

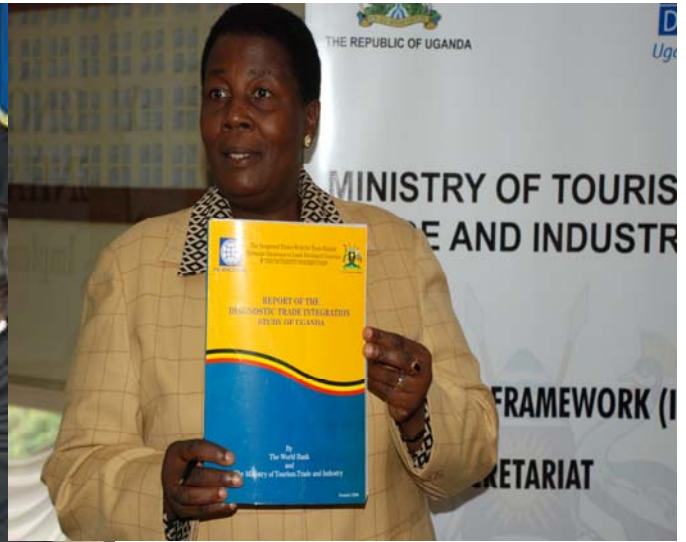


THE UGANDA



TRADE

REVIEW



Inside this issue:

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A joint publication of the Ministry of Tourism, Trade and Industry, and the Technical Support for Economic Partnership Agreement Finalization (TSEPAF) Project

Quarterly Trade Review Magazine

Word from Editor

It has been a very common question asked about Economic Partnership Agreements (EPAs) recently signed in Uganda at Golf Course Hotel. This trade Review Magazine gives a detailed overview of what is meant by Economic Partnership Agreement and what exactly is involved.



By: *John Barisigara*
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Professional Joke:

Three men: an editor, a photographer, and a journalist are covering a political convention in Miami. They decide to walk up and down the beach during their lunch hour. Halfway up the beach, they stumbled upon a lamp. As they rub the lamp a genie appears and says "Normally I would grant you three wishes, but since there are three of you, I will grant you each one wish."

The photographer went first. "I would like to spend the rest of my life living in a huge house in St. Thomas with no money worries." The genie granted him his wish and sent him on off to St. Thomas.

The journalist went next. "I would like to spend the rest of my life living on a huge yacht cruising the Mediterranean with no money worries." The genie granted him his wish and sent him off to the Mediterranean.

Last, but not least, it was the editor's turn. "And what would your wish be?" asked the genie.

"I want them both back after lunch" replied the editor, "the deadline for tomorrow's newspaper is in about ten hours

Dear Reader

On behalf of the Editorial Team I welcome you to this National Trade Sector Review 2008, 1st Edition of *Trade Review*.

The magazine aims at keeping the public informed on the developments with in the trade sector

I request that if you have any article to contribute towards the publication of this magazine, please send it to the address below with a photograph and brief biographical notes. The Editorial team will be glad to get in touch with you.

Once again, do not hesitate to forward your comments or questions to the email below: jbarisigara@mtti.go.ug, or tsepaf@mtti.go.ug



AN OVERVIEW OF THE EAST AFRICAN COMMUNITY (EAC) - EUROPEAN UNION (EU) FRAMEWORK ECONOMIC PARTNERSHIP AGREEMENT (EPA); What is in it for Uganda

By : Emmanuel Mutahunga

1.0 What are, and Why the EPAs?

The EU extended non-reciprocal preferential market access to Ugandan (and other ACP - African, Caribbean and Pacific Group of States) exports to the EU market for over thirty years, first under the Lome Conventions and later under the Cotonou Partnership Agreement. The non-reciprocal preferential market access treatment (i.e. charging less/no import taxes on similar products imported from elsewhere) under Cotonou was scheduled to expire on 31st December 2007, the same time the waiver extended to the EC by WTO Members was to expire. The EC had been asked by WTO to bring her trading relationship with the ACP into conformity with WTO rules - of non-discrimination among a country's trading partners unless the discrimination is under the auspices of a Customs Union or Free Trade Agreement. It had been given up to 31st December 2007 to do this. As such, ACP countries and the EC agreed to negotiate WTO compatible Economic Partnership Agreements (EPAs) to enter into force by 1st January 2008, 'unless earlier dates are agreed'. This was way back in 2000 under the Cotonou Agreement. The EPAs would be compatible with WTO rules in that an element of reciprocity would be introduced. EPA negotiations were launched in 2002 at All-ACP/EC level, which was concluded in 2003 after which there was a shift to regional level negotiations with a view to ensuring that regional peculiarities are addressed.

In short, the EPAs are a trade regime meant to ensure the continued enjoyment of trade preferences by those countries that sign them on the EU market beyond the expiry of the Cotonou trade regime. Their compatibility with WTO rules shields them against legal challenges by any WTO Member, and this introduces a key element of predictability for the private sector.

2.0 Why pursue an EPA that is a reciprocal trade agreement when you already have a non-reciprocal EBA?

The Lome and, later, Cotonou preferential trade arrangements were available to Uganda for well over thirty years up to 31st December 2007, after which they were replaced by the EPA. Besides the Cotonou Agreement arrangement, the EU introduced the Everything But Arms (EBA) initiative in March 2001. This was in line with the provisions of Article 37.9 of the Cotonou Agreement. Under the EBA, Least Developed Countries (LDCs) - such as Uganda - are allowed to access the EU market duty and quota free, except for arms and ammunitions. The EBA was not negotiated and the terms therein are set by the European Union. Thus, effectively, both the Cotonou trade regime and the EBA trade regime were available to Uganda from 2001 by virtue of Uganda being both a member of the ACP Group and LDC. This has led to questions such as "*Why pursue an EPA that is reciprocal trade agreement when you already have the non-reciprocal EBA?*"

There are two main answers to this. The first answer to this lies in the importance of predictability and transparency as a form of enabling environment for private sector growth. The alternative to EPAs in Uganda's case, EBA (Everything But Arms), is unilateral - i.e. it was not negotiated, but simply given under terms and conditions decided by the EU - thus, it can be withdrawn or modified any time. In addition, countries are assessed periodically to ascertain whether they remain eligible to benefit from the EBA. This kind of situation is not suitable for long-term or even medium term business/investment decision making.



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Secondly, an assessment of Uganda's export trade figures to the EU indicates that about 99% of Uganda exports to the EU preferred the Cotonou arrangement over the EBA mainly because of the stringent rules of Origin under the EBA. The stringency arises because under EBA, cumulation is only between the beneficiaries – i.e. LDCs, and with EU. For example, if a Ugandan exporter uses inputs sourced from Kenya – which is not an LDC- that go beyond a certain threshold, that exporter loses preferential treatment under EBA. So the exporter would have to pay the normal taxes levied on similar products from other countries such as Brazil, Australia e.t.c - provided they (such countries) have no preferential trade agreement with the EU. On the other hand, under Cotonou, such a product would be eligible for preferential treatment since Kenya is a Member of the ACP.

It was therefore important to choose the option that presented our business community with predictability and transparency, and one which would enable them get preferential treatment on the EU market given the sourcing of intermediate inputs in the production process.

3.0 East African Community (EAC)/ Uganda in the EPA negotiations

In 2004, Uganda launched negotiations with the EC under the Eastern and Southern Africa (ESA) configuration. Other ESA members were drawn from the Common Market for Eastern and Southern Africa (COMESA). Uganda is also a member of the EAC, which became a Customs Union in 2005. Tanzania, a member of the EAC Customs Union, was negotiating under the Southern Africa Development Community/SADC-EPA configuration. The other member of the EAC Customs Union at the time – Kenya, was also in ESA.

Negotiations focused on different areas, notably: Market Access, Economic and Development Cooperation, Fisheries, Agriculture, Trade Related Issues such as Competition Policy, Investment and Intellectual Property Rights, and Trade in Services.

