



# METHODOLOGY SITE AND SECTOR SELECTION GUIDANCE & Workshop Results

Uganda Trade Support Project with  
TradeMark Africa

Revision 06.05.2025

# Table of Contents

- **Project Overview**
- **Previous Achievements**
- **Definitions & Concepts**
- **High Level Methodology**
  - A. Public SEZ and SEZ Enclaves in IPs
  - B. SEZ status for existing private parks
  - C. Locations in identified corridors
  - D. Sectors identification, areas of production and existing clusters
  - E. SME Aggregation opportunities
- **Summary**
- **Next Steps**

# Project overview



Outcome 1	Two commercially viable, green climate resilient FZs achieved
Output 1.1	Free Zones selected
Output 1.2	Free Zone masterplans and technical studies finalized
Output 1.3	Investment Faciliated
Outcome 2	Key government stakeholders and the private sector plan and establish green climate- resilient freezones and trade interventions
Output 2.1	Capacity of UFZA strengthened to implement green trade interventions
Output 2.2	Private sector companies' capacity to adopt green interventions and access green finance is strengthened

**Project Title :** *Developing the Capacity of UFZEPA to setup export freezones that met global green trade standards*

**Funding Agency :** *Trademark Africa*

**Locations :** *TBD with support from Kampala*

**Duration:** *2 years*

**Partners:**

*Trademark Africa*

*Global Green Growth Institute*

*Danish International Development Agency*

*Government of Uganda*



THE REPUBLIC OF UGANDA

# Previous achievements



- Entebbe
- Soroti
- Pakwach
- Kasese



# Eco Industrial Park Approach: Overarching Concept

The definition adopted by UNIDO since 2016 describes Eco-Industrial Parks as “a community of manufacturing and service businesses located on common property. Members seek enhanced environmental, economic and social performance through collaboration in managing environmental and resource issues.” (Lowe 1997). A particular emphasis is placed on park management. “Industrial-urban symbiosis fosters inclusive and sustainable industrial development through outward integration”



# Definitions: Special Economic Zones, Freezones

- **Special Economic Zones** are geographically delimited areas within which governments facilitate industrial activity through fiscal and regulatory incentives and infrastructure support. Special Economic Zone (SEZ) is a generic term that includes the recent developments of traditional zones such as free trade zones, export processing zones, industrial parks, and *Free Zones and can hold a mix of them.*
- **Free Zones** can be defined as a specific geographic scope where governments support economic activities -whether commercial or industrial- through offering a series of privileges focusing mainly on exemptions from customs duties and tax incentives and extending to include a wide range of support such as facilitating administrative procedures, permits, licenses, and consultations.

## Industrial Park (IP) ELIGIBILITY CRITERIA FOR UGANDA (Green) Special Economic Zones require additional conditions (in green)

- Single management
- One Stop Center, separate export processing, custom areas, management building office
- Can be established by any level of government, private enterprise of any kind (SMEs, multinational, ...) or PPP.
- Need approval by 3 levels of Government (city/municipal, regional and national)

Multi-Use Nature possible but should feature at minimum a manufacturing or processing or tourism/hospitality component.

- Regulatory Incentives and particularly green Incentives.
- Special incentive regime for exporters, no minimum export requirements.
- Zone developers/park management allowed to supply utilities services to tenants and communities around.



- Delineated land of any size with infrastructures and services.
- No encroachment on protected or similar areas.
- Appropriate and strategic area
- Upward integration: collaborations fostered between zone and surroundings (local economy)

- Surrounding fence

- Master planning: Industrial Ecology, RECP, Symbiosis.
- Environmental, social and economic beyond compliance status (ex-international labor norms, construction standards, emissions etc.

The focus of the project to increase export production does not limit to Freezones strictly but can be extended to SEZ which offer a wider scope of options in Uganda.

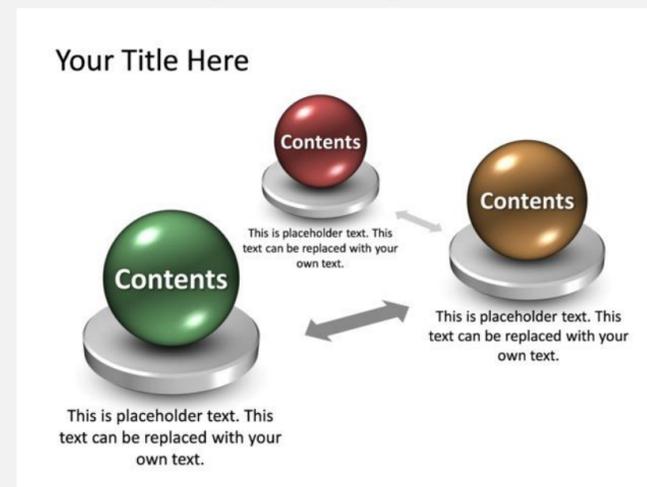
# ARGUMENTS FOR AN EXPORT ORIENTED STRATEGY THAT CONSIDERS DOMESTIC MARKET (DM) INTERESTS

## Circular Economy

- Valorisation of by-products to close circular economy loops for DM.
- Waste Valorization (scavenger economy for DM)
- Post-harvest loss reduction

## Business Diversification

- Non export quality products valorization
- Business growth and strategy
- Improved DM products offer and consumer's choice
- Increased import replacement



## Business continuity

- DRR & global threats resilience
- Value-chain resilience
- Compliance monitoring and anti-corruption(virtuous cycle) measures for both export and DM products.
- Reduced dependancy

# High Level methodology for Site Selection



The project requires the identification of 1-2 promising sites. It would take into consideration government of Uganda interests ranging from planned sites for freezones, export potential strategies, contribution to NDP IV, EAC and Comesa trade development. Those national interests are complemented with:

