

Presentation by Ms. Maggie Kigozi*

Thank you very much Mr. Chairman.

I think you heard what my President said. He means business and we need to fall in line.

I will cover two areas today: The World Association of Investment Promotion Agencies (WAIPA), which I need to tell you more about, and then address the topic as the Executive Director of the Uganda Investment Authority. I think, many of you are members of WAIPA. It is an association of IPAs worldwide, including both national and provincial IPAs in some countries where these exist. We meet every year. The offices are in UNCTAD. This year the meeting is in January in Geneva, and I hope you will all be there. You should all become members. It costs US\$ 2,000 a year to become a member. Then we have the second meeting next year, the UNCTAD XI in Brazil, and that is where elections will take place. The President right now is from Jamaica. Uganda and India are Vice-Presidents, and on the Committee we have Kenya, Ghana, Cameroon and others from Africa.

We network, and I think that is very important. We are able to share information and hear from speakers such as those at this Round Table: Multilateral agencies and donors. There is capacity building. Pro-Invest is a project that I hope you have all heard about. It is an EU initiative where there is a lot of support for various activities. They will support African Investment Promotion Agencies to go both to Geneva and to Brazil.

Concerning capacity building there are study tours. You can come to other IPAs. To the Uganda Investment Authority, or to any of the more interesting ones. There are many countries. You can send your people there for capacity building and I can send my people to you for capacity building. So that is an opportunity and training beside private sector meetings.

WAIPA is now signing an MoU with UNIDO, and we intend to work very closely together with UNIDO and with AfriPANet.

The topic of this Round Table is “Promoting investment in Africa: Challenges and Opportunities and Experience”. I am really happy that it refers to investment and not FDI. As the previous speakers have said, all investors need the same things. There is very little the foreign investor needs that the domestic investor does not. So if we make the climate right, both foreign and domestic investment will grow.

I want to say that the figures we have seen here, that Africa is getting low FDI, are history, because we know what we can do about it. We have an opportunity. What are we selling? We are selling growth. There are not many continents that can sell growth. The per capita consumption of Coca Cola in the United States is already 600 bottles a year. How many more can you drink? Per capita consumption of Coke in Africa is 13, 14, 15 bottles! We want to drink 600 bottles as well. That is growth. That is demand and need.

Secondly, we have information and communications (ICT). We had the presentation from IBM. We are jumping. We are going where we are supposed to go and we can do it very quickly. We have ICT as a tool, that the other developed countries did not have. It took them 200 years to get where they are. We shall get there.

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We also have the New Partnership for Africa's Development (NEPAD). I am calling that an opportunity, a tool. Africa is getting its act together. You heard my President. All presidents in Africa are saying the same thing. We now have new leaders with the educational background it takes to lead countries. You have seen one today. He understands issues. He is saying that Africa is a donor. We donate jobs because we send out our raw materials. We do not process them. The little money that comes back to us is nothing. We actually donate much more by exporting raw materials and exporting jobs.

NEPAD is a framework and it a way forward, with its focus on best national practices. But who is going to implement them? It is not NEPAD. We at the national level can do it. I do not see why not. I am very optimistic. We have the labour resources. Everybody looks at Africa as the Dark Continent. Are we? How many people working for UNIDO here are Africans? We have educated people. We have the capacity.

I get so depressed when at the WTO we allow the NGOs to lead us. We have the capacity. Come on Africa; let us get our act together. WTO is important to us. We need the global market. We are working with India and China to frustrate WTO. They have huge domestic markets. We do not. It does not mean that we accept subsidies; no, but WTO should be the organization that handles this, that prevents subsidies and dumping. I think that what Africa needs to do is to go up the value chain, restructure traditional sectors, create new knowledge-based industries using IT and biotechnologies.

How is Africa handling biotechnology? I will give examples of Uganda, which I know the best. We have scientists who are telling us what to do and they want to use new technologies, but because people think of new technologies in Uganda as terminator seeds, nobody wants to listen, not even the government. We need biotechnologies. It does not mean we need genetically modified organisms (GMOs), but let us listen to our own scientists. In my country, my scientists say this and everyone else says something else. Let us listen to our own scientists why biotechnologies are important for us.

