



UGANDA BUREAU OF STATISTICS



*Report on the*  
***UGANDA BUSINESS REGISTER***  
***2006/7***

**Uganda Bureau of Statistics**

Plot 9, Colville Street,

P.O. Box 7186 Kampala,

Tel: (256) 41 706000

Fax: (256) 414 2375531230340

Email: [ubos@ubos.org](mailto:ubos@ubos.org)

Website: [www.ubos.org](http://www.ubos.org)

# TABLE OF CONTENTS

<i>REPORT ON THE.....</i>	1
<i>UGANDA BUSINESS REGISTER 2006/7.....</i>	1
<b>TABLE OF CONTENTS .....</b>	<b>I</b>
<b>LIST OF TABLES .....</b>	<b>V</b>
<b>LIST OF FIGURES.....</b>	<b>VII</b>
<b>ACRONYMS.....</b>	<b>VIII</b>
<b>FOREWORD .....</b>	<b>1</b>
<b>EXECUTIVE SUMMARY .....</b>	<b>3</b>
<b>1.0 INTRODUCTION AND BACKGROUND .....</b>	<b>8</b>
1.1 THE UGANDA BUSINESS REGISTER 2001/02.....	8
1.2 SOME FINDINGS OF THE 2001/02 BR UPDATE .....	9
1.3 THE 2006/07 BUSINESS REGISTER UPDATE.....	10
1.4 ACTIVITY CLASSIFICATION .....	12
1.5 THE 2006/07 BR UPDATE INSTRUMENTS .....	13
<b>2.0 GENERAL FINDINGS.....</b>	<b>14</b>
2.1 INTRODUCTION .....	14
2.2 DISTRIBUTION OF BUSINESS .....	14
2.2.1 <i>Businesses by Employment Size Band</i> .....	14
2.3 REGIONAL DISTRIBUTION OF THE BUSINESSES .....	15
2.2.1 <i>Region by Industry</i> .....	15
2.4 EMPLOYMENT IN THE BUSINESSES.....	17
2.4.1 <i>Employment by Sex</i> .....	17
2.4.2 <i>Size of Businesses</i> .....	17
2.5 LEGAL OWNERSHIP OF BUSINESSES.....	18
2.6 NATIONALITY OF OWNERS OF BUSINESSES.....	18
2.7 MEMBERSHIP TO ASSOCIATIONS.....	19
2.8 SUMMARY.....	20
<b>3.0 SECTOR-SPECIFIC FINDINGS.....</b>	<b>21</b>
3.0 INTRODUCTION .....	21
3.1 AGRICULTURE.....	21
3.1.1 <i>Introduction</i> .....	21
3.1.2 <i>Number of Businesses in the Agricultural Sector between 2001/02 and 2006/07</i> .....	21
3.1.3 <i>Businesses in Agricultural Sector by Employment Size</i> .....	23
3.1.4 <i>Regional Distribution of Agricultural Businesses by Sub sectors</i> .....	23
3.1.5 <i>Employment in Agriculture sector</i> .....	24
3.1.6 <i>Ownership of businesses in the Agriculture Sector</i> .....	25
3.1.4 MEMBERSHIP TO ASSOCIATIONS.....	26
3.1.5 <i>Summary</i> .....	27
3.2 FISHING .....	28
3.2.1 <i>Introduction</i> .....	28
3.2.2 <i>Number of Fishing Businesses</i> .....	28
3.2.3 <i>Regional distribution of Fishing Businesses</i> .....	29
3.2.3 <i>Employment in the Fishing Sector</i> .....	30
3.2.5 <i>Ownership of Businesses in the Fishing Sector</i> .....	30
3.2.7 <i>Summary</i> .....	31
3.3 MINING AND QUARRYING .....	32
3.3.1 <i>Introduction</i> .....	32
3.3.2 <i>Number of Businesses in the Mining and Quarrying</i> .....	32

3.3.3	<i>Distribution of Businesses by Employment Size Band</i> .....	33
3.3.4	<i>Regional Distribution of Businesses</i> .....	33
3.3.5	<i>Employment in the Mining and Quarrying Sector</i> .....	34
3.3.6	<i>Ownership in the Mining and Quarrying Sector</i> .....	35
3.3.7	<b>SUMMARY</b> .....	36
3.3	<b>MANUFACTURING</b> .....	37
3.4.1	<i>Introduction</i> .....	37
3.4.2	<i>Coverage</i> .....	37
3.4.3	<i>Distribution of businesses in the Manufacturing Sector</i> .....	37
3.4.3.2	<i>Distribution of Manufacturing Businesses by Employment Size Band</i> .....	38
3.4.3.2	<i>Distribution of Manufacturing Businesses by Employment Size Band</i> .....	39
3.4.4	<i>Regional Distribution of Businesses</i> .....	39
3.4.4.1	<i>Regional Distribution of Businesses by Industry</i> .....	40
3.4.4.2	<i>Regional Distribution by Employment Size</i> .....	42
3.4.5	<i>Employment in Manufacturing Businesses</i> .....	42
3.4.6	<i>Legal Ownership of Manufacturing Businesses</i> .....	46
3.4.7	<i>Membership to Associations</i> .....	47
3.4.2	<i>Summary</i> .....	47
3.5	<b>UTILITIES</b> .....	48
3.5.1	<i>Introduction</i> .....	48
3.5.2	<i>Distribution of Utilities</i> .....	48
3.5.3	<i>Regional Distribution of Businesses Services</i> .....	48
3.5.4	<i>Employment in the Utilities Sector</i> .....	50
3.5.5	<i>Legal Ownership in the Utilities Sector</i> .....	50
3.5.6	<i>Membership to Associations</i> .....	51
3.5.7	<i>Summary</i> .....	51
3.6	<b>CONSTRUCTION</b> .....	52
3.6.1	<i>Introduction</i> .....	52
3.6.2	<i>Distribution of Construction Businesses</i> .....	52
3.6.3	<i>Regional Distribution of Businesses</i> .....	53
3.6.4	<i>Employment in the Construction Sector</i> .....	54
3.6.5	<i>Ownership of Construction businesses</i> .....	54
3.6.6	<i>Membership to Associations</i> .....	55
3.6.7	<i>Summary</i> .....	56
3.7	<b>TRADE</b> .....	57
3.7.1	<i>Introduction</i> .....	57
3.7.2	<i>Number of Businesses in the Trade Sector</i> .....	57
3.7.3	<i>Regional distribution of businesses in Trade sector by sub sector</i> .....	58
3.7.4	<i>Employment in the Trade sector</i> .....	59
3.7.5	<i>Sale, Repair and Maintenance of Motor Vehicles</i> .....	60
3.7.5.1	<i>Distribution and Employment in Sale, Repair and Maintenance of Motor Vehicles sub sector</i> .....	60
3.7.6	<i>Wholesale Trade sub sector</i> .....	61
3.7.6.1	<i>Distribution and Employment in the Wholesale sub sector</i> .....	61
3.7.7	<i>Retail Trade sub sector</i> .....	62
3.7.7.1	<i>Distribution and Employment in the Retail Trade sub sector</i> .....	63
3.7.8	<i>Ownership of businesses in the Trade sector</i> .....	64
3.7.9	<i>Membership to Associations</i> .....	64
3.7.10	<i>Summary</i> .....	64
3.8	<b>HOTELS AND RESTAURANTS</b> .....	65
3.8.1	<i>Introduction</i> .....	65
3.8.2	<i>Distribution of Businesses in the Hotels and Restaurants sector</i> .....	65
3.8.2.1	<i>Distribution of Hotels and Restaurants by Employment Size Band</i> .....	66
3.8.3	<i>Regional Distribution</i> .....	66
3.8.4	<i>Employment in the Hotels and Restaurants sector</i> .....	68
3.8.3	<i>Ownership</i> .....	68
3.8.6	<i>Membership to Associations</i> .....	69
3.8.7	<i>Summary</i> .....	70

3.9	TRANSPORT, STORAGE, POSTS AND TELECOMMUNICATIONS .....	71
3.9.1	<i>Transport and Storage</i> .....	71
3.9.1.1	<i>Introduction</i> .....	71
3.9.1.2	<i>Number of Transport, Storage and Communication businesses</i> .....	71
3.9.1.3	<i>Employment in Transport sector by size band</i> .....	71
3.9.1.4	<i>Distribution of Transport business by region</i> .....	73
3.9.1.5	<i>Employment distribution by Sex</i> .....	73
3.9.1.6	<i>Legal Ownership of Businesses in the Transport Sector</i> .....	74
3.9.7	<i>Membership to Associations</i> .....	75
3.9.1.8	<i>Summary</i> .....	75
3.9.2	POSTS AND TELECOMMUNICATIONS.....	76
3.9.2.1	<i>Introduction</i> .....	76
3.9.2.2	<i>Number of Posts and Telecommunications Businesses</i> .....	76
3.9.2.3	<i>Regional Distribution of Posts and Telecommunications Businesses</i> .....	76
3.9.2.4	<i>Employment in Posts and Telecommunications</i> .....	78
3.9.2.5	<i>Legal Ownership in Posts and Telecommunications Sector</i> .....	78
3.9.2.6	<i>Membership to Associations</i> .....	79
3.9.2.7	<i>Summary</i> .....	80
3.10	FINANCIAL INTERMEDIATION.....	81
3.10.1	<i>Introduction</i> .....	81
3.10.2	<i>Coverage</i> .....	81
3.10.3	<i>Number of Businesses in the Finance Sector</i> .....	81
TABLE 3.10.1	BUSINESSES IN THE FINANCE SECTOR BY ACTIVITY, 2001/02 AND 2006/07.	
	82	
3.10.4	<i>Regional Distribution of Businesses in the Finance Sector</i> .....	82
3.10.5	<i>Employment in the Finance Sector</i> .....	83
3.10.6	<i>Size of employment in the Financial and Intermediation Sector</i> .....	83
3.10.8	<i>Membership to Associations</i> .....	85
3.10.9	<i>Summary</i> .....	86
3.11	INSURANCE.....	87
3.11.1	<i>Introduction</i> .....	87
3.11.2	<i>Number of Businesses in the Insurance Sector</i> .....	87
3.11.3	<i>Regional Distribution of Businesses in the Insurance Sector</i> .....	88
3.11.4	<i>Employment in the Insurance Sector</i> .....	89
3.11.5	<i>Size of Employment in the Insurance Sector</i> .....	89
3.11.6	<i>Legal Ownership of Businesses in the Insurance Sector</i> .....	90
3.11.7	<i>Membership to Associations</i> .....	91
3.11.8	<i>Summary</i> .....	91
3.12	BUSINESS SERVICES .....	92
3.12.1	<i>Introduction</i> .....	92
3.12.3	<i>Regional Distribution of Businesses Services</i> .....	94
3.12.4	<i>Employment in Businesses Services</i> .....	95
3.12.5	<i>Legal Ownership in Businesses Services</i> .....	96
3.12.6	<i>Membership to Associations</i> .....	98
3.12.6	<i>Summary</i> .....	98
3.13	EDUCATION .....	99
3.13.1	<i>Introduction</i> .....	99
3.13.2	<i>Distribution of Education Businesses</i> .....	99
3.13.3	<i>Regional distribution of Education Businesses</i> .....	99
3.13.3	<i>Employment in Education Sector</i> .....	100
3.13.4	<i>Legal Ownership of Education Businesses</i> .....	101
3.13.6	<i>Membership to Associations</i> .....	101
3.13.5	<i>Summary</i> .....	102
3.14	HEALTH AND SOCIAL WORK.....	103
3.14.0	<i>Introduction</i> .....	103
3.14.1	<i>Coverage</i> .....	103
3.14.2	<i>Number of Businesses in the Health and Social Work sector</i> .....	104
3.14.3	<i>Regional Distribution of Businesses in the Health and Social Services Sector</i> .....	105

3.14.4	<i>Employment in the Health and Social Work sector.....</i>	105
3.14.5	<i>Size of the business in the Health and Social Works Sector .....</i>	107
3.14.6	<i>Legal Ownership of businesses in the Health and Social Works Sector.....</i>	108
3.14.7	<i>Membership to Associations.....</i>	108
3.14.8	<i>Summary .....</i>	108
3.15	<b>COMMUNITY AND PERSONAL SERVICES .....</b>	109
3.15.1	<i>Introduction.....</i>	109
3.15.2	<i>Number of Community and Personal Services Businesses .....</i>	109
3.15.3	<i>Regional Distribution of Community and Personal Services .....</i>	110
3.15.4	<i>Employment in Community and Personal Services.....</i>	111
3.15.5	<i>Legal Ownership in Community and Personal Services .....</i>	112
3.15.5	<i>Membership to Associations.....</i>	113
3.15.6	<i>Summary .....</i>	114
<b>4.0</b>	<b>METHODOLOGY &amp; FIELD ORGANIZATION .....</b>	<b>115</b>
4.1	INTRODUCTION .....	115
4.2	ORGANIZATION OF FIELD WORK.....	115
4.3	RECRUITMENT AND TRAINING OF STAFF .....	117
4.4	TEAM FORMATION .....	117
4.5	UPDATE MATERIALS .....	118
4.6	FIELD WORK.....	118
4.6.1	<i>Guides.....</i>	119
4.7	DATA PROCESSING.....	120
4.8	CHALLENGES .....	120
4.9	RECOMMENDATIONS .....	121
<b>I. 5.0</b>	<b>CONCLUSION .....</b>	<b>122</b>
<b>I. 5.0</b>	<b>CONCLUSION.....</b>	<b>123</b>
<b>6.0</b>	<b>APPENDICES.....</b>	<b>124</b>

## LIST OF TABLES

- 1.1 Number of Formal and Informal businesses by Region 2001/02
- 1.3 Classifications of Special Activities
- 1.2 Summary of sectors excluded in the BR update
- 2.1 Regional comparison between 2001/02 and 2006/07
- 2.2 Nationality of Business Owners
- 3.1.1 Businesses employing 5 or more persons, 2001/02 and 2006/07
- 3.1.2 Businesses in the Agriculture sector by Activity by employment size band, 2006/07
- 3.1.3 Regional Distribution of Agriculture Businesses
- 3.1.4 Employment in Agriculture by Activity
- 3.1.5 Membership to Associations in the Agricultural Sector
- 3.2.1 Employment in the Fishing Sector
- 3.3.1 Businesses in the Mining & Quarrying Sector by employment Size band
- 3.3.2 Regional Distribution of Mining Businesses
- 3.3.3 Employment in the Mining & Quarrying Sector
- 3.3.4 Membership to Associations in Mining & Quarrying Sector
- 3.4.1 Comparison of manufacturing Businesses between 2001/02 and 2006/07
- 3.4.2 Manufacturing Businesses by Employment Size band
- 3.4.3 Distribution of Businesses by Industry by Region
- 3.4.4 Distribution of Businesses by Region by Employment Size band
- 3.4.5 Employment by Sex in the Manufacturing Sector
- 3.4.6 Employment by Industry in the Manufacturing Sector by Employment size Band
- 3.5.1 Distribution of Utilities by Employment Size band
- 3.5.2 Distribution of Utilities by Region
- 3.5.3 Employment by Sex in the Utilities Sector
- 3.5.4 Legal Ownership of the Utilities Sector
- 3.5.5 Membership to Associations
- 3.6.1 Construction Businesses by Employment Size band
- 3.6.2 Employment by Sex in the Construction Sector
- 3.6.3 Legal Ownership of Construction Businesses
- 3.6.4 Membership to Associations in the Construction Sector
- 3.7.1 Distribution of Businesses in the Trade sector by Employment Size Band
- 3.7.2 Regional Distribution of Businesses in the Trade Sector
- 3.7.3 Employment in the Trade Sector
- 3.7.4 Employment in the Sale, Repair and Maintenance of Motor Vehicles sub sector
- 3.7.5 Distribution of Businesses and Employment in the Wholesale sub sector
- 3.7.6 Distribution of Businesses and Employment in the Retail Trade sub sector
- 3.7.7 Distribution of Businesses by Type of Legal Ownership
- 3.8.1 Comparison of the Hotels and Restaurants sector 2001/02 and 2006/07
- 3.8.2 Distribution of Businesses in the Hotels and Restaurants sector by Employment size Band
- 3.8.3 Regional Distribution of Hotels and Restaurants
- 3.8.4 Employment in Hotels and Restaurants
- 3.8.5 Legal Ownership of Hotels and Restaurants
- 3.8.6 Membership to Associations in the Hotels and Restaurants Sector
- 3.9.1 Distribution of Transport Businesses by Employment Size band by Activity
- 3.9.2 Employment by Sex in the Transport Sector
- 3.9.3 Membership to Associations in the Transport Sector
- 3.9.4 Distribution of Posts and Telecommunications Businesses by Employment Size band
- 3.9.5 Regional Distribution of Posts and Telecommunications Businesses
- 3.9.6 Employment by Sex in the Posts and Telecommunications Sector
- 3.9.7 Membership to Associations in the Posts and Telecommunications Sector
- 3.10.1 Businesses in the Finance Sector by Activity 2001/02 and 2006/07
- 3.10.2 Distribution of Finance Businesses by Activity by Employment Size Band
- 3.10.3 Regional Distribution of Businesses in the Finance Sector

