India-Uganda Relations

The bilateral relations between India and Uganda are characterised by historical cultural linkages, extensive economic and trade interests, and a convergence on major bilateral and international issues. A 27000+ Indian/PIO population in Uganda, a bilateral trade of nearly US$ 1.3 billion, a steady surge of Indian investments making India consistently one of the top investors in Uganda, capacity building training programmes and institutions, and a common and deep respect for universal values like democracy and peace reinforce the architecture of India-Uganda bilateral relations.

Trade and economic interests brought several Indians to the shores of East Africa as early as the 17th century in dhows laden with their wares. Eventually a number of Indians settled in East Africa, and many made Uganda their home. India’s freedom struggle inspired the early Ugandan activists to fight colonization and Uganda eventually achieved Independence in 1962. India established it diplomatic presence in Uganda in 1965. Except for the era of Idi Amin’s reign in early 70’s when nearly 55,000 Persons of Indian Origin (PIOs) and 5000 Indian nationals were expelled and their properties confiscated, relations between the two countries have since been cordial.

The anti-Indian policies of Amin were reversed when the current President Yoweri Kaguta Museveni came to power in 1986. He called on the Indian community to return to Uganda and promised to restore their properties; a few hundred Indians did return, and the Ugandan Government returned their properties or provided compensation. Such progressive policies ensured that the India-Uganda relations were restored to erstwhile levels.

High-Level Visits:

President Museveni paid a State Visit to India in October, 1992. Indian Prime Minister Shri. I.K. Gujral, visited Uganda in 1997. Prime Minister Dr. Manmohan Singh visited Kampala in 2007 to attend the Commonwealth Heads of Government Meeting (CHOGM). Prime Minister Shri. Narendra Modi visited Kampala during CHOGM as the Chief Minister of Gujarat. He was received by Ugandan Foreign Minister Sam Kutesa, and by the Interior and Agriculture Ministers. He also called on President Museveni. President Museveni paid another State Visit to India in April 2008 and also participated in the first India-Africa Forum Summit in New Delhi. Vice President of India Shri M. Hamid Ansari transited Kampala in July 2011 enroute to Juba. President Museveni was on a private visit to India in September 2011 during which he met Indian investors.

A parliamentary delegation led by Hon’ble Speaker of Lok Sabha, Meira Kumar visited Kampala in April 2012 to attend the 126th Assembly of the Inter-Parliamentary Union held in Kampala. The Speaker of the Parliament of Uganda Mrs. Rebecca Kadaga led a delegation to New Delhi to attend the 7th Meeting of Women Speakers of Parliament held in New Delhi from 3-4 October 2012.

Hon. EAM Shri Salman Khurshid visited Kampala in April 2013, during which he called on President Museveni. He also met with Foreign Minister Sam K. Kutesa and some senior Cabinet Ministers during this visit.

Hon. Minister of Health & Family Welfare, Shri Ghulam Nabi Azad, visited Kampala in March 2013 to chair the 22nd Executive Committee Meeting of Partners in Population Development (PPD)

Hon. Minister of Energy and Mineral Development, Ms Irene Muloni, visited India in January 2014 to attend Petrotech 2014 as a Guest of Honour. During the visit, She had a meeting with Hon. Minister of Petroleum and Natural Gas, Dr. Veerappa Moily.

Prof Dr Zerubabel M. Nyiira, Hon'ble MoS for Agriculture, Government of Uganda travelled to India in February 2014 to participate in Asia-Africa Agri business Forum 2014.

Hon. Minister of Finance and Economic Planning and Development Ms. Maria Kiwanuka travelled to India in March 2014 to participate in the 10th CII-Exim Bank Conclave.

**Bilateral Development Partnership:**

Government of India is setting-up a Food-Processing Business Incubation Centre (FPBIC) in Uganda. The centre will 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. The inter-Governmental MoU was signed by High Commissioner with the Ugandan Minister for Agriculture in Kampala in June 2014. The MoU between ICRISAT Hyderabad and National Agricultural Research Laboratories (NARL) Kawanda to carry the project forward is expected to be signed soon.