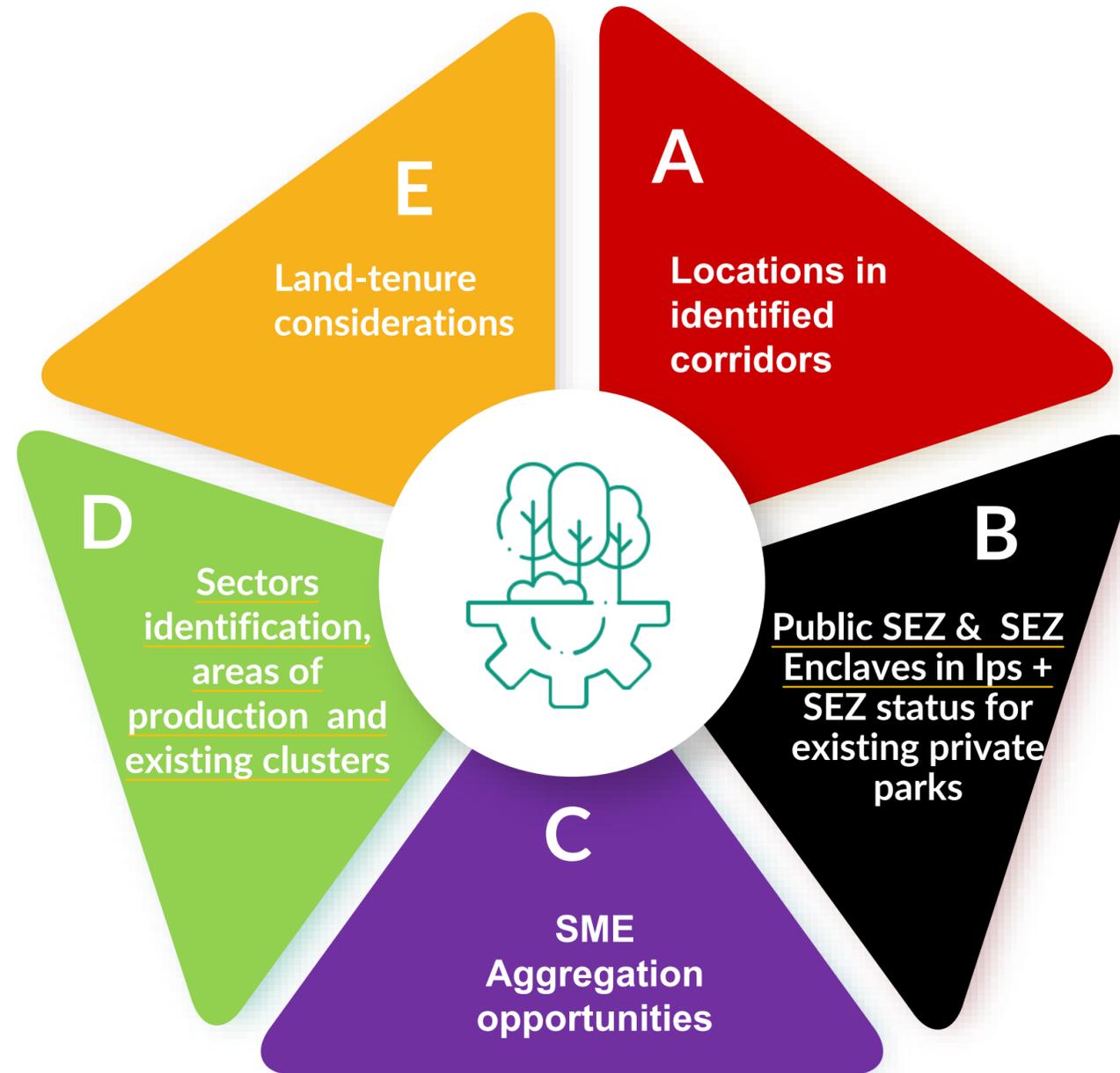
- Donor interests and strategies including regional (Removing barriers to trade, development of trade in specific trade corridors, climate action, support of regional humanitarian effort)
- GGGI value proposition (EIP framework)
- Complementarity with and lessons-learnt from sites GGGI previously worked on
- Time and financial constraints
- Emerging/ad-hoc criteria such as evolving security concerns at border locations (eg DRC)
- Specific synergetical interest from other donors or GoU programs (ex: collaborations with skilling centers, KOICA, etc.)

Sites for which land tenure issues have not been resolved won't be selected due to time constraints. Sites that are not aligned with GGGI green policy or presenting major environmental and social protection concerns will also be excluded.

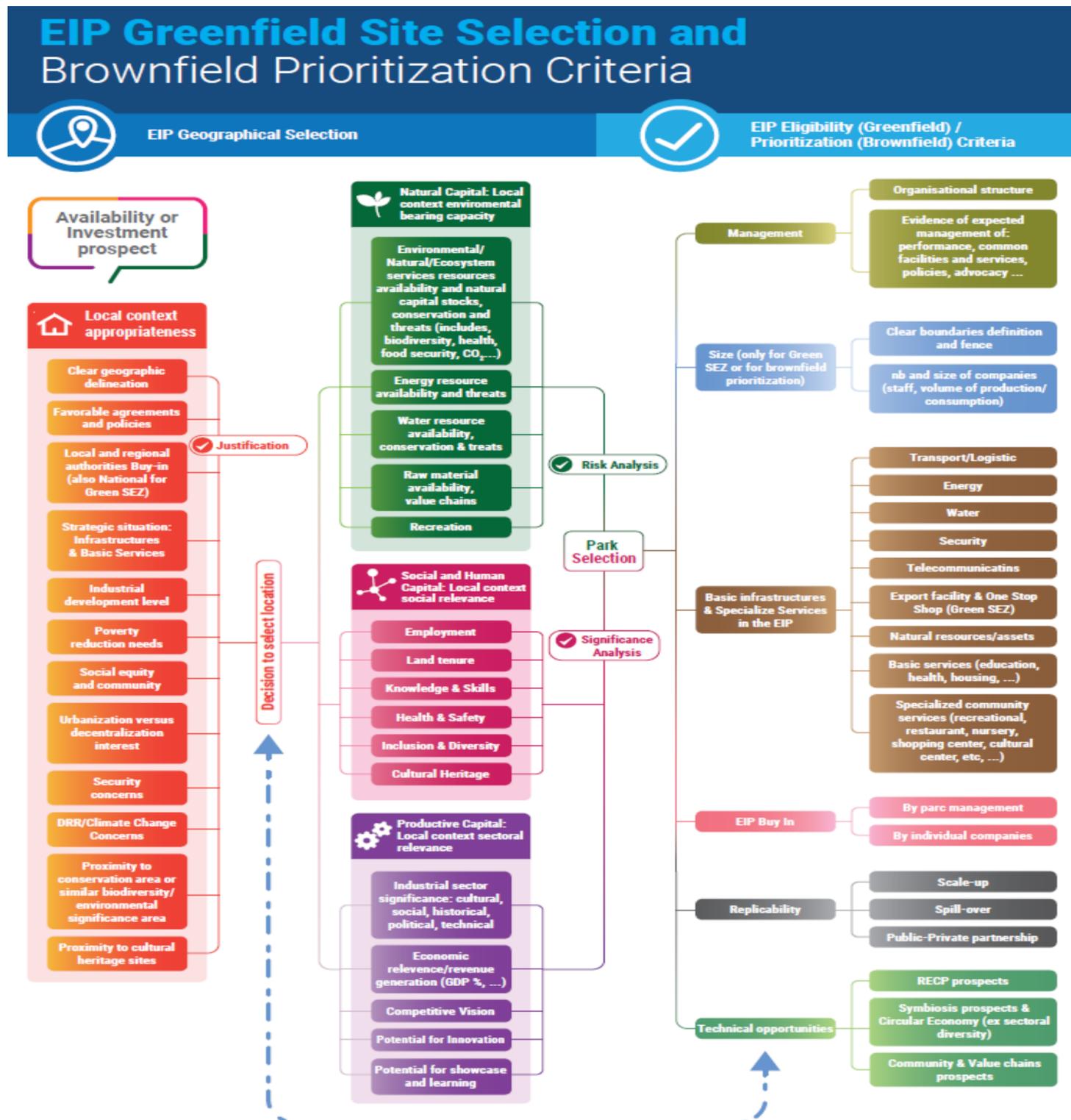
Specifically, we shall do a match making following the guidance below (see diagram on next slide):

- A. Potential SEZ sites in planned UFZPA sites and potential SEZ enclaves nestled in existing or planned public industrial park sites
  - B. Potential SEZ sites in the private sector
  - C. Locations in identified corridors EU Global Gateway corridors, EAC trade corridors, COMESA Trade corridors, etc including WFP Supply Chain.
  - D. Priority sector selection with mapping of areas of production and/or potential clustered companies willing to form SEZ
  - E. Potential for SME aggregation to be upgraded into SEZs based on export readiness. This could harness opportunities for companies in the BtC market, particularly in the e-commerce.
- .