- 3.10.4 Employment by Activity and Sex, 2001/02 and 2006/07
- 3.10.5 Average Employment size by Activity 2001/02 and 2006/07
- 3.10.6 Legal Ownership of Businesses in the Financial Intermediation Sector
- 3.10.7 Membership to Associations in the Finance Sector
- 3.11.1 Businesses in the Insurance Sector, 2001/02 and 2006/07
- 3.11.2 Businesses in the Insurance Sector by Employment Size band
- 3.11.3 Regional Distribution of Businesses in the Insurance Sector
- 3.11.4 Employment in the Insurance Sector 2001/02 and 2006/07
- 3.11.5 Average Employment by Activity 2001/02 and 2006/07
- 3.11.6 Legal Ownership of Businesses on the Insurance Sector
- 3.11.7 Membership to Associations in the Insurance Sector
- 3.12.1 Comparison of Service Businesses , 2001/02 and 2006/07
- 3.12.2 Distribution of Service Businesses by Employment Size band
- 3.12.3 Distribution of Business Services by Region
- 3.12.4 Employment by Sex in Business Services
- 3.12.5 Legal Ownership of Business Services
- 3.13.1 Distribution of Education Businesses by Employment Size Band
- 3.13.2 Distribution of Education Businesses by Region
- 3.13.3 Employment by Sex in Education Sector
- 3.13.4 Legal Ownership of Education Businesses
- 3.13.5 Membership to Associations in the Education Sector
- 3.14.1 Number of Health Businesses by Activity, 2001/02 and 2006/07
- 3.14.2 Businesses in the Health and Social Work Sector, by Employment Size band
- 3.14.3 Regional Distribution of Businesses in the Health and Social Works sector
- 3.14.4 Employment by Activity and Sex in the Health Sector 2001/02 and 2006/07
- 3.14.5 Average Employment by Activity in the Health Sector 2001/02 and 2006/07
- 3.14.6 Ownership of Businesses in the Health and Social Works Sector
- 3.15.1 Distribution of Businesses in the Community and Personal Services Sector
- 3.15.2 Regional Distribution of Community and Personal Services Sector
- 3.15.3 Employment by Sex in the Community and Personal Services Sector
- 3.15.4 Legal Ownership in the Community and Personal Services Sector
- 4.1 Coverage of Districts

## LIST OF FIGURES

- 2.1 Businesses by Employment Size band
- 2.2 Regional Distribution of businesses
- 2.3 Employment by Sex
- 2.4 Businesses by main type of Legal Ownership
  - 3.1.1 Percentage Distribution of Agricultural businesses
  - 3.1.2 Regional distribution of Agriculture Businesses in Agriculture
  - 3.1.3 Ownership of Businesses in the Agriculture Sector
  - 3.2.1 Fishing Businesses by Employment Size band
  - 3.2.2 Regional Distribution of Fishing Businesses
  - 3.2.3 Ownership of Businesses in the Fishing Sector
  - 3.3.1 Distribution of Mining and Quarrying Businesses
  - 3.3.2 Regional distribution of mining Businesses
  - 3.3.3 Ownership of Mining & Quarrying Businesses
  - 3.4.1 Regional Distribution of Businesses in the Manufacturing Sector
  - 3.4.2 Employment by Sex in the Manufacturing Sector
  - 3.4.3 Average Employment in the Manufacturing Sector
  - 3.4.4 Legal Ownership of Businesses in the Manufacturing Sector
  - 3.5.1 Regional Distribution of Utilities
  - 3.6.1 Regional Distribution of Businesses in the Construction Sector
  - 3.6.2 Legal Ownership of Construction Businesses
  - 3.7.1 Regional Distribution of Businesses in the Trade sector
  - 3.8.1 Regional distribution of Hotels and Restaurants
  - 3.8.2 Legal Ownership of Hotels and Restaurants
  - 3.9.1 Comparison of Transport Businesses 2001/02 and 2006/07
  - 3.9.2 Legal Ownership of Transport Businesses
  - 3.9.3 Regional Distribution of the Posts and Telecommunications Businesses
  - 3.9.4 Legal Ownership in the Posts and Telecommunications Sector
  - 3.10.1 Regional Distribution of Finance Businesses
  - 3.11.1 Regional Distribution of Insurance Businesses
  - 3.12.1 Regional Distribution of Business Services
  - 3.12.2 Legal Ownership of Business Services
  - 3.14.1 Percentage Distribution of Health Businesses by Region
  - 3.14.2 Employment by Sex and Activity
  - 3.15.1 Regional Distribution of Community and Personal Services
  - 3.15.2 Legal Ownership of Community and Personal Services



## ACRONYMS

BR	Business Register
DISO	District Internal Security Officer
CAO	Chief Administrative Officer
DFID	UK Department of International Development
DPC	District Police Commander
GDP	Gross Domestic Product
ISIC	International Standard Industrial Classification
KEI	Key Economic Indicators
LC	Local Council
NGO	Non Governmental Organization
PSFU	Private Sector Foundation Uganda
RDC	Residence District Commissioner
UBOS	Uganda Bureau of Statistics
UMA	Uganda Manufacturers Association
URA	Uganda Revenue Authority

## FOREWORD

The 2006/2007 Business Register (BR) update was an exercise covering all the sectors of the economy except the Public sector and it aimed at providing an updated list of businesses employing 5 or more persons. This BR survey was based on the 2001 to 2002 Business Register which was already in place.

*John. B. Male-Mukasa*  
*Executive Director, Uganda Bureau*



The objectives of the survey were to:

- Establish the number and size of private sector associations and businesses operating in Uganda by activity, location and level of employment.
- Analyse and present the geographical categorization of enterprises by district
- Establish business ownership (by sex, nationality and type)
- Establish the level of female involvement in business activities

Although some businesses provided information on Membership to Business Associations, a majority did not due to the fact that the respondents in most cases were employees with limited knowledge of the business' affiliations.

Due to the Cosmopolitan nature of Kampala and because more than 45 percent of the businesses in the country are located in this district, regional analysis has been done in such a way that Kampala is taken as a region. To the extent possible an attempt has been made to compare the BR results of 2006/07 with the 2001/02 BR results.

The Bureau undertook the update of the BR with 50 percent funding from the Private Sector Foundation Uganda, (PSFU) and 50 percent from the UK Department of International Development, (DFID). We therefore wish to acknowledge and appreciate the support of DFID and the co-partnership of PSFU and encourage the continuation of such collaboration in the future.

We are grateful to the Business Community for providing the required data amidst competing demands and to the District Officials for the guidance they provided to the staff when undertaking the exercise. We look forward to their continued cooperation.

**J.B. Male-Mukasa**  
**Executive Director**

**June 2007**

## **EXECUTIVE SUMMARY**

The 2006/2007 Business Register update was an exercise to bring up to date the 2001/02 BR mainly on businesses employing 5 or more persons with the exception of the following areas: Health and Social Work sector; Nursery Schools; Business Services including Legal Services, Accountancy Firms and other Consultancy Firms; Financial Intermediation and Insurance; Travel Agencies and Tour Operators; Radio Stations and Posts and Telecommunication and some Manufacturing businesses. The limitation to this was mainly due the limited finances available to undertake a complete registration.

In 2006/07 the total number of businesses registered was nearly 26,000. Of these, businesses employing five or more persons were 17,300 compared to 10,500 in 2001/02, showing a growth of over 60 percent in the businesses. A distribution of businesses by employment size band showed that businesses employing 5 and above persons had the highest proportion, 64 percent. Regional distribution showed that Kampala had the highest number of businesses in all sectors. The total employment in businesses was close to 320,000 persons, 68 percent of whom were male and average number of employees per business was 12 persons. More than 50 percent of the businesses were Sole Proprietorships. Highlights of the findings by sector are given below.

### **Agriculture and Fishing**

The Agriculture sector, (including Fishing) contributed 29.5 percent to GDP in 2006. The coverage in this Agriculture sector was restricted to Large Commercial Agriculture. The number of businesses engaged in this sector increased from 359 in 2001/02 to 382 in 2006/07 representing a 6 percent increase. The Western region had more than half of the businesses in this sector. The total number of persons employed in the sector was 28,407 with females accounting for 17 percent of total employment.

### **Mining and Quarrying**

The contribution of the sector to GDP was less than 1 percent in 2006. There was no significant increase in the number of businesses in this sector due to its informal nature. The total number of employees in this sector was 1,493.

## **Manufacturing**

This is one of the main sectors in the economy divided into formal and informal Manufacturing. The BR update focused on the formal sector whose contribution to GDP was 6.1 percent in 2006. Manufacturing businesses employing 5 or more persons increased from 2290 in 2001/02 to 3,014 in 2006/07, an increase of 32 percent. Forty two percent of the Manufacturing businesses were located in Kampala while the Northern Region has the least number, only 6 percent. In addition the Northern region had no businesses manufacturing Chemicals and Chemical Products nor Processing Coffee. The total employment in the sector was over 72 thousand persons and out of this 79 percent were males. The Tea Processing sector employed the highest number of persons 32 percent of total employment. The average employment in a Manufacturing business was 22 persons.



*Mr. James Mubiru,  
Deputy Executive Director*

## **Construction**

Construction businesses increased by 247 in 2001/02 to 282 in 2006/07, an increase of 23 percent. The contribution of the sector to GDP was 9.1 percent in 2006 compared to 7 percent in 2002. Regional distribution shows that 63 percent of the Construction businesses were found in Kampala. The total employment in the sector was 8,993 persons in 2006/07, out of which females accounted for 14 percent.

## **Utilities**

The contribution of the Utilities sector to GDP was 1 percent in 2006 and 38 percent of the businesses were in the Western region. The total employment in the Utilities sector was close to 3,000 persons and average employment was over 90 persons per business. Most of the businesses in the sector were Government owned.

## **Trade**

The total number of businesses registered in the sector was 5,469, 47 percent of which were in the Retail Trade sub sector. The sector contributed 10.6 percent to GDP in 2006 and 56 percent of businesses were in Kampala. The total number of persons employed was 46,776 with the least proportion in the Wholesale Trade sub sector, only 21 percent. Sole Proprietorships were the main kind of legal ownership, 43 percent while Partnerships were 42 percent and Private Limited Companies were 10 percent. In the Wholesale Trade sub sector 74 percent of the employees were male while in the Retail Trade sub-sector 27 percent of the persons employed were female. The average employment size in the Retail Trade sub sector was 5 persons per business.

### **Hotels and Restaurants**

The number of Hotels and Restaurants increased from 1,971 in 2001/02 to 3,231 in 2006/07, an increase of 64 percent. Regional distribution showed that 40 percent of the Hotels and Restaurants were in Kampala. The total employment in the sector was 32,796, 54 percent of which were females. The main form of legal ownership was Sole Proprietorship, accounting for close to 80 percent of the businesses.

### **Transport and Storage**

The Transport sector contributed 8.7 percent to GDP in 2006. The number of businesses in Transport sector employing 5 or more persons increased from 292 in 2001/02 to 500 businesses in 2006/07. In 2006/07, close to 75 percent of the businesses employed less than 10 persons and regional distribution showed that 64 percent of businesses were in Kampala. The Transport Support sub sector had close to 80 percent of the businesses. Total employment in the sector was 14,914, 84 percent of whom were male. Finally the Water Transport sub sector employed less than 1 percent of total employees, and 68 percent of the businesses were Private Limited Companies.

### **Posts and Telecommunications**

In 2006/07 the number of businesses in the Post and Telecommunications were 156 and 44 percent were engaged in National Postal activities. The Posts and Telecommunications sector contributed 4.5 percent to GDP in 2006. Distribution of businesses by region shows that Kampala had 34 percent of businesses in the Posts and Telecommunications sector. The number of employees in this sector was 2,751 out of which 30 percent were female. The Telecommunications sub sector employed an

average of 47 persons per business and 84 percent of the businesses were Private Limited Companies.

### **Financial Intermediation**

The businesses in the Financial Intermediation sector more than doubled to 993 in 2006/07 from 417 in 2001/02. The sector employed 12,678 persons of which 42 percent were female. The employment in the Finance sector increased by 81 percent in 2006/07 compared to 2001/02. The majority of businesses were Private Limited Companies (35 percent) and NGOS were 18 percent.

### **Insurance**

The number of Insurance businesses rose to 165 in 2006/07 from 122 in 2001/02 representing a 35 percent increase. In 2006/07, 52 percent of the businesses were located in Kampala. The sector employed slightly more than 1,200 persons, 41 percent of them being female. The employment in the sector grew by 14 percent in 2006/07 compared to 2001/02 and 81 percent of the businesses were Private Limited Companies.

### **Business Services**

Total number of business establishments in this sector rose to 1,029 in 2006/07 from 553 in 2001/02 representing 86 percent increase. A regional distribution showed that 67 percent of the Business Services were found in Kampala. A total of 27,540 persons were employed in the sector, of which only 18 percent were female. Private Limited Companies dominated the sector, with 46 percent followed by Sole Proprietorships, with 25 percent.

### **Education**

The total number of businesses in this sector was close to 2,500 employing close to 21,000 persons in 2006/07, 54 percent of them being female. The majority of employees were in Primary Education specifically Nursery Schools accounting for 80.4 percent. The contribution of the Education sector to GDP was 4.9 percent in both 2006 and 2002. A majority of the businesses were Sole Proprietorships, 56 percent and the Central region had close to 50 percent of businesses in the Education sector.

### **Health and Social Works**

The number of businesses in the Health and Social Works sector were 5,341 in 2006/07, an increase of 63 percent from 2001/02 when they were 3,273 businesses. The Health sector contributed about 2.9 percent to GDP in 2006. The number of employees was approximately 31,000 persons in 2006/07, an increase by 78 percent, of these, 55 percent were female. Regional distribution of the businesses showed that 39 percent were located in Kampala and 70 percent of the businesses were Sole Proprietorships while NGOs were 10 percent.

### **Community and Personal Services**

The numbers of businesses in the Community and Personal Services sector in 2006/07 were 1,041 and 53 percent were found in Kampala. The sector employed 13,000 persons, 35 percent of them being female. Recreation, Culture and Sports sub-sector had the largest share of employment (about 45 percent). More than 60 percent of employees in the Hair Dressing and Beauty Treatment businesses were female. About 40 percent of the businesses were Sole Proprietorships, followed by Private Limited Companies and NGOs with 19 percent and 18 percent respectively.



## **1.0 INTRODUCTION AND BACKGROUND**

A Business Register (BR) is a record of all active business establishments. Essentially, it contains structural information about each business, including (but not limited to) name, economic activity, location and employment by sex. This structural information is central to the collection of business statistics because it enables one to identify and describe more precisely each business participation in the economy.

A Business Register provides a starting point for many studies and related surveys in an economy. It provides the means of selecting a sample that accurately represents a population of business establishments to be surveyed and studied.

Uganda Bureau of Statistics (UBOS) under the provisions in the Uganda Bureau of Statistics Act, 1998, is mandated to maintain and update a Business Register.

Since 2000, UBOS has undertaken two updates of the Business Register. The first one was conducted in the period 2001/02 followed by the 2006/07 update, which is the main focus of this report. Before providing detailed analysis of the 2006/07 Business Register update, we provide an overview of the 2001/02 Business Register update.

