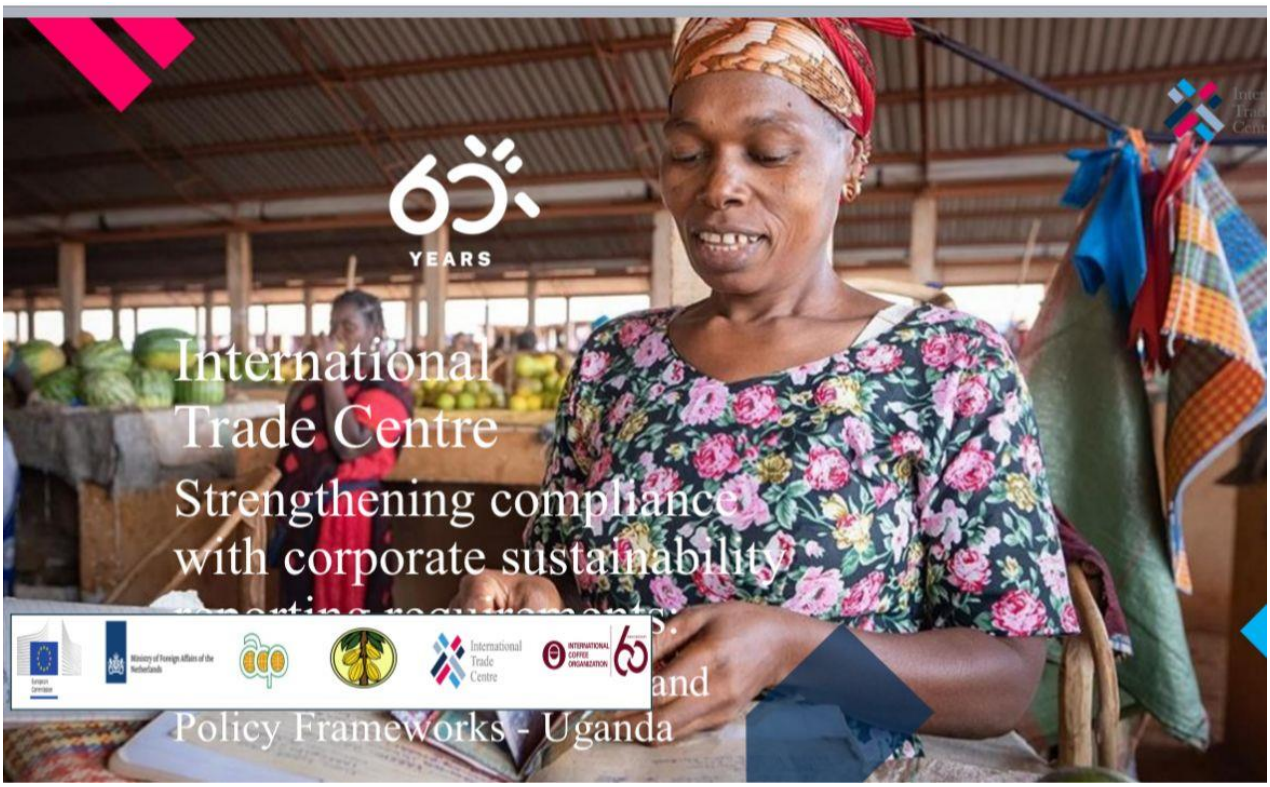


Ref: EU CSDDD Uganda, 02 October 2024

A presentation made at the validation exercise of the National Framework with Due Diligence Requirements conducted by the International Trade Centre in Kampala at Mestil Hotels & Residences, on 02nd October 2024, under the theme;

"European Union Corporate Sustainability Due Diligence Directive (EU CSDDD) Validation Dialogue"

Topic: Enhancing Uganda's Competitiveness in International Trade
-Aligning the National Framework with Due Diligence Requirements

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1.0. Remarks

1.1. Ladies and Gentlemen, distinguished stakeholders present here today, and all those following us online, I extend warm greetings to each of you. It is with great honor that I welcome you to this crucial validation exercise focusing on enhancing Uganda's competitiveness in international trade. Your presence here, both physically and virtually, signifies the collective commitment to advancing our nation's position in the global marketplace, especially in light of evolving due diligence requirements that are shaping modern trade practices.

