

## Uganda

### A. Definitions and sources of data

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The Bank of Uganda provided the data on foreign direct investment (FDI) in the country. According to the Bank, FDI reflects the objective of a lasting interest by a resident entity in one economy (direct investor) in an entity resident in another economy (the direct entity). It comprises of three components; new equity investment, re-invested earnings and inter-company loans. The International Monetary Fund also provides FDI data on Uganda in its balance-of-payments statistics.

The introduction of a new Investment Code in 1991, in conjunction with the previous implementation of a structural adjustment programme in 1987, brought a substantive change to the then foreign investment policies in Uganda. The code introduced a general set of investment incentives, guaranteed profit repatriation and provided protection against expropriation of assets. It also created the Uganda Investment Authority (UIA) which acts within the supervision of the Ministry of Finance and Economic Planning, as a one-stop shop to process investment proposals, offer assistance and advice to potential investors.

The UIA licenses all foreign investments with a required minimum threshold of \$100,000, provided that the application is in accordance with the Investment Code, and the envisaged activity is not unlawful or contrary of the interests of Uganda. Licensed investors are eligible for duty and tax exemptions. Investment licensing goes hand in hand with the granting of certificate of incentives, given that the investment meets the required threshold value and contributes to the objectives specified in the Investment Code. Investments in priority areas, in contrast to the ones in non-priority areas, are eligible for incentives of tax holidays. Foreign investors are exempted from corporate tax, withholding tax and taxes on dividends for a period of between 3 to 6 years. A harmonized commodity code was established allowing for tax exemption for the importation of plants and machinery.

Uganda is actively pursuing a network of international relations as a means of attracting FDI. Uganda, Kenya and United Republic of Tanzania recognized the advantages of cooperation, and launched a new initiative in 1996, leading to a new East African Community treaty in 1999. Relations between Uganda and United Republic of Tanzania have generally been warm.

Investor interest in Uganda remains high, and is particularly strong from continental Europe and South Africa. The profile of prospective investors is diverse, ranging from small agricultural and agro-processing companies run by individuals to medium-sized, family-owned manufacturing companies operating in niche markets, and worldwide organizations employing thousands of employees. The South African companies are actively engaged in telecommunication business. The areas that the UIA has promoted more aggressively are horticulture, food processing, textiles and packaging.

In addition to East African Community, Uganda is a member of the African Union, New Partnership for Africa's Development and Common Market for Eastern. Uganda is also a member of the African, Caribbean and Pacific countries partnership agreement, the Cotonou Agreement for the renegotiation of the preferential trade and aid links with the European Union (EU) and is eligible for the EU's Everything But Arms initiative and the United States' market access initiative for sub-Saharan Africa - the African Growth and Opportunity Act. Uganda has also acceded to the World Trade Organization and is signatory to the International Center for the Settlement of Investment Disputes and Multilateral Investment Guarantee Agency.

## **B. Statistics on FDI and the operations of TNCs**

**Table 1. Summary of FDI**

(Millions of dollars)

<b>Variable</b>	<b>Inward</b>	<b>Outward</b>
1. FDI flows, 2002-2005 (annual average)	216.9	..
2. FDI flows as a percentage of GFCF, 2002-2005 (annual average)	15.2	..
3. FDI stock, 2005	1 829.7	132.5
4. FDI stock as a percentage of GDP, 2005	21.0	1.5

Source: Based on tables 3a, 4a and UNCTAD, FDI/TNC database.

**Table 3a. FDI flows, by type of investment, 1980-2005**

(Millions of dollars)