### **1.1 The Uganda Business Register 2001/02**

The Uganda Bureau of Statistics undertook an update of the BR and fieldwork started in Kampala in February 2001 and was completed in Kotido in October 2002. The fieldwork covered all businesses with fixed premises where at least one person was employed, including market stalls, shops and kiosks.

All economic activities as listed in the International Standard Industrial Classification (ISIC) Rev. 3 were registered, except Government Departments and Embassies. For the Agriculture sector, only formal agricultural activities were covered (Dairy Farms, Tea and Sugarcane Estates and the bulk of Commercial Agriculture). Unlike in other sectors, where informal sector activities were covered, subsistence agriculture was left out.

In Education, only tertiary and pre-primary institutions were covered. Information on primary and secondary schools was obtained from the Ministry of Education and Sports, and this data was later used as a sampling frame for the Uganda Business Inquiry (UBI).

Coverage of businesses employing less than five people differed from district to district. In Kampala and a number of other districts<sup>1</sup>, all the areas were covered. In the remaining districts however, complete coverage was done only in urban areas. In order to identify all such urban areas, reference was made to the 1991 Population and Housing Census, which listed all urban areas with a population at least of 1,000 people. However, in recognition of the fact that this data was over 10 years old, and that many other areas had developed into sizeable urban populations in the intervening years, further advice was sought from district officials as to which new urban areas should be included.

For the formal sector establishments, however, those businesses employing five people and above were covered wherever they were found, whether in rural or urban areas.

All the districts of the country were covered apart from Kitgum and Pader, because of the security situation in the said districts at that time.

## **1.2 Some findings of the 2001/02 BR update**

The Uganda Business Register (UBR) for 2001/02 had information on both formal and informal businesses, but was restricted to businesses with fixed premises. The definition of formal businesses varied from industry to industry, but generally all businesses employing 5 and more persons were considered to be formal. In such sectors as services, finance and insurance, some businesses with fewer than 5 employees could be considered to be formal. The information in the Uganda Business Register showed that there were over 160,000 business establishments, employing approximately 444,000 persons. The regional distribution showed that the Central Region had the highest proportion of businesses in the country (just over 60 percent) with 63 percent of the persons employed. The Eastern Region had only 19 percent of businesses while Northern Region had the lowest number of businesses, 6 percent, and offered the least opportunities for employment (5 percent) (Business Register Report, 2001/02). Businesses employing 5 and above persons were as indicated in the table below

---

<sup>1</sup> Other districts deemed (for the purposes of that survey) to be 100% urban were (in alphabetical order): Jinja; Kayunga; Luwero; Masaka; Mbale; Mbarara; Mpigi; Mubende; Mukono; Rakai; Sembabule; Wakiso.

**Table 1.1      Number of businesses by Region, 2001/02.**

Region	Employment	
	Not Stated	5 Plus
Central	83	6,699
Eastern	43	1,431
Northern	23	721
Western	27	1,718
<b>Total</b>	<b>176</b>	<b>10,569</b>

*Source: Uganda Bureau of Statistics Business Register Report 2001/02*

From the results there were only 10,569 businesses employing 5 or more persons, representing 13 percent of total businesses. The Central Region had the highest number of formal businesses and, although Western Region was second to Central Region, it had only 16 percent of formal businesses, while Eastern and Northern Regions had 14 percent and 7 percent of formal businesses respectively.

### **1.3 The 2006/07 Business Register Update**

UBOS in collaboration with the Private Sector Foundation Uganda (PSFU) undertook the update of the BR based on the BR generated during the 2001/02 update exercise. The main objectives of the exercise included:

- Establishing the number and size of private sector associations and businesses operating in Uganda by activity, location and level of employment from a sample of establishments employing at least 5 permanent staff.
- Obtaining harmonized data on the state of the private sector in Uganda, the size, distribution, type of business and level of employment.
- Analyzing and presenting the geographical categorization of enterprises by district
- Establishing business ownership (by sex, nationality and type)
- Establishing the level of female involvement in business activities

As mentioned earlier, this update was mainly focusing on business employing five and more persons except for such businesses engaged in the following activities:

- Health and Social Work
- Nursery Schools

- Other Business Services, including Legal Services, Accountancy Firms and other Consultancy Firms
- Financial Intermediation and Insurance
- Travel Agencies and Tour Operators
- Radio Stations
- Posts and Telecommunication

All businesses engaged in any of the above mentioned activities were registered irrespective of the number of employees as long as they had a fixed location.



Caution should be taken here that mainly Nursery Schools, and, Adult and Other Education were updated because a complete list of all Primary and Secondary schools can be obtained from the Ministry of Education and was not included in this report.

*Pharmacies were covered irrespective of employment size.*

A summary of the exclusions and inclusions in this report by activity code is shown in Table 1.2 below.

**Table 1.2 Summary of the sectors excluded in the BR Update**

ISIC Division	Activity Description	Activity Code
Education	<ul style="list-style-type: none"> <li>General Secondary Education</li> <li>Higher Education</li> </ul>	8021 8030
Public Administration and Defense	<ul style="list-style-type: none"> <li>All activities</li> </ul>	7511-7530
Private Households with Employed persons and Extra Territorial Organizations	<ul style="list-style-type: none"> <li>Embassies etc</li> </ul>	9500-9900
All businesses employing less than 5 persons were excluded except those engaged in:	<ul style="list-style-type: none"> <li>Health and Social Work</li> <li>Nursery Schools, Vocational and Adult Education</li> <li>Other Business Services, including Legal Services, Accountancy Firms and other Consultancy Firms</li> <li>Financial Intermediation and Insurance</li> <li>Travel Agencies and Tour Operators</li> <li>Radio Stations</li> <li>Posts and Telecommunication</li> </ul>	8511-8532 8010, 8022, 8090  7411-7499  6511-6720  6301-6309  9313 6411-6412

#### 1.4 Activity Classification

Like in earlier surveys, classification of industries is according to the United Nations International Standard Industrial Classification of Economic Activities (ISIC).<sup>2</sup> However, to be able to indicate the importance of certain key economic activities in Uganda, which would otherwise be impossible to scrutinize under the general ISIC codes, it was deemed necessary to assign special local codes to such activities. This was done within the framework of ISIC. Table 1.2 shows these activities and the local codes assigned to them.

<sup>2</sup>

For a detailed description of the ISIC Classification, refer to **United Nations International Standard Industrial Classification of all Economic Activities**, Statistical Papers Series M, No. 4, Revision Three, New York, 1990.

**Table 1.3      Classifications of Special Activities**

Activity Description	Local Code	ISIC Code	ISIC Activity Class under which the described activity falls
Coffee Processing	1530	1531	Manufacture of Grain Mill Products
Tea Processing	1534	1549	Other Food Products not elsewhere classified
Manufacture of Jaggery	1545	1542	Manufacture of Sugar
Cotton Ginning	1710	1711	Preparation and Spinning of Textile Fibres, Weaving of Textiles

*Source: Uganda Bureau of Statistics*

### **1.5      The 2006/07 BR Update Instruments**

Each questionnaire was given a unique batch number and within a questionnaire each sheet was given a unique sheet number and each business was numbered serially. A questionnaire had a maximum of 15 sheets and as such could only accommodate a maximum of 225 businesses.

## **2.0 GENERAL FINDINGS**

### **2.1 Introduction**

This Chapter presents the overall structure of the businesses following the 2006/07 update exercise. It provides the status and number of businesses in 2006/07 compared to 2001/02. It further provides details of the distribution of businesses by Activity, Region, Employment Size, Legal Ownership and Gender. Analysis of age of businesses was found lacking because in most cases some of the respondents did not know when the business started and in some cases due to change of ownership, the new owners could only provide the date when the ownership changed. This was also true for Membership to Associations. Although an attempt was made to collect data on this, in most cases, respondents did not know to which Association the businesses were members.

### **2.2 Distribution of Business**

Over 25,000 businesses were registered in the 2006/07 BR update. Of these businesses employing more than five persons were 17,084 compared to 10,569 registered in 2001/02 showing a growth of over 60 percent in the businesses as shown in Table 2.1.

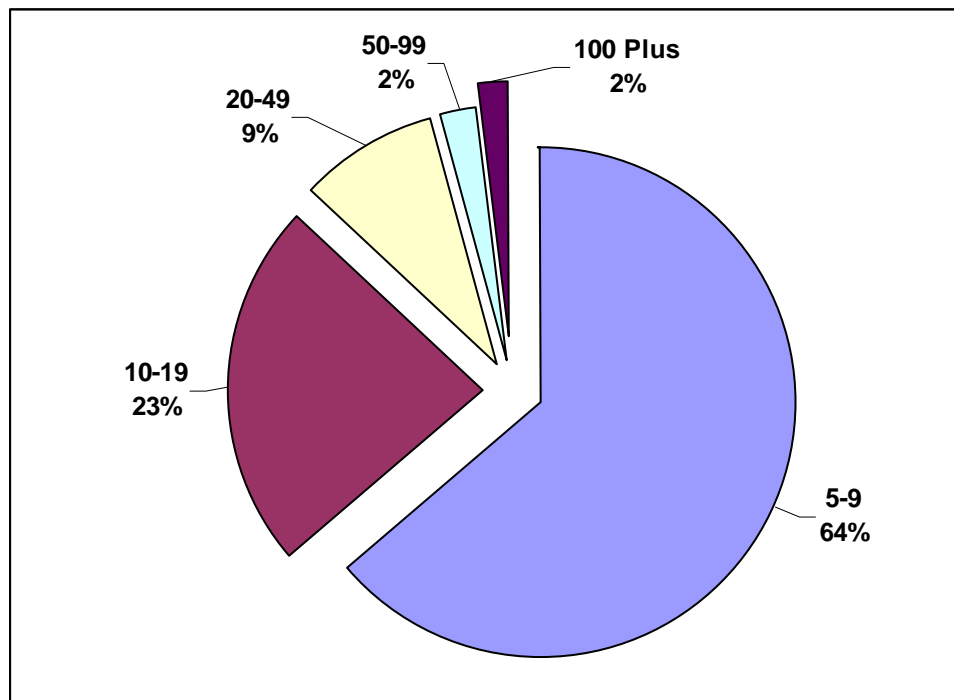
There was a growth of more than 60% in businesses in 2006/07

#### **2.2.1 Businesses by Employment Size Band**

Out of the businesses employing 5 and above persons, the highest proportion, 64 percent, were those employing between 5 and 9 persons figure 2.1 followed by businesses employing between 10-19 persons with 23 percent. Out of the businesses employing between 5 and 9 persons, 35 percent were in the Health and Social Work Sector while 10 percent were in the Trade sector.

64% of the businesses employ between 5-9 persons.

**Figure 2.1 Businesses by employment size band**



## 2.3 Regional Distribution of the Businesses

For analysis purposes, Uganda was divided into five Regions thus Kampala, Central, Eastern, Northern and Western. Kampala was taken as a separate region because of the high concentration of businesses in the district, while the Central region includes all other districts in the region except Kampala. In subsequent regional analysis therefore Kampala district is treated as a region.

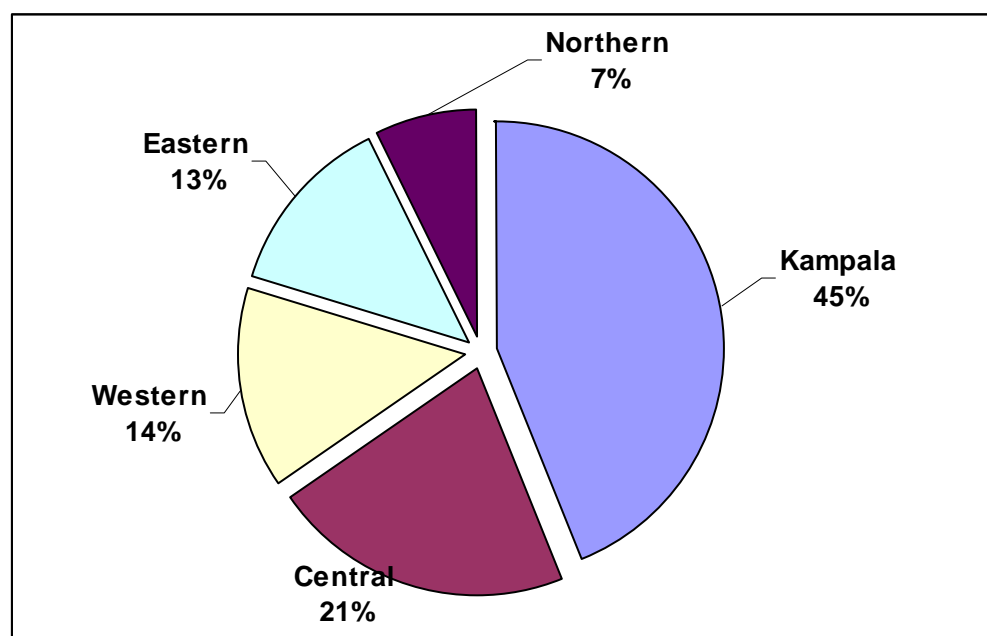
### 2.2.1 Region by Industry

Kampala has the highest number of businesses in all sectors in 2006/07 except in Education, Agriculture, Forestry and Fishing as shown in Appendix 6.4.

45% of the businesses are in Kampala.



**Figure 2.2 Regional distributions of businesses**



The Central region had the highest number of businesses undertaking Education and Fishing activities, while most of the Large Agricultural Farms were found in the Western region. The Northern region on the other hand had the lowest number of businesses in almost all the industry groups. Detailed information on this is found in Appendix 6.4.

A comparison with businesses employing 5 or more persons in 2001/02 and 2006/07 shows that the Northern region registered the highest increase of 80 percent in businesses followed by the Central region with 64 percent. The Western region had the lowest increase in businesses of only 49 percent.

The Northern region had the highest increase in businesses of 80 percent in 2006/07 compared to 2001/02.

**Table 2.1 Regional comparison between 2001/02 and 2006/07**

<b>Businesses</b>			
<b>Region</b>	<b>2001/02</b>	<b>2006/07</b>	<b>% increase</b>
Central	6,699 <sup>3</sup>	11,003	64.2
Eastern	1,431	2,226	55.6
Northern	721	1,297	79.9
Western	1,718	2,558	48.9
<b>Total</b>	<b>10,569</b>	<b>17,084</b>	<b>61.6</b>

<sup>3</sup> Kampala data is included in the Central Region  
*Business Register Update 2006/07, (UBOS & PSFU)*

2.4     Employment in the Businesses

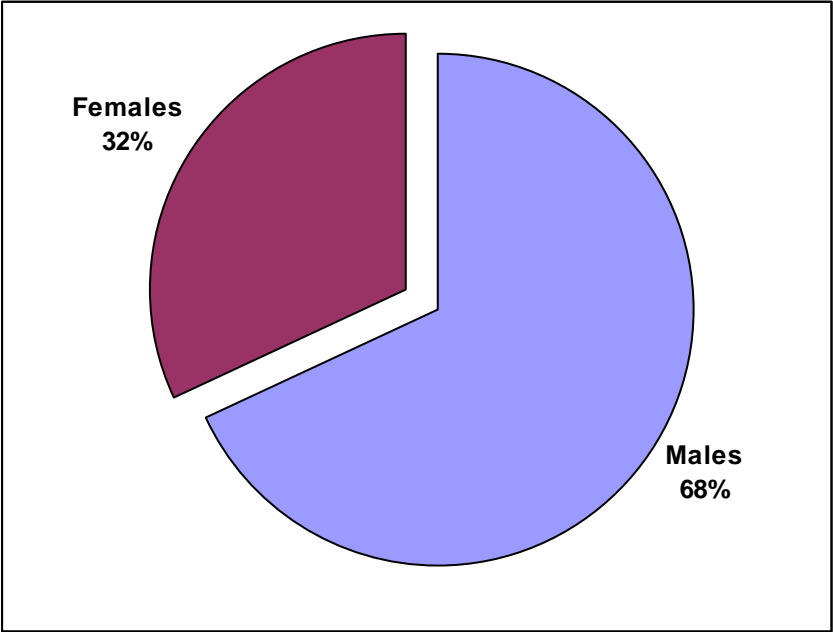
This is the total employment in all the sectors covered in line with the criteria stated in Table .1.2. The total number of persons employed was 317, 795.

68% of total employees were males.

