UGANDA

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PRESIDENT MUSEVENI A Calming Force







INFRASTRUCTURE Building for a Brighter Future



PAGE 8 TOURISM Land of Superlatives

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AGRICULTURE

New African Breadbasket

Ugandan leaders are working hard to realize their country's enormous agriculture export potential.

Uganda's rich soil and vast tracts of arable land make it ideal for agricultural development. In 2014, agriculture represented 21 percent of GDP; this figure has now reached 26 percent, notes Agriculture Minister Tress Bucyanayandi. While coffee, tea, cocoa, cotton and fruit have export potential, Bucyanayandi says, beans, rice and cassava are domestic staples. Bucyanayandi also notes how surplus crops like rice could be oriented regionally; Kenya, for example, has huge demand, but still imports Asian rice. Certain challenges should be overcome for the sector to realize its full potential. Low capacity, funding, and know-how have obviated valueadding capacity for local producers. Big multinationals have already "set up their networks and value chains, so the real value addition is done in Europe and America," Bucyanayandi admits. Further, insufficient fertilizer, irrigation systems and quality warehouses all diminish yields. However, with investment these problems are eminently fixable. Uganda has had great success with coffee. Robusta coffee originates in

"We expect to see the sector move forward as more value addition starts to be carried out in Uganda"

Tress Bucyanayandi Minister of Agriculture



A hot air balloon floats over Queen Elizabeth National Park while a lion stands by its prey in the foreground. Uganda's unspoilt natural beauty is attracting increasing numbers of visitors.

Pearl of Africa Shines

Long-term stability and economic growth are finally unlocking the potential of one of Africa's most beautiful and evocative countries.

Uganda has long inspired some of the most romantic images of Africa: the majestic and the mystic, the exotic and the sublime. Tucked away in the heart of the continent, it has captivated visitors for decades with its lush, rolling hills, vast rivers and lakes, gentle climate, abundant wildlife and warm, friendly people. Winston Churchill famously visite back in 1907: "For magnificence, for variety of form and color, for profusion of brilliant life - bird, insect, reptile, beast - for vast scale - Uganda is truly 'the Pearl of Africa,'" he wrote. "What message I bring back, concentrate on Uganda." Today both tourists and investors are finally heeding Churchill's impassioned advice. After a dark and tumultuous period soon after it gained independence in 1962, Uganda has been steadily getting back on track since President Museveni took power in 1986, bringing peace and stability to its people. The President has his detractors, but almost thirty years after inheriting a country that was devastated economically, socially and politically, he now presides over one of Africa's most economically dynamic and peaceful societies. Credit must be given for this achievement.

Blessed by some of Africa's most fertile land and with 18% of its surface area covered by fresh water, it is a major agricultural producer for the region and could become a breadbasket for the whole of Africa. Its challenge now is to add value to this produce It plays a leading role in regional affairs through the East African Community and the COMESA common market. Uganda has also consistently stepped up to the challenge of providing its armed forces to resolve some of Africa's most protracted conflicts. It is witnessing a massive infrastructure push, with the Eastern Corridor project set to boost trade and integration with its neighbors, positioning itself as a regional hub of trade and logistics, opening up a market of

well over 150 million to its industries and investors.

Uganda is incredibly rich in resources – both human and physical. It has a young and fast-growing population whose literacy rate has increased from 43 to 75% under President Museveni. It is also yet to exploit its estimated 6.5 billion barrels of oil, discovered less than a decade ago.

nomic growth averaging 7% over the last ten years, further drawing in investors who are being welcomed with open arms.

"Uganda is ready and waiting for investment from the rest of the world," enthuses Prime Minister Dr. Ruhakana Ruganda. "It's a great place to invest and to visit and I want people to take advantage of this."