Year	Inward investment				Outward investment			
	Equity	Reinvested earnings	Intra-company loans	Total	Equity	Reinvested earnings	Intra-company loans	Total
1980	..	..	..	4.0	..	..	..	..
1981	..	..	..	..	..	..	..	..
1982	..	..	..	2.0	..	..	..	..
1983	..	..	..	..	..	..	..	..
1984	..	..	..	..	..	..	..	..
1985	..	..	..	-4.0	..	..	..	..
1986	..	..	..	..	..	..	..	..
1987	..	..	..	..	..	..	..	..
1988	..	..	..	4.7	..	..	..	..
1989	..	..	..	-1.8	..	..	..	..
1990	..	..	..	-5.9	..	..	..	..
1991	1.0	..	..	1.0	..	..	..	..
1992	3.0	..	..	3.0	..	..	..	1.0
1993	49.6	5.0	0.01	54.6	..	..	..	51.0
1994	78.2	10.0	-	88.2	..	..	..	83.4
1995	89.5	35.0	-	124.5	..	..	-3.3	-3.3
1996	30.0	10.0	..	40.0	..	..	1.0	1.0
1997	110.8	8.6	22.1	141.5	..	..	..	15.0
1998	68.0	15.8	48.8	132.6	..	..	..	20.0
1999	71.9	16.7	51.6	140.2	..	..	..	-8.0
2000	105.1	16.6	59.2	180.8	..	..	..	-27.6
2001	86.5	42.1	22.9	151.5	..	..	..	..
2002	99.6	42.1	42.9	184.6	..	..	..	..
2003	102.1	51.9	48.2	202.2	..	..	..	..
2004	126.5	60.2	35.4	222.1	..	..	..	..
2005	155.9	70.7	31.8	258.5	..	..	..	..

Source: UNCTAD, FDI/TNC database.

Note: FDI inflows: OECD for 1980, 1982, 1985 and 1988-1990 and Bank of Uganda for 1991-2005 (2005 data is preliminary). FDI outflows: World Bank for 1992-1994 and 1997-2000, and Bank of Uganda for 1995-1996.

**Table 3b. FDI flows, by type of investment, 1991-2005**

(Millions of dollars)

Year	Inward investment				Outward investment			
	Equity	Reinvested earnings	Intra-company loans	Total	Equity	Reinvested earnings	Intra-company loans	Total
1991	1.0	..	..	1.0	..	..	..	..
1992	3.0	..	..	3.0	..	..	..	..
1993	49.6	5.0	..	54.6	..	..	..	..
1994	78.2	10.0	..	88.2	..	..	..	..
1995	86.2	35.0	..	121.2	..	..	..	..
1996	109.5	11.5	..	121.0	..	..	..	..
1997	172.0	3.0	..	175.0	..	..	..	..
1998	207.0	3.0	..	210.0	..	..	..	..
1999	71.9	16.7	51.6	140.2	..	..	..	..
2000	82.4	19.1	59.2	160.7	..	..	..	..
2001	86.5	42.1	22.9	151.5	..	..	..	..
2002	99.7	42.1	42.9	184.7	..	..	..	..
2003	102.1	51.9	48.2	202.2	..	..	..	..
2004	126.4	60.1	35.4	222.0	..	..	..	..
2005	154.7	70.2	31.6	256.4	..	..	..	..

Source: International Monetary Fund, Balance of Payments CD ROM, August 2006.

Table 4a. FDI stock, by type of investment, 1980-2005

(Millions of dollars)

Year	Inward Investment			Outward Investment			
	Equity and Reinvested earnings	Intra-company loans	Total	Equity	Reinvested earnings	Intra-company loans	Total
1980	..	..	10.9	..	..	..	..
1981	..	..	10.9	..	..	..	..
1982	..	..	12.9	..	..	..	..
1983	..	..	12.9	..	..	..	..
1984	..	..	12.9	..	..	..	..
1985	..	..	8.9	..	..	..	..
1986	..	..	8.9	..	..	..	..
1987	..	..	8.9	..	..	..	..
1988	..	..	13.6	..	..	..	..
1989	..	..	11.9	..	..	..	..
1990	..	..	6.0	..	..	..	..
1991	..	..	7.0	..	..	..	..
1992	..	..	10.0	..	..	..	1.0
1993	..	..	64.5	..	..	..	52.0
1994	..	..	152.7	..	..	..	135.4
1995	..	..	277.2	..	..	..	132.1
1996	..	..	317.2	..	..	..	133.1
1997	..	..	458.7	..	..	..	148.1
1998	..	..	591.3	..	..	..	168.1
1999	451.3	215.6	666.9	..	..	..	160.1
2000	539.9	267.2	807.1	..	..	..	132.5
2001	700.3	262.0	962.3	..	..	..	132.5
2002	842.0	304.9	1 146.9	..	..	..	132.5
2003	996.0	353.1	1 349.1	..	..	..	132.5
2004	1 182.7	388.5	1 571.3	..	..	..	132.5
2005	1 409.4	420.4	1 829.7	..	..	..	132.5

Source: UNCTAD, FDI/TNC database.

