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**PRIVATE SECTOR POSITION ON INCREASING THE COMPETITIVENESS OF THE
CENTRAL CORRIDOR TRANSIT TRANSPORT FACILITATION AGENCY IN
UGANDA**



Business growth is our business

**REGIONAL STAKEHOLDERS CONSULTATIVE COMMITTEE MEETING,
BUJUMBURA BURUNDI, CLUB DU LAC TANGANYIKA HOTEL FROM 8TH TO 9TH
JUNE 2023**

BY

PRIVATE SECTOR FOUNDATION UGANDA (PSFU)



Dear Stakeholders, we bring you greetings from the Private Sector Foundation of Uganda (PSFU). The private sector highly appreciates your tireless efforts by the Central Corridor Transit Transport Facilitation Agency (CCTTFA) leadership in promoting Uganda's private sector growth and competitiveness across the corridor.

Private Sector Foundation Uganda (PSFU) is the apex body for the private sector in Uganda. PSFU has a membership of over 316 business associations and corporate bodies that represent the interests of over 3 million business establishments (Micro, Small, Medium, and Large Enterprises) in Uganda clustered into 12 sectors of the economy. The 12 sectors represented at PSFU include Manufacturing; Trade and Commerce; Agriculture, Agribusiness and Forestry; Professional Services; Transport and Logistics; Tourism and Hospitality; Finance, Banking and Insurance; Minerals, Energy, Oil, Gas and Extractives; Construction and Real Estate; Human Resource (Skills, Health, and Education); Culture and Creative Arts.

The main mandate of PSFU is to sustain dialogue with the Government and development partners on the requisite business environment that supports the private sector to create wealth leading to the provision of more employment opportunities through evidence-based advocacy. PSFU also offers Business development support for MSMEs i.e., product development, standards improvement, market access, technology acquisition and application and skills training among others.

PSFU takes this opportunity to appreciate the CCTTFA for their continued involvement and engagement in this very important meeting.



Following consultations with the private sector fraternity, we would like to submit the following proposals for your consideration in this meeting to benefit the business community in Uganda.

1. **The Ease of getting port passes and truck passes;** currently, Ugandans with cargo using Mombasa port are in most cases cleared within **one day** as compared to about **two days** of cargo clearance at the Port of Dar er Salaam and as a result, the business community would find it convenient to use Mombasa Port as compared to the Port of Dar er Salaam. The Private sector, therefore, proposes that the corridor makes sufficient interventions to enable cargo clearance in a day. Among these interventions is the engagement of the Tanzania Revenue Authority (TRA) to adopt the use of the electronic single window system that is being used by Uganda to enhance compatibility and reduce cargo clearing time.
2. **Cost-effectiveness and efficiency;** currently Ugandans transporting cargo to Uganda spend about **US\$ 4,500** on transport for a container from the Port of Dar er Salaam for **4.5 days** as compared to **US\$ 3,000** from the Port of Mombasa for **3 days**. As a result, **80%** of Uganda's cargo passes through the Port of Mombasa versus **20%** of cargo coming through the Port of Dar er Salaam.

PSFU proposes that Ugandan cargo at the port of Dar er Salaam be transported by railway to Mwanza Port since it takes only **eight hours to Uganda**, and this will make the use of the Port of Dar er Salaam Cost and time effective and hence a port of preference by the Uganda Business Community.

3. **The inclusion of the Ugandan business community at the port operations.** There is a need for a liaison office at Tanga and Mwanza port that consider the inclusion of the Ugandan business community in the operations especially the clearing agents who can take care of Ugandan business community interests to enable fast movement of goods while at these Ports.
4. **Cargo clearance time within the Ports;** Cargo clearance at the Port of Dar Salaam takes about **one week** to be cleared as compared to **3 days of cargo clearance** at the Port of Mombasa and this at times affects the business community. PSFU proposes that the process of cargo be reevaluated to ascertain the causes for delays and fix them to enhance port competitiveness in the region.
5. **Training of the customs clearing agents;** Because the clearing system for Tanzania is different from the one being used in Kenya, there is a need to fast-track the commitment to train the Ugandan customs clearing agents who will be involved in the cargo clearance at the Dar er Salaam, Mwanza, and Tanga Ports.

Uganda's private sector hopes that these matters will be considered for the betterment, competitiveness, and efficiency of our Corridor.