



STATEMENT BY JOLLY KAGUHANDIRE, EXECUTIVE DIRECTOR UGANDA INVESTMENT AUTHORITY ON PROGRESS, STRATEGIC AREAS OF FOCUS AND OPERATIONAL CHALLENGES

11th July 2017

Central to achieving vision 2040 is the Uganda Investment Authority, charged with the mandate of promoting, attracting and retaining domestic and foreign direct investment in Uganda. I feel privileged and thankful to the Board for entrusting me with the opportunity to serve as Executive Director.

As you may be aware, I took over office as Executive Director UIA on 1st April 2017. This media briefing is aimed at giving the general public an update the progress made so far, challenges and plans that UIA has to achieve its mandate to attract and retain credible investment to Uganda as well as entrench the practice of open government to improve transparency and accountability. . At the start of my term in office, we pledged to focus on key areas which included:

- Building and sustaining investor confidence
- Simplifying regulations and administrative procedures to achieve quality service
- Strengthen the capabilities of the one stop center and minimizing delays

- Re-brand Uganda with an aim to strengthen the strategic investment promotion activities; to take Uganda to investors and bring Investors to Uganda.
- Improve aggregation and dissemination of Investment data with regards to total investments attracted, their worth and total number of jobs created
- Actualize the construction and commissioning of the industrial parks in the various regions of the country.
- Collaborate with other government Ministries, departments and agencies to ensure coordinated marketing and operational activities to avoid duplicity.

Current status

1. Improvement in Uganda's investment ranking – It is good to note that inspite of the current economic squeeze that most businesses are facing, Uganda as an investment destination has improved, Uganda is now ranked 6th out of 25 countries in Africa, according to the Ernst and Young Attractiveness Program Report for May 2017.
2. Withdrew land from 10 non performing companies in the Kampala Industrial and Business Park, Namanve totaling to 52.48 acres and another 4 companies in Soroti Industrial Park amounting to 7.5 acres. This land was reallocated to 12 companies that are to invest in strategic areas of the economy such as manufacture of solar panels, processing of fruit juice and cereals and many others. These have been put under tight deadlines of 18 months to commence physical development of their plots.
3. Another 30 companies in KIBP have been given notice of intention to withdraw allocated land totaling 49.5 acres. This notice will expire with in a period of three months. Failure to

take possession of their lands will lead to automatic withdrawal of land.

Progress:

UIA licensed 76 investment projects. The projected jobs to be created are 19,378 with an estimated total investment value of USD 246 million.

1. The Investment Code is in the process of being amended and was tabled before parliament for approval – this will address the missing clauses in the regulatory framework and policies.
2. Dealing with corruption: The 2017 Africa competitiveness report from the World Economic Forum (WEF) cited corruption as one of the most problematic factors for doing business. Corruption is a big disincentive to investment because it increases the cost of doing business. When an investor has several middlemen he must accommodate, it creates unnecessary cost centers thereby increasing the cost of doing business. These emerged because we had created a vacuum of information and they filled it. Investors need to know and feel our mandate because we are their first point of call. We have started the process strengthening and improving efficiency of the one stop center as well as moving most services to the online e-biz portal. This minimizes human interaction and therefore reduces opportunities for corrupt elements since a credible investor is able to apply for key documents online and then walk into our one stop center to finalize the process if need be. We have reduced the process further to 48 hours. We have activated our anti-corruption toll free hotline on 0800 100 770 .I urge all investors to report any cases of unethical

conduct and corruption as we make UIA a no fly zone for corruption.

3. The One Stop Centre is being expanded to a bigger physical space. The aim is to ensure that the center provides better, seamless service in a more friendly and spacious environment. This will reduce waiting times for the investors because all necessary services such land registration, immigration, business registration and others are all under one roof. The following services are available at the OSC;

- Issuance of investment licenses
- Uganda Registration Services Bureau
- URA Tax registration and payment
- Immigration and work permits
- KCCA
- NEMA- Environmental Impact Assessment

4. In the effort to reorganize UIA, a consultative firm was commissioned to undertake a situational analysis that included: Study the existing strategy, organizational structure and available resources, identify and propose measures to address any overlaps, redundancies and skills gaps in the overall institutional structure. This also involved carrying out an institutional diagnosis and SWOT analysis of UIA with a view of enhancing the organization's coherence as well as improve staff efficiency.

5. A rebranding exercise was commissioned with the website being redesigned and upgraded to make it interactive, relevant to investor needs and provide a better user experience. Our logo and organizational promise have also been evaluated.

Investor promotional materials are being developed and will be shared on the website.

