JAN - APR 2021 ISSUE Newsletter



Integrity is the easier part expected of all URA staff

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Auto Conversion to Foster Accountability and Cargo Management

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An African Free Trade Area, what it means for Uganda

To have goods cleared through an African country is a task met with numerous frustrations for exporters and importers alike ranging from imbalanced tariffs varying from state to state,Continue to page 6

FOREWORD

Dear Taxpayer,

e are approaching the tail end of the financial year 2020/2021 and I appreciate the contribution you are making towards developing our nation. By the end of March 2021, we had collected net revenue of UGX 13.95 Trillion, representing 64.48% of the annual target of UGX 21.6 Trillion. This performance is encouraging although the tax to GDP ratio growth is not in tandem with the revenue growth.

Currently, we are collecting on average 47% of our national budget at a tax to GDP ratio of 13%, which is below the average sub-Saharan African performance of 16%, and also below the Organization of Economic Cooperation and Development (OECD) average of 34.3%. In Africa, Morocco, Seychelles, South Africa and Tunisia - are at more than 25% Tax-to-GDP ratio. For Uganda to attain self-sufficiency, we need to at least double our Tax to GDP ratio from the current 13% to 26% and I believe it can be attained. By the end of our current corporate plan in 2024/25, we are projecting to have collected close to UGX 28.2 Trillion.

We launched the KAKASA campaign in February this year with the purpose of enabling business efficiency for our taxpayers. The key solutions you should consider are Digital Tracking Solution (DTS), Electronic Fiscal Receipting and Invoicing Solution (EFRIS), and voluntary disclosure. The business community is encouraged to stay tax-alert and consider tax as part of a legitimate business expense and not a burden. By embracing the three business solutions under this campaign, business men and women should no longer face tax-associated challenges such as inaccurate book keeping, tax accounting, declaring the right tax and delayed tax refunds.

URA's overarching mission, is to mobilize enough revenue that can fully support our expenditure as a nation. We are aware that the Government's capacity to meet its obligations to citizens is hinged on URA's ability to collect enough revenues to finance Government programs. To this end therefore, we have purposed to rally all eligible Ugandans and key economic players to join this renewed journey of redeeming our nation's economic independence.

To support government's efforts as it strives to implement key programs in sensitive sectors that are fundamental in driving economic growth, we are prioritising the key areas of: enhancing process management; improving quality of service; leveraging technology use and data analytics; deepening research; facilitating trade through customs modernisation; optimising stakeholder engagement; maximising revenue; and improving staff productivity, integrity professionalism and patriotism.

We pray many businesses will be able to rise from the rough economy tide born from the COVID-19 pandemic. We are open to offer all the support you need in tax matters, business facilitation and provide assistance to meet your rights and obligations. Reach out to us through the various platforms and we will gladly engage.

John R Musinguzi Commissioner General. U (

EDITOR'S NOTE

Dear Valued client,

have completed three quarters of this financial year and we are glad for your tireless support towards the revenue basket. You have enabled us reach several milestones because of your diligent commitment to meeting your tax obligations.

As a result, we have created the KAKASA products to further facilitate you towards taking charge of your business. I appeal to you to make use of these solutions because they are a masterpiece that will steer efficiency and align tax matters in your business.

We are increasingly taking on science and technology that will ease tax administration for URA and enhance processes for you as a taxpayer. We highlight a new feature for you in this edition. Uganda became signatory to the African Continental Free Trade Area and this is a trade facilitation platform that we should embrace, in addi-



tion to the advanced efforts towards the same as URA upgrades two one stop border posts in the pipeline.

All our efforts in engaging taxpayers, through the different tax education initiatives such as the tax barazas and weekly webinars, are intended to stamp your expertise in taking charge of your business. We have a lot more exciting tax education initiatives coming up and I trust you'll benefit immensely.

Our most valued taxpayer, KAKASA you are in charge of your business transactions henceforth. Developing Uganda together

an Numanifika

Ag. Assistant Commissioner Public & Corporate Affairs

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A transformational revenue service for Uganda's economic independence



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Mission

Mobilize revenue for National development In a transparent and efficient manner





AN AFRICAN FREE TRADE AREA, WHAT IT MEANS FOR UGANDA

By Ian Rumanyika

have goods cleared through an African country is a task met with numerous frustrations for exporters and importers alike ranging from imbalanced tariffs varying from state to state, economic regulations and cargo clearance delays. The foils in the planning process that traders have to negotiate demotivate so many so much that some traders are pushed out of business. The African Continental Free Trade Area agreement was born out of the need to address African trade bottlenecks.

54 member states of the African Union (AU)including Uganda, became signatory to African Continental Free Trade Area (Af-CFTA) agreement during the 10th extraordinary AU summit held in Kigali, Rwanda on 21st march 2018. The trade agreement which commenced on 1st January 2021, sought to create a single continental market for goods and services, with free movement of business persons and investments. This will expand intra-Africa trade across the regional economic communities and the continent in general while enhancing competitiveness and support economic transformation. The agreement is one of the key concepts of AU's agenda 2063 together with the major supplements of single African air transport market (SAATM), and the free movement of people.

The agreement presents a spring board for local farmers, manufacturers, those in the service sector and many other entrepreneurs who will be disburdened by the removal of tariffs. This will not only broaden the capital base of the exporters but also ease the production process of manufacturers whose inputs are sought beyond the borders of Uganda.

The contestation on the risk of losing out on revenue that would otherwise be derived from import duties is a recipe for cold feet for any country seeking to open her

borders for free trade. This argument blinds the long term fact of how the buried domestic revenue potential of African states is. It presents an opportunity for African nations to explore to the deepest how the initiatives tap into systems that can exploit domestic revenue potential. Uganda through the Ministry of Finance and Uganda Revenue Authority is currently running on a five-year Domestic Revenue Mobilisation Strategy (DRMS) aimed at maximizing local revenue sources especially by creating an environment that nurtures investment. Among these are tax incentives for both local and foreign investors operating industrial parks. This has been pooled with smart systems like Digital Tracking Solution and Electronic Fiscal Receipting and Invoicing Solution which facilitate business processes but also check on the transparency and tax declarations of business people.

It goes without question now that Uganda's agricultural might



supersedes her domestic need. This positions the country as the second main exporter of agricultural commodities on the continent. Contextually, Uganda produces a surplus of 220.000 tons of sugar some of which is exported to the East African Community. This quantity however grows by the day as the production of cane goes up. This will mean an identification of new geographical markets that will consume such products. Multiple markets also present variant prices as supported by the demand of the products which translates into liberty to choose the highest bidder. The demand of agricultural products will push local farmers to consider modernization of agriculture through mechanization in order to satisfy markets and cope with the competition. This loop translates into wider markets, increase in revenue and how much will be paid to the out-grower who is feeding his yields into the factory. As a result, the free trade agreement will only

fulfil its intended pan African impact if it is felt by the last beneficiary at grassroots.