2.4.1    Employment by Sex

In 2006/07 the total persons employed in businesses was nearly 320,000 and of these, 68 percent were male compared to only 32 percent female.

Figure 2.3     Employment by Sex



55% females of the employees in the Heath sector were female.

The distribution of employees by industry shows that the Manufacturing Sector had the highest number of employees 23 percent followed by the Trade Sector with 15 percent. Although the males dominate in most of the sub sectors, 55 percent of the employees in the Health and Social Services sector were female compared to only 45 percent male. In both Education Hotels and Restaurants sub sectors, 54 percent of the employees were female compared to only 46 percent male. Appendix 6.6 provides a break down of employment by sex by industry.

2.4.2    Size of Businesses

On average, a business in 2006/07 employed 12 persons. A critical analysis of the sectors shows that the Utilities sector employed close to 100 persons per business

Average employment size per business was 12 persons.

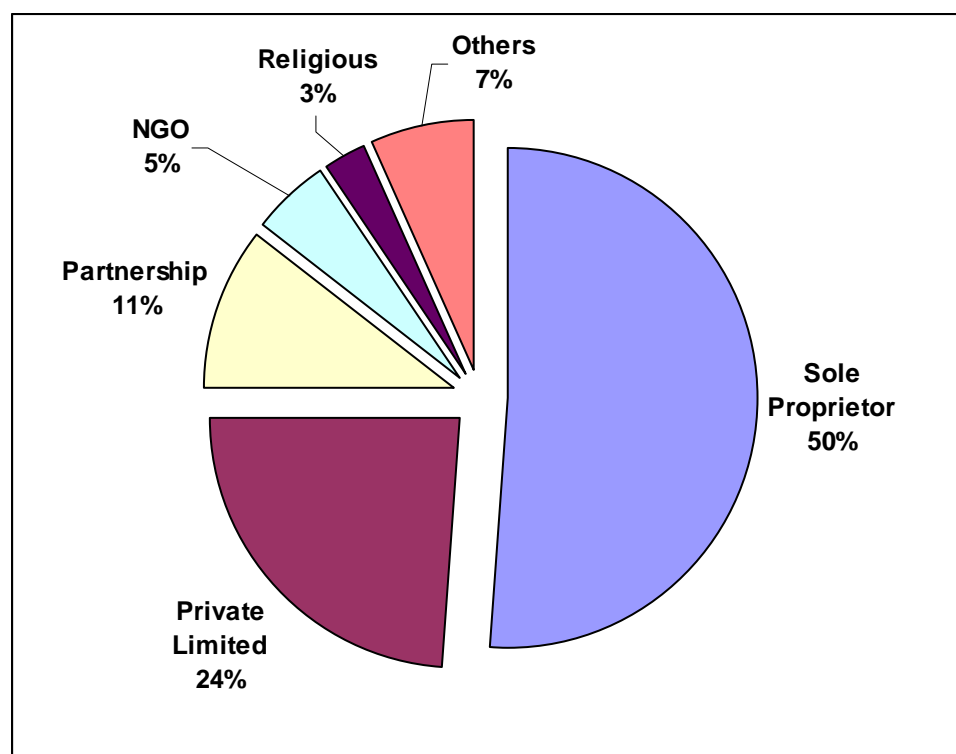
followed by the Manufacturing<sup>4</sup> sector with 49 persons and Agriculture and Forestry with 69 persons. The sector with the lowest employees per business was the Health and Social Works sector where the average employment per business was only 6 persons.

## 2.5 Legal Ownership of Businesses

Half of the businesses were Sole Proprietorships.

Analysis of businesses employing more than 5 persons in 2006/07 shows that 50 percent were under Sole Proprietorships followed by 24 percent Private Limited Companies and 11 percent Partnerships. Out of the businesses that were owned as Sole Proprietorships, 29 percent were in the Hotels and Restaurants sub sector followed by 24 percent in the Trade sub sector and 20 percent in the Manufacturing sub sector. No businesses employing more than five persons were owned as Sole Proprietorships in the Mining and Quarrying, Construction, Utilities, Finance and Insurance sectors.

**Figure 2.4 Businesses by main type of Legal Ownership**



Among businesses that were under Private Limited type of ownership, 30 percent were in the Trade sector and 19 percent were in the Manufacturing sector.

## 2.6 Nationality of owners of businesses

<sup>4</sup> Includes Food Processing and Other Manufacturing  
*Business Register Update 2006/07, (UBOS & PSFU)*

Nearly 70 percent of the businesses did not provide data on Nationality of owners. However 27 percent of the businesses were owned by Ugandans followed by Indians with 1 percent as shown in Table 2.6 below.

**Table 2.2 Nationality of Business Owners**

<b>Nationality</b>	<b>Freq.</b>	<b>Percent</b>
Ugandan	6,901	27.10
Indian	285	1.12
British	73	0.29
Kenyan	60	0.24
Other Asian	60	0.24
Other African	41	0.16
Other European	37	0.15
American (USA)	37	0.15
Chinese	33	0.13
South African	19	0.07
Other	18	0.07
Italian	16	0.06
Tanzanian	10	0.04
German	9	0.04
Canadian	9	0.04
Pakistani	8	0.03
French	6	0.02
Other American	4	0.02
Other Australian	4	0.02
Australian	2	0.01
Japanese	1	-
Not Stated	17,834	66.56
<b>Total</b>	<b>25,467</b>	<b>100.00</b>

## **2.7 Membership to Associations**

Although 90 percent of the businesses could not provide information on Membership to Associations, tabulations were generated for those businesses that responded.

Out of the businesses that responded 32 percent were members of the Uganda Manufacturers' Association. The other Associations to which majority of businesses belonged were:

- Association of Micro Finance Institutions of Uganda
- Uganda Law Society
- Uganda Medical and Dental Practitioners Association

- Uganda Private Security Association.

Details of membership to Association by Sector are provided in Appendix 6.13

## **2.8 Summary**

There was a more than 60 percent growth in businesses in 2006/07 compared to 2001/02. Northern region had the highest increase of 80 percent in businesses in 2006/07 compared to 2001/02. The majority of businesses (64 percent) employed between 5-9 persons and Kampala had the highest percentage of businesses (45 percent). Out of the total persons employed, 68 percent were male; however 55 percent of employees in the Health sub sector were female. On average employment size per business was 12 persons. Half of the businesses were Sole Proprietorships while the Uganda Manufacturers' Association had the highest membership.

## 3.0 SECTOR-SPECIFIC FINDINGS

### 3.0 Introduction

This chapter gives a detailed analysis of each Sector while looking at coverage, number of businesses, regional distribution, employment, legal ownership, regional distribution and membership to association of businesses. The set up is such that sectors are considered as they appear in the International Standard Industrial Classification (ISIC) of all economic activities, revision Three.

### 3.1 Agriculture

#### 3.1.1 Introduction

This sector covers crop growing, including growing of cereals, horticulture, fruits, vegetables, beverage and spice crops. The sector also covers Animal Rearing including domestic animals such as cows, goats, sheep etc and Mixed Farming which includes both growing of crops and rearing of animals. The sector's contribution to GDP has been decreasing from 35.8 percent in 2002 to 29.5 percent in 2006. Coverage of this sector however was only restricted to Large Commercial Agricultural Farms since most of the agriculture is undertaken at household level.

Agricultural sector contributed 29.5% to GDP in 2006.

#### 3.1.2 Number of Businesses in the Agricultural Sector between 2001/02 and 2006/07

The number of businesses employing five (5) or more persons in this sector went up from 359 in 2001/02 to 382 in 2006/07 representing 6 percent increase. The number of businesses employing between 10 between 19 remained the same as shown in table 3.11 below.

Number of Business establishment went up by 6% in Agricultural sector 2006/07

**Table 3.1.1 Businesses Employing 5 or more persons between 2001/02 and 2006/07**

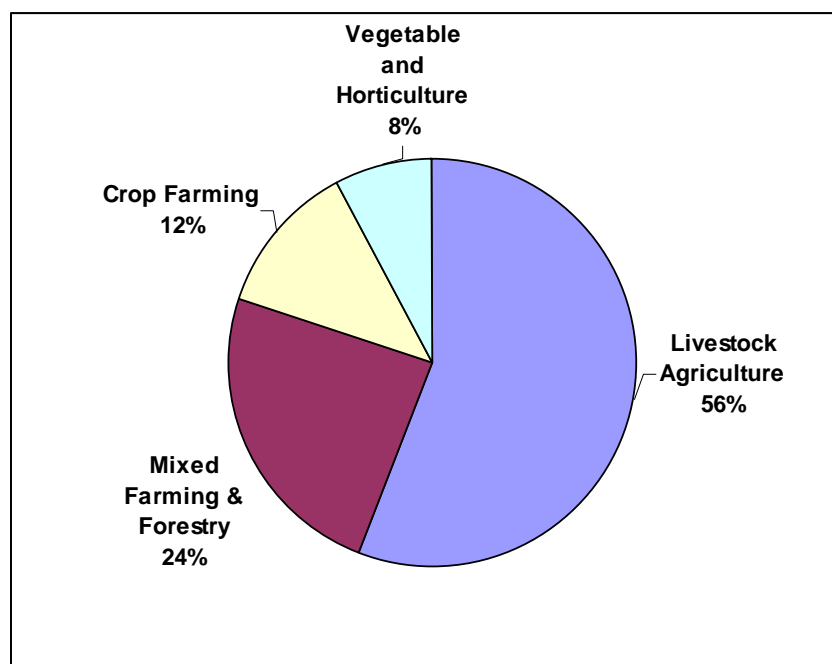
<b>Employment Size Band</b>	<b>2001/02</b>	<b>2006/07</b>	<b>% Change</b>
5-9	177	187	6
10-19	92	92	0
20-49	38	45	18
50 or more	52	58	12
<b>Total</b>	<b>359</b>	<b>382</b>	<b>6</b>

A distribution of businesses in each sub sector shows that 56 percent of the businesses were engaged in Livestock Agriculture followed by 24 percent in Mixed Farming sub sector. The least number of businesses, only 8 percent were in the Vegetables and Horticulture sub sector.



**A Tea Plantation**

**Figure 3.1.1 Percentage distribution of Agricultural Businesses**



### 3.1.3 Businesses in Agricultural Sector by Employment Size

Findings show that of the 187 businesses employing 5 to 9 persons, 117 businesses were in the Livestock sub sector, 63 percent, while 61 businesses were in the Mixed Farming and Forestry sub sector. Out of the businesses employing 100 and more persons 50 percent were engaged in Crop Farming activity while 43 percent were businesses in the Vegetable and Horticulture sub sector. Out of all the businesses in the Agricultural sector, the highest proportion of 56 percent were involved in Livestock Agriculture followed by Mixed farming and Forestry with 24 percent as shown in Table 3.1.2 below.

**Table: 3.1.2 Businesses in the Agriculture Sector, by Activity and Employment Size Band, 2006/07**

Activity	Not stated	Employment Size Band						Total	Percent
		1- 4	5-9	10-19	20-49	50-99	100 Plus		
Crop Farming	1	2	4	4	9	8	22	50	12
Vegetables and Horticulture			5	3	3	2	19	32	8
Livestock Agriculture	15	5	117	64	23	4	2	230	56
Mixed Farming& Forestry	2	5	61	21	10		1	100	24
<b>Total</b>	<b>18</b>	<b>12</b>	<b>187</b>	<b>92</b>	<b>45</b>	<b>14</b>	<b>44</b>	<b>412</b>	<b>100</b>

### 3.1.4. Regional Distribution of Agricultural Businesses by Sub sectors

The distribution of businesses by region showed that 53 percent of the businesses were in Western region and 39 percent were in Central region. The Eastern, Northern and Kampala regions had the least number of businesses as shown in Table 3.1.3 and Figure 3.1.2 below.

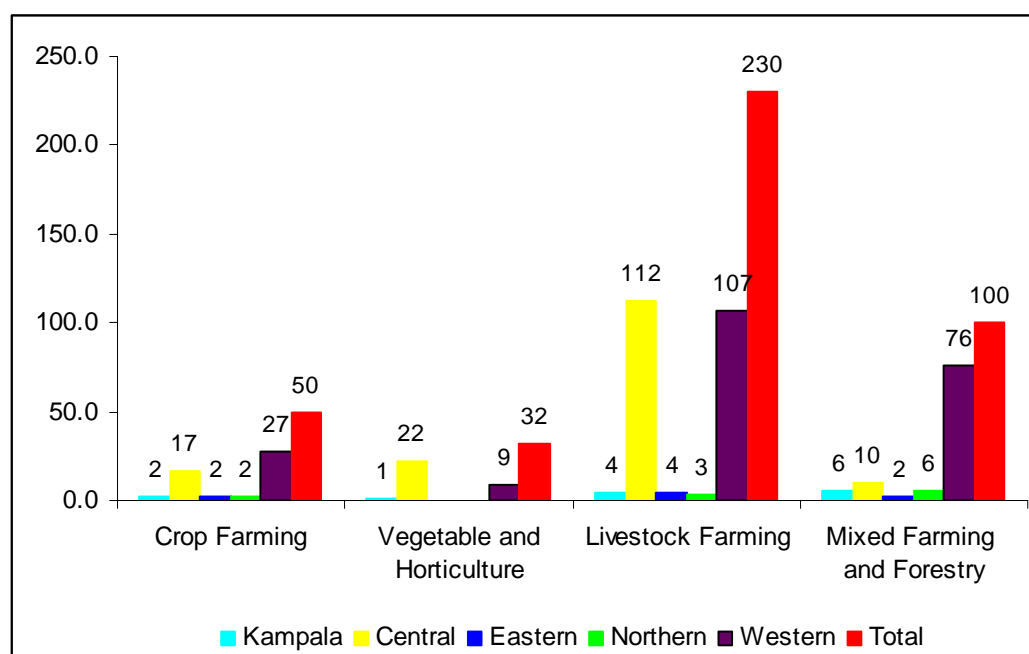
The Western region had 53% of businesses.



**Table: 3.1.3 Regional distribution of Agriculture Businesses, 2006/07**

Region	Number of Businesses	Agricultural Sub Sectors			
		Crop Farming	Vegetable and Horticulture	Livestock Farming	Mixed Farming and Forestry
Kampala	13	2	1	4	6
Central	161	17	22	112	10
Eastern	8	2	-	4	2
Northern	11	2	-	3	6
Western	219	27	9	107	76
<b>Total</b>	<b>412</b>	<b>50</b>	<b>32</b>	<b>230</b>	<b>100</b>

**Figure: 3.1.2 Regional distribution of businesses in Agricultural Sector**



### 3.1.5 Employment in Agriculture sector

It was found that businesses in Agriculture Sector employed 28,407 persons in total. The Table 3.1.4 below shows that male dominated employment except in Vegetable and Horticulture sub sector. The Crop Farming sub sector employed the highest number of females, while Mixed Farming employed the least. Although the Livestock Agriculture sub sector had the largest number of businesses (230), it had only 10 percent of the total

Crop Farming sub sector employed 70% of total employment.

employment compared to 16 percent in the Vegetable and Horticulture sub sector which had the least number of businesses. The Crop Farming sub sector employed the highest number of persons accounting for 70 percent of the total employment.

**Table 3.1.4 Employment in Agriculture Sector by Activity**

Agriculture sub sector	Businesses	Number of Employees		
		Male	Female	Total
Crop Farming	50	15,545	4,456	20,001
Vegetables and Horticulture	32	2,098	2,514	4,612
Livestock Agriculture	230	2,224	501	2,725
Mixed Farming	100	851	218	1,069
<b>Total</b>	<b>412</b>	<b>20,718</b>	<b>7,689</b>	<b>28,407</b>

Average employment size was 70 persons per business in the Agriculture Sector.