REGIONAL AFFAIRS

Uganda Makes Its Mark on the Region

Uganda may be a relatively small country in comparison to some of its giant neighbors, but it has been playing an increasingly important role in regional affairs during Museveni's presidency, both militarily and politically, becoming a key US partner in Africa in the process. When Museveni swept to power in 1986 he inherited a country fractured and devastated by two decades of turmoil and conflict. After succeeding in driving various rebel groups outside of its territory, Uganda's battle-hardened armed forces were soon deployed to solve some of central and eastern Africa's myriad conflicts, allowing Museveni to emerge as a guarantor of regional security. Today Uganda has an estimated 9,000 troops stationed around the region playing a vital role in containing conflicts. Uganda is one of the key contributors of troops to the African Union's combat mission in Somalia to drive back the jihadist group al-Shabaab, while Ugandan troops are also at the forefront of

Uganda currently has an estimated 9,000 troops – a fifth of its armed forces – based in regional conflict zones.

efforts to broker a peace deal be-

Uganda and accounts for 80 percent of production (Arabica, which originates in Ethiopia, makes up 20 percent). Although Uganda exports just 3.5 million bags annually, it is Africa's leading exporter. This export supremacy owes partly to low domestic consumption. Traditionally a tea-drinking people, Ugandans are evolving in their tastes, however, "Coffee culture is starting in Uganda," says David Barry, Managing Director of Kyagalanyi Coffee Limited. "We now have 30 or 40 good coffee shops in Kampala, whereas a decade ago, there were only a couple." One million Ugandan households depend on coffee farming. By investing in training and primary processing, Kyagalanyi is helping farmers improve yields, quality and practices. Salim Saleh, President Museveni's brother, is helping develop agriculture as chairman of the national agricultural initiative, Operation Wealth Creation. It tests business

models for products like honey, chia seeds, maize flour and pumpkin flour. A veteran military man, Saleh cut through the bureaucracy to "integrate all the institutional powers and agencies within agriculture." By December 2018, Saleh expects "active, complete value chains for at least 15 of our products. Ugandan agriculture is, in some ways, surprisingly advanced. "We are already using our own scientists, doing things such as fortifying beans and extracting genes in peppers and bananas, and controlling some banana diseases," Bucyanayandi states.

> More on Agriculture PAGE 7 >

and its vast mineral wealth remains

largely untouched in the ground.tidThe rapid growth of Uganda's tour-buism industry, already nearly the sec-ceond largest income earner, also sig-prnals a prosperous future, as visitorspeflock to the Source of the Nile and therathundering Murchison Falls.ra

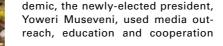
Its magnificent wildlife was decimated during the 'lost decade' of the 1970s, but today Uganda can boast an expanding population of mountain gorillas, and a 600% increase in its elephant population – in stark contrast to neighboring Tanzania whose once great elephant population has declined by 60% in five years. All of this has led to consistent ecoSignificant challenges remain – education and health need to be improved, bureaucracy tackled, industrialization cemented and greater freedom of expression allowed – but while stability persists, Uganda will remain on the radar of investors and tourists.

"Today Uganda can boast an expanding population of mountain gorillas, and a 600% increase in its elephant population." tween the two warring factions in South Sudan's increasingly bitter civil war.

Uganda's troops have also for years been pursuing Joseph Kony's infamous and cult-like Lord's Resistance Army (LRA) across vast swathes of DR Congo, South Sudan and the Central African Republic. This willingness to commit forces into regional conflicts where other African nations dare not get involved, has won Museveni and the Ugandan armed forces admiration as well as large-scale military and economic assistance from Washington, which sees it as a regional bulwark of stability.

HUMAN DEVELOPMENT

Healthy Investment in the New Ugandan Economy



"Universal health coverage is on the Ugandan government's post-2015 agenda."

Elioda Timwesigye Minister of Health

with international institutions to combat the disease. AIDS has declined from 15 percent in 1991 to seven percent today.

