

**ADAPTING TO THE POST CRISIS WORLD TRADE PATTERNS
AND
DEVELOPMENT OF SUCCESSFUL TRADE SUPPORT SERVICES**

Case For UEPB

By

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About UEPB

- The Board is Instituted by the Uganda Export Promotion Board Statute No. 2 of 1996
- **The Board's vision is:** To brand Uganda on the world market as a reliable supplier of quality export products and services
- **The Board's mission is:** To facilitate the development, diversification, promotion and coordination of all export related activities that lead to export growth on a sustainable basis
- **Our Typical Clients** are Private sector SMEs which desire to venture into export and those already exporting



What is the New Reality in this Multi-polar World?

- The World is increasingly becoming one global trading bloc = **INTERDEPENDENCE** = effects of one player can affect other players.
- Consider the effects of the US mortgage market trickles down to a Ugandan producer downstream the export value chain.

US/EU (mortgage system collapse) → Demand (Higher savings) → Lower Consumption (negative impact on non basic imports)

Flowers, Cocoa, fish, coffee, fruits and vegetables



• The Reality for Uganda

- There were Parallel tumble down factors in our major EU market even before the crisis was
 - EPAs, Climate Change, stringent market entry requirements,
- These prepared us for the effects of this crisis, somewhat.

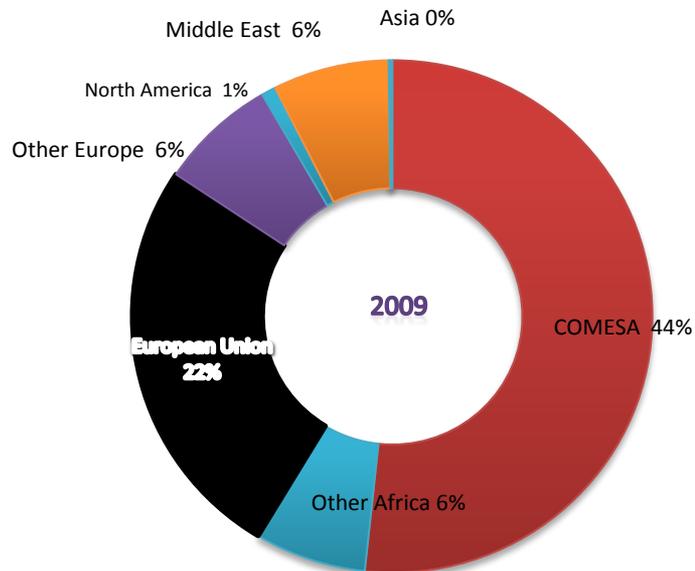
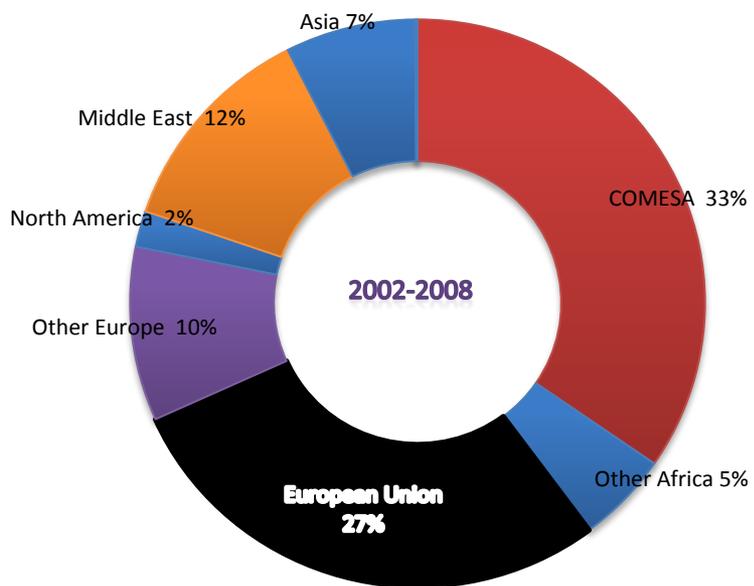
New Reality is: Interdependence, unpredictability of the trading environment, capacity to survive especially for SMEs, the need for strong support institutions, strategic markets and product selection,

- The challenge here is the capacity to effectively employ Rapid Response Mechanisms, and re-strategise .



Uganda's Export Trade over time

EXPORT DESTINATION MARKETS' PERCENTAGE SHARE



Source: Uganda Bureau of Statistics 2010



Opportunities/escape route

- Export-focus on the **Next Door Neighbours markets** - land Locked by 5countries,
- **Product Refocusing** (Europe mainly); identification and promotion of products without complex entry requirements which we initially never focused on.
- **M.O.U with other TSIs.** e.g. Uganda Bureau of standards for faster certification of Ugandan Products in the region. UIRI for Sourcing and joint acquisition of technologies for value addition and efficient production common facilities for SMES
- Special Programs to **educate the exporters** about the benefits of and how to maximise exploitation of business opportunities in the Regional trading blocks i.e. EAC and COMESA.
- **Strengthening of institutions**, to have more competent personnel hand-hold SMEs in export; (Recruited more personnel, trained over 25 enterprise development specialists with ITC, over 30 export sector trainers with CBI, internal staff development program (over 20), currently developing a standardised Curriculum for export development trainers)
- **Trade fairs** to promote trade in the Region especially Sudan.
- Conducted a **Service Delivery Survey** to audit the relevance of our services and obtain a fresh analysis of our client needs and priorities .



Innovative Products for Private sector

Direct Enterprise Support

- **MarketLinked** –a direct business to business regional Market Penetration program between Ugandan exporter companies and Regional trading partners. (Since 2009 a total of 33 SMEs have been business match-made to Kenya and Rwanda)

Export support Incentives to private sector include:

- 10 year tax holiday on incentives adding value to Exports
- VAT reimbursement
- Other duty drawbacks for companies importing raw materials plus other imports use in exports.



Conclusion

The Realities of the Crisis that is abating are:

- The interdependence of the global trading order.
- The relevance of strong and well equipped TSI in economies with a nascent export sector especially in LDCs
- The uncertainties in today's trading order.
- The need for quick response.
- The need to re-examine positions we initially considered unshakable orthodoxy.
- The vulnerability of SMEs in export.