1.2. As we delve into aligning Uganda's national frameworks with these international due diligence standards, it is vital to recognize the pivotal role that each of you plays in this transformative journey. Today's exercise is not only about validating frameworks but also about strengthening partnerships, fostering dialogue, and ensuring that Uganda's trade policies remain robust, compliant, and competitive in the global arena. I look forward to fruitful discussions and actionable outcomes that will drive Uganda towards sustainable economic growth.

2.0. Introduction

2.1. Our Country's increasing participation in international trade presents both opportunities and challenges that necessitate a re-evaluation of its national trade frameworks. As global markets become more interconnected, the need for compliance with international standards and best practices has grown more critical. One such evolving standard is the incorporation of due diligence requirements, which demand that businesses and governments exercise responsible practices to ensure legal, ethical, and sustainable trade. Aligning Uganda's national frameworks with these international due diligence requirements is essential for fostering a competitive edge and ensuring that the country meets the expectations of global trade partners.

2.2. Broadly speaking, Corporate Sustainability Due diligence, in the context of international trade, refers to the proactive steps businesses and regulatory bodies must take to assess and mitigate risks related to human rights, environmental impacts, corruption, and governance issues. ***See; Due Diligence in International Trade Law Markus Krajewski December, 2020.*** Many global markets, particularly in the European Union, have introduced stringent regulations that require companies to demonstrate responsible sourcing and ethical trade practices throughout their supply chains. For Uganda to remain competitive and attract investment, its trade policies must reflect this shift, incorporating transparent processes that promote responsible business conduct and ensure compliance with international obligations.

2.3. As such, aligning national frameworks with due diligence standards offers multiple benefits for Uganda. First, it enhances the country's reputation as a responsible trading partner, improving market access and competitiveness in key international markets. Second, it strengthens domestic industries by encouraging good governance, ethical labor practices, and environmental sustainability, thereby attracting foreign investors who are increasingly prioritizing responsible business conduct. Additionally, it creates a level playing field for Ugandan businesses, enabling them to compete more effectively in a global environment where compliance with international standards is increasingly non-negotiable something that has been adopted by MDC's towards globalization strategies in their Multinational corporations. *See; Katarina Blomkvist, Philip Kappen, Fredrik Nilsson, Alice Schumuck and Fredrik Tell on Globalization Strategies. 15 September, 2021*

2.4. However, the implementation of these frameworks requires a coordinated effort from multiple stakeholders, including government agencies, private sector actors, civil society organizations, and international partners. It is crucial to foster a regulatory environment that supports compliance while also providing the necessary resources, capacity building, and incentives for businesses to adopt due diligence practices. I believe that through collaboration and sustained commitment, Uganda can build a robust,

competitive, and sustainable trade ecosystem that not only meets international expectations but also drives long-term economic growth and development.

3.0. Overview of Uganda's Trade Environment

Economic Context

3.1. To present day, Uganda's economy is predominantly agrarian, with agriculture accounting for approximately 24% of the country's GDP and employing nearly 70% of its workforce. The major agricultural exports include coffee, tea, and fish, alongside other products like maize, cotton, and horticultural goods. Coffee, in particular, is Uganda's most significant export, representing a substantial portion of the country's foreign exchange earnings. *See; The International Trade Administration, US Department of Commerce, 13 October, 2023*

3.2. However, productivity levels in agriculture remain low due to reliance on subsistence farming, outdated farming methods, limited access to modern technologies, and insufficient infrastructure for post-harvest handling. This has limited Uganda's potential to optimize its agricultural output for global markets, which demand quality and efficiency in supply chains.

