

Uganda courts US investors for high-return opportunities

MARTIN LUTHER OKETCH

Markets. |

Uganda has stepped up its appeal to American investors, highlighting high returns, and expanding market access as key reasons to invest in the East African nation.

Speaking during the second US – Uganda Business and Investment Forum in Washington DC on April 13, on the sideline Spring Meetings of the World Bank and International Monetary Fund, which runs from April 14 to 17, the Permanent Secretary and Secretary to the Treasury Mr Ramathan Ggoobi emphasized that Uganda offers “a wealth of investment opportunities

with high value returns,” pointing to an average return on investment of 14 percent and an average return on equity of 30 percent among listed companies.

These figures are supported by what Mr Ggoobi describes as a stable and well-managed macroeconomic environment.

Government policy has favoured private sector growth, with generous tax and non-tax incentives designed to attract foreign capital. Legal and regulatory frameworks have also been strengthened, including amendments to the Companies Act to improve corporate governance and investor confidence.

Uganda’s strategic location provides investors with access to major region-

al markets, including the East African Community (EAC), the Common Market for Eastern and Southern Africa (COMESA), and the African Continental Free Trade Area (AfCFTA). Together, these markets represent a population of more than 1 billion people and a gross domestic product of \$3 trillion.

“Uganda has made significant investments in Investment Grade Development Finance Institutions – African Trade & Investment Development Insurance, The East African Development Bank, Afreximbank, Shelter-Afrique, Trade and Development Bank. These are helping with syndications and co-financing for Special Purpose Vehicles. A Deal Flow Facility which identifies and

supports SMEs to become investment ready is now operational,” Mr Ggoobi said.

Uganda’s public debt remains within sustainable levels, with a debt-to-Gross Domestic Product ratio of approximately 50.9 percent, or 49 percent in present value terms. Officials note that a significant portion of this debt is concessional or semi-concessional, easing repayment pressures.

Authorities argue that Uganda is one of Africa’s most attractive investment destinations, citing low macroeconomic risk, relatively high returns, political stability, and a favourable business climate. The country has also launched an ambitious “tenfold growth strategy”

to transform the economy.

Foreign investment is seen as critical to Uganda’s development, contributing capital, job creation, technology transfer, and increased productivity. Officials say such investments will help integrate Uganda more deeply into global supply chains while supporting long-term economic growth and poverty reduction.

Uganda’s economy expanded by 6.3 percent in the 2024/25 financial year and is projected to grow by 7 percent in 2025/26, with expectations of double-digit growth over the medium term. Inflation remains low at 2.8 percent, with a slight increase to 3.3 percent projected.