

DEPARTMENT OF INTERNAL TRADE PRESENTATION ON KEY ROLES AND FUNCTIONS/MANDATE

PRESENTATION LAY OUT

- **Department Mandate;**
- **The structure to deliver on department mandate.**
- **Main functions of the ITD**
- **Status of implementation on key priority areas**
- **Challenges**
- **Conclusion**

Department Mandate;

- ❖ The Department of Internal trade derives its mandate from the Constitutional mandate of the Ministry stipulated in the 6th schedule of the Constitution of the Republic of Uganda of promoting trade and commerce.
- ❖ ITD is thus mandated to; *provide an enabling environment for private sector growth and competitiveness through development and implementation of domestic policies and laws.*
- ❖ In the execution of its mandate, the department takes cognizance of;
 - A. Vision of the Ministry**
 - To provide an enabling environment for private sector growth and competitiveness
 - B. Mission**
 - To ease the process of doing business in the country and thus be a key driver in trading the country out of poverty, into wealth and prosperity.

The structure to deliver on department mandate.

- ❖ The Department is headed by the Commissioner, assisted by two Assistant Commissioners for;
 - Trade and Inspectorate and
 - Private Sector competitiveness.
- Under the Commissioners, there are 4 PCO, 6 SCO and 6 Commercial Officers.

Main functions of the ITD

- ❖ Manage the development and implementation of trade related policies and laws that promote the development of domestic trade.
- ❖ Plan, coordinate, and supervise strategies and projects aimed at nurturing the private sector to improve its competitiveness in the domestic, regional and international markets.
- ❖ Support the Districts, Urban Authorities and local governments align their plans, programmes, activities and policies support trade development and harmonized with the National Trade Policy.
- ❖ Plan, coordinate and manage the East African Community Framework negotiations, programs/ strategies and projects.
- ❖ Promote the integration of trade policy agenda and regulatory framework of other Ministries, Departments and Agencies

Status of implementation on key priority areas

1. Development and implementation of domestic trade policies, laws and Strategies.

Progress on implementation

- ❖ The following policies have been developed and are being implemented

A. BUBU Policy and Strategy.

- ❖ Certification of companies for the use of the BUBU Logo. For easy access by the applicants, the forms can be downloaded from the MTIC website.
- ❖ supported; JIMS Technologies Ltd and Soko to develop online BUBU application. The Platform can even be downloaded on phone.
- ❖ We engaged with the private sector to host the BUBU – e-Expos on NBS and UBC televisions.

BUBU Policy cont'd

Development and implementation of domestic trade policies, laws and Strategies.

- ❖ The Ministry is also working with Bishop Samuel Nakibinge a media consultant to support the BUBU social media campaigns.
- ❖ The Department is engaging a private sector company ``I M So Ugandan`` as our BUBU Ambassador to participate to promote digital marketing of the BUBU brands, promote BUBU on social media, Televisions and radios,
- ❖ Help in composition of a national BUBU song, organising and managing school education institutions outreaches and designing and popularising the national attire.

B. Competition and Consumer Protection Policy and Bills

Development and implementation of domestic trade policies, laws and Strategies.

- ❖ The Competition and Consumer Protection Policy was passed by Cabinet in 2014.
- ❖ Thereafter Cabinet approved the drafting of the two Bills (separate Bills) under the Ministry in order to implement the Policy.
- ❖ MJAC has so far finalised the drafting of the Competition Bill and the Ministry is waiting for the certificate of clearance.
- ❖ The Consumer Protection Bill, is still under legal review by MJAC

C.LAWS: The Trade Licensing Act.

Development and implementation of domestic trade policies, laws and Strategies.

- ❖ developed SI on the Grading of Business areas and rates, being implemented by Local Governments.
- ❖ Developed Regulations on submission of annual trade licensing returns by Local and Urban Authorities and submitted to Ministry of Justice for legal advice.
- ❖ Developed regulations restricting non-citizens from trading in certain goods and business areas.
- ❖ Sensitised local and urban authorities on the Trade Licensing Amendment Act

D. Implementation of Hire Purchase Act 2009

Development and implementation of domestic trade policies, laws and Strategies.

- ❖ Twenty (20) companies have been licensed to operate Hire Purchase Business and have continued to renew their licenses annually.
- ❖ Held consultations to review the Hire Purchase regulations as demanded by Stakeholders with a view to bring more companies on board.

E. Sale of Goods and Supply of Services Act

Development and implementation of domestic trade policies, laws and Strategies.

- ❖ Developed draft simplified version of the Act to enable it's understanding by the relevant stakeholders.
- ❖ continuing with dissemination and awareness creation for various stakeholders

The PPDA Amendment Act

- ❖ Submitted input in the development of the Reservation Schemes Guideline. The input included;
 - i. A definition of a manufacturer,
 - ii. 10 years requirement for a resident provider,
 - iii. Thresholds specifically for national providers, and for both national providers and resident providers
 - iv. Proposed additional sectors: coffee, tea and milk, and a request to reserve thresholds and sectors for youth, women and people with disabilities.