3.3. The agrarian nature of Uganda's economy presents both opportunities and challenges in the context of international trade. The country's favorable climate allows for diverse crop cultivation, and it has a comparative advantage in several agricultural products. However, the sector is vulnerable to environmental risks such as droughts and floods, which are exacerbated by climate change.

3.4. Additionally, there is a need for greater investment in agro-processing industries to add value to raw agricultural exports, which would enhance Uganda's position in global value chains. Strengthening linkages between smallholder farmers and international markets is essential for the country's economic growth, alongside policies that promote sustainable agriculture and mitigate environmental impacts. *See; SDG No. 2 on ending hunger, achieving food security, improved nutrition and promoting sustainable agriculture.*

3.5. Global Trade Performance

3.6. It is worth noting that, Uganda remains a developing economy with significant untapped potential in international trade, but it faces several critical challenges in accessing global markets. Despite its rich natural resources and strategic location in East Africa, the country struggles with non-tariff barriers, inadequate trade infrastructure, and limited industrial capacity. Export performance is hampered by high transportation costs, poor logistics systems, and a lack of value addition in primary commodities. These factors have contributed to a trade deficit, as Uganda imports more than it exports, particularly in manufactured goods and refined petroleum products. The slow implementation of regional integration initiatives, such as those under the East African Community (EAC) and the African Continental Free Trade Area (AfCFTA), has further limited Uganda's ability to expand its trade horizons within Africa and beyond which this exercise intends to solve.

3.7. Moreover, compliance with international standards and regulations, such as sanitary and phytosanitary (SPS) measures, remains a significant hurdle for Ugandan exporters. Many products, especially from the agricultural sector, face rejection in international markets due to failure to meet quality and safety standards.

3.8. Thus, Uganda's trade environment is still characterized by weak institutional frameworks, which hinder the country's ability to fully benefit from global trade agreements. Strengthening regulatory bodies and

implementing better trade facilitation measures, including investment in customs modernization and digital trade platforms, will be key to improving Uganda's global trade performance towards the global value chain.

4.0. Key International Trade Agreements and Commitments

4.1. World Trade Organization (WTO)

4.2. Uganda has been a member of the World Trade Organization (WTO) since January 1, 1995, and this membership plays a vital role in shaping the country's international trade policies. The WTO provides a platform where Uganda can engage with other member states to negotiate trade agreements, resolve disputes, and advocate for the interests of developing economies based on its capacity to contract as a state, which is a creature of International law. *See; Article 7 of the VCLT, 1969*

4.3. As part of the WTO, Uganda benefits from the multilateral trading system, which promotes non-discrimination, transparency, and a rule-based framework for trade. Through WTO mechanisms, Uganda has the opportunity to secure better market access for its goods and services and to protect its domestic industries by utilizing the organization's dispute settlement procedures when necessary.

4.4. Therefore, Uganda's membership in the WTO has also enabled the country to integrate more deeply into the global trading system. The WTO's principles of tariff reduction, elimination of non-tariff barriers, and facilitation of trade in services have created opportunities for Ugandan businesses to tap into international markets. However, the country has struggled with implementing some WTO agreements, such as those related to technical barriers to trade (TBT) and sanitary and phytosanitary (SPS) measures, which are crucial for agricultural exports.

4.5. Moreover, Uganda's participation in the WTO highlights the need for more targeted capacity-building programs to help the country better utilize the opportunities provided by the organization. For example, Uganda could benefit from WTO technical assistance programs that offer training on trade facilitation, export diversification, and compliance with international trade rules. Through strengthening its capacity to comply with WTO regulations and to fully leverage the benefits of membership, I think Uganda can enhance its competitiveness and ensure that its trade policies are aligned with global best practices.

