MUSEVENOMICS CONFERENCE 2025

HELD ON 29TH – 30TH MAY, MESTIL HOTEL KAMPALA

THEME: SUSTAINING MUSEVENOMICS: NAVIGATING UGANDA'S ECONOMIC FUTURE IN A DISRUPTED WORLD

SUMMARY OF THE CONFERENCE INSIGHTS AND KEY RECOMMENDATIONS

PRESENTED BY

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The Chairperson of the session

Members of the Diplomatic Mission

Heads of Government Ministries Departments and Agencies

Representatives of the Private Sector

Distinguished Ladies and Gentlemen,

Good afternoon,

On behalf of all participants and the organizing committee of the Musevenomics Conference 2025, we wish to express our profound gratitude to all of you our dear participants for coming to grace this function.

Together with the Parish Development Model, UDC is just a member of the UDF that has facilitated the conference.

This Musevenomics conference is a result of the unwavering and visionary leadership of His Excellency the President of the Republic of Uganda, General Yoweri Kaguta Museveni that has transformed Uganda since 1986.

We have had presentations from various individuals including Gen. Caleb Akandwanaho (Chairman UDF and Chief Coordinator OWC), Hon. Nobert Mao (Minister of Justice and Constitutional Affairs), Dr. Michael Atingo-Ego (Governor of the Bank of Uganda), Prof. Augustus Nuwagaba (Deputy Governor of the Bank of Uganda), Dr. Ramathan Ggobi (PS/ST) Pro. Ezra Suruma, Hon. Dennis Galabuzi Ssozi (National Cordinator PDM), Dr. Sarah Wasagali Kanaabi (Board Chair – ERA), Prof. Julius Kiiza, Hon. Beatrice Kirasi, Hon. Victoria Sekitokeko, Dr. Fred Muhumuza, Dr. Herbert Ngabo, Mr. Andrew Mwenda, Dr. Francis Mwesigye, Dr Asumani Guloba, Mr. Patrick Ayota (NSSF), Eng. Ronald Kibuuka, Eng. Aggrey Rwobusheru (UBL), Dr. Silver Mugisha (NWSC), Eng. Raymond Kamugisha (Presidential Projects and Industrial Hubs),

1.0 Introduction

This report summarizes the key insights and actionable recommendations arising from the Musevenomics Conference 2025 whose theme is *“Sustaining Musevenomics: Navigating*

Uganda's Economic Future in a Disrupted World" that started yesterday May 29th and is ending today 30th May, 2025.

The discussions sought to create a shared understanding of the principles of Musevenomics and their application within Uganda's current economic context particularly, alignment to the Fourth National Development Plan (NDPIV), the 10-fold growth strategy, the Vision 2040 and adapting to the regional and global disruptions.

Specifically, the conference sought to achieve the following objectives:

a) To enhance appreciation of Musevenomics and its contribution to Uganda's economic development trajectory.
b) To assess the relevance and applicability of Musevenomics principles in today's rapidly changing global economic environment.
c) To develop actionable recommendations for accelerating Uganda's socio-economic transformation.

Generally, from this discussion, participants have acknowledged the significant strides in Uganda's development journey made under the leadership of H.E Yoweri Kaguta Museveni, particularly in establishing peace and security, macroeconomic stability, high economic growth rates, and strengthening the fundamentals of human capital and physical infrastructure. Additionally, the meeting noted that Uganda is presented with numerous economic growth opportunities in various sectors that are driven by its young population, natural resource endowments and regional integration.

In order to fully harness the above opportunities, the meeting also discussed key challenges at national, regional and global levels that need to be addressed. These include regional security threats, shifts in global trade policies characterized by unilateralism, ongoing conflicts in various regions, disruptions in global value chains and logistics, declining development aid amid rising costs of global finance.

