Supervision Guidelines of DCOs
- ◆ Performance Management of District Commercial Offices
- ◆ Dealing with Challenges and Constraints to Trade at Local Government Level: Mainstreaming Trade into District Development Plans.
- ◆ Responding to trade opportunities available in the context of regional integration and regional markets; possible interventions at district level
- ◆ Trade in services; the role of districts in harnessing the tourism potential in their respective areas of jurisdiction
- ◆ Trade Licensing Act; Delegation to Local and Urban Authorities, Trade Development and Revenue Collection
- ◆ Highlights of key trade related laws and the process of making by-laws at the district level
- ◆ Mainstreaming prevention and mitigation of HIV/AIDS Programmes in sector plans; a focus on Tourism, Trade and Industry Sector

Training resources and lessons learnt

The training is conducted by experts drawn from the Ministry of Trade, Industry and Cooperatives, National Planning Authority, Uganda Export Promotion Board, Local Governments and the EPA TAPSS Programme.

Integrating trade in the Districts Development Planning process is a key ingredient towards promotion of internal trade which serves as a spring board to international trade. The DCOs are at the frontline since they are the representatives of the Ministry of Trade, Industry and Cooperatives at the District Local Government level. The Government through the Ministry remains committed to supporting the DCOs and maintaining close links with them in order to promote trade right from the grass roots. The process has started and will remain on course. With the knowledge gained, District Officials should be able to drive the process as the Ministry guides and supervises them ■



The DCOs making presentations from their group discussions during the DCOs Forum organised by the Ministry with support from the EPA TAPSS Programme at Hotel Africana.



DISTRICT LOCAL GOVERNMENTS AND THE NATIONAL TRADE POLICY - The process of enacting Trade Facilitating Bye-laws

By Clare Olaki

Programme Officer - Trade Law, EPA TAPSS

Importance of Districts involvement in enacting trade facilitating bye-laws

The system of local government in Uganda is based on districts as units under which there are lower local governments. The system enables Local Government units to take appropriate measures to plan, initiate and execute policies in all matters affecting the populace within their jurisdiction. Every Local Government is a body corporate, has the legal capacity and powers to act on behalf of its people. The mandate of Local Governments to devolve central government policies to the grassroots level is well articulated under the Local Government Act, Cap. 243, section 30 (1) (d), which provides that subject to the Constitution, a Local Government Council in its area of jurisdiction, shall ensure the implementation and compliance with government policy.

Local Governments are further mandated under the Local Government Act to make laws not inconsistent with the Constitution or other existing law. Among the functions of an Administrative Unit Council is to monitor the delivery of services within its area of jurisdiction and to assist in the maintenance of law, order and security.

The functions of District Councils are well enumerated in the second schedule to the Act, Part 2, some of which are reproduced herein as being:

- Local government development planning
- Licensing of produce buying
- Providing trade licenses
- Providing trade development services
- Commercial inspectorate
- Cooperative development
- Industrial relations
- Social rehabilitation and
- Community development

District Councils are also charged with the responsibility of promoting schemes of health, education and road safety sensitisation. Urban Councils on the other hand are among other things, responsible for regulation of markets and piers, sanitary services, the prohibition, restriction, regulation or licensing of the sale or hawking of wares or the erection of stalls on any street or the use of the street or public place for the purpose of carrying on any trade, business or profession.



Ms. Clare Olaki, the Programme Officer Trade Law in the EPA TAPSS programme explains to District Officials from Central region how they can enact trade facilitating bye-laws in their districts.

From the aforementioned, it is therefore well established that local governments are well mandated to provide services and make laws for communities within the areas of their jurisdiction, including those pertaining to trade development activities.

Consequently, before aiding districts in enacting trade-facilitating bye-laws, the intended bye-law must have a policy matter in question, proposed to be addressed by the intended bye-law. Facilitating districts in developing trade facilitating bye-laws may be one of the ways in implementing the foregoing provision of the law that requires local governments to implement and ensure compliance with government policy.

The starting point in helping districts to enact trade facilitating bye-laws would be to look at the framework of the National Trade Policy (NTP) and see how the objectives of the national policy can be well translated to the grassroots level. Additionally, it would be well to carry out a situational analysis of individual districts, given that the largest percentage of grassroots trade involves agricultural trade.

In facilitating districts in enacting trade facilitating byelaws, the role of the people must be recognized for reasons that the purpose of passing byelaws should be to enable the promotion of social, economic, environmental and cultural well being of



communities within the districts. The Constitution of the Republic of Uganda under Objective X, stipulates that the State shall take all necessary steps to involve the people in the formulation and implementation of development plans and programmes which affect them.

From the foregoing, the proposed byelaws contemplated by policy makers should be byelaws providing solutions to local issues, needs and challenges.

There are varying challenges affecting different districts, and each individual district reserves the right to zero down on the challenges affecting its community. These challenges range from illiteracy, poor education, lack of knowledge amongst traders at the district levels about trade laws, lack of market information and lack of finance to boost their businesses.

Additionally, trade at domestic level may be hampered by problems such as poor sanitation, non-registration of their businesses, lack of steady markets for farm produce, poor road networks, lack of storage facilities and theft of farm produce among others.

These problems can be alleviated through provision of technical advice by the Ministries at Central Government level. With this advice, districts would be able to put in place trade facilitating byelaws and implement priority areas in domestic trade as per the National Trade Policy. This is in line with some of the priorities of the NTP to boost capacities of the socially and economically disadvantaged sections of the community to trade.

The Local Governments' Bye-law making process

The enabling law that gives local governments power to enact bye-laws is the Constitution of the Republic of Uganda, 1995 Article 180 (1) and the Local Government Act, Cap. 243, Section 9 (1).

