

Third National Competitiveness Forum

Forum Report

25th September 2008

Sheraton Kampala Hotel

EXECUTIVE SUMMARY

The Third National Competitiveness Forum was held on 25th September 2008 with the theme: "Sustaining Economic Growth through Accelerated Transformation". It aimed to review Uganda's competitiveness agenda and redefine priorities for sustaining economic growth through resource allocation in the 2009/10.

The Forum also sought to: set priorities for infrastructure investments to leverage Uganda's competitiveness for growth; ensure policy, legal and institutional arrangements for effective Public-Private Partnerships in driving Uganda's competitiveness, and highlight regional investment challenges and opportunities.

The Forum attracted participants from key government decision-making institutions, the private sector, academia, as well as development partner organisations..Participants heard that Uganda's economic reforms had led to growth and macroeconomic stability. However, concerns remained about the high costs of doing business and a relative slowdown in the pace of reforms which had seen Uganda slip from 108 to 118th position out of 181 in the 'Doing Business' 2008 Report.

Some of the challenges to Uganda's competitiveness highlighted at the Forum include: the likely long term impact of the current global credit crunch which could result into less foreign direct investment, aid inflows and remittances; poor transport infrastructure leading to high transportation costs; lack of access to affordable investment finance; lack of a policy to guide the implementation of Public Private Partnership projects; poor urban planning and a limited market size as some of the major competitiveness challenges for Uganda today.

The Forum recommended several key interventions under the various forum themes:

Building a National Competitiveness Agenda:

- Eliminate high regulatory costs that increase business costs and hinder competitiveness.
- Maintain macro-economic stability;
- Widen the domestic tax base.

Transport Infrastructure Prioritisation for Competitiveness:

- Prioritise and locate infrastructure in response to firm clusters, factor prices and market access.

Role of Urbanisation in Economic Development:

- The need to plan for urbanization to boost and equally distribute industrial growth.

Public Private Partnerships: Today's Challenges and Future scenarios:

- Review existing policies and laws as a guide to the development an appropriate policy,legal and institutional framework.

Regional Integration: Opportunities and Challenges:

- Reduce non-tariff barriers to trade.
- Open up to external markets and select niche locations to exploit economic advantages.

This report captures the key submissions made during the Forum. Based on the thematic areas around which the Forum was organised, it identifies emerging issues and challenges, and highlights key submissions that could provide solutions and measurable benchmarks for progress.

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1.0. Introduction

The Government of Uganda has carried out extensive reforms that have led to macro-economic stability as well as year-on-year GDP growth. However, the Government of Uganda recognises the need for deeper structural reforms to reduce the cost of doing business in Uganda, make the country's enterprises competitive in local, regional and international markets, and ensure sustainable growth.

In order to achieve this, the country must combine its resource potential, macroeconomic stability, export production and a deliberate commitment from the government to create an enabling business and investment climate. This is only possible through infrastructure development, availability of affordable business finance, removal of high regulatory costs and institution of a comprehensive investment incentive package.

The first National Competitiveness Forum held in August 2006 was aimed at developing a National Competitiveness Agenda geared towards poverty reduction. Since then, the government has endeavoured to formulate policies that strategically position Uganda for better competition on the global market. The second forum whose theme was "From Strategy to Action" discussed the need to translate the competitiveness agenda into implementable programs making use of the budget process. An annual forum is held to review the local competitiveness programme in line with the National Development Plan and generate recommendations to form priorities for the subsequent budget.

The Third National Competitiveness Forum with the theme: "Sustaining Economic Growth through Accelerated Transformation", focused on underlining the strong economic growth over the past year (8.9% of GDP) and re-defining priorities for resource allocation to sustain the high growth and competitiveness. It focused on Uganda's global and regional performance drawing particular attention to key competitiveness challenges, specifically the high cost of doing business in Uganda today. It drew participants from key government decision making institutions, the private sector, academia, and development partners.

The Objectives of the Forum were:

- To review Uganda's competitiveness agenda and redefine priorities for the coming financial year,
- To set priorities for infrastructure investments to leverage Uganda's competitiveness for growth,
- To define policy, legal and institutional arrangements for effective Public-Private Partnerships in driving Uganda's competitiveness,
- To explore regional investment opportunities and challenges.

