



THE REPUBLIC OF UGANDA

MINISTRY OF TRADE, INDUSTRY AND COOPERATIVES

Minister of Trade, Industry and Cooperatives, Hon Amelia Kyambadde Hosts the Assistant US Trade Representative for Africa



Hon Kyambadde Hands over Souvenir to AUSTR representative

On 3rd November 2011, Hon Amelia Kyambadde, Minister of Trade, Industry and Cooperatives hosted a delegation led by the Assistant United States Trade Representative (AUSTR) for Africa, Ms. Florie Liser. The AUSTR was leading a team of 7 members which included the US. Ambassador to Uganda, H.E. Jerry Lanier.

The meeting reviewed the trade relations between Uganda and USA. In considering this, the meeting noted that trade development initiatives such as the African Growth Opportunity Act (AGOA), the Generalised System of Preferences (GSP) which the US extends to developing countries have resulted into improvement in trade. In the case of Uganda, it was noted that this initiative had led to the growth of exports to the US from US\$ 25.8 million in 2004 to US\$ 57.652 million in 2010.

The meeting considered a proposal by the Government of the United States of America to negotiate a new trade and investment partnership agreement with the East African Community Partner States. It was agreed that this proposal will be negotiated at a regional level after due consultation by the EAC Partner States.

The meeting reviewed programmes that the Government of Uganda is putting in place to strengthen the private sector and improve Uganda's trade and investment competitiveness. These include;

- Enhancing value addition and improving storage and post harvest handling capacity in the country and in this respect, the Ministry is planning to establish 10 silos spread throughout the country and 17 satellite warehouses that would feed the silos.
- Establishing the MSME Directorate within the Ministry to enhance backward and forward linkages within the sector and facilitate research in product and market development.
- Establishing border markets to enhance the country's exports to the region
- Undertaking measures aimed at reducing cost of doing business
- Initiating bilateral negotiations for elimination of Non Tariff Barriers, mutual recognition of standards with regional trade partners.
- Building and enhancing regional integration processes under the East African Community (EAC) and the Common Market for Eastern and Southern Africa (COMESA).

In spite of these developments however, the meeting noted that Uganda is facing challenges while trading with the US and these include;

- lack of capacity by the private sector to produce right quality products and in bulk,
- high costs of transport to the US, exacerbated by limited and lengthy connections to the US.
- inadequate trade finance facilities,
- limited supportive infrastructure,
- long and bureaucratic procedures for acquiring Business Visas to the US, and
- limited value addition to enable export of high value processed products.

As a way forward, the parties agreed to jointly work together in dealing with the above challenges so as to enhance trade and investment between the two countries. To this end, the meeting agreed on the following joint actionable areas.

- Uganda Government to improve the country's ranking on the doing business which at this time is the missing link to enabling the country achieve trade and investment competitiveness,

- Focus on enhancing value addition noting that market access alone is not enough for global competitiveness,
- Working together in attracting not only the US Citizen but also the Ugandan Diaspora in the US to invest in Uganda,
- Cooperating on product and market development,
- Support to regional integration,
- Development of specific sectors for investment,
- Enhancing the value chain, and
- Positioning Uganda in attracting tourists now that it has been selected as the best tourist destination country in the world.

The Government of Uganda is committed to working with the United States Government to improve business and trade relations. Ministry of Trade, Industry and Cooperatives will spearhead the efforts to achieve this.