The agreement is extended to include trade in services, investment and intellectual rights. This is a door of opportunities for Ugandans involved in the service sector like transport, travel, telecommunications, financial and business services. Specifically telecommunications and financial service providers have to brace up and tap into financial flow business which the traders will need. AfCFTA is complimented by protocol on free movement of persons and right to residence and establishment. With the free movement of traders, the newly rebirthed Uganda Airlines will have a chance to further expand destinations across Africa while adventuring into cargo freight.

The grand free trade agreement does not go without input from the government of Uganda and all interested parties from the business arena. Now more than ever, Uganda

has to invest in research of markets. products and economic patterns if we are to thrive in an even African market. The reality of being placed at an equal footing with more industrialised states like South Africa and Morocco, calls for Uganda to embrace diversity in exports and product sophistication. Uganda will have to embrace innovation and technology to ensure value addition in the products intended for the market in the free trade area. Such products mostly preferred over the raw forms which do not attract succulent prices.

Government now has the responsibility to focus on trade facilitation through prioritising infrastructure and capacity building for existing and potential exporters to sustain them in a competitive continental market. The business fraternity now has the ball rolling in their court with a choice to utilize the immense opportunities that the free trade area presents.

IS THE EASIER PART EXPECTED OF ALL URA STAFF

s shared on the International Anti-Corruption Day, we reflect both on the remarkable progress that has been made in the fight against corruption as well as the considerable challenges that remain.

The Uganda National theme "Promoting social accountability through active citizenry" - points us toward a collective effort that will lead us to a corruption-free URA and Uganda in general

As we aim to deliver Uganda from economic dependence, the highest level of integrity is required from both the staff of URA and our key stakeholders such as taxpayers, tax agents, and clearing agents.

The importance of integrity among staff and stakeholders is demonstrated in the following integrity equation. 100% Integrity = 100% assessment + 100% tax payment.

The Board of Directors and Management of URA are committed to attaining zero tolerance to all forms of corruption. In addition to the routine integrity activities carried out by leaders and staff, I wish to highlight some of the strategic actions that are being undertaken to enhance integrity and eradicate corruption.

The Board approved the usage of Lifestyle Audit. This is a great tool to bring to account any individual that might have undeclared or unaccounted for wealth. Several policies are being developed and others

reviewed to improve the conditions for integrity.

These include the Whistleblower policy and guidelines, Conflict of Interest guidelines, the URA Offence schedule and the Prevention of Harassment. Sexual Harassment, and Abuse of Authority policy.

We are continually reviewing, improving and automating our processes to improve efficiency and remove bottlenecks that breed corruption. URA recently launched a Change and Culture Transformation initiative that will, among other things, improve the URA integrity culture.

In the next few months, we will be developing the URA Comprehensive Integrity Strategy that will empower all staff to function with the highest level of integrity.

In conclusion, integrity is the easier part of what is expected from all URA staff. Every staff should know how to live a life of integrity. Integrity is as clear as black and white; you either have it or you don't.

The public's perception of URA will change when staff consistently act with integrity. Integrity, therefore, demands our absolute commitment and we will not have it if we are quick to compromise or allow to be compromised.

For God and My Country John R. Musinguzi



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IRA Uganda Revenue Authority

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Auto Conversion to Foster Accountability and Cargo Management

By Davis Tashobya

"The illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn" Alvin Tofler.

Today, perhaps more than ever, we inhabit a world that is increasingly changing at the speed of light and some may argue that it is probably changing faster. Technology and the means with which we work, live and learn are progressively fast, lean and efficient.

Automation as most dictionaries will define it "is the technology by which a process or procedure is performed with minimal human assistance."

At Uganda Revenue Authority, the Customs Department is driving the automation line with speed and agility. Since 1996, when ASYCUDA 2.7 was introduced as a web-based customs service that allows agents, importers and exporters to make e-declarations, the department has grown to learn, unlearn and relearn new ways and improve its systems and procedures in order to give our vast clientele a delightful service that is in tandem with the needs and changes of the 21st Century.

The current ASYCUDA World that has been in operation since 2013 has undergone several changes with a wide range of improvements. One of the

most recent developments is the Customs System Bond Automatic Conversion (CUSBAC) enhancement. This change intends to automatically convert all inbound transit bonds (T1s) into warehousing bonds (IM7) for all cargo forwarded into Ugandan territory from different Ports and borders.

The Auto conversion will therefore mean that, all transits after "validation" will automatically assess into warehousing entries, except for government project cargo, through transits authorized

to pay taxes, and any other categories that may from time-totime be determined by Customs management.

Auto Conversion covers transit goods, declarations and bonds from the Ports (Like Mombasa and Dar es Salaam) to destinations in Uganda Territory and transit goods, bonds and declarations from border stations into Uganda territory.

The table below shows some key highlights of the changes before auto-conversion and after auto-conversion.

	BEFORE AUTO CONVERSION	AFTER AUTO CONVERSION
	• Generation of Manifest after transit termination (Validation)	• Generation of Manifest after transit termination (Validation)
	• At the port importer appoints any clearing firm to forward the consignments to a warehouse.	• Importer appoints two firms one to forward cargo from the port and another to handle clearance at the warehouse. The company to clear at the Uganda warehouse should be Ugandan registered and licensed.
	• Customs Officer receives cargo at Customs bonded warehouse	• Warehouse Operator (Bond Keeper) receives cargo at the warehouse
	• Warehouse operator could not view cargo destined to their warehouse	• Warehouse operator can now know all cargo declared to their warehouse
	• Customs agent used manifest to make declaration for either home consumption or warehousing	• The Customs system will automatically generate warehousing declaration for all cargo
	• WT8 and IM7 considered as simple declarations for forwarding cargo	• WT8, and IM7 are the primary documents for Customs clearance
	• Some consignments would remain un-declared (Un guaranteed) upon transit termination.	• All consignments whose transit will have an auto generated warehousing document .



The Commissioner General of Uganda Revenue Authority, John Rujoki launches the Auto-Conversion Enhancement at the Central Region Customs Council 2020 at Speke Resort Munyonyo

There are innumerable benefits that have been realized as a direct consequence of this enhancement. In light of the COVID-19 pandemic

that has changed the way we do business here and across the region, auto-conversion has reduced clearance time at arrival by over 48 hours. This greatly cuts back on costs by reducing demurrage at the points of entry and the cost of transport of cargo from Mombasa/ Dar es Salaam to inland destinations. Drops in clearance time ensures instant cargo offloading and examination at the warehouse with less time spent in transit and verification. This fosters better accountability and improves cargo and bond control monitoring.

