UGANDA



ENTREPRENEURSHIP POLICY REVIEW



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LIST OF ACRONYMS

BDS	Business Development Services
DRMS	Domestic Revenue Mobilization Strategy
EPF	Entrepreneurship Policy Framework
GDP	Gross Domestic Product
ICT	Information and Communication Technology
IMCORE	Informality Management Interventions for Compliance and Revenue Mobilization
MESTS	Ministry of Education and Sports
MSTI	Ministry of Science, Technology and Innovation
MSMES	Micro, Small & Medium Enterprises
MOFPED	Ministry of Finance, Planning and Economic Development
MoSTI	Ministry of Science, Technology and Innovation
MTIC	Ministry of Trade, Industry and Cooperatives
NCDC	National Curriculum Development Centre
NDP	National Development Plan
NGOs	Non-governmental Organisations
PSFU	Private Sector Foundation of Uganda
SACCO	Savings and Credit Cooperative
TCFCT	Training and Common Facilities Centre 🔛
UBTEB	Uganda Business and Technical Examinations Board
UDB	Uganda Development Bank
UEPB	Uganda Export Promotion Board
TVET	Technical and Vocational Education Training
UBOS	Uganda Bureau of Statistics
UIA	Uganda Investment Authority
UNBS	Uganda National Bureau of Standards
UNCCI	Uganda National Chamber of Commerce and Industry
UNCTAD	United Nations Conference on Trade and Development
USSIA	Uganda Small Scale Industries Association
URSB	Uganda Registration Service Bureau
UWEAL	Uganda Women Entrepreneurs Association Limited

INTRODUCTION

The Ministry of Trade, Industry and Cooperatives (MTIC) developed the micro, small and mediumsized enterprises (MSMEs) Policy (2015-2025) that was approved by Cabinet in 2015 as well as its Implementation Strategy 2016/17-2020/21 to address bottlenecks to MSMEs development and guide the private sector as an important vehicle for knowledge exchange, technology and innovation development, research and investment transfer, to significantly contribute to sustainable and efficient value addition production.

Both documents are in accordance with Uganda's Government Vision 2040 and the National Development Plan II with the theme "Growth, Employment, and Socio-economic Transformation for Prosperity".

Furthermore, Uganda designed the National Development Plan III (NDP III 2020/21 – 2024/25) that offers a strategic focus on private sector development and most importantly, the growth of MSMEs, based on the figures that "*the private sector in Uganda is dominated by about 1.1 million micro, small and medium enterprises (MSMEs) all together employing approximately 2.5 million people*".¹

The MSMEs Policy has been running for over five years and brought about several achievements in accelerating Uganda's entrepreneurship culture. It now faces a number of challenges including those related to the COVID-19 pandemic which has a negative impact on the economy and MSMEs' performance and growth in particular. Lockdowns, the closure of businesses, loss of markets and limited access to credit contributed to a declined performance of the MSMEs in Uganda. Moreover, the current MSMEs Policy and Strategy do not cater for the issues related to migrants and refugee entrepreneurship. Therefore, MTIC deemed important to review and formulate a MSMEs Strategy in line with the NDP III (2021-2025) and integrating the above-mentioned issues.

To support MTIC, UNCTAD conducted a "diagnostic assessment" followed by a jointly organized three-days National Strategy Planning Workshop from 15 to 17 September 2021 with the participation of key stakeholders of the entrepreneurship ecosystem in Uganda. The workshop's report is annexed to this National Entrepreneurship and MSMEs Strategy (NES).² The main objectives of the workshop were to review and update Uganda's MSMEs Policy and integrate the recommendation of the Action Plan for strengthening entrepreneurship in refugee hosting districts through a strengthened inclusiveness of the entrepreneurship ecosystem.

The integration of new entrepreneurship elements in the NES is timely and builds on the efforts made by governmental institutions over the past decade. As the diagnostic assessment outlines the main barriers to entrepreneurs in Uganda, this document is concise and focuses on priority interventions. The scope of the priorities is based primarily on the objectives of the existing MSMEs Policy and the National Development Plans as well the comprehensive elements of UNCTAD's Entrepreneurship Policy Framework (EPF).

