

Section 3: Tourism, Trade and Industry Sector

S1: Sector Overview

This section provides an overview of Sector Expenditures and sets out the Sector's contribution to the NDP, its policy objectives, and key performance issues.

(i) Snapshot of Sector Performance and Plans*

Table S1.1 and Chart S1.1 below summarises the Medium Term Budget allocations for the Sector:

Table S1.1: Overview of Sector Expenditures (US\$ Billion, excluding taxes and arrears)

	2013/14 Outturn	2014/15		MTEF Budget Projections			
		Approved Budget	Spent by End Sept	2015/16	2016/17	2017/18	
Recurrent	Wage	2.012	14.820	2.845	14.820	17.643	17.645
	Non Wage	30.137	24.343	5.000	24.343	29.212	29.214
Development	GoU	21.818	21.460	4.402	21.460	25.752	25.755
	Ext. Fin.	0.000	3.147	0.000	7.588	0.000	0.000
	GoU Total	53.967	60.623	12.247	60.623	72.607	72.615
	Total GoU+Ext Fin. (MTEF)	53.967	63.770	12.247	68.211	72.607	72.615
	<i>Non Tax Revenue</i>	<i>0.000</i>	<i>62.259</i>	<i>0.000</i>	<i>7.300</i>	<i>75.900</i>	<i>70.400</i>
	Grand Total	53.967	126.029	12.247	75.511	148.507	143.015

* Excluding Taxes and Arrears

(ii) Sector Contributions to the National Development Plan

The Tourism, Trade and Industry Sector is committed to the budget theme for Financial Year 2015/16. In order to successfully contribute to this theme, the Sector has accordingly prepared a Budget Framework Paper for Financial Year 2015/16 and the medium term, still holding its Sector Vision as “Sustainable Tourism, Competitive Trade, and World Class Industrial Products, and Services”, and its Mission to “Develop and promote Private Sector competitiveness and export led wealth creation, conserve and preserve natural resources and cultural heritage for accelerating economic growth and development.” The Sector’s Vision and Mission are anchored to well-defined strategic objectives and activities, to deliver tradable quality and sustainable products and services, which forms an important building block to the realizing the long term aspirations and objectives of the National Vision of a “A Transformed Ugandan Society from a Peasant to a Modern and Prosperous Country within 30 years”.

Sector Mandate and Composition:

The mandate of the Tourism, Trade and Industry Sector is derived from the Constitution of the Republic of Uganda (1995 – Article 189, Sixth Schedule Sections 11, 12, 13, 20, 23, 25 and 29) as follows:

“To formulate and support strategies, plans and programs that promote and ensure expansion and diversification of tourism, trade, cooperatives, environmentally sustainable industrialization, appropriate technology, conservation and preservation of national natural and cultural heritage, to generate wealth for poverty eradication and benefit the country socially and economically.”

The Sector is composed of various public and private institutions with the lead Organizations being the Ministry of Trade, Industry and Cooperatives and the Ministry of Tourism, Wildlife and Antiquities.

The Ministry of Trade, Industry and Cooperatives (MoTIC) directly supervises the operations of seven (7) other public agencies namely Uganda Industrial Research Institute (UIRI), Uganda National Bureau Standards (UNBS), Uganda Export Promotion Board (UEPB), Management Training and Advisory Centre (MTAC), Uganda Development Corporation (UDC), Uganda Warehouse Receipt System Authority

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(UWRSA) and a host of other Public Companies created through PPP arrangements with UDC. Its other Agencies are; the Uganda Cleaner Production Centre (UCPC) and the Textile Development Authority (TEXDA).

The Ministry of Tourism, Wildlife and Antiquities (MoTWA) directly supervises the operations of five (5) other public agencies namely is assisted by; the Uganda Tourism Board (UTB), the Uganda Wildlife Authority (UWA), the Uganda Wildlife Education Centre (UWEC), the Uganda Wildlife Training Institute (UWTI), and the Hotel and Tourism Training Institute (HTTI).

The Sector is also composed of other public agencies delivering sector related services such as MoFPED, MEACA, MoFA, MEMD, MAAIF, MoICT, MoIA, MoLG, UIA, KCCA, CDO, UCDA, URSB, and the Private Sector with apex bodies such as PSFU, UNCCI, UMA, UCA and USSIA.

Sector Outcomes:

With the support of their Agencies, the Private Sector and Development Partners, the Sector Ministries will continue to pursue the implementation of the various NDP objectives through selected NDP strategies and interventions in the Financial Year 2015/16 and across the medium term to achieve its three Sector Outcomes which include:

1. A Competitive and Export-oriented Industrial Sector;
2. Improved Heritage Conservation and Increased Tourism Earnings; and,
3. Improved Competitiveness and Market Access of Uganda's Goods and Services

The above Sector Outcomes are contributed to by 17 objectives of the National Development Plan (NDP) under 4 respective subsectors – Tourism, Trade, Manufacturing and Cooperatives. These can be illustrated as follows:

1. A Competitive and Export-oriented Industrial Sector:

- Develop and review all policies, and legal and regulatory frameworks for the sector
- Promote the development of value added industries especially the agro-industries
- Enhance the development and productivity of the informal Manufacturing sub-sector
- Enhance applied Research and Technology development
- Increase competitiveness of local industries

2. Improved Heritage Conservation and Increased Tourism Earnings:

- Develop and review all policies, and legal and regulatory frameworks for the sector
- Increase the contribution of tourism to GDP and employment

3. Improved Competitiveness and Market Access of Uganda's Goods and Services:

- Develop and review all policies, and legal and regulatory frameworks for the sector
- Improve the doing business environment
- Nurture the private sector with a view to improve its competitiveness in the domestic, regional and other international markets
- Increase market access for Uganda's products and services in regional and international markets
- Improve the stock and quality of trade infrastructure
- Promote Trade Development
- Promote policy synergies between the production and trade sectors
- Provide equal opportunity to Women and other disadvantaged groups to participate in and benefit from trade
- Promote good governance of the cooperative movement
- Enhance the capacity of the cooperatives to compete in domestic, regional and international markets
- Diversify the type and range of enterprises undertaken by cooperatives
- Promote the use of standards and quality infrastructure to improve the competitiveness and safety of Ugandan products, processes and service delivery systems in domestic, regional and international

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Given the diversity and complexity of the designed interventions in the Budget Framework Paper, its success does not entirely lie within the Sector's hands, but also in those of our sister Sectors, Ministries, Departments and Agencies, Private Organisations and Civil Society whose work facilitates or complements ours. Inevitably, these and other related interventions require more resources of a technical, financial and political nature. The Tourism, Trade and Industry Sector therefore wishes to call upon all its partners for even greater support.

(iii) Medium Term Sector Policy Objectives

The sector objectives which guide medium term outputs and resource allocations are:

1. *Develop a competitive and export oriented industrial sector;*
2. *Conserve, preserve and ensure sustainable development of Uganda's unique natural and cultural heritage;*
3. *Develop and promote Uganda's tourism domestically and internationally;*
4. *Strengthen the cooperative movement in Uganda;*
5. *Promote efficient, effective and results oriented resource management in the Ministry;*
6. *Promote international competitiveness of Uganda's exports and improve market access of Ugandan products and services;*
7. *Develop and implement standards so as to ensure quality of all manufactured goods through conformity assessments (i.e. Standardization and quality assurance).*

(iv) Summary of Sector Performance

The status of the sector in terms of its three priority sector outcomes is set out below:

Outcome 1: A Competitive and Export-oriented Industrial Sector

The Index of production for Manufacturing stood at 199.5 in the year 2013, indicating a 3.2 percent rise from the year 2012. The 'Food Processing' subsector registered the highest positive growth of 10.5 percent, followed by 'Saw Milling' (8.4 percent), and 'Other industry groups combined' recorded a positive rise of 5.7 percent.

The Ministry of Trade, Industry and Cooperatives has registered 2,000 enterprises, engaged in; Agro-processing (63%), Metal fabrication, furniture, bricks and tiles (12%), Pharmaceuticals and other chemicals (6%), Paper, plastics and cosmetics (6%), Confectioneries (3%), Electricals and electronics (3%) and others(10%).

In Industrial Research, the sector through Uganda Industrial Research Institute continued to provide the necessary tools and infrastructure to enhance industrial science, standards and advanced technology. This mainly concentrates on adding value to the locally produced agro-products like; fruits, irish potatoes, peanuts, bananas, honey, millet, vegetables, ground nuts, soya and dairy products so as to reduce on the post-harvest losses, increase incomes of farmers and fight against hunger and malnutrition among the people of Uganda.

Outcome 2: Improved Heritage Conservation and Increased Tourism Earnings

The number of tourist arrivals increased from 1,151,356 visitors in 2011 to 1,196,114 visitors in FY 2012 and 1,206,000 in 2013 . This is a great increase from the 641,743 visitors in FY2008/09 implying an average increase of 14% per annum. This was as a result of improvement in security in the country and more specifically in the Northern part of the country.

The total contribution of Travel & Tourism to GDP in Uganda was UGX 5,495bn (7.9% of GDP) in 2013 up from UGX4, 993.6bn (8.8% of GDP and 11% of the Services sector) in 2012, and is forecast to rise by 6.4% in 2014. Visitor exports generated UGX 2,767bn equivalent to \$1,085million (19.6% of the total exports) in 2013 increasing from \$1,003m in 2012. This is forecast to grow by 5.8% from 2014-2024.

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Tourism both directly and indirectly supported 452,000 jobs in 2013 (7.6% of total employment) for people employed in hotels and restaurants, travel agents, airlines and other passenger transportation services, among others. There is need for heavy and deliberate investment in tourism so as to enhance its productivity. Strategic investment should be done in infrastructure development, training of tourism personnel in customer care and management and strong worldwide branding and marketing of Uganda's tourism potential.

Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services

Trade Performance: In 2013, Uganda recorded total export earnings of US\$ 2,829.0 million, which is a 2.4 percent increase from US\$ 2,811.2 million of 2012. The total value of imports declined by 3.7 percent in 2013 from US\$ 6,095.8 million to US\$ 5,871.2 million. Our trade deficit improved from US\$ 3,284.6 million in 2012 to US\$ 3,042.1 million in 2013. The Asian continent remained the major source of Uganda's imports while the COMESA regional bloc maintained its lead as the main destination for Uganda's exports.

The combined exports earnings (formal and informal exports) from the Common Market for Eastern and Southern Africa (COMESA) regional bloc decreased from US\$ 1,490 million (53.0 percent of total export earnings) in 2012 to US\$ 1,344 million (47.5 percent of total export earnings) in 2013. The European Union (EU) market which ranks as our second major export destination registered an increase in its share of exports from 14.7 percent in 2012 to 15.6 percent in 2013.

Cooperatives Performance: There are about 100 Cooperative Unions and Area Cooperative Enterprises that are involved in value addition and agro processing of coffee, cotton, honey and fruits among others. Notable among them are; the Bugisu Cooperative Union Ltd, Ankole Coffee Producers Cooperative Union Ltd, Wamala Cooperative Union Ltd, Kayunga ACE, Teso Cooperative Union Ltd and Gumutindo ACE. The East Acholi Union has been assisted by the Government through PSFU to acquire machinery for cotton ginning.

S2: Sector Performance and Plans to Improve Sector Outcomes

This section describes past performance and plans to improve sector outcomes. For each outcome it sets out outcome indicators, key sector outputs and actions to improve sector performance. It then sets out analysis of the efficiency of sector allocations and major capital investments.

(i) Outcome 1: A Competitive and Export-oriented Industrial Sector

Status of Sector Outcomes

The table below sets out the status of sector outcomes in terms of key sector outcome indicators.

Table S2.1: Sector Outcome Indicators

<i>Outcome 1: A Competitive and Export-oriented Industrial Sector</i>			
Outcome and Outcome Indicator	Baseline	2015/16 Target	Medium Term Forecast
Share of Manufacturing to Total GDP (%)	25% (2008)	8.6	30 (2015)
Share of Manufactured Exports to Total Exports (%)	12 (2009)		(2015)

Performance for the first quarter of the 2014/15 financial year

1. Policy and Legal Environment

- To ensure effective, transparent, and accountable governance of the Ministry's agencies, there is need for a competent governing entity – a Board or a Council. To this effect, Cabinet approved a new Board for UIRI and MTAC.

- The Sector focused on BUBU Policy which Cabinet duly approved. The Bill on the revitalization of UDC, an important pillar for industrialization of the Country, was also passed by Cabinet.

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- The Bills on the following Policies are at an advanced stage of finalization: Grains and Cereals, Sugar, Packaged Water, MSME development, Leather, Iron and Steel and Industrial Metrology.

2. Industrial and Technological Development

- Support to Jua Kali Artisans: 2014 Jua kali Exhibition held in Rwanda, in Dec. 2014. 50% of Ugandan exhibitors were women. 50 women exhibitors trained in Kumi, Ntungamo, Nebbi and Nakasongola.

- MSMEs Development: Wage bill of 0.432bn already allocated under Ministry's Vote for the Directorate and awaiting Certificate of Financial Implications to approve and recruit. A budget of 1.728 billion has been requested from MoFPED to provide for the implementation of the MSMEs Policy in FY 2015/16.

- UMA Trade Fair Exhibition: The Ministry in conjunction with UMA successfully organized the 22nd Uganda Manufacturer's Association (UMA) Trade Fair Exhibition at the UMA Show Ground, Lugogo. The Fair, which was opened by H.E. the President, was organised under the theme of "Building Business Partnership for Sustainable Market and Competitiveness". The Fair attracted over 1266 exhibitors out of whom 395 were foreigners.

- One Village One Product Programme (OVOP): Through this programme, the Ministry has assisted 12 model enterprises from 11 districts with value addition equipment as well as skills development in 11 product ranges, including shear nut, rice, maize, pineapple, coffee, groundnuts, cassava, sweet potatoes, poultry, apiary and handicrafts. The districts so far covered include: Mityana (1), Kamwenge (1), Bushenyi (1), Kampala (2), Bududa (1), Mbarara (1), Kamuli (1), Busia (1), Mubende (1), Luwero (1) and Kyegegwa (1). The OVOP Model Cooperatives/Groups supported with Value Addition Equipment, including: 1 Honey Extractor and 2 settling tanks delivered to Nyakyera Bee Keepers in Ntungamo district, 1 honey settling tank and 1 extractor delivered to Mukazi Bee Keepers in Rukungiri district, 1 maize mill and huller delivered to Bulamogi Community Development Project in Kaliro district. Procurement process started for: 1 Solar drier to be delivered to Nyakigufu Women and Orphans Support Group in Ntungamo, Automatic Chick Incubator for Makindye East SACCO in Kampala, 1 Pug Mill Engine for Zigoti Clays Community Organisation in Mityana; 1 Rice Mill for Naluwori Growers Cooperative Society in Kamuli, 1 Maize mill and Huller for Kyawo Women's Group in Busia.

3. Industrial Research

- UIRI's capacity for Research and Development has highly increased as attributed to competent personnel with more actual methods.

590 samples were analyzed for microbial and chemical composition

4 Model Value Addition Centers are at different levels of operational

18 value added products have so far been successful developed

Projects like the production of Newcastle Vaccine, Essential Oil Pilot Project, handmade paper, production of a variety of dairy, meat and fruit products are ongoing.

The Instrumentation and Energy Systems department continue to develop more intelligent automated devices to create appropriate solutions for the medical, agricultural and energy sectors.

Plans to establish a Science and Technological Innovation hub are under way

Other Research and Development agenda are being undertaken as detailed in step 2

- 74 internal samples and 24 samples from external clients were analyzed at the Analytical Microbiology Laboratory for parameters like TPC, Total coliforms, E.coli, Yeast and molds, Staphylococcus aureus, & Salmonella typhimurium. Other tests include; Sterility, Antimicrobial activity of products and microbial surface swabs. 195 laboratory samples of food, alcoholic beverages, cosmetics, plants were analyzed for chemical composition and properties.

- UIRI's Industrial and Technological Business Incubation portfolio has expanded to 46. Virtual, on site incubatees and SMEs are supported technically in the areas of product development, standards, technology

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adaption, business management and marketing, to attain self-sustainability. The Institute had undertaken various platforms to promote and create awareness of new products by SME's through exhibitions, publications, awareness seminars and collaborations. Business enterprises' and MSMS have been trained by the URI Business Development Center in a number of business management skills through ICT applications and capacity building.

- All functional facilities are now fully operational aiming at value addition centers to stimulate farmer raw material as the centers would provide ready market for their produce. Other value addition centers underway are in advance stages of completion as continuing or cross cutting projects between financial year owed to their construction implementation timeframes.

4. Industrial Investment and Economic Infrastructure Development

- Kalangala Infrastructure Services Project: The pilot water supply projects were completed and commissioned. The MV Pearl ferry linking the main Island through Bukakata is operational. The rehabilitation, expansion and upgrade of the 66km Main Island Road to a class B gravel road begun in May 2013. The development of a power generation plant, and construction of a distribution network throughout the Bugala Island is underway. The second ferry, named the MV Sseese, is already operational.

- Teso Fruit Factory, Soroti: On 18th September 2014, H.E. President Museveni launched the Teso Fruit Processing Factory at the Soroti Industrial and Business Park. The project cost is expected to be US\$9.6 million. The project is being implemented by the Government of Uganda in partnership with the Government of the Republic of South Korea through KOICA. The construction of the factory is slated to commence in February 2015 and it is expected to be ready for operation by early 2016. Once the factory is developed into a secure and profitable business enterprise, UDC will manage it in partnership with Teso Tropical Fruit Growers Cooperative Union with UDC having 80% shareholding. The daily production capacity of the plant will be 120 metric tons of processed fruits. The Ministry and the Ministry of Agriculture through the Department of Cooperatives and NARO respectively, have so far trained over 30,000 farmers in best farm practices to ensure the supply of sustainable quality fruits to the factory

5. Enterprise Management and Advisory Services

- The Management Training and Advisory Centre (MTAC) has established 7 new outreach centres in Lira, Pader, Bushenyi, Ntungamo, Rukungiri, Luweero, Masaka, and Iganga in addition to the three which are already in existence in Mbale, Mbarara and the main campus in Nakawa. MTAC operates a liaison office in Mpigi, which coordinates the delivery of the Centre's programmes in the area. In partnership with the International Labour Organisation and the Ministry of Gender, Labour and Social Development, the Centre has intensified its Entrepreneurship and Job Creation Awareness programme where over 5,000 participants, mainly youth and women, across the country were sensitized on mindset change. Over 1,502 participants have been trained in improving management performance and career development through regular courses. This Fiscal Year 2014/15, the Centre plans to equip the outreach centres with sufficient resources to enhance quality of services provided. MTAC held its graduation ceremony on the 7th of November 2014.

