



Ministry of Agriculture, Animal Industry & Fisheries (MAAIF)- UGANDA

13TH MEETING OF THE COMCEC AGRICULTURE WORKING
GROUP

*“Reviewing Agriculture Trade Policies To Promote Intra-OIC Agriculture
Trade”*

Feb 21-22, 2019



Background

- Uganda total area is 241,550.7 Sq.Km
- 80% land is arable but only 35 % is being cultivated
- Uganda Population is 34.9 million persons (2014 census).
- Agriculture prioritized as a key devt sector of Uganda economy.
- Accounts 25.4% of Uganda's GDP
- 71.9% of Uganda population is employed by Agriculture
- Over 40% of total Uganda exports agriculture growth (Mainly Raw and Semi Processed)





Trade Trends and Developments

- In FY 2017/18, Exports were worth US\$2,890.86 million as compared to imports worth US\$ 5,489.97 indicating a trade deficit of US\$2,599Mn.
- Among OIC member countries, Uganda had a trade deficits of US\$384.07 million (14.78%) with Saudi Arabia and US\$277.74 million (10.69%) United Arab Emirates.
- The COMESA trading bloc remained the main destination for Uganda's formal exports with the share in total export earnings of 51.32% (US\$ 1,483.72 million) in 2017/18.
- The EU market ranked the second main destination for Uganda's goods and services with 19.68% (US\$568.96 million) of total formal exports in 2017/18,



Trade Trends and Developments.. (2)

- The Middle East bloc accounted for 14.32% (US\$414.06 million) of the total market share in 2017/18, of which United Arab Emirates contributed 92.37% (US\$382.46 million) of the Uganda-Middle East exports in 2017/1018.
- The export to import ratio in the Financial Year 2017/18 was 52.66%! In other words, today Uganda is spending US\$100 on imports when it has earned an income of only US\$52.66 from exports.



Trade Developments.. (3)

- China was the leading source of Ugandan imports from Asia in the Financial Year 2017/18, accounting for 38.31% of imports from the region, for OIC member countries from Asia, Uganda imports from Indonesia were worth US\$175.15 million.

Key impediments to trade among OIC member countries



Uganda has four broad impeding factors to intra-OIC trade:

- 1. PRODUCTION CAPACITY-** The factors that affect the level of supplies, determined by resource endowments and other technological and institutional factors that enhance productivity. For example, harvests are bolstered with higher rates of fertilizer use, available improved seed varieties and a regulatory environment friendly to machinery standards.
- 2. COST OF TRADE.** The quality of infrastructure together with the cost of transport services are determinants of whether agricultural products can even be physically brought to the border to be traded. Good roads and an efficient trucking system make it easier and cheaper to import and export food.



Key impediments to trade among member countries...(2)

3. INSTITUTIONAL EFFICIENCY including access to credit, harmonization with international commercial norms, time importers and exporters spend to comply with regulations at the border and to complete documentation, etc....

4. TRADE POLICIES include measures aimed at protecting and regulating trade. Average weighted agricultural tariffs and import and export bans indicate ways countries engage in protectionist activity.

Policy options for sustainable intra-OIC agric trade



- Increase the value of priority products exported to the OIC member countries.
- Provide a two-way communication mechanism between the productive sectors and export markets with a view to fostering export oriented investment and production.
- Increase the value of priority products exported to the negotiated OIC member countries.
- Establish a stronger framework for cooperation to strengthen consultation between the Ministry of trade and the relevant stakeholders in the Trade Sector.
- Market Expansion through Regional and International Trade Agreements.



Policy options for sustainable intra-OIC agric trade..(2)

- Establishment of the Electronic Single Window System (ESWS) as a trade facilitation initiative aimed at reducing the time it takes to clear goods.
- Implement the NTB Reporting System, a web-based Non-Tariff Barrier Reporting System for easing and enabling the reporting and resolution of NTBs among trade facilitating institutions.



Way forward

Uganda stresses the recommendations made in earlier meetings, including;

- Harmonisation of quality and standards among OIC partners states.
- Use COMCEC as a block for negotiations, build bilateral and multilateral trade links.



THANK YOU

FOR
LISTENING