The Forum was structured along the following themes:

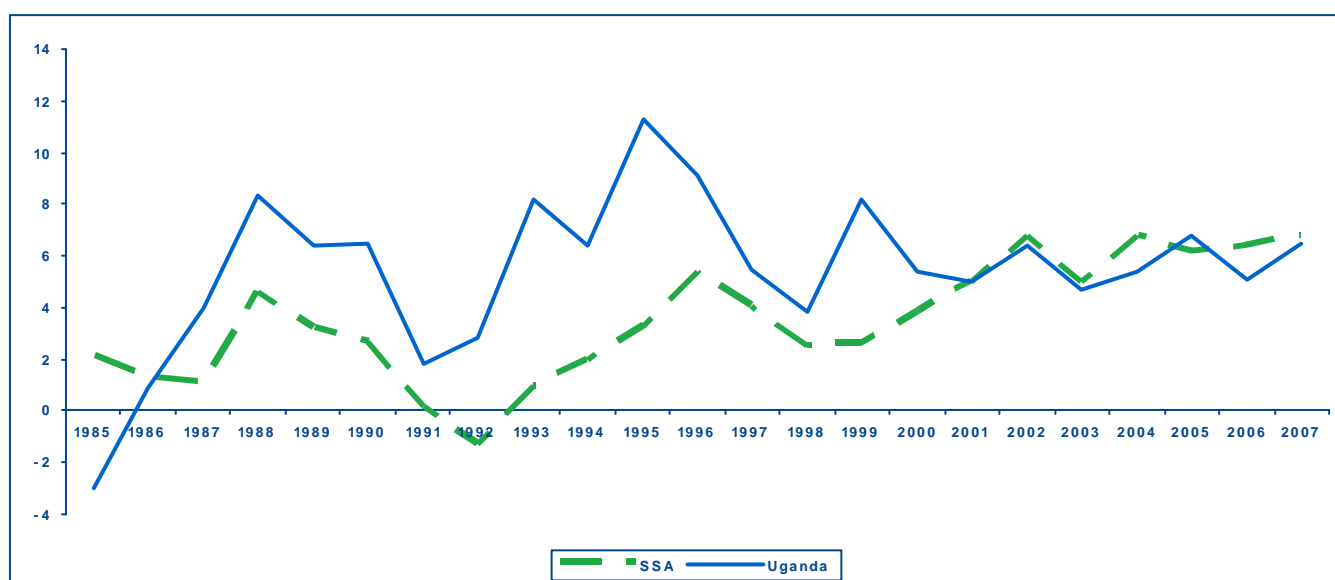
- A Bird's Eye View of Uganda's Competitiveness,
- Transport Infrastructure: Prioritisation for Competitiveness,
- The Role of Urbanisation in Economic Development,
- Public-Private Partnerships: Today's Challenges and Future Scenarios, and
- Regional Integration: Opportunities and Challenges in the EAC Region.

*** The agenda of the forum is provided in Appendix I at the back of this report*

Theme One: A Bird's Eye View of Uganda's Competitiveness

Ms Razia Khan, the Regional Head of Research for Africa at the Standard Chartered Bank gave the keynote address in which she highlighted Uganda's real GDP growth over the last two decades that has been steadily rising (see Figure1) on the back of far reaching macroeconomic reforms as firm evidence of the country's potential.

Figure 1: Uganda's Real GDP growth performance in Comparison to Sub-Saharan Africa



Source: World Economic Outlook – IMF, 2008

Ms Khan, however, noted that Uganda had declined in the Global Competitiveness Rankings according to the GCR Report 2007, from 103 out of 117 countries to 116 out of 128 countries.

Table 1: Uganda's Competitiveness Rankings on the Globe

Competitiveness Indicators	Global Position	Least Cost	Country
Ease of doing business	118	1	Singapore
Time taken to pay taxes(Hours per year)	237	12	United Arab Emirates
Paying taxes- No. of payments a year)	33	2	Sweden
Procedures to start a business	18	2	Australia
Time taken to start a business(Days)	28	2	Australia
Cost to Start a business(% of income per capita)	92.0	0.0	Denmark
Time taken to deal with licences (Days)	143	34	Korea
Cost to deal with Licenses(% of income per capita)	811.8	1.5	United Arab Emirates
Procedures to register property	13	1	Norway
Time to register property	227	2	New Zealand
Strength of investor protection index (0-10)	4.0	9	New Zealand
Cost to enforce a contract (% of claim)	44.9	0.1	Bhutan
Strength of legal rights index (0-10)	3	10	HongKong,China