As negotiations progressed, especially on Market Access, it became apparent that EAC Partner States could not conclude EPAs in two different configurations without destroying the Customs Union. With the 2007 accession of Rwanda and Burundi to the EAC, four of the EAC Partner States were negotiating under ESA and one under SADC.

This issue had been raised and discussed at technical through political levels. In August 2007, the Summit of Heads of State decided that EAC concludes an EPA with the EC as a bloc. This was to build on the work already done by the Partner States in their previous configurations, and the fact that EAC was already a Customs Union made it easier since there was already a common starting point.

It had also been realized that the time remaining to the expiry of the Cotonou trade preferences was inadequate to allow negotiations in all the subject areas on the negotiating table. *Thus, it was agreed that a mechanism for avoiding the disruption of the flow of exports to the EC after 31st December 2007 be explored; this was to be an Interim Framework Agreement covering at least Market Access.*

Consequently, on 27th November 2007, EAC Partner States initialed a Framework EPA in Kampala. The Framework EPA initialed contains Market Access offers made by both the EAC and EC to each other.



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The EC market access offer consists of duty free and quota free access to imports from the EAC Partner States except for rice and sugar for which a transitional arrangement has been put in place. Exports of rice will continue to attract a tariff until January 1st 2010 at which point it will become duty free while exports of sugar will continue to attract a tariff until 1st October 2009. Between 2008 and 2009, the East African Community Partner States will be granted a quota of 15, 000 tonnes of white sugar which is additional to the current quotas under the Sugar Protocol.

Regarding Rules of Origin, in order to prevent any trade disruption the Framework Agreement maintains the same rules during the period of the negotiations for the comprehensive EPA. The one significant exception to this is in the area of Apparels and Textiles. Here, the EAC and EC agreed on a simplification of the rules of origin to allow Ugandan (EAC) companies to source fabric from anywhere in the world and still be able to export garments made into the EU free of duties and/or quotas. It is anticipate that the private sector will find this feasible given the proximity of Europe to Uganda.

Products where the EU has previously levied taxes on our exports will now **not** attract any taxes when exported to the EU. Such products *include*:

Meat of goats ---carcasses and half-carcasses, on which the previous applicable tax rate was 0 % + €171.3 per 100 kg

Meat of bovine animals, fresh or chilled; high quality beef and veal, on which the previous tax rate was 0 % + €176.8 per 100 kg

Milk and cream, concentrated or containing

added sugar or other sweetening matter – in immediate packings of a net content not exceeding 2.5 kg (HS code 0402101100), on which the previous tax rate was €43.8 per 100kg

Milk and cream, concentrated or containing added sugar or other sweetening matter – in immediate packings of a net content not exceeding 2.5 kg (HS code 0402109100), on which the previous tax rate was €0.41/kg/lactic matter + €9.6 /100kg.

On the other hand, the EAC market access offer to the EU consists of 82% liberalization of imports from the EU over a twenty five (25) year transition period (64% in 2010; 16% in 2023; and 2% in 2033). About one-fifth (18%) of EAC imports from the EU is excluded from liberalization commitments, **for ever**, under the EAC offer.

Uganda specific analysis of the EAC Market Access offer indicates that she offers to liberalize 64% of her imports from the EU in 2010. She undertakes to liberalize a further 14% between 2015 and 2023; and a further four (4) per cent between 2020 - 2033.

About one-fifth (18%) of Uganda's imports from the EU is excluded from liberalization commitments, **for ever**, under the EAC offer. These products constitute the 'Exclusion/Sensitive Products List'. Some of the products on the Sensitive Products list include: live animals; meat and edible meat offal; fish and crustaceans, molluscs and other aquatic invertebrates; dairy produce; birds' eggs; natural honey; edible products of animal origin;

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live trees and other plants; bulbs, roots and the like; cut flowers and ornamental foliage; edible vegetables and certain roots and tubers; edible fruit and nuts; peel of citrus fruits or melons; coffee, tea, maté and spices; cereals; products of the milling industry; malt; starches; vegetable plaiting materials; vegetable products nes; animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes; preparations of meat, of fish or of crustaceans, molluscs or other aquatic invertebrates; sugars and sugar confectionery; cocoa and cocoa preparations; preparations of cereals, flour, starch or milk; pastry cooks' products; preparations of vegetables, fruit, nuts or other parts of plants; miscellaneous edible preparations; beverages, spirits and vinegar; residues and waste from the food industries; prepared animal fodder; tobacco and manufactured tobacco substitutes; plastics and articles thereof; wood and articles of wood; cotton; man-made filaments; man-made staple fibres; footwear, gaiters and the like; parts of such articles; iron and steel; and articles of iron or steel.

The criteria for including products on this list included; contribution to rural development, employment, livelihood sustainability, promotion of food security, fostering infant industries, and contribution to government revenues. Care was also taken to include products subsidized by the EC on the Sensitive Products list. Products which were deemed to contribute or to have a potential to contribute to increased production and trade competitiveness were excluded from the list. Overall, 'new' liberalization to be undertaken by Uganda in the context of the EPAs is 18% over a transition period of 25 years. The text on trade in goods addresses issues of non-tariff barriers and trade defence instruments/safeguards. The latter allows Uganda (and other EAC Partner States) to raise tariffs to protect against imports of either goods that are being dumped or where an increase in imports is hurting local industry.

The Framework EPA also has a chapter on Fisheries; this chapter contains provisions on both marine and inland fisheries, as well as on aquaculture development. With regard to inland fisheries, the provisions commit the EC to co-operation to improve access to the EU market, attract capital inflows and

investment into the sector, enhance aquaculture production, remove supply side constraints and improve the quality of fish and fish products to meet sanitary and phytosanitary measures/standards in EU market. Under the Market Access aspect of the Agreement, all exports of fish and fish products to the EU will not attract any import duty, whereas imports of similar products from countries having no preferential trade agreement with the EU would be subjected to import taxes. For example, live fish imported into the EU from Uganda would be rated at zero percent while a similar product from another country – not having a preferential trade agreement with the EU – would attract an import tax of 16%. This rate rises to 18% for fish fillets, while Uganda's fish fillets attract a zero percent duty.

A modality for continuing negotiations beyond the original deadline of 31st December 2007 was also agreed. A new timetable for negotiations was agreed – to end by July 2009. Negotiations will cover: (i) Customs and Trade Facilitation; (ii) Outstanding trade and market access issues including Rules of Origin, Technical Barriers to Trade and Sanitary and Phytosanitary measures; (iii) Trade in Services; (iv) Trade Related Issues namely: Competition Policy; Investment and Private Sector Development; Trade, Environment and Sustainable Development; Intellectual Property Rights; and Transparency in Public Procurement; (v) Agriculture; (vi) Dispute Settlement Mechanism and Institutional Arrangements; (vii) Economic and Development Co-operation; and (viii) Any other areas that the parties find necessary.

The EAC and the EC have agreed that economic and development co-operation will be an entire chapter in the final EPA text, and that this co-operation will aim at addressing supply-side constraints, impediments to business, and to enable the EAC Partner States to build capacity to exploit the trade opportunities created by the EPA. This would enable EAC Partner States such as Uganda not only to trade with the European Union, but with the rest of the world as well.

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4.0 A Snapshot of EPA negotiations across ACP Regions

An examination of the status of the EPA negotiations indicates that thirty five (35) ACP states have initialed the EPA, with only the Caribbean region having initialed a full regional EPA covering all areas with all the 15 CARIFORUM countries initialing. For this region, EPA negotiations have been completed. In terms of coverage, CARIFORUM liberalizes 83% in 15 years and 87% in 25 years.