A second multistakeholder workshop was organized on 21 June 2022 to comment on the existing draft and finalize the Action Plan of which the main findings have been incorporated in the NES.

¹ National Development Plan III 2020/21-2024/25, page 107 (National Planning Authority)

² The workshop gathered 31 participants, with 13 participants representing governments agencies, 10 participants representing the private sector (including financial institutions), 6 participants representing U.N. entities and development partners and 2 participants representing academia.

Section one briefly recalls the key elements that characterises the environment for entrepreneurs in Uganda and section two sets out the approach followed to ensure that entrepreneurship elements for integration in the NES offer added value to the existing corpus of Uganda's strategies. A description of the main policy objectives and how the priority actions contribute to their potential achievement is described in section 3, followed by section four that depicts the main activities to implement these actions as well as the possible concerned institutions. Section five offers some indicative elements of a monitoring and evaluation approach, and the last section provides a conclusion.

1 Situation analysis

The overview presented below summarizes the main strengths and weaknesses of the entrepreneurial ecosystem in Uganda against UNCTAD's EPF. They are described in further detail in the diagnostic assessment.

Policies and strategies

- Vision 2040 and NDPIII provide the institutional framework for policy formulation aimed to promote entrepreneurship;
- Uganda has no standalone national entrepreneurship policy, but it does have several policies and strategies accumulated over the years that guide entrepreneurial activity;
- The inadequacy of a coordination mechanism to ensure harmonization of efforts has created a fragmented support environment and prevented government institutions to strengthen synergies.

Regulatory environment

- Despite implementing several reforms to simplify and reduce the cost of registering a business, Uganda still faces high levels of informality;
- Existing one-stop shop initiatives have not been able to scale up and be easily accessible by a significant number of entrepreneurs, especially those who are not living in more developed urban areas or without access to internet (Registration, Quality Standards, Taxes, Environment, Investment).

Entrepreneurship education

- Entrepreneurship education has been rolled out at all levels of formal educational system in Uganda;
- The government has supported a number of entrepreneurship skilling programmes including establishing youth industrial hubs under H. E. the Presidential Initiatives.

Technology and innovation exchange

- There is low Information and Communication Technology (ICT) uptake due to availability, affordability and reliability;
- There are low levels of digital literacy among entrepreneurs.

Access to finance

- Financial inclusion has increased over the years, but most micro and small enterprises still rely on informal financial services. Non-bank financial institutions have played a key role in providing financial services to low-income earners;
- Credit to business is mainly provided by the commercial banking sector and the interest rate is very high. Alternative sources of funding such as venture capital are still a relatively new phenomenon;
- The Government has promoted and supported the establishment and operation of SACCOs including Parish Development SACCOs;
- Financial literacy is a key constraint for financial inclusion.

Awareness and networking

- Entrepreneurship is highly regarded with several organizations providing knowledge and resources to entrepreneurs and potential entrepreneurs;
- Two out of three entrepreneurs exchange knowledge informally with other entrepreneurs, and almost half of the entrepreneurs are still not benefiting from their entrepreneurial ecosystem;
- Although they are many, ecosystem stakeholders seem to be mainly working in isolation.

2 Approach of developing the Entrepreneurship and MSMEs Strategy

Uganda has a number of well-crafted policies and strategies that describe actions to be taken to promote the development of entrepreneurship and MSMEs.

The NES engaged a holistic approach and examined a variety of ways to create and nurture the synergies between the different pillars of UNCTAD's EPF, Uganda's MSMEs Policy of 2015 and the National MSMEs Strategic Plan 2016/2017 – 2020/21. It integrates crucial entrepreneurship elements to the existing documents targeting private sector development and is aligned to NDP III, among others.

The approach of the NES is guided by NDP III, the NRM Manifesto and UNCTAD's EPF to ensure policy relevance and impact:

- 1. Particular challenges of the country were identified through literature review and analysis conducted in the field of entrepreneurship and private sector development
- 2. Specific objectives to be achieved (section 3) and
- 3. The set priority actions (section 4) which are aligned with other national policies
- 4. The indicators to measure the results and ensure policy learning are detailed under "monitoring and evaluation" (section 5).

