JUNE-JULY 2023 ISSUE

PSFU Bulletin

PRIVATE SECTOR FOUNDATION UGANDA

Business growth is our business

PSFU POST BUDGET DIALOGUE

Private Sector Statement on the FY 2023/24 National Budget

Presented by

Mr. Humphrey Nzeyi
Chairman Board of Directors
Private Sector Foundation Uganda

21st June 2023
Kampala Serena Hotel

Hon. Henry Musasizi - Minister of State General Duties - Ministry of Finance Planning and Economic Development
Representative of the Deputy Governor Bank of Uganda,
Permanent Secretary/Secretary to Treasury,
Commissioner General, Uganda Revenue Authority,
Country Head, Mastercard Foundation, Mr. Adrian Bukenya
Fellow Members of the Board of Directors present.
Development Partners – SB4U, EU and World bank
Members of the business community.
Media
Ladies and gentlemen,

Introduction

Uganda as a country has recognized the private sector as the engine of economic growth. However, for it to deliver to the desired levels the sector must be competitive to create wealth which translates into increased production and productivity, create employment both directly and indirectly throughout the value chains, and contribute tax revenue which supports the private sector further through service delivery and check forex hence ensuring a stable macroeconomic position for the country.

The Private Sector Foundation Uganda (PSFU) therefore appreciates the continued strides by the Government to support the delivery of a Private Sector-led economy. The 2023/24 FY budget is yet another key to consistent development, especially through the theme "Full Monetization of Uganda's Economy through Commercial Agriculture, Industrialization, Expanding and Broadening Services, Digital Transformation, and Market Access".

Private Sector View of the FY 2023/2024

1. The FY 23/24 National budget comes at a time when the economy has demonstrated notable strength and resilience amidst global economic dynamics. Consequently, the economy is projected to have grown by 5.5% compared to 4.6% last year with an upward trajectory of the Services sector growing at 6.2%, Agriculture at 5.0%, and Industry growing at 3.9%. This impeccable macroeconomic policy management is highly appreciated. Despite this progress, we live in times of global economic uncertainties which are looming large and are expected to negatively affect the operations of the business community. According to IMF report, the following risks were identified as the key areas of uncertainty.

i. Prolonged weak global and lower commodity prices, which is constraining Uganda's export earnings and widening the current account deficit;
ii. Fewer external concessional financing sources could restrict the Government's ability to borrow;
iii. Higher public debt burden could weaken the local currency, limit Government's borrowing capacity, and slow foreign investor inflows;
iv. Combination of moderate private sector credit growth, rising domestic interest rates, fiscal consolidation, and the shilling depreciation could weigh down growth and
v. Higher frequency and intensity of climate shocks, including draughts and floods, which might undermine agriculture and worsen food insecurity.

These continue to create uncertainty regarding the performance of the economy and the investments of the private sector in the country. The 2023/24 FY budget recognizes some of these risks and attempts to design interventions that can cushion these risks to the Ugandan economy. The PSFU proposes the following areas which could be implemented to ensure even much more levels of growth (growth in double digits) while mitigating the above-mentioned risks. Several of these are budget policy issues.

i. Efficient use of public funds: The 23/24 national budget is strong on the promotion of fiscal discipline amongst the members of the public. This is key because it ensures that the allocated resources are spent in areas that would generate much-needed returns. However, PSFU proposes that the following options which were missed be integrated;

- Ministries Departments and Agencies should ensure that funds allocated to them are efficiently used and accounted for to maximize returns on investment;
- The design and implementation of key Government projects such as Emyooga, and PDM should involve the private sector in both the design and implementation to ensure synergy;
- Address the existing program delivery challenges to ensure that the intended beneficiaries receive the expected support using existing institutions of Government as per the NDPIII;
- Rationalize the role of monitoring and evaluation of Government programs and concentrate it within efficient Ministries and Agencies.

ii. Prioritization of investment in sectors with the quickest level of returns to the economy: The National Budget also recognizes the prioritization of investment to deliver quick returns however, the PSFU proposes the following key areas require urgent intervention to unlock the potential of these sectors and foster growth.

a. Domestic arrears: Domestic arrears have increased to UGX 2.5 trillion which is verified despite the existence of The Strategy to Clear and Prevent Domestic Arrears in June 2021. For the next financial year, the government has allocated only UGX 205 billion for domestic arrears. This inability to pay back debt has suffocated the private sector and shows that the government's control system has failed. We demand that government enforces fiscal discipline by reprimanding errant accounting officers and at the same time set aside adequate resources in the domestic arrears budget to clear the current stock of domestic arrears over the medium term.

