

India-Uganda Relations

Indian independence inspired early Ugandan activists fighting for decolonisation in Uganda. Bilateral relations have been good since independence except during the Amin years. Nearly 55,000 PIOs and 5000 Indians were expelled by President Amin in the early 70s.

After President Museveni came to power in 1986, a fraction of the expelled PIOs (eventually 2000) began to return. The government also took steps to restore the properties seized from them. Since the mid-1990s, more Indians have been coming to work in Uganda. Their number is currently estimated to be around 20,000, of which around 15,000 hold Indian passports, while the remaining hold Ugandan, British, Canadian and other passports. Indians and PIOs play a leading role in the Ugandan economy, especially in manufacturing, trade, agro-processing, banking, sugar, real estate, hotels, tourism and information technology. They employ thousands of Ugandans, and are amongst the biggest taxpayers in the country.

High-Level Visits

President Museveni paid a State Visit to India in October, 1992. The then Prime Minister of India Shri I.K. Gujral visited Uganda in 1997. Prime Minister Dr. Manmohan Singh visited Kampala from 22-24 November 2007 to attend CHOGM. President Museveni paid a State Visit to India in April 2008.

Recent visits include visit of a two-member delegation led by Ugandan Minister of State for Finance, Planning and Development, Prof. Ephraim Kamuntu to participate in the 7th CII-EXIM Bank Conclave held at New Delhi in March, 2011. Shri Arun Yadav, Hon. Minister of State for Agriculture and Food Processing Industries visited Uganda from 25-29 April, 2011 at the invitation of the Ugandan Minister of Agriculture. Prof. K.V. Thomas, Hon. Minister of State for Consumer Affairs, Food and Public Distribution visited Uganda from 11-13 May, 2011 as a Special Envoy of the Government of India to attend the swearing in ceremony of the President of Uganda. Hon. Member of Parliament Shri Mani Shankar Aiyar visited Uganda from 19-21 June, 2011 to participate in the Post Election (Induction) Seminar for Members of Parliament of Uganda. Vice President Shri M. Hamid Ansari paid a transit visit to Kampala from 8-10 July, 2011. This was followed by President Museveni's private visit to India in September, 2011 during which the President met various Indian investors in the health, energy, oil and mineral exploration sectors. The Ugandan Minister of Energy and Mineral Development, Hon. Ms. Irene Muloni, led a delegation to India in December, 2011 to attend the 3rd India-Africa Hydrocarbon Conference in New Delhi.

Bilateral Cooperation & Assistance

To assist Uganda in its infrastructure and human resource development, India has offered setting up of three institutions namely, India-Africa Institute of Foreign Trade, Food Processing Business Incubation Centre and Material Testing Laboratory.

Following the First India-Africa Forum Summit, Uganda was nominated by the African Union to host the India-Africa Institute of Foreign Trade (IAIFT). Following the stake-holders workshop held at Kampala in June, 2011 by Indian Institute of Foreign Trade (IIFT) and Ministry of Trade, Industry and Cooperatives of Uganda, the officials of Ugandan Ministry of Trade and Ugandan Management Institute (UMI) visited India and finalized the MoUs to be signed between (i) IIFT and Government of Uganda; and (ii) between IIFT and UMI. After signing of the MoUs, the institute is expected to become functional during the first half of 2012.

Following the Second India-Africa Forum Summit in Addis Ababa in May, 2011, GoI proposed setting up of a Food Processing Business Incubation Centre in Uganda. The proposal was welcomed by the Ugandan side. The centre would provide support to the local entrepreneurs to enhance their skills in food processing and to acquaint themselves with the latest technologies and equipments used in this industry and would also create additional jobs for the rural youth. A delegation of Indian experts is expected to visit Uganda soon to discuss the modalities for setting up the Centre.

In addition to the above, Inter-Governmental Authority on Development (IGAD) and Economic Community of Central African States (ECCAS) have selected Uganda as one of the countries for setting up of Material Testing Laboratories through RECs. The laboratory would provide for material testing facilities to test soil, aggregates, bitumen and cement concrete material for the road sector. The laboratory would be made operational in about 12-18 months after signing of the requisite agreements. Indian Academy of Highway Engineers (IAHE), which is the implementing agency on behalf of GoI, who will run, maintain, supervise and manage the laboratory for three years after commissioning, will also organize training and training of trainers programme.