Important to note, however, is that this enhancement like any other technological adjustment, will continue to undergo continuous improvement as we seek to refine, re-adjust and re-align our systems and processes to better serve Mother Uganda.



URA Rolls out CPD Accreditation Programme for Clearing Firms

By Catherine Yvonne Zalwango, CCD's Office.

n a bid to further professionalize, elevate and increase competitiveness in this fraternity, URA crafted a regionally recognized accreditation programme to improve declarants' skills and competencies. The programme is funded by Trade Mark East Africa (TMEA) through The Federation of East Africa's Freight Forwarders Association (FEAFFA).

The clearing and forwarding industry has for a long time been tainted as a fraudsters' field because of the unscrupulous and unprofessional practices committed by some of its players.

In 2016, URA developed competence tests for clearing agents with a 30% pass mark and licensed about 600 declarants. A year later, trainings in clearing and forwarding were conducted which improved the pass rate to 50% where some declarants who persistently excelled were granted exemptions from the tests.

To date 2000 and 5000 declarants at national and regional level respectively, have received the practicing certificate although there's still a noticeable degree of unbefitting conduct in the industry.

While unveiling the programme to directors of clearing firms, Mr. Abel Kagumire, the Commissioner Customs, said that the Continuing Professional Development (CPD) programme shall be a licensing requirement in addition to the earlier set Key Performance Indicators.

"This programme is not affiliated to any specific clearing agents' association but is intended to address professionalism across the entire fraternity," Kagumire stressed.

As the team lead for the Learning and Development division in URA, Mrs. Lydia Mulondo Nsibambi said that the program will continuously improve the standards in the industry as well as skill, tool and re-tool declarants in accordance to the emerging trends and dynamism of their work at national, regional and international level.



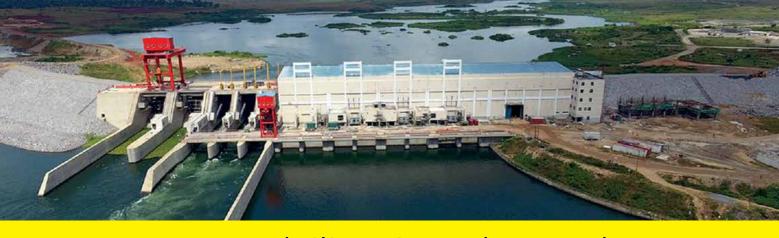


Ms. Blenda M. Nakkazi, The Chairperson National Curriculum Implementation Committee, urged the directors to buy-in, commit to the programme and ensure that their people are trained in order to capture emerging trends, improve business flow and transform the industry.

"As a fraternity, the dream is to have a professional body especially at regional level; and this is only achievable if the members have the right skill-set to



efficiently deliver quality service," remarked Nakkazi. Anticipated benefits of this initiative include; improved performance by professional personnel, increased business competitiveness at regional, continent and global levels, reduced human resource costs, enhanced creativity and innovation, and enhanced eligibility for AEO accreditation among others.



Revenue Mobilisation through tax transparency: Lessons from Uganda's transformative journey

By John Rujoki Musinguzi, Commissioner General – Uganda Revenue Authority, Mary Baine, Director – Tax Programmes, African Tax Administration Forum, Zayda Manatta, Head of the Secretariat of the Global Forum on Transparency and Exchange of Information for Tax Purposes, and Marcello Estevão, Global Director, Macroeconomics, Trade & Investment, World Bank Group

ganda has significantly strengthened its tax transparency and tax capacity in just a few vears to mobilise more domestic resources to finance sustainable development. Moreover, the country has taken significant steps to tackle illicit financial flows by implementing global transparency and information exchange standards. The results have been impressive: USD 26 million in additional revenue has been identified since 2014 through audits and exchange of information, USD 22 million of which has already been paid to government coffers.

The case study on Uganda published shows how tax transparency can help developing countries strengthen their tax and resource mobilisation capacities to meet the Sustainable Development Goals and the African Union's 2063 Agenda. It also shows that Uganda's successful journey is the result of strong political and administrative commitment, clear strategy, and coordinated and steady support from development partners.

To fight against tax evasion, Uganda joined the Global Forum on Transparency and Exchange of Information for Tax Purposes (Global Forum) in 2012. In doing so, Uganda included exchange of information as a key component of its domestic resource mobilisation strategy to improve compliance of both multinational enterprises (MNEs) and individuals, including ones with high-net-worth. In 2016, Uganda also became a party to the Convention on Mutual Administrative Assistance in Tax Matters, the most powerful multilateral instrument for tax cooperation, with over 140 participating jurisdictions.

Partnerships also played a significant role. By partnering with the Global Forum, the African Tax Administration Forum (ATAF), the OECD, and the World Bank Group (WBG), Uganda was able to accelerate its transformation. These partnerships supported muchneeded reforms, and helped develop technical capacities through skills and knowledge transfer.

Furthermore, since 2016 transfer pricing experts from ATAF, the WBG and the Tax Inspectors Without Borders (TIWB) initiative have been working alongside Ugandan officials on audit cases in sectors such as manufacturing, agriculture (commodity exporters), banking, and telecommunications. This has helped Uganda collect additional tax of nearly USD 125 million including approximately USD 26 million from just one audit case.

Exchange of information, which strengthens the audits and investigations, is now routinely used in Uganda's national tax compliance programme. As a result, the number of requests for information made by Uganda's authorities jumped from two in 2012 to 69 between 2014 and 2019.

Encouraged by these positive outcomes, Uganda has embarked on implementing automatic exchange of financial account information by 2023 with the support of the Global Forum. The country's revenue authorities will then automatically receive information on financial accounts held by Ugandan residents in offshore financial institutions on a yearly basis. This should increase tax compliance and help better tackle tax evasion and other illicit financial flows.

Uganda is an effective regional player and a proponent of the tax transparency agenda in Africa. It was one of the first signatories of the Yaoundé Declaration, which is now supported by 30 African countries and the African Union Commission. Uganda's transformative journey paves the way for other developing countries and emphasises the need for a swift transition from political commitment to practical application. Uganda's experience shows the importance of a multifaceted and coordinated approach involving regional and international organisations to support developing countries' commitment to the tax transparency agenda.

Extracted from OECD blog: Development Matters

COVID-19 MEASURES AT URA



Ensure you are screened at the main URA entrance before proceeding



Wear face mask at all times while within URA premises

Ensure you're not more than three people in a lift at any given moment



Ask to sanitize your hands at every meeting entrance



Don't trust anyone. Avoid close contact when greeting.