Social aspects remain a priority. President Museveni believes that foreign investment should benefit public health. Investor Tullow Oil recently co-funded a hospital in Bulisa, and Museveni stated that the hospital would "contribute towards long term improvements in the quality of life" for locals.

Further, in September, the Health

Ministry and the United States Agency for International Development (USAID) started a two-month anti-malaria campaign. Uganda has long worked with USAID, which since 2006 has donated over \$200 million to fighting malaria.

Prime Minister Ruhakana Rugunda, a doctor, places health care atop his agenda. Uganda has reduced infant and child mortality, he states, by "immunizing children and having health education lessons and paying attention to mother and child health issues." Wider access to safe water and new vaccines has also reduced child mortality. Research capacity-building is also



underway. The Uganda Virus Research Institute (UVRI) is considered one of the region's most advanced viral research facilities. The government's continued infrastructure improvements will help women gain better access to antenatal care, also saving lives.

Further, universal healthcare coverage is on the Ugandan government's post-2015 agenda, says Minister of Health Elioda Tumwesigye. And foreign investment in health care is encouraged too: the government "allocates money each year to support these hospitals, as a public-private partnership," Tumwesigye says.

Other public figures actively cham-

pion health care issues. The First Lady, Janet Museveni, is the public face of a campaign to eliminate the motherchild transmission of HIV.

◀

Children in Uganda show off their books. Boosting literacy is a priority for the government as it seeks to reduce poverty.

by trade in a remarkably short time. The transition from widespread poverty to a largely self-sustaining, if still poor country has involved a deep commitment to improving healthcare. Long-term governmental cooperation with foreign institutions and investors has led to notable successes.

For example, when Uganda was hard-hit by the 1980's AIDS epi-

ENT



The country's economic development also has a human dimension — economic success has led to milestone achievements in healthcare and social services.

Uganda has gone from being an aiddependent country to one sustained

INTERVIEW & TRADE

A Calming Force

President Museveni has overseen years of economic growth, but bringing peace and stability to Uganda is unquestionably his greatest achievement.

Yoweri Museveni has long put many of support across Uganda's tribal, western observers in something of a sectarian and regional lines. It is moral dilemma. On the one hand he stability and prosperity that form has remained in power since 1986, the backbone of his presidency and backtracking on his promise to step which seem likely to propel him to down after the 2006 elections and in victory again in 2016. the process becoming one of Africa's longest-ruling leaders.

However on the other hand, there is little doubt that he has provided a much-needed steady hand for Uganda, a country that had endured two blood-soaked and chaotic decades before he came to power

After all, recent examples across Africa and the Middle East demonstrate how western ideals of regular change in government don't always work so smoothly elsewhere.

"We have stability while many of our neighbors don't," he emphasizes. "That security comes from my vision." Western donors and governments alike have at times felt uneasy over his continued presence in power, but in such a volatile region which has been witness to so many vicious tribal and sectarian conflicts, Uganda is vitally seen as a beacon of peace and dependability

Since introducing his 'National Resistance Movement' system of politics in 1986, which rewards merit rather than tribal affiliation, Museveni has understood the importance of having a pluralistic society. Without this, he argues, "how can you build stable national institutions?'

In 2006 he allowed multi-party elections for the first time since coming to power, and again in 2011, but both times he came out the comfortable

Transformation

"The UDC demonstrates

Uganda intends to catalyze

industrial development in

that the government of

CEO of Uganda Development

In 2005, Kalangala was Uganda's

second-poorest district. Todav.

this Lake Victoria archipelago is

The Kalangala project affirms that investment can spur local commu-

nity development. Islanders who

previously lacked electricity and

drinking water today enjoy these

essentials. Schools and hospitals

Foreign investment made Kalan-

gala's infrastructure development

possible. When Oil Palm Plantation

Investor obtained a concession to de-

velop a \$50 million oil plantation, the

government agreed to upgrade infrastructure. It partnered with Infraco,

an experienced and capable British

Today, Infraco subsidiary Kalan-

gala Infrastructure Services (KIS)

is overseeing projects. Managing

Director John Opiro is enthusiastic

about developments; by 2025, he

sees "horticulture, agro-process-

ing and fish processing springing

The Uganda Development Corpo-

ration (UDC), a private venture that

bridges public policy and private-

sector execution, has been KIS'

steady partner. "UDC provides the

compromise and the solution that the

private sector needs," Opiro attests.

infrastructure developer.

up," along with tourism.

this country."