Source: World Bank, Doing Business in 2008 Survey, Global Competitiveness Survey 2007

She identified the following barriers to competitiveness in Uganda:

- Lack of access to business finance
- High regulatory costs that create unnecessary procedures and processes
- High donor dependency
- Poor transport infrastructure
- Uneven distribution of wealth and investments – lack of urban centres across Uganda
- Existence of trade barriers and a trade imbalance
- Limited access to better and bigger markets

Ms Khan noted that the challenge for Uganda is to reduce the cost of doing business and seize trade opportunities in Africa and Asia. She identified the following opportunities: regional markets in Sudan, Rwanda and Democratic Republic of Congo; the oil deposits in western Uganda that offer the possibility of energy self-sufficiency, as well rising world food prices for an agro-based economy such as Uganda's.

In order to increase its competitiveness, and having achieved macro-economic stability, Ms Khan called for focus on micro issues. She suggested the following reforms and interventions to eliminate bottlenecks hindering private sector growth in Uganda:

- Improve domestic revenue collection, tap into the informal market and widen the tax base.
- Maintain a conducive macro economic environment for private sector growth.
- Generate domestic self-sufficiency by reducing donor dependence.
- Take advantage of new opportunities, such as new markets and export products.
- Cut red tape to reduce bureaucracy and the cost of doing business.
- Strengthen the legal infrastructure to ensure investor protection and enforcement of contracts.

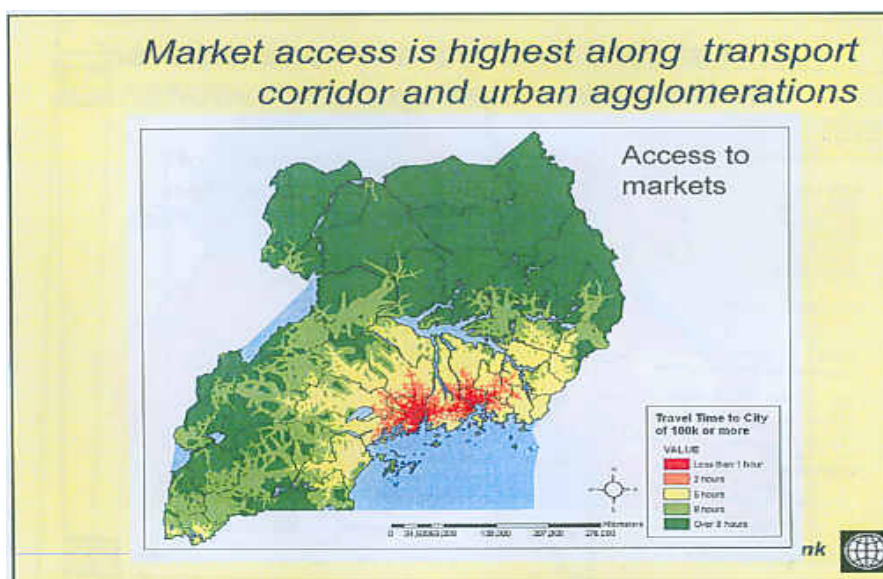
The Minister of Finance (General Duties), Honourable Fred Omach discussed the keynote address on behalf of the Honourable Minister of Finance. He made the following submissions:

- That the government was committed to reducing debt dependence and had demonstrated this by reducing the share of donor funds in public expenditure to 30% in the 2008/09 budget, down from 60% in the previous year.
- That the government had allocated US\$4.6 billion to cover a three-year Peer Review Assessment process to help improve Uganda's performance in terms of comparative international rankings.
- That the government had made a significant increase in transport sector allocations to US\$1.1 trillion for the 2008/09 Financial Year.
- That government was negotiating opportunities for co-investment with the private sector, for instance in the rail sector development.
- That government continues to invest heavily in energy sector infrastructure, with the aim of closing the energy sector deficit to spur growth in the manufacturing sector.
- That government had licensed the Credit Reference Bureau to streamline credit access
- That infrastructural investment would be undertaken to ensure that land-locked Uganda becomes land-connected.