#Tonsemberera | Be Smart | Stay Safe



EFRIS IS HERE AS A BUSINESS SUPPORT SOLUTION

By Ian M. Rumanyika

FRIS is a smart business-owned solution introduced by the Uganda Revenue Authority (URA) to further facilitate taxpayers to maintain accurate records, keep track of their stock and generate business transaction reports instantly. EFRIS offers these benefits in four modules; Registration, Stock Management, Fiscal Document Management and Reporting with the main aim of addressing business and tax administration challenges related to business transactions and the issuance of receipts to ultimately improve business efficiencies and reduce the cost of compliance.

When rolling out any new cutting edge technologybased solutions like EFRIS, there is usually unease and discomfort that streams from challenging the status quo coupled with the anxiety that comes with learning something new. We are cognizant of the need to enhance awareness for EFRIS and equally important is the need for taxpayers to take a moment to learn and appreciate the EFRIS system and the game-changing benefits it offers.

From our experience of implementing eTax a decade ago - the largest transactional e-government system in the country that handles averagely 1.5 million daily transactions, we are confident that we shall walk this transitional journey of EFRIS much to the realization of shared fruits for us and for the taxpayers. EFRIS facilitates business operators to record business transactions and share the information with URA in real-time (concurrently). A business operator can connect directly to the system via the URA website or using the existing system in your business (system to system connection) to issue e-invoices or e-receipts.

At a later stage, businesses will be able to issue similar e-invoices and e-receipts using Electronic Fiscal Devices (EFDs) and Electronic Dispenser Controllers (EDCs). Once a transaction is initiated using any of the solution's components, transaction details are transmitted to URA in real-time to generate fiscalized e-receipts and e-invoices.

Regarding claims that the system has led to increased costs doing business with the notion that the Taxpayer has to buy hardware and bring experts to support his/her EFRIS enrolment, we 've picked lessons from our peers in the East African region where similar systems were implemented over 10 years ago.

We've learnt that the design of this system has to ensure low-cost implications for businesses. That is why for the case of Uganda, EFRIS provides options for web/phone and direct system connections, unlike our neighbours where it is compulsory for a business person to buy a Fiscal Device to issue e-receipts or e-invoices. Our regional peers are already making efforts to upgrade to Uganda's version of the system to minimize cost requirements on small enterprises.

Initial EFRIS implementation started with only VAT registered taxpayers who meet the VAT annual sales threshold of UGX 150 Million. By the end of February 2021, over 97 per cent of all VAT registered taxpayers had been registered on EFRIS with a total of over 17,734 e-invoices issued. We must emphasize that the small businesses that enrol for VAT (and therefore EFRIS), do so voluntarily.

SME start-ups that do not deal in VAT taxable items and whose annual sales fall below the UGX 150 million mark do not have to register for VAT or EFRIS. Should a business choose to voluntarily enrol for EFRIS, we encourage the business operator to adopt the easier platforms that we have availed. The direct connection of a taxpayer's system or the issuance of receipts via the URA web portal are cheaper and simpler alternatives.

There is no hardware that a small business needs to procure for now seeing as EFDs are not yet enrolled. We also put in place an offline software system for operators that do not have existing accounting systems and software in place. This free software is downloadable from the URA website and readily usable by the taxpayer, in both online and offline mode. One can issue E-Invoices and Receipts regardless of whether they are connected to the internet or not.

For the system to system integration, the taxpayer's system needs to be connected to the URA system. Standard systems will meet no additional costs, but those that need upgrades to meet the requirements set by URA may meet additional costs to integrate with the URA system. This cost may only make sense to large businesses with high volumes of transactions where automating the invoicing process optimizes time and labour. SMEs that cannot meet the cost may opt for the web portal connection option.

EFRIS simplifies the process of declaring taxes. No wonder the first phase of implementing the system has been focused on Value Added Tax (VAT) clients who have strict record-keeping requirements when filing returns to URA in order to claim tax refunds or pay taxes due. EFRIS will in time ease the VAT return filing process. More importantly, taxpayers are now protected from fictitious invoices issued to them by unscrupulous



business operators who have made them lose their input tax credits and tax refund claims in the past.

Thanks to EFRIS, clients can verify (on the URA website or the Kakasa with EFRIS App) invoices issued to them to safeguard themselves from such losses. For invoices that are returned by the EFRIS system, the system highlights the problem on the invoice and notifies the taxpayer of the corrections needed (e.g. if a taxable item is presented as non-taxable).

Fundamentally, EFRIS allows you to correct errors on your invoices and make adjustments with Credit Notes and Debit Notes. This facility is available among others under Fiscal Document management, request credit notes to reduce the invoice amounts (e.g. when certain goods are damaged or for any other reason) following the prompts on the EFRIS platform.

We've designed EFRIS to take you less than 15 minutes to upload 80,000 items, not 6 months alleged. The system is designed with pick and drop capabilities and as such, one can upload over 2 million products on the system within 30 minutes. We have reports of over 3,000 credit notes that have already been issued by the Taxpayers who have embraced the system. We will intensify EFRIS awareness to address reported challenges, complications encountered in complying with the system and also curb these knowledge gaps.

EFRIS simplifies the process of declaring taxes....the first phase of implementing the system has been focused on Value Added Tax (VAT) clients who have strict record-keeping requirements when filing returns to URA in order to claim tax refunds or pay taxes due.

EFRIS is an opportunity for small enterprises to reorganise and essentially acquire new markets. Large retailers like supermarkets should encourage and assist their suppliers to register on EFRIS, with or without VAT to streamline and track transactions. URA is also ready to assist organised groups of suppliers from various large retailers and has already invited and trained the staff of many of these retail outlets.

Previously we've had suppliers who have cried foul when Retailers that they have supplied have closed shop without paying them for supplies made. EFRIS will have such records and government interventions in similar circumstances will be more informed. During the implementation of the eTax system, URA encouraged employers to have all their staff registered for Tax Identification Number (TIN) to streamline the accounting for PAYE (a form of Withholding Tax). Years down the road, employees who did not register for TIN have found difficulties claiming refunds (e.g. Withholding tax, where due).

The Electronic Fiscal Receipting and Invoicing Solution (EFRIS) is an initiative under Uganda's Domestic Revenue Mobilization program whose aim is to address the tax administration challenges. As a nation, we need to jointly support and embrace it.

URA empowers business persons through KAKASA

ganda Revenue Authority's (URA) strategic mandate is to lead all efforts of mobilizing revenue that will fully fund government expenditure and national development. Over the years, our revenue collection has been growing. However, despite this growth, we are still unable, as a nation, to fully fund our national expenditure and meet the aspirations of the people of Uganda.

Currently, we are funding 47% of the national budget with a tax to GDP ratio of 13%. the lowest and below the average sub-Saharan African performance of 16%.

The KAKASA campaign is therefore in line with Government 's strategic objective in the national development plan to enhance domestic resource mobilization where all resources to run government programmes are sourced from its people.