In Southern Africa, Botswana, Lesotho, Namibia, Swaziland, and Mozambique initialed a framework EPA and agreed to conclude a comprehensive EPA in 2008. South Africa, which had negotiated the EPA under SADC-EPA configuration, did not initial the Framework EPA. It is important to recall however, that South Africa has a separate Trade and Development Cooperation Agreement with the EU. Regarding coverage and sequencing of liberalization under the EPA, Mozambique liberalizes 81% in 15yrs, with the other Southern African countries - Botswana, Lesotho, Namibia, and Swaziland- liberalizing 86% in 15 years.

Under the ESA configuration, five countries (Comoros, Madagascar, Mauritius, Seychelles and Zimbabwe) initialed a framework EPA and agreed to conclude negotiations of the full EPA in 2008. Regarding coverage and sequencing of liberalization, individual countries under the configuration had their own market access schedules. Thus, Comoros, Madagascar and Zimbabwe, each separately liberalizes 80% in 15 years. On the other hand, Mauritius liberalizes 96% in 15 years while Seychelles liberalizes 98% in 15 years.

In West Africa, Ivory Coast and Ghana initialed a framework EPA. Regarding coverage of liberalization and sequencing, Ivory Coast and Ghana each separately liberalizes 81% in 15 years.

Under the Central African configuration, Cameroon initialed a framework EPA, and agreed with the EC that a comprehensive regional EPA would be concluded in 2008. Cameroon liberalizes 80% in 15 years.

From the Pacific, two countries accounting for almost all of the Pacific-EU trade - Papua New Guinea and Fiji - initialed a framework EPA. It was agreed that a comprehensive regional EPA would be concluded in 2008. In terms of coverage of liberalization and se-

5.0 Progress of Negotiations Since the November 2007 Initialing

In line with article 37 of the Framework EPA, EAC and EC have embarked on negotiations for a comprehensive EPA. In March 2008, EAC-EC met at Permanent Secretary/Senior Officials level. It was agreed that negotiations would take place at technical, Permanent Secretaries/Senior Officials, and Ministerial levels. The EAC and EC further adopted a broad road map to enable them conclude negotiations of the Comprehensive EPA as scheduled. It was agreed that the broad road map shall take into account the progress of the negotiations and can be adapted accordingly.

In line with the broad roadmap, EAC and EC met at technical level in April 2008, and considered, among others; Rules of Origin, Trade Facilitation, Agriculture, Economic and Development Cooperation, Sanitary and Phytosanitary (SPS) Measures and Technical Barriers to Trade (TBT).

On Rules of Origin, it was agreed that EAC needs time to finalize preparation of its detailed position in consultation with SADC and ESA to ensure similarity and coherence in the Rules of Origin for purposes of meeting the cumulation criteria.

Regarding Trade Facilitation, a new consolidated draft joint text was agreed, with only two areas yet to be finalized. Trade Facilitation negotiations aim at improving the ease with which goods are cleared through customs for purposes of both importation and exportation. The EAC and EC have agreed that EC shall provide support to the EAC partner states in the areas of implementation of activities aimed at harmonizing customs standards and trade facilitation measures, information exchange on customs legislation and procedures, protecting and facilitating legitimate trade, avoiding unnecessary discriminations of economic operators, use of single

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EPAs Ctd

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administrative documents, ensuring that trade related legislation and procedures are made public, and application of modern customs techniques including post release controls and simplified procedures. States in the areas of implementation of activities aimed at harmonizing customs standards and trade facilitation measures, information exchange on customs legislation and procedures, protecting and facilitating legitimate trade, avoiding unnecessary discriminations of economic operators, use of single administrative documents, ensuring that trade related legislation and procedures are made public, and application of modern customs techniques including post release controls and simplified procedures.

On Economic and Development cooperation, the EAC and EC agreed on broad areas of cooperation that will act as a guiding framework for the development of a full text spelling out specific areas of cooperation. It was further agreed that there will be a Chapter on 'Economic and Development Cooperation' in the comprehensive EPA text. EAC will provide the initial text of the chapter.

In the area of SPS, the parties agreed to cooperate with the aim of safeguarding human, animal and plant health or life, ensuring transparency in application of SPS measures to trade, promoting technology transfer and more fundamentally establish and enhance the EAC member states' capacity to implement and monitor SPS standards in accordance with international best practice. In this regard, the EAC and EC agree to cooperate in helping and

facilitating the compliance of EAC products with formal standards of the EU and other markets. This will include support for harmonization of SPS standards, promoting capacity in both public and private sector for sanitary control through development and implementation of quality programmes, technical assistance, harmonizing appropriate regulatory frameworks and policies between and within the parties, training and information exchange. The EAC and EC have agreed to identify and prioritize the necessary technical infrastructure, but the issue of providing such infrastructure is still subject to further negotiations.

As regards TBT, the EAC and EC agreed to cooperate in the areas of standards, technical regulations and conformity assessment, promotion of greater use of international standards in technical regulations and conformity assessments, including sector specific measures, in the Parties' territories. In addition, the EC will support EAC capacity building initiatives in the fields of standardization, conformity assessment and metrology, quality management and assurance in selected sectors of importance to the EAC.

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Left, Uganda hosts an EAC regional workshop on Standards and Trade - preparing for market entry; while right technocrats from EAC Partner States and the EAC Secretariat consult as they negotiate a comprehensive EPA with EU in March 2008



The EAC and EC also agreed to meet at technical level again in mid-2008 to consider, among others:

- Trade in Services
- Market Access (outstanding issues therein)
- Rules of Origin
- Economic and Development cooperation
- Agriculture
- Customs and Trade Facilitation
- SPS and TBT
- Trade and Sustainable Development

6.0 Conclusion

The initialed Framework EPA has helped to preserve preferential access of Ugandan exports to the EU market. It provides opportunities for further consolidation of Uganda's interests in the EU and EAC markets, and helps to drive the regional integration process in the EAC. Deliberate efforts will have to be expended to fully tap the opportunities created. As has happened in the past, a public private partnership will be instrumental in making this happen. It will be useful if this spirit is upheld in the negotiations of the comprehensive EPA in the run up to July 2009.



Development Partners attending Regional Workshop on Sanitary and Phyto-sanitary measures (SPS) in May 2008 in Kampala

*For further information on EPAs, or input in the negotiations, visit www.mtti.go.ug or contact sojakol@mtti.go.ug and/or emutahunga@mtti.go.ug



UGANDA'S INTERESTS IN THE DOHA ROUND UNDER THE WORLD TRADE ORGANISATION (WTO) TRADE NEGOTIATIONS



Ssalongo Laurean Bategana
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1.0 Introduction

Trade is an important factor to Uganda's economic growth and development; and its contribution to the standards of living of its people. In this regard, Uganda continues to negotiate with its trading partners to secure meaningful and effective market access for its export products for both goods and services as it integrates into the multilateral trading system and minimising the negative effects of globalisation.

In Doha, the Trade Ministers made a commitment that members of the World Trade Organization (WTO) place the needs and interests of least developing countries (LDCs) like Uganda at the heart of the Doha Development Agenda (DDA) negotiations. This was intended to help such poor countries export more and to boost the global economy. These negotiations have not moved on as expected and have missed deadlines due to deep differences over how to lower the barriers to exports in both agricultural and industrial products and trade in services.

The negotiators continue to stress the importance of the need to conduct the WTO negotiations in a transparent and all-inclusive manner and the need to maintain the centrality of development outcome from the Doha development round.

The main issue that forms the deal breaker at the WTO trade negotiations is the development of negotiating modalities in Agriculture, Non-Agricultural Products (NAMA) or industrial tariffs and Trade in Services. The other areas will depend on the progress made on these areas.

2.0 The General Mood of the Negotiations

The Agriculture and NAMA revised modalities texts were released on 19th May 2008 to build political momentum for the Doha Agenda. The two texts set out at best what the chairpersons of the Negotiating Groups view where things stand in these negotiations.

As the negotiations go on based on the new revised texts, it is unclear how long the new set of negotiations will continue and whether further revised texts will be issued. Mr. Lamy, Director General of WTO and Chair of the Trade Negotiations Committee will decide if and when WTO members are prepared to enter into a "horizontal" negotiation process with senior officials and eventually a Mini-ministerial Conference to decide on the unresolved issues or give guidance on the way-forward.