Note: FDI inward stock: Data prior to 1999 are estimated accumulating inflows since 1970. 1999-2005 are based on Bank of Uganda (2005 data is preliminary). FDI outward stock: Estimated by accumulating inflows since 1992.

**Table 4b. FDI stock, by type of investment, 1999-2005**

(Millions of dollars)

Year	Inward investment			Outward investment		
	Equity and Reinvested earnings	Intra-company loans	Total	Equity and Reinvested earnings	Intra-company loans	Total
1999	451.3	215.6	666.9	..	..	..
2000	539.9	267.2	807.1	..	..	..
2001	700.3	262.0	962.3	..	..	..
2002	842.1	304.9	1,147.0	..	..	..
2003	996.0	353.1	1,349.1	..	..	..
2004	1,182.6	388.5	1,571.1	..	..	..
2005	1,407.5	420.1	1,827.6	..	..	..

Source: International Monetary Fund, Balance of Payments CD ROM, August 2006.

Table 5. FDI flows in the host economy, by industry, fiscal year 1992/1993 to 2001/2002

(Millions of dollars)

Sector/industry	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
<b>Total</b>	43.5	87.4	110.0	115.6	163.0	190.0	230.0	267.8	227.6	230.7
<b>Unspecified</b>	0.1	0.1	0.1	0.1	0.2	0.2	0.3	0.3	0.3	0.3
<b>Primary</b>	1.9	3.9	4.9	5.1	7.2	8.4	10.2	11.8	10.0	10.2
Agriculture, hunting, forestry and fishing	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1
Mining, quarrying and petroleum	1.9	3.8	4.8	5.1	7.1	8.3	10.1	11.7	10.0	10.1
<b>Secondary</b>	24.1	48.3	60.8	63.9	90.1	105.0	127.2	148.0	125.8	127.5
<b>Tertiary</b>	17.5	35.1	44.2	46.5	65.5	76.3	92.4	107.6	91.4	92.7
Electricity, gas and water	0.5	1.0	1.2	1.3	1.8	2.1	2.6	3.0	2.6	2.6
Construction	0.6	1.3	1.6	1.7	2.4	2.8	3.4	4.0	3.4	3.4
Wholesale trade, retail and catering, accommodation and tourism	5.6	11.2	14.1	14.9	21.0	24.4	29.6	34.4	29.3	29.7
Transport, storage and communications	5.0	10.1	12.7	13.4	18.9	22.0	26.6	31.0	26.3	26.7
real estate	5.1	10.3	13.0	13.7	19.2	22.4	27.2	31.6	26.9	27.2
Real estate	0.2	0.4	0.4	0.5	0.7	0.8	0.9	1.1	0.9	0.9
activities	0.4	0.8	1.0	1.1	1.5	1.7	2.1	2.5	2.1	2.1

Source: Bank of Uganda, *Private Capital Flows Survey 2001 Report*, 19 July 2002 (fiscal year).

Note: Data represent equity investment and are based on a survey of 326 companies.

**Table 6a. FDI flows in the host economy, by geographical origin, fiscal year 1992/1993 to 2001/2002**

(Millions of dollars)

