Industrialisation essential to development, says minister

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KAMPALA. Despite having potential to unlock growth and economic development, Industrialisation continues to face numerous challenges.

Studies by the Trade ministry show that industrialisation, if supported, has the ability to bring prosperity, new jobs and better incomes for all.

In Uganda, the growth of the Industrial sector stands at 3.4 per cent with its contribution to Gross Domestic Production (total value of economic activities generated in the country) valued at about 20 per cent.

Uganda was one of a few African countries with a thriving industrial sector prior to independence.

With the establishment of the Uganda Development Corporation in 1952, industry was accorded priority in the country's development efforts.

"This prosperity was short-lived since the country did not develop local entrepreneurial and technological capabilities," reads a statement recently issued by the ministry of trade and industry.

And because of that, the economy tumbled and by mid-70s, industrial growth had drastically fallen.

Coupled with more challenges such as inadequate quality infrastructure, low skills level high, cost of manufacturing as a result of exorbitant cost of energy, transport and credit, industrialisation has proven a tricky business in Uganda.

According to government, African countries can realise their potential in industrialisation if they trade with each other more. And that will be made possible if the Continental Free Trade Area (CFTA) is implemented.

The CFTA was adopted by the 18th Ordinary Session of the Assembly of Heads of State and Government of the African Union, held in Addis Ababa, Ethiopia in January 2012, in order to expand intra-African trade.

Meanwhile, this year's Africa Industrialisation Day celebrations were in Jinja, officiated by Trade minister Amelia Kyambadde. She was also expected to commission the construction of the Kiira EV Motor Assembly Plant.