The NES has been developed through a consultative process that was coordinated by UNCTAD and MTIC together with the main stakeholders involved in MSMEs development.

3 Vision, Mission and Strategic objectives

Vision

To create a critical mass of viable, dynamic and competitive MSMEs, significantly contributing to the socio-economic development.

Mission

To stimulate growth and performance of sustainable MSMEs through enhanced business support service provision, access to finance, technical and business skills, and the creation of a conducive policy, legal and institutional framework.

Guiding principles of the strategy implementation

Implementation of the NES will be guided by the following principles:

- ✓ Policy coherence at national, regional and international level
- ✓ Promoting research, innovation and standards
- ✓ Public-Private Partnership (PPP) initiatives
- ✓ Promoting MSMEs clustering and business linkages along values chains
- ✓ Promoting intra and inter regional trade to take advantage of the African Free Trade Continental Agreement
- ✓ Promoting socially inclusive and environmentally sustainable growth

Strategic Objectives

Strategic objectives have been identified through a consultative mechanism.³ They address critical barriers for entrepreneurship promotion and MSMEs development in Uganda and can be implemented by MTIC in collaboration with other key Ministries, Departments and Agencies and actors of Uganda's entrepreneurial ecosystem.

Priority interventions focus on a set of specific objectives, which MTIC could pursue to contribute to Vision 2040 and NPD III ((NDP III 2020/21 – 2024/25).



³ In collaboration with MTIC, UNCTAD organized a three-day workshop in Kampala in September 2021. The main objective of the workshop was to discuss the findings of the diagnostic report and propose the selection of objectives, priority actions and activities for the Integrated National Entrepreneurship and MSMEs Strategy.

Coordination and coherence are essential in order to achieve a positive impact, benefit from the synergies of these policies, and maximize the economic and social growth they can provide. This requires a "whole of government" approach with strong commitment at top ministerial level and coordination across ministries, in partnership with the private sector and other civil society stakeholders, including academia, Non-Governmental Organisations (NGOs), and community organizations. In an effective entrepreneurial ecosystem, multiple stakeholders contribute to facilitating entrepreneurship. It is a system of mutually beneficial and self-sustaining relationships involving institutions, people and processes that work together with the goal of creating entrepreneurial and innovative ventures. It includes business, policymakers, educational institutions, social networks and other civil society actors.

3.1 Enhancing the performance and survival rate of businesses

MSMEs can benefit enormously by gaining better access to ICT. Currently, they struggle with an inadequate basic Information and Communication Technologies (ICT) infrastructure and low levels of digital literacy, which directly affect their resilience and prospects of growth. The COVID-19 pandemic exposed even more of such fragilities as many entrepreneurs were not able to operate during lockdown and were severely impacted by other sanitary restrictions.

However, recently significant efforts have been made to take advantage of the Fourth Industrial Revolution (4IR). Some of its applications can be extremely useful for addressing MSMEs' ICT-related constraints.⁴ Furthermore, considering the gap in ICT use between urban and rural populations, digitalization related initiatives will unlock a tremendous entrepreneurship potential in rural areas.

Digital literacy campaigns and overall ICT training will further support ICT uptake, particularly among vulnerable entrepreneurs such as women, youth and refugees. Indeed, considering the gap in ICT use between the rural and urban population and the high number of refugees in Uganda, a specific focus on rural MSMEs and refugee entrepreneurs would be beneficial.⁵

Increase in digital literacy and an improved IT infrastructure allows MSMEs to better integrate business information into their operations, increase their competitiveness and gain access to markets. Indeed, a fragmented internet reduces market opportunities for domestic MSMEs to reach worldwide markets, which may instead be confined to local or regional markets.⁶

Another way to enhance the dissemination of information is to organize national entrepreneurship events, such as award schemes and conferences. This could for instance be achieved by further leveraging the large network of incubators, innovation hubs and Business Development Services (BDS) centers.