Region/economy	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
<b>Total World</b>	43.5	87.4	110.0	115.6	163.0	190.0	230.0	267.8	227.6	230.7
<b>Developed countries</b>	16.9	33.8	42.6	44.8	63.1	73.6	89.0	103.7	88.1	89.3
European Union	13.7	27.5	34.6	36.4	51.3	59.8	72.4	84.3	71.6	72.6
Belgium	0.6	1.2	1.5	1.6	2.2	2.6	3.1	3.6	3.1	3.1
France	0.6	1.1	1.4	1.5	2.1	2.5	3.0	3.5	3.0	3.0
Netherlands	1.6	3.1	4.0	4.2	5.9	6.8	8.3	9.6	8.2	8.3
Sweden	0.8	1.5	1.9	2.0	2.8	3.3	4.0	4.7	4.0	4.0
United Kingdom	10.2	20.5	25.8	27.2	38.3	44.6	54.0	62.9	53.5	54.2
North America	3.2	6.3	8.0	8.4	11.8	13.8	16.6	19.4	16.5	16.7
Canada	2.1	4.2	5.3	5.6	7.9	9.2	11.1	12.9	11.0	11.1
United States	1.0	2.1	2.7	2.8	3.9	4.6	5.5	6.5	5.5	5.6
<b>Developing economies</b>	21.5	43.1	54.2	57.0	80.3	93.6	113.3	132.0	112.2	113.7
Africa	10.9	21.8	27.5	28.9	40.7	47.5	57.5	66.9	56.9	57.6
Kenya	4.2	8.4	10.6	11.1	15.7	18.3	22.2	25.8	21.9	22.2
Mauritius	1.6	3.2	4.0	4.2	5.9	6.9	8.3	9.7	8.2	8.3
South Africa	5.1	10.3	12.9	13.6	19.1	22.3	27.0	31.5	26.7	27.1
Latin America and the Caribbean	9.2	18.4	23.1	24.3	34.3	40.0	48.4	56.3	47.9	48.5
Bermuda	9.2	18.4	23.1	24.3	34.3	40.0	48.4	56.3	47.9	48.5
Asia	1.4	2.9	3.6	3.8	5.3	6.2	7.5	8.7	7.4	7.5
India	0.7	1.4	1.8	1.9	2.7	3.1	3.8	4.4	3.7	3.8
Singapore	0.7	1.4	1.8	1.9	2.7	3.1	3.8	4.4	3.7	3.8
<b>Unspecified</b>	5.2	10.5	13.2	13.9	19.6	22.8	27.6	32.2	27.3	27.7

Source: Bank of Uganda, *Private Capital Flows Survey 2001 Report*, 19 July 2002 (fiscal year).

Note: Data represent equity investment and are based on a survey of 326 companies.

**Table 6b. FDI flows in the host economy, by geographical origin, 1990-2004**

(Millions of dollars)

Economy	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
France	..	..	..	0.2	0.5	..	1.6	0.9	..	..	..	..	..	..	..
Germany	..	..	..	..	..	2.7	-5.2	15.8	-4.4	..	..	..	-1.9	-10.2	1.2
Portugal	..	..	..	..	..	..	..	..	-0.1	-0.4	-0.2	-0.1	-0.2	..	..
Sweden	..	..	..	..	..	..	..	..	..	4.1	..	1.0	..	..	..
United States	1.0	..	1.0	1.0	..	..	..	..	..	8.0	-5.0	-1.0	2.0	..	..

Source: UNCTAD, FDI/TNC database.

Note: Data are based on information reported by the economies listed above.

**Table 9. FDI flows abroad, by geographical destination, 1990-2004**

(Millions of dollars)

Economy	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
France	..	-0.2	..	..	..	..	..	..	..	..	..	-106.5	-1.9	..	..
Germany	..	..	-3.8	..	..	..	..	7.9	-6.7	..	..	0.9	-0.9	..	..
Portugal	..	..	..	..	..	..	..	..	..	..	..	..	..	0.8	0.1
United States	..	..	..	..	..	..	..	1.0	1.0	..	..	..	..	..	..

Source: UNCTAD, FDI/TNC database.

Note: Data are based on information reported by the economies listed above.

**Table 11. FDI stock in the host economy, by industry, 1999 and 2000**

(Millions of dollars)

<b>Sector/industry</b>	<b>1999</b>	<b>2000</b>
<b>Total</b>	584.3	702.3
<b>Unspecified</b>	0.7	0.9
<b>Primary</b>	28.2	28.6
Agriculture, hunting, forestry and fishing	..	0.4
Mining, quarrying and petroleum	28.2	28.2
<b>Secondary</b>	334.3	377.0
<b>Tertiary</b>	221.1	295.8
Electricity, gas and water	5.1	9.4
Construction	7.8	11.4
Wholesale trade	73.6	91.9
Transport, storage and communications	63.3	85.5
Finance and business activities, excluding real estate	67.2	84.7
Real estate	0.9	4.3
Community, social and personal service activities	3.2	8.6

Source: Bank of Uganda, *Private Capital Flows Survey 2001 Report*, 19 July 2002.