2.0 Background and Context

This conference was conceptualized within the philosophy of Musevenomics and drew from history to inform the present and the future. The conference has served as a collaborative platform where stakeholders from government, private sector, civil society, and academia engaged in insightful discussions, strategic thinking, and solution-building to chart Uganda's path towards economic resilience and prosperity.

Guided by the tested and multi-faceted Musevenomics thought, the deliberations aptly diagnosed Uganda's development environment characterized by; global economic shifts, supply chain reconfigurations, and climate change impacts and recommended that the future approach should be dynamic and adaptive.

From the various presentations the meeting learnt that at the core of Musevenomics, is wealth creation for the ordinary citizen at the micro level which translates into the development of a modern, independent, integrated and self-sustaining economy. To achieve this goal, Musevenomics is built upon nine interconnected principles that include:

a) Awaken the sleeping peasants to join the money economy;
b) Foster value addition;
c) Lower the cost of doing business;
d) Land consolidation and tenure security;
e) Economic and political integration (market creation and expansion);
f) Security of persons and property;
g) Zero tolerance to corruption;
h) Private sector led development, and;
i) Enabling environment.

These principles have guided Uganda's economic transformation since 1986, producing significant growth while adapting to local and global conditions.

Due to the time constraint, the conference focused on only four pillars; Awaken the sleeping peasants to join the market economy, foster value addition, lower the cost of doing business, and economic and political integration. The other pillars will be discussed in subsequent fora.

3.0 Key messages from the discussions

The extensive deliberations highlighted several critical insights emerging from six sessions. These were: the opening session that covered the keynote address that covered the evolution of Musevenomics; the coffee case study, and remarks from the Chairman Uganda Development Forum.

a) Musevenomics has significantly contributed to the socio-economic development of Uganda in various ways; macroeconomic stability, high economic growth rates, increasing the stock and quality of physical infrastructure, human capital and wealth. However, there are challenges that persist.
b) Musevenomics is not fixed, it is dynamic, follows a pragmatic approach that integrates various political and economic ideologies; Marxism, Classical such as Adam Smith, Neo-Classical Economics, Liberalism, etc.
c) There are significant distortions in the factors of production – land, labor, capital, and entrepreneurship- that hinder their optimal utilization resulting in inefficiencies, underutilization, and low productivity. Critical are land market distortions that include; insecure land tenure, weak enforcement of property rights, lack of access to credit using land as collateral, fragmentation of land holdings.
d) Deeper financial sector is needed to achieve the 10-fold growth strategy. We need to unlock longer-time financing
e) Fintech has promoted financial inclusion and needs to be scaled and deepened
f) Prioritization is key in service delivery. Deliberate focus by government on physical infrastructure has led to building a stock of quality infrastructure. The directive of 20 million bags of coffee revitalized coffee production and exports.
g) A holistic view is needed in the design of policy in order to understand how different policies and sectors interact and influence each other. This will not only avoid the challenge of fixing one problem while creating another but will also enable maximization of synergies and efficiencies
h) Innovative of harnessing land as a transformative tool through land lord, developer and investor model – a case of Namunkekera Rural Industrial Centre

i) Off-take model as key in driving structured and viable commodity value chains – case of Uganda Breweries Ltd with barley, maize, and sorghum
j) Tax incentives are key in fostering underdeveloped agricultural value chains for example the excise duty on beer stimulated the utilization of local raw materials.
k) The vision of a modern, integrated and self-sustaining economy with wealth creation for ordinary citizens at its core
l) Addressing the "6 HIGHs"; transport, electricity, ICT, Finance, regulatory and other costs of Factors of Production (FoPs) triggers and catalyzes sustainable wealth creation
m) Lastly deliberate community mobilization and offering strategic guidance to economic agents is critical
n) Build a Mixed Economy: Adopt a strategic mixed-economy model as envisioned in the 1996 Ten-Point Programme, where the state and private sector co-invest in enterprise development and economic transformation.

4.0 Achievements

Achievements were assessed by answering two questions; what was resolved and has not remerged, what has emerged that was not there.