Failure to pay domestic arrears has also heavily contributed to the poor participation of Ugandan companies in government procurement and other contracts especially with our development partners and international organizations. This has also had a negative impact on competition in procurement by increasing the chances of having less qualified or poor service providers which has a negative impact on service delivery.

Furthermore, the existing domestic arrears are affecting private sector access to financing thus opting for money lenders. This has heavily affected liquidity and private sector growth and competitiveness. Also, the outstanding arrears have led to inflating of costs while applying for government contracts which essentially leads to high government spending and less value for money.

b. Agro Industrialization – UGX 1,787.7 – an increase of UGX 337.89 billion: We commend the government for the increment towards agro-industrialization from UGX 1,449.81 billion in FY 2022/23 to UGX 1,787.7 billion an increase of UGX 337.89 billion (23.31%). However, given the importance of the program to the recovery of the economy, this increment is still insufficient to achieve the intended outcome of the program. The insufficient release of funds by the government has affected the timely completion of scheduled project activities and thus distorting the project's timelines. In FY 2022/23, only 45.72% of the program's budget was realized which meant that most of the activities could not be completed due to insufficient funds. This indicates a threat to the achievement of the NDP III goals.

This calls for a dedicated release of funds towards the program if positive outcomes are to be achieved. Key areas should be prioritization of infrastructure for water for production. Once water is brought closer to farmers/farms (small, medium and large scale), they will be able to tap it and invest in irrigation systems for consistent production and productivity.

c. Digital transformation – UGX 191.8 billion an increase of UGX 67.574 billion: With only 2 years to the end of the NDP III, unimplemented projects leave a query of whether the country can surely deliver as planned. In the financial year 2023/24, the program has been allocated a total of UGX.191.8 billion an increase of UGX 67.574 billion for both recurrent and development expenditures. This increase is impactful towards achieving the critical programs highlighted in the national budget framework which are the National Postcode and addressing Geographic Information System as well as the GOVNET project. PSFU proposes that effective mainstreaming of local content in these projects be considered to create markets for the business community and stimulate the economy.

2. Budget financing - It is expected that the Domestic sources will finance 79.8% of the national budget. While this is appreciated as it ensures that the budget financing continues to be resilient, domestic borrowing should be discouraged as it crowds out the business community in the financial sector.

In addition, the private sector doesn't see how the URA is moving to widen the tax base but rather sees that the existing players are instead paying more tax revenue which is instead tax deepening.

It is critical to design interventions that center job creation as a key tax incentive scheme for compliance taxpayers as it will widen the tax base and yield more jobs for the economy.

3. Improve access to markets and growth of Uganda's export: Uganda's population is growing at 3% annually. Equivalent to nearly 50 million people in the country currently. This population can potentially be bigger than the export market if their capacity to consume goods and services is enhanced. Existing regional markets, Kenya, Rwanda, Sudan, South Sudan, and DRC which dominate as the key destinations to Uganda's exports are currently affected by the prevalent NTBs which continue to affect more than 9 million producing households.

In recent times it has become a common practice that our products such as maize, milk, electric poles, eggs and sugar among others have been denied access to regional markets. For instance, in the dairy sector alone, the ban on Uganda's milk accessing the Kenyan market affected prices of milk from over 4.2 million households involved in the sector, causing more than 40,000 direct job losses, more than 30,000 value chain indirect jobs.

Therefore, the Parish Development Model which is prioritized as an economic development model to boost household incomes should not only be production-driven but also market driven. In addition, the consumption ability of the population is not significantly unlocked in the budget. The FY 2023/2024 budget should prioritize the following.

i. Support for exports: As part of budget support for exports, the government should concentrate on interventions that will drive down the cost of our exports. Such interventions include (but not limited to) export financing facility, investing in the standard and metre gauge railway and water transport.