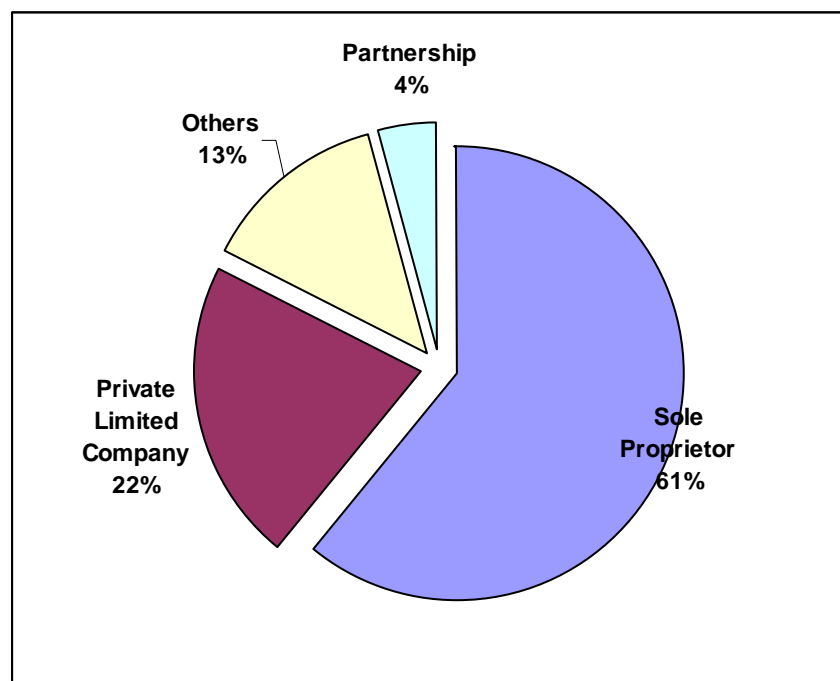
On average nearly 70 persons were employed in each Agricultural business with Crop Farming having highest average employment size of 400 persons per business. This was followed by the Vegetable and Horticulture sub sector with an average of 144 persons per business. The other sub sectors on average employed just 10 persons per business.

### 3.1.6. Ownership of businesses in the Agriculture Sector

61% businesses in Agricultural sector are owned by Sole Proprietor

In Agriculture sector, Sole Proprietors continued to dominate ownership of businesses with 61 percent followed by 22 percent Private Limited Companies see figure 3.1.3.

**Figure 3.1.3 Ownership of Businesses in the Agriculture sector**



### 3.1.4 Membership to Associations

Only 21 of the businesses provided data on Membership to Associations and 16 of these belonged to the Uganda Manufacturers Association. Table 3.1.5 below provides the details by sub sector.

**Table 3.1.5 Membership to Associations in the Agricultural Sector**

Association Name	Crop Farming	Vegetables and Horticulture	Livestock Agriculture	Mixed Farming	Total
Uganda Manufacturers Association	1	14	1	0	16
Uganda National Farmers Federation	0	0	0	1	1
Uganda Investment Authority	0	0	0	1	1
Uganda National Agro-Input Dealers' Association	0	0	0	1	1
Uganda Grain Traders Ltd	1	0	0	0	1
Beef Association	0	0	1	0	1
Not Given	48	18	228	97	391
<b>Total</b>	<b>50</b>	<b>32</b>	<b>230</b>	<b>100</b>	<b>412</b>

### **3.1.5 Summary**

The Agriculture sector contributed 29 percent to GDP in 2006 compared to 36 percent in 2002. The number of businesses engaged in Agriculture went up by 6 percent in 2006/07 compared to 2001/02 and the Western region had the highest number businesses which was 53 percent of the total. Out of the total persons employed Crop Farming sub sector had 70 percent and the average employment size was 70 persons per business in the Agriculture Sector.

## 3.2 Fishing

### 3.2.1 Introduction

This sector covers Fishing, Operation of Fish Farms and Service activities incidental to Fishing. The contribution of the Fishing Sector to GDP slightly declined in 2006 to 1.9 percent compared to 2.1 percent in 2002.

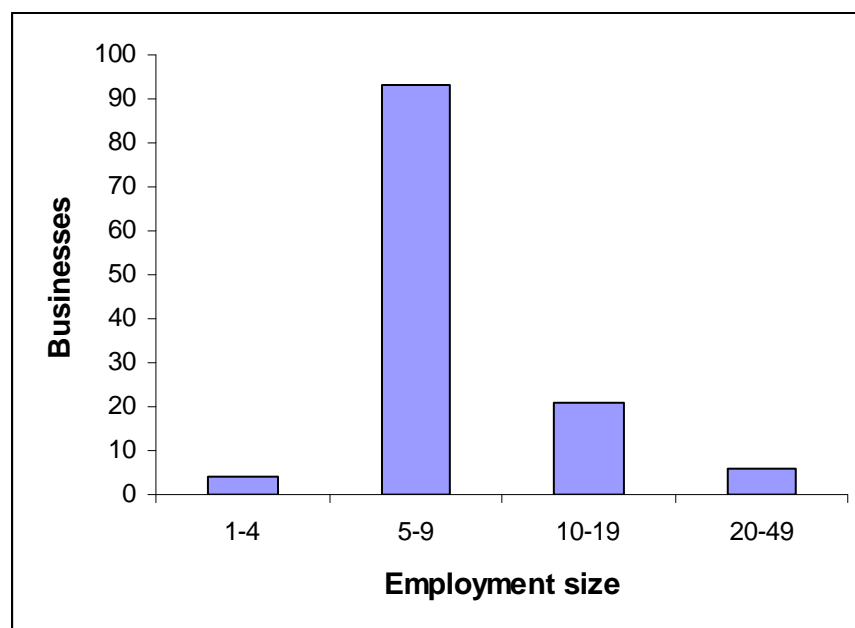


### 3.2.2 Number of Fishing Businesses

75% of the businesses employed between 5 and 9 persons.

Out of 124 Fishing businesses existing in 2006/07, 75 percent employed between 5 and 9 persons and there were no businesses in the sector employing more than 49 persons. Figure 3.2.1 below gives a graphical presentation of this.

**Figure 3.2.1 Fishing Businesses by Employment Size Band**

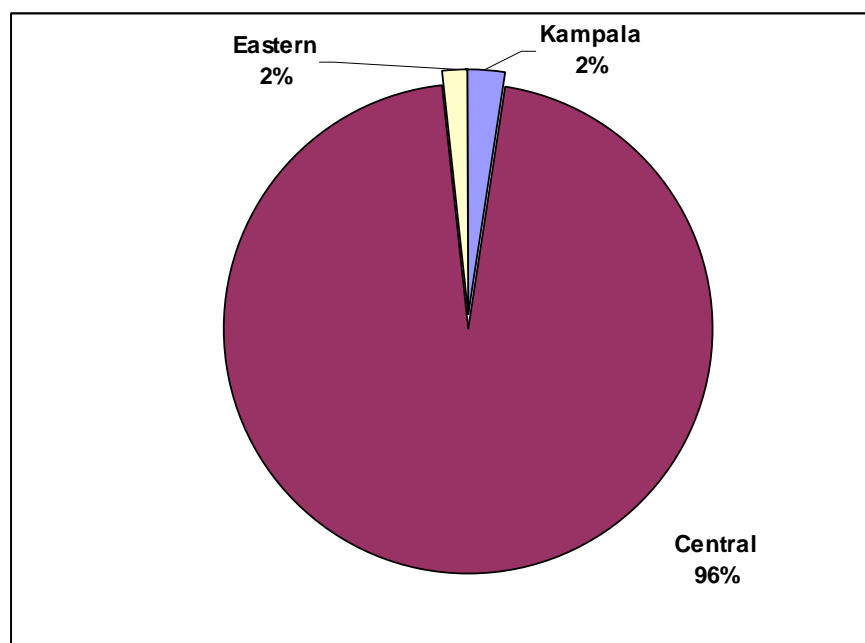


### 3.2.3. Regional distribution of Fishing Businesses

96% of the Fishing businesses were found in the Central region.

A comparison of distribution of Fishing Businesses by region shows that 96 percent of the businesses were located in the Central region while the Western and Northern regions registered no formal fishing business.

**Figure 3.2.2 Regional Distribution of Fishing Businesses**



### 3.2.3 Employment in the Fishing Sector

93% males employed in the Fishing compared to females.

The 124 registered Fishing businesses employed a total of 1,012 persons of which 93 percent were male compared to 7 percent females and the average employment size in a Fishing business was 8 persons as shown in table 3.2.1 below.

**Table 3.2.1 Employment in the Fishing Sector**

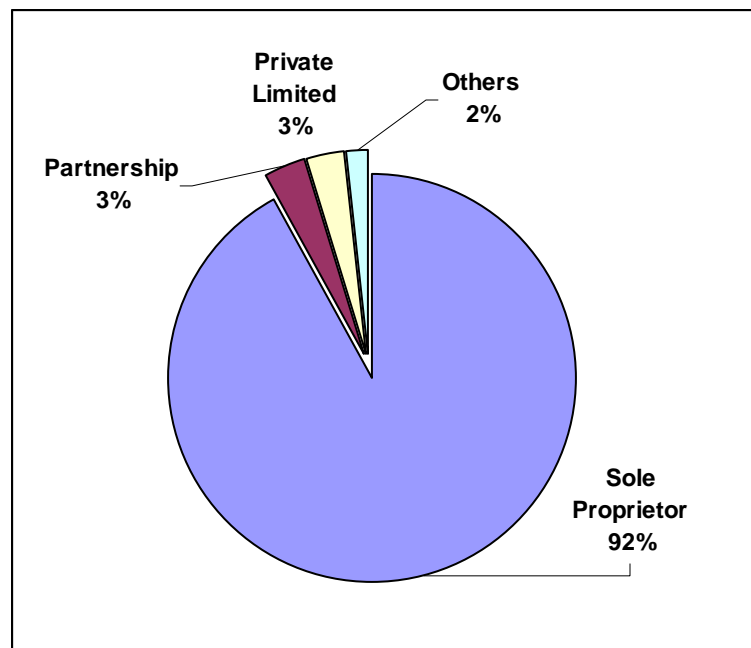
Sector	Businesses	Employment			Average
		Male	Female	Total	
Fishing	124	939	73	1012	8
%		93	7		

### 3.2.5 Ownership of Businesses in the Fishing Sector

92% of fishing businesses were Sole proprietorships.

Figure 3.2.3 gives the breakdown of ownership of fishing businesses. From the table, 92 percent of Fishing businesses were Sole Proprietorships. Partnerships and Private Limited Companies each accounted for only 3 percent of the Fishing businesses.

**Figure 3.2.3 Ownership of Businesses in the Fishing Sector**



### 3.2.6 Membership to Associations

None of the businesses in this sector provided any data of Membership to Associations.

### **3.2.7 Summary**

Out the businesses in the Fishing sector, 75 percent employed between 5 and 9 persons. 96 percent of the Fishing businesses were found in the Central region. Employment data shows that 93 percent of the employees were male compared to only 7 percent females. A Fishing business employed an average of 8 persons and 92 percent of Fishing businesses were Sole Proprietorships.



### 3.3 Mining and Quarrying

#### 3.3.1 Introduction

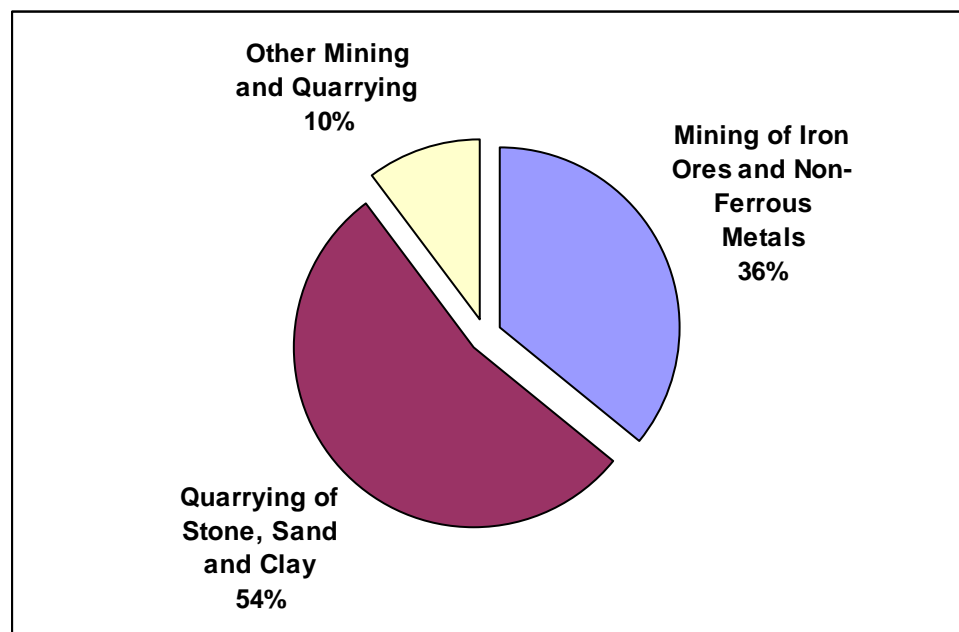
Mining and Quarrying sector encompasses underground or surface mining and all supplementary activities done near or at the mining site. The mining activities classified here include:

- Mining of iron ores;
- Mining of non-ferrous metals;
- Quarrying of stone, sand and clay;
- Other mining and quarrying, such as (but not limited to) extraction of salt.

#### 3.3.2. Number of Businesses in the Mining and Quarrying

In the 2006/07 BR update, only 39 businesses were registered in this sector. The small number of businesses could partly be attributed to the informal nature of activities in this sector. Nearly 55 percent of the businesses were in Quarrying of Stone, Sand and Clay.

**Figure 3.3.1 Distribution of Mining and Quarrying Businesses**



### 3.3.3 Distribution of Businesses by Employment Size Band

30% of businesses employed between 5 and 9 persons.

A distribution of businesses by employment size band as shown in Table 3.3.1 below shows that approximately 30 percent of business employed between 5 and 9 persons, and 75 percent of businesses were in Quarrying of Sand, Stone and Clay sub sector.

**Table 3.3.1 Businesses in the Mining and Quarry Sector by Employment Size Band**

Employment Size Band	Mining of Iron Ores and Non-ferrous metals	Quarrying of stone, sand and clay	Other mining and quarrying	Total	%
0	1	0	1	2	5.1
1-4	4	0	0	4	10.3
5-9	3	9	0	12	30.8
10-19	1	5	0	6	15.4
20-49	2	4	1	7	17.9
50-99	1	3	1	5	12.8
100 Plus	2	0	1	3	7.7
<b>Total</b>	<b>14</b>	<b>21</b>	<b>4</b>	<b>39</b>	<b>100.0</b>

### 3.3.4 Regional Distribution of Businesses

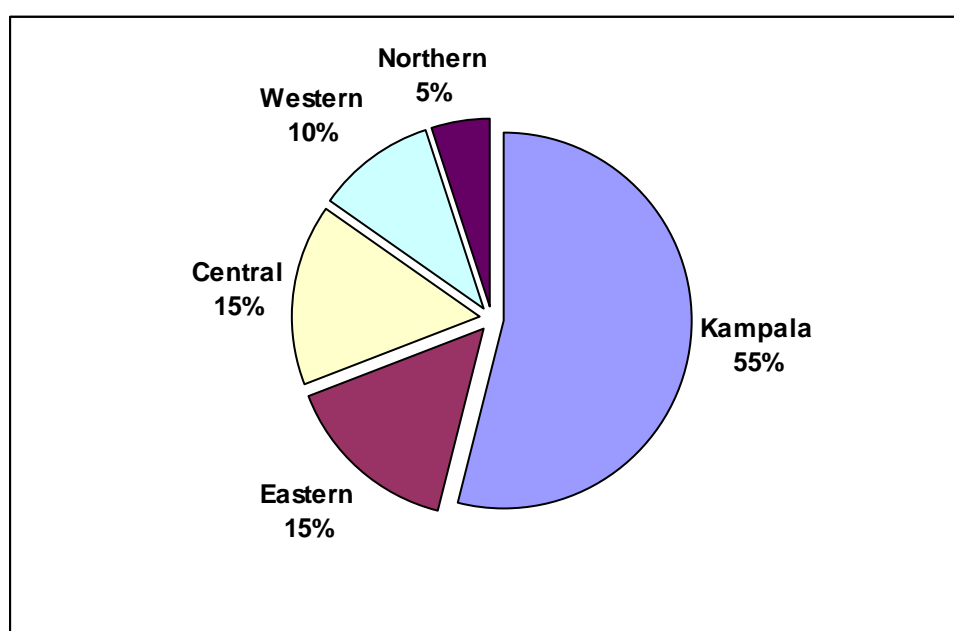
Kampala had 55% of businesses in the Mining and Quarrying sector

Kampala had the highest number of businesses in all sub sectors (55 percent), as shown in Table 3.3.2 below. This was followed by the Central and Eastern regions with 15 percent businesses each, Western region with 10 percent and lastly Northern with 5 percent.