4.6. African Continental Free Trade Area (AfCFTA)

4.7. Uganda's participation in the African Continental Free Trade Area (AfCFTA) marks a significant step towards deepening its economic ties within Africa. The AfCFTA, which came into effect on January 1, 2021, aims to create a single market for goods and services across the African continent, making it the largest free trade area in the world by the number of participating countries.

4.8. Uganda's involvement in this agreement provides numerous opportunities for expanding intra-African trade by reducing tariffs and non-tariff barriers. In this sense, being, part of AfCFTA, Uganda can diversify its export markets beyond traditional partners in Europe and North America and take advantage of the growing African consumer market, which is projected to reach over 1.7 billion people by 2030 with its growing Oil and Gas Industry.

4.9. The AfCFTA presents an avenue for Uganda to boost its industrialization efforts by promoting value addition in key sectors like agriculture, mining, and manufacturing. By fostering a more integrated African economy, Uganda can benefit from economies of scale, lower production costs, and increased competitiveness for its exports within the continent. The agreement also facilitates the free movement of goods, services, and labor across borders, which can stimulate investment in infrastructure, logistics, and supply chains. For instance, improved access to regional markets could enhance Uganda's capacity

to export processed agricultural products rather than raw commodities, adding more value to its exports and creating jobs domestically.

4.10. However, for Uganda to fully capitalize on AfCFTA, it must address several challenges, including improving trade infrastructure, reducing bureaucratic hurdles, and enhancing trade facilitation at border points. Uganda also needs to strengthen its institutions to ensure compliance with AfCFTA regulations and take full advantage of the preferential trade arrangements. Investing in the transport and logistics sector will be crucial in linking Ugandan products with markets across Africa. Additionally, the government must engage in policy harmonization with neighboring countries to ensure seamless cross-border trade. Uganda's commitment to AfCFTA holds great potential for economic growth, but realizing this potential will require concerted efforts to address structural bottlenecks in its trade ecosystem something that member states are worried about; thus, the pending negotiations on tariffs and rules of origin. *See; Trade Unions And Trade: A Guide to the AfCTA Protocol on Trade in Goods Marie Daniel 1st Edition December 2022*

4.11. Bilateral and Multilateral Agreements

4.12. Uganda has signed various bilateral and multilateral trade agreements, which are essential for expanding its trade relationships and boosting its exports. One of the most important of these agreements is the partnership with the European Union (EU) under the Everything But Arms (EBA) initiative. *See; WB Report, 2022 on EBA Scheme for Least Developed Countries.* This agreement grants Uganda duty-free and quota-free access to the EU market for all products except arms and ammunition. The EU is one of Uganda's largest trading partners, particularly for agricultural exports like coffee and fish. By utilizing the preferential treatment offered under the EBA scheme, Uganda has the opportunity to increase its market share in Europe, but this requires compliance with stringent EU standards on product quality, health, and environmental sustainability.

4.13. Also, beyond the EU, Uganda is also a member of the Common Market for Eastern and Southern Africa (COMESA), which promotes regional economic integration. COMESA is one of the largest trading blocs in Africa, and it facilitates trade among member states by reducing tariffs and harmonizing trade regulations. Through COMESA, Uganda has access to a broader regional market and can take advantage of the preferential trade arrangements to increase the competitiveness of its exports. The regional cooperation also encourages investment flows, technology transfer, and improved infrastructure connectivity. Additionally, COMESA's focus on trade facilitation measures, such as simplifying customs procedures and adopting uniform standards, plays a significant role in reducing the costs of cross-border trade for Ugandan businesses.

4.14. Further, Uganda is also an active member of the East African Community (EAC), a regional intergovernmental organization that promotes economic cooperation and integration among East African countries. The EAC has established a customs union and a common market, which enables free movement of goods, labor, and capital within the region. As a landlocked country, Uganda benefits significantly from the regional infrastructure projects and trade corridors developed under the EAC framework. These corridors connect Uganda to key ports like Mombasa and Dar es Salaam, facilitating exports and imports.