Corporation (UDC)

Uganda's fifth-richest.

are also coming.

Fred Ogene

READ THE FULL Q&A THE-REPORT.NET

Island

President Museveni addresses the UN General Assembly in September 2014 The president spoke about economic de elopment in Africa and called for greater stment and collaboratio Photo: Niu Xiaolei, Corbis

INTERVIEW

How have you gone about changing Ugandan society?

We have used several stimuli to do can transform themselves from being this. The first one is education. Let everybody go to school. For instance, if But all of this cannot happen if you you look at the literacy rate, when we don't deal with infrastructure, bestarted it was around 43 percent. It is cause if I become a farmer how do I now 75 percent. Within education we transport my goods from the village are now adding another element which to the town? Infrastructure is crucial, the factors of production. We used to is skills. If a society is skilled then they so this is another stimulus. The fourth say that there were four: land, capican contribute competitively to whatever is going on in the country.

tor or in the supply of consumer goods, then the people in the society who are capable will come in. They will either bureaucratic middle class, and they

longer interfering in the transport sec- so the Eastern Corridor, the common market of the East African Commu nity and COMESA have become an important stimulus because if I procome from the peasantry or from the duce, they buy, and I produce again and they buy, so I expand.

What opportunities are there to diver-

sify Uganda's economy? This will come automatically if you approach it the way we have done. We have natural resources, but we need stimulus is the market. We have in- tal, labor and entrepreneurship. These tegrated markets in East and Central days, a fifth one has been added: winner, buoyed by a broad sweep The second stimulus was economic Africa. The market of Uganda is not knowledge. With those, you would

liberalization. If the government is no enough to absorb all our products, be able to convert all these natural resources into products and services.

> "If you look at the literacy rate, when we started it was around 43 percent. It is now 75 percent."

There are also gap fillers like foreign investment. Foreigners can come in and create wealth, create jobs and expand the tax base of the country.

partner. This has knock-on effects

RURAL DEVELOPMENT | REGIONAL TRADE

Building a Solid Base for Trade

Political stability, international partnerships and an enviable trade-route position augur economic growth.

by industrial and infrastructural chal- Free Trade Area gives Ugandan busilenges, Uganda knows it must find ness better access to a 19-nation marcreative, comprehensive economic solutions. Its trade strategy is thus of Uganda's total export market. The based on regional trade initiatives Free Trade Area eliminates tax barand a better regulatory framework, riers deleterious to Ugandan export

While Kampala recently was honored to host the first East African manufacturing business summit, protectionist fears linger.

one that envisions public-private partnerships and support for local Congo, and this growing African econproducers. Uganda's improved ties omy should remain a permanent comwith the United States will also benefit international exports. Uganda belongs to the East African Community (EAC) customs union regulates trade, emphasizes publicand the Common Market for East- private partnerships, and targets

ern and Southern Africa (COMESA).

Being a landlocked country limited nia, Burundi and Rwanda. The latter's ket, representing almost 60 percent competitiveness.