# High level methodology for site selection



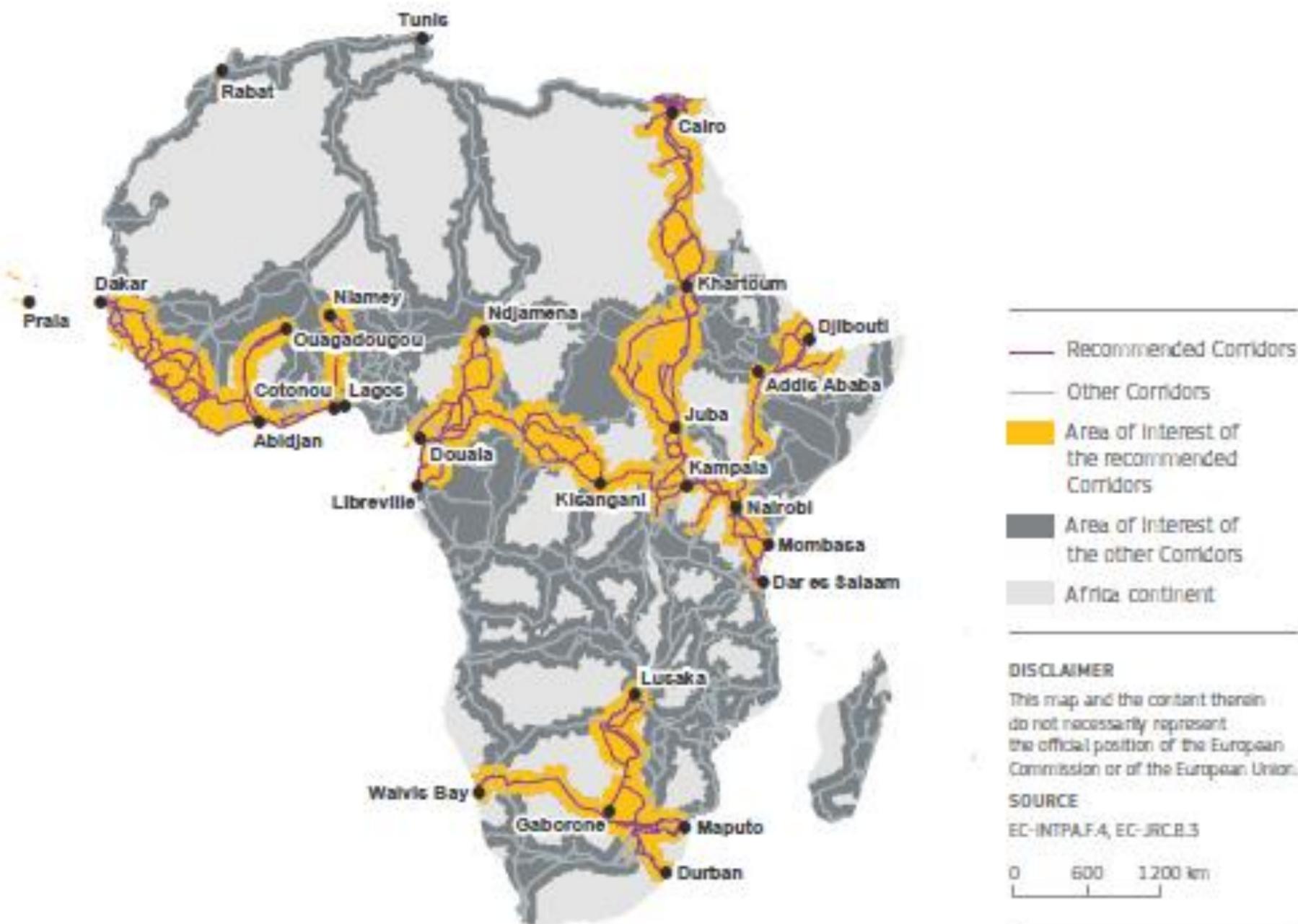
# EIP Site Selection



A 2 phased site selection methodology with a high level (rough) site screening, on which we then will need to apply the EIP criteria developed in the Industrial park and Freezone guidelines for site selection. That covers more in details the favoring factors including local context appropriateness, economic and social relevance, environmental bearing capacities, management structure, infrastructures, technical opportunities and more.

# A. Locations in identified corridors

Figure 13: The envisaged 11 Strategic Corridors, as emerged from the quantitative and qualitative analyses.



## 3 Priority corridors:

### 6. DOUALA / KRIBI-KAMPALA

Central Africa: Cameroon, Central African Republic, Democratic Republic of the Congo, Uganda

### 8. MOMBASA-KISANGANI

East Africa: Kenya, Uganda, Rwanda, Democratic Republic of the Congo.  
A TEI initiative exists (France and Germany) in collaboration with EIB (including €44 million of EU grant).  
Built in Uganda (Mombasa-Kisangani Strategic Corridor): €229.5 million project involving French Development Agency (AFD), the African Development Bank and a €91 million EU contribution.

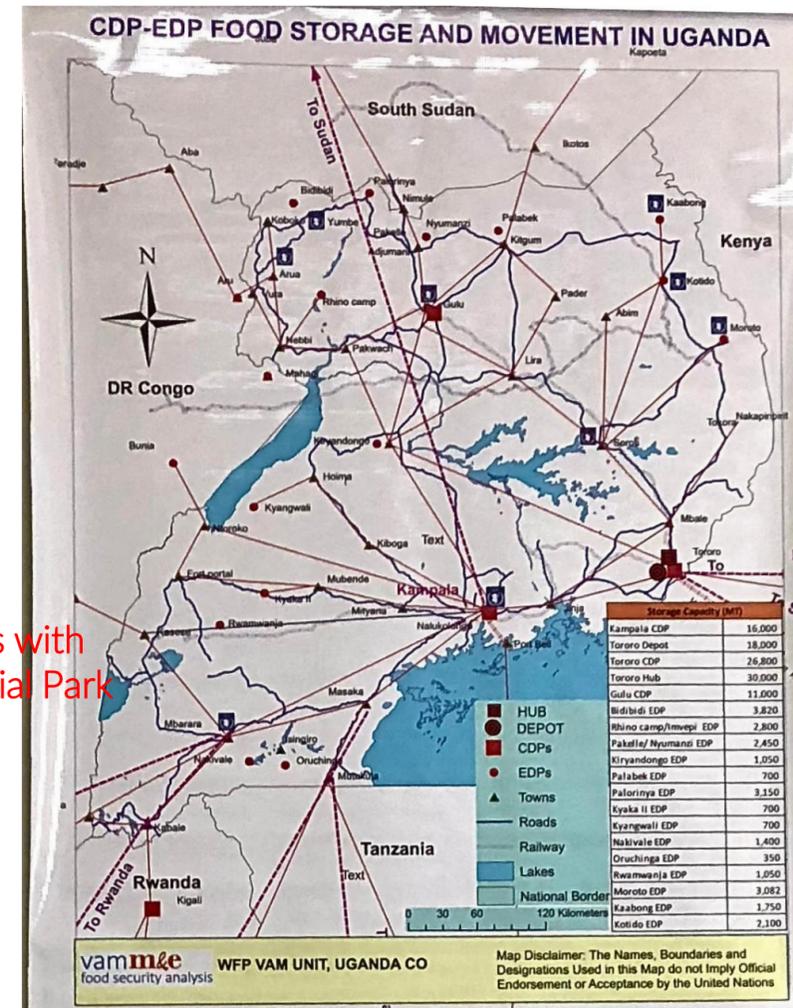
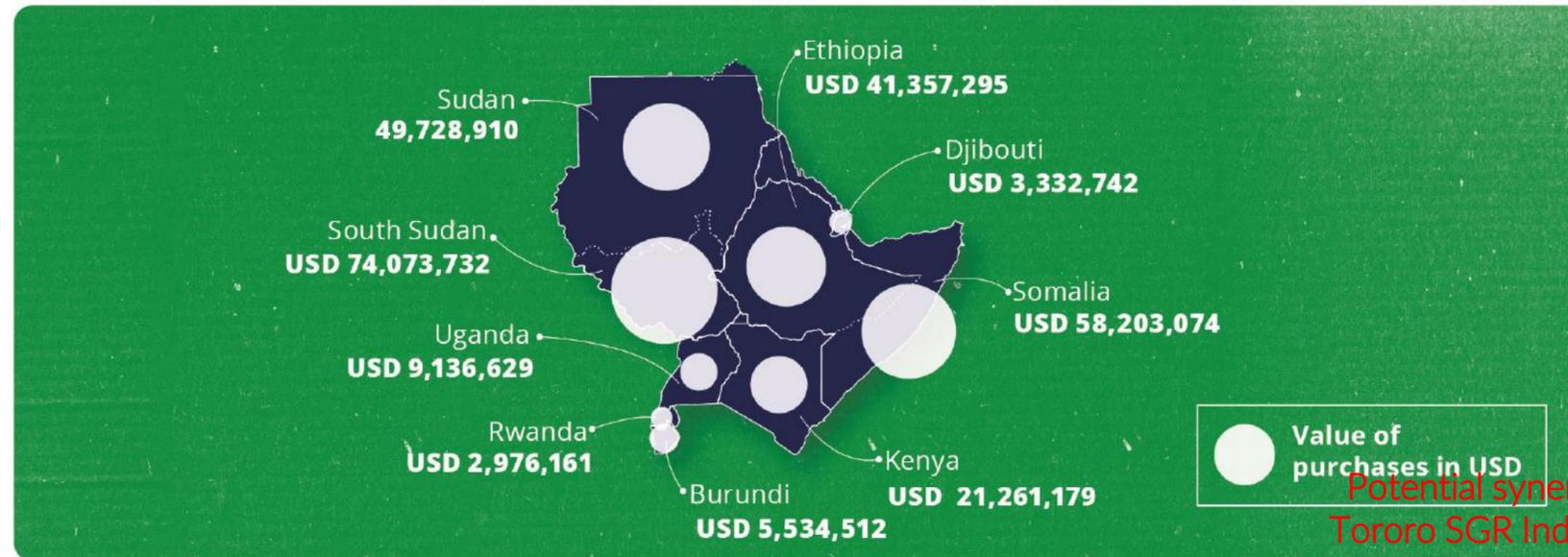
### 11. CAIRO-KHARTOUM-JUBA-KAMPALA