Table S2.2: Performance Targets FY2015/16 Contributing to the Sector Outcome*

<i>Outcome 1: A Competitive and Export-oriented Industrial Sector</i>			
<i>Vote, Vote Function Key Output</i>	<i>Approved Budget and Targets</i>	<i>2014/15 Spending and Targets Achieved by End Sept</i>	<i>2015/16 Proposed Budget and Planned Targets</i>
Vote: 015 Ministry of Trade, Industry and Cooperatives			
<i>Vote Function: 0601 Industrial and Technological Development</i>			
Output: 060101	Industrial Policies, Strategies and monitoring services		
<i>Performance Indicators:</i>			
Stage of UDC Act			UDC Act submitted to

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<i>Outcome 1: A Competitive and Export-oriented Industrial Sector</i>				
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets	
formulation Stage of Sugar Act formulation Stage of Iron and Steel policy formulation				Parliament Draft Sugar Control Act submitted to Cabinet Policy Published and Disseminated
<i>Output Cost (US\$ bn):</i>	0.367	0.070		0.366
Output: 060102	Capacity Building for Jua Kali and Private Sector			
<i>Performance Indicators:</i>				
No. of participants trained in value addition, business management & marketing	240	0		200
No. of Ugandan artisans participating in exhibitions	70	0		70
<i>Output Cost (US\$ bn):</i>	0.260	0.030		0.269
Output: 060103	Industrial Information Services			
<i>Performance Indicators:</i>				
Number of enterprises for whom data is captured in the National Industrial Database	0	0		70
<i>Output Cost (US\$ bn):</i>	0.123	0.021		0.064
Output: 060104	Promotion of Value Addition and Cluster Development			
<i>Performance Indicators:</i>				
No. of enterprises supported with value addition equipment	12	3		16
<i>Output Cost (US\$ bn):</i>	0.479	0.031		0.547
Output: 060151	Management Training and Advisory Services (MTAC)			
<i>Performance Indicators:</i>				
No. of participants trained in entrepreneurship skills	1,500	1,107		1,500
No. of students offering diploma & certificate programmes in business and ICT	2,023	2,064		2,023
<i>Output Cost (US\$ bn):</i>	0.058	0.000		0.058
Vote: 110 Uganda Industrial Research Institute				
<i>Vote Function: 0651 Industrial Research</i>				
Output: 065101	Administration and Support Services			
<i>Output Cost (US\$ bn):</i>	6.018	1.240		6.018
Output: 065102	Research and Development			
<i>Performance Indicators:</i>				
No. of value added products developed for industrialisation to reduce post harvest losses.	50	15		40
No. of research projects initiated	5	4		60
No. of product analyses undertaken for quality checks	300	293		55

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<i>Outcome 1: A Competitive and Export-oriented Industrial Sector</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets
<i>Output Cost (US\$ bn):</i>	1.563	0.208	1.863
Output: 065103	Industrial and technological Incubation		
<i>Performance Indicators:</i>			
No. of technologies deployed with incubatees	20	5	25
No. of SME's incubates taken on	25	8	50
<i>Output Cost (US\$ bn):</i>	1.577	0.297	1.702
Output: 065104	Model Value Addition Centre Establishment		
<i>Performance Indicators:</i>			
No. of products up-scaled and commercialized by the centres	30	9	35
No. of model value addition centres at 75% completion	3	2	1
No. of local raw materials developed and populated in the scientific databases	40	8	45
<i>Output Cost (US\$ bn):</i>	0.519	0.076	0.619
Output: 065105	Facility Repair and Maintenance		
<i>Output Cost (US\$ bn):</i>	0.600	0.113	0.600
Output: 065106	Industrial Skills Development and Capacity Building		
<i>Performance Indicators:</i>			
No. of apprenticeships taken on	70	15	80
No. of SMEs trained in industrial development and value addition processing	300	132	1,000
<i>Output Cost (US\$ bn):</i>	0.121	0.029	0.150

* Excludes taxes and arrears

2015/16 Planned Outputs

(A) Policy and Legal Environment

The Sector shall continue implementation of Sector Specific Strategies and interventions that were reviewed by key Stakeholders at the 5th Annual Trade, Industry and Cooperatives Sector Review conference.

The Sector shall continue formulation of the Sugar Control Act. The Sector also plans to publish and disseminate the National Leather and Leather Products Policy. The draft MSME Policy, draft Grain Policy and Packaged Water Policy shall be presented to Cabinet for approval. The Industrial Licensing Bill will also be further developed and presented to Cabinet.

(B) Industrial and Technological Development

The Sector plans to undertake 60 Technical Guidance and Inspection Field Visits aimed at enhancing implementation of Industrial Development Initiatives, Policy Oversight and Environmental monitoring in productive sectors of sugar, extractive industries, leather, and food processing among others. Sector strategies and key interventions shall be overseen through the organization of periodic meetings in the Ministry on key sectors including sugar, leather, textiles, and agro-processing clusters among others.

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Awareness on the role of industries in the economy shall be done through commemorating the Africa Industrialisation Day on 20th November 2015.

Guidelines and a Roadmap shall be developed for the 2015 Regional EAC Exhibition for Micro and Small Enterprises. The Micro and Small Enterprises are expected to be exposed to Upgraded technologies, with consideration of Gender Balance (at least 50% of exhibitors composed of women) when they participate in 16th Regional EAC Micro and Small Enterprises Annual Exhibition in Tanzania.

Through the One Village One Product (OVOP) Programme, the Sector shall train 160 participants in 12 sessions on Skills development through training on value addition, business management and marketing. 16 Functional Model Processing Facilities established by June 2016. Commission the Value Addition Equipment for the 4 Model Cooperatives. Sixteen (16) Operational Cooperatives selected for technical support by March 2016 (4 cooperatives per region). Four (4) Action Plans for improved implementation of the OVOP program developed and shared with key stakeholders by June 2016. Products from 8 OVOP Model Cooperatives Certified by June 2016.

(C) Industrial Research

Research and Development

The different sections engaged in Research and Development shall undertake as follows

Production Systems: Formulate and develop chicken feeds out of the bio waste of fruit waste, Jackfruit jam, Pomegranate juice, Sugar cane syrup and jam, healthy Green tea drinks, healthy cocktail (pumpkin, lemon & passion), and pumpkin powder.

Food Laboratory: Food product development, and related research. Conduct a study on the stability of curcuminoids and lignans in foods. Analyses of milk using lactoscan and of juices for TTA, Ph. Test products under development for temperature and moisture. Conduct milk platform tests. Three types of Breakfast cereals, 4 types of Instant porridges, and 2 types of noodles from local food material will be developed from local foods like cassava and sweet potato. Seven gas mixtures for MAP packaged fruits, vegetables, meats, bakery products, dairy products will be developed. 5 levels of Production of pectin shall be undertaken. Food packaging technologies will be improved for meats, fruits, vegetables, baked products using modified atmosphere packaging (MAP) as a preservation procedure that doesn't use chemicals. Producing pectin from fruit wastes, extraction of plant and animal materials that can be used as ingredients during product development. It shall enable physical preservation of fluid foods at laboratory level before packaging, and fast and efficient drying of food products during product development.

Microbiology: This team shall undertake research and develop 3 Products including (1) shea/Bentonate Anti-Acne, anti-wrinkle creams, shampoo, face scrub, toner & moisturizer, (2) an antibacterial soap and (3) Spirulina.

Research projects applied shall include Design & Dev't of production process of an antibacterial herbal remedy, and Field trial of Aflatoxin Biosensor in Arua.

Research Projects shall be initiated shall include Pro-Lactic acid production from cassava, Bioplastics development, Biosurfactants for environmental bioremediation and Biosensors and Bioengineering

Chemistry Laboratory: The Chemistry Laboratory shall undertake five product formulations including shoe polish, car polish, sanitizers, match box, and Anti-microbial agents using local raw materials in Uganda. The Chemistry Laboratory Research projects shall include Antimicrobial activity of banana flowers extract against bacteria, Application of zeolites in removal of heavy metals in wastewater, Isolation of curcuminoids from turmeric plant, and Commercialization of flavored clay pot water. Routine Laboratory

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analysis, Research & Development shall be undertaken. Procurement of Laboratory standards chemicals, Reagents, Apparatus and other lab materials. Procurement for Soxhlet system (Fat content), Fibertec system (fiber content) & Kjeldahl system (protein). 1000 product analyses are expected to be undertaken. Routine analysis of External and Internal laboratory samples, food, juice, water & waste water, drugs, minerals, soap, detergents, cosmetics, natural products and petroleum products.

The Materials and Minerals Engineering Division looks to innovate the following new technologies: Production of recycled Glass Products, concrete Tiles and Pavers, and Recycled Products. Undertake the physical and chemical analysis of the different mineral ores used in the section and the Refinement of production of cups, plates and saucers. Conduct R&D in Bentonite and Allied, Artificial Ceramic Corals used in fish breeding, Gemstone cutting technology, dustless Chalk making from Gypsum ore, Glass recycling Technology, Water filtration, concrete tiles and Pavers, Production of mineral oxides, and in the manufacture of adhesives.

Fruits and Vegetables department shall develop seven new products including: chicken feeds out of fruit waste, jackfruit jam, pomegranate juice, cane jam and syrup, a healthy green tea drink, a healthy cocktail (pumpkin, lemon & passion) and pumpkin powder.

Bamboo: Development of Biochar fertilizer now on market trail especially National Forestry Authority and Tea Growers. The developed bamboo fertilizer products shall be analyzed monthly in different laboratories for product refinement. Two Products (Bamboo tooth Picks and Bamboo Mats) to be developed up to commercial stage. Toothpick and mat production, packaging and market testing, process and product refinement shall be undertaken. Bamboo, assorted processing chemicals and materials, packaging material to be procured. There shall be installation of Bamboo processing equipment, test running and commissioning of the Kabale Bamboo Processing Unit. There is a requirement to monitor & evaluate the Kabale Bamboo Process Department

ICT: UIRI shall undertake development of Mobile application platforms and testing mobile phones services for instance equip of staff with mobile apps development skills and providing SMS Messaging Development or equipping individuals with SMS software development skills.

Button Mushroom: To further the research on Button Mushroom there is need to procurement of the following consumables, Millet grains, Urea, Muriate of potash (MOP), Super phosphate, Insecticide (Dimilin), Calcium carbonate, Wheat straw, Rice straw, Spawn bags, Wheat bran, Calcium ammonium nitrate (CAN), Gypsum, Black polythene bags, Big saucepans (stainless steel), Bench wipers, Cloths wipers, Parafilm "M" Roll, Bunsen burner + Small gas cylinder, Wheat grains, molasses, Plastic containers for sterilization of substrate in the bunkers, Tarpaulin 30x30 m long, Bags of rice grains for spawn production, Water spraying pipe with a pump, and Water pumper from the drainage for recycling water at the composting yard.

Industrial and Technological Incubation

The outputs under this section shall include:

Expansion of Direct Access Distribution Strategy for Newcastle Vaccine. Following the successful completion of the novel pilot distribution mechanism in Eastern Uganda, The vaccine is to be launched nationwide. It will involve initially targeting distribution in 50 districts in the Northwest and Eastern parts of the country. In 2015-2016 the vaccine department intends to implement the lessons learnt in the pilot distribution area in eastern Uganda to launch KUKUSTAR, the vaccine against Newcastle disease, nationwide to be accessible to all poultry farmers. There are currently 13 interested in Materials and Mineral Engineering Business incubation who shall be accessed aimed to create 30 jobs. Establishing one dairy incubation centre in Ntungamo. Monitoring and evaluation of virtual incubates. Consumables for bamboo plant to commercialize toothpick and mats production lines in Kabale and at UIRI. Support towards sustainability & improvement of virtual incubatees' production capacity. Take on four new incubatees under Production Systems i.e USSIA, IEN, Tropical Connections, IKN Holdings.

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Trained incubates and New commercialised products. Increased production capacity in the juice pilot plant. New job opportunities arising from Commercialisation of new products for incubates. Acquisition of a batch pasteuriser

Improved product quality through Refinement of existing products for incubates i.e. pineapple juice, pineapple jam, chillie sauce, mango cordial, mango juice, mango & orange cocktail, tropical cocktail, passion, orange juice. Provide technical support for refinement of existing incubatee products. Undertake incubate monitoring and evaluation of incubates (both in-house and virtual).

Model Value Addition Centre Establishment

Establishment of Model Value Addition Centers has proved to impact on poverty reduction. The Established Model Value Addition Centers stimulate increased farm production. The farmers' area assured of ready market where they can generate some income. The centers assist on reduction of post-harvest losses as what is produced is processed. The Model Value addition centers are a skills and training hub for capacity building in farm production, post-harvest handling, processing and creation of employment and hence poverty reduction

The following Model Value Addition Establishments are at different stages as detailed here below:

Establish a functional Fruit juice and water processing facility in Kawempe by modification of an existing processing facility. Development of new products for the centres and training of production staff

Establish a Model industry to manufacture the polylactic acid and make bioplastics; and cosmetics centre. Establish infrastructure for pilot plants and recruit personnel to manage the centres

Maziba Winery Project, Kabale: Establishment of a complete functional processing winery plant whose construction work included a sub structure, walling and roofing, sanitary facilities, internal and external finishes, external works have been completed and handed over. Defects liability period supervision is underway.

Establishment of a Model Dairy Farm in Ntungamo: The establishment of a model farm entails constructing a Dairy shade, Feeding shade, Chaff Cutter shade, Milk collection area. Site has been handed over to the Contractor for commencement of work.

Extra works at Essential Oils Pilot Project Luweero: Construction of allowed variation for additional scope to include office premises and wet areas is underway at 90% of works complete.

Construction of a nursery shed at Essential oils Luweero: Construction of a nursery shed at Luweero Essential Oils is underway. Civil works Construction were completed. Welding works are pending.

Proposed Fruit juice processing plant in Itojjo: A functional fruit juice processing plant whose works include a substructure, walling and roofing, internal and external finishes is underway. Construction is ongoing and the substructure is complete

Proposed Cheese processing plant at Rubale Ntungamo District: Works include to design for construction of the Cheese Processing Facility is underway. Site reconnaissance, to assess the nature of land, was done by the UIRI technical team on 17th Sep 2014. Bills of Quantities have been prepared.

Proposed Soap processing plant in Kabale Industrial Area for Yildi enterprises is underway. Works to include Design for construction of the facility is underway. Site reconnaissance, to assess the nature of land, was done by the UIRI technical team on 17th Sep 2014. Preliminary estimates have been prepared.

Proposed rehabilitation of Esia mixed farm, Adjumani: Rehabilitation of the facility and activity scope to be

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discussed with UIRI Management

Tile manufacturing facility in Wakiso: Designs and Bills of Quantities have been prepared for establishment of a manufacturing facility for Tiles in Wakiso.

Proposed Peanut Processing Plant in Soroti District: The design is complete and preliminary estimates for a complete functional Peanut Paste Processing Plant in Soroti District have been prepared. A report has been submitted for approval.

Development of a Fabrication Lab for small scale manufacturing of circuit boards and casings for complete prototypes. A Project proposal is currently being developed. A start-up meeting was convened inviting interested stakeholders for the project.

Proposed Chemistry Laboratory Refurbishment: A Model Chemistry laboratory to facilitate the research activities currently being undertaken is ongoing. Contractor was procured. Construction work scheduled to begin in Q3.

Proposed Renovation of TDC Engineering workshop floor: A hard wearing suitable floor surface for activities being carried out on the workshop is required for reinforcement of workshop floor surface with terrazzo. Renovation works in the workshop floors commenced and are underway.

Industrial Skills Development and Capacity Building

The Institute shall provide skilled & practical internship training to students. Train skilled SMEs, Small cottage industries for fruits and vegetables processing created, and SMEs in reduction of post-harvest losses. Hands on training for 6 people in bamboo processing skills, bamboo, processing chemicals, packaging material. Three Internships to be offered in Molecular Biology & Biotechnology and Microbial analysis. Train 200 in cosmetics formulation, biotechnology and microbial analysis in Culture media, chemicals and reagents

Training of production staff: Train skilled & practical internship students in food processing and quality management. Train skilled SMEs and different groups that are establishing small cottage industries in reduction of post-harvest loss handling. Certifications to be done in Networking, Programming, hardware maintenance for Internal staff capacity strengthening. Lira Peanut Research Processing Center shall train 150 farmers in Good Agricultural practices and Good post-harvest practices. This requires sensitization meetings and training materials.

UIRI shall provide Instrumentation skills development, Advanced Embedded Systems and Advanced applied electronics, Hardware Description Language, Applied Instrumentation and Control Engineering, Computer Applications and databases for embedded systems, Double sided PCB design and processing and surface mount technologies, Real Time Operating Systems (RTOS) and Project and System Engineering Management. It shall provide training to 5 people in special skills relevant their Materials and Minerals Engineering skills gaps paradox.

Chemistry laboratory

Train 100 students in Good Laboratory Practice (GLP) and chemical analysis. Makerere University, Kyambogo University, Mulago Paramedics, Uganda Petroleum Institute Kigumba (UPIK)

ICT. It shall provide professional workshops and conduct seminars regarding the legal, Taxation & marketing aspects of a business, understanding national policy on industry and trade in the East African Community. It shall provide enrolled incubates training on how to start, manage a business and incorporate ICT for business efficiency (both on site and outreach programs). It shall provide training in enhanced records keeping & management, use of ICT tools & corporate image, Business Skills & Management Training, Business development coaching with emphasis on records management, Corporate image

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improvement and the use of ICT tools for efficiency and profitability.

A minimum of 2 and Maximum of 4 linkages established coordination of round table meeting with financial institutions, initialization of collaboration with international and local business development centers. UIRI shall participate in BDC strategic exchange programs with other institutions for capacity building. It shall develop Customized Business Development Courses and Consultations, in Course designing & development of course outlines, Content development, Content reviews, compilation, publishing of course manuals and integration of multimedia. At least two primary market surveys carried out. Analysis of incubates business systems, conceptualization of both manual and possible automated systems, design, testing and deployment of developed systems. UIRI shall undertake analysis of incubates business systems, conceptualization of both manual and possible automated systems, design, testing and deployment of developed systems. Commercialization of the video conferencing facility. Video conferencing subscription fees to be established.

(D) Industrial Investment and Economic Infrastructure Development

Teso Fruit Factory, Soroti: UDC shall collect orange & mango samples, and carry out an analysis on the juices produced, carry out free juice tasting in different locations to ascertain customers' taste & preference on the orange juice, carry out benchmarking of the fruit industry in the EAC, carry out publicity activities for the project, Provide site security services (Uganda Police facilitation) and hold Taskforce meetings. Monitoring and evaluating the implementation of the project activities shall also be undertaken. UDC shall participate in local and regional symposiums on the latest agro-processing technical regulations and standards and their related impact on the trade competitiveness of agro-processing entities. UDC shall procure a consultant to prepare designs and BOQs for the ICT infrastructure; Prepare technical designs & BOQs for the ICT infrastructure; Procure a contractor to install the ICT infrastructure, Install the ICT infrastructure, Capacity for the project implementation team enhanced, Procure a contractor to develop the waste disposal site, Development of the waste disposal land, Recruit Plant Personnel, and Procure vehicles for distribution of the final products. UDC shall also set aside some Capital for operating the fruit factory.

Luwero Fruit Factory: Fruit farmers trained on good agronomic practices and cooperative movement principles among others. Project Site serviced with water. Product development for pineapples and mango shall be undertaken.

(E) Enterprise Management and Advisory Services

The Management Training and Advisory Centre (MTAC) shall engage its Governing Council on matters pertaining to the Centre's growth. There will be development of internal audit strategies and audit executions. Comprehensive risk management framework shall be developed and implemented to ensure risk effectiveness. The Centre will be provided strategic direction and shall pursue the establishment of good relationships with its stakeholders.

The Sector plans to aggressively promote the MTAC Brand in current & new markets. The Centre shall facilitate and coordinate enterprise development research. There will also be Continuous Quality Improvement in Research and Consultancy, Revitalization of the Consultancy department through Product Development, Production of Research, Consultancy and Publications, Increased range of business support services, Facilitation and coordination of the enterprise development research, Enhanced monitoring, evaluation and reporting on MTAC SPI courses and projects at the Centre.

Also planned is: Improved library collection for MTAC Nakawa, Expansion of library space and Improved library ambience, Enhanced use of ICT in the library, Increased accessibility and usability of the available library resources, Information Services extended to the MTAC Centres, and Networking and professional partnership.

Increased enrolment of students on diploma and certificate programs; and delivery of quality teaching,

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training and learning, Strengthen MTAC Outreach Centres, Promotion of Students' Welfare, Continuous Quality Improvement and new Product Development, Admit persons with the required minimum qualifications to MTAC Diploma and Certificate programmes, Effective and efficient management of CATs and examinations; Preparation of transcripts and certificates, Graduation of students who successfully completed their programmes in the Academic Year 2013/2014.

Attraction and retention of competent staff; Realisation of good governance and management practices; Provision and maintenance of adequate, skilled, healthy and productive workforce, Provision of adequate facilities & administrative support services, Improved management systems for the smooth running of the Outreach Centres, Smooth running of MTAC departments by providing general office supplies and requirements, and Optimal management of resources to achieve Value-for-Money.