It is against this background that KAKASA was birthed with a tagline You're in charge" to allow a business person take full charge of his/her business destiny from production, importation, consumption and record keeping.

The KAKASA campaign is fronted by "KAPO", an animated character personifying a compliant taxpayer who demonstrates the importance of the three business solutions for the taxpaying members of the business community and the people of Uganda.

What is the KAKASA campaign?

KAKASA is a set of government world-class certified smart business solutions introduced to ease doing of business in Uganda, enable compliance and ultimately increase Uganda's attractiveness as an investment destination.

Through this new approach URA is passionate about enabling businesses,

listening and giving you a delightful client centric service aimed at growing and developing all Ugandans. Under KAKASA, URA offers three business solutions that is: Electronic Fiscal Receipting and Invoicing Solution (EFRIS), Voluntary Disclosure and Digital Tracking Solution (DTS)

Voluntary Disclosure refers to a process where the taxpayer discloses information (tax liabilities. misstatements or omissions in their tax declarations) to URA without being prompted by any action or threat of action by URA.

Electronic Fiscal Receipting and Invoicing Solution (EFRIS) refers to a process of formatting, sending and receiving of business transactional details into fiscal data and documents (electronic invoices and e-receipts). which then stores the information and generates fiscal documents into an electronic format which is printable on a need basis.

Digital Tracking Solution (DTS) refers to the process of affixing tamper-proof digital tax stamps of either physical paper or numerical markings with security features and codes to goods or their packaging to prevent counterfeiting.

What does URA intend to achieve with the KAKASA programme?

KAKASA is a business initiative aimed at easing business by empowering taxpayers to be in charge of their tax affairs in order to improve their compliance.

The initiative is also intended to resolve taxpayer complaints of; 1. Lengthy and complicated tax administration processes. 2. Complicated and lengthy declaration process. 3. Inconsistencies in tax assessments and ledger positions.

4. The requirement to store physical documents for not less than 5 years. 5. Lack of proper book keeping knowledge and skills given the illiteracy levels in Uganda. 6. Loss of transaction records. 7. Lack of clarity on what to expect at different intervals of consuming similar services by the same clients 8. Inadequate information on the rights, roles and obligations of taxpayers as well the knowledge and skills to use the systems and procedures

9. Uneven playing field among taxpavers

Benefits of the KAKASA Solutions?

- 1. Track and trace capabilities. 2. Real-time exchange of production and transaction data.
- 3. Simplified book keeping to enhance business monitoring.
- 4. Quick access to information spanning years at the click of a button.
- 5. Comprehensive view of the business from inputs to the outputs.
- 6. Opportunity to waive interests and penalties pertaining to tax liabilities that are voluntarily divulged to URA.

Key Features that define the **KAKASA Solutions?** For Taxpavers:

- Protection of the legitimate economy by guaranteeing fair competition through curbing illicit trade practices.
- Enhanced facilitation of taxpayers' compliance through real time access of their production/ imports details.
- . Improved business operational efficiency.
- Expedited tax disputes and tax



refunds process.

- Simplified tax declaration process because of an available database to support the use of prepopulated tax returns.
- A platform and tool for proper record keeping with full details of real time business transactions.
- Lower compliance costs
- Simplified processes (returns declaration, refunds management, registration etc.)

For Consumers;

- Enhanced public health by mitigating potential health risks caused by substandard/ counterfeit goods.
- Empowered consumers make better choices prior to consuming products through use of smart tools.
- Improved Fiscal-Social contract as citizen's perception of taxation is improved because of raised visibility of Uganda's tax system.
- Increased ease of business formalization which opens up more business opportunities. Increased promotion of fair
- competition and equitable taxation as counterfeits and illicit traders are eliminated from the Ugandan market.

What is the performance of the KAKASA solutions since implementation?

Since implementation of Voluntary disclosure in July 2019. We have so far recovered over UGX 17.2bn from this program. We urge taxpayers to take advantage of the Voluntary Disclosure program at the earliest time possible before URA commences aggressive compliance actions.

Effective 1st July 2020, when URA introduced the Electronic Fiscal Receipting and Invoicing System (EFRIS) was introduced, 18,003 VAT registered taxpayers have enrolled on the system against a target register of 19,207. We have trained over 4000 clients including business communities, business owners, financial sector players and tax consultants to use the EFRIS system. In addition, there are 13,312 non VAT taxpavers that we have enrolled on EFRIS against the targeted 32,519 non-VAT taxpayers.

We would like to thank those that have already registered and encourage continuous use of EFRIS by issuing the fiscalised receipts and invoices.

Despite the interruption of the COVID-19 pandemic from March 2020, DTS has progressed well with gazetted products to include; wines, spirits, water, cigarettes, beer, soda,

sugar and cement. Subsequently, this list will include other goods as gazetted by the Commissioner. By April 2021, we registered a total of 315 businesses on DTS comprising of 247 manufacturers and 68 importers with over 3.5 million activated stamps, against an initial target of 107 manufactures and 33 importers. In addition, URA registered surplus in Local Excise Duty not seen in over 3 years. In enforcement for this initiative, 46 retailers, distributor and manufacturer outlets were caught flouting resulting into issuance of assessments of expected revenue worth over UGX 5.1billion, of which over UGX 1.8billion has been realised.

To business persons out there...

Embrace these solutions because they are here to create a level playing field so that everyone contributes a fair share to Uganda's revenue basket. In the long run, we will mobilize enough revenue for comprehensive national development for this and future generations, a journey we appeal to all Ugandans to partake.

URA is committed to leading Uganda to economic self-sufficiency. We are listening to our clients, trying to understand their concerns, building on our experience and looking to develop smarter solutions that will make life easier.

Shun the Unworthy Number Plate Thief

By Annet Nantongo

woke up to a scribbled handwritten note on my car windscreen. I held my breath when I noticed the nakedness of my front bumper. I scurried to the back only to find that bumper naked too. My car registration plates were gone, i rubbed my eyes in disbelief, opened and read the little note left behind. The thief courteously scribbled a phone number to call.

This scene is far too common in Kampala's suburbs. Thieves have made it a habit to remove car licence plates and replace them with a flimsy note where they scribble a number that you should call in case you want back your plates.

I took the risk of calling the number left behind and the thug audaciously asked for UGX 250,000 so that he can return my plates. I was unsuccessful in retrieving my stolen number plates because that was the period Ugandans had to register and verify their mobile numbers. My only point of contact with the thief vanished in thin air because it was probably a stolen simcard as well.

Some acquaintances encountered the same scenario but were able to recover their plates after paying the said or less amount. See the thief lets you call and negotiate your offer towards retrieving your number plates. I've heard tales of people who paid between UGX 50,000 to UGX 250,000 and they were directed to a nearby place where they'd find the 'lost' plates. How kind, you might think.