North and East Africa: Egypt, Soudan, South Sudan, Uganda

# WFP Supply Chain

## WFP Storage Capacity

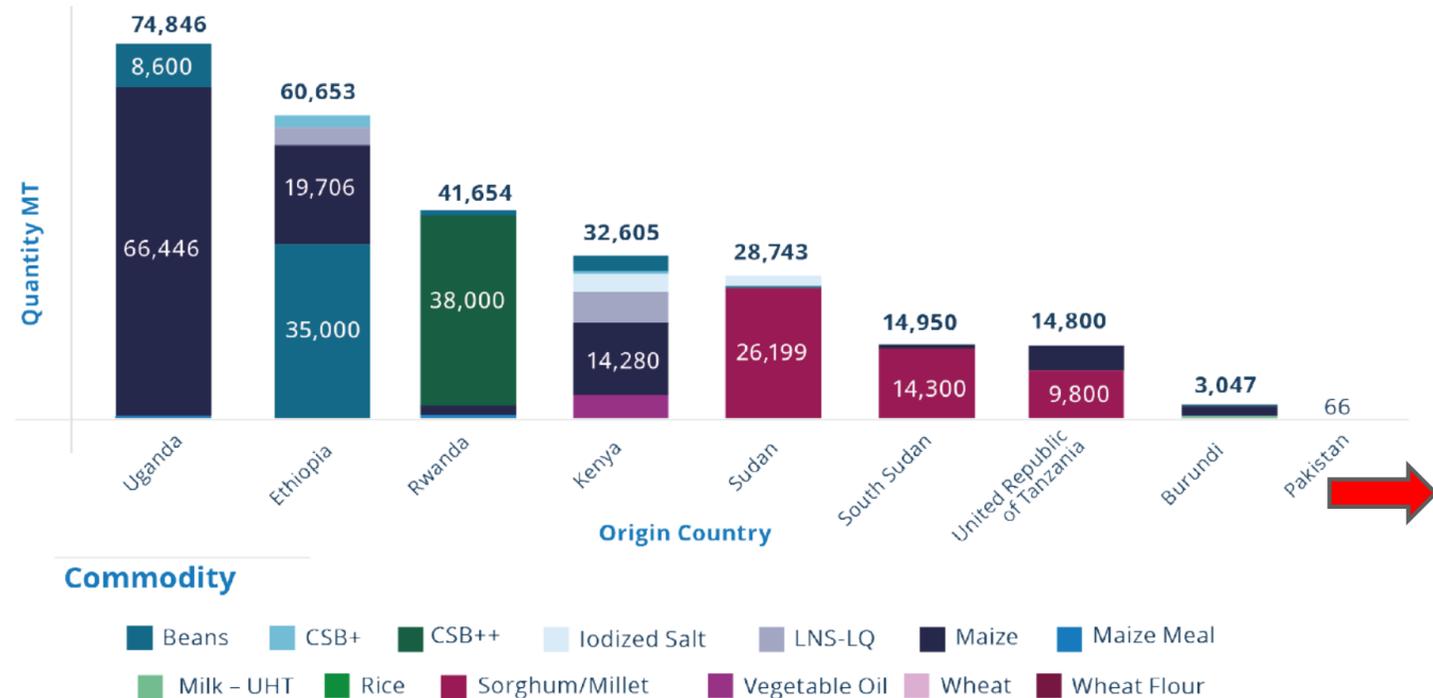
### USD Value of Goods and Services Purchases by Country



WFP Storage Capacity	
Location	MT
Kampala CDP	16,000
Tororo Depot	18,000
Tororo CDP	26,800
Tororo Hub	30,000
Gulu CDP	11,000
Bidi bidi EDP	3,820
Rhino camp EDP	2,800
Pakelle EDP	2,450
Kiryandongo EDP	1,050
Palabek EDP	700
Palorinya EDP	3,150
Kyaka II EDP	700
Kyangwali EDP	700
Nakivale EDP	1,400
Oruchinga EDP	350
Rwamwanja EDP	1,050
Moroto EDP	3,082
Kaabong EDP	1,750
Kotido EDP	2,100

Potential synergies with Tororo SGR Industrial Park

### Purchased Food by Origin Country MT (Jan - Dec 2023)



WFP is planning to set up a logistic hub in Uganda for the region and looking for a new location for their Tororo CDP (Potential synergies with SGR Industrial Park ?), they also own Land in Lira.