Ensure system/application Support & information/data security, Provision of stable and reliable Internet and Communication services, Effective and efficient use of all computer related equipment, Expansion of computer Lab equipment/ facilities; Improvement & enhancement of classroom presentation, PC Lab Environment, Administrative Meetings, & quality printing facilities; Provision of appropriate and modern applications that enable effective execution of computing tasks; and, Procurement, Installation, Refurbishment of infrastructure and Disposal of old vehicles and other assets.

Medium Term Plans

The medium term plans for the Sector as derived from the Sector's Policy documents and Strategies concur with those in the National Development Plan 2010/11-2014/15. They include:

1. Enhance value addition to primary products
2. Build capacity in specific targeted skills needed for value addition
3. Promote and strengthen industrial development
4. Promote Small and Medium Enterprises (SME) industrial development
5. Develop skills of non-formal manufacturing sector (Jua Kali artisans) to enhance their competitiveness
6. Strengthen research and technology developments in industrial application.
7. Develop and maintain institutional capacity for development, analysis, implementation and dissemination of laws, regulations and standards in line with demonstrated priorities and anticipated needs in standardization.

Actions to Improve Outcome Performance

The following plans are to improve outcome performance in the Sector:

1. Operationalise the Tourism, Trade and Industry Sector Working Group;
2. Fully operationalise the Industrial Consultative Committee to boost coordination in the industrial sector;
3. Continue to build capacities of both the Private and Public Sectors;
4. Facilitate the Private Sector to participate in international trade shows and exhibitions;
5. Establish and Operationalise an MSMEs Directorate in the Ministry to handle and coordinate all the MSMEs issues, promote value addition and technology transfer, promotion of quality and use of standards
6. Establish the Regional Scientific and Innovation hub as Center of Excellence;
7. Enhance the Business incubation portfolio. Take technology to the people;
8. Upgrade staff skills to measure up to the ever evolving technologies to be able to design and develop competitive products and services;

Table S2.3: Actions and Medium Term Strategy to Improve Sector Outcome

<i>Sector Outcome 1: A Competitive and Export-oriented Industrial Sector</i>			
2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
Vote: 015 Ministry of Trade, Industry and Cooperatives			
Vote Function: 06 01 Industrial and Technological Development			
Establish and Operationalise an MSMEs Directorate in the Ministry to handle and	Request was made to the MoFPED, copied to MoPS, for a Certificate of	Operationalise an MSMEs Directorate in the Ministry to handle and coordinate all the	Support the development of Industrial support infrastructure;

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<i>Sector Outcome 1: A Competitive and Export-oriented Industrial Sector</i>			
2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
coordinate all the MSMEs issues, promote value addition and technology transfer, promotion of quality and use of standards	<p>Clearance/No Objection for the establishment of the Directorate of Micro, Small and Medium Enterprises. This will facilitate the formal presentation of the structure before Cabinet for approval since funding for it is already provided within the Vote Ceiling. After Cabinet approval, recruitment of MSMEs Officers for the Directorate will commence;</p> <p>The Ministry is facilitating model MSMEs with value addition equipment to support their operations through the One Village One Product Programme;</p> <p>The Ministry undertook groundbreaking for the Soroti Fruit Processing factory that is expected to buy in produce from farmers in the Teso Region and thereby improve their livelihoods;</p>	MSMEs issues, promote value addition and technology transfer, promotion of quality and use of standards	
Continue to build capacities of both the Private and Public Sectors; Facilitate the Private Sector to participate in international trade shows and exhibitions;	<p>The Ministry has continued to build capacities of both the Private and Public Sectors through various trainings in the I&T Department, OVOP programme, and the Soroti Fruit Factory Project;</p> <p>The Ministry is currently organising for the Jua-Kali/Nguvu Kazi Exhibition in which MSMEs and other local artisans are expected to participate;</p>	Continue to build capacities of both the Private and Public Sectors; Facilitate the Private Sector to participate in international trade shows and exhibitions;	Capacity development for staff & private entrepreneurs Facilitate Jua-kali exhibitions; Support skills devt institutions; Collaborative capacity building thru training of staff and linkages to academia; Advocacy for Vocational Institutions establishment
Operationalise the Tourism, Trade and Industry Sector Working Group; Fully operationalise the Industrial Consultative Committee to boost coordination in the industrial sector;		Operationalise the Tourism, Trade and Industry Sector Working Group; Fully operationalise the Industrial Consultative Committee to boost coordination in the industrial sector;	A fully operational Tourism, Trade and Industry Sector Working Group; Harmonize policies that support industrial development; Enhance the capacity to develop bankable projects;
Vote: 110 Uganda Industrial Research Institute			
Vote Function: 06 51 Industrial Research			
Upgrade staff skills to measure up to the ever evolving technologies to be able to design and develop competitive products and services	<p>UIRI greatly values the importance of upgrading skills to keep up with the trend of evolving technologies. Employees below have attained superior training from leading research organizations. UIRI has also established</p>		Development of human resource capacity to undertake applied research; Establish project pilot center in two municipalities; Development of industrial projects and technologies for commercializatio

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Sector Outcome 1: A Competitive and Export-oriented Industrial Sector

2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
	<p>collaborative platforms that have been very beneficiary in creating avenue for knowledge and experience sharing. Like, Council for Scientific and Industrial Research (CSIR) of South Africa, National Standards & Technology Development Agency (NSTDA) of Thailand, AICAD, Standards and Industrial Research Institute of Malaysia (SIRIM).</p> <ul style="list-style-type: none"> - A Microbiology Research Officer trained in good measurement, weighing and pipetting practices organized by Palin and Metler Toledo on 4th – 5th September 2014 Good weighing practices - The Vaccine Production Unit Quality Assurance Manager currently undertaking a Master's program attended a Biotechnology Innovation and Regulatory Science at the Kilimanjaro School of pharmacy in Moshi, Tanzania on 1st to 12th September Tanzania. This has resulted into the restructuring of the current Vaccine Quality Management System to International Standard - One staff is studying MSC chemistry at Makerere University - Four staff to attend ISO 17025 Laboratory Training at South African National Accreditation system (SANAS), Tumuheirwe, Mijumbi, Muhereza & Arishaba - Mr. Asuman Ratibu attended EU-EDES laboratory business plan course in Addis Ababa , Ethiopia - Three staff attended Documentation, System and Auditing Training at SANAS (Preparation for Accreditation), Mugisha, Nabaggala & Ratibu - Nine staff to attend Method validation and measurement of uncertainty in laboratory application at UNBS - A staff attended the International conference on Organic synthesis in Europe 		

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<i>Sector Outcome 1: A Competitive and Export-oriented Industrial Sector</i>			
2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
	<ul style="list-style-type: none"> - (2 Staff) have attended Advanced Instrumentation training in HPLC, AAS, GC/MS - Trained students/ scientists in Good Laboratory Practice (GLP) and chemical analysis. - Trained 1 intern from Makerere University (Mr. Atukwasibwe Peter) - Trained 3 interns in laboratory training (GLP) - One staff undertook capacity development in Embroidery for Three months in China On-going - A Research Technician of Materials and Minerals Engineering Division undertook trainings in. Tea growing between the 29th of August 2014 – 11th October 2014 in China. 		
Enhance the Business incubation portfolio. Take technology to the people			Set up a technology depository at UIRI; Establish regional business incubation centers in industrial parks; Install a foundry and mineral beneficiation testing lab at UIRI.

(ii) Outcome 2: Improved Heritage Conservation and Increased Tourism Earnings

Status of Sector Outcomes

The table below sets out the status of sector outcomes in terms of key sector outcome indicators.

Table S2.1: Sector Outcome Indicators

<i>Outcome 2: Improved Heritage Conservation and Increased Tourism Earnings</i>			
Outcome and Outcome Indicator	Baseline	2015/16 Target	Medium Term Forecast
Number of Foreign tourists entering National parks	74,523 (2010)	83,466	121,193 (2015)
Number of domestic tourists entering national parks	115,588 (2010)	129,458	146,288 (2015)
Number of foreign tourist arrivals	945,899 (2010)	1,135,078	1,435,048 (2015)
Foreign Exchange earnings from Tourism (US\$m)	590 (2008)	800	1112 (2015)

Performance for the first quarter of the 2014/15 financial year

Policies, strategies and monitoring services

Draft Uganda Wildlife Bill adopted by the Review Working group; Procurement Bids for the consultant to review and draft the Amendment bill for the Museums and monument Act has been opened awaiting evaluation; Bed and room occupancy study, the Expenditure and motivation survey carried out; The ministry participated in the London WTM and the North America road show; Kigezi, Buganda and Busoga clusters supported to promote their local tourism products; 5 Tourism regional and international meetings attended in Kigali, Arusha, Dar-es-salaam, London and Equador as part of coordination and harmonization of regional tourism policies.

Conservation and sustainable utilization of cultural and wildlife resources

Quarterly inspections of PianUpe, MathenikoBokora, and Kidepo Valley, Murchison Falls, Kibale, Mt

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Elgon, Bwindi and Mgahinga Conservation Areas to oversee Government Policy implementation

Completed Fire Management Plans for QENP and MGNP while the finalized GMPs for KNP and LMNP that are awaiting BoT approval

Developed a sensitivity atlas for MFNP in light of Oil and Hydro power developments; Compensated over 70 % of titled land holders within Katonga WR; Intensified law enforcement and aerial surveillance in PAs resulting in general reduction in illegal activities (Recovered 9 Guns); Conducted aerial wildlife census in MFNP, QENP and KVNP

There have been increases in Elephant Population:

From 2,500 in 2010 to 2,900 in 2014 QENP

- From 904 in 2010 to 1,330 in 2014 in MFNP

- From 440 in 2010 to 552 in 2014 in KVNP

Report on State of Wildlife in Uganda is in Draft form ready for approval by BoT & Minister; 321 Rangers underwent one month refresher training in wildlife management at the Uganda Wildlife Training Institute Lake Katwe.

Held one human-wildlife conflict mitigation dialogue with political leadership around MFNP in Gulu in December 2014; Captured and relocated 6 crocodiles from various areas (Lake Edward, Nakasongora, Mayuge) to MFNP; 2 kits designed and loaned to schools for their educational purposes; 275 artifacts collected; Still working on Management information for Bigobyamugyenyi. INCAFEX is still holding on the land title of the BigoByaMugyenyi site. For the Ntusi site, the Ministry is still negotiating with the communities that have encroached the land

Marketing and promotion

3 international Tourism fairs attended (London WTM and the North America road show; -7 Tourism cluster (Kigezi, Buganda and Busoga, Bunyoro, West Nile, Ankole, Bugisu clusters) supported to exhibit their products; 5 Tourism regional and international meetings attended (JTMC (Tripartite) meetings have been attended in Kigali, Arusha, Dar-es-salaam, and Nairobi); 6,500 promotional materials distributed (UTB has distributed materials at all the international and domestic activities that it participated in); UTB participated in the Miss Tourism Uganda, Big Birding day, golf tourism in Kihiihi and World Tourism Day; Number of tourism facilities inspected and registered (65 Restaurants have been identified, inspected).

Capacity building, Accommodation and hospitality registration and Coordination:

131 students have so far been enrolled. This was the September 2014 intake awaiting the April 2015 intake; 130 students enrolled at the UWTI; 64 Restaurant, hotel owners, 36 tour guides and tour operators have been sensitized in regulatory framework; 100 tour guides trained and exams conducted); USAGA was supported in training their guides

Tourism Infrastructure and product development

Contract for the refurbishment of HTTI hotels was awarded to Design and Construct Consult Ltd; Multipurpose hall-Painting done, fixing of windows and door glasses and ventilation fixed, ceiling worked on, floor and veranda done; Contract for the construction of the Soroti Museums has been awarded; Sent MOUs to districts of Oyam, Kabale, Masindi, and Busia for the set up Tourism stop overs; Started Construction of ranger accommodation Blocks in Matheniko-Bokora WR, Lake Mburo, Kibale and MFNP (PunuRii ready for commissioning).

Major repairs were done on the Ferry at Paraa and general maintenance done for other tourism boats before

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Xmas; Excavated 14Km of new trench in MFNP and 7Km in QENP; Constructed one crocodile cage in Apac as a demonstration for LGs to address the crocodile-human conflicts.

Table S2.2: Performance Targets FY2015/16 Contributing to the Sector Outcome*

<i>Outcome 2: Improved Heritage Conservation and Increased Tourism Earnings</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets
Vote: 022 Ministry of Tourism, Wildlife and Antiquities			
<i>Vote Function: 0603 Tourism, Wildlife conservation and Museums</i>			
Output: 060301	Policies, strategies and monitoring services		
<i>Performance Indicators:</i>			
Status of revision of the Uganda Wildlife Act			Submitted to Parliament
Number of inspections undertaken to wildlife protected areas	8	2	8
Status of revision of the Historical Monuments Act			Submitted to Parliament
<i>Output Cost (US\$ bn):</i>	<i>0.958</i>	<i>0.077</i>	<i>0.964</i>
Output: 060303	Support to Tourism and Wildlife Associations		
<i>Performance Indicators:</i>			
No. of Wildlife Clubs of Uganda (WCU) revived in schools	25	0	20
No. of associations supported to train their members in specific training programmes	4	1	4
<i>Output Cost (US\$ bn):</i>	<i>0.224</i>	<i>0.017</i>	<i>0.419</i>
Output: 060304	Museums Services		
<i>Performance Indicators:</i>			
No. of kits designed and loaned to schools for their educational purposes	20	0	10
No. of artifacts collected	300	180	200
Nomination dossier for Bigo Bya Mugenyi, Ntusi, Bwogero developed	Yes	Yes	Yes
<i>Output Cost (US\$ bn):</i>	<i>0.353</i>	<i>0.027</i>	<i>0.153</i>
Output: 060305	Capacity Building, Research and Coordination		
<i>Performance Indicators:</i>			
No. of tourism research studies undertaken	4	1	4
<i>Output Cost (US\$ bn):</i>	<i>0.139</i>	<i>0.015</i>	<i>0.087</i>
Output: 060306	Tourism Investment, Promotion and Marketing		
<i>Performance Indicators:</i>			
Number of Tourism cluster supported to exhibit their products	6	1	8
Number of international Tourism fairs attended	3	1	4
No. of Tourism regional and international meetings held	9	3	9

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<i>Outcome 2: Improved Heritage Conservation and Increased Tourism Earnings</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets
<i>Output Cost (US\$ bn):</i>	1.058	0.173	0.501
Output: 060351	Management of National Parks and Game Reserves(UWA)		
<i>Performance Indicators:</i>			
Amount of revenue shared with the communities neighbouring protected areas (Shs. Bn)			3
<i>Output Cost (US\$ bn):</i>	51.721	0.000	0.000
Output: 060352	Wildlife Conservation and Education Services(UWEC)		
<i>Performance Indicators:</i>			
No. of visitors entering UWEC	270,000	115,000	280,000
No. of feasibility studies for the establishment of Wildlife education centres	2	0	2
<i>Output Cost (US\$ bn):</i>	2.902	0.045	0.237
Output: 060353	Support to Uganda Wildlife Training Institute		
<i>Performance Indicators:</i>			
Status of refurbishment of a multi purpose hall at UWTI			Painting and glassing of windows done
No. of students enrolling at UWTI	130	118	150
<i>Output Cost (US\$ bn):</i>	0.992	0.214	0.637
Output: 060354	Tourism and Hotel Training(HTTI)		
<i>Performance Indicators:</i>			
Number of students enrolling at HTTI	260	138	270
Status of refurbishment of a HTTI hotel			Painting and replacement of water done
<i>Output Cost (US\$ bn):</i>	2.867	0.345	1.109
Output: 060382	Tourism Infrastructure and Construction		
<i>Performance Indicators:</i>			
Number of tourism established at tourism stop over points	5	0	3
Status of soroti Museum construction			Roofed
<i>Output Cost (US\$ bn):</i>	0.992	0.159	0.000
Vote: 117 Uganda Tourism Board			
<i>Vote Function: 0653 Tourism Services</i>			
Output: 065303	Quality Assurance (Inspection, Registration, Licenses, Class. & Monitoring)		
<i>Performance Indicators:</i>			
No. of tourism facilities owners sensitized in standards	200	150	200
No. of tourism facilities inspected and registered	100	250	300
No. of Local Government staff in the major Tourism	50	0	100

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<i>Outcome 2: Improved Heritage Conservation and Increased Tourism Earnings</i>			
<i>Vote, Vote Function Key Output</i>	<i>Approved Budget and Targets</i>	<i>2014/15 Spending and Targets Achieved by End Sept</i>	<i>2015/16 Proposed Budget and Planned Targets</i>
Districts trained in Quality Assurance			
<i>Output Cost (US\$ bn):</i>	0.336	0.036	0.336

* Excludes taxes and arrears

2015/16 Planned Outputs

1. Policies, Strategies and monitoring services

- Tourism projects inspected and regulated;
- Tourism Act reviewed
- Draft bill of the Historical Monument Act submitted to Cabinet;
- Development of the nomination dossier for Chwezi sites;
- 300 artifacts collected from Fort Portal ,bundibugyo, Kasese, and Hoima
- Budget framework paper for FY 2015/16; 1,000 copies of the
- Ministerial policy statement for 2015/15 produced;
- 4 Activity monitoring reports;
- An annual Tourism Wildlife and Antiquities sector review report
- 4 studies undertaken to inform tourism planning

2. Accommodation and Hospitality Registration, Grading and Capacity Building

- 500 hospitality facilities graded and classified;
- Skills development and Exposure through Training to Department staff
- 100 tourist guides trained in bird watching;
- UTA supported
- Quarterly inspections of Kidepo Valley, Murchison Falls, Kibale, Mt Elgon, Bwindi and Mgahinga Conservation Areas to oversee Government Policy implementation
- Quarterly inspection of wildlife use rights holders outside wildlife protected areas for quality assurance

3. Museum services

- Maintenance of cultural village; Conservation and preservation of;
- Natural History and ethnographical artefacts; Change of bulbs in the museum galleries; Temporary exhibition in natural history; Support to heritage clubs/associations

4. Tourism promotion and marketing

- Uganda represented at the 3 major International tourism trade fairs in Spain, Berlin and London;
- 6 Tourism clusters of Buganda, Busoga, Kigezi/Bunyoro, Tooro and Bugisu supported to develop and promote their tourism products through domestic events
- Miss Tourism Uganda/EA Held;
- African Travel Association conference(ATA) Held

5. Management of national parks and game reserves

- 50 Kms of elephant trenches around Queen Elizabeth National Park (Kanungu, Kasese, Rukungiri, Rubirizi and Mitoma);
- 60 Km of live fence (Mauritius thorns) established around Bwindi and Mgahinga Conservation Area (Kisoro, Kanungu and Kabale) to reduce problem animals;
- 40 Kms of elephant trenches around Kibale National Park and Murchison Falls Conservation Area

6. Tourism Infrastructure and investments

- 6 investment proposals developed

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- Finalize the construction of Soroti museum
- Designs and BOQs for the Rwenzori Mountain tourism infrastructure including the cable car system
- Designs and BOQs for the Source of the Nile tourism infrastructure to enable investment at the source of the Nile
- Designs and BOQs for the Ministry Headquarters
- Set up a satellite wildlife education Centre in Kabarole
- Erecting a more visible sign post at Uganda Museum

7. Tourism Services (UTB):

- 10,000 assorted promotional materials produced and/or distributed worldwide.
- Participate in 3 international tourism fairs, 2 regional tourism fairs and 3 domestic events and fairs.
- Organize the World Tourism day celebrations
- Research in the development of 2 new tourism products carried out.
- Implement the M&E framework,
- Monitoring of UTB activities country wide, mobilisation of funds, licensing of tourism sector actors as stipulated in the law, enforcing standards in tourism facilities through inspection, monitoring, classification and grading of hotels in Kampala, Entebbe, Jinja and Wakiso.