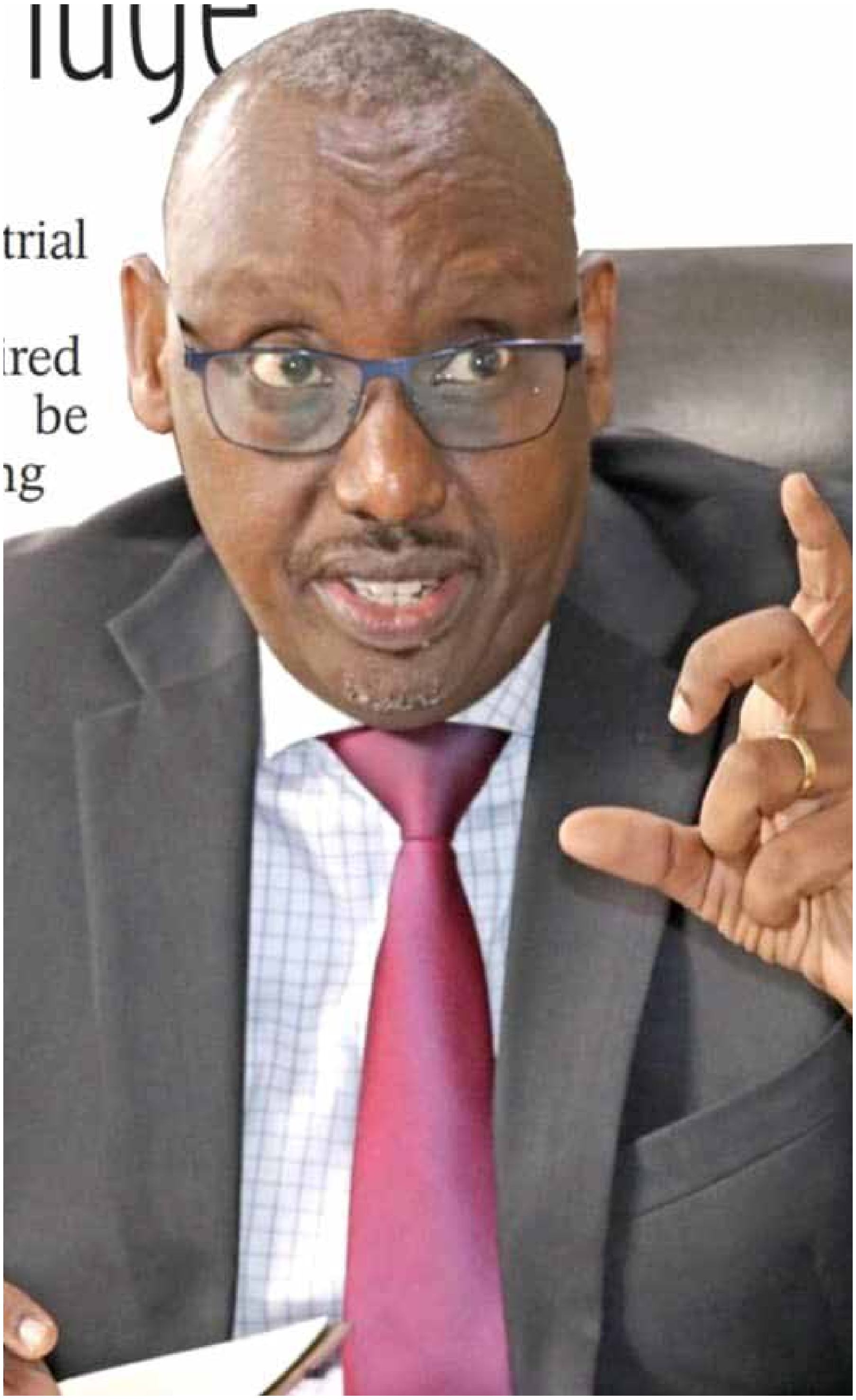
ii. Government should consider structuring demand to plan and program the markets and supply for domestically produced goods to ensure guaranteed markets and farm gate prices for the local producers which will ensure consistent production for goods and services. To start with, integrate buffer stocks in the Parish Development Model for products such as critical food crops for the local market. For this to be actualized, there is a need for good monetary policy, and fiscal policy coherence to spur production.

iii. As already pointed out, it is also important to address the prevalent NTBs with the key export markets while also prioritizing investment to improve the competitiveness of the exports.

iv. It is also important for the government to incentivize sectors such as housing, tourism, industry, and mining whose returns on investment are massive given the fact that they maximize our foreign exchange earnings.

In conclusion - the theme for the FY 2022/23 national budget, “Full monetization of the Ugandan Economy through commercial agriculture, industrialization, market access and digital transformation” avails opportunities for the business community in Uganda, especially through the increase in the budget expenditure lines and the proposed tax regime. However, to exploit these opportunities, the private sector implores the government to ensure that the set interventions are implemented in a manner that can promote private sector growth and competitiveness.

END



PRIVATE SECTOR ASKS GOVT TO REVIEW 25% TAX ON IMPORTED REFINED SUGAR

During the 2023/24 budget reading, the minister of finance, planning, and economic development, Matia Kasaija announced a tax hike on industrial sugar from 10 % to 25 %. Manufacturers of soft drinks like soda have protested the move since refined sugar is a key ingredient/input for what they produce. New Vision's John Ricks Kayizzi and Lydia Labanya interviewed the Chief Executive Officer of Private Sector Foundation Uganda, Steven Asiimwe, on their position on the new measure

Qn 1. Briefly explain the tax structure on industrial sugar.