4.15. In such spirit, strengthening the country's participation in these multilateral agreements is crucial for enhancing its trade performance, as it opens up new markets, attracts foreign direct investment, and fosters economic growth. However, the effectiveness of these agreements depends on Uganda's ability to address domestic barriers to trade, such as improving infrastructure, streamlining customs processes, and aligning with international standards.

5.0. What entails the Competitiveness Challenge

5.1. This is an issue of reality challenges that the Country faces ahead of international participation in trade related industries for purposes of economic growth and development and in my view and in light of global value chain participation;-

5.2. Limited Infrastructure. Uganda's weak infrastructure, particularly in transportation, energy, and communication, significantly hampers its trade competitiveness. Poor road networks, limited rail connectivity, and high-energy costs increase the time and cost of moving goods to markets, making Ugandan exports less attractive compared to regional and global competitors. Investment in modern infrastructure is crucial to reduce these bottlenecks and enhance efficiency in trade logistics.

5.3. Non-Tariff Barriers. Non-tariff barriers (NTBs), such as complex customs procedures, bureaucratic red tape, and inefficient border management, further restrict Uganda's ability to trade effectively. Delays at border points, inconsistent regulatory requirements, and limited harmonization with regional partners create significant obstacles for exporters.

5.4. Inadequate Trade Facilitation Mechanisms. Uganda lacks sufficient trade facilitation mechanisms, including modern customs technology, efficient port services, and trade finance infrastructure, which hinders seamless export processes. The absence of robust mechanisms for handling documentation, reducing transit times, and offering export guarantees weakens Uganda's position in global trade.

5.5. Compliance with International Due Diligence Standards. Compliance with rising international due diligence standards, such as the EU's Corporate Sustainability Due Diligence Directive (CSDDD), is critical for Uganda's export growth. These frameworks require businesses to meet strict environmental, labor, and governance criteria. For Ugandan exporters to maintain market access, especially to the EU, they must align with these sustainability requirements by adopting responsible sourcing practices and improving supply chain transparency.

6.0. What is exactly is Corporate Sustainability Due Diligence in International Trade

6.1. Corporate Sustainability Due diligence in International Trade refers to the proactive efforts by businesses and governments to ensure that their operations and supply chains do not contribute to adverse impacts on human rights, labor rights, the environment, and governance. This involves identifying potential risks, implementing measures to prevent harm, and mitigating any negative consequences that may arise. *See; Due Diligence in International Trade Law Markus Krajewski December, 2020.*

6.2. The same extends across the entire supply chain, from sourcing raw materials to delivering final products, ensuring that every step complies with ethical and legal standards. For governments, corporate sustainability due diligence entails creating regulatory frameworks that mandate responsible business practices, while for businesses, it involves adopting transparent and sustainable operations that are accountable to both local and international stakeholders. *See; EU's Corporate Sustainability Due Diligence Directive (EU CSDDD), formally adopted by the EU Council on 24 May 2024*

7.0. Key Standards/Examples of Corporate Sustainability Due Diligence Frameworks.

7.1. The UN Guiding Principles on Business and Human Rights (UNGPs). The UN Guiding Principles on Business and Human Rights (UNGPs) are the foundational global standard for addressing business-related human rights impacts. These principles, endorsed by the United Nations in 2011, outline the responsibilities of both states and businesses to protect and respect human rights within business operations and supply chains. The UNGPs are based on three pillars; *the state's duty to protect human*

rights, the corporate responsibility to respect human rights, and the need for access to effective remedies for victims of human rights violations. See; Article 21 of the Constitution of Uganda & UNHRC endorsement June 16th 2011

7.2. For businesses engaged in international trade, complying with the UNGPs means conducting regular human rights impact assessments, engaging with affected communities, and ensuring that operations do not contribute to exploitation, forced labor, or environmental degradation. The UNGPs provide a framework that guides businesses in maintaining ethical practices while promoting long-term sustainability in global supply chains. *See; Uganda's Approach in National Action Plan on Business And Human Rights (NAP BHR) August, 2021*