Theme Two: Transport Infrastructure: Prioritisation for Competitiveness

A well-developed transport infrastructure network is a core requirement for competitiveness. Mr. Somil Lall of the World Bank's noted that transport infrastructure is central to Uganda's competitiveness as it facilitates productivity through support of industrial activities by linking Uganda to diverse external markets and, supporting the growth of organised industrial parks favoured by long-established manufacturers and budding exporters. However, transportation costs account for about 39% of the total cost of production, which has a significant impact on the final price of commodities and the competitiveness of the local products.

Figure 2: Market Access along the Transport Corridor and Urban Agglomerations



Source: World Bank

Mr. Lall highlighted some of the gaps in Uganda's transport infrastructure and their impact on competitiveness. These include:

- Inadequate transport links to productive areas which disables farmers' access to markets and the creation of agro-based industries and employment.
- Most industries are clustered in few locations in different parts of the country, leading to a concentration of transport, power and communications infrastructure in those areas and limiting access to markets and human capital.
- Firms are concentrated along the Kenya – Uganda transport corridor; the population densities, road networks and power lines assume the same principles, discouraging production for local markets.
- The lack of appropriate skills and expertise in the labour market leads to inadequate supervision of construction works, leading to poor quality infrastructure.

The Uganda National Roads Authority revealed its strategy to increase competitiveness through government's priority funding of export corridors after various conventional investment decision criteria based on maximising road user benefits and increasing productivity in rural areas.

Participants made the following recommendations:

- Prioritise and locate infrastructure, including industrial parks, in response to firm clusters, factor prices and market access.
- Develop the capacity of local infrastructure service providers.
- Address issues in the PPDA law or related laws, procedures and processes that cause long gestation periods for infrastructure projects.
- Attract private investment into the road construction sector to improve the quality of labour and financing opportunities.

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Theme three: The Role of Urbanisation in Economic Development

Roberto Zaghera from the World Bank explained that urbanisation plays a vital role in boosting economic growth. Most industrialised countries are urbanised and have even distribution of labour and capital limiting the need to migrate to urban centres. Given Uganda's average population growth rate of approximately 3.5% per year, migration to cities is part of the transformation related to rapid growth as labour and capital move across sectors to different locations. Uganda must therefore urbanise in order to attain distributed industrial growth and minimise rural-urban migration.

Table 1 13 Success Stories of Sustained, High Growth

Economy	Period of high growth**	Per capita income at the beginning and 2005***	
Botswana	1960–2005	210	3,800
Brazil	1950–1980	960	4,000
China	1961–2005	105	1,400
Hong Kong, China*	1960–1997	3,100	29,900
Indonesia	1966–1997	200	900
Japan*	1950–1983	3,500	39,600
Korea, Rep. of*	1960–2001	1,100	13,200
Malaysia	1967–1997	790	4,400
Malta*	1963–1994	1,100	9,600
Oman	1960–1999	950	9,000
Singapore*	1967–2002	2,200	25,400
Taiwan, China*	1965–2002	1,500	16,400
Thailand	1960–1997	330	2,400

Source: World Bank, World Development Indicators.

*Economies that have reached industrialized countries' per capita income levels.

**Period in which GDP growth was 7 percent per year or more.

***In constant US\$ of 2000.

The World Bank Country Economic Memorandum (CEM) reveals that the most industrialised economies embarked on deliberate urbanisation policies in order to evenly distribute investment and wealth. Therefore, for Uganda to industrialise there is need for an organized urbanisation plan while targeting potential sectors such as agriculture that accommodates over 70% of the total population. To do this, there must be rural transformation, streamlining of the processes involved in transferring property and prioritising resources towards the development of infrastructure in the rural areas.

The major challenges facing Uganda's urbanisation are:

- Inadequate support infrastructure in urban centres,
- Undefined or poorly-defined property rights, and

- The lack of planned housing.

The Forum made the following recommendations to aid Uganda's urbanisation efforts:

- Plan infrastructure (roads, power and housing) investment in view of the expected urbanisation. It was highlighted that by the end of 2008, half of the world's population would be living in cities. Over the next two decades as the global population increases, most of that growth will take place in cities in developing countries like Uganda.
- Make concrete infrastructure investment plans for "hot spots" around Kampala and Jinja, and
- Develop appropriate "property rights" laws for urban areas.

Theme Four: Public Private Partnerships: Today's Challenges and Future Scenarios

Edward Farquharson of Partnerships UK and Nick Maltby of DLA Piper UK, noted that public-private partnerships offer a wider focus on issues of outcome and procurement and should not only be viewed as financing tools. They noted that although the Government of Uganda is responsible for public services provision, the high cost of delivery had led to PPPs being used to develop infrastructure and to provide such services.