These regional initiatives have also their challenges. While Kampala was honored to host the first East African manufacturing business summit in September, protectionist fears linger. A 'sugar conflict' fueled by Kenyan opposition politicians caused Kenyan farmers to protest a bilateral agreement allowing more imports of Ugandan sugar. More challenging for Uganda, however, has been the instability of its top trading partner, South Sudan, which in 2013 accounted for \$360 million of Ugandan exports. Uganda in 2014 increased trade with the Democratic Republic of the plement to the expected renewed trade with a more stable future South Sudan. Uganda's new legislative framework once-neglected industries. According

Q&A

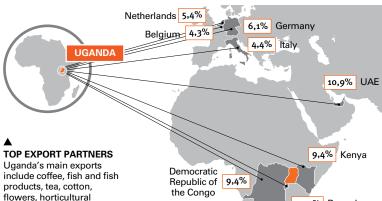
Amelia Anne Kyambadde Minister of Trade, Industry and Cooperatives

Uganda's number-one business-sector problem remains a nagging trade they can be sensitized about quality, deficit. This has been exacerbated by trade disruption in recent years with produce the quantities needed. neighboring South Sudan, due to the Storage is another area, because you conflict there.

However, leaders like Amelia Anne but if you don't have a warehouse Kyambadde, Minister of Trade, Indus- for storage you can't take the goods

their products competitive." The Na- ports, and reduce the percentage of tional Bureau of Standards also "can primary products exported. impose punitive measures" on manu- Uganda's new strategic relati facturers failing to comply. Higher may help trade. The United States standards mean better products and a considers Uganda a valued security better country brand. Leaders seek to add value to Ugan- for domestic political stability, good

da's export products. For example, governance and reforms - and in-Uganda offers high-quality leather, creases investor confidence. but it is generally sold abroad for Ugandan exporters may benefit more processing – costing Uganda both from other trade deals, like the African



"to improve on their quality to make exports, increase non-traditional ex-

Uganda is a member of the COMESA trade bloc, of the EAC, and a signatory to the Africa Free Trade Zone. Source: CIA World Factbool

Aga Khan Foundation, leather ex- Although signed with much fanfare ports' profits could be doubled, sim- in 2000 by then-President Bill Clinton, ply through domestic processing. "You have to have a good brand," says Elly Twineyo Kamugisha, Ex- "Our challenge has been access," says ecutive director of Uganda Export Trade Minister Kyabadde. "We are al-Promotion Board. "This is all about ready working closely with the Ameriencompassing Uganda, Kenya, Tanza- ambadde, this encourages producers Uganda must identify its most viable our consumers in America," she adds.

What is being done to address Ugan-

In order to balance the trade deficit

we are trying to improve on industri-

alization by promoting cooperatives.

By forming cooperatives, our produc-

they can produce in bulk, and they can

can produce as much as possible,

ers can buy machinery for processing,

and restore the balance

da's trade deficit?

products and gold.

profit and prestige. According to the Growth and Opportunity Act (AGOA). the deal had few results. However, leaders have new hopes for AGOA.

try and Cooperatives, are looking for to market, so we are constructing ways to overcome these challenges, warehouses

> What impact has the current crisis in South Sudan had on Uganda's exporters, and what alternatives do you see? economy had grown so quickly be- also help us there.

"Uganda has a lot of prospects in minerals, in oil, in agriculture and, most of all, in its people."

ucts and commodities and services that are exportable What is your current focus in boosting Uganda's exports? We will continue to promote the traditional exports of coffee, tea and cotton. Flowers are now one of the first three non-traditional exports. We encourage fish farming and aguiculture. Because Ugandans speak very good English, we can go into business process outsourcing (BPOs) and call cen-The former is a tariff-free trade zone to Minister of Trade Amelia Anne Ky- perception." Kamugisha believes can Chamber of Commerce to access ters. We are very bright people and our universities are verv good.

> cause of the trade that was going on between our countries. The alternative is to promote other markets now. such as the COMESA-EAC-SADC Tripartite, so by pushing trade in that direction we will be able to fill the gap It's most unfortunate because our left by South Sudan. And AGOA can

> > What is your vision for this ministry? country from there.