But this is no kindness. It a rip off and payment is a facilitation for this kind of offence. Never pay a number plate thief because sometimes, you might be unsuccessful when they take the money and disappear

without returning the plates.t How about you consider

duplicating your number plates instead. The process of duplication depends on whether both were stolen or only one.

If only one plate is stolen, you only have to log onto www.ura.go.ug, enter username (which is the TIN) and password, apply for duplicate number plates, and surrender the second plate. You are not required to bring the car to URA for inspection in this case. Once process is initiated and submitted, you get a payment reference number (PRN) with the cost of duplication (UGX 49,000) which you proceed to pay through the various platforms of preference. Submit signed application forms through to your nearest URA office, after which you get an email notification on who will print your plates. GM Tumpeco and Arnold Brooklyn are the authorised service providers for printing number plates of which you pay only UGX 137,000 for this service.

However, when both plates are stolen, you'll need a to get a Police ballistic report and inspection report, place an advert for lost plates in the newspapers (costs between UGX 20,000 to 30,000 depending on size and media house). After 14 days from advert running, you bring the car to URA for physical inspection which costs UGX 12,000. You then proceed to log onto www.ura.go.ug, enter username (TIN) and password, apply for duplicate number plates, and attach original copies of the police reports, newspaper advert, URA inspection report, and a valid National ID. And the process then follows as in the case above when a person had only one number plate left.

All payments for URA services are made through either a bank, point of

sale or mobile money and the charges pertaining the chosen payment channel apply. The cost of duplicating with one

plate sums up to UGX 186.000 while duplicating plates when both were stolen costs UGX 228,000 only. In this case you have 100 percent assurance of replacing your plates, a process that takes 4 working days.

In case a whole car is stolen and returned without registration plates, it is required that the car is inspected by the Police Department of Forensics to ascertain chasis number. If chasis number is the same. then the car owner proceeds to process duplicate plates as highlighted above.

Jesus' shepherd discourse in John 10:10 says "the thief comes to steal, kill and destroy...". take Jesus' teaching literally because that's what thieves do. Not much kindness or consideration comes from them. Neither are you guaranteed getting back those plates when you pay a thief.

The writer works with the Public and Corporate Affairs Division of Uganda Revenue Authority.



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One Year in Office: A Look at Stakeholder Engagements

s URA we cannot manage to realise our mandate in seclusion, therefore, we are leveraging optimal stakeholder engagement and participation in revenue mobilization as we work with different partners/stakeholders. These stakeholders are very crucial during taxpayer education, revenue mobilisation, tax policy formulation process among others.

For the past one year, John Rujoki Musinguzi, the URA Commissioner General, has been at the helm of steering revenue collection. Since his appointment in April 2020, Mr Musinguzi has emphasized leveraging data analysis, research, enhancing taxpayer education and deliberate stakeholder collaboration, as key drivers towards growing Uganda's tax to GDP ratio.

To this effect, he set out to engage several stakeholders, taxpayers and key players in policy formulation to ease tax compliance. Some engagements resulted into signing Memorandums of Understanding with some stakeholders to facilitate collaboration such as Dairy Development Authority (DDA), Trade Mark East Africa (TMEA), National Identification and Registration Authority (NIRA), National Water and Sewerage Corporation (NSWC), Uganda National Oil Company, among others.





Talking Compounds: Using Visual Aids as Tax Education Tools

By Andrew Kyakonye

he Commissioner General has set out to intentionally strengthen URA's efforts towards Tax Education. This is one of the roles enshrined within the mandate of Uganda Revenue Authority (URA) with the aim of increasing tax literacy, voluntary tax compliance and ultimately grow revenue collections.

"We shall develop and implement a strong tax education strategy that will improve the taxpayer's knowledge not only on our taxes and processes but also their rights and obligations," said Commissioner General to staff in his early months at the Authority.

Over the years, URA has broadened tax education to include nurturing, creating awareness and empowering the current and future taxpayers. This birthed the Schools Outreach Program that established Tax Clubs in over 30 secondary schools and Tax Societies in 25 tertiary institutions of learning, whose membership are the young generation.

To further consolidate on this milestone, URA has introduced subconscious communication models of Visual Learning Aids, termed "Talking Compounds", in schools around the country, that will foster the young generation towards their future tax obligations.

This direction is purposed to boost tax literacy among secondary and university students who grow and later become taxpayers. This is also tailored to improve the taxpayer behaviour and attitude, a factor that largely hinders revenue collection today. The Visual Learning Aids will enhance students' knowledge about the social and financial impacts of the taxation system and improve their willingness to comply with Uganda's taxation systems as and when their tax obligations are due. This will increase the level of the country's tax compliance rate and the revenue of the government while reducing the propensity of taxpayers and citizens to evade taxes.

With the introduction of Taxation in Entrepreneurship and Economics in the new secondary school curriculum, the Visual Learning Aids (Talking Compounds) offer a supplementary role to learning of the taxation element incorporated within these subjects. In addition, students are nurtured into mastering the art of managing their money and planning for needs and wants, balancing risk and reward to make informed decisions in consumer and financial contexts, the wider impact of our everyday decisions, and how to navigate the ever-changing consumer and financial landscape.

The need to ably understand a PAYE coding notice, pay slip or why get into business where tax is a key cost, cannot be ignored since most

> school children will one day become employees

> > or employers. An understanding of taxation - how it works, why it is necessary and what the obligations of the taxpayer are - is an essential part of financial education. The URA tax education efforts take into

account that incomplete financial education leaves citizens without the skills and knowledge to manage their money well and make sound financial decisions.

Such tax education investments by URA in school-based activities reflect the efforts by the tax administrator towards creating a long-term cultural shift in attitudes and behaviour of citizens towards taxes.

Currently, there is over 120 schools across the four major regions of Central, Northern, Western and Eastern parts of Uganda such as Mpoma Girls School, Naalya S.S. Kololo S.S. St. Joseph's S.S. Naggalama, Nabisunsa Girls School, St. Joseph's Girls' School Nsambya, Kibuli S.S, Entebbe S.S, St. Mary's Girls School Soroti, Bukedea Secondary School, Mbale S.S, Tororo Girls School, St. Joseph's College Ombaci - Arua, Gulu Secondary School, Comboni College - Lira, Y Y Okot Memorial College School - Kitgum, Masaka Secondary School, Christ The King Secondary School, Kalisizo, Mbarara High School, and Isingiro Secondary School, to mention but a few, that have signed up to have the Visual Learning Aids since 2020 as the program spreads to more schools.