They also noted that while some of the ongoing development projects are being implemented under the PPP arrangement, the government does not have a clear framework within which to effectively execute them. Drawing on experience from the United Kingdom on PPPs, it was noted that having a policy with clear implementation guidelines, transparent procurement processes, stakeholder involvement and viable projects all play an important role in ensuring efficient provision of public services.

They observed that the execution of PPP projects have been known to fail due to;

- Poor project preparation and risk management,
- Optimism bias (underestimating time and cost of project),
- Lack of focus on whole life cost efficiencies of projects,
- Limited accessibility of services to the poor; and
- Lack of stakeholder participation.

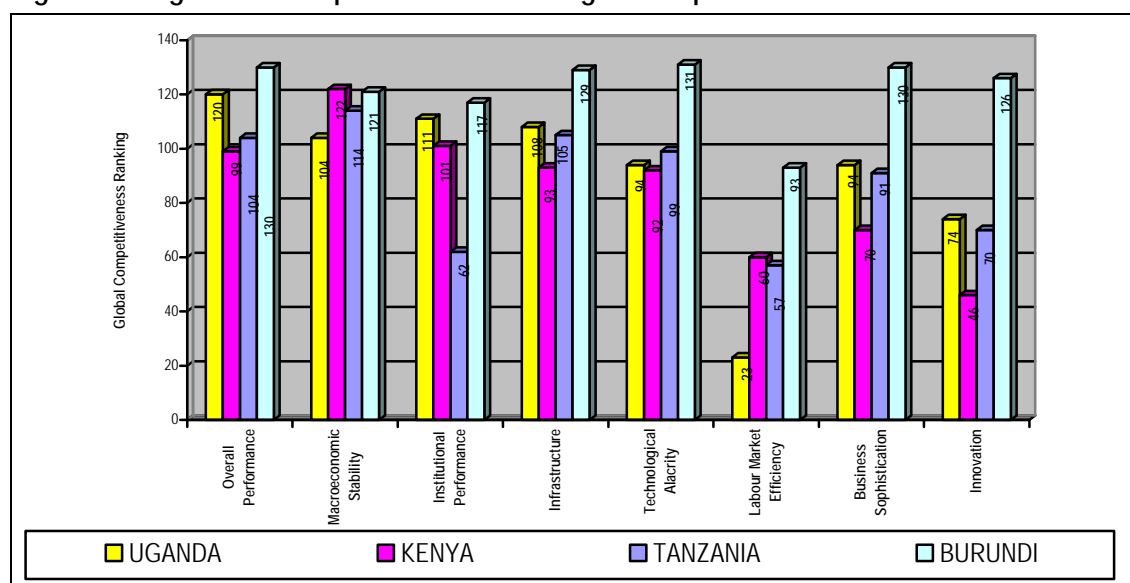
Citing the ongoing Bujagali power project as a success story of PPPs in Uganda, the Forum made the following recommendations to the Government of Uganda:

- Put in place a policy and regulatory framework as well as an institution for public-private partnerships, and
- Develop an awareness programme on PPPs.

Theme Five: Regional Integration: Opportunities and Challenges in the EAC.

Although the integration of Kenya, Uganda, Tanzania, Rwanda and Burundi offers various opportunities to member states, several challenges continue to inhibit the EAC's competitiveness. Charles Mbogori from the East African Business Council emphasised that for Uganda to compete favourably on the international market, integration is inevitable given her limited market size and the landlocked nature of her borders. Forum participants sought to critically review the regional integration process and identify opportunities for growth.

Figure 3.0: Uganda's Competitiveness Ranking in Comparison to EAC Member States for 2007/8



Source: Global Competitiveness Report, World Economic Forum, 2007/8

Some of the challenges holding back Uganda's competitiveness in the East African Community were identified to include:

- Non-tariff barriers ranging from corruption to maladministration,
- Poor transport infrastructure that increases the cost of doing business,
- Bureaucracy, legal and regulatory barriers which cause delays and discourage investment,
- Increased transportation costs arising from high fuel prices
- Poor resource management (as is the case with the Uganda's fish industry – see box)

Box: Fishing for trouble

The fishing sector contributes about 6 % of Uganda's export revenue. However, recent statistics show that the water sources are being depleted of the fish resources due to an increase in fishing activity and the use of illegal fishing nets which capture young fish and disrupt the replenishment cycle, hence the need for sustainability. The industry is also faced with very high airfreight charges, limited access to better markets and the lack of adequate cold storage facilities.