**Table 3.3.2 Regional distribution of Mining and Quarrying businesses**

Activity	Mining of Iron Ores and Non-ferrous metals	Quarrying of stone, sand and clay	Other mining and quarrying	Total	%age Distribution
Kampala	9	9	3	21	53.8
Eastern	1	4	1	6	15.4
Central	0	6	0	6	15.4
Western	3	1	0	4	10.3
Northern	1	1	0	2	5.1
<b>Total</b>	<b>14</b>	<b>21</b>	<b>4</b>	<b>39</b>	<b>100.0</b>

**Figure 3.3.2 Regional Distribution of Businesses**



50% of total employees were in the Mining of Iron Ores and Non Ferrous Metals sub sector.

### 3.3.5 Employment in the Mining and Quarrying Sector

The sector employed close to 1500 persons as shown in Table 3.3.3 below with over 50 percent of employees being engaged in Mining of Iron Ores and Non Ferrous Metals sub sector.

**Table 3.3.3 Employment in the Mining and Quarrying Sector**

Mining & Quarrying sub sector	Businesses	Employment			
		Male	Female	Total	Average
Mining of Iron Ores and Non-Ferrous metals	14	719	83	<b>802</b>	57
Quarrying of stone, sand and clay	21	386	54	<b>440</b>	21
Other mining and quarrying	4	239	12	<b>251</b>	63
<b>Total</b>	<b>39</b>	<b>1344</b>	<b>149</b>	<b>1493</b>	<b>38</b>
%		90.0	10.0		

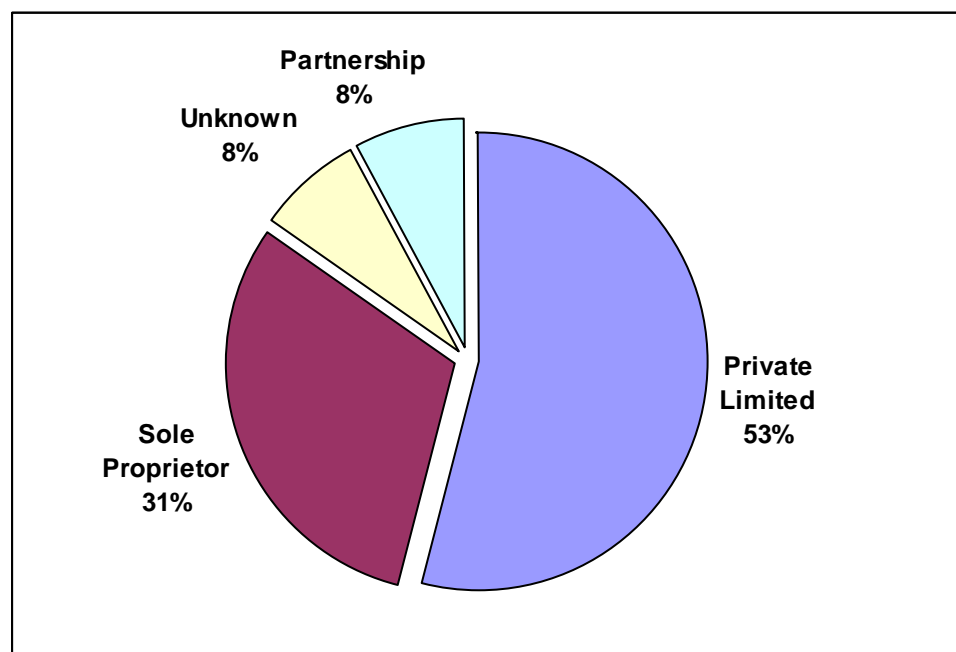
Out of the total persons employed 90 percent were male and the average employment size was 38 persons per business.

### 3.3.6 Ownership in the Mining and Quarrying Sector

Private Limited Companies were the most predominant, accounting for 53 percent of businesses as shown in Figure 3.3.3 below. This was followed by Sole Proprietorships with 31 percent and Partnership with 8 percent.

53 percent of the businesses were Private Limited Companies.

**Figure 3.3.3 Ownership of Mining and Quarrying Businesses by activity**



### 3.3.8 Membership to Associations

Close to 30 percent of the businesses were members of UMA. Other key associations to which businesses belonged to were Uganda Finance Trust and Uganda Freight Forwarders Association as shown in Table 3.3.4 below.

**Table 3.3.4 Membership to Associations in the Mining and Quarrying Sector**

<b>Association Name</b>	<b>Mining of Iron Ores and Non-ferrous metals</b>	<b>Quarrying of stone, sand and clay</b>	<b>Other mining and quarrying</b>	<b>Total</b>
Uganda Manufacturers Association	5	5	1	11
Uganda Finance Trust	na	na	1	1
Uganda Freight Forwarders Association	1	na	na	1
Not Given	8	16	2	26
<b>Total</b>	<b>14</b>	<b>21</b>	<b>4</b>	<b>39</b>

na == not available

### 3.3.7 Summary

Close to 55 percent of the businesses were in the Quarrying of Stone, sand and clay sub sector; while 36 percent of the businesses were in the Mining of Iron Ores sub sector and 30 percent of businesses employ between 5 and 9 persons. Kampala region leads with 55 percent of the businesses in the Mining Quarrying sector. Out of the total employment in the Sector, 50 percent were in the Mining of Iron Ores and Non Ferrous Metals sub sector and 53 percent of the businesses are owned as Private Limited Companies.

### **3.3 Manufacturing**

#### **3.4.1 Introduction**

The Manufacturing Sector is one of the main sectors in the Uganda economy and it is divided into formal and informal manufacturing. The total contribution of the Manufacturing sector to GDP was 8.4 percent in 2006 and 8.6 percent in 2002.

#### **3.4.2 Coverage**

The Manufacturing sector covered here only focused on the formal sector, thus businesses employing 5 persons and above. The businesses covered in this sector were those engaged in the following activities:

- Processing of Meat, Fish and Dairy Products
- Coffee Processing
- Grain Milling
- Tea Processing
- Bakery and Manufacture of Other Food Products
- Manufacture of Beverages & Tobacco
- Manufacture of Textiles and Leather Products
- Sawmilling, Printing & Publishing
- Chemicals and Chemical Products
- Manufacture of Plastics
- Manufacture of Metal Products
- Manufacture of Furniture and Other Manufacturing

#### **3.4.3 Distribution of businesses in the Manufacturing Sector**

Although some manufacturing businesses employing less than five persons were registered in 2006/07, for comparison purposes only businesses employing five persons and above will be used. In 2001/02 a total of 2,425 businesses employing 5 persons and above were registered and out of these, 59 percent were located in the Central region (including Kampala).

In 2006/07, a total of 3,014 businesses employing 5 or more persons existed in the Manufacturing sector and out of these 61 percent were in the Central region. Overall there was an increase of 32 percent of the Manufacturing businesses in 2006/07 compared to 2001/02. The businesses increased by 40 percent, 30 percent and 19 percent in the Central (including Kampala), Western and Northern regions respectively. The Eastern region registered the least increase of 15 percent in Manufacturing businesses in 2006/07 compared to 2001/02. Details are provided in Table 3.4.1 below.

Manufacturing businesses increased by 32% in 2006/07 compared to 2001/02.

**Table 3.4.1 Comparison of Manufacturing Businesses between 2001/02 and 2006/07**

Year	Region					Total
	Kampala	Central	East	North	West	
2001/2		1319*	470	156	345	<b>2290</b>
2006/7	1264	579	542	185	448	<b>3014</b>
% increase		40	15	19	30	32

\*includes Kampala



**Manufacture of Metal Products  
in progress**

### 3.4.3.2 Distribution of Manufacturing Businesses by Employment Size Band

29% of the businesses are engaged in Furniture Making.

A distribution of businesses by employment size shows that out of the 3280 businesses existing in 2006/07, 58 percent were businesses employing between 5 and 9 persons and 18 percent were businesses employing between 10 and 19 persons as shown in Table 3.4.2 below. A further break down of businesses employing 5 and 9 persons showed that 29 percent were in Furniture Making, 21 percent in the Grain milling and 17 percent in the Manufacture of Metal Products. The least number of businesses were those in the Tea Processing sub sector.

**Table 3.4.2 Manufacturing Businesses by Employment Size Band**

Industry	Not Stated	1-4	5-9	10-19	20-49	50-99	Plus 100	Total
Processing of Meat, Fish and Dairy Products	3	15	21	16	11	11	15	92
Coffee Processing	-	24	110	28	15	5	3	185
Grain Milling	3	55	390	119	23	6	3	599
Tea Processing	1	-	1	2	5	3	26	38
Bakery and Manufacture of Other Food Products	2	6	72	54	50	11	8	203
Manufacture of Beverages & Tobacco	2	1	33	19	14	5	9	83
Manufacture of Textiles and Leather Products	3	14	120	36	28	8	11	220
Sawmilling, Printing & Publishing	4	42	199	81	45	5	9	385
Chemicals and Chemical Products	1	11	18	19	21	8	5	83
Manufacture of Plastics	6	7	66	49	27	11	12	178
Manufacture of Metal Products	3	33	326	62	35	13	12	484
Manufacture of Furniture and Other Manufacturing	1	25	545	115	36	7	1	730
<b>Total</b>	<b>29</b>	<b>233</b>	<b>1,901</b>	<b>600</b>	<b>310</b>	<b>93</b>	<b>114</b>	<b>3,280</b>

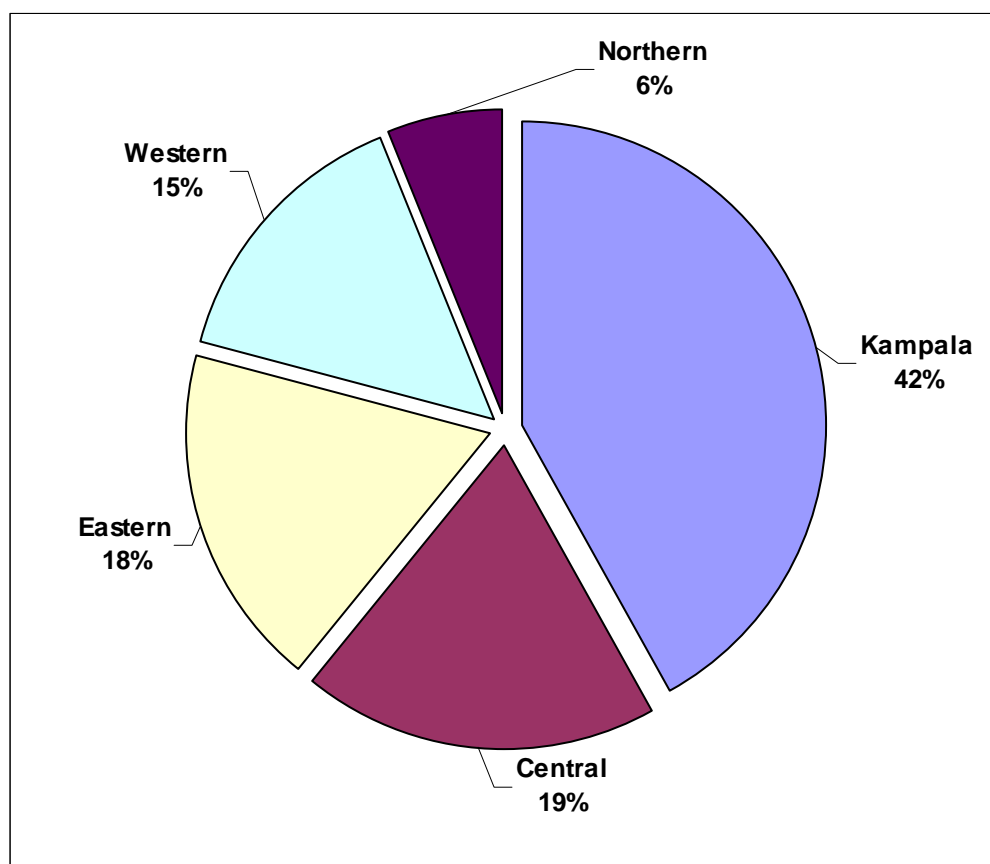
### 3.4.4 Regional Distribution of Businesses

42% of the businesses were located in Kampala.

A Regional distribution of Manufacturing Businesses shows that 42 percent of the businesses were located in Kampala, and the Central and Eastern regions each had close to 20 percent of the businesses. The Northern region has the least number of businesses, only 6 percent.

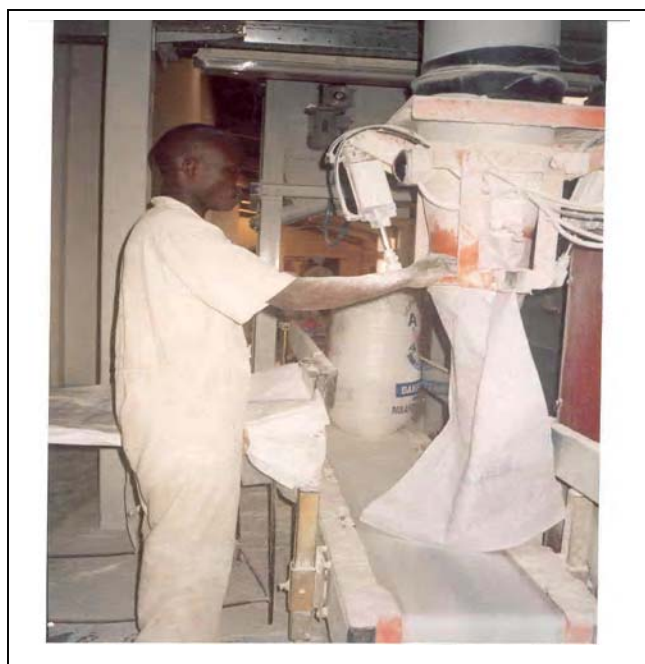


**Figure 3.4.1 Regional Distribution of Businesses in the Manufacturing sector, 2006/07.**



#### **3.4.4.1 Regional Distribution of Businesses by Industry**

A distribution of businesses by region shows that the Kampala had the highest proportion of businesses in all manufacturing sub sectors except Coffee Processing, Grain Milling and Tea processing. The highest proportion of Grain Milling businesses, 32 percent, was located in the Eastern region while more than 60 percent of the businesses engaged in Tea Processing were found in the Western Region. The Central Region had the most Coffee Processing businesses (51 percent) compared to the Northern region which had almost none as shown in Table 3.4.3 below.



*Grain milling in progress*

**Table 3.4.3 Regional Distribution of Manufacturing businesses**

Industry	Region					Total
	Kampala	Central	East	North	West	
Processing of Meat, Fish and Dairy Products	23	19	18	13	19	<b>92</b>
Coffee Processing	21	94	33	1	36	<b>185</b>
Grain Milling	190	98	193	39	79	<b>599</b>
Tea Processing	2	8	3	2	23	<b>38</b>
Bakery and Manufacture of Other Food Products	93	45	25	8	32	<b>203</b>
Manufacture of Beverages & Tobacco	51	12	10	6	4	<b>83</b>
Manufacture of Textiles and Leather Products	80	33	47	26	34	<b>220</b>
Sawmilling, Printing & Publishing	275	35	26	19	30	<b>385</b>
Chemicals and Chemical Products	66	8	7	-	2	<b>83</b>
Manufacture of Plastics	60	37	47	2	32	<b>178</b>
Manufacture of Metal Products	263	79	55	32	55	<b>484</b>
Manufacture of Furniture and Other Manufacturing	250	151	137	51	141	<b>730</b>
<b>Total</b>	<b>1,374</b>	<b>619</b>	<b>601</b>	<b>199</b>	<b>487</b>	<b>3,280</b>

The Northern Region had no businesses manufacturing Chemicals and Chemical Products.

Out of the business manufacturing Chemicals and Chemical Products 80 percent were in Kampala and none Northern region.



*Newspapers from the Printing industry*

#### 3.4.4.2 Regional Distribution by Employment Size

A regional distribution of businesses by employment size band shows that 58 percent of the businesses were those employing between 5 and 9 persons and out of these 38 percent were located in Kampala as shown in Table 3.4.4 below.