The following are the requisite procedures for passing a bye-law:

- ◆ Every Councilor has a right to introduce a bye-law in his or her Council
- ◆ A Councilor wishing to introduce a bye-law shall forward the byelaw to the Chairperson who shall do the following:
 - (i) Distribute or cause to be distributed copies to Members of the Council at least fourteen days before the byelaw is to be debated

(ii) Publish or cause to be published a notice of the intention of making the bye-law and invite representation in writing by any person who objects to the making of the bye-law within three weeks from the date of the notice

(iii) Publish the bye-law at the same time as the notice of intention to make the bye-law in the following manner:

- By fixing a copy of the bye-law in a conspicuous place on or near the outer door of the office of the district council during office hours;
- By including the bye-law as a supplement to an official local publication, if any
- By availing copies of the bye-law to the public; or
- In any other manner as is customary in the area

- ◆ Upon publication of the bye-law, the Clerk to Council must distribute the byelaw to Members of the Council not later than fourteen days before it is debated
- ◆ The bye-law must be debated. At the beginning of the debate, the Clerk to Council must read out the title of the bye-law after which the Member called upon shall give the introductory speech giving reasons for introducing the byelaw
- ◆ Amendments to the bye-law may be moved by members, in writing, at any time before the closure of the debate
- ◆ The bye-law shall be passed if all clauses are passed by the Members as published or as amended by the Council
- ◆ A local bill passed by a district Council must be forwarded to the Attorney General through the Minister responsible for Local Government to certify that the local bill is not inconsistent with the Constitution or any other law enacted by Parliament before the Chairperson signs the law
- ◆ After the passing of a bye-law and after submission to the Office of the Attorney General for certification, the bye-law shall

be published as per (iii) above.

- ◆ The bye-law may prescribe offences and Penalties
- ◆ The bye-law may be made to apply to the whole district or any part of a District or to a particular section or profession of the people
- ◆ The effective date of a bye-law made under the Act shall be the date of publication or as may be provided in the bye-law.

As seen above, the process of making bye-laws could be used to translate the National Trade Policy at the grassroots level. District involvement in implementation of the National Trade Policy is vital to the growth of trade in the country. This is because domestic trade is what feeds regional and international trade.

Uganda's National Trade Policy is formulated within the framework of other National Development Policies and Strategies. The ultimate objective of this Government Policy is economic development and social transformation, to which trade is a vital contributor, and trading the country out of poverty into wealth and prosperity.

The National Trade Policy recognizes that the economy is predominantly agricultural and mostly subsistence with little effort geared towards commercial agriculture. At every grass-root level in most districts, the communities are involved in agriculture, with production both for subsistence and commercial gains. However, the woes that afflict grassroots production are unimaginable. This ranges from natural disasters, to lack of storage facilities, transport to markets, and often times, over-production, which leads to food wastage and low prices in some districts, while there is scarcity in others.

One of the national trade challenges is lack of capacity to supply to international markets (supply side constraints), both at regional and multilateral trade levels, which is a contrast with the over-production that is often times bemoaned at national level in the differing districts, with local producers complaining of low prices for commercial products such as maize, rice, beans, cotton and coffee. This shows a lack of coherence and coordination at the production levels and the trading levels.



A cross section of District Officials from Central Region taking part in the training for District Local Government Officials on how to incorporate the National Trade Policy into their District Development Plans. It was held in Masaka District

The National Trade Policy therefore recognizes the most fundamental fact that the development of domestic trade is vital for growing Uganda's regional and international trade. Without the development of domestic trade, assuring the productive sectors of the economy of markets for their produce and suitable market prices, the development of regional and international trade remains a fallacy.

This reinforces the importance of the development of trade at the grassroots level which largely depends on the involvement of Local Governments in the implementation of the National Trade Objectives through provision of a favourable environment for production and trading.

Conclusion

There is need for a closer working relationship between the District Commercial Officers, District Agricultural Officers, all Local Administrative Units and the Central Government to ensure that domestic trade is grown to a level that can consistently feed the regional and international trade to ensure trade development and hence economic growth for Uganda. Formulation of relevant trade facilitating bye-laws by Local Government Councils can play an instrumental role in driving trade development ◼



IMPROVING UGANDA'S DOING BUSINESS ENVIRONMENT TAKES CENTRE STAGE AT THE 4th NATIONAL TRADE SECTOR REVIEW CONFERENCE

By Didas Kumwesiga

Programme Officer -Trade Policy, EPA TAPSS

The National Trade Sector Review Conference, a Ministry of Trade, Industry and Cooperatives annual event is aimed at assessing the progress of the Trade Industry and Cooperatives sector and charting a way forward for its growth. The 4th Annual review conference was held at Speke Resort Munyonyo on the 14 October 2010 .

The Conference was organised by the Ministry with support from the Economic Partnership Agreement Related Trade and Private Sector Support Programme (EPA TAPSS) and the Conference aimed at assessing the progress made in implementing recommendations of the previous Conference and commitments in the National Trade Policy.

Its objectives were mainly to;

- ◆ Identify and prioritise interventions required to boost the country's doing business environment and competitiveness with a view of tapping the opportunities available in the EAC as well as market openings in developed countries especially the EU,
- ◆ Appraising stakeholders on the programmes the Government is undertaking to enhance competitiveness and improve the doing business environment in Uganda, and
- ◆ Make recommendations on the way forward in the trade sector in the bilateral and multilateral arrangements.

Over 200 stakeholders from the public sector, the private sector, academia and civil society attended the Conference. Discussions were held under three thematic areas, namely;

- ◆ Implementation of the National Trade Policy; improving competitiveness and business environment



Honourable Major General Kahinda Otafiire, the immediate former Minister of Trade with the Permanent Secretary, Ambassador Julius Onen, at the 4th National Trade Sector Review Conference, held in October 2010 at Speke Resort Munyonyo.

- ◆ Regional integration; harnessing the opportunities
- ◆ Implementation of the National Development Plan; A focus on the Trade Development

The Keynote address was delivered by Mr. Bernard Hoekman of the World Bank which highlighted factors that affect the competitiveness of firms and he also identified the policy actions that need to be taken at a regional level.

In his concluding remarks, Mr. Hoekman stated that Non Tariff Barriers (NTBs) to trade are a continuing problem particularly for Uganda given her land-locked nature.

Recommendations of the Conference

After extensive discussions, the Conference made several recommendations. These formed the priority areas of focus for the sector in the 2010/2011 Financial Year; these were categorised into broad and specific areas of focus.