With such an initiative, URA believes that the future of Uganda is secure when the young generation grows up with the attitude that paying taxes is not a burden but a tool of development of our country, Uganda.

Taxes empower government to build schools, roads, hospitals and security



URA Science Centre set to advance criminal investigations

By Nouella Anaso

ne URA Tax Investigation Department acquired cutting edge technology mid last month that is set to change criminal investigation in URA and in the country, through the use of scientific methods to compute accurate tax assessments and expose fraud.

The objective of testing is to support accurate assessment of taxes through identification and determination of chemical composition of goods as well as detect prohibited and restricted items such as narcotics, explosives, among others.

Found in the URA Offices in Nakawa, the URA Science Centre, boasts of a modern science laboratory offering several analytical tests that will be critical in supporting tax compliance efforts. John Rujoki Musinguzi, the Commissioner General URA described

this development as a positive step towards building capacity.

"Where we are heading is the future of science, we cannot afford to speculate or gamble and guess, only for our findings to be dismissed. This is the future and we must build capacity that can measure up to the extent of the assignment that we have at hand," he said.

The science centre, also a modern digital forensics laboratory, is arguably the best equipped and best resourced laboratory currently in the country. Some of its re-known clients are the Uganda Police Force (UPF), the Inspectorate of Government (IGG), and the Uganda Bureau of Statistics (UBOS). The Actg. Commissioner Tax Investigations, Agnes Nabwire, acknowledged this function.

"We are looking at ourselves going beyond URA

and accrediting this laboratory to a standard that will be acceptable where our results cannot be contended and where they can stand the test of time even before a judiciary," she said.

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Currently, the laboratory is manned by 20 staff, a competent combination of trained chemical engineers. food scientists, IT experts and Forensic experts.

Together, they carry out Computer Forensics, Analytical science Lab services, Applied science services, Mobile Forensics, Forensic Document Examination, Audio and Video Enhancement. Some of the state of the art instruments include.

The centre has some key equipment such as the Fourier transform infrared spectrometer (FTIR), the x-ray florescence spectrometer, the high performance liquid chromatography, and the Kjeldhahl distillation unit.

The Fourier Transform Infrared Spectrometer (FTIR) used in identification of labelled and unlabelled Chemical products, Narcotics, Rubber, Leather, Cellulose, Pharmaceuticals, petroleum products, etc. The X-Ray Fluorescence Spectrometer is used to test elements in precious metals such as gold and articles of jewellery, lubricants and other petroleum products, Inorganic chemicals, steel products, among others.

The high performance liquid chromatography is used to test for aflatoxins in foods, hydroguinone in cosmetics, properties of artificial sweeteners in fruit juice products, fruits and beverages, while the Kjeldhahl distillation unit tests for nitrogen content in fertilizers and protein content in foods

Forensic expert and URA officer, Melvin Kigongo said that the laboratory plays a critical support function within the Tax Investigations Department and within the other



departments especially Domestic Taxes and Customs. This is because all cases carry a digital foot-print.

"We support customs in the examination of documents because sometimes they are uploaded in the system with alterations. We also examine log books of returning residents and stamp impressions because sometimes copies of our stamps are forged at Nasser road. In Domestic taxes, the lethal experts examine digital stamps which have been forged and contracts which have been altered." he said.

Where we are heading is the future of science, we cannot afford to speculate or gamble and guess, only for our findings to be dismissed. This is the future and we must build capacity that can measure up to the extent of the assignment that we have at hand



Why You Should Use A Registered Tax Agent

lan Rumanyika

any taxpayers have fallen prey to dubious tax agents who pose as their representatives in tax business. Given the 'brief case' nature of their operations, such tax agents are hardly noticeable by Uganda Revenue Authority (URA) and should falsifications emerge, the taxpayer is left in a maze of proving their business records while the agent remains at large.

This unclear process has informed URA's decision to have all tax agents registered for easy monitoring and follow up should the agent get caught breaking the law. With this timely response, URA seeks to automate all her processes and therefore taxpayer information as they transact with URA must be held with utmost confidentiality- a matter which cannot be guaranteed while dealing with 'free entry and exit' kind of tax agents. The unregulated agents barely work with professionalism which impacts on the quality of returns filed. This in the long run necessitates avoidable audits.

The regulation and licensing of tax agents is managed by the Tax Agents Registration Committee (TARC), a body constituted by section 7 of the Tax Procedures Code Act (TPCA) 2014. The committee is responsible for the handling of grievances that may arise from the conduct of tax agents. The other roles of the TARC are amendment of tax agent registration details, cancellation of tax agent's registration should they breach their mandate and also propose policy changes to existing laws in the administration, mandate and processes of tax agency.

The composition of TARC is in such a way that equity in representation and fairness in addressing matters is considered. The five members include the Commissioner General, One representative from the Accountancy profession nominated by the Institute of Certified Public Accountants of Uganda, a representative from the legal profession nominated by the Uganda Law Society and two members from the private sector with expertise or relevant experience in economics, finance or taxation appointed by the board of the Uganda Revenue Authority.

Individuals or non-individuals under companies who wish to be tax agents must be compliant taxpayers who are dutiful to their tax obligations because an attachment of a tax clearance is required during the application process. A degree or post graduate in a discipline relevant to the tax agents profession, a course in taxation and a practicing experience of two years in five preceding years, are some of the other essential status requirements.

Application for tax agency is done on the URA web portal and interested persons should log onto the portal, fill an application form and submit it along with the following mandatory requirements;

a) Copy of Professional Certificate i.e. practicing or membership certificate

and Copy of Academic Certificates on the completed application.b) Proof of payment of a nonrefundable application fee of Ugx.200.000/=.

c) Profile of applicant and Nominee (experience and works done)

d) Copy of Identification Card for individual applicants and Nominees

Lists of registered agents upon confirmation by TARC can be accessed on the URA web portal and is also published in the media and on URA social media platforms.

Taxpayers, especially those whose turnover is above 500 Million, are advised to get services of an approved tax agent as recommended in the TPCA. A tax agent can be appointed by visiting the URA web portal and following the simple steps

Go to https://www.ura.go.ug

Step 1: Log in to your URA account on the web portal.

Step 2: Under eservices, select Customs/DT Agent Appointment->Tax Agent for Domestic Tax.

Step 3: Enter TIN of approved Agent, License period, appointment start and end date and then Validate and Add **Step 4:** Modify details of the Tax Agent and add Tax Type details.

Step 5: Select Tax type from the drop down, enter appointment start/ end date, add details and save

Step 6: Submit the Application **Step 7:** A notification will be sent to the selected Tax Agent.

With the regulation of tax agents, taxpayers can be certain of an overseeing authority that will protect them from deceitful tax agents and are encouraged to only appoint agents that are fully registered and recognised by URA.