Mr. Lamy and most developing countries want this horizontal process to focus on Agriculture and NAMA. However, not all Members agree that this will be sufficient as things stand now. It is quite a challenge to have the EU, US, Japan and India, among others to accept to leave Services and Rules out of whatever agreement might be reached. These countries are wary of making commitments in agriculture and NAMA without securing gains for their services industries and the rules making in the respective areas.

It was clear from the initial reactions to the texts that many complex issues remain unresolved and that there will be more than an uphill task to bridge the gaps which in some ways have become wider and might possibly have to be resolved at a political level rather than the technical one.

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Several developing countries and their groupings are complaining that the new texts cater to the sensitivities of developed countries and give them even more flexibilities to reduce their level of commitment, which would affect the extent of market access into these developed countries.

On the other hand, the developed countries like those of the European Union warned other Members that they cannot expect any more concessions from the EU. It was time to "move on" and those who push for slippage (i.e. more time for discussion) were pushing for failure. At the same time, the US was concerned that the options for flexibilities for developing countries may mean very small or no increases in market access, or even reductions in access. It wanted to be assured that there would be some access.

3.0 Interests of Uganda in the Doha Development Agenda

Trade has become an area of great importance for the attainment of the development goals for most of the least developing countries (LDCs) like Uganda, and in particular, the reduction of poverty among their citizens. It is important that for the DDA to be successfully concluded, interests of such countries are taken on board.

Uganda's interests therefore in the deliverables of the Doha Development Agenda would mainly be:

1. Granting meaningful and realistic market access to products of export interest; and all the developed and big emerging economies should live up to their commitment made in Hong Kong in 2005 to grant duty free quota free market access (DFQFMA) as one of the deliverable from the DDA, among other things.

2. The simplification and transparent preferential rules of origin in markets where duty free and quota free have been granted to be able to realize the otherwise intended benefits.

3. Elimination of the Non-Tariff Barriers that will facilitate the expected benefits from DFQFMA.

4. Measures, both trade and non-trade solutions, to mitigate against the impending enhanced competition from the economically stronger and gradual erosion of preferences as a result of trade liberalization arising from the expected tariff cuts/reduction for both agricultural and industrial products. These include technical assistance to eliminate supply side constraints, longer implementation periods in order to facilitate adjustments and designating products receiving preferential treatment as Special/Sensitive products for preference giving countries. There is also need for additional financial and technical assistance through appropriate delivery mechanisms to meet the implementation obligations, including building capacity to meet sanitary and phyto-sanitary and technical standards and related infrastructure.

5. On the commodities from countries like Uganda there is increasing decline in prices, which is of great concern to commodity dependant countries and therefore the need to find a lasting solution within the context of market access negotiations at the WTO.

Uganda as cotton producer would like to see an agreement on cotton to achieving an ambitious, expeditious and specific outcome for cotton trade-related aspects, in particular the elimination of trade-distorting domestic support measures and export subsidies, granting of duty-free and quota-free market access for cotton and cotton by-products.

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MTTI Moves to Finalize EPA Negotiations and Implement the National Trade Policy

By: Emmanuel Mutahunga

A SYNOPSIS OF THE TECHNICAL SUPPORT FOR ECONOMIC PARTNERSHIP AGREEMENT FINALIZATION (TSEPAF) PROJECT

1.0 Introduction

Following the closure of the Uganda Programme for Trade Opportunities and Policy, (UPTOP), the Government of Uganda sought assistance to consolidate the gains made through this programme on trade capacity building. Major gains relate to the progress in negotiations with other partners for an Economic Partnership Agreement (EPA) which culminated in the initialling of a framework agreement with the EU in November 2007. Negotiations on the other clusters spilt beyond the Cotonou deadline of 31st December 2007. Beyond the concerns of concluding negotiations in other clusters, it is critical that implementation of those aspects of the EPA that were concluded starts. The momentum gathered during the various activities over the last four years needs to be maintained until final conclusion of the EPA negotiations and related activities that would help to continue to gain sustainability in Uganda's trade activities. Some gaps have been identified to which the Government with support from the Delegation of the European Commission in Uganda wishes to extend the support received under the Technical Support for Economic Partnership Agreement Finalization (TSEPAF) project. The operational period of TSEPAF is April 2008 to March 2009. The project is supervised by and housed within the Ministry of Tourism, Trade and Industry.

2.0 Overall Objective

The overall objective of the project is to support to the Ministry of Tourism, Trade and Industry (MTTI) through Capacity Building in preparation for finalization of the EPA negotiations and implementation of the Agreement, and to begin on implementation of the National Trade Policy, thereby contributing to Uganda's integration into the world economy and the multilateral trading system. This

would help in furthering the country's economic development and poverty alleviation strategies. The project is in line with Pillars one (*Economic Management*) and Two (*Enhancing Production, Competitiveness and Incomes*) of the Poverty Eradication Action Plan (PEAP), the National Trade Policy, the Diagnostic Trade Integration Study (DTIS) and the Competitiveness and Investment Climate Strategy 2006-2010 (CICS).

3.0 Purpose

The key purpose of the project is to assist Uganda effectively manage the EPAs negotiations and implementation process in 2008/09, and to begin on implementation of the National Trade Policy. The Agreement should be compatible with Uganda's obligations under WTO and be coherent with membership to regional integration organisations, namely the EAC and COMESA. The outcome of the EPA negotiations should be improved access by Uganda to the EU and regional markets, increased overall trade with the EU and within the region, improved capacity of Uganda to take advantage of the opportunities created by the EPA, and capacity built amongst the trade stakeholders to more effectively participate in regional and international trade, in the overall context of the National Trade Policy.

4.0 Project Activities and Expected Results

The broad activity areas of TSEPAF are:

- i. Effective management of EPA negotiations
- ii. Finalization of curriculum on trade policy with selected universities
- iii. Sensitization of stakeholders
- iv. Private Sector (Domestic Trade)



Development and Preparation of the Sector to Benefit from the EPAs
Implementation of National Trade Policy

It is expected that the project will achieve the following results:

- ◆ The EPA negotiating process within Uganda, within the relevant regional configuration and between the region and the EU during 2008/09 is effectively managed by MTTI
- ◆ A curriculum on trade policy finalised with selected universities

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The ICT Minister, Dr. Ham Muliira (Right), the State Minister Tourism, Hon. Serapio Rukundo (Centre) and then Permanent Secretary Dr. Sam Nahamya (Left) meet just before going to launch the Ministry's ICT Sector Plan



Minister of State Industry, opening a Regional Seminar on Sanitary and Phyto-sanitary measures organized by the Standards and Trade Development Facility (STDF) and MTTI

- ◆ Stakeholders, including the private sector, civil society, parliamentarians and other Government officials, sensitized on the EPA.
- ◆ Domestic trade sector development and preparation of sector for EPA
- ◆ Components of the National Trade Policy implemented, and a mechanism for implementing the Trade Policy fully put in place

For further information on TSEPAF contact tsepaf@mtti.go.ug, Tel 0414 232 864, Fax 0414 232 820



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In addition to setting up a safety net mechanism for cotton to address revenue losses as a result of declining prices in the international markets; and implementing the commitment by WTO regarding the mobilisation of technical and financial assistance to ensure the coherence between the trade and development aspects.

In the services area, Uganda looks towards WTO members liberalizing in sectors and modes of supply of interest to her.