For the IPAs, what can we do? We are so under-funded. We need to promote cost-efficiency through the use of the Internet, and to train our ambassadors. We have ambassadors who can promote investment, and we have to use the UNIDO ITPOs. I want to say thank you to UNIDO. We have been to France, to Brussels. In fact, we have an inward mission following our mission to the UNIDO ITPO in France, that took us to Brussels as well. Right now there is an inward mission from Brussels, and they are not only going to Uganda, but they are going to Kenya and Tanzania as well. One of us must be able to attract them to stay, and I hope we can do it. We have had a lot of assistance from UNIDO.

UNIDO can also help us with capacity building of our people, and that is what AfrIPANet is about. We have spoken about priority sectors. Let us identify them and let us focus and target countries. You cannot promote to the whole world. We have to focus on a few countries, so let us promote to those.

We have talked about the facilitation of host country measures, e.g. concerning infrastructure. The NEPAD has prioritized this part. If we cannot do regional business because we lack roads, because we lack trains between us, because there are no airlines, we have a problem. Prioritize infrastructure, and UNIDO again has helped us in some of this. We have to think of regionalization. The fact that there is a train between Durban in South Africa and Kampala in Uganda has enabled us to feed the south when there is a drought in South Africa. Infrastructure has been very important in enabling us to export to the region.

I think you have heard two expert speakers of the financial service sector. In Uganda I see that financial services are available, but our business people do not know about them. I also see financial services from the other countries. When I went to Norway, there was a fund for support to developing countries. I knew about the one from the Netherlands, and there are two in Sweden and one in Denmark. Did you know that they had these funds? Those are investment funds to support their own

investors in developing countries, e.g. through joint ventures. There is a lack of information in this sector. I have always been talking about the Netherlands because it has done so well. Last year, we licensed US\$ 22 million in Dutch projects because of these funds of the Dutch Government.

Joint ventures and the support of small and medium-sized enterprises (SMEs) depend heavily on domestic investors. As I said, the climate is important and we feel we have made some improvements. My President does not agree. There has been some improvement in the climate in Uganda and the domestic investors are investing. Last year, we licensed US\$ 143 million of Ugandan investors investing in Uganda. That is a major achievement and it is happening. And these were serious investors. So improve the environment and you have got them all.

Entrepreneurship – UNIDO, we need help here. Our domestic investors need more of this. A lot is happening. UNIDO has helped us work on the curriculum in primary schools. All the people coming out of primary schools have training in commerce. They can prepare a business plan. They know about commercial agriculture and things like that.

I quote surveys. Surveys are very important. We need to address the constraints and regulations. Capacity building has taken place among regulators. This is very important. If they cannot do their work, we cannot do our work. So regulators, the environment authority, the Uganda Revenue Authority, the tax collector, all these are very important bodies that we must focus on.

For home-country measures we would like to ask the developed world to invite the investment promotion agencies to meet your business community. I also want to tell my brothers and sisters from the IPAs, they are inviting us. I just came back from Sweden, I came back from Iceland, and this was an invitation from their government, or from the Swedish Industrial Development Cooperation Agency, or SIDA. So it is happening. Just find out where they are and they will help you. But we need them to help us more, e.g. the chambers of commerce and industry. It is really very difficult for me, even if I have a good climate and nice opportunities in Uganda, to get the business community to listen to me.

The media is always negative. Can we get some positive media reporting? I do not know how, but we need help there. We need support from the investors. I have already talked about home-country measures, the need for financial support and outward missions. The Dutch are brilliant. They invited us and then the Minister of Trade came with a delegation of 50 potential investors to Uganda. In fact, they actually stayed. They invested in various areas. But the Government led them. This reduces the perception of risk. Once they come to Uganda, they see that the risk is less. But how do I get them to come to Uganda? It is not easy for me. I need help. Maybe UNIDO can help us here. Can we have this next meeting in Uganda or in Kenya or in Cameroon? I have to be biased for Uganda. So we need help with feasibility studies, and with insurance and investment funds. As I have just said, such help is available.

I would like to thank you very much for listening to me. I think the future is ours. Africa, this is our turn. Let us get our act together. We can do it.