Medium Term Plans

The medium term plans for the Sector as derived from the Sector's Policy documents and Strategies concur with those in the National Development Plan 2010/11-2014/15. These include:

1. Review the tourism policies and plans
2. Update relevant legal and regulatory frameworks
4. Develop Marketing tools packaging Uganda as the preferred tourism destination
5. Develop and implement Meetings Incentives Conferences and Events Strategy
6. Strengthen the Tourism and wildlife Information System
7. Secure International and domestic tourism source markets for tourism
8. Diversify tourism products
9. Regulate tourism products development
10. Support development of Tourism Enterprises
11. Develop Tourism Human Resource
12. Develop Tourism support infrastructure
13. Develop strong public and sector institution linkages
14. Undertake research to support the development of tourism, wildlife resources and cultural heritage.
15. Develop a public private partnership (PPP) framework for the management of tourism, wildlife and cultural heritage attractions.
16. Improve human wildlife relationships.
17. Effective participation in International decision making.
18. Enhance security and safety for tourists and tourism resources.

Actions to Improve Outcome Performance

The following are plans to improve the sector outcome performance:

- Undertake aggressive marketing including securing market representation in key source markets
- Improve tourism infrastructure and widen tourism products
- Protect the integrity of cultural and wildlife resources
- Fast track the construction of the hotel in Jinja as a centre of excellence in the region
- Build the staff capacity of the Ministry and its affiliated institution to improve service delivery in the sector
- Develop a tourism management information system to track performance of the sector.

Table S2.3: Actions and Medium Term Strategy to Improve Sector Outcome

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<i>Sector Outcome 2: Improved Heritage Conservation and Increased Tourism Earnings</i>			
2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
Vote: 022 Ministry of Tourism, Wildlife and Antiquities			
Vote Function: 06 03 Tourism, Wildlife conservation and Museums			
Construct Regional Museum in Soroti, 5 toilet facilities and 14 directional signages at tourist stopovers and at the equator; construct nature walkways, monument, view decks and community mobilization at Kissizi waterfalls and Kagulu hills	Procurement process for a firm to construct Soroti Museums is under way; BOQ's for the construction of the toilets at the stop over centers being developed by Ministry of Works;	Develop Tourism infrastructure on Mt Rwenzori, Source of the Nile, Work on Tourism information centres,	Diversify tourism products beyond nature ones
Revive 25 Wildlife Clubs of Uganda (WCU) in Schools; Loan 20 kits designed to schools for their educational purposes; Collet 300 artifacts; Develop the nomination dossier for Bigo Bya Mugenyi, Ntusi, Bwogero	No progress made on sending conditional grants to revive wildlife clubs of Uganda. 180 artifacts from Kabarole were collected and are being analysed; Nomination Dossier for Bigo Bya Mugenyi, Ntusi, Bwogero developed;	Revive 150 Wildlife Clubs of Uganda (WCU) in Schools; Loan 10 kits designed to schools for their educational purposes; Collet 300 artifacts; Develop the nomination dossier for Bigo Bya Mugenyi, Ntusi, Bwogero	Communities around protected areas living in harmony with wildlife in protected areas
Support 4 Associations to conduct specific needs training for their staff	1 Association (USAGA) supported in providing defensive driving training for 40 tour driver guides	Training of staff following the training needs assessment by CEDP	Build capacity in all Districts in Tourism Product Development, Quality Inspection and Promotion; Support training of trainers programmes focusing on tourism and hospitality Mgt in all districts; Support Tourism Enterprise Devt and sector competitiveness
Vote Function: 06 49 Policy, Planning and Support Services			
		Complete the construction of Soroti museums	replicate museums regionally
A budget has been set a side training in short term courses	No new staff was supported to train but 2 staff already on training programs were supported.	Recruit 10 staff for the vacant posts	Strengthening the coordination within the sector; Improved funding for the sector
Vote: 117 Uganda Tourism Board			
Vote Function: 06 53 Tourism Services			
		partner with private sector to gather data in key source markets	Hire market representatives in key source markets
Competitive salaries will be paid to all staff; Fast tracking of the implementation of the Levy will help to raise its own revenue that will be used to meet some of these urgent needs;		Recruit new staff in critical vote functions	Implement sustainable means of raising self revenue as provided in the Tourism Act 2008 - Levy and licensing; Lobby government to recognise tourism as a priority in regards to resource allocation;
Finalize the formulation of the National Marketing Strategy, develop a tourism brand manual. Lobby for additional funds; establish stronger partnerships; Operationalize the Tourism Fund to which partners can		Continued lobbying of MoFPED for increased budget support. Develop project proposals for development partner funding	Open offices in key international tourism hubs; Invest in electronic marketing; undertake promotion in domestic, regional and international markets and promote the MICE.

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Sector Outcome 2: Improved Heritage Conservation and Increased Tourism Earnings

2014/15 Planned Actions: 2014/15 Actions by Sept: 2015/16 Planned Actions: MT Strategy:

contribute.

(iii) Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services

Status of Sector Outcomes

The table below sets out the status of sector outcomes in terms of key sector outcome indicators.

Table S2.1: Sector Outcome Indicators

Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services			
Outcome and Outcome Indicator	Baseline	2015/16 Target	Medium Term Forecast
Uganda's Ranking in the Global Doing-Business	122 (2010)	119	100 (2015)
Total Export to GDP Ratio(%)	21.3 (2009)	15	21.3 (2015)

Performance for the first quarter of the 2014/15 financial year

1. Trade Development

a) Commercial Extension Services at the Local Governments:

Through the policy of decentralization, the delivery of some of the public services has been devolved to the District Local Governments. In a study carried out by the Ministry, it was found out that the District Commercial Offices did not have capacity to effectively provide commercial services within their respective districts. To address this, and promote Local Economic Development, the Ministry with support from the Enhanced Integrated Framework (EIF) initiated the District Commercial Services Support project (DICOSS) that has provided motorcycles, computer equipment, and set up trade information centres in addition to human resource capacity building to improve delivery of commercial services in 25 selected districts across the country. These include; Kampala, Mukono, Iganga, Kaliro, Pallisa, Tororo, Soroti, Serere, Kapchorwa, Kotido, Moroto, Kyenjojo, Mubende, Sembabule, Masaka, Isingiro, Ntungamo, Kabale, Nakasongola, Hoima, Lira, Nebbi, Apac, Pader and Moyo.

The District Commercial Officers have been trained to formulate and incorporate trade and investment plans into their respective District Development Plans. The capacity building initiative has enhanced their capacity to identify the trade and investment opportunities and challenges in their respective Districts. It is gratifying to note that the DICOSS project has increased visibility of not only the District Commercial Office, but the Ministry as well in those 25 districts. The 15 districts that are receiving conditional grants are now in position to formulate and implement their workplans more effectively and efficiently.

The Ministry plans, with improved budgetary provisions to roll out the services of DICOSS to all the districts of Uganda. However, the funding is not adequate under the Trade and Commercial Services Local Government Conditional Grant. The 15 Local Governments under this Grant receive only Ushs. 7.2 million to budget for per annum.

b) Non-Tariff Barriers (NTBs):

With support from TradeMark East Africa Ltd, the Ministry established a National Committee on the elimination of Non-Tariff Barriers, and a Unit at the Ministry to focus on the elimination of NTBs. Government has continued to eliminate Non-Tariff Barriers to facilitate the smooth flow of trade.

Through this initiative, the following has been achieved:

- Cash bonds on Uganda-destined, goods mainly on high value products like cars, electrical product and sugar by the Republic of Kenya, were removed.
- Uganda and Kenya harmonized Axle Load control measures on weighbridges by implementing a Gross Vehicle Mass (GVM) of up to 52 tonnes depending on vehicle configuration, and also removed the unnecessary check-points and weighbridges along the Northern Corridor.
- The Kenyan Government removed requirements for physical inspection, transit permits, payment of transit fees, and possession of import permits from countries of destination by Ugandan exporters of Hides

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and Skins.

- The 16% VAT on services (Port Charges) for all goods cleared for transit into Uganda has been removed since there was no mechanism for claiming the VAT by Ugandan-registered clearing firms.
- Uganda Revenue Authority established an Electronic Cargo Tracking System. It aims at eliminating delays and costs of escorting transit cargo to the borders and avoiding short landing of cargo.
- Uganda and Rwanda signed a bilateral Agreement on the Removal of NTBs and constituted a Monitoring Committee on the elimination of NTBs between the two countries.
- The NMC has instituted an NTB Reporting Mechanism by use of the mobile systems through which traders or users dial in a code and report the Barrier as an when it arises.

c) Border Markets:

TradeMark East Africa (TMEA) is making some developments on the Border Market in Mirama Hills. The Ministry also plans to development the Border Markets in Busia, Malaba and Mpondwe among others.

East African Community (EAC): The EAC has continued to deepen market integration, progressing from the Customs Union protocol to the Common Market protocol.

The MTIC through support from TradeMark East Africa has supported the implementation of the Electronic Single Window. An MoU has been signed with URA to spearhead this process. The EAC launched the Electronic Single Window in Nairobi on 2nd May 2014. This is a trade facilitation initiative to enhance efficiency and lower the cost of doing business within the region. The Electronic Single Window System is a centralized mechanism for tracking of goods, customs clearance, and electronic payment, including through mobile money.

Under the Northern Corridor coalition of the willing (Uganda, Rwanda, Kenya and South Sudan), focus has been made on infrastructure development, elimination of NTBs, and strengthening the Regional Commodities Exchange. Uganda is consolidating its efforts, though, in strengthening its own Commodities Exchange before championing the Regional Exchange.

Common Market for Eastern and Southern Africa (COMESA): Uganda handed over the Chairmanship of the COMESA in February 2014. During its Chairmanship, Uganda hosted a High Level Conference on mobilization of resources for infrastructure development, mobilized funding through the PTA Bank for projects worth US\$6.6 billion, and developed a COMESA Regional MSMEs Strategy which led to the creation of a US \$5 million SME Seed fund to be piloted in 5 member states.

Uganda joined the COMESA FTA with effect from 1st July 2014. As a result, the Ministry has secured funding worth 3.2 million Euros for three years from the COMESA Adjustment Facility to implement Regional Integration programmes. This funding is facilitating among others, the establishment of two border markets, two trade information offices at Mutukula and Lwakhakha, and implementation of regional commitments on; Standards, Competition Policy, the Common Investment agreement and transport facilitation tools such as the regional third party insurance scheme commonly known as the Yellow Card.

Tripartite Free Trade Area: The Ministry is engaged in negotiations for the EAC-COMESA-SADC Tripartite Free Trade Area to remove some of the inconsistencies and costs in regional integration brought about by overlapping memberships . The Tripartite FTA accounts for half (27) of the Membership of the African Union with a Gross Domestic Product of US \$1.3 trillion, a population of 565 million and a combined landmass of 17 million square kilometers. The Ministry is happy to report that it has made tremendous progress in the Tripartite negotiations and in the recent Tripartite meeting in Bujumbura, the three RECs are now ready to launch the Tripartite FTA in the course of 2015 in Cairo.

African Growth Opportunities Act (AGOA): According to statistics for 2014, Uganda has a deficit of US\$ 19.39 million in its trade relations with the US. Uganda participated in a meeting in Addis Ababa to address

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challenges in the comprehensive value chain of the textile subsector, one of the products under AGOA. This year, Uganda participated in the US-Africa Investment Summit in Washington DC. In a Ministerial side meeting before this conference, the Ministry focused on addressing the structural challenges that inhibit our full exploitation of the benefits that would accrue from the AGOA initiative.

European Union (EU): The European Union and EAC signed the Economic Partnership Agreement on 14th October 2014 in Brussels. The EPA agreement is expected to provide legal certainty for businesses by enhancing free and unlimited access to the EU market of 28 member states and 500 million consumers. Uganda Export Promotion Board (UEPB) has reached out to exporters to the EU in order to guide them on how best to comply.

World Trade Organisation (WTO): In December 2013, the 9th World Trade Organisation (WTO) Ministerial Conference in Bali agreed on a series of Doha Development Agenda issues covering three broad areas of: trade facilitation, agriculture and development, including issues of concern for the Least Developed Countries, whose current Chair is Uganda. The Conference culminated into a Trade Facilitation Agreement which, among others will enable the Least Developed Countries to reduce their costs of global trade. One may wish to note that a reduction in global trade costs by 1 percent would raise world income by more than US\$ 40 billion, of which 65percent would accrue to developing countries.

Northern Corridor Projects: Uganda is working jointly with willing Partner States under the Northern Corridor integration projects to promote infrastructure development, especially roads, railway and ICT to facilitate trade and investment. The standard gauge project was recently launched by the Presidents of Uganda, Rwanda, Kenya and South Sudan. The Ministry is pursuing joint quality standards enforcement mechanism to ensure trading in quality commodities across the region.

UMA Trade Fair Exhibition: The Ministry in conjunction with UMA successfully organized the 22nd Uganda Manufacturer's Association (UMA) Trade Fair Exhibition at the UMA Show Ground, Lugogo. The Fair, which was opened by H.E. the President, was organised under the theme of "Building Business Partnership for Sustainable Market and Competitiveness". The Fair attracted over 1266 exhibitors out of whom 395 were foreigners.

Elimination of Non-Tariff Barriers: With support from TradeMark East Africa Ltd, the Ministry established a National Committee on the elimination of Non-Tariff Barriers, and a Unit at the Ministry to focus on the elimination of NTBs. Government has continued to eliminate Non-Tariff Barriers to facilitate the smooth flow of trade. Through this initiative, the following were achieved:

- Cash bonds on Uganda-destined, goods mainly on high value products like cars, electrical product and sugar by the Republic of Kenya, were removed.
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- The Kenyan Government removed requirements for physical inspection, transit permits, payment of transit fees, and possession of import permits from countries of destination by Ugandan exporters of Hides and Skins.
- The 16% VAT on services (Port Charges) for all goods cleared for transit into Uganda has been removed since there was no mechanism for claiming the VAT by Ugandan-registered clearing firms.
- Uganda Revenue Authority established an Electronic Cargo Tracking System. It aims at eliminating delays and costs of escorting transit cargo to the borders and avoiding short landing of cargo.
- Uganda and Rwanda signed a bilateral Agreement on the Removal of NTBs and constituted a Monitoring Committee on the elimination of NTBs between the two countries.

2. Cooperatives Development

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Cooperatives Registration: There are currently 15,225 registered cooperative societies in Uganda. In the years 2013 and 2014, 481 cooperatives were registered and 1,185 are on provisional registration. In the first half of the financial year 2014/15, 457 Cooperatives have been registered. There are about 100 Cooperative Unions and Area Cooperative Enterprises that are involved in value addition and agro processing of coffee, cotton, honey and fruits among others. Notable among them are; the Bugisu Cooperative Union Ltd, Ankole Coffee Producers Cooperative Union Ltd, Wamala Cooperative Union Ltd, Kayunga ACE, Teso Cooperative Union Ltd and Gumutindo ACE. The East Acholi Union has been assisted by the Government through PSFU to acquire machinery for cotton ginning.

Cooperatives Movement Awareness: The 92nd International Cooperative Day and 20th UN Day of Cooperatives was successfully celebrated on 18th September 2014 at Soroti Sports Grounds, hosted by the TESO Cooperative Union Ltd, under the theme “Cooperative enterprises achieve sustainable development for all”.

Cooperative Supervision, Auditing and Inspections: There were 8 Cooperatives inspections. The Ministry was also represented at 3 Annual General Meetings of the Cooperatives. Data was collected from 2 Cooperative Societies.

Warehouse Receipt System (WRS): The Ministry held a stakeholders consultative meeting with the Board of Directors for Uganda Commodity Exchange (UCE), the Uganda Grain Council, the Uganda National Farmers Federation and the Uganda Cooperative Alliance. The meeting agreed on the modalities for the revitalisation of UCE. An understanding has been reached with the aforementioned stakeholders to facilitate effective capitalization of UCE under public private ownership with Government contributing 20% of its total shareholding.

The Board of the WRS Authority established by Cabinet approval. The Authority will work with the Uganda National Commodities Exchange which is currently under formation with 20% Government and 80% Private Sector ownership and contributions to promote WRS.

With the guidance of H.E. the President, Uganda will first strengthen the capacity of her National Commodities Exchange before full engagement in the Regional Commodity Exchange, and will prioritize value addition and trade only in surplus.

Storage Facilities Development: The Ministry will present a paper to the Presidential Economic Committee in February 2015 to lobby for support in the construction of the food storage facilities as was advised by H.E. the President.

3. Standards Development and Quality Assurance

The Ministry is undertaking the development of standards and quality infrastructure in Uganda through UNBS and the Quality Infrastructure and Standards Programme.

The Uganda National Bureau of Standards (UNBS) has made its mark in regional and international standardization arena. This includes being the Coordinator for Africa in Food Standards and the Vice Chair of International Food Standards, FAO/WHO Codex Alimentarius Commission.

H.E. the President commissioned the US\$8.2 billion complex Standards House at Bweyogerere Industrial Park in Wakiso District on 7th October 2014. This will be the permanent home of UNBS. The opening was part of the celebrations to mark 25 years of the UNBS's existence.

To enhance market surveillance and curb trade in unsafe and substandard goods, Government has increased operational support to UNBS. In collaboration with the Swedish International Development Agency (SIDA) and TradeMark East Africa, through the QUISP programme, Government has strengthened its capacity as

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follows:

- The development of the National Standards and Quality Policy (NSQP) which was approved by Cabinet, and formulating its implementation strategy which we will launch today.
- The formation of a National Quality forum for stakeholders to discuss standards and quality issues.
- Retooling UNBS testing and calibration equipment worth US\$ 1 million, which has reduced testing period and costs by almost 50 %.
- Enhancement of human resource capacity through training and attachments to international Standards and Quality bodies.
- Developed and launched the SMCA awareness and communications strategy.
- Supported UNBS with a film van to facilitate outreach SMCA awareness campaign
- Design simplified messages for SMCA to create awareness among the public. The messages are translated in local languages and run on Radios, TVs, Newspapers, posters and bill boards.
- Supported Micro Small and medium enterprises to improve on the quality of their products.
- Supported 30 MSMEs to achieve product certification against national standards. 20 have already qualified for certification and will enable them to compete with imported products in the domestic market and access regional and international markets.
- Three Laboratories were allocated resources to prepare and apply for Accreditation. The Laboratories are; UNBS materials laboratory, MAAIF fisheries Laboratory and Pesticide Residue Analysis under Government Analytical Laboratory. Internationally Accredited laboratories issue test certificates that are accepted globally and minimize related technical related barriers to trade. Currently, the agro-products exports to EU are being rejected because of lack of accredited laboratories in Uganda to test and detect pesticide residues.

Under UNBS, Government re-launched the Pre-shipment Verification of Conformity (PVoC) programme on 1st June 2013, in order to minimize the risk of unsafe and substandard goods entering Uganda and protect consumers against dangerous, and substandard imported products. This programme now covers 10 product categories, including food and food products, electrical and electronics including solar equipment, automotive products and inputs, chemical products including cosmetics, mechanical materials and gas appliances, toys and mosquito nets.

Through PVoC, Government has reduced the entry of substandard products by about 25%.