Following the visit of Ugandan Minister of Energy and Mineral Development, Hon. Ms. Irene Muloni to India in December 2011, the two governments have agreed to enhance cooperation in the hydrocarbon sector.

Following the visit of a three-member delegation from Ministry of Textiles to Uganda in September 2011, India and Uganda are discussing the scope of engagements in terms of R&D and technology support, investment facilitation, supply of seed and market linkage.

Under the Pan-African E-Network Project, a Tele-medical centre has been set up in Mulago Hospital where several diagnostic equipment, such as ECG, X-Ray, Ultra Sound, etc., have also been set up as part of the project. The centre is connected to 11 reputed Indian hospitals for medical consultations and also for continuing medical education. The project was formally inaugurated by H.E. Mr. S.M. Krishna, External Affairs Minister from the Indian side and H.E. Mr. Sam Kutesa, Foreign Minister on the Ugandan side at Makerere University Tele-Education Centre in August, 2010.

Training

An estimated 1000 Ugandan students are presently studying in Indian universities. Over the years, thousands of Ugandans have studied in Indian colleges and universities, especially in Pune, Bangalore and Delhi. They include children of many high-ranking Ugandan ministers and officials. There is an APTECH franchise in Kampala and a branch of Sikkim-Manipal University. ITEC deputationists have taught at the University of Mbarara.

Under the ITEC/SCAAP programme, 61 slots were allocated to Uganda for the year 2011-12. Following the announcement made by Hon'ble Prime Minister of India during the 2nd India-Africa Forum Summit held in Addis Ababa in May 2011, an additional 15 slots were allocated to Uganda during the year 2011-12, taking the total to 76 slots. Seeing Uganda's growing interest in ITEC/SCAAP Programme, during a mid-term review of the utilization of slots, Government of India has increased the allocation of slots to Uganda to 85 for the current year.

Uganda has also availed of the services of ITEC experts. Twenty three scholarships are offered to Uganda annually from 2008-09 by ICCR, under three schemes, for courses of study in Indian universities.

Uganda has been allocated one slot for 52nd NDC course at the prestigious National Defence College. Ugandan defence personnel have also been attending various training courses in Indian defence institutes under ITEC-II.

Uganda is also actively participating in the training programmes offered as part of the implementation of decisions of India-Africa Forum Summit.

An Indian Army Training Team (IATT) led by a Brigadier and consisting of two Colonels and one Group Captain is in Uganda since February, 2010 at the Ugandan Army's Senior Command and Staff College, Kimaka for a period of three years, under the ITEC programme.

A delegation from National Defence College (NDC) led by Brig. A.K. Jha visited Uganda from 15-20 May 2011. It was first ever visit to Uganda by an NDC team. The team had an opportunity to interact with various leaders and high ranking officials of the Ugandan Government.

Bilateral Trade and Investment

The volume of bilateral trade has increased from US\$ 678.5 million in 2009-10 to US\$ 727.9 million in 2010-11 registering an 8% growth. India is now the second largest FDI investor in Uganda in 2011. Major exports are: pharmaceuticals, bicycles and bicycle parts, automobile components, small industry & agro-processing machinery, 2-

wheelers, textiles, tyres, sports goods etc. Uganda imports almost 30% of its pharmaceuticals from India.

Bilateral trade figures during the period 2006 to 2011 are as under:

YEAR	Exports (US\$ mn)	Imports (US\$ mn)	Total
2010-11	711.199	16.68	727.879
2009-10	661.546	16.975	678.521
2008-09	471.029	12.761	483.79
2007-08	454.860	7.761	462.621
2006-07	252.206	1.495	253.701

Source : Bank of Uganda

A 35-member agri-business delegation from FICCI visited Uganda from August 18-20 August 2011 and had fruitful discussions with President of Uganda, Minister of Agriculture, Minister of Information & Communications Technology Minister of Trade. They also held a B2B meetings and Business Seminar, co-organised by Uganda Investment Authority and Uganda National Chamber of Commerce & Industry where more than 100 companies from Uganda participated. A number of Indian investors from this sector visited Uganda subsequently.

PIOs and NRIs are estimated to have invested over US\$ 1 billion in Uganda in the last two decades.

A Double Taxation Avoidance Agreement was signed in Kampala on 30th April, 2004. The agreement came into force with effect from 27th August, 2004.

In June 2010, the Indian company, Bharti Airtel, completed its takeover of the telecommunication company Zain in Uganda and several other countries in Africa. This has deepened the involvement of Indian private sector companies in Uganda's economy.

January 2012