

The silver bullet to take us to middle-income nation status



By Paul Busharizi

A fortnight ago, it was reported that if our oil started flowing in 2020, our new export revenue stream and the supporting industries will see the economy double by 2025 and we will easily have made middle-income status as a nation.

To qualify as a middle-income nation per capita gross national product – total national economic output divide by the population – should be above \$1,100. That number for Uganda currently stands at about \$600.

However, we should go beyond the statistics. After all chances are, everyone who reads this article qualifies or earns more than \$1,100 annually.

What we need to be aiming for is a universal improvement in living conditions for all in living conditions for all Ugandans, measured by improving literacy levels, better health, good housing, access to clean drinking water, essentially all those things that not only make life more bearable, but which gives us a chance at improving our lot, if we apply ourselves.

Production important

At the most basic level to improve everyone's living standards, we need to produce more than we can consume. To the extent that most of the economy – agriculture and business – is tailored towards subsistence is the extent to which we remain poor.

So, once we produce more than we can consume, we can do one of two things, either we stock it away for a rainy day or sell it to others who are not as prolific producers as we ourselves, export it.

However, the international markets are not manned by charitable organisations, but by hardnosed businesspeople. Whatever it is you are producing has to be of good quality and when all is said and one – processing, shipping, storage and marketing – they can take home some profit for themselves.

So, beyond just filling our silos or warehouses with surplus products, we need to get our products to the market in time and good condition.

if we can do that with increasing regularity, adjusting the vagaries of the market as we go along, competitiveness



A farmer in Kumi district tends to his goats. If Uganda is to market her products such as goats, she needs to sustain its supply, get the products to the market in time and at a competitive price

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can be established.

Competitiveness as defined by the World Economic Forum – which has been measuring it since 1979 – is “the set of institutions, policies and factors that determine the level of productivity of a country”.

Productivity – how much you can make for a given unit of input may be land, labour, materials or capital, is an important indicator of a country's people's wellbeing. Citizens of highly productive countries are better off than those in less productive economies.

So, first off we have to produce.

The story is told of the Iranians we convinced we could export goats to. They wanted 14,000 goats of a certain weight on a weekly basis. That was the end of the deal.

And, if we did produce, can we get our products to the market in time and at a competitive price?

When people talk about need for government support in

agriculture or manufacturing, they do not seem to be clear about the nature of support required. The knee jerk reaction is to ask for money – free at best cheaper at worst.

Formulate strategy

For starters, the Government needs to formulate a strategy on how to support the competitiveness of companies. A strategy by definition means the Government will decide which industries it will support to break into international markets. Import, because as stated above, the volumes required to lift people out of poverty cannot be consumed at home alone.

The strategy will have as its building blocks improved security – beyond the absence of war, world class infrastructure – not just any road, railway or data backbone will do. High quality manpower – the products of our education system are not internationally competitive.

More than 15 years ago, a

United Nations Development Programme consultant came and enumerated the areas he thought Uganda could develop a competitive advantage – agro processing, education and health services, information communications technology, financial services, tourism, mining and logistics.

There are numerous directions people are pushing, but strategy is about elimination and he boiled it

down to those eight sectors. That analysis has changed little since. But we have done little to nothing on that list since.

Of necessity any strategy would have to be export oriented and any support of a company will be dependent on how effective companies are in breaking into international markets, and not on technical know who.

To make our exports competitive, we will soon come

against the reality that just because we want to export goats to the Middle East, we will do well to focus on the ecosystem that can deliver the 14,000 goats a week. This would include research and development into goat breeds, pastures, soils and most favourable climate.

It will also include improving farmer goat breeding practices; improved transport and storage and so on and so on along the whole value chain. We will even have a marketing effort scouring the earth for more takers of our goats who will be intimately linked with producers so we do not bite off more than we can chew.

