



CIVIL SOCIETY PRESS STATEMENT – FOR IMMEDIATE RELEASE

TO DEPORT OR NOT TO DEPORT FOREIGN PETTY TRADERS?

Today, foreign petty traders, especially Chinese are slowly but steadily monopolizing the entire retail and wholesale petty distribution chains which has increasingly crowded out domestic traders hence causing anger and frustration among the Ugandan business community.

In response to the outcry from the Ugandan traders, the Parliamentary Committee on Trade, Tourism and Industry directed the minister to close down all foreign traders' shops effective December 6, following the expiry of the three-month ultimatum issued in September 2016 requiring all foreign investors engaged in petty trade to either invest in bigger projects or return to their countries.

While meeting the Parliamentary Committee on Tourism, Trade and Industry, Hon. Amelia Kyambadde, the Minister of Trade and Industry blamed the influx of petty foreign traders currently engaged in retail businesses to the liberalization policies, associated with Structural Adjustment Programmes (SAPs) and a weak regulatory framework.

We support the position of the Minister as regards to the causes of the current challenges.

In order to address these challenges in the short and long term, we recommend that:

- A systematic approach to addressing this issue by the key relevant ministries i.e. Ministry of Internal Affairs/ Immigration, Ministry of Trade and the Uganda Investment Authority (UIA)
- A more focused and inclusive conversation on the economic policies pursued by the country. The current liberalization policies that we have continued to pursue since the Structural Adjustment Programs (SAPs) do not support our development aspirations. Unfortunately, they are embedded in our national trade and development policies and are reinforced by the trade and investment agreements.
- A comprehensive national dialogue to agree on the kind of foreign investors that should be attracted and in which sectors they should be directed to. For example, foreign investors should be directed to invest in the manufacturing sector in order to stimulate production and provide employment.

We wish to reiterate the fact that Uganda needs investors, both domestic and foreign. However, there is need to have an appropriate regulatory framework which balances the rights and obligations of the foreign investors on the one hand and the rights and obligations of the state, the citizens and the environment on the other. This will ensure a win-win situation that will enable Uganda realize its development interests while supporting foreign investors to realize their business objectives.