Voluntary Disclosure -What you need to know

By Myra Miria Iris Ochwo

Recently, Uganda Revenue Authority (URA) launched a campaign dubbed KAKASAyou are in charge. The campaign aims at building awareness among the population about three smart business solutions that are geared towards improving compliance.

One of the components of this campaign is the Voluntary Disclosure Program (VDP). Voluntary Disclosure is provided for under Section 66 (1a) of the Tax Procedures Code Act (TPCA), 2014. Simply put, voluntary disclosure is when a taxpayer without being prompted and out of their own free will comes forward and discloses what should have been disclosed but was not declared or partially declared before being prompted by any action or threat of action on the issue by URA.

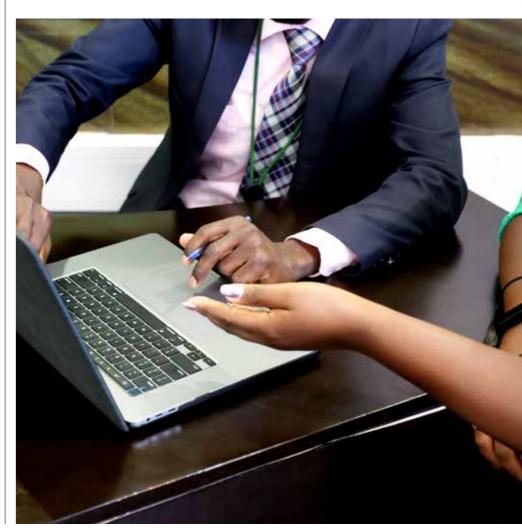
A disclosure must be complete and accurate. A taxpayer should avoid a scenario whereby they conceal certain areas which they think are unlikely to be uncovered by URA. With the implementation of initiatives such as the Electronic Fiscal Receipting and Invoicing Solution (EFRIS) and the Digital Tracking solution (DTS), one needs to make use of voluntary disclosure as the possibility of unearthing discrepancies has increased

There are a number of exceptions to voluntary disclosure. These are:

- 1. The principal tax remains due and payable.
- 2. Penalties and interest assessed by URA prior to the disclosure are payable even in an instance where a taxpayer claims he or she was not aware of them.
- A discrepancy arising from routine arithmetic errors is not considered as voluntary disclosure as this may be used to avoid obvious liabilities
- 4. Where information about the taxpayer is in the public domain as it is presumed URA would have detected the non-compliance.
- 5. A case where the applicant

for voluntary disclosure has an associate as defined by the tax acts who is under investigation or an audit as it is presumed the discrepancy would have come to light during the exercise.

The procedure to lodge a voluntary disclosure is straight forward. The applicant accesses a Voluntary Disclosure Form (VDF) available on the URA web portal. The application must be complete and signed by the taxpayer, tax agent or representative. The application should be submitted to the Business Policy Division in the Domestic Taxes Department. There is no time limit to the disclosure. It should be noted that full payment of the principal tax due should be made



prior to submitting the application for voluntary disclosure. In instances where the taxpayer is unable to make full payment of the principal tax, the taxpayer may apply for payment in instalments along with the voluntary disclosure application. In this case interest will start to run on the outstanding amount from the date of disclosure.

Once the application is accepted, the taxpayer will be given a Voluntary Disclosure certificate signed by the Commissioner General indicating that the taxpayer has been discharged of their liability to pay any penalty and interest due for the offence disclosed.

You need to take charge of your tax affairs, declare and get your tax account on track.



Mpondwe and Bunagana Enroute to OSBP Status

By Catherine Yvonne Zalwango and Isaac Lubaale

n March 2021, the Government of Uganda broke ground for the construction of a Border Export Zone (BEZ / border market) and a One Stop Border Post (OSBP) at Mpondwe in Kasese district along the country's borderline with the Democratic Republic of Congo (DRC).

Improving trade facilitation remains a key component on Uganda's development agenda. The country continuously embraces the OSBP model as a means to promote a holistic multi-agency border management where all agencies harmonize their controls and roles to increase efficiency and thus reduce the high transaction costs and delays that were often encountered before the implementation of OSBPs.

The ceremony was presided over by Hon. Amelia Kyambadde, the Minister of Trade Industry and Cooperatives together with Hon. Gen. Edward Katumba Wamala, the Minister of Works and Transport while the URA Commissioner General was represented by Hajji Asadu Kisitu Kigozi, the Assistant Commissioner Field Services.

Phase 1 of the OSBP construction will comprise of facilities such as; an administration/commercial services block, cold room and warehouse, drive-through and baggage scanner, rest shed, two gate houses, verification shed and parking yards that will be distinctively gazetted for cargo trucks, passenger buses, staff and general parking, among others. The strategic trade infrastructure is funded by the World Bank through the Great Lakes Trade Facilitation project whose objective is to enhance cross border trade by increasing capacity for commerce and reducing the costs faced by traders especially smallscale and women traders at targeted locations in the borderlands.

Hon. Amelia Kyambadde noted that Uganda can double her export earnings from the current USD 2.3 billion if we improve trade facilitation, diversify exports, advance competitiveness of our commodities and remove trade barriers with our neighbours.

"As government, we are implementing measures that will create deeper links between Ugandan producers and regional markets. Our target is to unleash our exports potential by eliminating restrictions in strategic transactions and logistical services," said Hon. Kyambadde.

Gen. Katumba Wamala thanked the World Bank for funding the two projects and cautioned the contractor to observe the environmental, social, health and safety safeguards as these are key monitoring and evaluation parameters for World Bank Projects. The minister mentioned that government plans to jointly funds three roads with DRC into the towns of Goma, Butembo and Beni, will create jobs for Ugandans while boosting markets for our exports to DRC. He further tasked URA to explore means of acquiring and compensating occupants on the land between the OSBP site and first point of entry into Uganda from DRC.

Hajji Kigozi, commended government and World Bank support towards improving border infrastructure and reiterated that the OSBPs have enhanced trade facilitation in the East African Region.

"The OSBP venture is a timely project because over the last 5 years, we have realized a drastic growth in the volumes of trade through Mpondwe. Transits volume exponentially grew by 419% from UGX. 196.8Bn in 2015 to UGX. 1.022Tn in 2020 while exports grew by 52.5% from UGX 199Bn to UGX. 304Bn over the same period," said Kigozi.

In addition, the same delegation of senior government officials presided over another ground breaking ceremony for the phase 1 improvement of Bunagana border post in Kisoro district. This project will expand the truck parking yard and improve vehicular traffic flow at the border, with better security lighting, CCTV system, fencing and gate structures, and finally renovate the current URA office block. In future, government plans to upgrade Bunagana to an OSBP and thus the works under phase 1 will form part of the future developments.

Final commissioning of both projects will be in December 2021.