The broad areas of focus were identified as;

- ◆ Improving the regulatory framework
- ◆ Developing national capacity to take advantage of market opportunities
- ◆ Addressing regional integration issues, especially the following
 1. Removing Non Tariff Barriers (NTBs)
 2. Joining the Common Market for Eastern and Southern Africa (COMESA) Free Trade Area ,
 3. Harmonising Standards
- ◆ Facilitating trade, including development of trade infrastructure

The Conference agreed on the following areas of focus:

- ◆ Expediting the enactment of Commercial laws (such as Consumer Protection Law, Competition Law, and Anti-Counterfeit law), and further improve the regulatory regime for trade in services.
- ◆ Prioritising the removal of NTBs to trade as they currently inhibit our potential to benefit from regional integration
- ◆ Putting in place a Public Private Partnership (PPP) Policy and enacting the PPP Law so as to attract private sector investment in key sectors, and to allow Government partner with the private sector
- ◆ Encouraging inter-sectoral linkages to promote complementarities and synergies with line ministries such as Ministry of Trade, Industry and Cooperatives, Ministry of Agriculture, Animal Industry and Fisheries (MAAIF), Ministry of Works and Transport (MOWT) and Ministry of Energy and Mineral Development so as to plan and budget in a complementary manner. This would entail setting up a Sector Working Group in which these Ministries participate effectively
- ◆ Developing human resource focusing more on developing vocational skills, entrepreneurship training; and cultivating mindset change
- ◆ Creating a Cabinet Sub-committee to handle trade related issues given the cross cutting nature of trade
- ◆ Increasing the budget outlay of Ministry of Trade, Industry and Cooperatives as a core Ministry in the country's development



Honourable Major General Kahinda Otafiire, the former Minister of Trade, delivers his speech at the conference while Mr. Harvey Rouse of the EU and Dr. Maggie Kigozi take notes.

- ◆ Developing Energy and Infrastructure and ensuring that ongoing efforts in these areas are expedited, with Ministry of Trade, Industry and Cooperatives taking keen interest in these sectors as they greatly affect trade development
- ◆ Prioritising sectors for intervention so as to focus Government interventions on export promotion (the National Development Plan already provides guidance on this)
- ◆ Uganda should consider joining the COMESA Free Trade Area; given that her major trading partners, Sudan and Democratic Republic of Congo are members, whereas Uganda's exports to those countries attract taxes.
- ◆ Disseminating business information through education and sensitisation of the business community on matters such as insurance schemes, which provide cover for political risks, terrorism, transit and guarantee bonds

Conclusion

In conclusion, stakeholders attending the Conference made important decisions in guiding the trade sector to focus on improving the competitiveness and doing business environment in Uganda ■



PICTORIAL



The Permanent Secretary, Ministry of Trade, Industry and Cooperatives poses for a group photograph with District Commercial Officers from all the districts and some Ministry Staff at a meeting organised by the Ministry disseminate Policy Guidelines for the Supervision of, and Reporting by District Commercial Offices.



The new Minister of Trade, Industry and Cooperatives, Hon. Amelia Kyambadde shares with the Ministry staff what she intends to do at the Ministry during a Team Building meeting to introduce the new ministers to staff. Looking on are Hon. Prof. Ephraim Kamuntu, Minister of Tourism, Wildlife and Antiquities and Hon. Dr. James Mutende, State Minister for Industry and Technology.



Mr. Emmanuel Mutahunga, Programme Manager EPA TAPSS Programme makes a presentation during the first Public Dialogue on the East African Community Common Market at Imperial Royal Hotel in Kampala.



A cross section of Ministry and EPA TAPSS Programme staff taking notes on the presentations being made during the 4th National Trade Sector Review Conference held in October 2010 at Speke Resort, Munyonyo.

Mr. Harvey Rouse, Head of Trade and Political Section of the European Delegation to Uganda, listens to Dr. Maggie Kigozi during the 4th National Trade Sector Review Conference.





One year of the Economic Partnership Agreement Related Trade and Private Sector Support Programme (EPA TAPSS) - *Accomplishments & tackling tasks ahead*

By Emmanuel Mutahunga -
Programme Manager, EPA TAPSS Programme

Background

The Economic Partnership Agreement Related Trade and Private Sector Support Programme (EPA TAPSS) is a four year Programme under the Ministry of Trade, Industry and Cooperatives (MTIC). The Programme is funded by the European Union (EU) under the 10th European Development Fund (EDF 10) and the Financing Agreement between the Government of Uganda and the European Union which was signed on 14th July 2009.

The Programme builds on achievements made in the sector over the past few years especially the formulation of the National Trade Policy and the securing of the duty free and quota free market access for all products to the other four Partner States of the East African Community (EAC) under the EAC Common Market and the 27 member states of the European Union under the Economic Partnership Agreement (EPA).

The Programme Objectives

The EPA TAPSS Programme aims at enhancing the capacity of the Ministry to fulfill its mandate in respect to the development of trade and enabling Uganda to develop sufficient capacity to exploit the trade opportunities available under the different trade agreements she is party to.

Specific objectives are;

- ◆ To bolster the capacity of the Ministry to spearhead the development of the country's trade sector, and the creation of an enabling business environment for private sector development;
- ◆ To increase the ability of Uganda's products to conform to international quality standards and to strengthen the enforcement of such standards

Activity Areas

To achieve these objectives, the Programme has five key Result Areas;

- ◆ Institutional strengthening of the Ministry and strengthening linkages between production and trade/domestic trade development
- ◆ Regulatory and institutional reforms to streamline the trading process
- ◆ Effective management of the trade negotiations process
- ◆ Trade facilitation; producing trade-related information and making it accessible to users, and
- ◆ Improvement of quality standards and compliance with Sanitary and Phyto-Sanitary requirements

Each of the above Result Areas has specific activities that are implemented under them. Under Result area one, the Programme supports five (5) pilot districts through capacity building, trains district officials on integrating trade development into the district development planning process, supports institutional collaboration to strengthen trade and productive sectors/creation of an inter-Sectoral Working Group, and bolsters the supervisory capacity of the Ministry in relation to District Commercial Offices (DCOs).

Result Area two primarily aims at easing the doing business environment in Uganda, and activities under this Result Area aim at improving Uganda's ranking in the Global Doing Business surveys. Similarly, Result Area three is in support of Government's commitment to "pursue policies and programmes aimed at accessing and exploiting foreign markets". As contained in the National



Trade Policy and the National Development Plan 2010/11 – 2014/15, this is done through, inter alia, negotiating better market access for Uganda's goods and services, and developing response capacity to take advantage of the opportunities created out of the negotiations.

The fourth Result Area deals with Trade Facilitation, including producing trade-related information and making it accessible to users. Specific activities for implementation include reviewing current export and import procedures with a view to making them more trade facilitating; training traders in export and import procedures, and trade laws with a focus on their trade facilitation aspects; easing accessibility of the business community to trade laws and regulations; facilitating implementation of a Market Information System in pilot districts; and supporting the Non-Tariff Barriers (NTB) Monitoring Committee/mechanism and the removal process.