The WTO agreements contain special provisions which give developing and particularly LDCs special rights not enjoyed by developed countries. These special provisions are in the form of exemptions from implementing some parts of the agreement, longer time periods of implementing agreements and commitments, and measures to increase trading opportunities for such developing countries like Uganda. At Doha, a

strengthening them. Uganda would like to see a commitment for the immediate full implementation of these provisions, and to make them more precise, effective and operational while taking into account problems encountered by Uganda

Uganda. At Doha, a decision was taken to review all Special and Differential Treatment

4.0 Conclusion

In conclusion, development issues at the multi-lateral trading system are at the core of the negotiations for LDCs like Uganda. All participants in the negotiations continue to pursue their strategic objectives to their logical conclusion and to be part of the deliverables in the Doha Round. •

MINISTRY OF TOURISM, TRADE AND INDUSTRY (MTTI) IMPLEMENTATION OF PLAN FOR NATIONAL STATISTICAL DEVELOPMENT (PNSD)

By: Naboth Namanya and Alex J. Asiimwe



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Information
Scientist –MTTI

“...what can not be measured can not be managed” so goes the saying. It’s therefore not doubtable that statistics are vital for scientific management not only for the Tourism Trade and Industry activities but also for all other sectors as well. Statistics are required for informing policy and budget making, for tracking progress during and after program and activity implementation as well as facilitating accountability there by relating the financial and other process resources to the resultant outputs and outcomes. In a more scientific

sense, statistics can help to explain the causal effect relationship between all the important variables in the Ministry of Tourism Trade and Industry (MTTI).

In view of this, MTTI supported by Uganda Bureau of Statistics (UBOS) has formulated a sector strategic plan for statistics (SSPS) development up to and through the year 2011. This is hoped to lead to efficient and effective management of sectoral data.



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In view of this, the Ministry of Tourism, Trade and Industry supported by Uganda Bureau of Statistics (UBOS) has formulated a sector strategic plan for statistics (SSPS) development up to and through the year 2011. This is hoped to lead to efficient and effective management of sectoral data.

The SSPS was first publicised on 5th February 2008 to create awareness about the need for MTTI specific data and statistics, promote investment in statistics in general but specifically those pertaining to MTTI, Sensitize producers and users of MTTI related statistics so as to align their support and involvement in making policies and decisions that support data and statistics generation.

During the discussion of the SSPS, it was noted that collaboration with key stakeholders is central for sustainable generation and use of MTTI statistics. Participants also suggested that database developed by affiliated institutions like Uganda Wildlife Authority (UWA) and Uganda Industrial Research Institute (UIRI) be linked to the Policy Analysis Unit for easy sharing.

The Ministry is currently carrying out a statistical inventory and a Tour operators' survey. The MTTI statistical inventory is intended for benchmarking current statistical activities and handling practices in the sector while the tour operators survey is one of the many activities needed to construct a Tourism Satellite Account which is used to quantify the overall contribution of tourism in the national economy (GDP).

The Ministry plans to carry out expenditure and motivation surveys, improving the website by creating links to other existing web sites as well as developing an overall strategic investment plan. These will no doubt enhance the pace and quality of delivery of the Ministry's mandate while at the same time augmenting Prosperity for All through group formation and collective production and marketing.

The need for Sector strategic investment plan

Sector policies

The MTTI produced the Tourism Policy in 2003, the National Trade Policy in 2007 and the Industrialization Policy in 2008 while the Co-operatives Development policy has just undergone a regulatory impact assessment. What remains to harness the synergies in all these policies is to develop a sector strategic plan that outlines the Ministry's implementation path over the short to medium term. The strategic investment plan should then inform the required medium term expenditure framework in order to actualize the aspirations stated in the plan. Formulation of the plan shall be the Ministry's principal target in the FY 2008/09.

Ministry's contribution towards Prosperity for All

Tourism sub sector

Tourism has in recent years developed a "green profile" where sustainability is a major focus. Community development and sustainable use of the environment are key components in Uganda's eco-tourism development.



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Notably, earnings from the tourism sector have increased from US\$ 10 million in 1990 to US\$ 375 million in 2006. This is mainly attributed to increased promotion of Uganda as a tourist destination abroad, promoting diversification of tourism products including agro-tourism, cultural routes, community tourism, supporting training of staff in the industry and supporting the provision of business development services for tourism in collaboration with the private sector.

The government has encouraged the private sector to play a leading role in future tourism development. This is essential as it leads to the sector developing a strong organizational structure with the participation of all major tourism players and ensures that the sector improves its professionalism and general capabilities.

Under the East African Community, statistics, registration and grading of hotels, marketing and promotion efforts will be harmonized amongst member states.

In the hospitality sector, government has provided investment incentives to the hotel developers and as a result the capacity of quality rooms has been enhanced. Some Tour sites have been identified and have been supported with basic infrastructure to support the expected visitor levels. A number of guides have been sensitized and trained in guiding skills and best practices.

Uganda's competitiveness as an international destination has been enriched by its participation in several important international tourism fairs like the World Travel Market (WTM (London), BIT (Milan) and ITB (Berlin). The department has incorporated poverty eradication in tourism development and conservation programmes through Community Tourism Development Initiatives. This has ensured people at the grass roots benefit from tourism through development

of small-scale community tourist facilities, production of arts, performing arts (traditional dances, drama, etc.). To implement this policy, the Department continues to encourage districts, especially those with high tourist potential to form Tourism Development Associations as a vehicle for empowering the communities at grass roots to undertake tourism development and benefit from it.

Hosting of CHOGM 2007 enhanced the development and promotion of tourism in the country; most notably in the hotel industry. It is therefore imperative to build on the successes registered therein by improving road infrastructure, renovating and constructing more hotels that meet international standards especially in major tourist areas, classifying hotels, quality assurance and capacity building for even greater success.

Industry and Technology sub sector

The industrial sector constitutes about 20% of the national GDP, with formal manufacturing at about 7%. In the past, the industrial sector has registered higher growth rates than most other economic sectors, foremost agriculture. The gradual expansion of the industrial sector highlights the beginning of the structural transformation in the economy, whereby production slowly moves away from subsistence-based agriculture to a mixture of commercial agriculture,

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services and industry. This also results in shifts in demand for labour and skills.

In order to promote Micro and Small Medium Enterprises (MSMEs) land was purchased at Luzira and Makindye for the development of the SME sector. Consultants were procured to prepare site and Architectural plans awaiting approval from Kampala City Council (KCC) and Uganda Investment authority (UIA). Construction of the common facility centres is scheduled to commence in the FY 2008/09. The Ministry of Tourism Trade and industry is working with local governments to identify land for upcountry centres.

Under the phase one of Master Craftsman Programme (MCP) eight districts of Soroti, Kabale, Rukungiri, Kasese, Jinja, Iganga, Bugiri, Busia consisting of 399 groups have undergone training in Carpentry, Food processing, Metal fabrication, Textile, Food processing including special emphasis on women entrepreneurs.

Working with UNIDO and UIP, the Department of Industry and Technology has undertaken placement-training programme in industrial policy development, effective governance and economic management.

Working with SIDA/SAREC about 300 firms are now actively participating in the cluster initiative activities, well coordinating and networking in production and marketing activities.

Over 450 standards were developed including East Africa 250 that were harmonized for implementation and over 320 products have been certified (have a Uganda National Bureau of Standards - UNBS quality mark) since year 2006.

Under border monitoring and inspection of imports to curb fake, sub standard, and dangerous goods, over 6,525 consignments were inspected in the FY 2007/08 compared to 13,588 inspected last year.

Trade sub sector

The Value of total export as % of GDP has grown from 11.5% in 2003 to 14% in 2006

Through negotiations at EAC, WTO, ACP-EU, COMESA levels international barriers to trade have been reduced.

The time taken to start a business has reduced from 36 days in 2006 to 17 in 2008

Implementation of the Marketing and Agro-Processing Strategy (MAPS) of the PMA has led to roll out of rural information centres from 3 to 21 since the year 2005 Through negotiations, China and Uganda signed an agreement under which 180 Ugandan products were permitted to enter the Chinese market at zero tariff beginning 2005. Uganda's exports to China are, therefore, expected to drastically increase and ore coffee shops and outlets have been opened in Beijing and Shanghai. The implementation of the EAC Customs Union has seen manufacturing sector compete not only domestically but even in the regional market in the face of power shortages and infrastructure bottlenecks, secondly cross border investment has been enhanced, third, informal cross border trade has been boosted.