Table S2.2: Performance Targets FY2015/16 Contributing to the Sector Outcome*

<i>Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services</i>				
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets	
Vote: 015 Ministry of Trade, Industry and Cooperatives				
<i>Vote Function: 0602 Cooperative Development</i>				
Output: 060201	Cooperative policies, strategies and monitoring services			
<i>Performance Indicators:</i>				
Stage of Cooperatives Societies Amendment Act formulation				Cooperatives Societies Amendment Act submitted to Parliament
<i>Output Cost (US\$ bn):</i>	0.277	0.049		0.350
Output: 060202	Cooperatives Establishment and Management			
<i>Performance Indicators:</i>				
No. of cooperatives Societies investigated	5	0		10
No. of cooperatives Societies inspected	24	4		24
No. of cooperatives Societies audited	10	0		25
<i>Output Cost (US\$ bn):</i>	0.211	0.051		0.211

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<i>Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets
Output: 060203	Cooperatives Skill Development and Awareness Creation		
<i>Performance Indicators:</i>			
No. of cooperators sensitized on the Warehouse Receipt System	250	60	800
<i>Output Cost (US\$ bn):</i>	0.167	0.026	0.217
Output: 060281	Cooperatives Infrastructure Development		
<i>Performance Indicators:</i>			
Stage of refurbishment of Kakumiro Cooperative Union warehouse (%)	33	5	50
Stage of refurbishment of Pakanyi United Cooperative Society warehouse			Floor Completed
<i>Output Cost (US\$ bn):</i>	0.248	0.064	0.125
<i>Vote Function: 0604 Trade Development</i>			
Output: 060401	Trade Policies, Strategies and Monitoring Services		
<i>Performance Indicators:</i>			
Stage of Trade Licensing Amendment Act formulation			Submitted to Parliament
Stage of the COMESA Treaty Domestication Bill formulation			Passed and in Operation
Stage of Competition and Consumer Protection Policy formulation			Submitted to Cabinet
<i>Output Cost (US\$ bn):</i>	1.481	0.178	1.558
Output: 060402	Trade Negotiation		
<i>Performance Indicators:</i>			
No. of negotiations under US-EAC, Tripartite, COMESA, EPAs & WTO participated in	7	2	7
No. of consultations with stakeholders on negotiations	4	1	4
Uganda's Services Waiver request submitted to WTO after stakeholder consultation	Yes	No	Yes
<i>Output Cost (US\$ bn):</i>	0.206	0.042	0.330
Output: 060403	Capacity building for Trade Facilitating Institutions		
<i>Performance Indicators:</i>			
No. of Private Sector stakeholders sensitized on Trade policy issues	50	70	50
No. of District Commercial Officers and LG officials monitored, supervised and supported on Sector policies implementation	35	35	35

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<i>Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets
<i>Output Cost (US\$ bn):</i>	1.030	0.018	1.630
Output: 060404	Trade Information and Product Market Research		
<i>Performance Indicators:</i>			
No. of municipalities from which trade licensing returns have been collected	20	20	20
<i>Output Cost (US\$ bn):</i>	0.120	0.015	0.220
Output: 060405	Economic Intergration and Market Access (Bilateral, Regional and Multilateral)		
<i>Performance Indicators:</i>			
No. of Non-Tariff Barriers addressed	10	2	12
<i>Output Cost (US\$ bn):</i>	0.903	0.011	4.343
Output: 060451	Access to Market (UEPB)		
<i>Performance Indicators:</i>			
No. of companies/firms supported to participate in Trade fairs and exhibitions	15	2	15
<i>Output Cost (US\$ bn):</i>	1.843	0.304	1.843
Vote: 110 Uganda Industrial Research Institute			
<i>Vote Function: 0651 Industrial Research</i>			
Output: 065102	Research and Development		
<i>Performance Indicators:</i>			
No. of value added products developed for industrialisation to reduce post harvest losses.	50	15	40
No. of research projects initiated	5	4	60
No. of product analyses undertaken for quality checks	300	293	55
<i>Output Cost (US\$ bn):</i>	1.563	0.208	1.863
Vote: 154 Uganda National Bureau of Standards			
<i>Vote Function: 0652 Quality Assurance and Standards Development</i>			
Output: 065202	Development of Standards		
<i>Performance Indicators:</i>			
No. of standards harmonized	120	0	120
No. of standards developed	120	153	120
<i>Output Cost (US\$ bn):</i>	0.254	0.016	0.274
Output: 065203	Quality Assurance of goods & Lab Testing		
<i>Performance Indicators:</i>			
No. of samples tested	7,200	1,986	7,200
No. of Products certified	500	119	500
No. of imported goods consignments inspected	50,000	19,204	50,000
<i>Output Cost (US\$ bn):</i>	1.159	0.127	1.327
Output: 065204	Calibration and verification of equipment		
<i>Performance Indicators:</i>			

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<i>Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services</i>			
<i>Vote, Vote Function Key Output</i>	Approved Budget and Targets	2014/15 Spending and Targets Achieved by End Sept	2015/16 Proposed Budget and Planned Targets
No. of NML laboratories to be accredited	0	0	0
No. of instruments for weights and measures verified	540,000	17,3241	540,000
No. of equipment calibrated	1,800	139	1,200
<i>Output Cost (US\$ bn):</i>	<i>0.888</i>	<i>0.007</i>	<i>0.856</i>

* Excludes taxes and arrears

2015/16 Planned Outputs

(A) Policy and Legal Framework

1. To ensure order in the business environment, protection of consumers and businesses from their rights or entitlements, the Sector shall embark on the finalisation of the Consumer Protection and Competition Bill, operationalisation of the COMESA Treaty Implementation Bill and the WTO Domestication Bill. The Sector will also finalise Intellectual Property Rights Policy and commence implementation of the Trade Fair and Exhibition Policy and the Buy Uganda Build Uganda Policy.

2. The draft Sale of Goods and Supply of Services Bill, Consumer Protection Bill and the new draft Anti-Counterfeit Goods Bill shall be submitted to Cabinet for consideration. The Cooperative Societies Act shall be gazetted among the Laws of Uganda upon approval by Parliament. The revised Co-operative Societies Regulations and byelaws shall be presented to Parliament for approval.

3. Five thousand (5,000) Application Forms and Certificates shall be printed and issued for Non-Citizens, Tobacco and Travelling Wholesalers Licences countrywide. 500 Hire Purchases Application Forms and Licenses shall be printed and issued.

(B) Trade Development

4. Fifty (50) members from the Business Community and other Stakeholders shall be sensitised on Hire Purchases Law and Regulation. Verification Mission for Tobacco in all tobacco-producing districts will be undertaken.

5. Trade Negotiations: The Sector shall embark on finalisation of the Negotiation for the US-EAC Trade and Investment Treaty. The Ministry shall train the National Trade Negotiation Team (NTNT) in Rules of Origin, Trade Facilitation and tariff liberalisation modalities. The Sector plans to launch the Negotiation of the Continental Free Trade Area Agreement, and implementation of the WTO Trade Facilitation Agreement.

6. Capacity Building for Trade Facilitation: Institutional capacity shall be built at the National Enhanced Integrated Framework (EIF) Secretariat, the National Implementing Unit (NIU) and Public Institutions providing trade-related services. The Sector also plans to enhance the capacity for Private Sector and other MDAS. Skills and competencies of Trade Depts staff enhanced; Training of SMEs in Trade promotion activities undertaken. Capacity building sessions, networking conferences and study tours organized shall be organized for Commercial Officers at the Local Governments under the support of the District Commercial Services Support Project (DICOSS) and the Regional Integration Implementation Programme (RIIP).

7. Trade Information and Product market Research: Trade Licensing data shall be collected from 20 municipalities for development of an Authentic National Business Register.

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8. Economic Integration and Market Access: Non-Tariff Barriers to Trade shall continue to be identified, monitored and verified for redress at 6 border posts on a Quarterly basis by the National Monitoring Committee with support from TradeMark East Africa (TMEA). Uganda's position shall be represented at the EAC Technical, Sectoral and Summit meetings regarding progress on EAC integration. There shall be coordinated delivery of Aid for Trade and TRTA within the Sector and its associate and interdependent Sectors. The Diagnostic Trade Integration Study (DTIS) Action Matrix shall continue to be supported for implementation.

9. Trade Policy shall continue to be implemented at District through Commercial Inspectorate Services. Uganda's products and services shall be promoted for the regional and international markets. The Sector shall continue rooting for increased benefits for the Ugandan Private Sector from the EAC Integration arrangement and the COMESA FTA. This shall best be achieved through implementation of the EAC Common Market and promotion of Private Sector Competitiveness.

10. Through the Regional Integration Implementation Programme (RIIP): The National Inter-Ministerial Committees (IITC) shall officially be constituted and operational. The Sector will continue elimination of Tariffs and Issuance of legal instruments, training officers and undertaking Public awareness workshops on implementation of the COMESA FTA, harnessing Regional Market Opportunities-Development of BMPs, enhancing Value Addition and value chain, engaging the trading Partners with a view to eliminating NTBs/SPS related barriers, domesticating the COMESA and EAC harmonized standards, improving private sector compliance to market access requirements and ensuring Uganda's interests are an integral part of the arrangements under Single Customs Territory. The Programme will continue positioning the Private Sector to effectively compete under a single customs territory, development of Request position Paper, National consultations and studies on requests, domesticating the EAC and COMESA Competition Regulations, creating awareness on Uganda's Competition laws and regulations, and the ensuring the COMESA Common Investment Area Agreement is signed and ratified.

(C) Export Promotion

11. The Uganda Export Promotion Board (UEPB) shall hold 5 local trade fairs to promote and solicit products and producers to link to export markets. Strategic Market Linkages shall be made in priority markets through outward missions. The President's Export Award (PEA) will be organized. Trade Promotion materials & Publications will be disseminated to Uganda's Missions abroad. Uganda will be represented in EAC and COMESA Region and International Trade Fairs. Seven hundred (700) informal traders will be integrated into the formal cross border trade sector. The National Export Strategy will be revised and aligned to the National Development Plan, and monitored on performance. Eight (8) companies will be supported to access the Asian markets. Ten (10) universities/colleges will be supported to market their services in 1 destination in the EAC region. Health care and research services will be marketed in the region.

12. Twenty five (25) DCOs in each of the 5 regions will be trained in Market Analysis and Trade/Business Advisory. Five (5) technical officers will be trained in Market Analysis and Trade Intelligence. Twenty four (24) Ugandan companies producing value added products will be supported to access the regional markets of DR Congo and South Sudan through the market linked program. Producers of commercial handicrafts will be organized for product development and market access. Government contribution will be lobbied for six market access Donor projects. Twelve (12) SMEs coached through the Enterprise development for export model. One hundred and fifty (150) SMEs will be trained in product specific packaging. Well maintained institutional web promotional and communication tools. Export market information material for visitors at various annual trade fairs and events. Twenty five (25) export-ready MSMEs assisted in developing online marketing and promotional tools. Fifteen (15) business opportunities identified and disseminated to SMEs per quarter. An enhanced and nationally accessible SMS Export and Local market price information service (Export market information services).

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13. The online regional market information portal - RISE (Export market information services) shall be maintained and kept up to date. Five printed market information tools shall be availed at the Business Community Reference Centre. Four export awareness clinics focusing on EAC Common Market entry will be conducted. Institutional ICT infrastructure strengthened to enable better and cost-effective service delivery. Three hundred (300) SMEs trained in tailored export readiness and dynamics. Up to 15 producer groups and rural MSMEs trained on export quality, labeling and packaging requirements.

(D) Cooperatives Development

14. To revitalize the Cooperative Movement, one thousand (1,000) Cooperative Societies shall be supervised to ensure compliance to Cooperative Law, twenty five (25) Cooperatives audited to ensure proper financial ability and reporting, twenty four (24) Cooperatives inspected to ensure proper management and governance by the leaders and ten (10) investigations will be undertaken.

15. The Ministry shall sensitize and train 800 stakeholders on WRS Cooperative business management and entrepreneurship. One hundred and eighty (180) farmers shall be mobilized to form horticulture cooperatives in Central, Eastern and South West Uganda for export purposes. International Cooperative Day Nationally shall be commemorated to keep up public awareness on the Cooperative Movement and its latest developments. Youth from 2 prominent Universities will be sensitized and mobilized to form investment cooperatives.

16. The Ministry shall embark on the refurbishment of Kiryandongo warehouse and Kakumiro warehouse. Several proposed and offered sites shall also be inspected for Construction and Refurbishment of warehouses to assess their suitability and proof of ownership.

(E) Standards Development and Quality Assurance

17. To strengthen the fight against harmful and substandard products on the market, the Uganda National Bureau of Standards shall develop, harmonize and adopt 120 standards. Five hundred (500) Product certification Permits shall be issued. Ten (10) Systems permits will be issued. One thousand (1,000) market inspections shall be conducted. Under the Quality Import Inspections department, fifty thousand (50,000) import consignments shall be inspected. Under the Testing department, seven thousand two hundred (7,200) samples tested by UNBS Testing department in Nakawa Head Office. UNBS shall maintain accreditation of 2 laboratories. Under Legal Metrology, 540,000 instruments of weights and measures are targeted for verification. Under National Metrology, 1,200 equipment shall be calibrated.

Medium Term Plans

The medium term plans for the Sector as derived from the Sector's Policy documents and Strategies concur with those in the National Development Plan 2010/11-2014/15. These include:

1. Strengthen the policy and legal framework of co-operative Societies
2. Increase Productive capacity and Productivity of the Members of the Cooperative Movement
3. Promote cooperative education and training
4. Promote Value Addition and Collective Marketing
5. Improve access to financial services for the co-operative Institutions.
6. Strengthen the capacity of Co-operative institutions
7. Promote Partnerships and linkages
8. Establish and strengthen co-operative information systems
9. Expand the scope and range of co-operative enterprises
10. Strengthen the policy, legal and regulatory frameworks.
11. Implement measures to reduce the time and cost of starting a business.
12. Develop and implement a national trade information system
13. Develop human resource in trade related issues
14. Increase awareness on the available financing options and standards

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15. Negotiate better market access for Ugandan goods and services
16. Penetrate high value markets in high income countries such as the European Union, the United States, and Canada.
17. Develop trade infrastructure such as cold storage facilities, border markets and warehouse facilities among others.
18. Establish relevant institutions and structures for enhancing infrastructure delivery and standards
19. Establish relevant institutions and structures for enhancing infrastructure delivery and standards
20. Enhance branding of products and services
21. Promote effective positioning of Uganda's products and services in international markets
22. Strengthen coordination of trade institutions
23. Promote equal opportunities to women, youth and disadvantaged groups
24. Strengthen Uganda's standards development and quality infrastructure and processes to guarantee industry competitiveness (especially SMEs).
25. Adopt the use of standards in public policy and legislation to foster business competitiveness and protection of public health, safety and the environment.
26. Set up a national conformity assessment regime that provides confidence in national capacity and competences in line with market requirements
27. Develop and maintain institutional capacity for development, analysis, implementation and dissemination of laws, regulations and standards in line with demonstrated priorities and anticipated needs in standardization.
28. Increase awareness on standardization among public and private sector decision makers to enhance competitiveness and improve consumer protection.
29. Establish a National co-ordination framework to enhance cooperation and coherence within the National standardization system including public private partnerships.
30. Promote the application and use of standards in industry to enhance quality and competitiveness.
31. Evolve innovative and sustainable funding business models to attract increased funding.

Actions to Improve Outcome Performance

The following are plans to improve sector outcome performance:

1. Prioritise the revival of the dormant cooperatives, strengthen the weak ones, and mobilise and support the formation other specialised types of cooperatives;
2. Promote good governance in Cooperative Societies and Unions;
3. Promote produce bulking & process through cooperatives movement;
4. Intensify supervision, monitoring, inspection missions to Cooperative Societies all over the Country;
5. Continue with sensitisation of cooperative members;
6. Sensitise the Cooperative Societies to integrate input supply credit and savings, value addition, marketing and distribution for consumption;
7. Fast-track the formulation and review of Commercial Laws such as the Competition and Consumer Protection Policy, Anti-Counterfeit Goods Bill, Trade Licensing Regulations, SPS Policy etc;
8. Extend operations of the NTB monitoring mechanism, and reduce or partially eliminate NTBs through Bilateral Negotiations and constant monitoring;
9. Operationalise the Tourism, Trade and Industry Sector Working Group;
10. Constitute and operationalise a Trade Commissioners Forum with participation from all key Commissioners and Department Heads across Government whose contributions facilitate Trade.

Table S2.3: Actions and Medium Term Strategy to Improve Sector Outcome

<i>Sector Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services</i>			
2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
Vote: 015 Ministry of Trade, Industry and Cooperatives			
Vote Function: 06 02 Cooperative Development			
Sensitise the Cooperative Societies to integrate input supply credit and savings,	The Ministry has embarked on several trainings and sensitisation programmes for	Sensitise the Cooperative Societies to integrate input supply credit and savings,	Carrying out market research, refurbishing produce stores; Networking with development

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<i>Sector Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services</i>			
2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
value addition, marketing and distribution for consumption	stakeholders covering a number of topics on grain value chain development are on-going. This Quarter focused on handlers at Warehouses.	value addition, marketing and distribution for consumption	partners to establish more Rural Information Centres;
Intensify supervision/monitoring/inspection missions to Cooperative Societies all over the Country; Continue with sensitisation of cooperative members;	The Ministry has in this Quarter inspected four cooperatives, participated in the Board meeting of one, collected performance data on 3 societies, and even gone as far as participating in a Court Case involving a Cooperative on Governance issues;	Intensify supervision/monitoring/inspection missions to Cooperative Societies all over the Country; Continue with sensitisation of cooperative members;	Construct 10 Regional warehouses; Refurbish 180 warehouses; Develop standards on education and training, and best practices in operations of Cooperatives; Training cooperative members on Governance issues.
Prioritise the revival of the dormant cooperatives, strengthen the weak ones, and mobilise and support the formation other specialised types of cooperatives; Promote good governance in Cooperative Societies and Unions; Promote produce bulking & process		Prioritise the revival of the dormant cooperatives, strengthen the weak ones, and mobilise and support the formation other specialised types of cooperatives; Promote good governance in Cooperative Societies and Unions; Promote produce bulking & process	Prioritise the revival of the dormant cooperatives, strengthen the weak ones, and mobilise and support the formation other specialised types of cooperatives; Promote good governance in Cooperative societies and Unions; Promote bulking and processing
Vote Function: 06 04 Trade Development			
Operationalise the Tourism, Trade and Industry Sector Working Group; Constitute and operationalise a Trade Commissioners Forum with participation from all key Commissioners and Department Heads across Government whose contributions facilitate Trade;	The Ministry has a functional TTI Sector Working Group which still requires to meet more regularly; With the support of the TRACE II Programme, the Ministry successfully held the Trade Commissioners Forum with participation from all key Commissioners and Department Heads across the Government whose contributions facilitate Trade;	Operationalise the Tourism, Trade and Industry Sector Working Group; Continue facilitating the Trade Commissioners Forum with participation from all key Commissioners and Department Heads across Government whose contributions facilitate Trade;	Enhancing the capacity of trade staff, Private Sector and DCOs to handle trade related issues; MSMEs strategy in place; Operationalise the NTNT; Launching Regional and District IITCs; Strengthen the interlinkages in the trade sector
Extend operations of the NTB monitoring mechanism, and reduce or partially eliminate NTBs through Bilateral Negotiations and constant monitoring;		Extend operations of the NTB monitoring mechanism, and reduce or partially eliminate NTBs through Bilateral Negotiations and constant monitoring;	Continuous engagement of the relevant authorities in removing NTBs; Continuous negotiations at Bilateral, Regional and International levels; Continuous sensitization of importers, exporters and other stakeholders
Fast-track the formulation and review of Commercial Laws such as the Competition and Consumer Protection Policy, Anti-Counterfeit Goods Bill, Trade Licensing Regulations, SPS Policy etc;	The Ministry has conducted a Stakeholder Consultation on the Trade Fair and Exhibitions Policy; Developed the Trade in Services Policy to a ready draft for Stakeholder consultations; Prepared a draft Bill to Domesticating the COMESA Treaty; and, Continued the formulation of the Competition Bill;	Fast-track the formulation and review of Commercial Laws such as the Competition and Consumer Protection Policy, Anti-Counterfeit Goods Bill, Trade Licensing Regulations, SPS Policy etc;	Develop necessary policies and laws to facilitate trade; Harmonize Regional integration frameworks and policies;