Under Result Area five, the Program primarily aims at meeting its second objective – increasing the ability of Uganda's products to conform to international quality standards and to strengthen the enforcement of such standards. Key activities under this Result Area include designing and implementing a communication/public awareness strategy on Sanitary and Phytosanitary measures (SPS) and Standards, supporting implementation of components of the National Sanitary and Phytosanitary (SPS) Policy, supporting selected champion sectors/value chains in meeting SPS requirements in order to enhance EPA market access penetration, and supporting the Uganda National Bureau of Standards (UNBS) in order to ensure effective monitoring of exports and imports at Uganda's borders, product certification, and factory and market surveillance services.

In its first year (1stFeb. 2010 - 1stJan. 2011) of implementation, the EPA TAPSS programme made significant progress in achieving its objectives through various activities. These are some of the activities the Programme implemented in the period;



Hon. Maj Gen. Kahinda Otafiire together with Amb. Julius B. Onen, the PS for the Ministry pose for a group photo after the training held in Gulu district for District officials in Northern Uganda and West Nile.

Result area 1; Domestic Trade Development

- ◆ Trained twenty eight (28) districts drawn from West Nile, Northern, Central and Eastern Uganda on integrating trade development into the district development planning process. One hundred and twenty eight (128) district officials from the Commercial Office, Agriculture, Production, Planning Units of Districts and also from the District Councils, the Secretary for Production and Marketing have been trained.
- ◆ In the context of institutional strengthening of the Ministry, trained budgeting officers of the Ministry and affiliated institutions to develop capacity to engage in the budgeting process and inter-sectoral planning; and offered support to 2 officers of MTIC for a Masters Degree Course in International Trade Policy and Law at UMU – Nkozi.
- ◆ Facilitated sector stakeholder consultations in the planning, budgeting and policy implementation process by facilitating the hosting of the 4th National Trade Sector Review Conference in October 2010 and the 2nd Tourism, Trade and Industry Sector Review in January 2011.
- ◆ Facilitated inter-departmental Planning Retreat with a view to fostering synergies



between domestic and International trade.

Result area 2; Regulatory and institutional reforms to streamline the trading process

- ◆ Prepared Policy Briefs on Market Information Systems (MIS), Doing Business Environment, Sanitary & Phytosanitary Measures, EAC Customs Union, Enterprise Development, Local Taxation Harmonization and Improving the Effectiveness and Efficiency of District Commercial Offices.
- ◆ Supported the Ministry to undertake various studies to inform the policy decision making process such as, a Background Study to Inform the Design of a National Competition and Consumer Protection Policy and a Background Study to Inform the Design of the National Intellectual Property and Innovation Policy. The National Competition and Consumer Protection Policy has been drafted and stakeholder consultations are ongoing.
- ◆ Facilitated the drafting of Regulations under the Hire Purchase Act of 2009. The regulations have now been completed
- ◆ Constituted and facilitated a Task-Force to review Regulations under the Trade (Licensing) Act, Cap. 101. The task-force made recommendations for amendments to the regulations and identified principles for amending the Act.
- ◆ Facilitated the Task-Force on delimiting business registration procedures; the matrix on proposed legal reforms has been produced and wider stakeholder consultations were undertaken.

Result area 3; Effective management of the trade negotiations process

- ◆ Undertook various studies to inform the negotiations process, specifically on the COMESA-EAC-SADC Free Trade Area Tripartite negotiations, Profiles of Uganda's Key Trading Partners and the Feasibility of Uganda's Participation in the COMESA Free Trade Area
- ◆ Supported the National Trade Negotiations Team

(NTNT) to participate in negotiations meetings for the EAC, EPAs, COMESA and the World Trade Organization Doha negotiations.

- ◆ Started on preparatory work for the capacity building provision for the NTNT by getting feedback on first training
- ◆ Held public awareness dialogues on EAC Common Market in Kampala, Mbale, Mbarara and Kabale. These were aimed at educating the public particularly the business community on the benefits of the EAC Common Market and how to take advantage of the opportunities created by the EAC integration process. Billboards to promote the EAC Common Market have also been set up in various parts of the country
- ◆ Facilitated Inter Institutional Trade Committee (IITC) Sub-Committee meetings and a plenary session to foster government and private sector consultations on trade policy and trade.

Result area 4; Trade Facilitation

- ◆ Carried out a study to review current export and import procedures and design a coordination mechanism, and the Export – Import Handbook has been developed
- ◆ Developed a training curriculum for the business community on import and export procedures
- ◆ Developed a draft training curriculum on implementation of a Market Information System
- ◆ Facilitated the Ministry to redesign its website to be able to upload the trade laws. The trade laws are available on the website (www.mtti.go.ug)
- ◆ In addition to funding meetings of the Non-Tariff Barriers (NTB) Monitoring Committee, the Programme undertook a fact finding mission on National Trade Barriers (NTBs) along the Kampala-Malaba-Nairobi-Mombasa route and provided a mechanism for NTB complaint collection at selected border locations.



The Mission Report has been used in bilateral engagements with Uganda's EAC partners to address NTBs.

- ◆ Supported the Private Sector Foundation Uganda (PSFU) in implementing activities involved in the 'Proudly Ugandan Campaign 2010' to promote domestic industry, and the PSFU Trade Facilitation day.
- ◆ Designed and distributed a brochure on the EAC Common Market to enable the private sector get more information about how to take advantage of the Common Market.

implementation of the Policy

- ◆ Partially supported the design of the Standards Policy.

The Programme also undertook several activities aimed at informing stakeholders about the activities of the sector in general and the Programme in particular. This is mainly done through the visibility/public awareness component of the Programme. These activities include the design and distribution of a Brochure on the EAC Common Market, publication of the Trade Review Magazine, and installation TV screens at the Ministry to show trade-related information to the Ministry's stakeholders.

For the second Programme Estimate which runs from April 2011 to April 2012, the EPA TAPSS Programme will consolidate the activities and widen its outreach under each of the five result areas.

Conclusion

In its 2nd Programme Estimate, EPA TAPSS intends to build on its achievements in the past year and continue to enhance the capacity of the Ministry to achieve trade development through the various activities planned. This will be in line with the National Trade Policy, the National Trade Sector Development Plan 2008/09 -2012/13 and the National Development Plan 2010/2011 - 2014/2015 ■



One of the Billboards with information about the EAC Common market one side and marketing Uganda's Tourism on the other side at the Equator on Masaka road.

