

Remarks by H.E Julius Peter Moto, High Commissioner of Uganda in London/Ambassador to Dublin during the AIDO Network International

Africa is ready to partner for business and prosperity

20/11/2020

His Highness John Paul Eganda, President AIDO Network International, honourable speakers, invited guests, ladies and gentlemen.

I am delighted to speak at the AIDO Network International Event working together with the African Chamber of Commerce in Scandinavia.

As you are aware, the African Continental Free Trade Area (AfCFTA) that was created by the African Continental Free Trade Agreement among 54 of the 55 African Union nations is poised to become the largest free-trade area in the world.

Its secretariat is in Accra, Ghana and was commissioned and handed over to the African Union by the President of Ghana His Excellency Nana Addo Dankwa Akuffo Addo on August 18, 2020.

The AfCFTA shall become a reality if Africans begin to trade with each other. The share of internal trade in Africa remains low, as reflected by trade figures despite numerous regional trade agreements that have led to removals of tariffs within the trading blocs.

The low trade volumes resulted from non-tariffs barriers, red tape and insufficient infrastructure that affect sustained production and logistics. Tariff barriers remain high outside areas covered by agreements. Enhancing trade integration between African countries could yield large economic gains. The AfCFTA is poised to solve such bottlenecks through regional economic communities that we believe are critical building blocks towards the eventual market unification of Africa, where natural persons and capital move freely within Africa. Economic communities such as the East African Community, ECOWAS, SADC are building blocks that shall determine the market unification and hence the success of the AfCFTA.

Uganda subscribes to EAC and it is also a member of the COMESA. The EAC is in advance stages in negotiating a Market Union, after a successful implantation of the customs union. We believe that independent trading states in each region of Africa working on their own have limited trade and investment opportunities due to sparse population with low purchasing power, tariff and non tariff barriers. No country benefits from inward protective trade policies.

Cooperating member states in a customs union, and better still in a market union have been proved to benefit even the smallest trading partner in the union.

The AfCFTA shall be fast tracked on the basis of successful customs unions of regional economic blocks of Africa.

Uganda being a member of EAC and COMESA and in effect AfCFTA has reviewed its trade and investment policies to harmonise them with cooperating member states, within international law regarding trade, finance and investments.

Uganda cherishes standard ways of doing business just like other countries in the world. You cannot just wake up to invest in Uganda. One must follow the receiving country laws as applicable.

To do business in Uganda, an investor is required by law to do the following:

- 1 Legal status (Copy of Certificate of Incorporation & Articles and Memorandum of Association from Uganda Registration Services Bureau. Due to COVID 19, most actions are done on line via Create an account on: www.ebiz.go.ug/online.
- 2 Apply for Company Tax Identification Number (TIN) Certificate from Uganda Revenue Authority (URA), Official website: <https://www.ura.go.ug/myTin.do>
- 3 A brief Business Proposal on the project (Not less than 5 pages, clearly indicating the Company Overview. Executive Summary, Product / Service Description, Market Analysis, Human Resource Plan and financial plan) Submitted Documents should be in English (Translation should be done by Makerere University School of Languages, Literature & Communication).
- 4 Evidence of availability of financing for the project, (which could be a Bank statement for the company / Directors OR any other evidence of financing. For Domestic Investors – Minimum threshold is USD 50,000. For Foreign Investors – Minimum threshold is USD 250,000
- 5 Proof of location for the Project (Attach a copy of the land title or a tenancy agreement to confirm location of the project).
- 6 A business bank account in Uganda, in full compliance with anti-money laundering laws. A customer is expected to file electronic copy of Passport / National ID for Shareholders, utility bills as proof of address. These are **statutory documents without which you may not open and operate an account in Uganda**. For Ugandans in diaspora, who have private accounts, you are advised to send by registered posts to your banks in Uganda the documents that identify you to the accounts.
- 7 Bill of lading to confirm importation of machinery (exceptional cases)
- 8 Copy of the Regulatory License issued by the relevant Government Ministry/Department or Agency.
- 9 Environmental Impact Assessment Report/ Certificate of Approval by National Environment Management Agency (NEMA)
- 10 Applications in the following business categories will require the company to secure regulatory license before applying for an investment license: Energy Generation, Mining, Banking, Insurance, Air Transport, Sugar Manufacturing, Sports Betting, and Manufacturing of Drugs.

Uganda is truly blessed by nature and lucrative opportunities exist in agriculture, mining, ICT, oil and gas, tourism, real estates, health and education sector, logistics, art and culture business.

Allow me to note that the economy of Uganda went belly up during 1970s. Uganda was not able to pay its debts and became heavily indebted by late 1990s. Under the HIPC initiatives, most debts of Uganda were forgiven and she embarked on economic reforms that included liberalisation of the economy to 100%. With prudent fiscal and financial policies, inflation rate dropped from 105% in 1985 to under 10% to date and it has remained in single digits for over 34 years, with a sustained growth projection of gross domestic product averaging 6% per year, after rising from -3% of growth in 1985.

At the backdrop of peace and stability we have enjoyed under the leadership of President Museveni, Uganda urges Ugandans in diaspora to invest in the mother land in order to create

jobs for Ugandans, make money and expand the tax base that we then use to develop our country. We call upon all Africans in diaspora to do the same in their respective motherlands.

I thank you for listening to me. God bless you.