**Table 3.4.4 Distribution of Businesses by Region by Employment Size band**

Employment Size Band	Region					Total
	Kampala	Central	East	North	West	
Non Response	18	3	2	1	5	29
1-4	92	37	57	13	34	233
5-9	728	383	378	110	302	1,901
10-19	268	98	101	54	79	600
20-49	175	55	35	15	30	310
50-99	48	19	11	3	12	93
100 Plus	45	24	17	3	25	114
<b>Total</b>	<b>1,374</b>	<b>619</b>	<b>601</b>	<b>199</b>	<b>487</b>	<b>3,280</b>

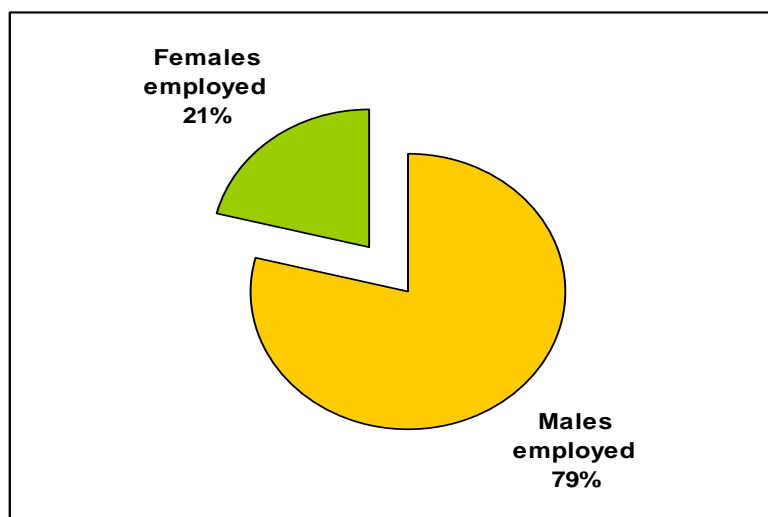
#### 3.4.5 Employment in Manufacturing Businesses

The Manufacturing sector employed nearly 72,200 persons in 2006/07 with 79 percent being male compared to only 21 percent female, figure 3.4.2 below.

**Figure 3.4.2 Employment by Sex in the Manufacturing Sector**

58% of the businesses employ between 5 and 9 persons.

79% of the employees in the Manufacturing sector were male.



The highest percentage of employees, 20 percent, were engaged in the Tea Processing sub sector, and the Coffee Processing and Chemicals Products sub sector had each less than 5 percent of total persons employed.

Out of the male employees in the sector 20 percent of them were in the Tea Processing sub sector and 11 percent in Metal Works. The least number of male employees were in the Coffee Processing and Chemical



**Tea Processing in progress**

manufacture sub sector Out of the total female employees in the

manufacturing sector, 19 percent were engaged in the Tea Processing, 13 percent in the Textiles and 11 percent in the Printing and Publishing sub sectors as shown in Table 3.4.5 below.

**Table 3.4.5 Employment by Sex in the Manufacturing Sector**

Industry	Region					Total
	Number of businesses	Males employed	%	Females employed	%	
Processing of Meat, Fish and Dairy Products	92	4,654	8	1,698	11	6,360
Coffee Processing	185	1,719	3	531	3	2,253
Grain Milling	599	4,579	8	876	6	5,463
Tea Processing	38	11,211	20	2,971	19	14,202
Bakery and Manufacture of Other Food Products	203	5,278	9	1,311	9	6,598
Manufacture of Beverages & Tobacco	83	3,426	6	1,379	9	4,811
Manufacture of Textiles and Leather Products	220	3,469	6	2,018	13	5,493
Sawmilling, Printing & Publishing	385	4,329	8	1,812	12	6,149
Chemicals and Chemical Products	83	1,861	3	747	5	2,611
Manufacture of Plastics	178	4,444	8	663	4	5,115
Manufacture of Metal Products	484	6,068	11	712	5	6,791
Manufacture of Furniture and Other Manufacturing	730	5,763	10	570	4	6,343
<b>Total</b>	<b>3,280</b>	<b>56,801</b>	<b>100</b>	<b>15,288</b>	<b>100</b>	<b>72,189</b>

A comparison of employment figures by industry showed that in all manufacturing sub sectors male employees dominated. Businesses engaged in Furniture making employed 91 percent male compared to only 9 percent female. Similarly, those engaged in manufacture of Metal products employed 89 percent male. The highest proportion of female was found in the Textiles sub sector with 37 percent of total employment.

Businesses employing more than five persons accounted for 99 percent of the total employment in the sector. Businesses employing 100 or more persons had 52 percent of the total number of employees while businesses employing between 5 and 9 persons had 16 percent of total employment. Among the businesses employing 100 or more persons, the Tea Processing sector employed the highest proportion of 37 percent as shown in Table 3.4.6 below.

The Tea Processing sector employs the highest number of persons, 32%.

**Table 3.4.6 Employment by Industry in the Manufacturing Businesses**

Industry	1-4	5-9	10-19	20-49	50-99	Plus 100	Total
Processing of Meat, Fish and Dairy Products	39	133	212	275	766	4,927	6,352
Coffee Processing	67	672	357	405	342	407	2,250
Grain Milling	167	2,400	1,434	628	344	482	5,455
Tea Processing	-	8	35	177	267	13,695	14,182
Bakery and Manufacture of Other Food Products	19	461	748	1439	655	3,267	6,589
Manufacture of Beverages & Tobacco	2	211	267	365	298	3,662	4,805
Manufacture of Textiles and Leather Products	37	708	470	777	505	2,990	5,487
Sawmilling, Printing & Publishing	139	1,225	1,063	1360	350	2,004	6,141
Chemicals and Chemical Products	37	126	223	635	525	1,062	2,608
Manufacture of Plastics	24	405	644	798	722	2,514	5,107
Manufacture of Metal Products	100	1,987	759	871	850	2,213	6,780
Manufacture of Furniture and Other Manufacturing	78	3,333	1,385	978	424	135	6,333
<b>Total</b>	<b>709</b>	<b>11,669</b>	<b>7,597</b>	<b>8,708</b>	<b>6,048</b>	<b>37,358</b>	<b>72,089</b>

Average employment in a Manufacturing business is 22 persons.

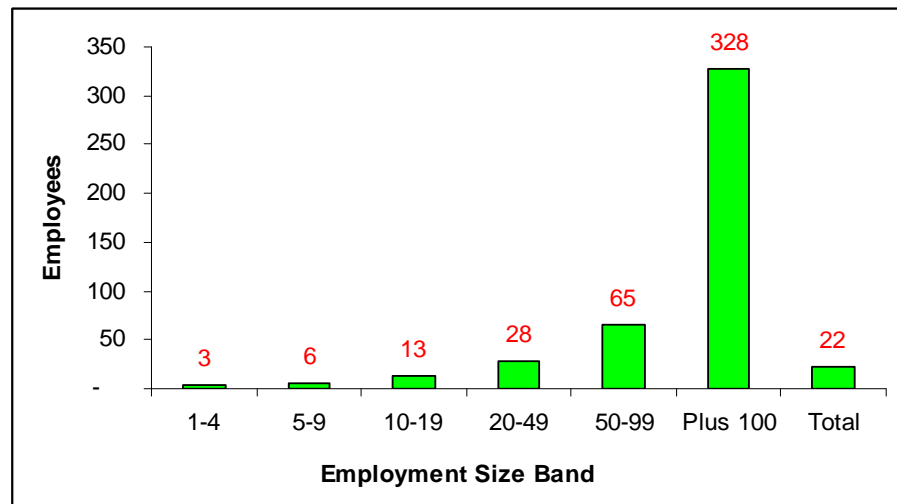
On average a business in the Manufacturing Sector employed 22 persons. Businesses employing 100 or more persons on average employed 328 persons compared to only 3 persons employed in the businesses employing between 1 and 4 persons as shown in

Figure 3.4.3 below.



**Furniture Making**

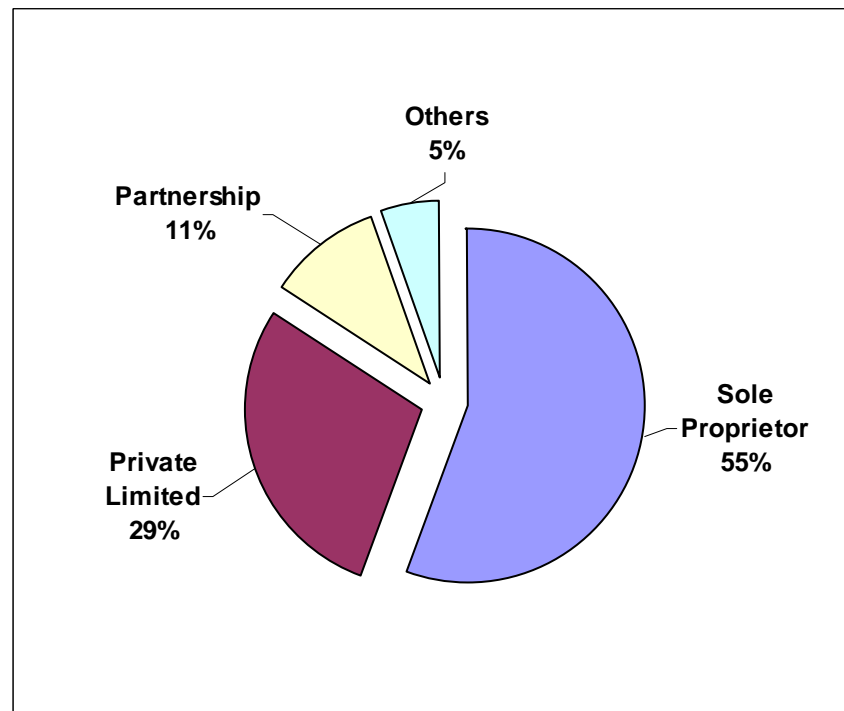
**Figure 3.4.3     Average Employment in the Manufacturing sector**



**3.4.6     Legal Ownership of Manufacturing Businesses**

To the extent possible the legal ownership of businesses was obtained and showed that 55 percent of the businesses were Sole Proprietorships followed by 29 percent which were Private Limited Companies as shown in Figure 3.4.4 below.

**Figure 3.4.4     Legal Ownership of Businesses in the Manufacturing sector**



### **3.4.7 Membership to Associations**

The main Associations to which businesses in the Manufacturing sector belonged were:

- Uganda Manufacturers Association
- Uganda Printers Association
- Kisenyi Millers Association
- Northern Uganda Manufacturers Association and
- Uganda Small Scale Industries.

Details of Membership to Associations are provided in Appendix 6.8. However, 88 percent of the businesses did not provide information of their membership to Associations.

### **3.4.2 Summary**

The total contribution of the Manufacturing sector to GDP was 8.6 percent in 2002 and 8.4 percent in 2006. Manufacturing businesses employing 5 or more persons, increased by 32 percent in 2006/07, compared to 2001/2. A majority, of them, 22 percent were engaged in Furniture Making. Slightly over 40 percent of the Manufacturing businesses were located in Kampala and the Northern Region has the least, 6 percent. In addition, Northern region had no businesses manufacturing Chemicals and Chemical Products nor Coffee Processing. Close to 60 percent of the businesses were those employing between 5 and 9 persons and the total employment in the sector was over 72,000 persons, out of this 79 percent were male. The Tea Processing sector employed the highest number of persons, 32 percent and the average employment in a Manufacturing business was 22 persons.



## 3.5 Utilities

### 3.5.1 Introduction

This sector covers businesses engaged in:

- Production, generation and distribution of Electricity
- Collection, purification and distribution of water

The contribution of the Utilities sector to GDP remained at 1.3 percent in 2002 and 1.0 percent in 2006.

### 3.5.2 Distribution of Utilities



There was no marked change in the number of businesses in this sector in 2001/02 and 2006/07 which stood at 23 and 29 respectively. Close to 90 percent of the businesses were employing 5 or more persons.

#### *Electricity Transmission*

**Table 3.5.1 Distribution of Utilities businesses by employment size band**

Utilities sub sector	Employment Size Band							Total
	Not Stated	1-4	5-9	10-19	20-49	50-99	100 Plus	
Electricity and Gas	1	1	1	5	3	1	2	14
Collection, Distribution and Purification of Water	0	1	1	3	6	3	1	15
<b>Total</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>8</b>	<b>9</b>	<b>4</b>	<b>3</b>	<b>29</b>

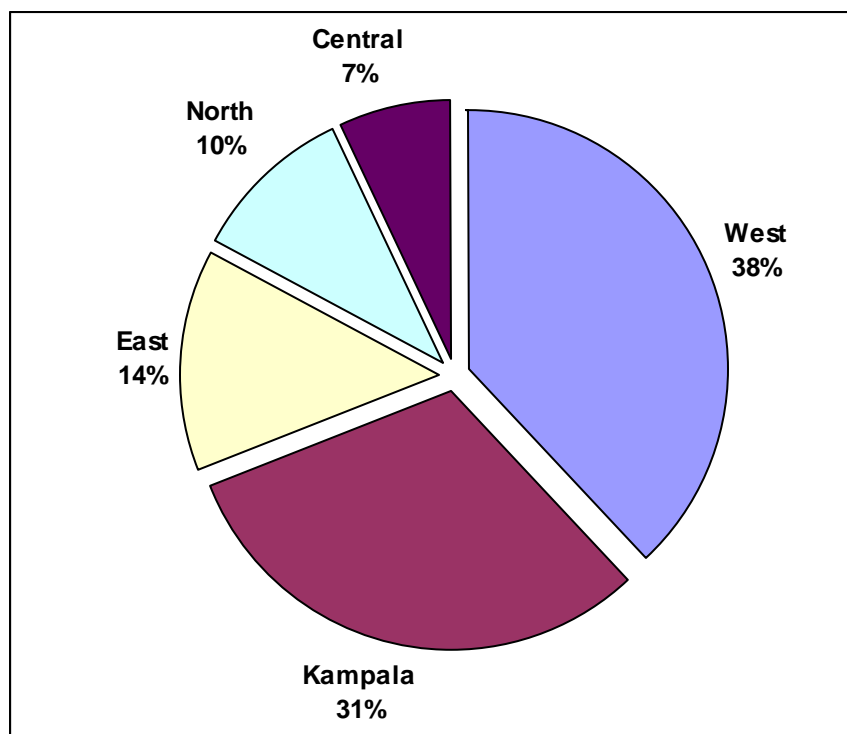
There was almost an equal distribution of businesses in the two sub sectors of Electricity and Water.

### 3.5.3 Regional Distribution of Businesses Services

38% of the Utilities were in the Western region.

A comparison of distribution of Businesses Services across the different regions shows that 38 percent of the businesses were found in the Western region followed by Kampala with 31 percent.

**Figure 3.5.1 Regional Distribution of Utilities**



A further distribution of the Utilities by industry sector shows that although overall the Western region had the highest proportion of businesses; Kampala had the highest number of businesses generating electricity as shown in Table 3.5.2 below.

**Table 3.5.2 Distribution of Utilities by Region**

Utilities sub sector	Region					Total
	Kampala	Central	East	North	West	
Electricity and Gas	7	1	0	0	6	14
Collection, Distribution and Purification of Water	2	1	4	3	5	15
<b>Total</b>	<b>9</b>	<b>2</b>	<b>4</b>	<b>3</b>	<b>11</b>	<b>29</b>
%	31.0	6.9	13.8	10.3	37.9	100.0

### 3.5.4 Employment in the Utilities Sector

The 29 businesses in the Utilities sector employ close to 3000 persons. Out of the total persons employed, 82 percent were male compared to only 18 percent female. A distribution of employment in each of the sub sectors showed that 69 percent of the persons were employed in the Electricity sub sector and only 31 percent in the Water sub sector.

Close to 3000 persons are employed in the Utilities sector.

**Table 3.5.3 Employment by Sex in the Utilities Sector**

Utilities sub sector	Businesses	Employment				Average Employed
		Male	Female	Total	%	
Electricity and Gas	14	1,535	348	1,883	68.8	135
Collection, Distribution and Purification of Water	15	719	136	855	31.2	57
<b>Total</b>	<b>29</b>	<b>2,254</b>	<b>484</b>	<b>2,738</b>	<b>100.0</b>	<b>94</b>
%		82.3	17.7	100.0		

The average employment per business in Utilities sector reduced to 94 persons in 2006/07 from over 100 persons in 2001/02. The Electricity sub sector had the highest average employment size of 135 persons per business.