3.2 Increasing the number of start-ups

Entrepreneurs are eager to enter new markets where business opportunities can be found. **To raise awareness about market opportunities in the short term,** communications of existing initiatives providing information about business ideas should be improved so that the latter also reach the population of potential entrepreneurs and MSMEs. Umbrella associations and apex

⁴ See the MICT&NG's Uganda 4IR Strategy here: <u>https://ict.go.ug/publications/</u>

⁵ That would entail a closer collaboration with the MICT&NG whose 4iR strategy plans to increase the deployment of 4IR technology in agriculture sectors.

⁶ UNCTAD, Digital Economy Report 2021. Geneva. <u>https://unctad.org/system/files/official-document/der2021_en.pdf</u>

bodies such as the Private Sector Foundation, Uganda National Chamber of Commerce and Industry, to name a few, can provide support in the promotion of entrepreneurship which will help the number of start-ups increase. In order to be effective, their outreach should go beyond Kampala and reach rural communities as well.

In addition, the shift to an entrepreneurial mindset can be fostered by supporting the introduction of ICT in schools and Technical and Vocational Education Training (TVET) programmes. This will facilitate experiential and learning-by-doing methodologies, in line with Uganda's National 4IR Strategy.⁷ This would help bring about a new generation of digital entrepreneurs.

In the long term, sustaining a culture of entrepreneurship requires that **entrepreneurship be taught in schools and universities adequately**. Although Uganda has seen a strong expansion in the offer of entrepreneurial education over the past two decades, particularly through the formal educational system, its quality has not kept pace. Current training programmes have not been successful due to inadequacies of their curricula – which are considered too theoretical and not in touch with the realities of the entrepreneurial activities in Uganda. Experiential learning through interactive teaching methods based on local content is much more effective than theoretical teaching. This is even more effective if combined with online learning tools, which is also easier to train teachers.⁸

3.3 Increasing MSMEs formalization

Uganda has a number of well-functioning digital government portals providing online services to business. In spite of the effort to simplify business procedures, Ugandan MSMEs are mainly found in the informal economy and efforts to promote formalization have not been able to attract formal entrepreneurs in numbers. To a large extent, existing one-stop shop initiatives (e.g. at Uganda Registration Service Bureau (URSB) offices and Uganda Investment Authority/eBiz (UIA/eBiz) have not been able to scale up and be easily accessible by a significant number of entrepreneurs – particularly by those who are not living in more developed urban areas or who could not easily access internet to use e-registration. This raises the importance of access to ICT and digital literacy for entrepreneurs.

The services of URSB offices offer great potential to boost formalization. Well-equipped and possessing a large outreach through their one-stop shops, they could significantly expand the offer of registration-related services.

In addition to the provision of support to the informal sector, providing solutions for entrepreneurs running formal businesses can further help demystifying formalization. The Ministry of Finance Planning and Economic Development (MOFPED) has developed a strategy on Informality Management Interventions for Compliance and Revenue Mobilization (IMCORE) for MSMEs in Uganda in line with the National Strategy for Private Sector Development (NSPSD) and Domestic Revenue Mobilization Strategy (DRMS) 2019/20 – 2023/24. MTIC could facilitate

⁷ One of the recommendation of the strategy, is to "*align the education system to meet the need of 4IR*" <u>https://ict.go.ug/wp-content/uploads/2020/10/Executive-Summary-Ugandas-National-4IR-Strategy.pdf</u>
⁸ This is in line with the Continental Education Strategy for Africa 2016-2025. <u>https://edu-au.org/strategies/185-cesa16-2</u>. Most

⁸ This is in line with the Continental Education Strategy for Africa 2016-2025. <u>https://edu-au.org/strategies/185-cesa16-2</u>. Most institutions with expertise on education for entrepreneurs advocate for a shift from "teaching entrepreneurship" to "teaching entrepreneurship competencies". See K. W. Middleton, M. Lackéus, M. Lundqvist (2021) "Entrepreneurs versus Entrepreneurial" in World Encyclopedia of Entrepreneurship, p. 177-183. Also information, see <u>Home - EntreCompEdu</u>

the implementation of IMCORE and for instance coordinate the diffusion of UNCTAD's eaccounting tool for MSMEs in Uganda's different BDS centers.⁹

