

3rd PACF 2011 – Uganda

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Theme: Cluster Initiatives as Tools for Economic Development

KEY STRATEGIES IN BUILDING A COMPETITIVE ECONOMY FOR DEVELOPING COUNTRIES



How to become more Competitive: Participants listening to Prof. Amit Kapoor from the Institute of Competitiveness, India

Prof. Amit Kapoor from the Institute of Competitiveness, India and Professor of Strategy and Industrial Economics at MDI Gurgaon, India said that for Africa to develop, it needs to identify the potential for investment, policies and use unique business models with a lot of innovation. He emphasized the need to work together and share information and knowledge. Prof. Amit Kapoor informed participants that for developing Countries to become more competitive, they need to move away from traditional ways of doing things. Countries need to be innovative, consider globalisation of markets, globalisation of value chains and globalisation of knowledge. Firms need to move to the chains of food processing. He said the world is dramatically changing and we need our countries ready for it quickly. He said developing Countries need to have the entrepreneurial spirit.. He also emphasised the need to compete regionally and internationally and also create a Global network

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Investment opportunities in Southern Sudan

Mr. Simon Akuei Deng, Secretary General Southern Sudan Chamber of Commerce, Industry and Agriculture highlighted some of the investment opportunities in Southern Sudan in the following sectors; manufacturing sector, banking sector, agricultural sector, animal and fisheries, tourism sector, mining sector, ICT. He assured participants that the Government of Southern Sudan has a policy of Private Sector driven economy with good investment climate, good security and market availability.



Empowering Communities through Innovative Approaches in East Africa

As a key note, Mr. P.H Dawda, House of Dawda said it is important to empower the youth for them to become entrepreneurs. He called upon Government to continue supporting the Agricultural sector because it employs the majority of the Ugandans. He emphasized the importance of financing and adoption of new irrigation technologies. He called upon farmers in Uganda to always plan for farming to avoid losses. He said specialization, market research, information, working together in clusters is key to success.

The Role of Private Sector Foundation Uganda (PSFU) in enhancing growth and Competitiveness of the Business Community



Mr. Moses Ogwal Director Policy Advocacy Private Sector Foundation Uganda (PSFU) noted that the sectoral approach in achieving competitiveness is the way to go. He said that for the Ugandan Business Community to be successful, it is important for them to turn challenges into opportunities, have good business practices and have all stakeholders work together. In addition, Ogwal highlighted the role of PSFU in policy advocacy, capacity building of the private sector and business development support. More information on the role of PSFU in enhancing competitiveness can be obtained from the PSFU website:

www.psfuganda.org.ug

Effectiveness of ICTs in Management and Development of Cluster Initiatives in Africa

Hellen Karamaji the ICT facilitator highlighted the importance of ICT in making African Clusters Competitive. She informed the participants that the cluster website was developed as a marketing tool for the African clusters. The website has become a source of business information and a key tool in marketing and sharing experiences. Clusters also get the opportunity to showcase what they are doing on the website. Click www.ugandaclusters.com for more information about the clusters.



Government's Role as leader and Manager of a Cluster Programme

Nigel Gwynne – Evans, Department of Economic Development Western Cape Government noted that Government has a key role to play in cluster development and the competitiveness of the private sector. The academia also have a big role to play in alerting government on matters of clustering and future opportunities. Academia can help on fostering new initiatives and take a lead in clustering. Academia need to convince government to build the capacity of clusters through training and guidance for the clusters to achieve competitiveness



Cluster Development in Europe, the case of Catalonia, Spain

Mr. Albert O Pezzi President of the Competitiveness Institute noted that there are a number of benefits from clusters and they include among others competitiveness, clusters improve economies of scale and lead to efficient use of resources. He however noted that there are limitations like lack of Government support and lack of enough information for the clusters. He said Countries need strategic reflection on the clusters, improvement of the business environment and dialogue. For more information contact apezzi@gencat.cat, Website: www.gencat.cat/diue/ambits/empresa/opi and www.tci-network.org.



Discussions, consultations and networking at the 3rd Annual Pan African Competitiveness Conference





Clusters as enablers of Financial Innovation: *The Role of Financial Services in Enhancing Competitiveness*

J.M Kyewalabye, Financial Coordinator Second Private Sector Competitiveness Project (PSCP II) of Private Sector Foundation Uganda (PSFU) said PSFU has supported a number of Financial Institutions in a number of ways and some of the beneficiaries include; Bank of Uganda, DFCU Bank, Capital Markets Authority (CMA) among others. They talk about the various ways in which the benefits have trickled down to the SMEs in Uganda.

Edna Kanabahita, DFCU Bank – Ltd: She said DFCU gives support to startups, youth empowerment, women in business i.e. Women Investment Clubs. This is done on cluster initiatives. DFCU also has bridge financing, loans; home loans, business loans, personal loans, property finance, vehicle and asset etc.

Mr. Japheth Kato CEO, Capital Markets Authority (CMA) said the Business Community need to be competitive in sourcing financing, information and practice good Governance. Some of the challenges of SMEs include lack of awareness, skills and pensions etc. It was noted that Uganda’s economy needs vibrant capital markets if it is to achieve long term growth and development.

Innovative ways the Government of Ghana has financially assisted SMEs in general and Cluster initiatives



Mr. Francis Kusi, Ghana said Government of Ghana has adopted the main stream cluster development in the Ghana Industrial Policy. However, Government of Ghana needs to support the SME’s much more, to enable them to be competitive. He noted that Financial Institutions still charge high interest rates.

DISCUSSIONS: In addition to the above, discussions also rotated around mainstreaming cluster innovation into national policies and development programs, reviewing and designing programmes to stimulate cluster development with reference to the Mashroom clusters in Uganda, Senegalese cluster, Zanzibar and Nigeria.



PACF –Uganda would like to thank all partners and participants for participating in this conference. Enjoy Uganda.