Uganda has agreed to host the India-Africa Institute of Foreign Trade (IAIFT), one of the 5 institutes offered by India at the Pan-African level under IAFS -I. The institute is envisaged to impart world-class training in International Business and Management Studies, develop entrepreneurial skills and promote research in foreign trade. The Indian Institute of Foreign Trade (IIFT) is the Indian implementing agency for the IAIFT. The relevant MoUs remain to be signed, with IIFT preferring a separate building to house the IAIFT, and the Ugandan government only being able to provide
A tele-medicine centre and a tele-education centre have been set up under the Pan-African e-Network Project. The tele-medical centre has been set up in Mulago Hospital, Kampala where several diagnostic equipments for ECG, X-Ray, Ultrasound, etc., have also been set up as part of the project. The centre is connected to 11 reputed Indian hospitals to ensure quality medical consultation and treatment for patients and medical education for students. The tele-education centre has been set up at Makerere University, Kampala. These centres were inaugurated in August, 2010 by Foreign Ministers of both the countries. India is preferred destination for affordable and quality health care for Ugandans. There is an increasing trend of Ugandan medicare seekers travelling to India. Over the last three years, nearly 1500 hundred Ugandans travelled to India to seek medical treatment. Several Indian hospitals are mounting delegations to Kampala to further explore opportunities of medical tourism to India from Uganda.

India is also seen as a destination for quality and affordable education by Ugandan students. An estimated 1100 Ugandan students are presently studying in Indian universities over the last three years, 1062 student visas have been issued by this Mission.

The Government of India offers scholarships and fellowships to Ugandans from the public and private sector to enable them to pursue under-graduate, graduate, post-graduate and research courses in India under ITEC, ICCR, CV Raman Fellowship and Special Agricultural Scholarship. India offers over 100 scholarships every year to Uganda under different schemes. In 2013-14, over 140 Ugandan students travelled to India under these scholarships and training programmes.

Some of the illustrious alumni of Indian institutes consists of dignitaries like Hon. Kintu Musoke, former Prime Minister, Hon. Kivejinja former Minister of Internal Affairs and 3rd Deputy Prime Minister, presently Senior Adviser to the President; Hon. Bidandi Ssali, former Local Government Minister; Hon Kefeero Ssekitcho, MP and Chairman of the Parliamentary Committee on Science and Technology and innovation Prof. Balunywa Waswa, Hon. Jacob L’Okori Oulanyah, Deputy Speaker of the Parliament, Principal Makerere University Business School and many others.

An APTECH franchise, set-up in Kampala in 1999 and a Sikkim-Manipal University branch, set-up in Kampala in 2005, have brought Indian education to Uganda. Two Schools i.e. Delhi Public School and Indian International School, which follow CBSE curriculum, are also operating in Kampala.

India also conducts training courses for Uganda’s defence personnel. Several Ugandan defence officers have availed these, including a seat at the prestigious National Defence College (NDC), New Delhi. An Indian Military Training Team (IMTT) led by a Brigadier and consisting of two Colonels and one Group Captain is stationed at the Ugandan Army’s Senior Command and Staff College, Kimaka, Jinja, since February.
2010 to assist in the training of the senior officers of the Ugandan and East African armed forces.

**Bilateral Trade:**

The bilateral trade stood at US$ 1247.82 million in 2012-13 registering a growth of 45.64 % over trade volume of US$ 856.81million in 2011-12. Bank of Uganda Listed India as the largest exporter of goods and services to Uganda. Bilateral trade figures are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
<th>2014 (Jan-April)</th>
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<tbody>
<tr>
<td>Ugandan Exports</td>
<td>12.36</td>
<td>16.98</td>
<td>18.73</td>
<td>16.47</td>
<td>16.06</td>
<td>9.92</td>
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<tr>
<td>Indian Exports</td>
<td>431.15</td>
<td>597.49</td>
<td>716.81</td>
<td>840.33</td>
<td>1231.76</td>
<td>444.12</td>
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<tr>
<td>Total Trade</td>
<td>443.5</td>
<td>614.47</td>
<td>735.54</td>
<td>856.81</td>
<td>1247.82</td>
<td>454.04</td>
</tr>
<tr>
<td>Growth in Trade</td>
<td>--</td>
<td>38.55</td>
<td>19.7</td>
<td>16.49</td>
<td>45.64</td>
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</tbody>
</table>