Lastly, an expansion of access for formalization needs to go in tandem with an effective communications strategy. For many entrepreneurs it is not clear what the added value is to formalize their businesses and hence they remain informal. Awareness raising on the benefits formal firms have such as access to formal financial services and formally employed staff and the increased ease to grow their business and to do businesses with other firms, especially larger ones, should be increased. An effective communications strategy can demystify formalization, showing entrepreneurs that the procedure can be easy – especially through one-stop shops – and beneficial for them.

4 Implementation Matrix with Priority Actions and Indicators

To improve the performance and resilience of small businesses, the following priority actions are recommended:

Priority actions	Activities	Institutions
Facilitate coordinated dissemination of ICT trainings for start-ups	Working in close collaboration with Enterprise Uganda and other appropriate organizations to develop digital literacy and ICT trainings to be offered in BDS centers/incubators/innovation hubs in a coordinated manner. ¹⁰ Organize MSMEs training workshops on digital	MTIC, Enterprise Uganda, BDS centers MTIC, Enterprise
and MSMEs	literacy and overall ICT-training workshops on digital areas. ¹¹ Tailor-made workshops for specific vulnerable entrepreneurs such as women, youth and refugees should also be envisaged. ¹²	Uganda, BDS centers
Support technology transfer	In collaboration with MoSTI, support the establishment of a Technology Transfer Programme or target sectoral project with technology transfer component ¹³	MTIC and MoSTI
Integrate access to technology for start-up and MSMEs into	Work in close collaboration with the relevant institutions advocating for a start-up act in Uganda. It can be used to promote sustainable business models and technologies. Tax deduction schemes can also be established through a Start-up Act.	MTIC and MICT&NG

4.1 Promoting start-up and MSME access to technology

⁹ The Ministry has requested UNCTAD to provide technical assistance to develop a MSME accounting and reporting framework and a training manual to ensure successful implementation of the project.

¹⁰ Benefit expectation, ICT learnability, User-confidence, and User-friendliness are reported to be key determinants of ICT adoption among SMEs in Uganda. See: Kyakulumbye, S., Pather, S. (2021) Understanding the adoption of ICT among SMEs in Uganda: towards a participatory design model to enhance to enhance technology diffusion. African Journal of Science, Technology, Innovation and Development DOI: <u>10.1080/20421338.2020.1802843</u>

¹¹ That would entail a closer collaboration with the MICT&NG whose 4iR strategy plans to increase the deployment of 4IR technology in agriculture sectors.

¹² Workshops targeting refugee entrepreneurs can be done in partnership with development state agencies already supporting such activities, such as GIZ for example. <u>https://www.giz.de/en/worldwide/74940.html</u>

¹³ WIPO helps member states in that regard. <u>https://www.wipo.int/patents/en/technology/</u>

potential Start-	
up Act	

4.2 Improving the quality of BDS

Priority actions	Activities	Institutions
Increase the quality and expand the services of BDS centers	Disseminate training in business negotiation skills, strategic planning, contract management, quality assurance, efficient resource and waste management, branding and packaging. Set up a "business clinic"	MTIC
Facilitate coordinated dissemination of trainings on standards and quality certification	Working in close coordination with UNBS, MTIC could facilitate the outreach of UNBS' range of trainings and consultancies. Integrate pilot trainings in BDS centers	MTIC UNBS USSIA UNCCI

4.3 Improving access to market information

Priority	Activities	Institutions
actions		
Improve MSME	In close collaboration with UBoS, develop a periodic	MTIC, UBoS
statistics	review of the MSMEs sector	
Improve the	Update the content and quality of market	MTIC
quality and	information (including market opportunities for and	
content of	with migrants and refugees entrepreneurs). Partner	
MTIC' portal	with district offices to disseminate it massively in	
	different regions	
Facilitate	Working in close coordination with UEPB, MTIC	MTIC
coordinated	could facilitate the outreach of UEPB in BDS	UEPB
dissemination	centers, innovation hub and incubators	USSIA
of information		UNCCI
on export		
facilitation		
Strengthen	Working in collaboration with UIA and other actors	MTIC
networking	in the entrepreneurship ecosystem, MTIC could	UIA
among	organize events that bring together entrepreneurs	USSIA
stakeholders	and investors and recognize successful	UNCCI
	entrepreneurs ¹⁴	