Elly Twineyo Kamugisha Executive Director of Uganda Export Promotion Board Uganda is adding value to its

Q&A

ecutive director of Uganda's Export Promotion Board. How do you see the role of the Uganda Export Promotion Board (UEPB) in driving the country forward? UEPB will have staff with the same level, or more, of knowledge and experts as staff in the private sector in export marketing. We have to support, with market information, the private sector for them to develop prod-

INVESTMENT & SECUR



Q&A

Frank Sebbowa

Uganda Investment Authority

A former academic and businessman

Frank Sebbowa is executive director

ity, tasked with promoting Uganda's

investment opportunities. Sebbowa

attests that Uganda's investment po-

tential is being increasingly noticed

How would you describe your strat-

eav for investment promotion?

We are now targeting specific

investors who are interested in

Africa. The Americans have begun

to take more of an interest. We re-

cently had a delegation of potential

American investors and this has not

happened for a very long time. Now

is the time for us to start looking in

Uganda is the third largest economy

in the East African Community and

has been the second preferred loca-

tion for foreign direct investment for

more than five years. Uganda is at

the centre of the East African Com-

and a gateway into central Africa.

We have identified a few key areas

These include ICT, minerals, and

where we think we should focus.

agro-processing. Only a third

of the arable land in Uganda is

investors should be interested,

under cultivation. These are why

along with the commitment of the

government to investors. We led

the East African negotiation for

the American protocol to protect

American investments.

Aronda Nyakairima

Minister of Internal Affairs

Interior Minister General Aronda

security-sector career. In one of

Nyakairima had a long and varied

the last interviews he gave before

his passing on September 12th, he

shared his views on contemporary

What is being done to ensure a safe

security. We have never won a war,

an insurgency, or a conflict without

working with people. We need to

make sure people's children are at

school, because if their children are

at school then they will turn into

The armed forces, the UPDF, make

Another layer is internal security. That

is the business of the intelligence ser-

vices and police services. Now those

ones are quite at the frontline because

What role does intelligence play and

what lessons can you learn from your

We are investing seriously in techni-

with the CIA, the FBI, Scotland Yard,

security agencies. No one alone has

the means to deal with terrorism, so

a global partnership of shared intel-

cal intelligence. We have worked

MI6 and MI5, as well as the French

sure that our borders are secure.

of what is happening globally.

global partners in security?

ligence is required.

of defense."

"We have learnt our

lessons, and these les-

sons help us to continue

strengthening our lines

security threats and solutions

The people are the first line of

environment in Uganda?

good characters.

Q&A

munity, making it a hub for business

Why should investors choose

the American direction.

Uganda?

by American businessmen.

of the Uganda Investment Author-

How are you improving the ease of doing business in Uganda? We are removing bureaucracy.

We have created the Uganda Investment Authority as a one-stop center where you can go and get everything you need quickly.

How do you see ties between Uganda and the U.S. developing?

Demand is a crucial stimulus. When we buy what the U.S. produces, we are helping them achieve prosperity. Similarly, when they buy from us, this happens for us. We have oil and gas and minerals, but the most durable exports are are agricultural, tourism and human resources.



exports by mixing non-traditional products in with more typical ones, savs Elly Twineyo Kamugisha, Ex-

I would like to promote public-private partnerships. We have the Uganda Development Corporation. We would like to see a lot of projects being incubated through that program and supported by that program and I know that we will create a middle class for this

INVESTMENT PROMOTION

Improved Business Climate Attracts Greater Investment

A newfound self-confidence and vision for international commerce is fuelling a new generation of Ugandan entrepreneurs and promoters.

Jgandans are not only showing off their country's investment opportunities - they're also steering a new surge in growth

The Uganda Investment Authority (UIA) promotes investment opportunities, with support from the Uganda Development Corporation (UDC). While a for-profit entity, the UDC facilitates cooperation between the government and foreign investors. According to UIA Executive Director Frank Sebbowa, the agency will in stop center' for investors, paralleling those existing in other investmenthungry countries.