In a presentation to the Forum, Philip Borel the Chairman of the Uganda Fish Processors and Exporters' Association (UFPEA) used the industry as a case study to highlight the challenges of lack of resource sustainability faced by the EAC and how they can be turned into opportunities. He argued that this could be achieved through setting up a resource management unit under a PPP framework, adding

value to the fish export products, and forming joint bodies to monitor shared resources by enforcing sanctions against non-compliant parties.

Despite being landlocked, Uganda is strategically located with the potential to become a distribution hub in blossoming markets in Southern Sudan, Rwanda, Burundi and eastern Democratic Republic of Congo. Harvey Rouse from the European Union emphasised the need for EAC countries to concentrate on areas of comparative advantage if they are to move on with the regional block and instead address crucial impediments that affect the region. Silver Ojakol from MTTI indicated that the Trade Policy and National Trade Sector Development Plan already in place are aimed at eliminating barriers to trade at both the local and regional levels.

In order to take advantage of the regional integration opportunities, the Forum made the following recommendations:

- Reduce non-tariff barriers (NTB) and implement the NTB monitoring mechanism developed in 2006 by the East African Business Council and the EAC,
- Expedite the legal framework including domestication of competition law, standards and consumer protection laws,
- Develop infrastructure and position Uganda as a land-connected regional distribution hub,
- Consistently address corruption and the perception of corruption in the country,
- Develop business and entrepreneurial skills, and
- Establish alternative means of transport to connect productive areas and improve access to markets.
- Decongest the existing ports of Mombasa and Dar es Salaam.

Implications to the National Development Plan.

The Chairman of the National Planning Authority, Dr. Wilberforce Kisamba Mugerwa highlighted the important role the Forum recommendations will play in shaping the National Development Plan (NDP) formulation process that was underway. He informed participants that the theme for the NDP is Growth, Employment and Prosperity. The Plan, will among other things aim at ensuring that the country has an enabling business environment to promote private investments particularly, good infrastructure, availability of affordable business finance, and a strong legal and regulatory system.

He therefore advised that viewpoints on development priorities be communicated to the heads of each relevant (NDP) sectoral planning team. With regard to consultations taking place to inform the planning process, he indicated that a number of issues remain pending. Among the issues still under discussion were the following:

- expansion of the tax base so as to be able to raise the Medium Term Expenditure Framework (MTEF)
- Increasing expenditure on Agriculture to 14 percent of the National budget.

Reflecting on implementation challenges, it was noted while development priorities in a number of sectors are well known and have been discussed, action was yet to be taken. With regard to the importance of a good policy and legal framework, the Chairperson NDP recognized Public Private Partnership as a valuable intervention. He further pointed out that the discussions on this subject had underscored the need for a strong legal and policy framework to guide their development

Summary of Forum Recommendations.

Dr. Peter Ngategize from the CICS Secretariat summarised the key recommendations from the Forum to guide policymakers in setting priorities in the critical areas of infrastructural investments, effective implementation of PPPs and enhanced Regional Integration. The main proposals under the forum themes were:

1. Building a National Competitiveness Agenda:

- Maintain macroeconomic stability.
- Eliminate high regulatory costs that increase business costs and hinder competitiveness.
- Take advantage of food price inflation by exploiting regional opportunities in post-conflict countries like Southern Sudan and the Democratic Republic of Congo.

2. Transport Infrastructure Prioritisation for Competitiveness

- Review the legal institutional and regulatory regimes in order to ensure better competitiveness by streamlining commercial laws and making procurement processes faster and more transparent.
- Locate infrastructure in relation to firm clusters.
- Set priorities for infrastructure development and channel funding to export corridors to provide market access to rural-based producers.
- Improve training curriculum in order to develop the road construction service providers, improve country's human capacity for both the private and public sectors.

3. Role of Urbanisation in Economic Development:

- Encourage urban growth in different parts of the country by providing an all-inclusive incentives envelope for local and foreign investors with a focus on rural areas where the impact of employment and income generation will benefit the majority of Uganda's population.
- Develop appropriate "property rights" laws for the urban areas.
- Need to formulate urban development plans to guide infrastructure development and orderly housing.