What this means is that the business of meeting our quota of goat exports will not be the business of the agriculture ministry only – finance, works and transport, education and, even gender will have to chip in. And for a country as endowed as Uganda, this should be the case for more than a dozen products and services we can produce to industrial scale.

We have no choice, our markets do not have the demand to project us to the next level, we have to look outside.

The silver bullet that will get us to middle income and beyond is to focus on competitiveness. Whether we are or not will be determined by foreign markets who will not be hoodwinked by local cronyism and the connected few.

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MBALE DISTRICT LOCAL GOVERNMENT

BID NOTICE 04

OPEN COMPETITIVE BIDDING FOR WORKS AND SUPPLIES

- Mbale District Local Government has secured funds from the Government of Uganda under DDEG and intends to use part of it for the acquisition of Works and Supplies.
- Mbale District Local Government now invites sealed bids from eligible Bidders for the provision of Works and Supplies.

S/N	Procurement Ref. Number	Subject of Procurement	Bid Security (UGX)
1	Mbal 536/Inv/17-18.00032	Construction of stone arch Bridge in Bungo Sub-County (Re-advertised)	2,500,000
2	Mbal 536/Sup/17-18.00090	Supply of 25 in-call heaters to Bungo Sub-County	1,500,000
3	Mbal 536/Sup/17-18.00026	Supply of 40 in-call heaters to Namanyonyi, Bumasakye, Nyondo and Busu Sub-Counties (Re-advertised)	1,500,000
4	Mbal 536/Sup/17-18.00093	Supply of 20 in-call heaters to Busano Sub-County (Re-advertised)	1,500,000
5	Mbal 536/Sup/17-18.00029	Supply of Office Furniture and Equipment	1,300,000

- Bidding will be conducted in accordance with the Open Domestic Bidding procedures contained in the Local Governments (Public Procurement and Disposal of Public Assets) regulations, 2006 and it is open to all bidders from Uganda and other eligible countries.
- Interested eligible bidder may obtain further information from Mbale District Local Government and inspect the bidding documents at the address given below in No. 8(a) from 08.00am to 05.00pm, Monday to Friday.
- The Bidding Documents in English Language may be purchased by interested bidders upon payment of non-refundable fee of UGX. 100,000 (One Hundred Thousand Shillings Only). The method of payment will be deposit to Mbale District Local Government Account No. 01983501004693 in D.F.C.U. Bank, Mbale Branch and thereafter, present a copy of the banking slip to the District Cashier on the Ground Floor, Room 107 for receipt which should be attached to your bid as evidence of having paid the non-refundable fee.
- Bids shall be hand delivered to the address below in No. 8(c) at or before 12:00 Noon, 06th March 2018. Late bids shall be rejected. Bids will be opened in the presence of Bidders' representatives, who may choose to attend at the address below in No. 8(c) starting at 12:00 Noon on 06th March 2018.
- There shall be a pre-bid meeting for all interested Bidders at the New Lushobo Hall at the District Headquarters starting at 10.00am on the dates indicated on the proposed schedule in this notice. This will be followed by site visit.

- (a) Documents may be inspected at: The Procurement and Disposal Unit (Room No. 212) at the District Head Office.
- Documents will be issued from: The Procurement and Disposal Unit (Room No. 212) at the District Head Office.
- Bids must be hand delivered to: The Head, Procurement and Disposal Unit (Room No. 212) at the District Head Office.
- Address of Bid Opening: The New Lushobo Hall at the District Headquarters.
- The planned procurement schedule (subject to changes) is as follows:-

NO.	Activity	Date
a	Publish bid notice	12 th 02/2018
b	Pre-bid meeting	20 th 02/2018
c	Bid closing date	06 th 03/2018
d	Evaluation process	14 th 03/2018
e	Display and communication of the best evaluated bidder notice	Once approved by Contracts Committee
f	Contract award and signature	After the Solicitor General Approval

Adongo Roseline Luhoni
CHIEF ADMINISTRATIVE OFFICER/MBALE.