6. An investor census program was commissioned to establish actual investor numbers, amounts invested and jobs created.
7. Sector profiling (data collection) is being done with different Ministries and Government agencies to ensure sector driven investment opportunities are identified and promoted accordingly. Business proposals will be developed and uploaded on the website.
8. The following Memorandums of understandings were signed with UIA
 - UIA and Interstate Trade Center Limited signed on 26th April 2017 – Enhancement of women in business through:- training, cross border trade, access to markets. Some women were taken to South Africa to access textile market.
 - UIA and Irish Aid Limited signed on 5th May 2017 – Monitoring and Aftercare strategy
 - UIA and Leading Edge Limited signed on 20th June 2017 – Enhance international Publicity and marketing, Promotional magazine
 - UIA and DFID to develop an Investment policy and improve internal process at UIA and improve efficiency – Capacity building
9. Seven contracts have been signed the period April - June 2017 aimed at improving infrastructure and efficiency in the industrial parks;
 - Mbarara SME Park
 - Soroti Industrial and Business Park
 - Routine Maintenance of Roads in South A and C at Kampala Industrial and Business Park in Namanve

- Extension of Power Lines to Selected parts of KIBP signed
- Opening up of selected Roads at KIBP-Namanve

10. Investment promotion outcomes

- Qatar Trip:- I accompanied HE President Yoweri Museveni and the First Lady on a three day working visit to Qatar aimed at showcasing Uganda's investment opportunities. We met with HH Sheikh Tamim Bin Hamad Al- Thani, the Emir of Qatar as well as Sheikh Faisal Bin Qassim Al-Thani and members of the Qatar Chamber of Commerce & Qatar Business Association. There is a two group follow up business delegation from Qatar that will arrive in Uganda on the 15th and 20th July 2017. Their main areas of interest are energy and agro processing.
- The Office of the Prime Minister in collaboration with Uganda Investment Authority hosted an Indian delegation and the Exim Bank on the Uganda – India Business Forum at the Office of the Prime Minister. They delivered expressions of interest to provide a loan for Kampala Industrial Business Park development, invest in various sectors such as agriculture and manufacturing, steel manufacturing and iriigation.
- Uganda Business Seminar in Japan. This was a successful investment promotion mission. We have two major investors from Japan who will be setting up their investment in Uganda.
- Prof. Lin's visit to KIBP -A meeting was held with the UNDP. He provided very good insight on the management of industrial parks and how best to utilize them to spur growth and industrialization. A paper on Industrialization is being developed by UIA in collaboration with the Ministry of finance.
- Several engagements / events with various diplomatic missions have been made e.g. American , Norwegian , French, Chinese, Indians etc.

Challenges:

1. Limited funding
2. Negative perception from general public that Uganda Investment Authority favors foreign investors over the domestic ones
3. Understaffing
4. Uncoordinated movement of investment promotion related activities. There is need to fully coordinate all investment promotion activities under the Uganda investment Authority to achieve better results and have accountability.
5. The Issue of Middlemen – At UIA, we have realized that the Investors who come through middlemen are being asked to pay for services that are in fact offered free by Government. We strongly discourage this practice and ALL investors are advised to approach UIA directly. We also wish to reiterate that meetings with ALL staff of UIA are not arranged at a fee, they are FREE. Any investor should simply book through either the reception, secretaries, or by writing to us. No one should be charged monies for arrangement of any kind of meeting.

Secondly, ALL services at UIA are free, including the issuance of an Investment license. No one should be charged to obtain an investment license.

Future plans and targets:

1. Create 200,000 jobs per year to be able to meet the target of 1,000,000 jobs by 2021 (50,000 jobs per quarter).
2. Improve organizational cohesion and working culture at UIA by matching staff competences and skills to relevant positions

3. Re-engineering internal processes to have clear deliverables and timelines for staff
4. Improve employee welfare through capacity building and Human resource development.
5. Dedicate more resources to research, planning and aggregation of investment related information and knowledge
6. UIA will be working with Development partners to accelerate development of the Kampala Industrial and Business Park whose pending budget is still 151 million dollars and other parks.
7. Engaging international Media brands to promote Uganda as the preferred investment destination plus enhanced social media platforms.
8. Working with our Embassies and foreign missions abroad to promote investment in Uganda. UIA will be presenting to the new ambassadors on how best to promote Uganda at their various stations as part of the induction exercise which is currently ongoing.
9. Having joint promotional efforts and activities with other Government agencies such as Uganda Tourism Board, Export Promotion Board, and Uganda Free Trade Zone Authority etc to avoid duplicity.

Finally, I would like to reiterate that the Uganda Investment Authority (UIA) was set up under the Investment Code 1991 as a statutory agency mandated to initiate and support measures that enhance investment in Uganda and advise Government on appropriate policies conducive for investment promotion and growth. We are an autonomous Government agency. I therefore inform all actual and potential investors that UIA is the agency mandated with handling your needs as far as Investment is

concerned and ensuring it is sustainable. Please avoid dealing with middle men and dishonest individuals.

Our address is The Investment Plaza TWED Plaza, Plot 22B,
Lumumba Avenue

Tel: +256-414-301000

+256-313-301100

Anti-Corruption Hotline Toll Free: 0800100770

info@ugandainvest.go.ug