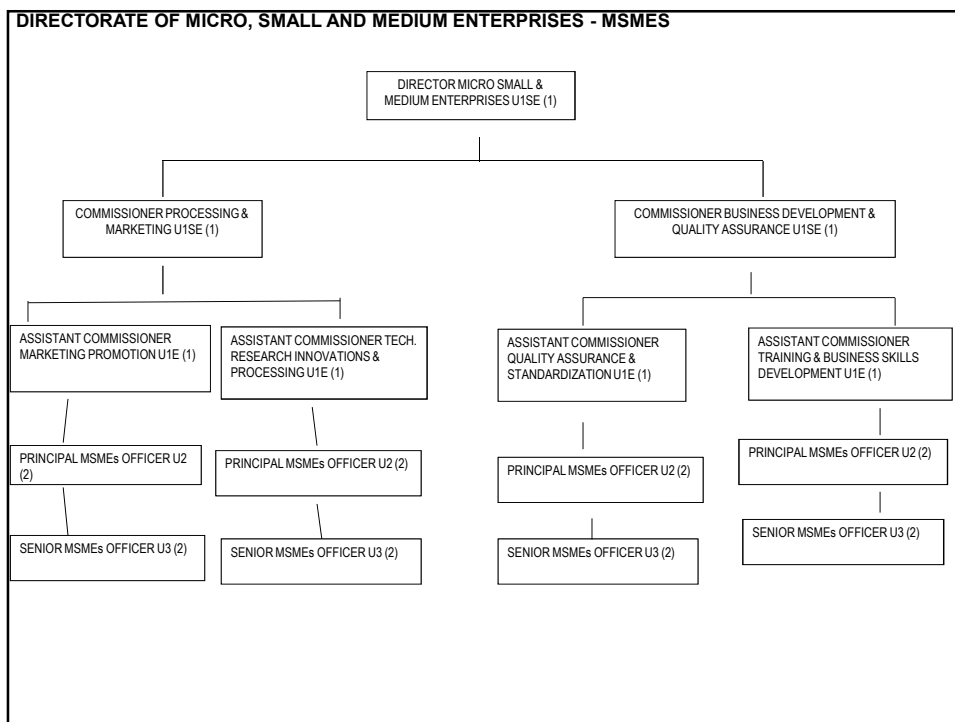


Department of Business Development & Quality Assurance- BDQA



Definition of Micro Small and Medium Enterprises (MSMEs)

Uganda Bureau of Statistics adopted the following definition:

1. **Micro**- Enterprises employing not more than 5 employees, Total assets not exceeding UGX10 million annually
2. **Small**- Enterprises employing between 5 and 49, Total assets between UGX 10 million and UGX 100Million annually
3. **Medium**- Enterprises with employees between 50 and 100, Total assets between UGX 100 Million but not exceeding UGX 360 million annually

MSME Directorate

The Directorate is tasked with coordination and implementation of the MSME policy.

Vision

The vision of the MSMEs Policy is to create **“A critical mass of viable, dynamic and competitive MSMEs, significantly contributing to the socio-economic development”**.

Mission

To stimulate growth 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.

Policy Justification

Guided by the strength, weaknesses, opportunities, threats (SWOT) analysis and aware that Government initiative is to promote and develop MSMEs sector has largely been complicated by scattered, uncoordinated and conflicting interests as well as actions of different stakeholders, the MSME policy therefore provides a framework that aligns all the previous efforts by different players, so as to meet the aspirations and objectives of Government’s development agenda.

Policy Objectives

The specific policy objectives are as follows:-

1. To provide enabling environment through policy, legal and institutional coordination framework
2. To promote research, product/process development, innovation, value addition and appropriate technologies including ICT
3. To promote product and service standards for quality assurance
4. To support access to markets and business information services
5. To increase access to credit and financial services
6. To enhance capacity building entrepreneurship, vocational, business and Industrial development skills
7. To enhance gender equity, inclusiveness and environmentally friendly Businesses for sustainable development

Business Development and Quality Assurance Department

Mandate;

To provide technical leadership in the formation of policies and regulatory framework for business development and quality assurance.