7.3. The OECD Guidelines for Multinational Enterprises. The OECD (1961) Guidelines for Multinational Enterprises are comprehensive recommendations aimed at promoting responsible business conduct for companies operating in a global context. These guidelines address issues such as labor rights, environmental protection, anti-corruption measures, consumer interests, and tax compliance. Multinational enterprises (MNEs) are expected to apply these principles throughout their supply chains, ensuring that their business activities align with ethical and sustainable practices.

7.4. For trade, this means that companies must avoid human rights abuses, respect environmental laws, and engage in fair trade practices, regardless of the countries in which they operate. The OECD guidelines also emphasize the importance of transparency, urging companies to disclose relevant information regarding their supply chain practices and to engage stakeholders in decision-making processes.

7.5. EU's Corporate Sustainability Due Diligence Directive (CSDDD). The EU's Corporate Sustainability Due Diligence Directive (CSDDD) is a regulatory framework introduced by the European Union to ensure that companies operating within the EU or trading with EU markets uphold high standards of sustainability and human rights across their supply chains. The CSDDD obliges large companies to identify and address environmental, social, and governance (ESG) risks, including issues such as child labor, deforestation, and carbon emissions, as part of their due diligence process. *As Adopted by EU Council on 24 May 2024*

7.6. It also requires businesses to establish grievance mechanisms and report on their sustainability practices. Non-compliance with the directive can result in legal penalties and exclusion from the EU market. For Uganda, aligning with the CSDDD is crucial for maintaining export access to the European market, particularly in sectors like agriculture and textiles, where due diligence is increasingly demanded. Companies must adopt robust risk management frameworks and ensure that their supply chains meet EU sustainability expectations to stay competitive in this critical market.

7.7. Further, The EU Corporate Sustainability Due Diligence Directive (CSDDD) mandates that companies operating within or trading with the European Union manage their supply chains responsibly by identifying, preventing, and addressing risks related to human rights violations and environmental harm. This directive applies primarily to large companies, both within the EU and globally, that do business in the EU market. It requires them to conduct thorough due diligence on their supply chains, ensuring that operations adhere to strict ethical and environmental standards. This includes addressing issues like child labor, forced labor, unsafe working conditions, deforestation, and carbon emissions. Companies must also engage with stakeholders and establish grievance mechanisms to allow affected parties to raise concerns.

7.8. In context, The CSDDD represents a significant shift in global trade dynamics by emphasizing sustainability and corporate accountability. Non-compliance with the directive can lead to substantial legal and financial penalties, including potential exclusion from the EU market, making it crucial for companies to align with these standards. This regulation also requires companies to disclose their due

diligence processes and demonstrate transparency in how they manage human rights and environmental risks. *For developing countries like Uganda, this directive presents both a challenge and opportunity-companies that can meet these requirements will gain better access to EU markets, but it will require substantial efforts to upgrade supply chain management practices and ensure alignment with international sustainability expectations.*

8.0. Is there any Relevance for Uganda?

8.1. As global markets, particularly the EU, increasingly adopt stringent due diligence standards, Ugandan exporters must ensure their supply chains comply with these criteria to remain competitive. This involves not only adhering to legal requirements but also aligning with the ethical and sustainability expectations of international buyers. Failure to meet these standards could result in restricted market access, penalties, or reputational damage, especially as consumers and regulatory bodies become more vigilant about the social and environmental impact of global trade. For Uganda, this means a critical reassessment of supply chain practices, with a focus on transparency, traceability, and compliance with international guidelines such as the EU's Corporate Sustainability Due Diligence Directive (CSDDD). Exporters must proactively identify potential risks related to human rights violations, labor exploitation, and environmental degradation, and take measures to mitigate these risks to meet buyers' due diligence expectations.