Note: Data represent equity investment and are based on a survey of 326 companies.

**Table 12a. FDI stock in the host economy, by geographical origin, 1999-2003**

(Millions of dollars)

Region/economy	1999	2000	2001	2002	2003
<b>Total world</b>	667	807	962	1 165	1 359
<b>Developed economies</b>	251	319	364	472	580
Europe	198	266	320	360	395
European Union	198	266	320	360	395
Belgium	..	20	21	21	21
France	..	19	21	21	21
Netherlands	18	35	43	54	63
Sweden	10	15	21	27	33
United Kingdom	170	176	214	237	258
North America	53	54	44	113	184
Canada	35	36	46	54	61
United States	18	18	- 2	59	123
<b>Developing economies</b>	323	404	467	479	488
Africa	159	209	241	245	249
Kenya	67	75	66	63	61
Mauritius	19	35	50	58	66
South Africa	74	100	124	124	123
Latin America and the Caribbean	140	170	198	203	206
Bermuda	140	170	198	203	206
Asia	23	25	28	30	32
India	12	12	13	16	18
Singapore	12	13	14	14	14
<b>Unspecified</b>	93	84	132	214	291

Source: Bank of Uganda, unpublished.

Note: Data represent equity investment and are based on a survey of 326 companies.

**Table 12b. FDI stock in the host economy, by geographical origin, 1990-2004**

(Millions of dollars)

Economy	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Brazil	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Portugal	..	..	..	..	..	..	..	0.4	0.3	0.3	0.3	0.3	0.3	0.3	..
United Kingdom	..	..	19.7	5.9	-748.4	..	..	..	..	..	..	..	..	..	..
United States	6	6	7	8	..	..	..	..	..	23	3	2	4	4	4

Source: UNCTAD, FDI/TNC database.

Note: Data are based on information reported by the economies listed above.

**Table 15. FDI stock abroad, by geographical destination, 1990-2004**

(Millions of dollars)

Economy	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Portugal	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..
United Republic of Tanzania	..	..	..	..	..	..	..	..	0.8	5.4	1.5	1.6	..	..	..
United States	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2

Source: UNCTAD, FDI/TNC database.

Note: Data are based on information reported by the economies listed above.

**Table 23. The number of affiliates of foreign TNCs in the host economy, by geographical origin, 1990-2003**

Economy	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Italy	..	1	..	1	..	1	..	1	..	..	..	..	..	..
United States	2	2	2	2	2	1	1	1	1	2	2	1	1	1

Source: UNCTAD, FDI/TNC database.

Note: Data are based on information reported by the economies listed above.

**Tables 30, 40 and 50. Assets, wages and salaries and value added of affiliates of United States TNCs in Uganda, 1990-1998**

(Millions of dollars)

Table no.	Variable	1990	1991	1992	1993	1994	1995	1996	1997	1998
30	Assets	7.0	6.0	8.0	..	..	..	..	..	..
40	Wages and salaries	..	..	1.0	1.0	1.0	1.0	1.0	1.0	1.0
50	Value added <sup>a</sup>	..	..	..	..	4.0	10.0	32.0	34.0	32.0

Source: UNCTAD, FDI/TNC database.

Note: Data are based on information reported by the United States.

<sup>a</sup> Majority-owned affiliates of United States TNCs.

**Table 35. Employment of affiliates of foreign TNCs in the host economy, by geographical origin, 1990-2003**

(Thousands of employees)

Economy	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Italy	..	0.1	..	0.1	..	0.1	..	0.1	..	..	..	..	..	..
United States	0.1	0.1	0.1	0.1	0.1	0.1	..	0.1	0.1	..	..	..	..	..

Source: UNCTAD, FDI/TNC database.