The department has two divisions

1. Training and Business skills Development and;
2. Quality Assurance & Standardisation

Divisions of BDQA

Training & Business Skills Development	Quality Assurance & Standardisation
<ul style="list-style-type: none"> •Provide Business skills development services (BDS). •Organise training in new skills or support entrepreneurs in business plan development, team building, networking and marketing strategies. •Monitor and evaluate the programmes and projects for institutions which provide business skills development services to MSMEs. •Develop synergies for training the human resources with business and vocational training institutions and the private sector entrepreneurs. •Collaborate with training institutions in designing training programmes tailored for MSMEs •Develop and maintain a data base for all MSMEs. 	<ul style="list-style-type: none"> •implement policies, strategies, plans and programmes in relation to MSMEs productivity, quality and standards. •Carry out awareness campaigns to promote certification of MSMEs products and services. •Promote onsite training to MSMEs in Good Manufacturing & Good Hygiene practices (Standard operating procedures and gap analysis). •Facilitate clustering of MSMEs by forming associations/ cooperatives for quality and standard adherence for technical guidance. •Identify products that need standards development and promote the dissemination of information of the developed standards. <p><i>All this is intended to prepare MSMEs close gaps in their production processes and improve on the products, processes before they apply for certification at UNBS. In this process we encourage the MSMEs to start on the certification processes.</i></p>

Activities so far undertaken

1. MSME Policy and Strategic plan prepared
2. Developed Training materials for Business development services(Financial management, Record keeping/ management, preparation of Business Plans).
3. 4,669 SMES trained in financial management, Book keeping, Preparation of Business Plan
4. Working with MTAC, 480 former street vendors were trained in areas of hairdressing and cosmetology, shoe making, Bakery and confectionary, and Tailoring. Guided them on the formalisation of their businesses and compliance with the regulators (URSB,URA,NSSF).
5. Supported over 1,000 members of Uganda Inter- Cottage industries on requirements for certification process of their products. 22 of them have had their products certified by UNBS.
6. Collected and analysed data on 30,000 MSMEs. This exercise was supported by District Commercial officers.
7. Provided Support to Standards Development. A number of standards have been identified and developed.
8. Cosmetics Products Development Strategy prepared.
9. Carried out awareness campaigns to promote certification of MSMEs products and services
10. Developed handbook for Good manufacturing and Good Hygiene Practices (GMP/GHP) for Micro, Small and Medium Term Enterprises (MSMEs).
11. Developed a number of project proposals to attract funding to support MSME development

Project Proposals in progress

1. Aflatoxin control in the Maize value chain for Uganda's Sustainable Trade
2. Markets Infrastructure Utilization(MIU) (Promoting Quality, Standards and Efficiency in Market Utilization in Uganda Using the 5-S Model (Sort, set in Order, Shine, Standardize and Sustain))
3. Beauty Industry Inclusiveness & Sustainable Growth (BIISG)
4. Standard Marketing Systems (SMS)

Priorities for FY 2021/22

1. Train 16,000 MSMEs in the area of preparation of Business Plans and provide them with Business Development Skills. Target Districts: Kaabong, Otuke, Amudat, Omoro, Buliisa, Bundibugyo and Kabarole.
2. Collect data from 1,200 MSMEs from the districts of Kanungu, Mayuge, Namyingo, Pakwach, Nebbi, Arua and Maracha.
3. Support 1,800 MSMEs with technical guidance on product development and certification processes. Promote onsite training and sensitisation to MSMEs in Good Manufacturing and Good Hygiene practices
4. Train 120 Youths and women in entrepreneurship, business formation and compliance to business regulations in the districts of Isingiro, Lyatonde, Manafa and Sironko.
5. Human Resource Development within BDQA department

Priorities for FY 2021/22 (continued)

7. Participate in the standards development processes at UNBS to enhance quality of products for MSMEs
8. Finalise the development of the Training manual for promotion of quality and standards (5S- Sort, Set in Order, Shine, Standardise and Sustain)
9. Finalise preparation of project proposals to attract funding for MSME development
10. Facilitate clustering of MSMEs by guiding them to form associations/co-operatives for quality and standard adherence.
11. Network with other MDAs such as URSB, URA, PSFU, MFPED, MGLSD and Local Government/District Commercial Officers), Banking sector/ financial sector and Development Partners to support MSME growth.

Challenges faced by the MSMEs

1. Low level of implementation of the MSME strategic plan (Inadequate technical and business skills, Limited access to appropriate technology, limited access to affordable credit, limited infrastructural facilities, among others)- **To be addressed with additional funding to the sector**
2. Limited access to quality assurance and affordable product certification services (cost is high)- **UNBS decentralised services and reduced on the surveillance audit fees**
3. Un coordinated MSME sector (UIA, PSFU, Enterprise Devt Uganda, MGLSD, etc)- **MSME Act to address this issue.**
4. Data collection challenges- **Undertake an MSMEs Baseline Survey, continue working with District Commercial officers/ Local Governments**

Way Forward

1. The priorities highlighted have been captured into the NDP III objectives.
2. To mobilise and utilize the scarce resources available to the Department in an efficient and effective manner to achieve the mandate of the Department.
3. Continue to Network with various stakeholders to enable the realization of the mandate of the Ministry and that of NDPIII.