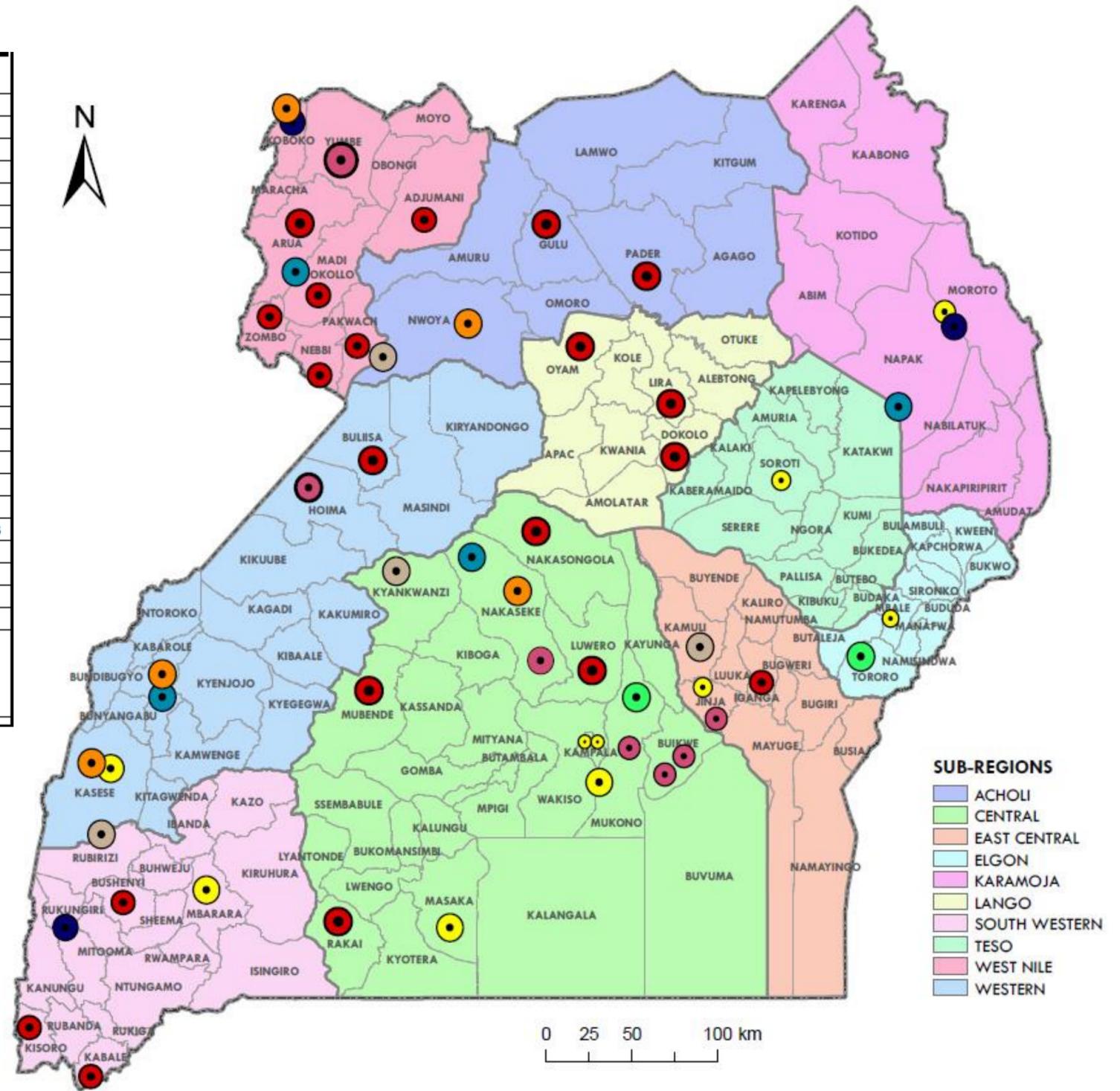
In regards to the budget cuts operated by Trump administration, uncertainties about WFP procurement volumes vs cash deliveries over the coming years and WFP reluctance to share space with other businesses, GGGI considers the business risks too high at the moment to pursue a collaborative project.

# B. Public SEZ & SEZ Enclaves in IPs

## National Industrial Parks Development Strategy:

- Gazetted Industrial and Business Parks under Development
- Gazetted Industrial and Business Parks not yet developed
- Proposed Large Scale Industrial & Business Parks specific to the (SGR) Project
- Proposed Regional Science, Technology and Industrial Parks (STIPs)
- Proposed Industrial Parks under the Forum on China–Africa Cooperation (FOCAC) Programme
- Proposed Regional Science, Technology, Engineering, Innovation (STEI) Parks
- Proposed Regional Parks
- Developed Private Industrial Parks

<span style="color: yellow;">●</span>	Kampala Industrial and Business Park, Namanve	2,200 acres
	Luzira IBP	70 acres
	Bweyogerere IE	50 acres
	Mbarara (SME Park)	12 acres
	Kasese IBP (also FOCAC)	216 acres
	Jinja IBP	182 acres
	Soroti IBP	219 acres
<span style="color: red;">●</span>	Tian Shan Mbale Park	619 acres
	Karamoja IBP	417 acres
	Liao Shen Industrial Park Co. Ltd	1,280 acres
	Lugazi Industrial Park	150 acres
	MMP Industrial Park Buikwe Ltd	1,000 acres
	Yumbe Industrial Park	
	Jinja Industrial Park	200 acres
<span style="color: green;">●</span>	Katosi Industrial Park	10 sq. miles
	Mukono (SGR) Industrial Park	300 acres
	Tororo (SGR) Industrial Park	600 acres
<span style="color: orange;">●</span>	Oraba Industrial Park	139 acres
	Kaweweta Industrial Park	11,520 acres
	Anaka Industrial Park	3,612.6 acres
	Kabarole Industrial Park	500 acres
	Moroto	
<span style="color: blue;">●</span>	Rukungiri	
	Koboko	
<span style="color: pink;">●</span>	Arua, Adjumani, Gulu, Pader, Madi-Okollo, Zombo, Pakwach, Nebbi, Oyam, Lira, Dokolo, Buliisa, Bushenyi, Kabale, Kisoro, Nakasongola, Mubende, Luwero, Rakai, Iganga.	



National Industrial Parks Development Strategy (2020/21 – 2024/25)

# Private Industrial Parks with export capacity on the Corridors



SITE	Land-tenure status	Additional considerations	Selection Y/N
LUGAZI Industrial Park	Land acquired 120 acres with potential to expand.	They were pursuing the freezone license with UFZA before rationalization of the agency. Has 2 tenants including Joint Medical Stores and Softcare. Collaboration with Uganda Development Bank to provide equity funding for infrastructures with the aim to house SMEs including in Agro-Food. Potential for PPP. High interest in greening and poverty reduction.	Yes. Good opportunity for PPP with Kisasi Lugazi. High motivation. Potential for a phased support.
BUIKWE MMP	Land owned, operational.	Mainly foreign (Indian) ownership. Preliminary discussions show more interests in grants getting than greening. No space for SMEs. Little poverty reduction opportunities.	No. Insufficient green motivation.
ARUA Freezone	Land owned but not operational yet.	Promising location at DRC border and south Sudan with potential to become a hub for the region. Power is a limiting factor	No but has potential. Project time lines and budget insufficient. Best to refer it to a longer-term project.
KARAMOJA Green Industrial & SEZ	As per the MOU, the clans will provide 2000 acres of land in Kaabong district	Post-workshop proposal. Joint-venture between DiaCente Group and TIITI-LOMAMPESE AND CHAKALOMUN SUB-CLANS. Diacente Group and Sustainable Planet Ltd, both award winners of the UNIDO Global Call 2024, are collaborating to expand operations in Uganda. This partnership aims to enhance food security and address climate change through the production of protein from water lentils.	The potential park is based on a single product value chain on an innovative product for which a number of questions remain (adequation for the site, storability, energy consumption for drying, pest vulnerability). The project time lines and budget is insufficient to perform an environmental evaluation and a single value chain dependency is a too high risk for the park business model.

## C. SMEs Aggregation opportunities

- As part of the project's inclusive approach effort, we shall also analyze locations with the potential for SME aggregation.
- Included in this analysis will be potentially increasing business access, gender responsive approaches, poverty alleviation, etc
- For this analysis, non-traditional sectors with the potential for sustainable digitization, for example HR services, call centers, media and IT services, logistics will be included.
- Opportunities for BtC rather than BTB export models for companies ready for export possible through e-commerce will be investigated.