Note: Data are based on information reported by the economies listed above.

**Table 45. Sales of affiliates of foreign TNCs in the host economy, by geographical origin, 1991-1997**

(Millions of dollars)

Economy	1991	1992	1993	1994	1995	1996	1997
Italy	20.2	..	13.2	..	12.8	..	12.2

Source: UNCTAD, FDI/TNC database.

Note: Data are based on information reported by the economies listed above.

**Table 88. Largest affiliates of foreign TNCs in the host economy, 2004**

(Millions of dollars and number)

Company	Economy	Industry	Sales	Employees
<b>A. Industrial</b>				
Uganda Breweries	Kenya	Food products and beverages	..	16 000 <sup>a</sup>
Nile Breweries	United Kingdom	Food products and beverages	..	634 <sup>b</sup>
British American Tobacco	United Kingdom	Tabacco	..	600 <sup>a</sup>
Uganda Grain Milling	Kenya	Food products and beverages	..	500 <sup>a</sup>
Hima Cement	France	Non-metallic mineral products	..	350 <sup>a</sup>
Monitor Publications	Kenya	Publishing, printing	..	300 <sup>a</sup>
Unilever Uganda	United Kingdom	Food products and beverages	..	160 <sup>a</sup>
Monsanto Company	United States	Agriculture	..	.. <sup>a</sup>
Boc	United Kingdom	Petroleum	..	.. <sup>a</sup>
Pricewaterhousecoopers	United States	Petroleum	..	.. <sup>a</sup>
Macnaughton	United Kingdom	Chemicals and chemical products	..	.. <sup>a</sup>
<b>B. Tertiary</b>				
Interfreight Forwarders	Switzerland	Transport and storage	..	8 000 <sup>a</sup>
The Cooper Motor Corporation	Kenya	Wholesale trade	..	76 <sup>b</sup>
Farm Engineering Industries	Kenya	Wholesale trade	..	40 <sup>a</sup>
Transpaper	Kenya	Wholesale trade	..	40 <sup>c</sup>
Agro Machinery	India	Wholesale trade	..	24 <sup>a</sup>
Car & General	Kenya	Wholesale trade	..	18
Uniworld	United Arab Emirates	Wholesale trade	..	15 <sup>a</sup>
Henkel	Germany	Wholesale trade	..	3 <sup>a</sup>
Energo Uganda Company Limited	Serbia and Montenegro	Construction	..	.. <sup>a</sup>
Aes Nile Power	United States	Construction	..	.. <sup>a</sup>
Impregilo Salin Joint Venture	Italy	Construction	..	.. <sup>a</sup>
Sara Lee Corporation	United States	Construction	..	.. <sup>a</sup>
EGL	United States	Transport	..	.. <sup>a</sup>
Maersk	Denmark	Transport and storage	..	.. <sup>a</sup>
MTN	South africa	Telecommunications	..	.. <sup>a</sup>
Kyagalnyi Coffe Limited	United Kingdom	Wholesale trade	..	.. <sup>a</sup>
<b>C. Finance and Insurance</b>			<b>Assets</b>	<b>Employees</b>
Standard Chartered Bank Uganda	United Kingdom	Finance	269	113 <sup>c</sup>
Stanbic Bank Uganda	South Africa	Finance	134	99 <sup>b</sup>
Barclays Bank of Uganda	United Kingdom	Finance	104	146 <sup>c</sup>
Bank of Baroda	India	Finance	48	180 <sup>b</sup>
DFCU Bank	Germany	Finance	20	95 <sup>b</sup>
Aon Uganda	United States	Insurance	..	.. <sup>a</sup>

Sources: *The Banker's Almanac*, 2003 (London, Reed Information Services, 2003); Thomson Analytics (<http://analytics.thomsonib.com/>); Who Owns Whom database (<https://solutions.dnb.com/wow>).

<sup>a</sup> Estimate. <sup>b</sup> 2000. <sup>c</sup> 2001.