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<i>Sector Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services</i>			
2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
	The Ministry also organised and held a 1-day consultative meeting to review the Sale of Goods Bill. Draft Bill ready for resubmission to Cabinet;		
Vote Function: 06 49 Policy, Planning and Support Services			
Operationalise TTI Sector Working Group; Strengthen Sector Monitoring and Coordination		Operationalise TIC Sector Working Group; Strengthen Sector Monitoring and Coordination	Operationalise TTI Sector Working Group; Strengthen Sector Monitoring and Coordination
Recruitment of more staff in the Ministry within the Wage Provision as was given clearance in FY 2012/13; Lobby for more funding to fully support the Approved Staff Establishment Structure, including the Directorate of MSMEs; Facilitate and motivate Staff	The Ministry requested the Public Service Commission to advertise about 20 vacancies for filling; The Ministry requested MoFPED to avail it with a Certificate of Clearance of Financial Obligations/No Objection that would allow MoPS to table a Cabinet Memo to establish and recruit officers into the Directorate of Micro, Small and Medium Enterprises; The Ministry has slightly improved the motivation and welfare of its staff, and also conducted Team-Building meetings more consistently than in the previous Financial Year;	Recruitment of more staff in the Ministry staff establishment structure; Lobby for more operational funding to fully support the Approved Staff Establishment Structure, including the Directorate of MSMEs; Facilitate and motivate Staff	Fill all the vacant posts in the Ministry's Approved Staff Establishment Structure; Provide Staff with adequate tools and equipment to facilitate their duties; Provide a conducive environment and welfare to support and motivate Staff;
Operationalise the Tourism, Trade and Industry Sector Working Group; Continue to engage the Ministry of Finance, Planning and Economic Development to increase resource allocation to sector's MTEF;	The Ministry has continued to engage the Ministry of Finance, Planning and Economic Development to increase resource allocation to sector's MTEF through various forums for: the MSMEs Directorate, the District Commercial Extension Services, the One Village One Product Programme, the Quality Infrastructure and Standards Programme, the Warehouse Storage Infrastructure, Border Market Programme and the Cooperatives Revitalisation Strategy among others;	Operationalise the Tourism, Trade and Industry Sector Working Group; Continue to engage the Ministry of Finance, Planning and Economic Development to increase resource allocation to sector's MTEF;	Secure transport facilities for improved movement of staff; Strengthen TTI Sector Working Group;
Vote: 110 Uganda Industrial Research Institute			
Vote Function: 06 51 Industrial Research			
Establish the Regional Scientific and Innovation hub as Center of Excellence.			Establishment of five multi-function value addition centers across at regional level; Developed value added industries especially agro

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<i>Sector Outcome 3: Improved Competitiveness and Market Access of Uganda's Goods and Services</i>			
2014/15 Planned Actions:	2014/15 Actions by Sept:	2015/16 Planned Actions:	MT Strategy:
			industries as per the National agro zone centers.
Vote: 154 Uganda National Bureau of Standards			
Vote Function: 06 52 Quality Assurance and Standards Development			
		Lobbying development partners for support.	Maintainance of the existing infrastructure.
		Engage Government to increase wage bill and approve recruitment of additional staff.	Continous engagement of Government
		Lobby for increased funding from Government.	Optimise use of the current available resources

(iv) Efficiency of Sector Budget Allocations

Through the Tourism, Trade and Industry Sector Working Group, the Sector is dedicated to efficiency in Budget allocation and execution to ensure that in all its plans, activities and outputs, there is Value for Money. This is carried out through providing adequate capacity for staff to enable them carry out their duties and responsibilities in a professional manner and in accordance with the law. In addition to professionalization of the different cadres in the Sector's MDAs, proper staffing tools are availed to foster accuracy, effectiveness and service delivery in a timely manner.

Under the Sector's Vote Functions, the MDAs shall, in FY 2014/15 and in the medium term continue to ensure efficiency in resource allocation and utilisation in order to achieve value for money to ensure promotion of economic growth, job creation and improved service delivery.

The Policy, Planning and Support Services Functions shall continue to ensure that funds are allocated in accordance to work plans which are linked to the attainment of the NDP short-term and long-term goals. This shall eliminate unnecessary allocations and reallocation of resources which are not in line with the agreed upon outputs, work plans and procurement plans. The Ministry's Policy and Planning Unit is mandated to carryout annual and quarterly Budget monitoring and produce periodic reports and Policy briefs which facilitate identification of inefficiency in allocation and use of the public funds.

The Sector shall ensure effecting of the Electronic Funds Transfer systems to enable transparency and adherence to, laws, standards, guidelines, policies and procedures and other financial management regulations. The Ministry shall also carry out performance audits, IT and Forensic audits in addition to conducting quality assurance reviews to further ensure compliance to the law which shall lead to the attainment of Value for Money and efficiency in service delivery.

Transport policy for Entitled Staff - Managers will be facilitated to use personal cars instead of using Board vehicles. This will cut the cost by more than 92%.

Table S2.4: Allocations to Key Sector and Service Delivery Outputs over the Medium Term

Billion Uganda Shillings	(i) Allocation (Shs Bn)				(ii) % Sector Budget			
	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18
Key Sector	83.0	30.0	97.7	99.9	65.9%	40.3%	66.7%	70.2%
Service Delivery	69.4	13.0	83.0	85.6	55.1%	17.2%	56.7%	60.1%

Table S2.5: Key Unit Costs of Services in the Sector (Shs '000)

(v) Sector Investment Plans

The above funding allocated to capital purchases over the medium term by the Sector is critical to meeting the priority interventions of Government through various programmes within the Sector Votes.

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Table S2.6: Allocations to Class of Output over the Medium Term

Billion Uganda Shillings	(i) Allocation (Shs Bn)				(ii) % Sector Budget			
	2014/15	2015/16	2016/17	2017/18	2014/15	2015/16	2016/17	2017/18
Consumption Expenditure(Outputs Provided)	47.2	53.4	55.1	49.7	37.5%	70.7%	37.7%	34.9%
Grants and Subsidies (Outputs Funded)	63.4	6.9	70.9	73.2	50.3%	9.2%	48.4%	51.4%
Investment (Capital Purchases)	15.4	15.2	20.3	19.4	12.2%	20.1%	13.9%	13.6%
Grand Total	126.0	75.5	146.4	142.4	100.0%	100.0%	100.0%	100.0%

The major capital investments that will be undertaken by the Vote in FY 2015/16 include the following:

a) Construction of the Soroti Fruit Factory and facilitating infrastructure, including the underground tank to hold water for washing the produce, procurement of vehicles to transport the produce to the factory and for distribution of products, among others. All this will be undertaken by UDC under the Soroti Fruit Factory Project (1111).

B) Construction of warehouses through the Support to Warehouse Receipt System Project (1203).

C) Initial phase of establishment of the border markets with support from the COMESA through the Regional Integration Implementation Programme (RIIP).

D) Value addition support to cooperative enterprises through the supply of critical equipment to enhance their value addition efforts through the One Village One Product Programme (1164).

Table S2.7: Major Capital Investments

Project	2014/15		2015/16
	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote: 015 Ministry of Trade, Industry and Cooperatives			
Vote Function: 0601 Industrial and Technological Development			
<i>Project 1111 Soroti Fruit Factory</i>			
060180 Construction of Common Industrial Facilities	<p>Fruit farmers mobilized and trained as productive units of the value chain;</p> <p>Ground breaking of the factory undertaken;</p> <p>orange & mango Juice analysis report produced by URI & Makerere University;</p> <p>customers taste & preference analysis report produced for the sampled juices;</p> <p>Consultant secured to develop technical designs & BOQs for underground water tank;</p> <p>Technical designs & BOQs produced for the underground water tank;</p> <p>land for waste disposal secured;</p> <p>EIA consultant for the waste disposal site secured;</p> <p>Final EIA report produced for the waste disposal site;</p> <p>Soroti fruit factory publicized;</p> <p>Security services provided at the project site;</p> <p>EIA certificate secured for water</p>	<p>On 18th September 2014, H.E. President Museveni launched the Teso Fruit Processing Factory at the Soroti Industrial and Business Park. The project cost is expected to be US\$9.6 million. The project is being implemented by the Government of Uganda in partnership with the Government of the Republic of South Korea through KOICA. The construction of the factory is slated to commence in November this year and it is expected to be ready for operation by early 2016. Once the factory is developed into a secure and profitable business enterprise, UDC will manage it in partnership with Teso Tropical Fruit Growers Cooperative Union with UDC having 80% shareholding;</p> <p>The daily production capacity of the plant will be 120 metric tons of processed fruits. The Ministry and the Ministry of Agriculture through the Department of Cooperatives and NARO respectively, have so far trained over 30,000 farmers in best farm practices to ensure the supply of sustainable quality fruits to the factory;</p>	<p>Collect orange & mango samples & carry out an analysis on the juices produced;</p> <p>Carry out free juice tasting in different locations to ascertain customers' taste & preference on the orange juice;</p> <p>Carry out bench marking of the fruit industry in the EAC;</p> <p>Carry out publicity activities for the project;</p> <p>Provide site security services (Uganda Police facilitation);</p> <p>Hold Taskforce meetings;</p> <p>Monitoring and evaluating the implementation of the project activities;</p> <p>Project administrative expenses;</p> <p>Participate in local and regional symposiums on the latest agro-processing technical regulations and standards and their related impact on the trade competitiveness of agro-processing entities;</p> <p>Procure a consultant to prepare designs and BOQs for the ICT infrastructure;</p>

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Project	2014/15		2015/16
Vote Function Output <i>US\$ Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0601 Industrial and Technological Development	disposal site;	Product development undertaken (juice yield, sensory analysis), and Orange & mango Juice analysis report produced by UIRI & Makerere University;	Prepare technical designs & BOQs for the ICT infrastructure;
	Consultant secured to develop the ICT infrastructure;	Customers taste & preference analysis report produced for the sampled juices;	Procure a contractor to install the ICT infrastructure;
	Contractor secured for the construction & installation of an underground water tank;	Project unit versed with agro-industry technical regulations;	Install the ICT infrastructure;
	solid waste disposal site fenced;	Three(3) staff trained eg Senior project officer, HR & Admin manager, Senior procurement Officer;	Capacity for the project implementation team enhanced;
	Technical designs & BOQs produced for the ICT infrastructure;	Best Evaluated bidder secured to supply IT equipment;	Procure a contractor to develop the waste disposal site;
	Underground water tank coonstructed;	Draft Terms of Reference for the business plan prepared;	Development of the waste disposal land;
	capacity for the project implementation team enhanced;	Teso Fruit Factory in Soroti district publicized with Publicity materials & T-Shirts;	Recruit Plant Personnel;
	leveled waste dispoal site & other facilities constructed;	Security services provided at the project site;	Procure vehicles for distribution of the final products;
	Plant personnel recruited;	Project progress reports produced;	Operating the fruit factory;
	Potential customers for the pulp & concentrates identified;	Project Administrative expenses paid;	
	Contractor procured to install the ICT infrastructure;		
	factory vehicles (trucks) procured;		
	project Taskforce meetings held;		
	Project progress reports produced;		
	Projects Unit upto date with the latest agro-industry technical regulations and their impact on competitiveness of agro-processing enterprises		
	project Administrative expenses;		
Total	4,846,906	1,150,186	4,482,787
<i>GoU Development</i>	<i>4,846,906</i>	<i>1,150,186</i>	<i>4,482,787</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
Vote: 110 Uganda Industrial Research Institute			
Vote Function: 0651 Industrial Research			
<i>Project 0430 Uganda Industrial Research Institute</i>			
065177 Purchase of Specialised Machinery & Equipment	The Institute continues to procure machinery and equipment for planned projects. Below is a list of procurement status of several that items under procurement process - The Division received the first phase of electronic components and electrical equipment to facilitate the development of	The Institute continues to procure machinery and equipment for planned projects. Below is a list of procurement status of several that items under procurement process - The Division received the first phase of electronic components and electrical equipment to facilitate the development of	This involves procurement of specialised equipment, design and fabrication of Specialized Machinery - Newcastle Vaccine Dropper Bottles - Pathogen Free Eggs - Newcastle Vaccine Laboratory Supplies - Moisture Analyzer Analysis of residual moisture in the vials

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Project	2014/15		2015/16
Vote Function Output <i>US\$ Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0651 Industrial Research	<p>project prototypes.</p> <ul style="list-style-type: none"> - A second batch is being populated and will utilize a similar procurement method to obtain the necessary goods. - Procurement of Hydrogen Generator for GC is underway - Procurement of Laboratory Centrifuge is underway - Procurement of Analytical Balance is underway - Procurement of GC-MS (for Essential Oil Analysis) is underway - Procurement of FTIR libraries (2) - Procurement of Gases (acetylene, Helium, and Oxygen) - Procurement of mobile laboratory - Procurement of Laboratory standards chemicals, Reagents, Apparatus and other lab materials are underway - Procurement for Soxtec system (Fat content), Fibertec system(fiber content) & Kjeltex system (protein) are underway - Procurement for 5 Desktop Computers - Procurement of Laboratory Analytical Balance - Procurement of Gas Chromatography/ Mass spectrometer (GC-MS) equipment - Mobile laboratory (equipment inclusive) - procurement of hydrogen generator for GC - Procurement of laboratory centrifuge - procurement of 2 libraries for FTIR - Analytical Chemistry & Laboratory text books 	<p>project prototypes.</p> <ul style="list-style-type: none"> - A second batch is being populated and will utilize a similar procurement method to obtain the necessary goods. - Procurement of Hydrogen Generator for GC is underway - Procurement of Laboratory Centrifuge is underway - Procurement of Analytical Balance is underway - Procurement of GC-MS (for Essential Oil Analysis) is underway - Procurement of FTIR libraries (2) - Procurement of Gases (acetylene, Helium, and Oxygen) - Procurement of mobile laboratory - Procurement of Laboratory standards chemicals, Reagents, Apparatus and other lab materials are underway - Procurement for Soxtec system (Fat content), Fibertec system(fiber content) & Kjeltex system (protein) are underway - Procurement for 5 Desktop Computers - Procurement of Laboratory Analytical Balance - Procurement of Gas Chromatography/ Mass spectrometer (GC-MS) equipment - Mobile laboratory (equipment inclusive) - procurement of hydrogen generator for GC - Procurement of laboratory centrifuge - procurement of 2 libraries for FTIR - Analytical Chemistry & Laboratory text books 	<p>after lyophilisation. It will facilitate the determination of extended expiry periods.</p> <ul style="list-style-type: none"> - Refrigerators for storage of large quantities of finished product - Installation of walk in freezers for meat pilot plant - Procuring meat equipment for the meat pilot plant - Procurement of meat equipment for Virtual incubatees - Upgrade fruits and vegetable pilot plant equipment - Procurement of equipment for the new cheese pilot plant (50-100kg per shift) - Procurement of a toothpick packaging machine - Procurement of a continuous ice cream freezer - Procurement of new dairy equipment to upgrade milk powder plant to 1 ton per shift - Extraction of orange juice - Need for modification of the gas pasteurizer to a double jacketed gas pasteurizer - Modification of the juice master - Procurement of Laboratory Analytical Balance - Procurement of Gas Chromatography/ Mass spectrometer (GC-MS) equipment - 10 Analytical Chemistry & Laboratory text books - Procurement of hydrogen generator for GC - Procurement of laboratory centrifuge - Procurement of 4 libraries for FTIR - Procurement of mycotoxin testing kit - Procurement of Laboratory Blender - Procurement of HPTLC set for Natural products - Mobile laboratory (equipment inclusive) - Acquire an effective heat source in the lab - Acquire an equipment that can blend and mix - Sacket packaging technology - Peanut grinding technology for product development - Basic laboratory equipment centrifuge, analytical balance, glass ware, pipette, measuring cylinder, pastuer pipette, beakers, funnels, pipette fillers, reagent bottles, glass rods, conical flask, burette, chemicals and consumables, Hydrochloric

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Project Vote Function Output <i>UShs Thousand</i>	2014/15 Approved Budget, Planned Outputs (Quantity and Location) Actual Expenditure and Outputs by September (Quantity and Location)		2015/16 Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0651 Industrial Research			<p>acid, sulphuric acid, sodium hydroxide, methyl orange indicator, phenolphthalein, sodium thiosulphate, potassium iodide, starch, sodium chloride, chloroform, ethanol reagent, filter paper(whatman)</p> <ul style="list-style-type: none"> - Procurement of safety ware, organic respirator, chemical resistant gloves (carton), chemical resistant shoes, and overcoats - Procurement of 2 units of Humidifiers for the button mushroom research Project - Procurement of a florescent microscope with identification software with computer system connected - Procurement of a Plant weighing scale of maximum weight of 100kg - Procurement of an air conditioning system with humidity and temperature control system - Procurement of a Pressure Casting machine. Draw equipment specifications - Procurement of a Hydro Cyclone unit - Kaolin Pre-treatment. Draw equipment specifications - Procure Integrated X-Ray Florescence (XRF) /X-ray Diffraction (XRD) Machine. Draw equipment specifications - Procure sets of Standard Screens/Sieves - Procurement of a Thermal Pyrometer. Draw equipment specifications - Acquisition of Raw Materials - Procurement of safety gears of different sizes and types/brands - Procurement of Ceramics Surface Decoration Equipment - Testing equipment for the juice plant - Procurement of testing equipment - Purchase of a steam jacketed kettle - Purchase of two Domain servers - Purchase of one Storage and replication server - Purchase of two printers to be networked to serve all UIRI staff - Procurement of ICT maintenance firm - Coordinate campus wide and offsite computer maintenance - Procurement of other ICT consumables (4 C5020, 50CD's, 50 DVD's, 2 Fax Film, 10 Flash

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Project	2014/15		2015/16
Vote Function Output <i>UShs Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0651 Industrial Research			
			Disk, 5 HP 130 & 134, 5 HP 131 & 135, 4 HP 13A, 4 HP 2600N, 4 HP 36APCS, 6 Hp 3800, 4 HP 49A, 4 HP 53A, 4 HP 70 A, 4 HP 78d & 45d, 4 HP 5500DN, 5 C530,1,2,3A, 4 HP 35, 6 Toner for HP Desk jet 500 MFP, 4 TK-540 Kyocera toner, 3 Canon C-EXV14, 2 Printer Ribbons, 4 HP 05A, 5 Network Cards, 10 Mouse PCS, 20 Ups Batteries, 14 Extension cables, 10 RAM, 5 CMOS battery - Enhance records management for incubates, and Creation of an alternative source of revenue for the BDC. Purchase of Palladium Ent, QuickBooks, Tally and Business Plan pro - Create more training terminals and repair of existing desk computers in the BDC Lab. This requires purchase of workstation and computers in the BDC Lab - Enhance training at the BDC through acquisition of visual aid tools. This requires purchase of Laptops and projectors for BDC - Provide Internet service, Internet bandwidth provision and subscription
Total	3,994,303	877,388	1,707,971
<i>GoU Development</i>	<i>3,994,303</i>	877,388	<i>1,707,971</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
065172 Government Buildings and Administrative Infrastructure	<ul style="list-style-type: none"> - Upgrading of access road to the Eastern gate as it is Laying of stabilized gravel - Proposed Incubation center at Namanve - A model facility - Chemistry lab refurbishmentA model facility - Proposed water bottling plant in Bushenyi - Proposed Kigezi Diocese Poultry House - Proposed Maziba Winery Project, Kabale - Proposed Kika Farm Juice processing facility in Luweroo - Proposed MAFFACO (Masindi fruits farmer's Company) Mango Juice Processing Plant. - Proposed Ikirah Soap Processing Factory Lyatonde, Mitooma - Proposed Model Diary Farm in NtungamoA model farm - Proposed Itojo Juice processing plant. Ntungamo District - Proposed G.nut processing plant in Agago.A model facility 	<p>UIRI has made deliberate effort to establish value addition centers as mode / means of taking technology to the people, by engaging in Technology Transfer, Technology Diffusion, technology dissemination, and Technology adaptation to spur industrial development</p> <p>- Feasibility of Proposed Incubation center at Namanve - A model facility is being planned in under a grant collaborative arrangement with the Chinese government to establish a Machining, Manufacturing, Tooling, Skills Training Center at Kampala Industrial Business Park Namanve.</p> <p>- Bills of Quantities for remodeling works of Chemistry laboratory to facilitate the certified standard requirements for research activities have been compiled. The Chemistry Laboratory is being restructured</p>	<ul style="list-style-type: none"> - Establish a functional Fruit juice and water processing facility in Kawempe by modification of an existing processing facility - Development of new products for the centres and training of production staff - Establish a Model industry to manufacture the polylactic acid and make bioplastics; and cosmetics centre 1st, 2nd, 3rd and 4th Establish infrastructure for pilot plants and recruit personnel to manage the centres - Maziba Winery Project, Kabale Establishment of a complete functional processing winery plant whose construction work included a sub structure, walling and roofing, sanitary facilities, internal and external finishes, external works have been completed and handed over. Defects liability period supervision is underway. - Establishment of a Model Diary Farm in Ntungamo The establishment of a model

