

**Milk processor wins Gold award.** Brookside Limited, the producer of all Fresh Dairy products in Uganda, won a Gold Award in the Dairy and Dairy products Category at the President's Export Award 2017 last week. Trade minister Amelia Kyambadde handed over the Gold Award to Vincent Omoth, the marketing manager Fresh Dairy, who received it together with Joseph Awino, sales general manager, Benson Mwangi, Finance and Administration general manager and Walibwa Robert. [D. Nakaweesi]



# Civil Society wants more money for trade sector



**Trade.** An exhibitor showcases merchandise at a trade fair last year. Experts say in order for the sector to work for Uganda's industrialisation and job creation, it is important that its sectoral allocation for the FY 2018/19 is increased. PHOTO BY ERONIE KAMUKAMA

**Shift.** Government must rethink its priorities to factor in the trade sector.

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**KAMPALA.** As Parliament divides the national cake for the financial year 2018/19, civil society has challenged government to increase budgetary allocation to the Ministry of Trade, Industry and Cooperatives.

Figures from the National Budget Framework Paper for the financial year 2018/19 show that only 0.5 per cent of the Shs29.274 trillion budget for the year 2018/19 will be allocated to the Ministry of Trade. This is an increase from last year's approved budget of Shs89.39b.

"The 2018/19 budget allocation is just 0.5 per cent to this ministry. This translates to around Shs92.3b and we are saying this is not enough. We are talking about a ministry which is in charge of our economy. When you look at our economy, it is ailing and we need to inject some medicine for our economy to move," Ms Jane Nalunga, the country director Southern and Eastern African Trade Information and Negotiations Institute (SEATINI), said during a press

conference held on Sunday at the organisation's offices in Kampala.

Without putting a figure to the required funding for the ministry to ef-



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ficiently do its mandate, Ms Nalunga said the ministry of Trade is very key especially now that Uganda is implementing strategies to attain a



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**Risks Uganda's EU market.** When we say we want to trade ourselves out of poverty and we do not enable the ministry to put up structures and skills for trading which links up to development, I do not think you are being faithful to the priorities," MR NATHAN IRUMBA, CHIEF EXECUTIVE OFFICER SEATINI

middle income status by 2020. Without a strong economy, middle income status will only remain a dream, she believes.

She also criticised Uganda's growing unemployment rate, trade deficit (Shs835.8b) and debt (equivalent to 33.8 per cent of Gross Domestic Product) as too high.

**Shs92.3b**

**Budget.** Amount of money allocated to the Ministry of Trade, Industry and Cooperatives in the 2018/19 financial year according to the National Budget Framework Paper

"This is very high and if we are going to get out of the debt trap, the country has to sell and earn. If we put more resources in the ministry of trade, the country can earn at household and national level," she said.

Citing the number of key departments housed under the ministry of Trade such as Uganda National Bureau of Standards (UNBS), Uganda Export Promotions Board, Uganda Industrial Research Institute and Uganda Development Corporation, Ms Nalunga warned that underfund-

ing the ministry would stifle their functions.

For instance, going by the current woes on standards, she appealed to government to provide more funding to UNBS to ensure that testing, standardisation and certification services are brought closer to private sector engaged at district level.

Civil Society acknowledges that the national budget is limited and that government has over the years prioritised growth of infrastructure and strengthening security but said it must rethink its priorities.

## LOW FUNDING

**Low priority.** Despite the critical role played by Trade, Industry and Cooperatives sector in propelling the country to a middle income status, funding for the sector over the years has not been prioritised.

## A case for prioritising trade

Speaking at the event, chief executive officer SEATINI, Mr Nathan Irumba, said if the country is to transform and achieve inclusive growth, the role of trade must be prioritised.

"Trade is meant to sustain development, employment creation and development of human resource," he said.

"When we say we want to trade ourselves out of poverty and we do not enable the ministry to put up structures and skills for trading which links up to development, I do not think you are being faithful to the priorities," Mr Irumba added.

The Shs29.274 trillion budget for the year 2018/19 drawn under the theme "Industrialisation for job creation and shared prosperity" comes at a time when industrialisation returns to Uganda's development agenda.

According to SEATINI, industrialisation is key for establishing linkages between agriculture and manufacturing which creates market, employment, advances technology and export competitiveness.

Mr Irumba blamed Uganda's low productivity on the gap between trade and industrialisation.

"Industrialisation is important, trade is important and it begins by first conquering your own market. Problem is we have surrendered our own market. So how do we expect to trade with the outside?" he wondered.

In his presentation, Mr Africa Kizza, programmes officer Trade Policies and Negotiations at SEATINI, also said the allocations are rather contradictory to the spirit of the budget and should be harmonised with the theme.

He raised questions about government's commitment to revive cooperative movements whose proposed allocation amounts to Shs6.3b.