4. Public Private partnerships: Today's Challenges and Future scenarios:

- Establish a public-private partnership framework designed to ensure good quality and sustainable projects that will attract private sector interest.
- Review existing policies and laws as a guide to the development of an appropriate PPP policy.

5. Regional Integration: Opportunities and Challenges:

- Show more commitment to regional integration and eliminate protectionist tendencies among member states.
- Reduce non-tariff barriers (NTB) and implement the NTB monitoring mechanism developed in 2006 by the East African Business Council and the EAC.
- Expedite the legal framework including domestication of competition law, standards and consumer protection laws,
- Develop infrastructure and position Uganda as a land-connected regional distribution hub.
- Decongest the existing ports of Mombasa and Dar es Salaam.
- Pursue a comparative advantage strategy among EAC member states in order to increase capital, widen the market base and spread risk across the region.
- Develop the Central Corridor as an Alternative Transit Transport Route to reduce overdependence on the port of Mombasa.

Conclusion

An economy must combine its factor endowments, economic efficiency and novelty to achieve high levels of competitiveness. This Forum, and others before it, confirmed the unique opportunities available to Uganda, either through natural resource endowments, strategic geographical location, or the institutional capacity for reform to make it more competitive.

Participants made specific recommendations to the country's public and private sectors to invest in research and innovation, technology, robust property rights and business ethics, well-functioning institutions and financial markets sophistication in order to give the country a regional and international competitive edge.

The Third National Competitiveness Forum also highlighted the importance of well-developed infrastructure, urbanisation, the vital roles of Public Private Partnerships and the opportunities presented by the regional integration.

Having recognised the challenges and identified workable solutions, the focus should turn to implementation by both the government and the private sector in order to turn the challenges into opportunities and improve Uganda's competitiveness.

Appendix I Forum Agenda: 3RD NATIONAL COMPETITIVENESS FORUM
25TH SEPTEMBER 2008

“Sustaining Economic Growth through Accelerated Transformation”

Time: 08.30 – 9.00am	Activity: Registration of participants	
Session 1: Chairperson: Hon. Gerald Sendaula, Chairman Private Sector Foundation Uganda (PSFU)		
9.00 – 10.30am	Introductory remarks	Chris Kassami, Permanent Secretary/ Secretary to the Treasury/ Chairperson CICS Steering Committee
	Keynote address: Building a National Competitiveness Agenda	Razia Khan, Regional Head of Research Africa, Standard Chartered Bank
	Response: Discussion	Hon.Omach- Minister of State, Finance, Planning and Economic Development
10.30 – 11.00am	Coffee/Tea Break	
Session 2: Chairperson: Maria Kiwanuka, Chairperson, Uganda Registry Services Bureau (URSB)		
11.00 – 12.30pm	Transport Infrastructure Prioritization for Competitiveness	Somik Lall, World Bank
	Role of Urbanisation in Economic Development	Roberto Zagha, World Bank
	Discussant	Eng. David Luyimbazi, Uganda National Road Authority
12.30 – 1.30pm	Discussion Public Private Partnerships: Today's Challenges and Scenarios	Edward Farquharson, Partnerships UK.
	Discussants	Nick Maltby, DLA Piper, UK Carmelo Cocuzza European Investment Bank
	Discussion	
01.30 – 02.30pm	Lunch	
Session 3: Chairperson: Patrick Bitature, Chairman of the Board, UIA		
02.30 – 04.30pm	Regional Integration:	Charles Mbogori, East African Business Council
	Opportunities and Challenges In the EAC region	Harvey Rouse, European Commission
	Panelists	Phillip Borel, Uganda Fish Processors and Exporters Association Silver Ojakol Ministry of Tourism, Trade and Industry
	Discussion	
Session 4: Chairperson: Keith Muhakanizi, Deputy Secretary to the Treasury		
4.30 – 5.00pm	Summary of Forum Recommendations	Dr.Peter Ngategize, National Coordinator CICS Secretariat
	Implications for the National Development Plan (NDP)	Dr.Kisamba Mugerwa, Chairman National Planning Authority
5.00pm	Cocktail/Press Conference	All participants