# Example of potential SMEs aggregation

- **Masese (Jinja) Cluster**
- SMEs association with potential for symbiotic infrastructures with Jinja IP: clean-up needed to protect the river. Mix agro-processing, heavy industry, warehouses. Already exporting. Counter argument: not yet formed an official park. Arguments for park making in the short term: Have a business association potentially interested to form an official park. The local government has gazetted the land and could maybe allocate some for symbiotic infrastructures, thus potential PPP with local government. IP definition partly met: multi-use nature with manufacturing, no fence.
- **Lira Cluster**
- SMEs supported by GOICA with potential interest to build complementarities with GGGI. Opportunities for green value chains addressing biodiversity (Cosmetics, in particular with Nilotica Shea Butter).

# Other SMEs Aggregation opportunities

## Some potential collaborations

- DHL/ABSA SME trainings on export trade
- Export Launchpad Uganda program
- Passport to Export training program
- UNIDO export consortium tool
- EABC, EU-TAF & GIZ-EAC Capacity-Building Workshop for SMEs on Exporting to AfCFTA Market via E-Commerce Digital Platforms
-

## D. Sectors identification, areas of production and existing clusters



Potential sectors analysis and export markets identification are based:

- Corridors (A)
- Market analysis tools in particular information from Uganda Trade Portal, ITC export potential maps including table/maps on products imported/exported, products diversification, ITC/UBOS/UN COMTRADE publications on list of products exported from Uganda/countries importing from Uganda.
- NEDS priorities
- Global Value Chain Potential (ex. Vanilla) including potential intermediary markets (ex Mauritius, India, Indonesia). Uganda value addition to products is seen as a process where being part of a global supply chain is a preliminary step (risk balancing and volume achievements).
- (Green ) Niche Markets potential such as Organic markets (ex Japan, Canada)
- High population markets with less stringent export quality criteria (ex Indonesia, Malaysia)
- Balancing a product market potential with current export volume and barriers to estimate possible market readiness

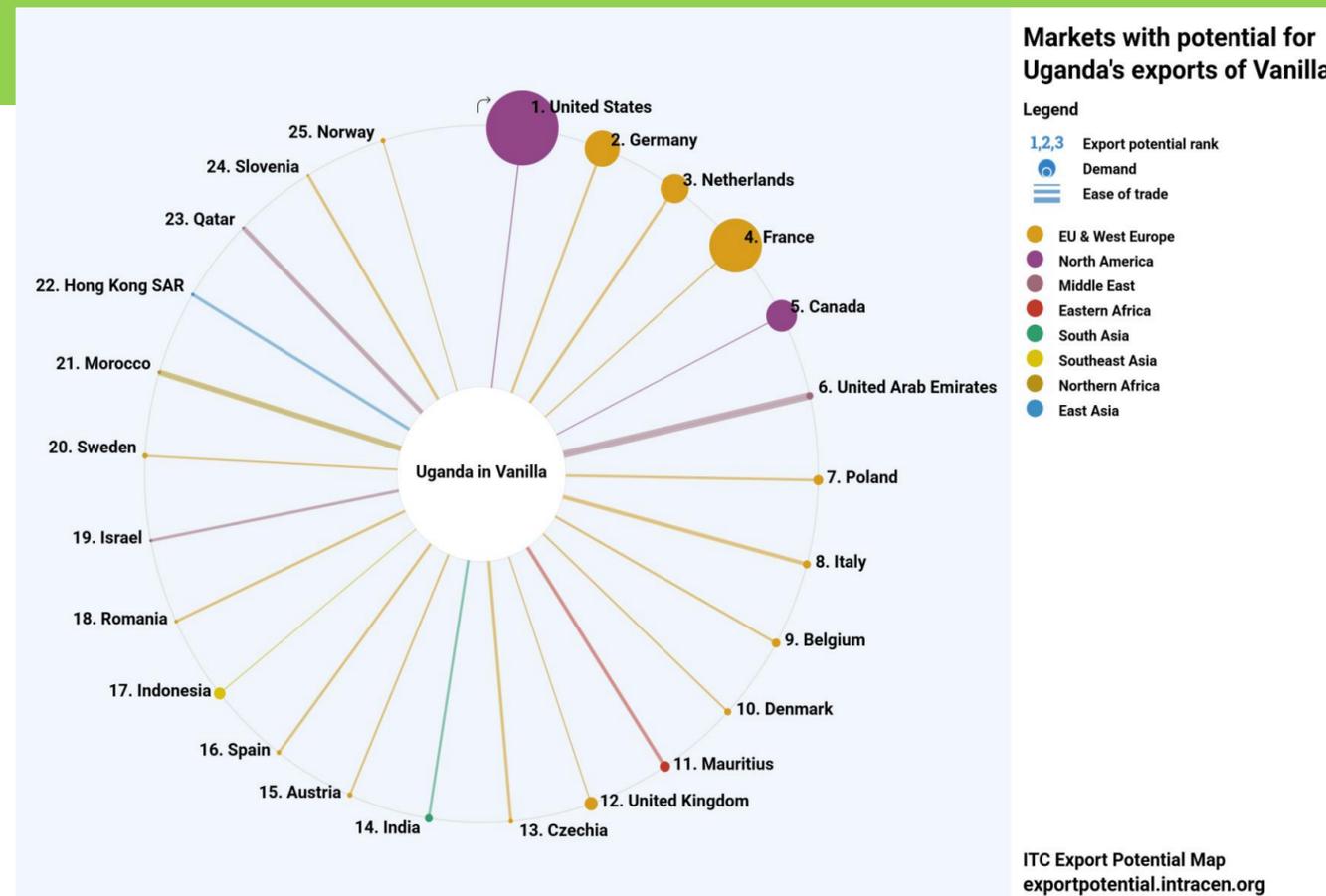
# Vanilla Value Chain example



## Uganda's products with potential

- Legend
- Export potential
  - Realized potential
- Precious metals
  - Coffee
  - Dairy products
  - Fish & shellfish
  - Ferrous metals
  - Cocoa beans & products
  - Wood
  - Sugar
  - Tea & mate
  - Live plants, flowers, foliage
  - Oil seeds
  - Spices
  - Pulses
  - Pharmaceutical components
  - Ceramic articles
  - Vegetal residues & animal feed
  - Vegetable oils & fats
  - Machinery, electricity
  - Beauty products & perfumes
  - Fruits