Result area 5; Improvement of quality standards and compliance with SPS requirements

- ◆ Designed a Communication/Public Awareness Strategy on Sanitary and Phytosanitary measures (SPS) and Standards to increase public awareness and compliance thereof
- ◆ Undertook a study to identify Value Chains/ Sectors for support to meet Sanitary and Phytosanitary (SPS) Measures in export markets
- ◆ Facilitated the Uganda National Bureau of Standards (UNBS) through procurement of standards and other laboratory consumables to assist them in surveillance of markets and factories/ production entities
- ◆ The Programme supported finalisation of the National Sanitary and Phytosanitary Policy and facilitated the development of the National Sanitary and Phytosanitary Strategic Plan to guide



MINISTRY OF TRADE, INDUSTRY AND COOPERATIVES HOLDS DISTRICT COMMERCIAL OFFICERS FORUM TO DISSEMINATE POLICY GUIDELINES FOR SUPERVISION OF AND REPORTING BY DISTRICT COMMERCIAL OFFICES

By **Didas Kumwesiga**
Programme Officer - Trade Policy, EPA TAPSS

Introduction

The Constitution of the Republic of Uganda, under Article 176, provides that the system of local government shall ensure that functions, powers and responsibilities are devolved and transferred from the Government to local government units in a coordinated manner. Similarly section 96 of the Local Government Act provides that ‘for purposes of implementation of national policies and adherence to performance standards on the part of local governments, Ministries shall inspect, monitor and, where appropriate, provide technical advice, support, supervision and training within their respective sectors. In carrying out these constitutional obligations, Government line ministries operate through the relevant line staff recruited under local governments.

The National Trade Policy that is operationalised by the National Trade Sector Development Plan (2008/9 -2012/13) clearly spells out the need to strengthen the District Commercial Offices (DCOs) through provision of sufficient technical, human and financial resources. At the same time, the NRM 2011-2016 Manifesto also emphasizes strengthening all DCOs to ensure they provide commercial extension services to the districts.

The National Trade Policy clearly identifies the functions of the DCOs as being;

- ◆ Implementation of the National Trade Policy in their areas of jurisdiction
- ◆ Ensuring that the National Trade Policy is reflected in their respective District Development Plans
- ◆ Operation of the Market Information System including collection, analysis, interpretation and dissemination of trade/market information in their respective areas of jurisdiction
- ◆ Working with the offices of the productive sectors such as District Agricultural Offices to ensure a complementary relationship
- ◆ Mobilization of resources, at the district level, for implementation of the Policy

It is in the context of implementing the constitutional obligation that the Ministry developed Policy Guidelines for the Supervision of, and Reporting by Dis-



The Permanent Secretary, Ambassador Julius B. Onen gives his remarks during the District Commercial Officers Forum, held at Hotel Africana in Kampala

trict Commercial Offices. In order to enhance appreciation of the Guidelines and the need to have DCOs input before finalisation of the Guidelines for implementation, the Ministry with support from the Economic Partnership Agreement Related Trade and Private Sector Support Programme (EPA TAPSS) organised a one day DCOs Forum to disseminate the Guidelines.

While opening the Forum, the Permanent Secretary, Ministry of Trade, Industry and Cooperatives, Ambassador Julius B. Onen welcomed and thanked the DCOs for sparing time to come and attend the Forum. He further noted that this is a harbinger of good times to come and a promising beginning of the Ministry’s continued engagement with the District Commercial Offices and advised that the Policy Guidelines for the Supervision of and Reporting by District Commercial Offices are helpful in carrying out their core function of providing commercial extension services to the Private Sector within their areas of jurisdiction.

The Permanent Secretary also announced that the Ministry had allocated a conditional grant to 15 pilot districts as a starting point; and the performance of the Ministry’s line Officials at the district will determine future disbursements and roll outs of this grant to the remaining districts. Government will not tolerate non-performance, the Permanent



Secretary counselled.

The PS encouraged all to take advantage of this DCOs Forum to internalise the guidelines as they will be important guiding principles in their work and will enable a smooth working relationship with the Central Government for better service delivery. He reiterated that the Ministry would ensure that Guidelines are put to use so as to enable the guidance, monitoring and evaluation, and supervision of District Commercial Officers on implementation of policies under the sector and the NRM Manifesto in their respective jurisdictions.

Objectives of the Forum

The one day DCOs Forum was aimed at;

- ◆ Disseminating the Policy Guidelines for the Supervision of, and Reporting by District Commercial Offices to the concerned officials
- ◆ Facilitating implementation, Monitoring and Evaluation, and supervision of the DCOs on implementation of the National Trade Policy and the NRM Manifesto at the lower Local Governments
- ◆ Enabling District Commercial Offices to plan, initiate and execute policies in the sub-sectors covered by the Ministry in their areas of jurisdiction
- ◆ Linking of the Guidelines and the Output Budgeting Tool (OBT)

At the Forum, presentations on the following topics were made;

- ◆ Policy Guidelines for the Supervision of, and Reporting by District Commercial Offices.
- ◆ Linking the Output Budgeting Tool (OBT) in the context of implementing the Policy Guidelines for the Supervision of, and Reporting by District Commercial Offices.
- ◆ The role of DCOs in supporting the Private Sector

Participation and agreed Priority Areas

The Forum attracted DCOs from 97 out of 112 districts of Uganda. Considering its administrative structure, Kampala Capital City Authority was represented by the District Commercial Officer and a Commercial Officer from each of the five (5) Divisions, namely; Makindye, Rubaga, Nakawa, Kawempe and Central which brought the number in attendance to 102 District Commercial Officers.