¹⁴ Improving linkages between the investors and MSMEs community is also a priority action recommended by the UIA strategic plan 2020/21-2024/25 accelerating domestic and Foreign Direct Investment for sustainable development <u>https://www.ugandainvest.go.ug/wpcontent/uploads/2021/06/UIA-STRATEGIC-PLAN-2020-2025-compressed-FINAL-VERSION.pdf</u>

To increase the number of start-ups, the following recommendation can be formulated:

Priority actions	Activities	Institutions
Improve information on market opportunities	Working together with UIA to build on existing initiatives and research ¹⁵ and identify new niche markets for MSMEs. Use information from projects promoting green and social entrepreneurship ¹⁶ to raise awareness about opportunities in line with the 2030 Agenda for Sustainable Development (SDGs)	MTIC and UIA
	Leverage the network of BDS centers, incubators and innovation hubs to disseminate information on market opportunities	MTIC, BDS Center USSIA/UNCCI

4.4 Raising awareness on new market opportunities

4.5 Digitalizing entrepreneurial education and making it more concrete

Priority actions	Activities	Institutions
Increase the use of	Adapt the content of ICT-based learning tool	MTIC, MES,
ICT in schools and	and introduce them in TVET programmes in	MICT&NG,
TVET programmes	coordination with the BEAR II programme ¹⁷	UNESCO
Increase the use of	Adapt the content of ICT-based learning tool for	MTIC, MES and
ICT in higher/tertiary education	tertiary and higher education	Universities
Reform the entrepreneurship curricula	Strengthen the linkages between Enterprise Uganda and formal education institutions to adapt and develop content on entrepreneurship education at all levels of the formal educational system	MTIC, MES/TVET, Enterprise Uganda
	Partner with international or regional organizations with expertise on the development of entrepreneurship curricula and promote experiential and learning-by-doing methodologies ¹⁸	MTIC and MES/TVET/ NCDC
	Embed entrepreneurial education in pre- service teacher training (upstream) and on-	MTIC and MES/TVET
	going in-service teacher training ¹⁹	

¹⁵ UIA's compendium of business ideas for MSMEs is a good example of useful information that should be communicated to the wider public

¹⁶ MTIC Switch Africa Green (SAG) project https://www.mtic.go.ug/switch-africa-green-sag-project/ or the Yunus Social Business project http://uganda.yunussb.com/ ¹⁷ Better Education for Africa's Rise II (BEAR II): promoting and transforming TVET in Eastern Africa.

https://en.unesco.org/themes/skills-work-and-life/bear and https://unesdoc.unesco.org/ark:/48223/pf0000260719_eng

¹⁸ The following organisation have such expertise: The Center for Entrepreneurial Leadership <u>Centre for Entrepreneurial Leadership</u> <u>- Anzisha Prize</u>, and the Mastercard Foundation <u>https://mastercardfdn.org/uganda/</u>
 ¹⁹ To learn more about teacher's entrepreneurial competencies, see <u>https://entrecompedu.eu/</u>