The government adopted a policy to promote local production and consumption of industrial sugar for which the private sector is also in support. However, to facilitate a transition arrangement to that effect, during the financial year 2022/23, a position was adopted to have the duty remission scheme concerning industrial sugar remain open and at 10%, to allow specified quantities of industrial sugar to be imported by Ugandan manufacturers. The above position was reached based on an understanding that the users of the industrial sugar will work with the local manufacturers to conclude the technical and commercial negotiations. Such negotiations would look at three major aspects involved in the industrial sugar discussion which included quality, quantity, and competitive price.

Qn2. Whenever industrial sugar taxation issues arise, why does the debate focus on Kinyara?

When the Duty Remission Committee visited and verified one of the major players in industrial sugar manufacturing, which is Kinyara Sugar Ltd, to verify its readiness to meet the local demand, what they discovered was revealing. The production statistics indicate that from October 2021 to October 2022, Kinyara was producing 23,260.45 metric tons of industrial sugar. Though other sugar millers have expressed willingness and ability to supply domestic requirements for industrial sugar, as of October 2022, they were yet to install production lines.

Qn3. What could have prompted the government to change its position as seen in the budget for the financial year 2023/2024?

I must commend President Yoweri Museveni on his intentions to boost the domestic production of industrial sugar domestically by imposing reasonable taxes on this product. In a read of the national budget for the financial year 2023/finance minister Matia Kasaija disclosed that the government decided to increase the production retention tax from 10% to 25% going forward. It has come to our attention, however, that irrespective of our engagement with the finance minister on Tuesday last week, a 25% on-duty remission has been imposed on the imported industrial sugar, a 15% increase from the previous 10%. Although consultations concerning tax on this product were ongoing, the finance ministry went ahead and raised the tax. This move is likely to negatively impact demand for products in which industrial sugar acts as a raw material.

Qn4. What are the recommendations that arose from those engagements?

In various meetings, we expressed the importance of handling this policy matter at an industry level as opposed to an individual company level. The importance of that is that one company is being treated fairly at the expense of over 45% of Uganda's manufacturing sector. This not only caucausesrket distortions, but also in the medium and long-term lead to loss of government revenue, the outflow of our manufacturing base, shrinking of Foreign Direct Investment in Uganda, and massive loss of jobs, especially for the young people. Most importantly, this is going to massively affect Uganda's manufacturing sector which has been steadily growing with much focus on value addition.

Qn5. What is likely to be the impact of the government's move to increase taxes on industrial sugar?

The increases in production notwithstanding, the above findings demonstrate fluctuations in the industrial sugar production capacity of Kinyara. However, the local users of industrial sugar have to keep their production consistent if they have to sustain their market base and keep employees and other value chain actors at work. Currently, there are at least 250,000 jobs that owe a livelihood to the manufacturing and distribution value chains of industrial sugar users.

The findings of the Duty Remission Committee as of October 2022 indicate that the local supply of industrial sugar has been outstripped by local demand by 85,933 metric tonnes. The growing use of industrial sugar in Uganda is explained by the growing confectionery and dairy industries in Uganda. Thanks to the insight and leadership of President Yoweri Museveni, value addition in the dairy industry alone has increased from 116 licensed processing plants in 2021 to 160 in 2022, according to the Dairy Development Authority Report of 2022. This has heavily contributed to the sh3.8 trillion nominal value of the dairy sector alone. Over four million households depend on the dairy industry.

Qn6. Do you think the domestic production of industrial sugar can sustain demanding the local market?

Not at all. Several tonnes of industrial sugar are imported into the country annually to meet the domestic demand. It is also important to note that as of March 2023, the prices of locally manufactured industrial sugar by Kinyara Ltd were 5% higher than the imported industrial sugar. This also affects the prices of products made with industrial sugar. PSFU also appreciates the fact that there are members who import industrial sugar outside the duty remission scheme to the tune of 1,857.3 metric tonnes as of the financial year 2021/2022, according to the URA database the investment in industrial sugar production has been huge.

Qn7. Why are there disparities in industrial sugar importation and taxation regime?

There is a lack of conformity to the requirements of the remission scheme due to the small-scale nature of users for cottage use. On the other hand, the existence of manufacturers of beverages, confectioneries, and dairy products who may not be aware of the importation under the duty remission scheme or those who sell their products within the East African Community partner states, avoid being targeted for import duty as per duty remission scheme regulations. Pharmaceutical industries that import industrial sugar for the production of human drugs which are exempted under the fifth schedule of EACCMA, also compound this problem.