The Districts were purposely grouped into five (5). The Groups were aimed at giving the District Officials hands on experience on using the Policy Guidelines to enable them identify activities and outputs under the various sectors in the Ministry. The input from the groups has been incorporated in the action areas in the section below. This exercise was highly interactive and assisted the Officials to tap into knowledge of their colleagues. The forum agreed on the following priority action areas;

1. The Ministry should continue to support formation and strengthening of the DCOs Forum
2. The Ministry should ensure that the Guidelines are used by DCOs to enable proper Monitoring and Evaluation.
3. The Ministry should follow up inclusion of the item of Commercial Services in the Output Budgeting Tool (OBT) of both the Local and Central Government
4. The Ministry should avail DCOs with all the relevant Policies and documents in the Sector from time to time
5. In collaboration with the District Service Commission, the Ministry should strengthen staff of the DCOs at the district
6. The Forum called on the Ministry to revamp the Chambers of Commerce nationwide to make them more vibrant and felt at the lower Local Government
7. The Ministry should continuously build capacity of DCOs to reinvigorate their knowledge
8. The Ministry's requirements of the DCOs should be linked to the functions of DCOs as stipulated by Public Service
9. The Forum recommended deletion of the Wildlife Conservation related objective in the Guidelines since it does not concern the DCOs

Conclusion

DCOs, as frontline soldiers in the crusade of Prosperity for All, were urged to be proactive so as to attract funding from other development partners in their areas of jurisdiction and beyond to supplement Government funding. It is time to work within the current circumstance to be able to move our society forward ■

**WHY UGANDA NEEDS A POLICY ON SANITARY AND PHYTO SANITARY MEASURES**

By Doreen Kansiime

Communications Officer, EPA TAPSS

Background

In a bid to boost her trade in both regional and international markets, Uganda not only needs the products that these markets require but also products that meet market requirements in terms of cleanliness, hygiene and food and feed safety. To achieve this market requirement, the Government of Uganda through the Ministry of Trade Industry and Cooperatives has formulated the National Sanitary and Phytosanitary Policy (NSPSP).

This Policy is intended to ensure that Uganda's products, mostly those in the agricultural sector are able to meet the Sanitary and Phytosanitary (SPS) measures that are required when trading in regional and international markets, and to promote the safety of animal and plant products on the domestic market .

What are Sanitary and Phytosanitary (SPS) measures?

Sanitary and Phytosanitary (SPS) measures are actions taken to protect human health through the protection and enhancement of health and safety of plants and animals. Sanitary or Phytosanitary measures include all relevant laws, decrees, regulations, requirements and procedures including, *inter alia*, end product criteria; processes and production methods; testing, inspection, certification and approval procedures; quarantine treatments including relevant requirements associated with the transport of animals or plants, or with the materials necessary for their survival during transport; provisions on relevant statistical methods, sampling procedures and methods of risk assessment; and packaging and labeling requirements directly related to food safety.

The measures should be taken in a transparent manner and based on science. There are largely four situations in which SPS measures apply;

- ◆ To protect animal or plant life or health from risks

arising from the entry, establishment or spread of pests, diseases, disease-carrying organisms or disease-causing organisms

- ◆ To protect human or animal life or health from risks arising from additives, contaminants, toxins or disease-causing organisms in foods, beverages or feed-stuffs
- ◆ To protect human life or health from risks arising from diseases carried by animals, plants or products thereof, or from the entry, establishment or spread of pests
- ◆ To prevent or limit other damage from the entry, establishment or spread of pests.

Why do we need a Policy on SPS measures?

Uganda needs to have a National SPS Policy in place because it is mainly engaged in trade of agricultural products, which are directly affected by SPS requirements. SPS requirements mainly affect the non-traditional exports (such as fish and fish products, horticultural products, flowers, cereals, fruits, *et cetera*), which have been growing rapidly over the last ten years as a result of Government's policy of export diversification. Continuous Government Policy interventions have seen the contribution of non-traditional exports to total exports increase from 28.7% in 1999 to 78.2% in 2010. This growth maybe slowed down if SPS measures are not put in place and implemented.

In view of this, the Government has developed the National Sanitary and Phytosanitary (NSPS) Policy whose mission is to enhance Uganda's competitiveness in the domestic and international markets by enabling production and consumption of safe and quality animal and plant products, therefore reducing food related diseases in human, animal and plant populations and with the overall objective to create a conducive environment for the production, trading and consumption of safe and quality animal and plant products in Uganda.



In addition, Uganda is a member of a number of international organisations such as the World Trade Organisation (WTO), International Plant Protection Convention (IPPC), and the International Office of Epizootics (Animal Health Organization), FAO/WHO Codex Alimentarius Commission for Food Safety; whose activities relate to SPS. Under these Organisations, Uganda is obliged to comply with certain minimum SPS requirements, especially while engaging in international trade.

The Purpose of the Policy

The purpose of the National Sanitary and Phytosanitary Policy is to ensure that the aims and objectives of the policy are implemented which will be achieved through the National Sanitation and Phytosanitary Implementation Plan 2011/12 - 2015/16.

The Implementation Plan provides an overview of how the Policy's vision and objectives will be achieved by clearly indicating what will be done, by whom, when and how.

The Plan will also help to coordinate and guide the implementation actions, support coordinated and collaborated efforts and promote synergies. The Implementation Plan will also embrace performance measures and measurable indicators for evaluating the achievement of the policy objectives, which can then be used to gauge the overall progress towards effective and efficient management of the SPS issues in Uganda.

Conclusion

The National Sanitary and Phytosanitary Policy and its Implementation Plan are intended to make Uganda's products particularly those in the agricultural sector to comply with SPS requirements in export and domestic markets.

Cooperation of all key stakeholders from farmers to traders and transporters will be paramount in ensuring that it works as intended. In addition, successful implementation of the Plan will enable Uganda's



Uganda products such as sunflower (above) and bananas (below) need to be able to meet the Sanitary and Phytosanitary measures required by international markets in order to compete favourably.



products to access various markets within the region and internationally. This will boost individual incomes of

farmers, traders and all those involved in the trade of agricultural products and the economy generally.

Through formulation of the Policy and its Implementation Plan, the Government has already shown its commitment to ensuring that the country's capacity to engage in safe trade of agricultural products is enhanced.

It's therefore paramount for all other stakeholders ranging from farmers, traders to exporters and the entire private sector to partner with Government to ensure successful implementation of the SPS Policy ■

**THE COMESA-EAC-SADC TRIPARTITE FREE TRADE AREA NEGOTIATIONS LAUNCHED .**

By Emmanuel Mutahunga - Programme Manager, EPA TAPSS

Doreen Kansiime - Communications Officer, EPA TAPSS

The Heads of State and Government of the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC) and the Southern African Development Community (SADC) Tripartite have signed the Declaration launching the negotiations for the establishment of the COMESA- EAC-SADC Tripartite Free Trade Area (FTA).

The Declaration was signed on the 12th June 2011 during the Second COMESA-EAC-SADC Tripartite Summit held in Johannesburg, South Africa. The Tripartite Free Trade Area will see the establishment of an integrated market of 26 Countries with a combined population of nearly 600million people and a Gross Domestic Product (GDP) of approximately US \$1trillion.

