

Unlock ATMS growth

How finance unlocks the ATMS strategy's value

ECONOMY

DAVID OFUNGI
BIKHADO



David Ofungi
Bikhado.

As far as acronyms go, Uganda's ATMS economic strategy, framed around four anchor areas: Agro-industrialisation, Tourism, Mining, and Science, Technology and Innovation, is hard to match. The formulation is neat, memorable and aligned with the ambitions articulated in the Fourth National Development Plan (NDP IV) and the government's ten-fold growth strategy, which seeks to expand the country's economy from \$50 billion currently to \$500 billion by 2040.

The first three pillars are intuitive. Agro-industrialisation, tourism and mining describe economic activity rooted in Uganda's natural endowments. Science, Technology and Innovation (STI) operates differently. It is not another sector of growth. It is the system through which productivity improves, industries evolve, and natural advantages translate into durable economic value.

Seen through that lens, ATMS reveals a critical transmission layer that does not get the attention it deserves.



Ms Rose Namukasa, a textile technician during weaving at Uganda Industrial Research Institute in Namanve. PHOTO/MICHAEL KAKUMIRIZI

Agro-industrialisation, tourism and minerals represent where economic value is produced. Science provides the capability that allows those sectors to evolve.

But between the two sits a third layer: the financial architecture that moves scientific capability from laboratory insight to industrial scale.

Uganda's natural endowments are significant. Fertile soils position the country as a potential food basket for the region. Tourism draws on deep ecological uniqueness,

from the centuries-old fascination with the Nile to the mountain gorilla tucked deep inside the impenetrable Bwindi forest.

The western arm of the Rift Valley has endowed the country with minerals central to the global energy transition. But natural resources alone rarely deliver sustained transformation. Climate volatility is compressing agricultural margins. Conservation science is becoming essential to the ecosystems underpinning tourism. Mining depends ever more on geoscience and

advanced processing. The competitive window that natural advantage provides is shrinking fast.

The tenfold growth strategy recognises this, emphasising STI in increasing productivity and expanding knowledge-based contributions to the national economy. Yet recognising science as the foundation raises a question often left implicit: how does scientific capability translate into economic output?

Ideas do not transform economies on their own. They must progress through experimentation, prototyping, commercialisation and scale. At every juncture, capital plays a determining role. NDP IV identifies financing sources - private savings, pension funds, foreign direct investment, blended finance, diaspora capital, but sources do not constitute a system. What remains to be built is the financial architecture through which capital systematically converts scientific capability into commercial enterprise. Thomas Edison invented the light bulb, but it was JP Morgan's patient capital that got him to 10,000 trials.

The architecture required is neither exotic nor unprecedented. It begins with early-stage risk capital directed toward ideas from formal research institutions and infor-

mal innovation ecosystems alike. It extends to corporate innovation strategies that give scientific output a commercial pathway. It requires credible public-private partnerships that signal to long-term investors that the government is a reliable counterparty. And it demands institutional capital that can absorb the scale-up risk of turning viable innovations into globally competitive enterprises. When these elements function together, commercialisation generates value and that value returns as reinvestment into the next generation of ideas. The system becomes self-reinforcing only if the financial connective tissue is deliberately built.

The tenfold growth strategy identifies the sectors that can drive Uganda's transformation. The remaining task is to ensure that the financial architecture capable of translating scientific capability into industry evolves alongside it. For the growth multiplier to manifest, a commensurate multiple must be applied to the architecture of finance: the PIN that allows science to unlock the proverbial economic ATM.

The author is a certified Public Private Partnerships professional.