**Appendix II:
THIRD NATIONAL COMPETITIVENESS FORUM, 25TH SEPTEMBER 2008**

FORUM RECOMMENDATIONS

ISSUE	ACTION	Benchmark	WHO
1. A bird's view of Uganda's Competitiveness	(i) Maintain Macro-Economic Stability	<ul style="list-style-type: none"> Maintain stable inflation rates 	MFPED (Macro)
	(ii) Widen Revenue Base <ul style="list-style-type: none"> Tap into informal market 	<ul style="list-style-type: none"> Increase revenue as % of GDP from 13% to 15% by September 2009 	URA
	(iv) Mobilize Domestic Savings	<ul style="list-style-type: none"> Savings as % of GDP increase from 5.9% to 7% of GDP by September 2009 	MFPED/URA
	(v) Take Advantage of Global Food Price Increases	<ul style="list-style-type: none"> Increase regional market food exports 	MAAIF, MFPED and MTTI
	(v) Improve Uganda's Competitiveness Rankings	<ul style="list-style-type: none"> Set up task force to coordinate implementation of required reforms for improvement in competitiveness rankings by January 2009. Identify critical reforms and plan of action by July 2009. 	CICS, Partners, (Lands, URSB, UBA, URA and MJCA, Parliament)
2. Road Infrastructure	(i) Need for prioritization and locate infrastructure (including industrial parks) in response to firm clusters, factor prices and market access.	<ul style="list-style-type: none"> Task force meeting to prioritize infrastructure in response to market access set up by November 2008 	MOWT/UNRA/CICS
	(ii) Develop capacity of local infrastructure service providers	<ul style="list-style-type: none"> Number of local service providers supported by September 2009 	MOWT/UNRA
	(iii) Address issues in PPDA law that cause long gestation period.	<ul style="list-style-type: none"> Issues in PPDA law that cause long gestation period for road works delays 	PPDA, UNRA

		identified and addressed by September 2009.	
3.Planning for Urbanization for growth and development	(i) Plan infrastructure (roads, power and housing) investment in view of the expected urbanization	<ul style="list-style-type: none"> • NDP Formulation process targets expected urbanization concerns 	NPA, MOWT
	(ii) Make concrete infrastructure investments plans for “hot spots” around Kampala and Jinja	<ul style="list-style-type: none"> • Joint Transport Sector Review lays framework for development of concrete infrastructure investment plans 	NPA/UNRA
	(iii) Develop appropriate “property rights” laws for urban areas.	<ul style="list-style-type: none"> • 	
4.Public Private Partnerships (PPP) for Infrastructure & Other Public Sector Service provision	(i) Put in place a policy regulatory and institutional framework for PPPs.	<ul style="list-style-type: none"> • PPP policy in place by September 2009. 	MFPED (PU, World Bank ,and CICS)
	(ii) Develop an awareness programme on PPPs	<ul style="list-style-type: none"> • Awareness programme on PPPs initiated by July 2009. 	MFPED (DEA, PU and CICS)
5.Regional Integration (Investment Opportunities and Challenges)	<p>(i) Reduce the Non Tariff Barriers (NTB) and operationalise the NTB Monitoring Mechanism developed in 2006 by EABC and EAC</p> <ul style="list-style-type: none"> • Operate 24 hr/7 day a week port and border operations • Reduce (police) roadblocks from 47 to 17 or less 	<ul style="list-style-type: none"> • 24 hr/7 day week port and border operations in effect by September 2009 • Road blocks reduced to less than 10 by September 2009. • Customs documentation and procedures simplified • Hamornised axle load control system 	MFPED, MEAC, MTTI, PSFU, URA, and MOWT

	<ul style="list-style-type: none"> • Reduce weight bridges to 2 • Simplification of customs documentation and procedures at border posts. • Speed up harmonization of axle load controls 	in place by September 2009.	
(ii) Expedite legal framework including domestication of competition law, standards and consumer protection law	<ul style="list-style-type: none"> • Draft Competition law passed by July 2009 		MTTI & MFPED
(iii) Develop infrastructure and position Uganda as a regional distribution hub rather than a landlocked country (be “land connected”)	<ul style="list-style-type: none"> • Improved physical condition of Transport corridor to support regional distribution hub. 		MOWT, MTTI and MFPED
(iv) Consistently address the corruption (perception) in the region.	Continuous		MOEI, IGG, Donor agencies and NGOs
(v) Develop business and entrepreneurial skills	Implementation of the BTVET Law 2008		MFPED, MTTI and MOES