What was resolved and has not remerged?

a. Macroeconomic Stability

i. Runaway inflation that reached 200–300% in the 1980s was brought under control through structural adjustment programs, liberalization, and macroeconomic reforms.
ii. Foreign exchange liberalization ended the black-market era and enabled free currency convertibility.

b. Infrastructure Expansion

i. Uganda made significant progress in road network expansion, increasing the road volume 7-fold since 1986.
ii. Electricity generation capacity has grown from 60MW to over 2,300MW.

c. Coffee Market Reform

i. The liberalization of coffee marketing and exports eliminated the state monopoly (Coffee Marketing Board), leading to increased volumes (from 2.1 million to over 8 million bags).
ii. Smuggling of coffee to neighboring countries has largely declined due to market reforms and better farm-gate prices.

2. What has emerged that was not there?

a. Industrialization Models Rooted in Local Ownership. Models like Kapeeka (Namunkekera Rural Industrial Centre) demonstrate new inclusive rural industrialization frameworks anchored in land conflict resolution, community engagement, and agro-industrial integration.

b. Local Value Addition and Agro-Processing

i. Growth of agro-processing firms like Nile Breweries, which now sources inputs from 35,000+ Ugandan farmers and ploughs UGX 40 billion back into communities annually.
ii. Expansion of grain processing with interest-free financing for large-scale commercial farmers.

c. Domestic Capital Accumulation. Rise of NSSF as a major institutional investor, growing from UGX 5.5 trillion in 2015 to UGX 25.5 trillion in 2025, now exploring impact-based investments.

d. Strategic Policy Long Term Planning (Vision 2040 and NDPs): Shift toward household-centered economic planning and prioritization of cost-of-doing-business reforms through the "Six Highs" framework: finance, electricity, transport, ICT, regulation, and land/labor.

5.0 Persistent issues/challenges

a) Protecting and Growing Local Capital: Liberalization in the 1990s allowed multinational capital to displace emerging local enterprises, especially in banking and manufacturing. Uganda failed to build its own “Samsung” or “Hyundai”.

b) Deepening Financial Markets: Despite institutional savings, Uganda's financial system remains shallow; high interest rates (17–20%) exclude agriculture and SMEs. Affordable, patient capital is still lacking.

c) Resolving Land Constraints: Only 30% of land is titled, limiting its utility as collateral. Land markets remain speculative and fragmented, hindering investment and long-term planning.

d) Labor and Skills Alignment: Uganda produces more graduates in law and administration than it needs, while demand remains unmet for technical, agricultural, and vocational skills. Mindset and productivity gaps persist.

e) Regulation and Bureaucracy: Regulatory systems remain inconsistent and burdensome, with unequal treatment of Ugandan vs foreign investors. The business environment remains unpredictable, especially for SMEs.

f) Mindset change. The colonialism approach was of forcing people to work, pay taxes but the current approach has allowed flexibility.

g) Factories operate at very low capacity.

h) National debt has grown exponentially including external and domestic – it now accounts at 25%

i) Bloated civil service. It is difficult to increase the services. We need to restructure and reform the civil service and then increase their pay

j) Persistence of corruption

k) Volatility in prices affects the viability of enterprises. Old policies like the stabilization fund of the 1990s needed to be improved

l) Delayed payment of government debt to the suppliers and service providers

m) Unfavorable tax policies such as the requirement to pay tax on an issued invoice even when it has not been cashed

6.0 Key recommendations and actions

Based on the above discussions and insights, the conference has consolidated the following actionable recommendations for your consideration and guidance:

Recommendation 1: Strengthen and integrate national value chains

Actions:

i. Develop complete value chains from raw material production to processing, packaging, and market access—particularly in strategic sectors such as cotton-textiles-apparel, coffee, oilseeds, fruits, cassava, dairy, and livestock.
ii. De-risk upstream activities (e.g., input supply and aggregation) and formalize outgrower systems to ensure reliable raw material flow for processing industries.
iii. Promote public-private partnerships to anchor investments in critical value chain nodes (e.g., cold storage, aggregation centers, warehouses).