Sebbowa also envisions the cre- on local creativity and participate ation of an electronic interface with in global trends. While Uganda was the investment community: "If an once a textiles powerhouse, Asian

Q&A



Ruhakana Rugunda Prime Minister of Uganda Dr. Ruhakana Rugunda, Uganda's

prime minister since September

investor is in New York and sees an opportunity in Uganda, he will be able to access the information he needs to make a decision from his desk. This is crucial because it will become our cheap but very effective window to the world."

According to Mahmood Ahmed of the Aga Khan Development Network (AKDN), Uganda is raising its investment profile by adding value. After the government accepted the AKDN suggestion to process some raw leather domestically rather than export it, a whole new industry arose. These new tanneries will manufacture finished goods like shoes and boots. "If Uganda developed all its hides and skins into finished products for export," says Ahmed, "the resulting revenue future perform the services of a 'one-stream would dwarf every other source, including tourism." The improving conditions for business are having a rejuvenating effect

2014, has long experience in govern-

mental leadership roles. A trained

Source: EY's attractiveness survey Africa 2015. Heritage Foundation's 2014 Index of nomic Freedom, U.S. Govt 2014 Uganda Investment Climate Statement. There is now a focus on ensuring that those we produce in our educational institutions actually gain the skills to fill the gaps in agriculture, industry tion for transformation, education for development, education for skilling

2006 2008 2010 2012

Do the recent agreements with China indicate a shift in focus away from your traditional partners in

The rest of the world is not forgot ten because of our relationship with China. Our policy is to have good and mutually productive relations

with all countries. Our roots have al- ture. We are inviting American and ways been with Western countries.

It's also good that our roots are extending to China and other new entrants in the economic transformation of our country.

Top 5

FDI markets:

• Australia

Netherland

FAST FACTS

11th

Uganda's ranking among

The U.S. is the 11th largest

for economic freedom

investor in Uganda.

100%

Uganda allows 100%

foreign-owned companies,

except in the petroleum indust

sub-Saharan African countries

• Mauritius

Kenya

10

United Kingdom

How important is ICT to the future development of the country? ICT is a critical component of infrastructure. We have laid a backbone to ensure that the whole country is properly connected. We see ICT as becoming a major player in the transformation of Uganda's economy and enabling the other sectors to move very quickly.

Which areas would you highlight for investors? The priority area remains infrastruc

global investors to come and invest

Sentinel of Stability



An aerial view of Kampala. The city is known as one of the safest capitals in Africa.

Despite turbulence beyond its borders, Uganda has enjoyed domestic stability due to its responsible and dedicated security doctrine

theirs is a tough neighborhood. As diplomatic and security forces have ployments to such places have empellished Uganda's reputation as a reliable security partner for regional and international allies

Further, though Uganda has mostly been spared the large-scale terrorist attacks that have afflicted neigh-

ity and peace, Ugandans know that ing capacities. The late interior min- the Somalia peacekeeping mission. ister, General Aronda Nyakairima, major participants in African Union developed a comprehensive na- when tribal fighters attacked Uganpeacekeeping missions, Ugandan tional security strategy in the years dan police on the country's westpreceding his untimely death on ern border. During the late 1980s, long confronted instability in Soma- September 12th. This strategy has Joseph Kony's Lord's Resistance lia and South Sudan. Military de- involved increased cooperation Army challenged the government, with foreign intelligence partners, technological upgrades and, fun- across the frontier zone. Neverthedamentally, respect for Ugandans' civil rights.

Uganda suffered a major terrorist attack in July 2010, when the Somali Al-Shabaab group bombed planners are constantly preparing 74 people – reportedly, in retalia- ing with security. For the interior min- hood is insecure, we are accordingly responsibility for Ugandans.

Although they enjoy political stabil- preventative measures and improv- tion for Uganda's participation in Also 93 people died in July 2014, but was eventually forced to retreat less, these collective experiences have led Ugandan security authorities to keep a close eye on what is aoing on beyond their borders.