Section 3: Tourism, Trade and Industry Sector

Project	2014/15		2015/16
Vote Function Output <i>US\$ Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0651 Industrial Research	<ul style="list-style-type: none"> - Extra works at Essential oils Luweero Variation to additional scope to include office premises and wet areas - Proposed Water bottling plant for J & S in Kawempe A model facility - Arua Savoury Classic meat processing Plant 	<p>aimed at recognition of the laboratory by Uganda National Bureau of Standards, UNBS. Procurement process of contractor process</p> <ul style="list-style-type: none"> - Establishment of a complete poultry house to support the poultry rearing for Kigezi Diocese located in Rugarama Substructure, walling and roofing, sanitary facilities, internal and external finishes are complete, Roofing works is also complete, Floor screeding is finished, All doors have been fitted, Fire mesh (reinforced wire BRC) has been fitted in all windows, Ceiling works at the verandah is complete. 90 % of works are complete - Establishment of a complete functional juice processing plant in Luweero for Kika group of farmers. Substructure, walling and roofing, sanitary facilities, internal and external finishes are complete. All refurbishment preliminary works are complete. Internal and external finishes are complete. Only ground levelling (external works) is ongoing. - Establishment of a complete functional processing winery plant at Maziba in Kabale Construction of Substructure, walling and Roofing works have been completed. Doors and windows have been fixed. Finishing works are complete. Chain link is complete. The gate has been fitted. External works are ongoing - Construction of habitable staff housing at the Kabale Bamboo processing plant Demolitions, construction of retaining wall, house construction, and toilet facilities for the staff housing have been completed as per terms and conditions of contract. Toilet facilities construction has also been finalized. The site was commissioned and is under defect liability period - Establishment of a model farm at Karibuga -Ntungamo Detailed designs and BOQs for construction of a dairy shade, 	<p>farm entails constructing a Dairy shade, Feeding shade, Chaff Cutter shade, Milk collection area. Site has been handed over to the Contractor for commencement of work.</p> <ul style="list-style-type: none"> - Extra works at Essential Oils Pilot Project Luweero Construction of allowed variation for additional scope to include office premises and wet areas is underway at 90% of works complete. - Construction of a nursery shed at Essential oils Luweero Construction of a nursery shed at Luweero Essential Oils is underway. Civil works Construction were completed. Welding works are pending - Proposed Fruit juice processing plant in Itojjo A functional fruit juice processing plant whose works include a substructure, walling and roofing, internal and external finishes is underway. Construction is ongoing and the substructure is complete - Proposed Cheese processing plant at Rubale Ntungamo District Works include to design for construction of the Cheese Processing Facility is underway. Site reconnaissance, to assess the nature of land, was done by the UIRI technical team on 17th Sep 2014. Bills of Quantities have been prepared. - Proposed Soap processing plant in Kabale Industrial Area for Yildi enterprises is underway. Works to include Design for construction of the facility is underway. Site reconnaissance, to assess the nature of land, was done by the UIRI technical team on 17th Sep 2014. Preliminary estimates have been prepared. - Proposed rehabilitation of Esia mixed farm, Adjumani Rehabilitation of the facility and activity scope to be discussed with UIRI Management - Tile manufacturing facility in Wakiso Designs and Bills of Quantities have been prepared for establishment of a manufacturing facility for Tiles in Wakiso - Proposed Peanut Processing Plant in Soroti District The design is complete and

Section 3: Tourism, Trade and Industry Sector

Project Vote Function Output <i>US\$ Thousand</i>	2014/15 Approved Budget, Planned Outputs (Quantity and Location) Actual Expenditure and Outputs by September (Quantity and Location)		2015/16 Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0651 Industrial Research	<p>Feeding shade, Chaff Cutter shade, Milk collection area have been completed. The Bid Evaluation process has been completed. Contract preparation is underway.</p> <p>- Construction of a nursery shed at Luweero Essential Oil Pilot Project Excavation has been complete. Foundation base concrete has been completed. Plinth walling is ongoing.</p> <p>- Implementation of UIRI Internal painting works of the Pilot Plants meant to improve the sanitary conditions of the facilities to enable them attain UNBS inspection standards have been completed. External painting is to improve the aesthetics and general outlook of the UIRI campus. Painting of toilets at the conference hall has been completed. Painting of the Materials and Minerals Engineering Division is ongoing</p> <p>- Materials for the Provision of a UIRI Road Barrier at the Check Point have procured waiting installation</p> <p>- Bills of Quantities for remodeling works of Chemistry laboratory to facilitate the certified standard requirements for research activities have been compiled. The Chemistry Laboratory is being restructured aimed at recognition of the laboratory by International standards and Uganda National Bureau of Standards, UNBS. Procurement process of contractor process</p> <p>- Designs for a fruit juice processing plant have been completed. The bid evaluation process is ongoing.</p> <p>- A hard wearing suitable floor surface for activities being carried out on the engineering workshop Reinforcement of workshop floor surface with shali screed. Shaliscreed is extremely tough, durable, slip resistant and ideally suited for areas subjected to high impact, abrasion and areas exposed to chemicals and oil spillage. Designs and Bills of Quantities completed, Bid evaluation has been completed waiting</p>		<p>preliminary estimates for a complete functional Peanut Paste Processing Plant in Soroti District have been prepared. A report has been submitted for approval.</p> <p>- Development of a Fabrication Lab for small scale manufacturing of circuit boards and casings for complete prototypes. A Project proposal is currently being developed. A start-up meeting was convened inviting interested stakeholders for the project.</p> <p>- Internal Painting of selected Buildings at UIRI Design and BOQ's and implementation supervision of Internal painting of the plants are meant to improve the sanitary conditions of the facilities to enable them attain UNBS inspection standards. External painting is to improve the aesthetics and general outlook of the UIRI campus. Painting of toilets at the conference hall is complete. Painting in ceramics is on going</p> <p>- Proposed Chemistry Laboratory Refurbishment Model Chemistry A Model Chemistry laboratory to facilitate the research activities currently being undertaken is ongoing. Contractor was procured. Construction work scheduled to begin in Q3.</p> <p>- Proposed Renovation of TDC Engineering workshop floor A hard wearing suitable floor surface for activities being carried out on the workshop is required for reinforcement of workshop floor surface with terrazzo. Renovation works in the workshop floors commenced and are underway.</p>

Section 3: Tourism, Trade and Industry Sector

Project	2014/15		2015/16
Vote Function Output <i>US\$ Thousand</i>	Approved Budget, Planned Outputs (Quantity and Location)	Actual Expenditure and Outputs by September (Quantity and Location)	Proposed Budget, Planned Outputs (Quantity and Location)
Vote Function: 0651 Industrial Research			
		<p>commencement of renovation works.</p> <p>- Establishment of a complete functional cheese processing plant in Ntungamo Design for construction of cheese processing facility is underway. Site reconnaissance, to assess the nature of land, was done by the UIRI technical team. Contract document under preparation.</p> <p>- Designs for the proposed water bottling plant in Bushenyi are being reviewed</p> <p>- Proposed Kigezi Diocese Poultry House is at completion level</p> <p>- Proposed Maziba Winery Project, Kabale is at completion level</p> <p>- Feasibility study for the proposed MAFFACO (Masindi fruits farmer's Company) Mango Juice Processing Plant is under way.</p> <p>- Feasibility study and capacity building for the proposed Ikirah Soap Processing Factory Lyatonde, Mitooma is underway</p> <p>- Feasibility study and capacity building for the proposed G.nut processing plant in Agago is underway.</p> <p>- Feasibility study and capacity building for the proposed Water bottling plant for J & S in Kawempeis under way</p>	
Total	542,500	179,257	980,000
<i>GoU Development</i>	<i>542,500</i>	<i>179,257</i>	<i>980,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
Vote: 154 Uganda National Bureau of Standards			
Vote Function: 0652 Quality Assurance and Standards Development			
<i>Project 0253 Support to UNBS</i>			
065272 Government Buildings and Administrative Infrastructure	Construction of Phase 1C of UNBS Office Block at Plot 2-12 ByPass Link Bweyogerere Industrial Park.	The procurement process for Phase 1C was commenced.	Construction of Phase 1C of UNBS Office Block at Plot 2-12 ByPass Link Bweyogerere Industrial Park.
Total	2,930,000	670,000	3,050,000
<i>GoU Development</i>	<i>2,680,000</i>	<i>670,000</i>	<i>2,800,000</i>
<i>External Financing</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>NTR</i>	<i>250,000</i>	<i>0</i>	<i>250,000</i>

S3 Proposed Budget Allocations for 2015/16 and the Medium Term

Section 3: Tourism, Trade and Industry Sector

This section sets out the proposed sector budget allocations for 2015/16 and the medium term, including major areas of expenditures and any notable changes in allocations.

Table S3.1: Past Expenditure and Medium Term Projections by Vote Function

	2013/14 Outturn	2014/15		Medium Term Projections		
		Appr. Budget	Spent by End Sept	2015/16	2016/17	2017/18
Vote: 015 Ministry of Trade, Industry and Cooperatives						
0601 Industrial and Technological Development	6.828	7.267	1.627	7.267	7.452	7.452
0602 Cooperative Development	0.712	1.403	0.317	1.403	3.411	3.411
0604 Trade Development	2.204	6.516	0.753	10.957	4.113	4.113
0649 Policy, Planning and Support Services	4.801	3.574	0.701	3.574	3.741	3.742
Total for Vote:	14.544	18.761	3.397	23.202	18.716	18.718
Vote: 022 Ministry of Tourism, Wildlife and Antiquities						
0603 Tourism, Wildlife conservation and Museums	6.747	62.206	1.072	4.107	76.494	77.988
0649 Policy, Planning and Support Services	5.668	5.776	1.142	7.730	6.398	6.605
Total for Vote:	12.415	67.982	2.215	11.837	82.892	84.594
Vote: 110 Uganda Industrial Research Institute						
0651 Industrial Research	13.905	14.340	2.996	14.340	17.046	17.048
Total for Vote:	13.905	14.340	2.996	14.340	17.046	17.048
Vote: 117 Uganda Tourism Board						
0653 Tourism Services	1.847	6.403	0.820	6.403	7.673	7.674
Total for Vote:	1.847	6.403	0.820	6.403	7.673	7.674
Vote: 154 Uganda National Bureau of Standards						
0652 Quality Assurance and Standards Development	11.257	18.543	2.820	19.728	22.179	14.981
Total for Vote:	11.257	18.543	2.820	19.728	22.179	14.981
Total for Sector:	53.967	126.029	12.247	75.511	148.507	143.015

* Excluding Taxes and Arrears and including NTR

(i) The Total Budget over the Medium Term

In Financial Year 2015/16, the Tourism, Trade and Industry Sector has a total budget allocation of US\$ 75.511 billion. The Sector budget allocation has dropped from US\$ 126.029 billion in the current FY 2014/15, owing to a policy decision to reflect the Non-Tax Revenue of the Uganda Wildlife Authority when projections are fully ready. In Financial Year 2014/15, the project resource of UWA is US\$ 51 billion. This Authority among other Agencies in the Sector is capable enough to obtain and manage a Vote code of its own.

The budget outturn for the Sector in Financial Year 2013/14 was US\$ 53.967 billion. The Sector Budget outturn in the current Financial Year 2014/15 so far is US\$ 12.247 billion against an Annual Budget of US\$ 126.029 billion.

Over the Medium term, the Sector budget allocation is projected to increase to US\$ 148.507 billion in Financial Year 2016/17 and to US\$ 143.015 billion in Financial Year 2017/18.

The Total Budgets by Sector Institutions can be detailed as follows:

The Vote 015 Ministry of Trade, Industry and Cooperatives comprises of budgetary resources for both the Ministry and five of its Agencies that are still receiving subventions through it. These include: (1) the Uganda Development Corporation that receives a total of US\$ 5.805 billion, through Vote Function 0601 Industrial and Technological Development, for operations (US\$ 1.179 billion) and for its two project undertakings (US\$ 4.626 billion); (2) the Management Training and Advisory Centre that receives a total of only US\$ 58 million, through Vote Function 0601 Industrial and Technological Development, for staff wage support; (3) the Uganda Warehouse Receipt System Authority that receives a total of US\$ 500

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million, through the Vote Function 0602 Cooperative Development, for operations; (4) the Uganda Export Promotion Board that receives a total of US\$ 1.218 billion, through Vote Function 0604 Trade Development, for operations; and, (5) the AGOA Monitoring Unit that receives a total of US\$ 742 million, through Vote Function 0604 Trade Development, for operations. This leaves the Ministry Technical and Administrative Departments with a total of US\$ 14.879 billion, of which US\$ 7.291 billion is GoU Resource towards Wages, Operational and Development Activities. Further scrutiny of the actual Ministry budgetary resource would reveal that each of the Technical Departments is left with an average of at least US\$ 100 million to implement policy interventions while the other resource is expended on administrative and operational overheads to support those interventions. The Vote is expecting an additional Vote Function called "MSME Development" that shall cater for the Directorate of MSMEs and its two Departments, along with a subvention for MSME Services currently implemented by one of the Government Agencies through the Vote 008 Ministry of Finance, Planning and Economic Development. This Vote Function is therefore expected to come along with additional budgetary resource.

The Vote 022 Ministry of Tourism, Wildlife and Antiquities comprises of budgetary resources for both the Ministry and two of its Agencies.

The Votes 110 Uganda Industrial Research Institute, 117 Uganda Tourism Board and 154 Uganda National Bureau of Standards comprise of budgetary resources for the Institutes themselves along with their own development projects.

The Uganda Cleaner Production Centre (UCPC) and Textile Development Agency (TEXDA) are not currently receiving any budgetary resource support from Government.

(ii) The major expenditure allocations in the sector

In the Financial Year 2015/16, the three major expenditure allocations by Vote Functions within the Sector will be 0652 Quality Assurance and Standards Development with US\$ 19.728 billion, followed by 0651 Industrial Research with US\$ 14.340 billion, and later followed by 0604 Trade Development with US\$ 10.957 billion. These are the three top expenditure areas within the Sector and are composed of Resources for Wage, Non-Wage, GoU Development and Donor Expenditure projections.

(iii) The major planned changes in resource allocations within the sector

There shall not be very significant changes in the resource allocations within the Sector in Financial Year 2015/16.

Table S3.2: Major Changes in Sector Resource Allocation

Proposed changes in 2015/16 Allocations and Outputs from those planned for in 2014/15:	Justification for proposed Changes in Expenditure and Outputs
Vote: 015 Ministry of Trade, Industry and Cooperatives	
<i>Vote Function: 0605 Trade Development</i>	
Output: 06 04 05 Economic Intergration and Market Access (Bilateral, Regional and Multilateral)	
<i>Change in Allocation (US\$ bn):</i>	<i>3.440 Source of External Financing expected to reduce over the medium term.</i>
The "Regional Integration Implementation Programme" (RIIP) streamlines and focuses its interventions much more on economic integration and market access;	
The "National Response Strategy to NTBs" Project strengthens interventions to address NTBs;	
<i>Vote Function: 0602 Policy, Planning and Support Services</i>	
Output: 06 49 02 Sector Coordination and Administrative Services	
<i>Change in Allocation (US\$ bn):</i>	<i>-0.670 N/A</i>
Technical Gliche in OBT. Only capturing Development Budget on this Vote Function. No recurrent budget captured where all the other funds are.	
Vote: 022 Ministry of Tourism, Wildlife and Antiquities	

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Proposed changes in 2015/16 Allocations and Outputs from those planned for in 2014/15:	Justification for proposed Changes in Expenditure and Outputs
<i>Vote Function:0672 Policy, Planning and Support Services</i>	
Output: 06 49 72 Government Buildings and Administrative Infrastructure	
<i>Change in Allocation (US\$ bn):</i> 2.668	<i>A lot of funds had been put under Government purchases and taxes dues expiry of most of the projects. Once the new projects are approved by the development committee, changes will be minimal</i>
<i>Vote Function:0682 Tourism, Wildlife conservation and Museums</i>	
Output: 06 03 82 Tourism Infrastructure and Construction	
<i>Change in Allocation (US\$ bn):</i> -0.992	<i>A lot of funds had been put under Government purchases and taxes dues expiry of most of the projects. Once the new projects are approved by the development committee, changes will be minimal</i>
<i>Vote Function:0654 Tourism, Wildlife conservation and Museums</i>	
Output: 06 03 54 Tourism and Hotel Training(HTTI)	
<i>Change in Allocation (US\$ bn):</i> -1.758	<i>NTR not being reflected</i>
<i>Vote Function:0652 Tourism, Wildlife conservation and Museums</i>	
Output: 06 03 52 Wildlife Conservation and Education Services(UWEC)	
<i>Change in Allocation (US\$ bn):</i> -2.665	<i>NTR not being reflected</i>
<i>Vote Function:0651 Tourism, Wildlife conservation and Museums</i>	
Output: 06 03 51 Management of National Parks and Game Reserves(UWA)	
<i>Change in Allocation (US\$ bn):</i> -51.721	<i>NTR not being reflected</i>
Vote: 110 Uganda Industrial Research Institute	
<i>Vote Function:0601 Industrial Research</i>	
Output: 06 51 01 Administration and Support Services	
<i>Change in Allocation (US\$ bn):</i> -1.520	
<i>Vote Function:0677 Industrial Research</i>	
Output: 06 51 77 Purchase of Specialised Machinery & Equipment	
<i>Change in Allocation (US\$ bn):</i> -1.580	<i>The increase in purchase of machinery and equipment is to boost our industrial incubation program. The Institute will also embark on capital intensive projects like implementation of essential oil project for commercial application.</i>
Vote: 154 Uganda National Bureau of Standards	
<i>Vote Function:0601 Quality Assurance and Standards Development</i>	
Output: 06 52 01 Administration	
<i>Change in Allocation (US\$ bn):</i> 1.197	

* Excluding Taxes and Arrears

S4: Challenges, Unfunded Outputs for 2015/16 and the Medium Term

This section sets out the highest priority outputs in 2015/16 and the medium term which the sector has been unable to fund in its spending plans.

In spite of the Budgetary Allocations from the Consolidated Fund, Development Partners and other recorded Sources, the Tourism, Trade and Industry Sector faces the following challenges in 2015/16 and the medium term that it has been unable to address in its spending plans.