8.2. Sustainability concerns are at the core of this compliance, especially for Uganda's agriculture-driven export market. International buyers increasingly demand that agricultural practices meet environmental standards, such as responsible water use, biodiversity conservation, and minimal use of harmful chemicals. At the same time, labor rights are becoming a focal point, with scrutiny over fair wages, safe working conditions, and the prevention of child labor. For Ugandan exporters, aligning with these sustainability concerns is not just a market access issue but also a long-term economic strategy. Investing in sustainable agricultural methods, improving labor standards, and adopting environmentally friendly practices will enable Ugandan producers to build stronger, more resilient relationships with global buyers. In turn, this could result in increased demand for Ugandan products and greater participation in international value chains.

9.0. Aligning Uganda's National Framework with International Due Diligence Requirements

9.1. Uganda's alignment with international due diligence requirements is essential for its economic sustainability and long-term competitiveness in global trade. If the focus is put on integrating global standards, Uganda can ensure that its exports, particularly in key sectors like agriculture, mining, and textiles, remain marketable in regions with stringent regulations, such as the EU. Non-fulfillment, to align with these standards could result in lost market opportunities, especially as international buyers increasingly prioritize ethical sourcing, human rights protection, and environmental sustainability.

9.2. Moreover, this alignment would signal Uganda's commitment to global trade best practices, helping to attract foreign investment and improve its reputation as a reliable trading partner. With rising consumer demand for sustainability, many global corporations now conduct extensive audits of their suppliers to ensure compliance with environmental, social, and governance (ESG) standards. Therefore, Uganda's exporters will benefit from incorporating these due diligence measures, leading to greater integration into global value chains.

10.0. Regulatory Enhancements

10.1. To facilitate alignment with international due diligence standards, Uganda needs to update or introduce legislation that mandates businesses to follow global due diligence norms, particularly in export-driven sectors. Laws should be enacted to ensure that businesses monitor and address risks related

to human rights abuses, environmental degradation, and unethical labor practices within their supply chains. Legislative updates *(Article 79 (1) of the Constitution)* could incorporate key provisions from international guidelines like the EU's Corporate Sustainability Due Diligence Directive (CSDDD) to ensure Uganda's exports meet global expectations, thereby securing better access to international markets.

10.2. Incorporating Uganda's National Environment Act and Employment Act into this regulatory framework is vital for enforcing responsible business practices. These laws should be enhanced to include stricter provisions on environmental conservation, fair labor practices, and corporate responsibility in industries critical to Uganda's exports, such as agriculture, mining, and manufacturing. Strengthening the mandate of the Uganda Human Rights Commission (UHRC) is also crucial. The commission *(Article 52 of the Constitution)* could play a key role in monitoring businesses' compliance with human rights due diligence, providing independent oversight, and reporting on due diligence violations, especially in high-risk export sectors.

10.3. Institutional Framework

10.4. Uganda's institutional framework needs to be strengthened to help businesses meet international due diligence requirements, and institutions like the Uganda Export Promotion Board (UEPB) and Uganda National Bureau of Standards (UNBS) are well positioned to lead this effort. These trade facilitation agencies can offer technical guidance and training on how businesses can comply with global standards. This training could cover essential topics such as supply chain transparency, risk management, and environmental sustainability; ensuring Ugandan businesses are prepared to compete in international markets. *Sections 2 & 4 of the Uganda Export Promotion Board Act and Sections 2 & 3of the UNBS Act,*

10.5. Capacity-building programs will be critical in this process, equipping Ugandan exporters with the necessary knowledge and tools for compliance. These programs can target small and medium-sized enterprises (SMEs), which often lack the resources to meet international standards. Through partnerships with trade associations, universities, and international organizations, these capacity-building efforts can focus on practical skills like supply chain auditing, environmental impact assessments, and labor rights protection.