Priority action	Activities	Institutions
Formulate a better	Partner with university and statistical office to set up a periodic review of the informal sector of	MTIC, UBoS
understanding	Uganda	
of the informal		
sector of		
Uganda		
Review the	Organize a thorough and systemic review of the	MTIC
regulatory	regulatory environment for start-ups to identify	
framework for	biases in favour of large business	
business		
Expand	Leverage the network of incubators, BDS centers	MTIC and URSB
access to	and innovation hubs to improve access to URSB	
simplified	one-stop shop outside Kampala	
business		
registration		
procedures		
Improve	Formulation of a communication strategy on	MTIC, URSB,
communication	business regulation and business registration	MOFPED/UIA/eBiz and
	procedures in coordination with URSB,	private sector
	MOFPED/UIA/eBiz and private sector representatives. It is recommended that the	representatives
	strategy aims to:	
	i) design and put in place a coordination	
	mechanism between MTIC, URSB,	
	MOFPED/UIA/eBiz and private sector	
	representatives for timely dissemination of	
	information.	
	ii) develop information campaigns. The strategy	
	should target different audiences, particularly	
	vulnerable entrepreneurs such as women,	
	youth and refugees.	
Provide	In collaboration with MOFPED, facilitate the	MTIC and MFPED
solutions to	diffusion of UNCTAD's e-accounting tool as part	
run formalized	of the IMCORE	
businesses		

4.6 Removing barriers to formalization of start-ups and MSMEs

To increase the coordination and communication of responsible institutions the following recommendation can be formulated:

4.7 Strengthening coordination and improve communication of institutions responsible for MSMEs development.

Priority action	Activities	Institutions
Strengthen	Strengthen synergies between MTIC and key	MTIC, MOFPED/UIA,
coordination	institutions and actors, including	UNBS, MES/TVET and
	MOFPED/UIA, UNBS, MES/TVET and	private sector
	private sector representatives	representatives
	Increase capacity of District Commercial	MTIC, District Commercial
	Offices	Offices
Improve	Formulation of communication strategy on	MTIC
communication	entrepreneurship promotion and MSMEs	
	development. The strategy should aim to	
	develop and implement information	
	campaigns on mainstream and social media	
	channels to:	
	i) provide better information about services	
	and support offered to MSMEs.	
	ii) raise awareness of quality and conformity	
	to standards. The strategy should target	
	different audiences, particularly vulnerable	
	entrepreneurs such as women, youth and	
	refugees.	

5 Monitoring and Evaluation

Being the focal institution responsible for the coordination of the policy implementation, MTIC would be in a good position to collect, compile and analyse information on all matters related to MSME policy implementation. The monitoring and evaluation mechanism can be a major policy instrument with detailed activities and specific timeframe as indicated in the overall policy objectives of this document. They have been formulated to be Specific, Measurable, Attainable, Realistic and Timely (SMART). It is recommended that a five-year review timeline is put in place for this policy.

UNCTAD's EPF recommends that policy objectives and their performance indicators should be limited in number, relevant and specific to their objectives. Moreover, data for constructing the indicators should be readily available or relatively simple to collect. The information should be collected periodically and in a timely manner so that the situation of entrepreneurs can be monitored.

To measure achievement of the objectives set in section 3, the following indicators are proposed:

- Performances of enterprises can be measured by their contribution to employment and GDP;
- Number of new enterprises are indicated by registration figures at URSB;
- Levels of formality can be measured by enterprises contribution to taxes;
- The comparison of newly registered enterprises and their contribution to taxes can give a rough indication of level of formality and survival rates.

For each of the specific actions, additional indicators can provide useful information for monitoring purposes, such as, for example:

- Number of entrepreneurs who participated in digital literacy training;
- Number of entrepreneurs who participated in standard and quality certification training;
- Performance of MSMEs who benefited from the different training MTIC coordinated;
- Number of start-ups registered by students who participated in entrepreneurship education.

It is advised that a mid-term review be conducted to identify areas in the strategic plan that require adjustments to ensure alignment of activities with outcomes.

6 Conclusion

This document on priority interventions integrating existing policies is purposely concise and covers the most crucial elements to enhance the existing corpus of Uganda's strategies and avoid duplication and uncoordinated efforts from the multiple stakeholders active in MSMEs development.

MTIC may wish to consider using these priority interventions to strengthen its existing MSMEs strategy to respond to challenges due to the COVID-19 pandemic and continue to integrate issues related to migrant and refugee entrepreneurs into its mainstream private sector development policies. The priority actions formulated in this document can indeed target specific segments of the enterprises population.

MTIC in close collaboration with UNCTAD, is grateful to all parties who participated in the consultation process to evaluate and update the previous MSMEs strategy.