Qn8. How do you gauge the investment in industrial sugar production?

The investment has been huge since users of industrial sugar support a big base of the economy in the entire value chain. Local sugar milling firms have massively invested in new production lines to the tune of $270m. These companies include Crown Beverages Ltd, Harris International, and Century Bottling Company Ltd. This excluded those engaged in dairy value addition for which they are the majority. These investments are generating thousands of jobs and supporting millions of households in Uganda. However, the proposal to increase the duty remission scheme rate to 25% will drive costs of products which will eventually lead to low consumption, less production, loss of jobs and billions of shillings in government revenue lost. Eventually, we are most likely to see a flight of industries to the neighboring countries which will heavily harm our economy.

Qn9. Is there any room for policy reversal on the part of the government?

The finance minister the has power to scrap any tax which he thinks is damaging local industry and hindering growth. The policy reversal is possible, provided the due course is followed. To the best of my knowledge, the users of industrial sugar are willing to enter into an undertaking with local manufacturers to off-take all the locally produced industrial sugar. The remaining required capacity is what would be imported under the existing duty remission scheme arrangement. PSFU working with Uganda Manufacturers Association will be a partner in facilitating this arrangement.

Director Trade and commerce, Mr. Isa Ssekitto, Mr. Francis Kisirinya PSFU Chief Membership Officer, and membership team during the COMESA Business Summit in Zambia

PSFU participates in COMESA Business Forum in Zambia

Zambia, June 7, 2023: The government of Zambia, in collaboration with the Common Market for Eastern and Southern Africa (COMESA) Business Council, convenes the 16th COMESA Business Forum in Lusaka, Zambia. The theme of the exhibition is Economic Integration for A Thriving COMESA Anchored on Green Investment, Value Addition, and Tourism.

This exhibition' focus is on engaging Public and Private Stakeholders on solutions that will propel and transform all the countries in the COMESA region into competitive and sustainable growing economies for regional and global trade and investment expansion post-COVID-19.

The PSFU team led by Director Trade and Commerce Mr. Issa Ssekitto participated in the forum alongside a trade exhibition which is a great opportunity to showcase over 40 PSFU members' products and services to the regional markets. Some of the Ugandan products that were exhibited in Lusaka are NUCAFE, Clinic Masters, Movit, Cipla, Lato Milk, Swangz Avenue etc. Ugandan companies were able to meet and interacts with potentials buyers for their products in the COMESA Region.

PSFU Chief Programmes and Projects Officer Ms. Damali Ssali giving her remarks during the closing ceremony of the Last-mile Results-Based Financing project at Golden Tulip Hotel, Kampala

PSFU's Last-mile Results-Based Financing project comes to an end.

Kampala, June 30, 2023: The Last-mile Results-Based Financing project that was implemented by the Private Sector Foundation Uganda with funding from GIZ has come to an end. The closing ceremony was attended by project partners including GIZ, USAID, PSFU, and private-sector solar companies at Golden Tulip Hotel, Kampala. PSFU on boarded 14 companies that participated in the project from Sept 2020 to Nov 2022. It has supported initiatives of solar companies through incentives to penetrate the last-mile customer segments.
At the closing event today, results from the impact assessment report indicated the following results were reached;

Over 5,000 households were connected with solar home systems of which 30% of these are women-led households.

25,000 people (an average of 5 people per household) accessed energy for lighting, TV, and phone charging. 67 percent of these households reported improved access to lighting and 33 had access to TV and phone devices.

PSFU signs an MOU with Pride Microfinance to support young entrepreneurs.

Kampala July 5, 2023: The Private Sector Foundation Uganda represented by Chief Programs Projects Officer Ms. Ddamali Sali and Pride Microfinance represented by Mr. Deo Kateizi, Head of Business Development and Marketing have signed a Memorandum of Understanding aimed at enabling easier access to finance for the youth.
This will enable the youth to save easily, access loans without the need for collateral such as land titles and log books and access financial literacy training offered by Pride Microfinance Bank.
They have initiated a youth inclusion program and are piloting a female-centered program that they are eager to discuss and learn how this program can help female beneficiaries.
This Memorandum of Understanding will enable Pride Microfinance to facilitate training for both Case Managers and Lead Firm representatives on the loan offering from Pride Microfinance and how young people can access preferential financing.
The current loan offering includes loans from UGX 100,000- 5 million without security, interest rates of 12% per annum, and free financial literacy training.

The Private Sector Foundation Uganda Chief Programmes and Projects officer Ms. Damali Sali, receives gift hampers from, Mr. Deo Kateizi the Pride Microfinance, Head of Business Development and Marketing during the signing of a youth inclusion memorandum of understanding.