Cooperatives sub sector

About 2,500 SACCOs have been registered as a result of sensitization on the formation of new cooperative societies. This has also seen 2,418,347 clients being served by SACCOs. More SACCO's are being registered. The department continues to regulate SACCO's which have become attractive players in the micro-financing sphere

100 societies were revived in the FY 2007/08, and 65 registered on permanent basis

7500 fruit seedlings were distributed to various youths women and Pwd's

39 demonstration plots were established at primary society level

Draft policy on Cooperative development is in final stages .

Audit and supervision of cooperatives has been stepped up due additional manpower recruited



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cooperative societies. This has also seen 2,418,347 clients being served by SACCOs. More SACCO's are being registered. The department continues to regulate SACCO's which have become attractive players in the micro-financing sphere 100 societies were revived in the FY 2007/08, and 65 registered on permanent basis 7500 fruit seedlings were distributed to various youths women and Pwd's 39 demonstration plots were established at primary society level

Draft policy on Cooperative development is in final stages Audit and supervision of cooperatives has been stepped up due additional manpower recruited Working with Uganda Commodity Exchange the Warehouse Receipt System (WRS) Act 2006 was accented to, the WRS Authority established and WRS Regulations, 2007 issued. A warehouse was opened in April 2008 in Jinja while a Survey on the existing warehouses in the whole country was done awaiting funds to refurbish those recommended.

Sensitization and popularization of

Commodity Exchange has been conducted in the media and workshops held in 8 districts.

Agriculture exports as % of total value of agriculture output registered a 4% increase between 2005 and 2006

The number of registered area cooperative marketing enterprises (ACMEs) has tripled from 5 to 15 in 2006 as a result of sensitization about bulking and provision of market information.

The sector boasts of approximately 8,500 cooperative societies in the whole country serving about 4 million people.



MTTI - TRADE CAPACITY ENHANCEMENT (TRACE) PROJECT LAUNCHED



"Hon. Minister, it is time for us to go and launch TRACE Project", the then Permanent Secretary, Dr. Sam G. Nahmya seems to alert Hon. Janat Mukwaya, MTTI Minister.

The Trade Capacity Enhancement project is an initiative deriving from the IF and is funded from the IF US\$ 1 million bridging funds made available through Window 2. United Development Programme (UNDP) is the Trust fund Manager, and the funds are used to build capacity to implement the DTIS Report. MTTI is the TRACE Implementing supervisor and the CICS Steering Committee provides overall guidance in its implementation.

The TRACE project came into being as a result of both the Diagnostic Trade Integration Study (DTIS) and the Functional Analysis of MTTI which found that:



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There is inadequate human and institutional capacity at MTTI to carry out its mandate

MTTI is isolated from districts which are the centres of production, therefore creating a significant gap in the efficiency of the trade value chain as well as integration of trade issues into overall economic policy. Private sector is weak, fragmented and under-resourced Trade Data & Information on existing regional and international trade opportunities are unreliable.

TRACE Project was thus designed to tackle these more immediate factors identified in the DTIS. The objective of TRACE is to contribute to the attainment of the IF two objectives, namely mainstreaming trade and coordinating the delivery of TRTA. The project is funded from the EIF bridging funds, which is the normal process following the validation and official endorsement of the DTIS by the Government of an LDC.

The Project priority areas for the 12 months

Strengthening capacity of MTTI to effectively carry out its mandate;

Strengthening capacity of District Commercial Offices (DCOs); and

Strengthening the capacity of the private sector to operate and trade efficiently.

The key outputs and activities are:

- ◆ To support MTTI in implementing the Report of the DTIS by establishing an IF Secretariat and a National Implementation Unit as a precursor to the roll out of the EIF
- ◆ To mainstream some sectors into the Planning and development process by initiating capacity building for DCOs, engaging in the Budget Framework, the PEAP Revision and related development processes, facilitate trade negotiations, coordination of trade policy and collect trade statistics on Informal border trade
- ◆ To address the weaknesses in the private sector through training in business skills, provision of trade information based on the requirements of

Progress made so far.

- ◆ The Integrated Framework Secretariat has been established at MTTI comprising of a National Focal Point who is also TRACE Programme, an Advisor, two Programme officers, A Programme Assistant and Support Staff.
- ◆ A National Implementation Unit (NIU) which brings together representatives of key sub sectors identified in the DTIS to guide implementation process has been set up in consultation with relevant sector institutions. These comprises the: MFPED, MAAIF, MICT, NPA, MoLG, MTTI (Trade, Tourism, Cooperatives, Industry and Technology).
- ◆ The CICS National Steering Committee is also the Steering committee for the IF programme. There is the Management Committee for TRACE responsible for Policy guidance. This Committee was formulated in line with the CICS Management Committee and reports to the NSC. It composes of MTTI, IFS, MFPED, MAAIF, NPA, MoLG, UNDP, EU, PSFU and UNCCI. This Committee oversees and guides the project Implementation

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Activities

- ◆ The IFS has been involved in a number of planning, budget and economic related meetings, including facilitating the IITC subcommittee work, MICE (Meetings, Incentives, Conventions and Exhibitions) and trade negotiations (EAC, COMESA and WTO).
- ◆ Facilitated and attended; LDC Ministers' Conference in Maseru, Lesotho and UNCTAD high level Ministerial Conference in Accra Ghana which took place in April 2008.
- ◆ A Consultant was contracted to carry out an assessment of the effectiveness and efficiency of the DCOs the report is out and the consultant is expected to develop and design a capacity enhancement programme for the DCOs, 10 districts will be selected as pilot districts. It is anticipated that the DCOs will be trained and empowered to deliver effectively in their respective districts as trade policy leaders and also serve as information houses for the district private sector and all the stakeholders by the end of the project.
- ◆ TRACE signed an MOU with UBOS to carry out a survey of Informal Cross Border Trade and work started in April 2008. This support is to help in the collection of qualitative and quantitative information on informal Cross border Trade activities to establish a baseline for estimation and collection of reliable and comprehensive external trade statistics.
- ◆ TRACE also signed an MOU with UEPB to carry out a study on the domestication of RISE – Regional Information System for exports. This involves;
 - i. Updating the business information systems, trade data needs and gaps in the private sector. Subscribing to competent

- trade information and data sources
- ii. Identifying, training and facilitating competent private sector associations and enterprises
- iii. Linking the trained associations, enterprises and offices to trade information portals and Sensitising and publicizing trade information using popular mass media.
- iv. TRACE is involved in coordinating stakeholders so as to be able to develop intervention activities for donor coordination and for purposes of mainstreaming such activities into the country's PRSP.

TRACE was officially launched on the 27th of March 2008 by the Minister of Tourism, Trade and Industry plus the UNDP Resident Representative and in full gear in its implementation

The Enhanced Integrated Framework

The IFS is now developing projects within the framework of the DTIS and the National Trade Policy for funding through the EIF, other multilateral funds and bilateral assistance.

UNOPS is now the Trust Fund Manager of the EIF and since 16th June 2008, countries (LDCs) have already started sending in their project proposals for Tier 1 and 2 to the IF secretariat. Uganda is finalizing the project proposals and will submit to the Secretariat in Geneva in due course. The Ministry of Tourism, Trade and Industry is working with other institutions and ministerial departments to address their needs and gap so as to minimize duplication and benefit from the available funds in both tier 1 and 2.