F. The Local Content Act (a Private Members Bill)

Development and implementation of domestic trade policies, laws and Strategies.

- ❖ The Department strategically ensured the proposal to repeal Article 50 and 59A on the preference and reservation scheme under the Amended PPDA Act was successfully “blocked” in order to protect BUBU implementation.

G. Implementation of Business Name Registration Act

Development and implementation of domestic trade policies, laws and Strategies.

- ❖ To streamline the registration of business names in the Country, the Department initiated an MOU with URSB to enable the Ministry play an active role in clearance of business names.
- ❖ The Memorandum of Understanding (MOU) was and implementation has commenced.

H. Tobacco Control and Marketing Act (1967)

- ❖ Under the Act, the Department Issues; Sponsorship, Buyer, Processor and Export Licenses in order to streamline operations of the Tobacco the subsector
- ❖ Introduced a performance bond as requirement before issuance of a sponsorship licence to tobacco companies to address the issue of non payment to tobacco farmers.

Implementation of the tobacco Act 1967 cont'd

Development and implementation of domestic trade policies, laws and Strategies.

❖ In line with the Presidential Directive, the Department is closely working with the OPM to pay 11.26BN appropriated by Parliament to Tobacco farmers in Bunyoro Sub region for the 2018 season crop arrears.

I. Retail Trade/Supermarket Regulations

❖ Developed draft retail trade regulations which were approved by top management and sent to the First Parliamentary Council (FPC) for consideration. The Draft regulations are intended to regulate the relationship between the supermarket owners and suppliers

❖ Proposals on formation of;

a) Supermarket owners' Association.

b) Supermarket suppliers' Association are being studied to bring order in the sub-sector.

J. Trade Remedies Bill (National)

Development and implementation of domestic trade policies, laws and Strategies.

❖ The Principles of the Bill were developed and approved by Management. Cabinet Memo on the principles of the Bill is being finalised for submission to Cabinet.

2. Support to Districts Urban Authorities and other Local Governments to implement sectorial policies and programs

- ❖ The Department secured a grant (**Ugx 2.3B**) for non-wage recurrent to all Local Governments and Municipalities.
- ❖ The Department lobbied for a separate Department (Trade, Industry and Local Economic Development)- TILED
- ❖ We participate in the recruitment of the Commercial Officers
- ❖ Organise Bi-Annual DCO conferences to review sectoral performance.
- ❖ Requested for an expansion of the Commercial Services grant to include the development component for retooling and common user facilities.
- ❖ Review the quarterly reports from the respective Local Governments and compile responses to issues raised.

3. Manage the EAC negotiation programs/Strategies and Projects

- ❖ Engage in various negotiations with EAC partner states.
- ❖ Participate in the review of the CET
- ❖ Ensure that issues raised under the EAC are domesticated.

4. Coordinate with the private and their association (UMA, PSFU, Chamber) etc to address domestic trade related concerns/issues

- ❖ Receive and coordinate issues/ concerns raised by the private sector.
- ❖ Held various engagements with Uganda National Chamber of Commerce to streamline their operations (MOU) signed.
- ❖ Ongoing meetings are taking place with Private sector players like Uganda Breweries Limited and the British American Tobacco on a possible collaboration on how to control illicit trade.

5. Coordinate with other MDA on policy synergies and complementarities

- ❖ MTIC/ITD is coordinating the designing of a project aimed at addressing post-harvest management losses and aflatoxins control along the value chains.
- ❖ Various infrastructure programs are ongoing in order to facilitate cross border trade; Projects include the ongoing construction of a One Stop Border Post at Mpondwe and upgrade of Border facility to the level of a One Stop Border Post at Bunagana.
- ❖ Over six BEZ's are being constructed all over the Country; five are funded by the European Union and two meant to be funded by the World Bank under the Great Lakes Trade Facilitation Project. BEZ's include Oraba, Lwakhakha, Busia, Katuna, Mpondwe and Bunagana which is still under the design phase.

Challenges faced in the implementation of Department mandate

- ❖Lack of transport means. Apparently, the department has no vehicle, and this has greatly impacted on the implementation of the department activities like monitoring of the District Commercial Officers' Grants given to the District Local Governments, Municipalities and Cities, monitoring and inspection of markets, overseeing the implementation of Trade Licensing (Amendment) Act, 2015 and verification and inspection of Tobacco marketing and growing, among others. The need of a department vehicle was so evident during the local down period.
- ❖Limited funding towards department activities. This has led to some activities not being implemented thus affecting service delivery to the business community and Ugandans at large.
- ❖Limited office tools like computers, printers, stationery and photocopiers, among others which slows down the pace of work. It should also be noted that some Offices e.g 307, 320 require renovation and some new fittings made (lighting, curtains, wall paint) etc

Conclusion

The Department is key in the promotion of domestic trade as a spring board for international trade and therefore ready to deliver the mandate more effectively if the existing gaps/ challenges are addressed.