The Chairman PACIED Mr.Odrek Rwabwogo and PSFU Director Policy Dr. Julius Byaruhanga pose for a group photo with South Sudanese officials and a team of representatives from the Uganda Truck and Millers Association at the Elegu-Nimule Border

Elegu- Nimule Border, July 08 2023: A Joint Delegation from the Republic of Uganda led by the Senior Presidential Advisor and Chairman of the Presidential Advisory Committee on Exports and Industrial Development (PACEID) and Private Sector Foundation Uganda traveled to Elegu-Nimule Border on to negotiate the release of Trucks that are loaded with assorted foodstuffs back to Uganda by the Authorities in the Republic of South Sudan. The Ugandan delegation included representatives from the Ministries of Trade, Industry and Cooperatives, Foreign Affairs, East African Community Affairs, Uganda National Bureau of Standards (UNBS), Uganda Revenue Authority (URA), Private Sector Foundation of Uganda (PSFU) The Grain Council of Uganda (TGCU) and the Millers.

The following actions were jointly agreed upon;
1. All trucks currently held at the border be released immediately. The total number of trucks stood at 92. This includes the 66 impounded in May 2023 and 26 trucks impounded in the last two weeks. Both delegations visited the parking yards where the two sets of trucks were parked and witnessed the release of the first batch of the 26 tracks back to Uganda awaiting the release of the rest.
2. The batch of 66 trucks will be offloaded and cargo stored at the border in a space provided by Uganda Revenue Authority.
3. While in storage, the Uganda National Bureau of Standards will test the level of aflatoxin in grain witnessed by the expert from the EAC Secretariate and guide on the next course of action.
4. A small technical working committee composed of the Bureaus of Standard Customs Officials, Foreign Affairs, Ministries of Trade, Private Sector Exporters, office of the President, and the from both countries to meet regularly and resolve all emerging trade issues before escalation. This aims at facilitating a smooth flow of trade between the two countries. The outcomes of the committee will strengthen the work of the National Monitoring Committee on Elimination of Non-tariff Barriers and the Joint Permanent Commission (JPC) between the two countries

The two Governments will continue to promote trade between themselves while promoting mutual recognition of quality and standards marks in the spirit of the EAC integration protocols.

CONDOLENCE MESSAGE

We are deeply saddened to hear the sad news of the passing of one of our esteemed members in the private sector, Mr. Apollo Nyegamehe, popularly known as Aponye. I had the pleasure of knowing and working with him for many years, and I was always impressed by his intelligence, dedication, and passion for business.

Mr. Aponye has, for many years, been a respected and valued member of the Uganda Grain Council, a member of the Private Sector Foundation Uganda (PSFU). His contribution, especially in the Trade, Manufacturing, and Logistics Sectors will be felt for many years to come.

In recent years, Aponye Uganda Limited partnered with PSFU and the Mastercard Foundation on the Young Africa Works Enhancing Lead Firm Structures for youth employment project, a partnership that has created over 5,400 direct work opportunities for youth in the maize and beans value chains. His mark in the development process, charisma, time, wisdom, and fortitude will forever impact Uganda's youth development agenda.

On behalf of the Private Sector Foundation Uganda (PSFU), I extend our heartfelt sympathies to the family, friends, and employees of Mr. Aponye.

May God rest the soul of our member in eternal peace

Sincerely

Mr. Humphrey Nzeyi
Chairman, Private Sector Foundation Uganda

PSFU-LSF Empowers and Connects Youth for a Brighter Future

Kampala, July 10, 2023 - The Private Sector Foundation Uganda (PSFU) and the Lead Firm Structure (LSF) project has organized an engaging Youth Fact Finding Workshop, signaling their commitment to empowering and connecting young entrepreneurs. The workshop aims to understand the needs and aspirations of the youth and provide them with the necessary support to thrive in their endeavors.

Apollo Mayanja, the Project director of the Lead Firm Structure project encouraged the youth to step out of their comfort zones and embrace new opportunities. Mayanja emphasized the importance of networking and empowerment, ensuring that the youth take charge of their lives and destinies.

The workshop featured remarkable young entrepreneurs such as Ms. Claire Nansikombi Muhire, CEO of "Be Your Own Boss Babe", Albert Katruguma, founder of I-verse Digital, Ricky Rappa Thompson, the co-founder and Director of Safe Boda, and Jackie Arinda, CEO of Jada Coffee Uganda who shared their journey of valuable investments made by partners like the Mastercard Foundation and PSFU, urging the participants to seize the moment and utilize the platform to share their views.