The establishment of the Tripartite FTA will also bolster intra - regional trade by creating a wider market, increase investment flows, enhance competitiveness and develop cross regional infrastructure. This is because the COMESA - EAC- SADC region makes up half of the African Union (AU) in terms of membership and just over 58% in terms of Contribution to GDP and 57% of the total population of the African Union.

The Summit that was attended by twelve Heads of State and various Government Officials representing their Heads of State saw the adoption of the roadmap for establishing the Tripartite FTA, the Tripartite negotiating Principles, Processes and Institutional Framework and also directed that a programme of work and roadmap be developed on the industrialisation pillar. The Heads of State also adopted a development approach to the Tripartite Integration process that will be anchored on three pillars. Market Integration based on the Tripartite FTA, Infrastructure Development to enhance connectivity and reduce costs of doing Business, as well as Industrial development to address the productive capacity con-

straints.

The leaders noted the progress made in the implementation of the Tripartite Infrastructure programmes and commended the international cooperating partners as well as the donor community for the support that was pledged to the North South Corridor at the High Level Conference held in Lusaka, Zambia in April 2009. They invited the cooperating partners and the donor community to support the Aid for Trade Programmes being developed for the other major corridors and in particular the Tripartite and Inter Governmental Authority on Development (IGAD) Infrastructure Investment Conference to be held in Nairobi, Kenya on 29th & 30th September 2011 at which priority projects for these corridors will be presented, as well as the maritime corridors.

The Tripartite initiative is a decisive step to achieve the African Vision of establishing the African Economic Community envisioned in the Lagos Plan of Action and the Final Act of Lagos 1980, Abuja Treaty of 1991 as well as the resolution of the African Union Summit held in Banjul Gambia in 2006 that directed the African Union Commission and the Regional Economic Communities (RECs) to harmonise and coordinate policies and programmes of the RECs as important strategies for harmonisation and coordination within and among the RECs.

While closing the summit, His Excellency President Jacob Zuma of the Republic of South Africa thanked his colleagues for attending and congratulated them on the historic summit which launched the Tripartite FTA, a key milestone in the integration of Africa. Uganda hosted the first Tripartite Summit in 2008. His Excellency Y.K Museveni and the Trade Minister, Hon. Amelia Kyambadde attended the Summit ◻



Communiqué: Second COMESA-EAC-SADC Tripartite Summit

The Heads of State and Government of the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC) and the Southern African Development Community (SADC) Tripartite met on 12 June 2011 and:

i) LAUNCHED negotiations for the establishment of an integrated market of 26 Countries with a combined population of nearly 600 million people and a total Gross Domestic Product (GDP) approximately US\$1.0 trillion;

ii) NOTED that the region makes up half of the African Union (AU) in terms of membership and just over 58% in terms of contribution to GDP and 57% of the total population of the African Union. The establishment of a Tripartite Free Trade Area will bolster intra-regional trade by creating a wider market, increase investment flows, enhance competitiveness and develop cross-regional infrastructure;

iii) ADOPTED a developmental approach to the Tripartite Integration process that will be anchored on three pillars namely: Market integration based on the Tripartite Free Trade Area (FTA); Infrastructure Development to enhance connectivity and reduce costs of doing business as well as Industrial development to address the productive capacity constraints; and

iv) AGREED that the Tripartite initiative is a decisive step to achieve the African vision of establishing the African Economic Community envisioned in the Lagos Plan of Action and the Final Act of Lagos of 1980, Abuja Treaty of 1991 as well as the resolution of the African Union Summit held in Banjul the Gambia in 2006 that directed the African Union Commission and the Regional Economic Communities (RECs) to harmonize and coordinate policies and programmes of RECs as important strategies for rationalization; and to put in place mechanisms to facilitate the process of harmonization and coordination within and among the RECs.

2. The Tripartite Summit:

i) SIGNED the Declaration Launching the negotiations for the establishment of the COMESA-EAC-SADC Tripartite FTA;

ii) ADOPTED the Roadmap for Establishing the Tripartite FTA;

iii) ADOPTED the Tripartite FTA Negotiating Principles, Processes and Institutional Framework; and

iv) DIRECTED that a programme of work and roadmap be developed on the industrialisation pillar.

3. The Tripartite Summit was attended by the following Heads of State and Government:

1. His Excellency Pierre Nkurunziza, President of the Republic of Burundi
2. His Excellency Essam Abdel-Aziz Sharaf, Prime Minister of the Arab Republic of Egypt
3. His Excellency Mwai Kibaki, President of the Republic of Kenya
4. The Rt. Honourable Pakalitha Mosisili, Prime Minister of the Kingdom of Lesotho
5. His Excellency Bingu wa Mutharika, President of the Republic of Malawi
6. His Excellency Hifikepunye Pohamba, President of the Republic of Namibia
7. Right Honourable Bernard Makuza, Prime Minister of the Republic of Rwanda
8. His Excellency Jacob Zuma, President of the Republic of South Africa
9. His Majesty King Mswati III, of the Kingdom of Swaziland
10. His Excellency Jakaya Kikwete, President of the United Republic of Tanzania
11. His Excellency Yoweri Museveni, President of the Republic of Uganda
12. His Excellency Robert Mugabe, President of the Republic of Zimbabwe.



4. The following Plenipotentiaries represented the Heads of State and Government of the following countries:

1. His Honour Lt. General Mompoti S. Merafhe, Vice President of the Republic of Botswana
2. His Excellency Danny Faure, Vice President of the Republic of Seychelles
3. His Honour George Kunda, Vice President and Minister of Justice of the Republic of Zambia
4. Honourable Georges Rebelo Chikoti, Minister of External Affairs of the Republic of Angola
5. Honourable Raymond Tshibanda, Minister of Cooperation, Democratic Republic of Congo
6. Honourable Abdi Ilmi Achkir, Minister of Commerce, Republic of Djibouti
7. Honourable Stifanos Habte Ghebremariam, Minister of Trade and Industry, State of Eritrea
8. Honourable Ahmed Shide, State Minister for Finance and Economic Development, Federal Democratic Republic of Ethiopia
9. Honourable Dr. Arvin Boolell, Minister of Foreign Affairs, Regional Integration and International Trade, Republic of Mauritius
10. Honourable Paulo Francisco Zucula, Minister of Transport and Communications, Republic of Mozambique
11. Honourable Dr. Mustafa Osman Ismail, Advisor to the President, Republic of Sudan
12. His Excellency Khalifa Omar Swiexi, Ambassador and Plenipotentiary of the Socialist People's Libyan Arab Jamahiriya accredited to Zambia
13. Mr. Djamal Djanffar Charge d' Affaires and Plenipotentiary of the Union of the Comoros in South Africa

5. The following Organizations attended the Tripartite Summit as observers: the African Union Commission, African Development Bank, United Nations Economic Commission for Africa, Department for International Development of the United Kingdom and the Southern African Customs Union.