1. The Sector has inadequate facilities and equipment for specialized research which starves it of vital policy information;
2. Weak legal and regulatory framework for some key result areas that needs review and enforcement;

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3. Inadequate Sector representation in missions abroad to address trade issues. In addition, dissemination of information to the officers in the embassies is poor which further limits promotion of the country's trade agenda abroad;
4. Inadequate Sector representation at the Local Government Level. There are fewer substantive District Commercial Officers (DCOs) to carry out the duties under the Ministry's mandate for Local Economic Development. Moreover, recruitment of such staff is decentralized which further diminishes the Ministry's direct efforts to address this staffing challenge. Effective coordination between the Ministry and the District Commercial Offices is further undermined by budget constraints in the Sector's Conditional Grant to the Local Governments, called the "Trade and Commercial Services" Grant;
5. A weak sector statistical system that is attributed to staff shortage and other logistical inadequacies among other reasons. This starves the Sector's policy and other decision making machinery of the necessary information and statistics leading to increased subjective actions;
6. Overlaps of the Ministry's mandate with various functions such as value addition among others being implemented under Ministries/Agencies without requisite supervision. This results into fragmented and uncoordinated strategies that limit service delivery;
7. Prevalence of high stocks of counterfeit and substandard goods which limit the competitiveness of local products. This is compounded by the porous nature of the country's borders due to the inadequacy of UNBS staff;
8. Inadequate capacity to meet member financial obligations to international agreements and treaties. These include the World Trade Organization (WTO), the Common Market for East and Southern Africa (COMESA), the United Nations Industrial Organization (UNIDO), Convention on International Trade in Endangered Species (CITES), Lusaka Agreement, United Nations World Tourism Organisation (UNWTO) and the International Bureau of Exhibitions (IBE).
9. High interest rates offered by the financial institutions which limits access to investment capital;
10. The trade liberalization policy has resulted in stiff competition from multi-nationals, middlemen and other organizations which have overtaken many local enterprises in the provision of services; and
11. Inadequate supportive infrastructure particularly warehouse facilities, business incubation facilities, border market facilities and power which competing states in the regions already possess, and hotels, air transport support, roads and alpine and high altitude tourist facilities and services in and outside protected areas

Table S4.1: Additional Output Funding Requests

Additional Requirements for Funding and Outputs in 2015/16	Justification of Requirement for Additional Outputs and Funding
<i>Vote Function: 0604 Industrial and Technological Development</i>	
Output: 0601 04 Promotion of Value Addition and Cluster Development	
<p>Funding Requirement (US\$ Bn) 10.998</p> <ul style="list-style-type: none"> • MSMEs Cluster Formation and Common Industrial Facilities (US\$ 6.383 billion) • Operationalisation of MSMEs Directorate and its Two Departments (US\$ 2.496 billion) • One Village One Product (OVOP) Programme (US\$ 2.119 billion) 	<ul style="list-style-type: none"> • One Village One Product (OVOP) Programme (US\$ 2.119 billion) <p><i>As part of the pledges in the NRM Manifesto and the interventions in the National Development Plan, Government is to drive value addition and industrialization from the grassroots using the One Village One Product model. Also as agreed from the Cabinet Retreat on the Government Annual Performance Report FY 2012/13, actions for follow up include promoting value addition to agro-produce within the Sector. This can be done following the One Village One Product (OVOP) model.</i></p>
	<ul style="list-style-type: none"> • Operationalisation of MSMEs Directorate and its Two Departments

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Additional Requirements for Funding and Outputs in 2015/16	Justification of Requirement for Additional Outputs and Funding
	<p>(US\$ 2.496 billion)</p> <p>These funds are required to operationalise the MSMEs Directorate that was approved by the MoPS. They will specifically facilitate Enterprise Capacity building and promotion of Value Addition activities in the Ugandan economy. These are key interventions for increasing household incomes (wealth creation). These interventions will specifically target special interest groups e.g. enterprising youth, women and PWDs. It is envisaged this public investment in the coordination of Government's interventions to promote MSMEs development will boost GDP growth by about 3%. In FY 2014/15, MoFPED started by setting aside US\$ 0.433 billion for Recruitment of Staff. Therefore, an additional US\$ 0.168 billion is required for wages, US\$ 1.728 billion for operations and activities of the Directorate, and US\$ 0.600 billion for capital development.</p> <ul style="list-style-type: none"> • MSMEs Cluster Formation and Common Industrial Facilities (US\$ 6.383 billion) <p>As pledged in the NRM Manifesto, the Ministry is spearheading the development of MSMEs. The Ministry is working with the Ministry of Public Service to create a Directorate for MSMEs. The Ministry also instituted an MSMEs Desk at the Uganda National Bureau of Standards (UNBS) and is currently supporting them to acquire Q and S Marks for their products. An MSMEs Policy is also underway and a draft is yet to be subjected to stakeholder consultations. A Commissioner for MSMEs has also been recruited by the Ministry.</p> <p>The Ministry acquired land in Makindye for the Jua-kali and handed it over to them for development. This has greatly assisted in organizing these groups into formal enterprises that can be further built in capacity for better value addition support, marketing their products and eventually taxing them as cooperative associations.</p> <p>In the coming Financial Year, the Ministry requires to work more closely with the MSMEs to build their capacity in industrial production as clusters (cooperatives) and bulk their products for easier marketing domestically and regionally.</p>
Vote Function: 0681 Cooperative Development	
Output: 0602 81 Cooperatives Infrastructure Development	
Funding Requirement (US\$ Bn) 67.938	
• Refurbishment of 10 feeder warehouses (US\$ 2.466 billion)	<ul style="list-style-type: none"> • Refurbishment of 10 feeder warehouses (US\$ 2.466 billion) <p>As agreed from the Cabinet Retreat on the Government Annual Performance Report FY 2012/13, actions for follow up include "Expedite the establishment of warehouses for both food security and sustained quality tradable supply". In the coming FY 2014/15, MoTIC plans to establish 2 silos costing 4.16 billion and 4 warehouses costing US\$ 2.725 billion including costs for construction/refurbishment and value addition equipment. However, ideally, USD 1-1.6 m is required for 2 silos and Shs 5.45 bn for 8 warehouses per Financial Year but due to financial restrictions, our submission is for only 2 silos and 4 warehouses.</p>
• Revitalisation of the Cooperative Movement and Bulk Marketing (US\$ 2.000 billion)	
• Revival of the Cooperative Bank (US\$ 35.100 billion)	
• Settlement of Cooperative Union War Debts (US\$ 28.372 billion)	<ul style="list-style-type: none"> • Revitalisation of the Cooperative Movement and Bulk Marketing (US\$ 2.000 billion) <p>As passed in the National Budget Consultative workshop to follow up in the There is great need for Government to revitalise and support the inactive Produce and Marketing Cooperatives in the country to boost the value addition and marketing of agricultural produce within and outside the country. This requires US\$ 1.2 billion. There is also need to empower cooperative societies to engage in bulk marketing and export of their products. However, support infrastructure has thus far not been availed as programmed due to budget limitations. Existing storage infrastructure is also due for upgrades, and sensitization of cooperatives on its usage with the Warehouse Receipt System.</p>

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Additional Requirements for Funding and Outputs in 2015/16

Justification of Requirement for Additional Outputs and Funding

- *Revival of the Cooperative Bank (US\$ 35.100 billion)*

Prior to liquidation, the Co-operative Bank had demutualized into a private company. This happened when the IMF/World Bank's Structural Adjustment Programs were underway and this created a gap to the disadvantage of the co-operatives. The closure of the cooperative bank left a gap in cooperative financing. It was member based thus in a better position to develop products that suited members' needs and requirements. The cooperators were exposed to usurious funders who had inappropriate products; these impacted cooperatives negatively as they lost value addition facilities thus reducing their capacity to access financing from other institutions.

Increasing agricultural production and productivity is constrained by inaccessible financing. The terms and conditions offered by the financial institutions in the country are not favorable for the cooperators. The products, payment periods and interest rates offered do not take care of the incomes expected from agricultural activities. Besides, collateral requirements are prohibitive to cooperative farmers to access credit for cooperative enterprises.

There is therefore a need to establish a Co-operative Bank which is managed professionally. Its product development should be tailored to suit members needs the agricultural enterprises by co-operative farmers, address the loan period and repayment schedules against interests and amounts.

- *Settlement of Cooperative Union War Debts (US\$ 28.372 billion)*

In the 1970s, cooperatives suffered a great decline in operations due to civil strife. This was aggravated by subsequent wars (1981-1986) as many cooperatives suffered losses in form of fixed assets and trading stocks some of which they acquired using bank loans. During the struggle the NRA took assets including produce and property from some Unions. The liberators who commandeered the assets of the cooperative Unions promised to compensate them. These losses led to a reduction in the working capital of the unions subsequently affecting their sustainability. A number of Cooperative Unions were affected. These include: Kigezi Growers Cooperative Union, Bunyoro Growers Cooperative Union, Masaka Cooperative Union, North Bukeedi Cooperative Union, Masaba Cooperative Union, West Acholi Cooperative Union, West Mengo Cooperative Union, East Acholi Cooperative Union, West Nile Cooperative Union, Teso Cooperative Union. Some of the Unions were compensated partly while others did not receive any.

The issue of compensation has remained outstanding for a long time and it is high time it is addressed. During the retreat for National Resistance Movement Party held on the 6th -15th February at Kyankwanzi, the Ministry of Trade, Industry and Cooperatives presented the above issue to the members. The members observed that the loss incurred during the war affected the operations of the Union. It was resolved that there was need to compensate the Unions and the Ministry of Trade, Industry and Cooperatives was directed to prepare a paper to address the war debt claims.

Vote Function: 0605 Trade Development

Output: 0604 05 Economic Intergration and Market Access (Bilateral, Regional and Multilateral)

Funding Requirement (US\$ Bn) 48.757

• Establishment of 2 Border markets at Elegu and Katuna (US\$ 36.247 billion)

• Regional Trade engagements (Tripartite, EAC, COMESA) (US\$ 0.500 billion)

- *Establishment of 2 Border markets at Elegu and Katuna (US\$ 36.247 billion)*

The establishment of four border markets is one of the strategies for export development in the National Development Plan 2010/11 – 2014/15. This intervention was also taken up among the pledges in the NRM Manifesto for trade development but the number of border markets to establish was increased to seventeen (17). The realization of this pledge will create more

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Additional Requirements for Funding and Outputs in 2015/16	Justification of Requirement for Additional Outputs and Funding
<ul style="list-style-type: none"> • Implementation of Hire Purchase Licence, Travelling Wholesalers Licence and Foreign Traders' Certificates to raise Revenue for Trade Facilitation (UShs. 0.347 billion) • Conditional Grant to District Commercial Offices at Local Governments (UShs. 5.964 billion) • Formulation and Implementation of a National Trade in Services Policy and Master Plan (UShs. 0.500 billion) • AGOA Act Implementing Unit (UShs. 0.500 billion) • Export Promotion (UShs. 4.698867 billion) 	<p>revenue for Government through the formalization of informal cross-border trade and mitigating risks for Ugandan traders involved in the trade in the neighboring countries.</p> <p>In FY 2011/12, a project was initiated in the Ministry called "Enhancement of Market Access and Promotion of Value Added Exports" with a budget of UShs. 801 million in the Public Investment Plan (PIP). In FY 2012/13, this project among others in the Ministry was affected by the 70% budget cut to provide salaries for the Health Sector staff. This brought down the project budget to UShs. 232 millions.</p> <p>So far, Local Governments offered land for the border markets and a master plan was developed for the Bibia border market in Amuru. From a recent site visit, it was discovered that the project site floods during the heavy rains and therefore a feasibility study for a drainage plan ought to be done in Financial Year 2015/16. The feasibility study is estimated to cost Shs285 million. In Financial Year 2015/16, the Ministry also plans to start construction of two Border markets at Elegu and Katuna.</p> <p>For the other border markets namely; Busia and Lwakhakha, the Ministry is planning to develop the master plan for land use management. The estimated budget outlay for constructing each border market along with its requisite facilities is UShs. 18.124 billion.</p> <ul style="list-style-type: none"> • Regional Trade engagements (Tripartite, EAC, COMESA) (UShs. 0.500 billion) The Ministry is a member of the COMESA, the EAC and the Tripartite and therefore needs to be at least minimally facilitated to participate in these meetings to defend and promote Uganda's strategic and emerging trade interests. • Implementation of Hire Purchase Licence, Travelling Wholesalers Licence and Foreign Traders' Certificates to raise Revenue for Trade Facilitation (UShs. 0.347 billion) The main sources of Non Tax Revenue for the Ministry through regulation of Domestic Trade will be: a) Licensing of Hire Purchase Business, b) Licensing of Travelling Wholesaler that traverse more than one district, and c) Trade Licensing of Non- Citizens to carry out Trade Only in Uganda. The Licensing and regulation of Hire Purchase agreements shall follow Hire Purchases Act 2009. The Licensing and regulation of Travelling Wholesalers countrywide shall be done under the Trade (Licensing) Act Cap 101 passed Statutory Instrument 2011 No.10 which appointed the Permanent Secretary of the Ministry responsible for Trade as licensing Authority for granting of Travelling wholesaler's licence in respect of more than one district. The Licensing and Regulation of Non-Citizens involved in trade shall be done according to Sections 3, 4, 5, 8 and 29, of the Trade Licensing Act Cap 101, Section 10 of the Investment Code Act Subsection 5, Section 54 Fourth Schedule of the Uganda Citizenship and Immigration Control Act CAP 66, and the East African Community Common Market Protocol. To facilitate the collection of these licenses, the Ministry will first require to funds to set up infrastructure. For the above to be achieved, the Ministry will incur costs on Printing of forms and licenses, Publications and press releases, Inspection and enforcement, and Sensitization and training, all budgeted at UShs. 347 million. • Conditional Grant to District Commercial Offices at Local Governments (UShs. 5.964 billion) The functional analysis of MTIC (2004), the Diagnostic Trade Integration

Section 3: Tourism, Trade and Industry Sector

Additional Requirements for Funding and Outputs in 2015/16

Justification of Requirement for Additional Outputs and Funding

study (World Bank, 2006) and the Study on the effectiveness and efficiency of District Commercial Offices (DCOs) conducted in 2008 all noted that after devolution, this Ministry which is responsible for marketing and industrialization was operating in isolation from the districts which are key centers of production. This created a significant gap in the integration of sectoral issues into overall public economic policy implementation, particularly at the grassroots level.

In the FY 2011/12, this Ministry started extending to Local Governments (LGs) financial support to facilitate the delivery of commercial extension services by the DCOs. These resources were sourced from within the sector's MTEF but due to budgetary constraints, the scope of the intervention could only allow the Ministry to extend UGX 7.2Mn annually to each of the 15 pilot districts i.e. Arua, Masindi, Mbale, Busia, Kisoro, Kasese, Kanungu, Kabarole, Kayunga, Bushenyi, Rakai, Nwoya, Kitgum, Wakiso and Gulu.

The Ministry proposes that the scope of the Commercial Services Grant be extended to cover all 112 districts and 33 municipalities to provide commercial extension services. Its size also be enhanced to at least an annual allocation of UGX 40 million per Local Government.

- *Formulation and Implementation of a National Trade in Services Policy and Master Plan (US\$ 0.500 billion)*

The Ministry along with the National Trade in Services Taskforce ought to formulate the National Trade in Services Policy and Master Plan as agreed in the Cabinet Retreat on the Government Annual Performance Report as an issue for follow up. This requires funds to engage a consultant, undertake countrywide and inter-institutional consultations and implement it.

- *AGOA Act Implementing Unit (US\$ 0.500 billion)*

Since Uganda signed the AGOA Agreement with the US, its trade and market benefits from this agreement have not been as significant as expected. This is attributed to the absence of an AGOA Market Strategy to guide implementation of the AGOA Act, and resolved implementation of the recommended interventions. During FY 2012/13, the Sessional Committee of Parliament for Tourism, Trade and Industry recommended in its report to Parliament that there be a clear distinction between the AGOA Monitoring Unit (attached to State House) and the AGOA Implementation Unit which should be formed within the Ministry and strengthened to formulate and implement the AGOA Act Strategy. Since then, the Implementation Unit was formed within the Ministry but no functional funding availed to it. This Unit requires US\$ 500 million to expedite the process of formulating the Strategy and implement key interventions resolved from stakeholder consultations for Uganda's benefits from this Agreement to meet expectations.

- *Export Promotion (US\$ 4.698867 billion)*

As agreed in the Cabinet Retreat on the Government Annual Performance Report FY 2012/13, there is need to increase the exports of the country (especially non-tradition exports) through reviewing and implementing the National Export Strategy, sensitizing exporters and potential exports, undertaking export promotion campaigns and domestic trade fairs. This is an agreed action to be followed up in the next Cabinet Retreat.

The Uganda Export Promotion Board (UEPB) has not been able to deliver on its mandate i.e. trade promotion; market research and product development; as well as maintenance of up-to-date management information systems as was envisaged under the Uganda Export Promotion Board Act, Cap 102 due to the severe budget pressures. The Board has had NSSF and PAYE Arrears totaling US\$ 2.11bn dating as

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Additional Requirements for Funding and Outputs in 2015/16	Justification of Requirement for Additional Outputs and Funding
	<p>far back as 2009 and are as a result of shortages on Wage releases and Non-Wage releases disbursed to the Board over the years. This is grossly affecting the operations of the Board and fueling a high labor turnover of highly competent staff. Therefore, the Budget for the UEPB needs to be increased to at least 5 billion for the country's exports to be promoted in line with the National Export Strategy (NES).</p>
<p>Vote Function:0602 Policy, Planning and Support Services</p>	
<p>Output: 0649 02 Sector Coordination and Administrative Services</p>	
<p>Funding Requirement (US\$ Bn) 12.094</p> <ul style="list-style-type: none"> • Additional Operational Funds and Clearance of Domestic and International Arrears (US\$ 4.245 billion) • Expediting Policy and Legal Formulation and Review Processes (US\$ 0.300 billion) • Strengthening Sector M&E, Research and Statistical Support (US\$ 0.400 billion) • Strengthening Sector Coordination through the TTI Sector Working Group (US\$ 0.200 billion) • Government Purchases and Capital Development (US\$ 1.500 billion) • Contributions to International Organisations (WTO, COMESA, UNIDO & IBE) (US\$ 5.128 billion) • Additional Staff Recruitment (US\$ 0.320 billion) 	<ul style="list-style-type: none"> • Additional Operational Funds and Clearance of Domestic and International Arrears (US\$ 4.245 billion) The Ministry of Trade, Industry and Cooperatives requires more operations funds. After deducting subventions to its Agencies (UDC, UEPB, AGOA Sec, UCE & MTAC) and subscription to WTO, the Ministry Headquarters remains with a Non-Wage recurrent budget of US\$ 2.062 billion. This is inadequate to cover consolidated staff allowances, payment of utilities, supply of office consumables and repair of equipment and vehicle maintenance. In FY 2014/15, MoFPED assisted greatly by reducing this from US\$ 2.5 billion to US\$ 1.6 billion with the additional allocation of US\$ 900 million to the Non-Wage Recurrent Budget of the Ministry Vote 015 (MoTIC). Currently, the Ministry requires US\$ 1.800 billion more for operations, US\$ 1.757 billion for clearing Domestic Arrears arising from past commitments since MTTI and US\$ 0.689 billion for clearing arrears in subscriptions to International Organisations. • Expediting Policy and Legal Formulation and Review Processes (US\$ 0.300 billion) For long now, the Ministry is still stuck with Commercial and Industrial Policies and Bills that are still under review mostly because of the poor funding accorded to the comprehensive process of Policy Formulation. The inadequacy of funds has for long frustrated the review and formulation of policies because of incomprehensive studies and stakeholder consultations. For this reason among other critical factors, it is imperative that these Policies are expediently finalized for the support, growth and development of the Economy in matters of industrialization and trade. • Strengthening Sector M&E, Research and Statistical Support (US\$ 0.400 billion) The Ministry of Trade, Industry and Cooperatives still has insufficient data on the Sector to facilitate Policy decisions. This is especially significant in the Cooperatives, Industry and domestic trade subsectors for which Policies are made. Therefore, in conjunction with UBOS, the Ministry needs to collect this data and statistics to facilitate Government business. There is urgent need as well to strengthen supervision and monitoring, and evidence based policy formulation in the Sector which is crucial for the follow up and implementation of key Government Programmes within the Sector. • Strengthening Sector Coordination through the TTI Sector Working Group (US\$ 0.200 billion) Strengthening of the TTI Sector Working Group and its functions is also a critical factor that instantly feeds into the rapid development and growth of the sector for the sake of the GDP and Economy. A properly functioning Sector Wide Approach and SWG are necessary for the achievement of all Sector Objectives. • Government Purchases and Capital Development (US\$ 1.500 billion) The Departments of the Ministry of Trade, Industry and Cooperatives are short of vehicles to assist in fieldwork assignments since its creation from the former Ministry of Tourism, Trade and Industry. The Ministry therefore has to procure vehicles to facilitate in the fulfillment of its mandate up to the grassroots.