"At one time, Uganda was synonymous with insecurity and conflict. That's over now."

Aronda Nyakairima Minister of Internal Affairs

for maximizing the country's known (and emerging) resources and industries. Forging relationships with a wide variety of investors, and giving the next generation of Ugandans access to the kinds of education that will make them valued members of the workforce across different industries are also important for Rugunda. To what extent is education in

Uganda adapted to the needs of the market?

the West?

physician, and keenly focused on the elationship between economy and a healthy, educated society, the prime minister takes a holistic view of Uganda's business sector and investment climate. He stresses the need a rapidly expanding economy.

and ICT. We are working on educaand re-skilling our people in order to meet the manpower requirements of

FOREIGN DIRECT INVESTMENT

FDI inflows

competition affected this. However, new textile company Fine Spinners expects success - as is attested by its \$40 million investment in two milling factories, plus the recruitment of 6.000 cotton farmers.

According to Executive Director Jasvinder Bedi, Fine Spinners represents a concept. Unlike the Asian sweatshops decried by humanrights activists, Fine Spinners will be "a UVP, a unique value proposition," says Bedi. "We are giving our customers traceable and sustainable cotton.

The company cooperates with the Cotton made in Africa initiative, founded by Dr. Michael Otto with the Bill and Melinda Gates Foundation. The initiative aspires to keep the entire supply chain on African soil. "This is the first investment in Africa where we will capture the full value in our investment from field to fashion," enthuses Bedi. Regarding export potential, he adds, "we have the whole world as our oyster and it's looking very interesting."

in infrastructure. The second priority is agriculture. Our agricultural potential is enormous. Tourism is another priority sector. We like to see our friends come and enjoy the unequalled beauty that Uganda has

What would you like people to know about Uganda? It's a great place to invest and I want people to take advantage of this. It's also a great place to visit.

"The focus is on developing infrastructure, to ensure that the country is open and that its economic sectors can thrive."

insecure," he stated. "If you have col lective security, most likely you would have collective development. If we have collective growth, we will have collective prosperity, and then we will have a regional market that will support an internal market The rise of global jihadism in the

post-9/11 world has dramatically increased Ugandan security cooperation with countries like the United States, France and Britain. According to the interior minister,

'These are global challenges and all of us have to deal with them. The challenge that is facing policing is quite serious, but at the same time you can't wish it away; you have to take charge of it." A grim reminder of the dangers accompanying this security commitment came on September 1st, when 19 Ugandan peacekeepers were killed and six missing following an Al-Shabaab attack in Somalia.

One totally novel aspect of Ugandan security policy is the eventual comprehensive introduction of national dentity cards. The interior ministry sees this process as a way to both monitor and identify its citizens. At some point after all 16 million Ugandans are put into the system, the govrnment will also issue ID cards to the country's resident aliens. The system "is another element to be added on to our arsenal of security weapons," said the interior ministry.

Police take a broader view of national security than just intelligence and military power, however: Nyakairima stressed education and economic development as giving young people a positive alternative to crime or terrorism. "We also need to make sure we provide an enabling environment so that development takes place and people with money come in to invest," noted Nyakairima. "If a bomb goes off or a tourist is attacked then people will not come, so that is our ultimate concern."

All Ugandan leaders are on board with this doctrine. "It's not enough for us for Uganda to be secure alone, says Prime Minister Ruhakana Ru-

gunda. "The region must be secure. Uganda has played an important role in that respect and we are doing so because of our commitment to have peace and stability in the region in order to promote regional trade which will then benefit all of us."

Uganda is already preparing one of its most sophisticated security plans ever: the mission to protect Pope Francis, who will make a historic three-day visit in late November. With Catholics from across Africa coming This is why the government looks to ister, the concept was simple. "Even to greet the wildly popular pontiff, boring Kenya and Tanzania, security two locations in Kampala, killing the broader region as well when deal- if we are secure here, if the neighbor- the event is both a great honor and