

UGANDA - Sustainable Business for Uganda - SB4U

#GLOBALGATEWAY

#TEAMEUROPE

TEAM EUROPE PROPOSAL



- Make Uganda's business environment more conducive to inclusive and green investments and jobs for European and Uganda companies

by:

- Ensuring a continued EU-Uganda investment climate dialogue and exploring innovative private-public collaboration initiatives
- Strengthening EU-Uganda trade and investments links and initiating networking events, joint business missions and partnerships
- Advancing, monitoring and further elaborating the EU-Uganda Roadmap to an incremental improved investment climate

Examples of responses to the 3 initial priorities bottlenecks:

- To inadequate workforce skills: Enabel and Private Sector Foundation Uganda (PSFU) have partnered to set up "Work Readiness Programmes" for postgraduates in companies operating in manufacturing, tourism, construction (jobs intensive) and ICT (innovation)
- To fight corruption, interventions are being organised to enhance the capacities of the private sector to access e-procurements and digitally integrated data, strengthen corporate governance and set-up a private sector owned corruption reporting mechanism
- To improve access to finance, the EUD is supporting a number of financial products and funding facilities. The Deal Flow Facility (DFF) was recently set up to increase investment in medium to large companies in Uganda

MODALITIES/TOOLS

The SB4U Platform is to be managed under joint oversight by the EU Delegation to Uganda and the Private Sector Foundation Uganda (PSFU). The Platform activities will be implemented by a Secretariat under the supervision of a SB4U Board. Three Working Groups will be at the core of the advocacy process.

The initiative secured the participation of 2 EU Ambassadors (FR, BE for the first phase) and 3 EU business representatives, while Enabel is the first EU MS implementing agency of SB4U interventions and may expand its role in the future.

- Thematic & geographic investments: blending & Guarantees (EFSD, EFSD+)
- Technical assistance

KEY DELIVERABLES

Skills development

1. Support 1000 recent graduates through placements of at least 6 months within private companies. Moving forward, the EU intends to scale up this effort (SG+ project/GreenUp programme).
2. Creation of Centres of Vocational Excellence in 3 regions of the country, as well as innovation hubs for Startups and young entrepreneurs, for the benefit of 1,000 recent graduates until the end of 2023 ("Skilling and job creation" component of the SB4U 1.0 programme).

SB4U Platform

- Launch & operationalization of the Sustainable Business for Uganda Platform (SB4U). Launched in 2020 and operational since mid-2021, it constitutes the operational arm of the initiative. The SB4U Platform allows conveying joint priorities at the highest political level - including taxation regime, technical and business skills, corruption and inefficient government services, access to finance, Economic Partnership Agreement - and taking leadership on issues affecting trade and investment. It also helps EU and UG businesses to invest and export to Uganda and Europe. Support to SMEs - possible guarantee with EIB for on-lending to SMEs with focus on climate action (discussions ongoing)
- Critical Raw Materials
- Conclusion of a Memorandum of Understanding with Uganda on the development of CRM value chains.

TRANSFORMATIONAL POTENTIAL

- Shift from the traditional 'donor recipient relationship' towards one of partnership

Establish

- A bilateral public-private regular dialogue as equals,
- Support multi-parties actions

Leverage

- Additional funding for a renewed investment climate promoting green economic recovery

Create

- More trade and investment between the Uganda and EU markets

SB4U for a structured Uganda-Europe Public-Private dialogue for:

- An increased market access
- Partnerships
- Value chains
- The implementation of the Roadmap, (including steering economic reforms and measures)

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NATIONAL CONTEXT

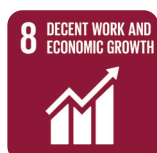
The Platform launched by the President of Uganda after the first ever Uganda-Europe Business Forum (Kampala, 2020) SB4U:

- Bring public and private sectors to agree on key priorities and sectors for investments, especially in the post-COVID era of green recovery
- Act as a driving force of change at both technical and political levels
- Help addressing bottlenecks to boost sustainable trade and investment
- Will support Ugandan efforts to move towards a green and circular economy
- Will monitor identified and future potential areas of work

Three priority bottlenecks:

- Inadequate workforce skills as compared to the needs of the private sector
- Address Governance weaknesses and Fight the impact of corruption linked to investments, especially by the private sector
- Limited access to finance for the private sector

GEOPOLITICAL CONTEXT AND RELEVANT SDGs



Africa-Europe Alliance 3/5 partnerships:

- Green transition and energy access
- Digital transformation
- Sustainable growth and jobs
- Towards a comprehensive strategy with Africa
- 2030 Agenda for Sustainable Development
- Paris Agreement on Climate Change
- Gender Action Plan 3 (2021-2025)
- Jobs and Growth Compact
- Post-COVID willingness of "building back better"
- The Economic Diplomacy Agenda for Uganda External Investment Plan (EIP)
- EU-EAC Economic Partnership Agreement

**SDGs included based on a new JRC electronic text mining tool, which identifies SDGs (targets)