(Source: Bank of Uganda)

Trade figures in the first four months in the current calendar year reflect a 10% increase in trade compared to the same period last year.

The balance of trade is heavily in favour of India. The major items of India's exports to Uganda include, among others, pharmaceuticals, bicycles and bicycle parts, automobile components, small industry & agro-processing machinery, 2-wheelers, textiles, tyres and sports equipment. Uganda imports almost 30% of its pharmaceuticals from India. India's imports from Uganda include, among others, tea, wood and wood-products. Significant openings in the Ugandan oil and gas sector are anticipated by mid-2015 when fresh round of licensing of oil blocks begins in mid 2013.

India remains one of the leading FDI investors in Uganda. In 2013, India's investments in Uganda were USD 122 million. In terms of planned FDI Investments, India has consistently been among the top three FDI sources. It is estimated that Indians/PIOs have invested more than USD 1 billion in the country during the last decade.

In 2010, an Indian company, Bharti Airtel, completed its takeover of the telecommunication company Zain Telecom in Uganda [as a part of its trans-national take over in many countries in Africa. Airtel is deepening its presence in Uganda, and in East and Southern Africa. More recently, Tata Consultancy Services (TCS) have transformed the way in which the Uganda Revenue Authority (URA) functions, and the URA is apparently the only such authority in the entire of African continent with 100% computerised functioning. TCS has 100 of its employees based in Uganda.
A Double Taxation Avoidance Agreement between India and Uganda is in effect since 2004. An MoU for Cooperation in the fields of Agriculture and Allied Sectors was signed in 2007. Uganda has joined the Duty Free Tariff Preference (DFTP) Scheme since 2012, and is likely to benefit significantly from this.

Mutual Legal Assistance Treaty (MLAT) is pending for want of few clarifications from the Ugandan side and draft proposed by India.

Indian community

Till mid-1970s, Uganda had one of the largest populations of PIOs and NRIs in East Africa. Nearly 55,000 PIOs and about 5000 Indian nationals were expelled by President Idi Amin in the early 1970s. After President Museveni came to power in 1986, a fraction of the expelled PIOs (eventually 2000) began to return, on his personal invitation. Some of the major PIOs who returned were Gujaratis from the United Kingdom, including the Madhwanis and the Mehtas. 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 27,000+.

Indians and PIOs play a leading role in the Ugandan economy. Indian companies are leaders in several sectors like manufacturing (NC Beverages), trade (Anisuma), agro-processing (Nile Agro), Education (Technobrain, APTECH), Auto (TATA), Banking and Financial services (Bank of Baroda, Bank of India and PKF), sugar (Mayuge), real estate (Tirupati), hospitality & tourism (Satguru)and IT (Technology Associates). In addition to these, Ruparelia Group, MARA Group, Madhvani Group, Mehta Group, Kiboko, Mukwano Group and Roofings are some of the major PIO-owned diversified businesses. These employ thousands of Ugandans, and are amongst the biggest taxpayers in the country. PIOs and NRIs are estimated to have invested over US$ 1 billion in Uganda in the last decade. As per the statistics put forward by the Ugandan Revenue Authority (URA), Indian nationals/ PIO constitute the top 65% of the tax payers locally, and contribute about 60% of the total revenues collected by the URA during 2013-14.

Useful Resources:

For more information and latest updates please visit
High Commission of India, Kampala website:
http://hci.gov.in/kampala/

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