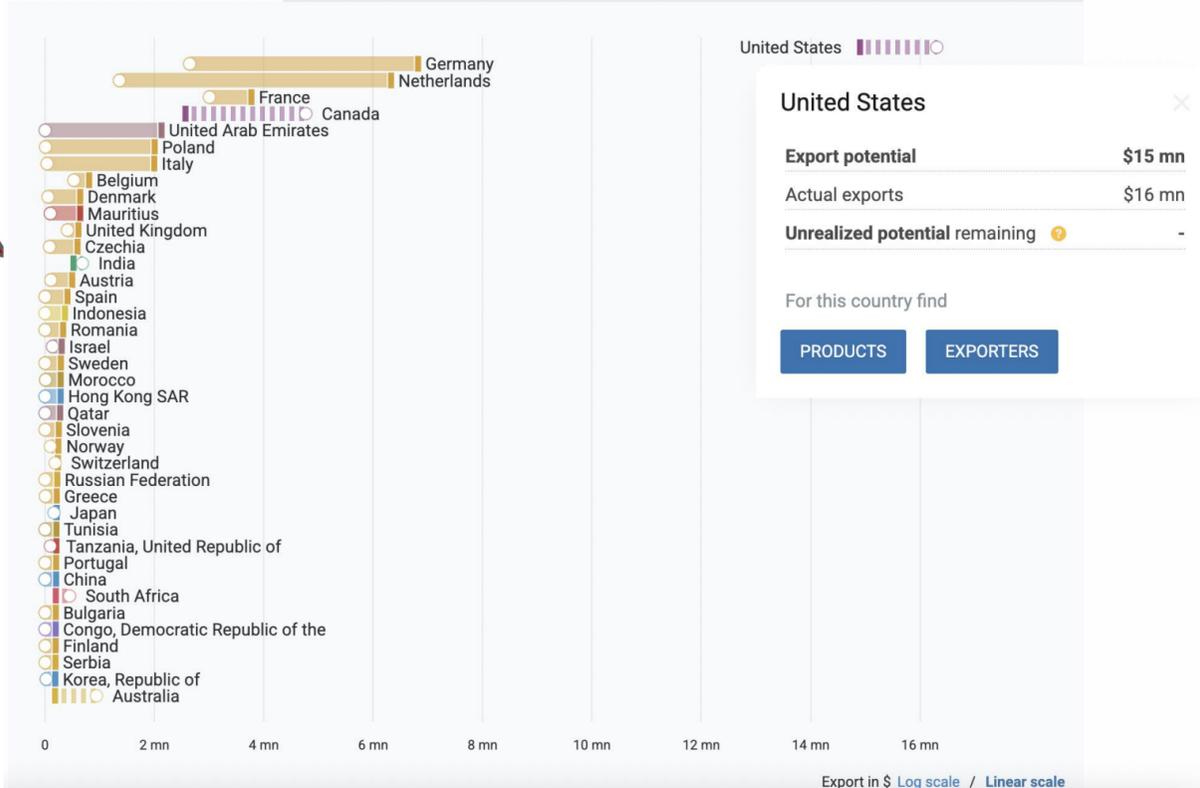
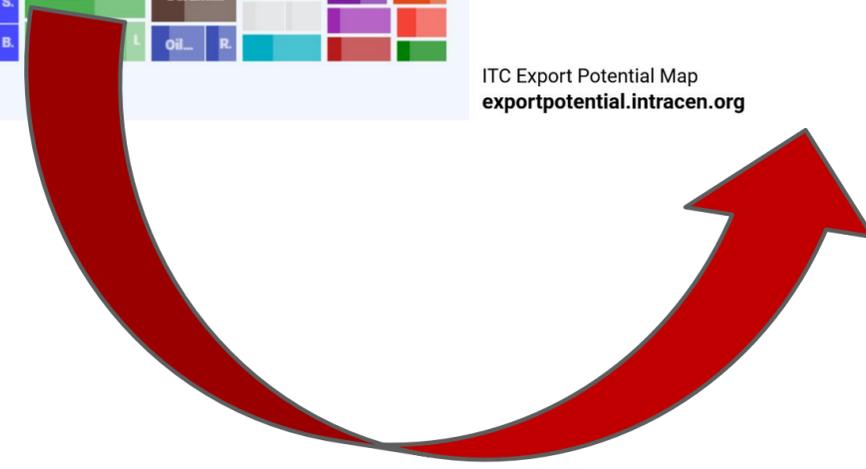
ITC Export Potential Map  
exportpotential.intracen.org



## Markets with potential for Uganda's exports of Vanilla

- Legend
- 1,2,3 Export potential rank
  - Demand
  - Ease of trade
- EU & West Europe
  - North America
  - Middle East
  - Eastern Africa
  - South Asia
  - Southeast Asia
  - Northern Africa
  - East Asia

ITC Export Potential Map  
exportpotential.intracen.org



United States

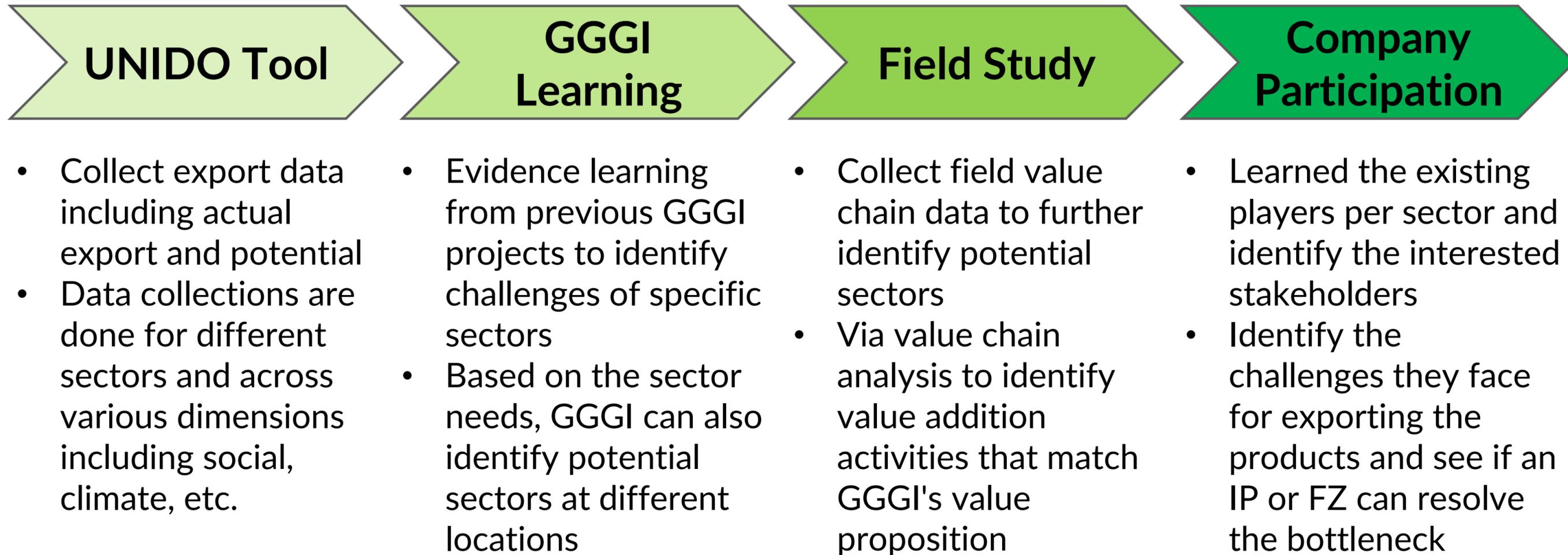
Export potential	\$15 mn
Actual exports	\$16 mn
Unrealized potential remaining	-

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# C. How to identify sectors for each potential location



# E. Land-tenure considerations

## STATUS ON PROPOSED (PRIORITY) GOVERNMENT SITES FROM UGANDA FREEZONES AUTHORITY

SITE	Land-tenure status	Additional considerations	Selection Y/N
MUBENDE	Land acquisition at site not finalized.	Industrial grade power, water supply and sanitation infrastructure not developed at site. Value chains around the site are not yet developed to park level let alone export. Project time lines and budget do not allow for resolving of all these issues.	No. Project time lines and budget do not allow for resolving of all these issues.
KUMI	Land acquisition at site not finalized. Government does not own a land title in its name.	Industrial grade power, water supply and sanitation infrastructure not developed at site. Value chains around the site are not yet developed to park level let alone export.	No. Project time lines and budget do not allow for resolving of all these issues.
BUGIRI	Land acquisition at site not finalized. Government does not own a land title in its name.	Industrial grade power in the vicinity, water supply and sanitation infrastructure not developed at site. Value chains around the site are not yet developed to park level let alone export.	No. Project time lines and budget do not allow for resolving of all these issues

# Land-tenure considerations (suite)

**GOVERNMENT SITES WITH LAND TENURE GRANTED (all the other sites from GoU map do not have land tenure granted at this stage). All meet the Corridors Criteria.**

SITE	Land-tenure status	Additional considerations	Selection Y/N
SOROTI IP	Acquired, partly operational.	GGGI masterplan already done.	No. Already covered by previous GGGI project.
CHISORO IP	Acquired.	Masterplanner already allocated.	No. Duplication.
NAMANVE IBP	Acquired.	Masterplanner already allocated.	No. Duplication.
BWEYOGERERE IE	Acquired.	Limited number of sectors, few tenants but operational . No contact so far from UCPC.	Maybe. Potential unclear.
KISORO IP	Acquired.	?	No.
LUZIRA IBP	Acquired.	UCPC approached already the packaging companies and they were not interested in green chemistry. Insufficient diversity of sectors to identify circular economy loops. Land fully allocated, no scope for SMEs, complementary industries or infrastructures.	No. Lack of green potential.