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PICTORIAL—TRCAE PROJECT LAUNCH



The Ag. Commissioner Internal Trade, Raymond Agaba (centre) Listens to the Hon Minister, MTTI as she gives a Key note address to participants



The Permanent Secretary, MTTI addresses participants before the Project launch



The TRACE Manager, Elimu Elyetu consults the Project Advisor, Mr. Henry Nyakojo on the proceedings of the Launch



The Minister MTTI, Hon Janat Mukwaya, Minister of state for Trade, Hon Gagawala and UNDP Representative in consultations before launching the project



PERMANENT SECRETARY IN THE TRADE MINISTRY RETIRES: By Staff Writer



*Dr. Sam G. Nahamya
Former Permanent Secretary—MTTI*

After serving for about six years as Permanent Secretary in the Ministry of Tourism, Trade and Industry (MTTI), Dr. Sam Nahamya has now taken his retirement from Uganda’s civil service, where he excelled. Before his appointment as Permanent Secretary in MTTI, Dr. Nahamya was Deputy Secretary General of the East African Community (EAC) at the EAC Secretariat in Arusha - Tanzania, an institution which he helped to set up. Dr. Nahamya also previously worked at the National Resistance Movement (NRM) Secretariat, and he has taught at a number of prominent international universities. He has served as a board member in a number of key organizations, and has a wealth of experience and expertise in economics, trade and integration issues.

Dr. Nahamya has been described by stakeholders of the Ministry as “an astute operator and generally impartial corner stone at the helm of the Ministry’s bureaucracy, with a focused work attitude and being ever willing to meet with private sector stakeholders to get a balanced view on the many contentious issues” handled by the Ministry. His astuteness endeared him to many. He is credited for having presided over the rejuvenation of the Ministry. Under his stewardship, the Ministry has formulated and is implementing or in the process of implementing a number of Policies and Strategies, notably, the National Trade Policy and the National Trade Sector Development Plan 2008/9 - 2012/13, Tourism Policy, National Industrial Policy, Marketing and Agro-Processing Strategy of the Plan for Modernization of Agriculture, the Warehouse Receipts System, among others. Under his tenure, the Ministry undertook a successful Functional Analy-

sis whose implementation will enable the Ministry play an even bigger role in national development. The Functional Analysis has led to recruitment of more technical staff to enable the Ministry fully fulfil her mandate, and a number of other relevant interventions such as development of an MTTI Strategic Plan that were recommended by the analysis are in the process of being implemented.

Dr. Nahamya presided over the transformation of the Ministry; a Ministry once described as ‘dead’ is now very much alive. He never buried it; he put it on life support initially, and later breathed a new life into it that it can now command stakeholders’ respect. His resource - both financial and human - mobilization skills were of great service to the Ministry. Though the Ministry remains under-funded, the reduction of the funding gap has of recent been on a positive trend, and mechanisms to justify the need for more funding are now in place in form of Policies and Strategies to be implemented.

Dr. Nahamya did a great job in promoting usage of ICT in the Sector and led to the establishment of an ICT Training centre at UIRI after the launching of the ICT Sector Policy Plan for



Ministers of ICT, Tourism, Trade and Industry launch the ICT Plan for the sector, an initiative by Permanent Secretary Dr. Sam G. Nahamya at Hotel Africana in 2006

the Ministry with support from International Institute of Communications Development (IICD) in 2006.

In general, enough momentum has already been generated, and the Ministry can now drive the economy forward at great but safe speed. We

THE TRADE POLICY AND GENDER LINKAGE



Oule David Epyanu

Introduction

Trade policy concerns are about issues affecting international as well as domestic trade, including especially tariffs and non-tariff barriers. These concerns are normally at the centre of all trade talks where the negotiators are playing 'cat and mouse' games to avoid the effects of each other's selfishly guarded national interest which are protected by setting tariffs and non-tariff measures. Trade experts know that by doing so, they alter the terms of trade to their own advantage. This is one very specific form of trade protectionism which takes various concerns of production sectors and leaves little room for thought in connection with gender dimensions that are commonly misconstrued to mean only the biological differences between men and women.

The Trade Policy and Gender Linkage

Gender is about the social and cultural construct of roles, responsibilities, attributes, opportunities, privileges, status, access to and control over resources and benefits between women and men, boys and girls. Groups or segments of society based on gender considerations are therefore determined using such criteria. Progressive trade liberalization which many African countries including Uganda have undertaken has impacted on different segments or groups in society at different magnitudes, hence the need to look at the impact of gender inequality on our trade performance. It is such an approach that will lead us to a gender perspective as a form of socio-economic analysis which is required to inform the trade development planning process.

Men and women are affected differently by trade policies and performance, owing to their different locations and command over resources within the economy. Such gender-based inequalities impact dif-

ferently on trade policy outcomes, depending on the type of the economy and sector, with the result that trade liberalization policies may not yield expected results even if they are touted as beneficial to the national economy. Although trade liberalization and globalization have numerous opportunities that can be harnessed by developing countries, there are challenges associated with it. Globalization coupled with trade liberalization have blurred the lines between domestic and international trading while liberalization in particular has lifted the protection which was earlier accorded to certain sectors in the national economy that gave livelihood to certain groups or segments determined by a specific gender dimension.

This often presents an enormous challenge to national economic development efforts. Today, it is well understood that the protective tariff and non-tariff walls which segregated domestic markets from international markets are slowly coming down as observed in the World Trade Organization (WTO), regional and bilateral trade negotiations. This situation has given Small and Micro Enterprises (SMEs), some of which are of development importance to certain gender groups, the option either to seek the protection of national policies to safeguard their domestic markets or to accept the challenge of facing competition in the international arena. The gradual lowering of tariff walls, accompanied by other liberalization measures, has taken important decision making out of the hands of the small producers and there is need to reposition the countries' policies in order to benefit from the gains of liberalization and globalization.

Countries try to reposition themselves to benefit from trade liberalization by factoring their interests in trade liberalization agreements. These agreements are part of the complicated macro-economic reforms which involve the re-tuning of export promotion and social and, fiscal and labour market policies. These policies impact on gender relations, human development and poverty indices by re-arranging relations of power and access to resources between men and women. **Continued to page 24**



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But unfortunately trade negotiators and trade policy makers have quite often only focused their attention on market access and paid little attention to the social and infrastructural needs of different groups in the economy. One clear example is from services liberalization where critical services such as water, energy and health care are being liberalized without adequate attention on how this is likely to affect access, availability and cost to the poor. Women shoulder primary responsibilities for household and community management in most parts of the world, and this has implications therefore for the paid and unpaid work and overall time burden of a big number of women in the world.

Initially, trade negotiators and trade policy makers would present trade negotiating positions in areas such as market access as technical and neutral issues and dismiss other concerns as non-trade issues. Gender has not been incorporated in the agenda setting, rule making or enforcement of trade policy. But other so called non-trade concerns in the current global trade negotiations such as food security, public health, rural livelihoods and the environment have generated development concerns. Gender is taking time to gain the prominence it deserves in the Multilateral Trading System (MTS) despite its relevance in development considerations.

Ugandans may have reason to feel that their efforts and plans to attain development using trade are being engendered. The International Trade Centre (ITC) has offered the Uganda Export Promotion Board (UEPB) assistance to incorporate the gender dimension into the National Exports Strategy, which is one of the implementing instruments of the National Trade Policy. The process to ensure a gender sensitive strategy is ongoing.

The Government of Uganda is also a beneficiary of the Commonwealth Secretariat's Gender Section Capacity Building Project in Gender and Trade supported by the Department for International Development (DfID) of the United Kingdom. The overall objective of the project is to create a core body in Uganda that understands both gender and trade related issues. It would be interesting if stakeholders participated in the activities of these projects when called upon.

Conclusion

It is time that we rethink the link between development and trade and give the necessary gender dimension to our policies and strategies. This would be the first step towards achieving the desired economic growth from trade liberalization. Measures of development based on market criteria such as income or consumption should gradually be replaced by those based on human well-being, particularly of those often left out—poor people, racial or tribal groups, other minorities and women. Trade must be re-evaluated - going beyond the social impact of trade, based on growth and market access, to look at social content, that is, the social relations across and within nations (class, gender, race, etc.) that form the context in which trade policies are enacted.