Recommendation 2: Drive market-led industrialization

Actions:

i. Align industrial interventions with existing and emerging domestic, regional (EAC), and continental (AfCFTA) markets.
ii. Address capacity underutilization by strengthening demand-side interventions and reducing import reliance in sectors where Uganda has comparative advantage.
iii. Establishment of a National Marketing Company to promotes structured trading and

Recommendation 3: Strengthen infrastructure for industrial growth – allocative efficiency

Actions:

i. Deploying public resources to the sectors/ecosystem that present high economic returns including transport, energy and adaptable IT and digital infrastructure.
ii. Continue investment in industrial parks, to reduce production and transport costs.

Recommendation 4: Strengthen institutional and policy coordination

Actions:

i. Promote a whole-of-government and programmatic approach to industrialization.
ii. Enhance enforcement of local content policies, product standards, and trade facilitation measures.
iii. Skilled Workforce Development. Heavy investment in the vocational and technical skills industry to support manufacturing.

Recommendation 5: Promote technology innovation

Actions:

i. Support adoption of technology-intensive manufacturing, research and development (R&D), and skills development tailored to industrial sectors.

Recommendation 6: Capitalize the Industrial and Economic Development Fund (EDF)

Actions:

i. Fully operationalize the IEDF as provided for in the UDC Act to offer patient capital and long-term financing for strategic industries.
ii. Public Funding for Innovation and Youth-Led Enterprise. Provide targeted public funding and innovation toolkits to de-risk early-stage, high-impact innovation.

Recommendation7: De-risk and Unlock the Factors of Production

Actions:

i. Land: Scale up titling under SLAC, resolve ownership and trust issues (e.g. Namunkekera model), and make land bankable.
ii. Labor: Realign the education system to prioritize STEM, technical, and agricultural training, while embedding soft skills and work ethic.
iii. Capital: Recapitalize government-linked banks (PostBank, Housing Finance, Pride Microfinance), and deepen pensions to expand long-term finance for industry.
iv. Technology (STI): Promote applied research and innovation to improve productivity and value addition.

Recommendation 8: Tackle the "Six Highs" of Doing Business

Actions:

i. Cost of finance – Lower interest rates, increase long-term capital availability.
ii. Electricity – Focus on reliability and access, not just tariffs.
iii. Transport – Develop multi-modal transport (including Lake Victoria).
iv. ICT – Reduce cost of devices and broadband; improve rural access and scale artificial intelligence
v. Regulation – Reform and harmonize to be pro-investment, especially for local firms.
vi. Land & Labor – Address tenure insecurity and improve skills readiness.

Recommendation 9: Empower Local Enterprises:
Actions:

i. Support Ugandan-led industrial champions to emerge through procurement policies, access to finance, tax incentives, and infrastructure support—creating Uganda's equivalents of LG, Hyundai, and Toyota.

Recommendation 10: Invest in Institutional Capability and Policy Follow-through:

Actions:

i. Enhance real-time monitoring, coordination across agencies, and evidence-based planning (e.g., coffee roadmap successes) to ensure implementation fidelity.

Recommendation 11: Unlock long-term financial markets

Actions:

i. Diversify bond and capital markets to include other products such as commodity exchanges (forwards and futures)
ii. Pension sector reforms

Recommendation 12: capitalization of development finance institutions

Actions:

i. Capitalize UDC and UDB
ii. Capitalize Agricultural Credit Facility and Small Recovery Fund (SRF)

7.0 Conclusion

The consensus from the Musevenomics Conference 2025 is clear; the thinking of His Excellency the President, Yoweri Kaguta Museveni has greatly shaped Uganda's economic growth and the country's socio-economic transformation journey is on the right trajectory. However, there are emerging and re-emerging challenges that need to be addressed to optimally seize the regional and global market opportunities.