The workshop participants proposed innovative solutions such as community engagement, cooperative groups, advocacy for policy changes, and improved access to credit and machinery for value addition. Their recommendations aimed to create an enabling environment for youth entrepreneurs and facilitate their transition into successful business ventures.

PSFU-LSF aims to provide youth with job opportunities, training, start-up capital, and marketing support, while also working towards policy changes and improved access to credit and markets. By partnering with community-based organizations, utilizing social media influencers, and conducting home visits, PSFU-LSF intends to reach a broader audience of young entrepreneurs.

PSFU, World Bank meet over GROW Project

Kampala, July 27, 2023, Private Sector Foundation Uganda and World Bank held a high-level meeting to discuss the progress and status of the GROW Project at Serena Hotel Kampala. During the meeting the Project Director for GROW Project, Dr. Ruth Biyinzika Kasolo presented a status update to the Board about the GROW project, highlighting the PSFU role, responsibilities, while seeking the Board's guidance on some key aspects of the project implementation. Generating Growth Opportunities and Productivity for Women Enterprises (GROW) Project is a USD 217 Million grant from the World bank to Government of Uganda, whose aim is to increase access to services that enhance transition of female owned businesses from micro to small and from small to medium enterprises.

The Project is implemented by PSFU on behalf of the Ministry of Finance Planning and Economic Development (MFPED) with the Ministry of Gender, Labour and Social Development (MGLSD) as the lead implementer of the project. It targets individual women and women-led Enterprises, as well as enterprises whose majority members are women, including refugees and RHCs. The discussion focused on how the women Entrepreneurs can access the grants and loans from the participating Financial Institutions at reasonable interest rates, in spite of the limitations these women face, such as lack of collateral. The meeting was also attended by the Officials from the World Bank, who are on a three days' Technical Support Mission, led by the Task Team Leader for GROW Project, Margarita Pueto Gomez.

The World Bank has extended to the Government of Uganda a grant in the amount of US$217 Million to implement the Generating Growth Opportunities and Productivity for Women Enterprises (GROW) project. The GROW project aims to eliminate structural impediments that obstruct the growth of women-owned businesses, including those related to financial inclusion, business development services, infrastructure, community mobilization, and mindsets. The project became effective on January 20, 2023, and ends on December 31, 2027.

The Project Development Objective (PDO) is to increase access to entrepreneurial services that enable female entrepreneurs to grow their enterprises in targeted locations, including host and refugee districts. The project will operate nationwide targeting all the 135 districts and 11 cities in Uganda. GROW project implementation period is for five (5) years from January 2023 to December 2027.

The project will cover all the 135 districts and 11 Cities of Uganda, including 13 Refuge Hosting districts. In year 1, the project will cover 40 districts, mainly those with big cities and large urban centres that offer bigger markets and more developed infrastructure.

Private Sector Foundation Uganda (PSFU) was delegated (As a subsidiary) by Ministry of Finance and Economic Development as the Principal recipient to implement the Project jointly with Ministry of Gender, Labor and Social Development (MGLSD). PSFU received $89 million to implement four out of the twelve sub-components of the project;

• Subcomponent 1C: Support for Trade- and Sector-Specific Skills - PSFU will be helping to develop spe

• Subcomponent 2B: Facilitating Access to Credit for Enterprise Growth - PSFU will work on ensuring that women entrepreneurs have access to the financial resources necessary for their business growth.
• Subcomponent 2C: Sustainable Loan Products and Processes for Women Entrepreneurs - This involves the creation and implementation of loan products that are geared towards women entrepreneurs.
• Subcomponent 4B: Project Management Support for High-Quality Implementation at PSFU - The PSFU will be working to ensure that the project is effectively managed and implemented on their end.

PSFU partners with the Tourism sector players to launch the International Conference for Women Birders 2023

Uganda Museum, Kampala, July 31, 2023: The Private Sector Foundation Uganda has partnered with Tourism Sector players to launch the International Conference for Women Birders that is scheduled to take place in Kampala from 6th to 8th December 2023. This conference marks a momentous occasion in the world of bird watching, as it aims to recognize and celebrate the contributions of women birders to the fields of birding, conservation, and environmental awareness.
While addressing the Launch, the CEO PSFU Mr. Stephen Asiimwe said that on average, birders spend about 20 days during their trips, contributing over $350 per day to the local economies. The conference targets 100,000 birders into the country per year by 2030, which will earn Uganda USD $700 million and create over 3000 direct jobs.
Being Uganda's First International Conference for Women Birders signifies the government and the

people's commitment to women empowerment, nature conservation, and ecotourism development. Uganda boasts a recorded count of over 1100 bird species, with nearly two-thirds of them found in the country's forests. Among these, 11% are of global population significance, while 55% are African species. Bird watching in Uganda has experienced significant growth, with over 400 active birders, including 120 females, compared to less than 10 in 1995. The country offers rich birding packages, with birding trails around conservation areas and local bird photographers, including women. The recorded bird species have risen to 1100, and birding now ranks among the top 5 tour packages sold by operators, reflecting the growing demand for this unique and diverse experience.