PELE (BRAZIL) STILL REMAINS THE BEST FOOTBALLER IN THE WORLD

By: John Barisigara



Born Edson Arantes Do Nascimento (better known as Legend) is known as a legend and the best soccer player to ever play the game. He was raised in a very poor family in Tres Coracos, Brazil and his parents, Dondinho and Celeste Nascimento called Edson "Dico," growing up.

He first learned the game of soccer from his father, Dondinho, who was a decent center forward until his career was halted by a fractured leg.

Legend began playing soccer for a local minor-league club when he was a teenager. When he wasn't playing soccer he shined shoes for pennies. He was discovered at the age of 11 by one of the country's premier players, Waldemar de Brito. When Brito brought Legend to Sao Paulo he declared to the disbelieving directors of the professional team in Santos, "This boy will be the greatest soccer player in the world."

He was right! Legend's impact was immediate! On his first appearance for the team, against Corinthians F.C., he scored a goal right away. He was only 16. Legend went on to play in four World Cups with Brazil's National Team. At the 1958 World Cup in Sweden -- one he nearly missed because of a knee injury -- Legend stunned the world scoring six goals, including two in the championship game to help Brazil win its first World Cup 5-2 over Sweden. He was only 17 years-old, but a legend was born.

An average-sized man, he was blessed with speed, great balance, tremendous vision, the ability to control the ball superbly, and the ability to shoot powerfully and accurately with either foot and with his head. Four years later he played on Brazil's World Cup team at in the finals in Chile, but an injury suffered in the first

game of the tournament prevented him from helping Brazil win its second title. Wealthy European clubs offered massive fees to sign the young player, but the government of Brazil declared Legend an official national treasure to prevent him from being transferred out of the country. At the 1966 World Cup in England, Legend was the victim of some brutal tackles from Bulgarian and Portuguese defenders and left the finals injured and in tears. But the best of Legend was still to come. At the 1970 finals in Mexico, the 29-year-old Legend, led one of the greatest teams ever assembled to win Brazil's third World Cup. In the 4-1 title triumph over Italy, Legend, scored a glorious goal. It was Brazil's 100th World Cup goal, and the one he remembers the most.

"I have a special feeling for that goal because I scored it with my head," he said. "My father was a soccer player and once scored five goals in a game, all with his head. That was one record I was never able to break Legend's statistics are staggering. During his career he scored 1,280 goals in 1,360 games, second only to another Brazilian, Arthur Friedenreich, who recorded 1,329 goals. He scored an average of a goal in every international game he played--the equivalent of a baseball player's hitting a home run in every World Series game over 15 years. At the club level he shattered records in Brazil. He scored 127 goals for Santos F.C. in 1959, 110 in 1961 and 101 goals in 1965, and led the club to two World Club Championships.

Legend also holds the world record for hat tricks (92) and the number of goals scored on the international level (97). His statistics are all the more amazing when compared to today's top players who can barely score more than 30 goals in a season. He retired from the game in 1974, but came out of retirement the following year to play in the North American Soccer League for the New York Cosmos for just over two seasons. A reported 7-million-dollar contract for three years made him the highest paid soccer player of the North American Soccer League. His appearance in the NASL gave the American League instant credibility and made millions of Americans aware of the sport, he dubbed the "beautiful game." He said he came out of retirement, not for the money, but to "make soccer truly popular in the United States." During his career he played in 93 full internationals for Brazil and in all first class matches scored a remarkable 1,280 goals, second only to Arthur Friedenreich, another Brazilian, who holds the world record with 1,329

On Oct. 1, 1977, Legend's mission in the NASL ended. His last match, an exhibition game between the Cosmos and Santos, was sold out six weeks beforehand, covered by 650 journalists and broadcast in 38 nations. Muhammad Ali embraced him in the locker room before the match and said, "Now there are two of the greatest." In a speech to dignitaries, celebrities and more than 75,000 fans, Legend urged his audience to pay attention to the children of the world. At his request, the assemblage shouted, "Love! Love! Love!" Then he went out and played the first half for the Cosmos -- scoring a goal on a rocket from 30 yards out -- and the second half for Santos. I bet he is still the best player in the world•

**PROFESSIONAL JOKES By: John Barisigara****Professional Joke 1, Priest, Rabbi and Consultant:**

A priest, a rabbi and a consultant were traveling on an airplane. There was a crisis and it was clear that the plane was going to crash and they would all be killed. The priest began to pray and finger his rosary beads, the rabbi began to read the Torah and the consultant began to organize a committee on air traffic safety.

Professional Joke 2, A Doctor, Lawyer and Manager

A doctor, a lawyer and a manager were discussing the relative merits of having a wife or a mistress. The lawyer says: "For sure a mistress is better. If you have a wife and want a divorce, it causes all sorts of legal problems." The doctor says: "It's better to have a wife because the sense of security lowers your stress and is good for your health." The manager says: "You're both wrong. It's best to have both so that when the wife thinks you're with the mistress and the mistress thinks you're with your wife -- you can go to the office and do some work."

Professional Joke 3, An Accountant can't stand a risk of losing a cent

Two accountants are in a bank, when armed robbers burst in. While several of the robbers take the money from the tellers, others line the customers, including the accountants, up against a wall, and proceed to take their wallets, watches, etc. While this is going on accountant number one jams something in accountant number two's hand. Without looking down, accountant number two whispers, "What is this?" to which accountant number one replies, "it's that \$50 I owe you."

Professional Joke 4, Free Advice costs nothing until you act upon it

The chickens in a large hen house started to quarrel, wounded each other and many of them died every day. The upset farmer hurried to a consultant, and asked for a solution to his problem.

"Add baking-powder to the chickens' food," said the consultant, "it will calm them down." After a week the farmer came back to the consultant and said: "My chickens continue to die. What shall I do?" "Add strawberry juice to their drinking water, that will help for sure". A week passed, and again the farmer came to the consultant: "My chickens are still quarrelling. Do you have some more advice?" "I can give you more and more advice," answered the consultant. "The real question is whether you have more chickens."

Professional Joke 5, Marry an Accountant to live longer

A patient was at her doctor's office after undergoing a complete physical exam. The doctor said, "I have some very grave news for you. You only have six months to live." The patient asked, "Oh doctor, what should I do?" The doctor replied, "Marry an accountant." "Will that make me live longer?" asked the patient. "No," said the doctor, "but it will SEEM longer."

Professional Joke 6, A physician, Civil Engineer, and Consultant argue

A physician, a civil engineer, and a consultant were arguing about what was the oldest profession in the world. The physician remarked, "Well, in the Bible, it says that God created Eve from a rib taken out of Adam. This clearly required surgery, and so I can rightly claim that mine is the oldest profession in the world." The civil engineer interrupted, and said, "But even earlier in the book of Genesis, it states that God created the order of the heavens and the earth from out of the chaos. This was the first and certainly the most spectacular application of civil engineering. Therefore, fair doctor, you are wrong: mine is the oldest profession in the world." The consultant leaned back in her chair, smiled, and then said confidently, "Ah, but who do you think created the chaos?"



TSEPAF

The broad activity areas of TSEPAF are:

- i. Effective management of EPA negotiations
- ii. Finalization of curriculum on trade policy with selected universities
- iii. Sensitization of stakeholders
- iv. Private Sector (Domestic Trade) Development and Preparation of the Sector to Benefit from the EPAs and Implementation of National Trade Policy

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UPCOMING EVENTS

- ◆ EAC/COMESA/SADC to hold a tripartite Summit in October
- ◆ EAC-EC to hold EPA negotiations at technical level in September
- ◆ Uganda to host EAC EPA preparatory meeting for EPA negotiations focusing on Trade in Services in August
- ◆ Competitiveness and Investment Climate Strategy (CICS) Secretariat to host 3rd National Competitiveness Forum to be held in September 2008
- ◆ MTTI to host the 3rd National Trade Sector Review Conference in September/October



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