6. His Excellency, Jacob Gedleyihlekisa Zuma President of the Republic of South of Africa, in his official opening remarks, welcomed all the Heads of State and Government, all dignitaries and delegates to the Second Tripartite Summit.

7. The Secretary General of COMESA, on behalf of the COMESA, EAC and SADC Tripartite Task Force, in his opening remarks provided the progress made in the Implementation of the Decisions of the First Tripartite Summit.

8. His Majesty, King Mswati III of the Kingdom of Swaziland, His Excellency Pierre Nkurunziza, President of the Republic of Burundi and His Excellency Hifikepunye Pohamba, President of the Republic of Namibia, the Chairpersons of COMESA, EAC and SADC Summits of Heads of State and Government respectively, addressed the Tripartite Summit reiterating the commitment of the three Regional Economic Communities to the Tripartite cooperation and integration process.

9. His Excellency Erastus Mwencha, Deputy Chairperson of the African Union Commission also made opening remarks appreciating and giving support to the COMESA-EAC-SADC Tripartite cooperation within the framework of establishing the African Economic Community and the overall African Union Vision and Strategy.

10. The Tripartite Summit was opened and chaired by the Chairperson of the Summit of the Southern African Development Community assisted by the Chairpersons of the Summits of Common Market for Eastern and Southern Africa and the East African Community and the Tripartite Task Force of the three Secretariats was the Rapporteur.



11. The Tripartite Summit REVIEWED the progress made in the implementation of the decisions of the First Tripartite Summit held in Kampala, Uganda on 22nd October 2008, regarding programmes in trade, customs and economic integration; free movement of business persons and infrastructure development amongst the three RECs.

12. In the area of Infrastructure Development, the Tripartite Summit:

- i) NOTED the progress made in the implementation of the Tripartite Infrastructure programmes;
- ii) COMMENDED the international cooperating partners and the donor community for the support that was pledged to the North South Corridor at the High Level Conference held in Lusaka, Zambia in April 2009; and
- iii) INVITED the cooperating partners and the donor community to Support the Aid for Trade Programmes being developed for the other major corridors and in particular the Tripartite and Inter-Governmental Authority on Development (IGAD) Infrastructure Investment Conference to be held in Nairobi, Kenya on 29 and 30 September 2011 at which priority projects for these corridors will be presented as well as the maritime corridors.

13. With regard to the Legal and Institutional Framework, the Tripartite Summit NOTED with appreciation that the Chairpersons of COMESA, EAC and SADC, these being His Majesty King Mswati III, His Excellency Dr. Jakaya Mrisho Kikwete and His Excellency Hifikepunye Pohamba respectively, signed the Memorandum of Understanding on Inter-Regional Cooperation and Integration amongst COMESA, EAC and SADC and that the Tripartite Memorandum of Understanding (MoU) came into force on 19 January 2011.

14. The Tripartite Summit EXPRESSED its appreciation to the COMESA-EAC-SADC Tripartite Task Force for the preparatory work undertaken in preparation for the 2nd Tripartite Summit.

15. The Tripartite Summit WELCOMED His Excellency Essam Abdel-Aziz Sharaf, Prime Minister of the Arab Republic of Egypt.

16. The Tripartite Summit NOTED AND WELCOMED the offer by the Arab Republic of Egypt to host the Third Tripartite Summit.

17. The Tripartite Summit, in a vote of thanks moved by His Excellency Essam Abdel-Aziz Sharaf, Prime Minister of the Arab Republic of Egypt, EXPRESSED appreciation to His Excellency Jacob Zuma, President of the Republic of South Africa, the Government and people of South Africa, for the warm and fraternal hospitality extended to all the delegations.

18. His Excellency, Jacob Zuma, President of the Republic of South Africa, in his closing statement CONGRATULATED all his colleagues for the historic Tripartite Summit which launched the Tripartite FTA negotiations which is a key milestone in the integration of Africa. He thanked them for their attendance and looked forward to the continuation of the rationalisation and deepening of the integration process in Africa.

19. The Tripartite Summit ADOPTED its Communiqué as read by Ambassador Dr. Richard Sezibera, Secretary General of EAC.

DONE at Johannesburg in the Republic of South Africa on 12 June 2011, in the English, French and Portuguese languages, all texts being equally authentic.



THE EPA TAPSS PROGRAMME

The Economic Partnership Agreement Related Trade and Private Sector Support Programme (EPA TAPSS) is a four year, European Union (EU) - funded Programme under the Ministry of Trade Industry and Cooperatives (MTIC). The Financing Agreement for EPA TAPSS was signed by the Government of Uganda and the European Union on 14th July 2009.

Programme Objectives

- To bolster the capacity of the Ministry to spearhead the development of the country's trade sector, and the creation of an enabling business environment for private sector development;
- To increase the ability of Uganda's products to conform to international quality standards and to strengthen the enforcement of such standards

Programme Result Areas

- Institutional strengthening of the Ministry and strengthening linkages between production and trade/domestic trade development
- Regulatory and institutional reforms to streamline the trading process
- Effective management of the trade negotiations process
- Trade Facilitation; producing trade-related information and making it accessible to users, and
- Improvement of quality standards and compliance with Sanitary and Phyto-Sanitary requirements

Disclaimer:

The views expressed in this Publication are not necessarily the views of the managing institutions and benefactors of this publication but of the authors of the articles therein.

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UPCOMING EVENTS

- ◆ Ministry of Trade, Industry and Cooperatives to hold the National Trade Sector Review Conference in September
- ◆ The Ministry will also take part in the Private Sector Foundation Trade Facilitation Expo 2011 in July. The EPA TAPSS is a co-sponsor of the Expo.
- ◆ Finalisation and launch of the Trade Secrets - An Exporters' Answer Book
- ◆ Official launch of the Export Import Handbook produced by EPA TAPSS
- ◆ EPA TAPSS and MTIC have partnered with the Ministry of ICT and the National Information Technology Authority to make regulations for three cyber laws, the Electronic Signatures Act 2010, Electronic Transactions Act 2011, Computer Misuse Act 2011

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