The conference has four key objectives;

1. Creating a platform for establishing domestic, regional, and international business networks among women and other stakeholders in bird watching.
2. Establishing a platform for forming networks of women researchers dedicated to the development, promotion, and conservation of bird-watching.
3. Promoting women’s participation in bird watching business and conservation research at national, regional, and global levels.
4. Showcase Uganda as a popular birding destination to increase the number of birders.

Uganda Museum, Kampala, July 31, 2023: The Private Sector Foundation Uganda has partnered with Tourism Sector players to launch the International Conference for Women Birders that is scheduled to take place in Kampala from 6th to 8th December 2023. This conference marks a momentous occasion in the world of bird watching, as it aims to recognize and celebrate the contributions of women birders to the fields of birding, conservation, and environmental awareness. While addressing the Launch, the CEO PSFU Mr. Stephen Asiimwe said that on average, birders spend about 20 days during their trips, contributing over $350 per day to the local economies. The conference targets 100,000 birders into the country per year by 2030, which will earn Uganda USD $700 million and create over 3000 direct jobs.

Being Uganda's First International Conference for Women Birders signifies the government and the people's commitment to women empowerment, nature conservation, and ecotourism development. Uganda boasts a recorded count of over 1100 bird species, with nearly two-thirds of them found in the country's forests. Among these, 11% are of global population significance, while 55% are African species.
Bird watching in Uganda has experienced significant growth, with over 400 active birders, including 120 females, compared to less than 10 in 1995. The country offers rich birding packages, with birding trails around conservation areas and local bird photographers, including women. The recorded bird species have risen to 1100, and birding now ranks among the top 5 tour packages sold by operators, reflecting the growing demand for this unique and diverse experience.
The conference has four key objectives;
1. Creating a platform for establishing domestic, regional, and international business networks among women and other stakeholders in bird watching.

2. Establishing a platform for forming networks of women researchers dedicated to the development, promotion, and conservation of bird-watching.
3. Promoting women's participation in bird watching business and conservation research at national, regional, and global levels.
4. Showcase Uganda as a popular birding destination to increase the number of birders.

PSFU launches Youth Engagement Campaign.

Uganda Museum, July 20, 2023: The Private Sector Foundation Uganda (PSFU) has launched a Youth Engagement Campaign with a renewed commitment to the creation of a new generation of Young and Successful Entrepreneurs.

The Youth Engagement campaign is aimed at increasing the participation and retention of Youth in the PSFU-initiated programs.

The Chairman of the PSFU board, Mr. Humphrey Nzeyi while giving his remarks at the launch held at the Uganda Museum on 20th July 2023 stated that, "We have today launched the PSFU Youth Engagement Campaign (PSFU-YEC). Through this campaign, we will provide young people with a platform to express themselves, advocate for their interests, and actively influence policies and decision-making within the LFS project. The primary focus is on emphasizing the value of including youth in decision-making processes within the private sector."

The launch was a thrilling activity that brought key representatives of the private sector, young entrepreneurs, and over 300 Youth in one room to discuss issues affecting Youth Empowerment, and Entrepreneurship.

This country-wide campaign is part of PSFU's partnership with Mastercard Foundation under the Young Africa Works strategy – Enhancing Lead Firm Structure (LFS) for Youth Employment in Uganda Project.

While Uganda has one of the youngest populations globally with approximately 78% of its population under the age of 35 years, young people are still largely marginalized, specifically when it comes to participating and contributing to decision-making in society.

MEMBER VISITS

1. Uganda Chamber of Mines and Petroleum

Kampala July 28, 2023. PSFU visited Uganda Chamber of Mines and Petroleum at their offices in Kampala and discussed among other things, advocating for the implementation of the National Content Fund to catalyze local companies to be able to participate in the oil and gas, & supporting artisanal miners to connect to markets

Kampala: July 28, 2023. The Private Sector Foundation Uganda visited the President Association of Real Estate Agents of Uganda (AREA Uganda) Ms.Shirly Kongai who is also a PSFU board member representing the Construction and Real Estate Sector.

PSFU and AREA discussed matters of mutual interest such as training of members, lack of regulation, association operations, unfair tax regime, Corporate Social Governance, and how to add relevance to members and the sectors