# F. Post-workshop additional considerations

## POTENTIAL COLLABORATIONS WITH GoU SKILLING CENTERS

A request from UIA to include Masindi (Bunyoro Industrial Hub) to enhance linkages between a potential IP and the skilling center.

Arguments pro are:

- There is a learning curve and need for GoU to improve the connection between skilling centers and industrial parks, which could work as a model for other site. Indeed in the previous sites where GGGI operated (Kasese, Soroti), this linkage was missing.
- Inclusion on the pre-assessment would provide useful insights for future programming and projects proposals.

Arguments Cons:

- There is no guarantee that export-products can be identified from the skilling center competence products.
- If the adequation between the skilling center competencies and the industrial park needs is lacking, there will be little prospects for action within the current project.

### PRESIDENTIAL INDUSTRIAL HUBS

REGION/SUBREGION	DISTRICT	LOCATION
Bugisu Subregion	Mbale District	Rwahaha Road
Busoga Subregion	Jinja District	District Farm Institute-Kamuli Road
Bukedi Sub Region	Kibuku District	Palisa Road
Sebei Subregion	Kween	Kween
Teso Subregion	Soroti	Near Teju Factory
Karamoja Subregion	Napak	Napak
Lango Subregion	Lira	Lira University
Acholi Subregion	Gulu District	Unyama- Kitgum Road
Madi Subregion	Adjumani	Kakere Town Council
West Nile Region	Zombo District	District Farm Institute
Bunyoro Sub Region	Masindi Town	Masindi
Tooro Subregion	Kyenjojo District	Kyenjonjo
Rwenzori Sub Region	Kasese	Kasese town
South western sub region	Ntoroko And Bundibugyo	Ntoroko And Bundibugyo
Kigezi Sub Region	Kabale District	Kabale-Kigezi Sub Region
Greater Ankole Subregion	Mbarara District	Rushozi Subcounty
Greater Masaka Sub Region	Masaka	Ndegeya Village in Bugabira Parish
Greater Mubende Subregion	Mubende District	Greater Mubende-Mjubende
Buganda Subregion	Mengo	Kayunga Road
Kampala	Kigo, Along Express Highway/Munyonyo	Kigo Workshop-Carpentry

# Summary

with interactive map

## Industrial Parks & SEZ Uganda Shortlist Map

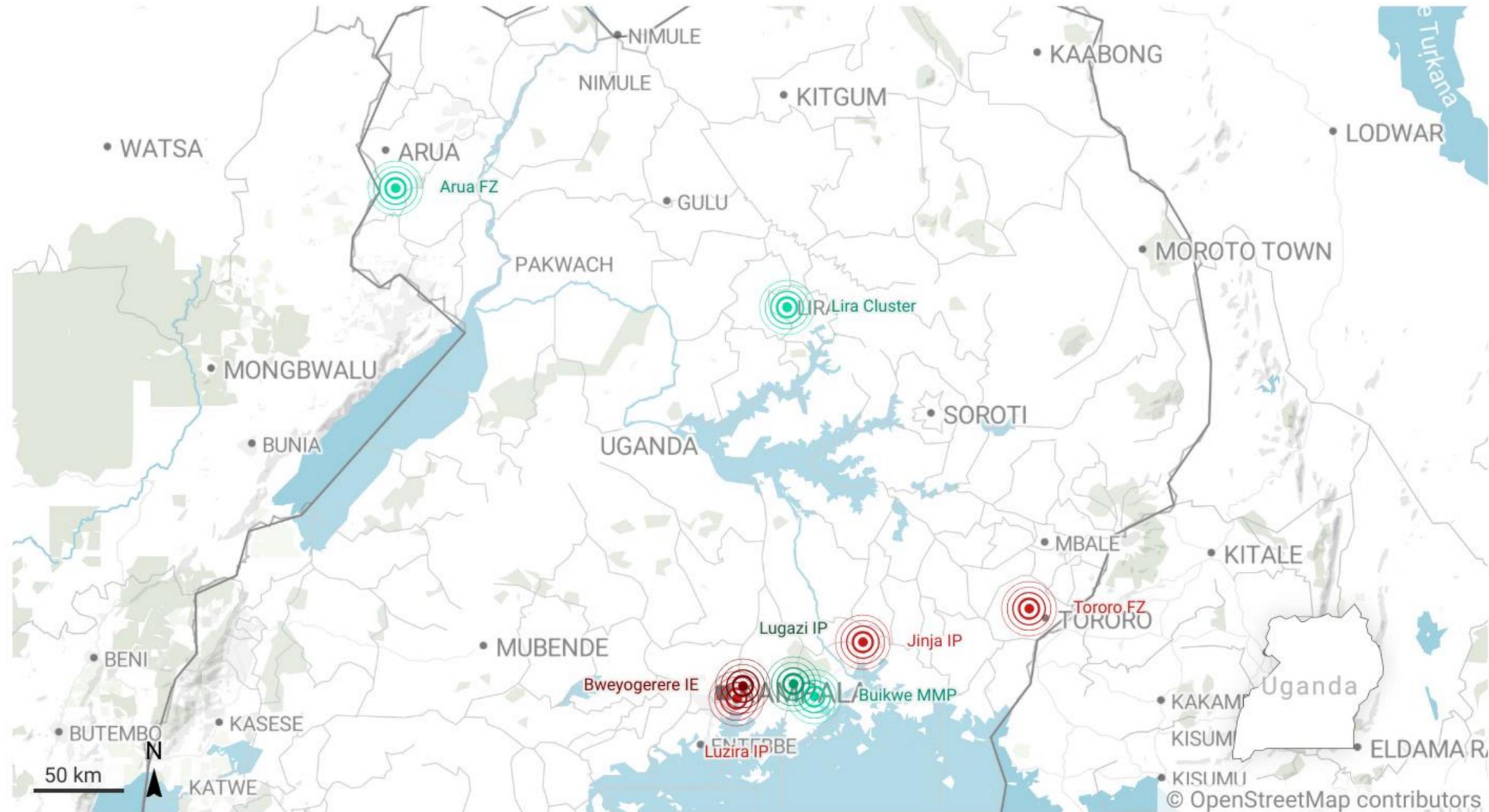
### Ownership



Private



Public



## Shortlisted Parks

**GGGI recommendation for preselection**

- 1) Jinja IBP
- 2) Masese (Jinja) Cluster
- 3) (Bweyogerere IE)
- 4) Lira Cluster
- 5) Tororo IP
- 6) (Arua FZ)
- 7) Lugazi IP
- 8) Masindi (Bunyoro Industrial Hub)

- **Finalized list of preselected parks (to be agreed by GoU)**
- **Site screening mission (pre-assessment)**
- **Partners mobilization**



# Thank you



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