10.6. Export Support Programs

10.7. To encourage businesses to adopt sustainable and responsible practices, the Ugandan government should consider providing targeted incentives. Tax breaks, grants, or low-interest loans can be offered to companies that invest in eco-friendly technologies, adhere to international labor standards, and demonstrate a commitment to sustainable production. Such financial incentives will not only support businesses in their transition towards more responsible practices but also position Uganda as a forward-thinking, competitive player in global markets that prioritize ESG compliance.

10.8. Additionally, partnerships with international organizations like the International Trade Centre (ITC), World Bank, and various United Nations bodies can provide Uganda with technical assistance, expertise, and funding. These partnerships can facilitate knowledge transfer, helping Ugandan exporters align with complex international regulations, as well as offer financial support for infrastructure improvements.

10.9. Develop a National Due Diligence Strategy

10.10. A comprehensive National Due Diligence Strategy is essential for aligning Uganda's trade and investment policies with international standards. This strategy should incorporate environmental, social, and governance (ESG) criteria, ensuring that Uganda's businesses follow sustainable and ethical

practices across their supply chains. The strategy should address key areas such as human rights protection, labor rights, and environmental sustainability, creating a national framework that promotes responsible business conduct.

10.11. This national strategy should also focus on collaboration between the government, private sector, and civil society. A coordinated approach will ensure that Uganda's businesses have access to the tools, resources, and knowledge needed to meet international due diligence standards. Moreover, the strategy should be dynamic, evolving with changes in international regulations and market demands.

10.12. Strengthen Public-Private Collaboration

10.13. Public-private collaboration is vital to ensuring widespread adherence to due diligence standards in Uganda. The government, civil society organizations, and businesses must work together to raise awareness and foster a culture of responsible business practices. Establishing a National Task Force on Sustainable Trade, composed of representatives from the agriculture, energy, manufacturing, and other key sectors, would be a strategic step towards driving this collaboration.

10.14. Additionally, regular engagement between the government and private sector can help businesses better understand their obligations under international frameworks like the EU's CSDDD. Civil society can play a role by advocating for ethical business practices and holding companies accountable. Through such collaboration, Uganda can foster a business environment that prioritizes sustainability and ethical behavior, positioning itself as a leader in responsible trade within Africa.

10.15. Investment in Sustainable Infrastructure

10.16. Investing in sustainable infrastructure is crucial for Uganda to meet the demands of international buyers who prioritize ethical and environmentally friendly supply chains. Improved logistics, such as better road networks, railway systems, and storage facilities, will reduce transport costs, minimize delays, and enhance the competitiveness of Uganda's exports, particularly in agriculture and mineral sectors. Sustainable infrastructure will also ensure that products reach international markets more efficiently while meeting the quality standards required by global buyers.

10.17. Furthermore, investing in green technologies, renewable energy sources, and waste management systems will allow Ugandan businesses to reduce their carbon footprint, aligning with global environmental standards. Through supporting sustainable production, Uganda can enhance its appeal to eco-conscious consumers and buyers, particularly in markets like the EU, which place high value on environmental sustainability.

Conclusion; Path to Sustainable Competitiveness

Aligning Uganda's national framework with international due diligence standards will significantly enhance the country's competitiveness in global trade. By updating regulatory frameworks, empowering institutions, and fostering partnerships, Uganda can ensure that its businesses meet the evolving demands of international buyers. Moreover, strengthening public-private partnerships and investing in sustainable infrastructure will enable Uganda to build a more resilient and ethical trade ecosystem.

In the long term, this alignment will contribute to sustainable economic growth, increased market access, and enhanced global reputation. By adopting responsible business practices, Uganda can diversify its export markets, attract foreign investment, and build a stronger, more competitive economy that benefits both businesses and local communities. This path to sustainable competitiveness will secure Uganda's place as a reliable and forward-thinking trading partner on the global stage.



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Uganda, 02.10.2024