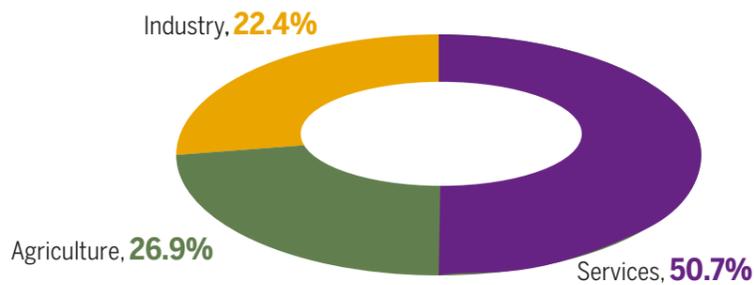


# UGANDA FACT SHEET 2015

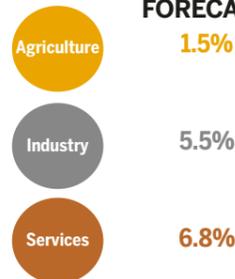


## ECONOMICS

### SECTOR CONTRIBUTIONS TO GDP



### SECTOR 2016 GROWTH FORECAST



	2014	2015 <sup>(f)</sup>	2016 <sup>(f)</sup>	2017 <sup>(f)</sup>	2018 <sup>(f)</sup>
<b>Inflation %</b>	4.3	4.4	7.0	7.0	7.0
<b>GDP %</b>	5.5	5.6	5.7	5.7	5.5

(f) FORECASTED  
CURRENCY: UGANDA SHILLING  
[UGX 230.92 = R1\* & UGX 3320 = \$1\* (7 DECEMBER 2015)]

### Top import products

- Mineral fuels, oils, distillation products (23.8%)
- Vehicles other than railway (9.0%)
- Machinery, nuclear reactors, boilers (8.1%)

### Top import origins

- India (24.5%)
- China (12.2%)
- Kenya (9.8%)

IMPORT

EXPORT

### Top export products

- Coffee, tea, meat and spices (22.0%)
- Mineral fuels, oils, distillation products (8.1%)
- Fish, crustaceans, molluscs, aquatic invertebrates not elsewhere specified (6.0%)

### Top export locations

- Sudan (North and South) (17.0%)
- Kenya (13.1%)
- Rwanda (10.8%)

## SOCIAL

- Population:
  - 37 101 745 people
  - The population is young
  - The working-age population makes up almost half of the population, that is, around 18.5 million.
- Languages: English, Ganda and Swahili.
- Both primary and secondary schooling is free. However, the public schooling system is under-resourced and teacher absenteeism means 40% of classes are cancelled.

## TECHNOLOGY

- The Ugandan government has introduced policy to adopt and improve information and communication technologies (ICTs). This forms part of its obligation to ensure better service delivery and improve cost-effectiveness and efficiency in the economy. It will also help the country showcase itself as a destination for investors.
- Mobile money has become increasingly popular and is seen as a competitor of mainstream banks.

## POLITICAL/LEGAL

- A unitary republic and a Parliament, which comprises 375 elected members.
- His long tenure in the presidency and the move towards multiparty democracy brought relative stability and economic growth to the country. Multiparty elections were held in both 2006 and 2011.

## ENVIRONMENT

- Uganda has a rich variety of wildlife; it has 7 200 km<sup>2</sup> of national parks and game reserves.
- Significant environmental issues in Uganda include the draining of wetlands for agricultural use; overgrazing; soil erosion and deforestation; water hyacinth infestation in Lake Victoria; and widespread poaching.

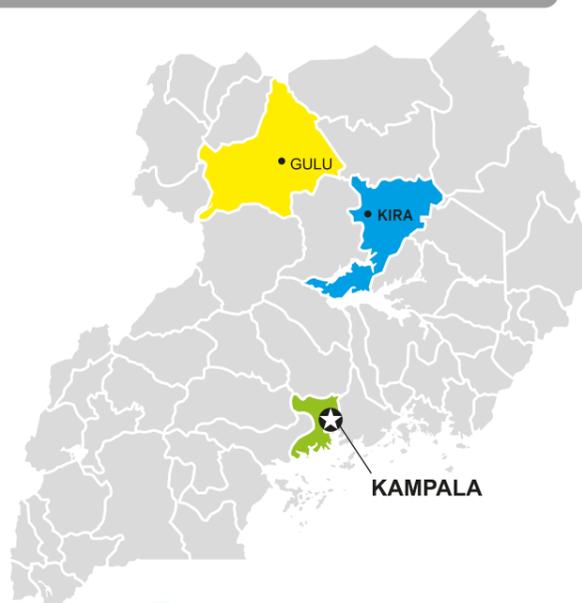
## MAJOR CITIES

Kampala  
Population:  
1 516 210

- Manufacturing is the key economic sector in this city.

Gulu  
Population:  
152 276

- Agriculture is the main economic activity with crops such as millet, cassava, potatoes and beans.



Kira  
Population:  
313 761

- Economic activity is driven by the youth which engage in motorcycle and bicycle transportation for hire and mini market vending.

## CHALLENGES TO DOING BUSINESS

- A major risk to investors in Uganda relates to property rights. In Uganda gaining title deeds on land is problematic. Under the Land Act of 1998, foreign businesses cannot own land in Uganda. However, there are certain incentives that investors can use to gain leaseholds or outright ownership, such as by incorporating local companies.
- Security threats due to weak border controls make it easy for terrorist groups and criminals to move in and out of the country without any restrictions. Somalia's al-Shabaab has named Uganda as a target for further terrorist attacks.
- The process of registering a business or property and obtaining permits is complicated. There are many delays and high costs for investors.

## OPPORTUNITIES FOR DOING BUSINESS

- Uganda offers investment incentives for investors in four priority sectors, including information and communication technology; tourism; value-added agriculture; and value-added investments in mineral extraction.
- The favourable trade and investment policies that the Ugandan government promotes, as well as diversification efforts, which create more opportunities for investors and make the country a more attractive market to do business in within the region.
- Under Ugandan law, foreign investors can take 100% ownership of a company, and foreign participation is allowed in any sector of the economy, except defence.
- Investment incentives include 10-year tax holidays, VAT deferments, tax deductions and exemptions, depreciation allowances, capital allowances, and land allocations.
- Businesses do not have to pay a minimum amount of capital when opening a business. This is to the benefit of investors with limited availability to capital and encourages entrepreneurship in the country's economy.