## C. Legal Frameworks for Transnational Corporations

Uganda had adopted a number of national, bilateral and multilateral legal instruments to regulate the activities of transnational corporations and foreign direct investors. The key among the applicable instruments in the country include the following:

### I. National framework

The Investment Code (1991), enacted into Law by the Parliament on 25 January 1991, repeals the Foreign Investment Promotion Act of 1964, the Foreign Investments (Protection) Regulations, 1965 and the Foreign Investment Decree of 1977.

*Source:* The Government of Uganda.

Companies Act, 1964,

*Source:* The Government of Uganda.

Income Tax Act 1997, amended by the Income Tax Act No. 10 of 2000

*Source:* The Government of Uganda.

The Patents Statute No. 10, December 1991, amended by the Patents Act No.7 of 2002.

*Source:* The Government of Uganda.

Schedule to the Patents Act: The Patents Rules No. 22, December 1993.

*Source:* The Government of Uganda.

The Trade Marks Act, cap. 83 (Ord. 14 of 1952, L.Ns. 281 of 1952, 161 of 1962, 261 of 1962, Act 3 of 1965), January 1933, amended by Act 3 of 1965, (see in brackets above)..

*Source:* The Government of Uganda.

Trade Marks (Amendment) Rules, S.I. 1982 No. 142 of 1982, as last amended by Trade Marks (Amendment) Rule, SI No. 11/89 of 1988,

*Source:* The Government of Uganda.

The United Kingdom Designs (Protection) Act, cap. 84 (Ord. 6, June 1937, L.N.261 of 1962).

*Source:* The Government of Uganda.

Copyright Act (cap. 81), July 1964.

*Source:* The Government of Uganda.

Public Enterprises Reform and Divestiture (PERD) Statute No 9 of 1993; amended by The Public Enterprises Reform and Divestiture Act No.1 of 2000.

*Source:* The Government of Uganda.

### II. International Framework

#### A. Uganda is a party to the following multilateral and regional instruments:

Paris Convention for the Protection of Industrial Property of 1883 (Revised at Brussels in 1900, Washington in 1911, The Hague in 1925, London in 1934, Lisbon in 1958 and Stockholm in 1967, and as amended in 1979). Signed in 1994.

Convention on the Settlement of Investment Disputes between States and Nationals of other States of 1965. Entered into force on 14 October 1966

Convention on the Recognition and Enforcement of Foreign Arbitral Awards of 1958, which entered into force on 7th June 1959.

Convention Establishing the Multilateral Investment Guarantee Agency of 1985, entered into force on 12 April 1988.

Marrakesh Agreement Establishing the World Trade Organisation of 15 April 1994. Entered into force on 1 January 1995.

Agreement on Trade-Related Investment Measures.

General Agreement on Trade in Services.

Agreement on Trade Related Aspects of Intellectual Property Rights.

Treaty Establishing the Market for Eastern and Southern Africa (COMESA), 1993.

Fourth ACP - EEC Convention (Lome IV) of 1989, entered into force on 1st March 1990.

Charter on a Regime of Multinational Industrial Enterprises (MIEs) in the Preferential Trade Area for Eastern and Southern African States.

Treaty for the Establishment of the East African Community, 30 November 1999.

Partnership Agreement between the Members of The African, Caribbean and Pacific Group of States, of the one part and the European Community and its member states, of the other part signed in Cotonou, Benin on 23 June 2000.

Banjul Protocol as last amended in November 1999, effective November 2000.

## **B. Bilateral treaties**

Bilateral treaties with its major partners were part of the effort made by the Ugandan government to reduce difficulties facing foreign investors operating in the economy. The focus of these treaties was to protect and promote investment, at the same time that it helps to reduce the chances of double taxation on return from investments. The existing bilateral treaties with various countries include:

**1. Bilateral investment treaties for the protection and promotion of investments:** Germany 1966, Netherlands 1970, Switzerland 1971, Egypt 1995, Italy 1997, Netherlands 2000, South Africa 2000, Denmark 2001.

**2. Bilateral treaties for the avoidance of double taxation:** United Kingdom 1959, Denmark 1954, Zambia 1968, United Kingdom 1992, South Africa 1997, Kenya 1999, Norway 1999, Tanzania 1999, Denmark 2000, Italy 2000, Netherlands 2000, Mauritius 2003.

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