A business in the Electricity sub sector employed an average of 135 persons.

### 3.5.5 Legal Ownership in the Utilities Sector

The businesses have been categorized according to the main type of Legal Ownership which shows that 45 percent of the businesses were Government owned and less than 4 percent were Sole Proprietorships.

45% of the businesses in the Utilities sector were Government owned.

**Table 3.5.4 Legal Ownership of the Utilities Sector**

Utilities sub sector	Sole Proprietor	Partner ship	Private Limited	Government & Cooperative		Total
				Others		
Electricity and Gas	1	5	3	4	1	14
Collection, Distribution and Purification of Water	0	4	0	9	2	15
<b>Total</b>	<b>1</b>	<b>9</b>	<b>3</b>	<b>13</b>	<b>3</b>	<b>29</b>
%	3.4	31.0	10.3	44.8	10.3	100.0

### 3.5.6 Membership to Associations

From the data provided, 62 percent of the businesses were members to the Uganda Manufacturers Association. Table 3.5.5 provides details of other Associations to which businesses in this sector were members.

**Table 3.5.5 Membership to Associations in the Utilities Sector**

<b>Association Name</b>	<b>Electricity and Gas</b>	<b>Collection, Distribution and Purification of Water</b>	<b>Total</b>
Uganda Manufactures Association	8	10	18
Uganda National Association Of Building And Civil Engineering Contractors (UNABCEC)	0	1	1
Association Of Insurance Brokers	2	0	2
Association Of Private Water Operators	0	1	1
Not Given	4	3	7
<b>Total</b>	<b>14</b>	<b>15</b>	<b>29</b>

### 3.5.7 Summary

The contribution of the Utilities Sector to GDP was 1.0 percent in 2006 and close to 90 percent of the businesses employed 5 or more persons. In the sector, 38 percent of the businesses were in Western region and the total employment was close to 3,000 persons. Business in the Electricity sub sector employed on an average of 135 persons and 45 percent of the businesses in the Utilities sector were owned by Government.

## 3.6 Construction

### 3.6.1 Introduction

The contribution of the Construction sector to GDP was 9% in 2006.

This sector includes general construction, clearing of building sites, demolition or wreckage of buildings and other structures. It also includes civil engineering, work alterations, additions and repair of buildings. Such activities as plumbing, installations, plastering and glazing are also included here. The contribution of the sector to GDP rose to 9.1 percent in 2006 compared to 7.2 percent in 2002. The activities of the sector are categorized as

- Site Preparation and Construction;
- General Constructions, Additions and Alterations;
- Building Completion such as Plastering, Glazing etc

However for purposes of this report, all businesses were considered as construction businesses because almost all of them undertook all the tasks listed.

In 2001/02, the coverage of the businesses engaged in the construction activities was all businesses with a fixed location irrespective of the number of employees. In the 2006/07 BR update, the coverage was restricted to only businesses employing 5 persons and above nevertheless an attempt was made to compare the two.

### 3.6.2 Distribution of Construction Businesses

Construction businesses increased by 14% in 2006/07 compared to 2001/02.

In the 2006/07, there were 282 Construction businesses compared to 247 in 2001/02, an increase of 14 percent. A distribution of Construction businesses by employment size band is shown in Table 3.6.1 below. Results show that businesses employing between 5 and 9 persons had the highest proportion of businesses, 29 percent followed by businesses employing between 10 and 19 persons with 22 percent. The least number of businesses were those employing 100 or more persons.

**Table 3.6.1 Construction Businesses by Employment Size Band**

<b>Employment Size Band</b>	<b>Business</b>	<b>Percent</b>
Not Stated	5	1.8
1-4	57	20.1
5-9	80	28.5
10-19	63	22.2
20-49	38	13.7
50-99	22	7.7
100 Plus	17	6.0
<b>Total</b>	<b>282</b>	<b>100.0</b>



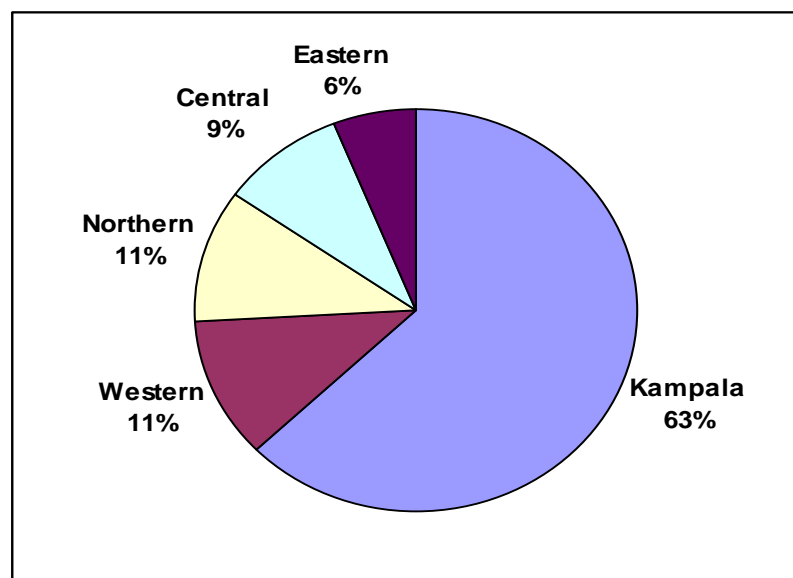
*Construction work in progress*

### **3.6.3 Regional Distribution of Businesses**

The survey results were grouped into five regions as mentioned earlier and Kampala had the highest number of businesses with 63 percent. This was followed by Western and Northern regions with 11 percent each. The Eastern region had the lowest proportion of Construction businesses, only 6 percent (Figure 3.6.1 below).

**63% Construction businesses were found in Kampala.**

**Figure 3.6.1 Regional Distribution of Businesses in the Construction Sector**



### 3.6.4 Employment in the Construction Sector

The total employment in the sector was close to 9,000 persons compared to 7,000 in 2001/02 an increase of 23 percent. The sector employed more males than females in both years however in 2006/07 there were 78 percent more female employees in the sector compared to 2001/02.

Female employment increased in the sector by 78% in 2006/07.

**Table 3.6.2 Employment by Sex in the Construction Sector**

Year	Businesses	Employment			
		Male	Female	Total	Average
2001/02	247	6632	707	7339	30
2006/07	282	7736	1257	8993	32
% increase	14.2	16.6	77.8	22.5	

The average number of persons employed in a single Construction business remained at approximately 30 in both 2001/02 and 2006/07.

### 3.6.5 Ownership of Construction businesses

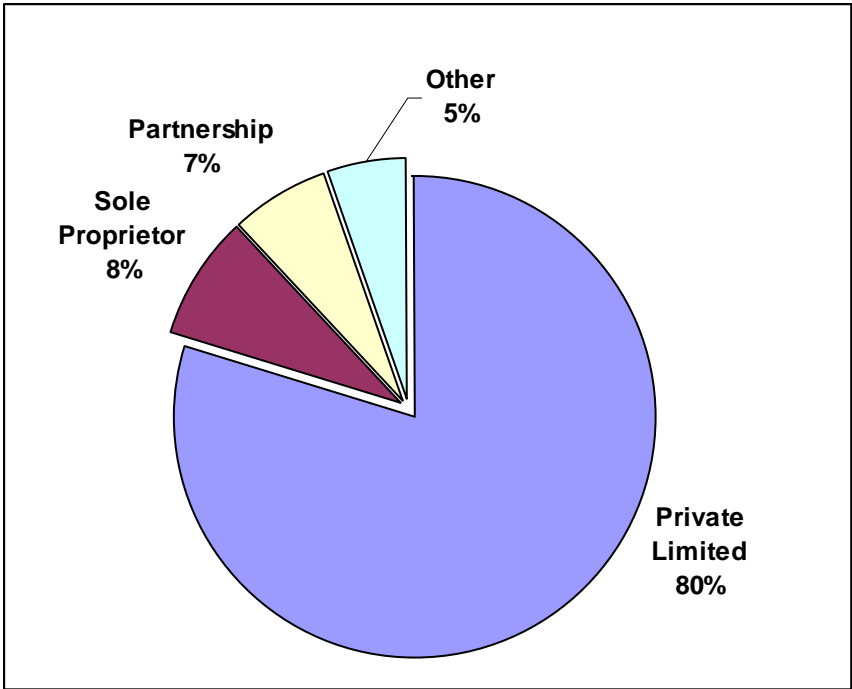
80% of Construction businesses were Private Limited Companies.

Findings show that nearly 80 percent of Construction businesses were Private Limited Companies. This was followed by Sole Proprietorships with approximately 8 percent and Partnerships with 7 percent.

**Table 3.6.3      Legal Ownership of Construction Business**

Type	Businesses	Percent
Private Limited	225	79.8
Sole Proprietor	23	8.2
Partnership	19	6.7
Other	15	5.3
<b>Total</b>	<b>282</b>	<b>100.0</b>

**Figure 3.6.2      Legal Ownership of Construction Business**



**3.6.6      Membership to Associations**

Although there was a high non-response to this, among the businesses that responded, 6 were members of UMA. Others Associations to which businesses were members to are provided in Table 3.6.4.



**Table 3.6.4      Membership to Associations in the Construction Sector**

<b>Association Name</b>	<b>Construction</b>
Association Of Insurance Brokers	0
Association Of Microfinance Institutions Of Uganda	1
Association Of Private Water Operators	0
National Fire Protection Association (International)	1
Uganda College Of Construction And Publishers	1
Uganda Hotels Owners/Operators Association	1
Uganda Institute Of Private Engineers	1
Uganda Manufactures Association (UMA)	6
Uganda National Association Of Building And Civil Engineering Contractors (UNABCEC)	3
Uganda Surveyors Institute	1
Not Given	267
<b>Total</b>	<b>282</b>

### **3.6.7      Summary**

The contribution of the Construction sector to GDP was 9 percent in 2006 compared to 7 percent in 2002. Construction businesses increased by 14 percent in 2006/07 compared to 2001/02 and 63 percent of businesses were found in Kampala. The total employment in the sector was 8,993 in 2006/07. Female employment in the sector increased by 78 percent in 2006/07 compared to 2001/02 and 80 percent of the businesses were Private Limited Companies.

## 3.7 Trade

### 3.7.1 Introduction

The Trade sector contributes an average of 10% to GDP.

Trade refers to buying and re-sale (sale without transformation) of new and used goods. It includes activities of general and specialized businesses done in shops, departmental stores, stalls, mail-order houses, gasoline among others. The sector maintained an average contribution of GDP of approximately 10 percent throughout the period 2001 to 2006.

The sector covers the following activities:

- Sale, Maintenance and Repair of Motor Vehicles, Motor Cycles and Household Goods
- Wholesale Trade
- Retail Trade



*Retail Trade in General Merchandise*

### 3.7.2 Number of Businesses in the Trade Sector

47% of businesses recoded in Trade sector are in Retail Trade.

The total number of businesses registered in 2006/07 in the sector was 5,269, out of these, 2,501 businesses were in Retail Trade which was 47 percent followed by businesses in the Sale and Repair of Motor Vehicle sub sector with 35 percent and Wholesale Trade had the least number of businesses in the sector, only 905 as shown in Table 3.7.1 below. Out of all the businesses in the sector, 52 percent were those employing 5 to 9 persons, and businesses employing 20 or more person constituted only 7 percent.

Out of 2,501 businesses in the Retail Trade sub sector, 55 percent employed between 5 and 9 persons and similarly in the Wholesale Trade sub sector about 50 percent of the businesses employed between 5 and 9 persons.

**Table 3.7.1 Distribution of Businesses in the Trade sector by Employment Size Band**

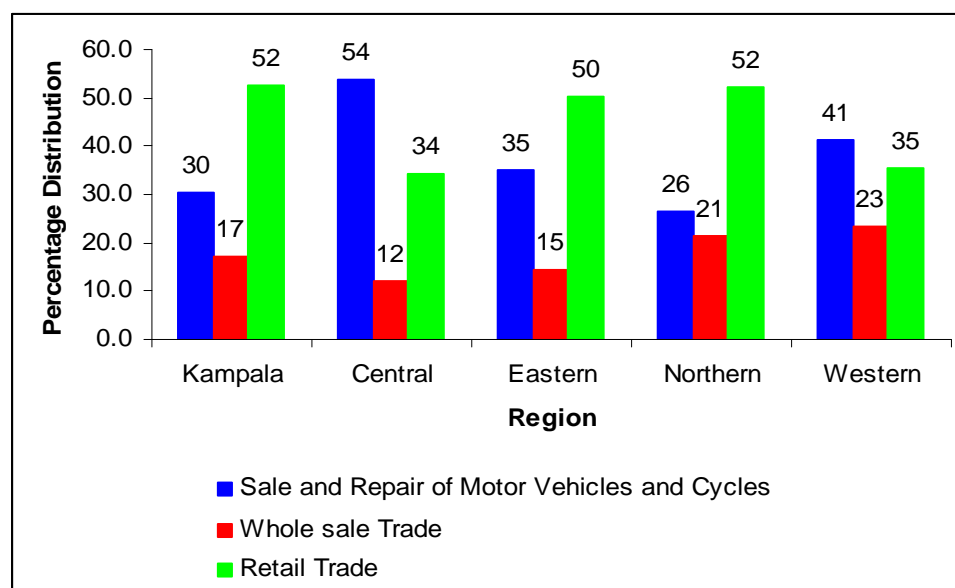
<b>Employment Size Band</b>	<b>Sale &amp; Repair of Motor Vehicles and Cycle</b>	<b>Wholesale Trade</b>	<b>Retail Trade</b>	<b>Total</b>	<b>%</b>
<b>Not stated</b>	13	13	18	<b>44</b>	0.8
<b>1-4</b>	206	178	758	<b>1,142</b>	21.7
<b>5-9</b>	950	439	1,364	<b>2,753</b>	52.2
<b>10-19</b>	509	189	267	<b>965</b>	18.3
<b>20-49</b>	160	62	80	<b>302</b>	5.7
<b>50-99</b>	19	19	9	<b>47</b>	0.9
<b>100 Plus</b>	6	5	5	<b>16</b>	0.3
<b>Total</b>	<b>1,863</b>	<b>905</b>	<b>2,501</b>	<b>5,269</b>	
<b>%</b>	35.4	17.2	47.5	<b>100</b>	

### 3.7.3 Regional distribution of businesses in Trade sector by sub sector

In the Trade sector disaggregating of number of businesses by region was very important and the analysis of Kampala was done independently from the rest of the Central region. Kampala took the lead with 56 percent of the businesses in the entire sector. Of these, the highest numbers of businesses were registered in the Retail Trade sub sector, contributing 52 percent. The Central region followed with 14 percent of businesses. The distribution of businesses in Central region among the three sub sectors showed that 54 percent of the businesses were engaged in the Sale and Repair of Motor Vehicles. Although the Northern region had the least number of businesses, it had the same percentage distribution of businesses dealing in Retail Trade as Kampala as shown in Figure and table 3.7.1 below.

**Kampala had 56% of businesses than other regions.**

**Figure 3.7.1 Regional Percentage Distribution of Businesses in the Trade Sector**



**Table 3.7.2 Regional Distribution of Businesses in the Trade Sector**

Region	Sale and Repair of Motor Vehicles and Cycles	Wholesale Trade	Retail Trade	Total	%
Kampala	898	504	1544	2936	55.8
Central	393	87	251	731	13.9
Eastern	210	87	299	596	11.3
Northern	85	69	169	323	6.14
Western	277	158	238	673	12.8
<b>Total</b>	<b>1863</b>	<b>905</b>	<b>2501</b>	<b>5259</b>	<b>100</b>

### 3.7.4 Employment in the Trade sector

74% of the employees were male.

The total employment in this sector was 46,776 and of these, Sales and Repair of Motor Vehicles and Cycles employed 19,411 persons contributing 42 percent followed by Retail Trade with 37 percent of total employment. The proportions of female employees in this sector were 26 percent compared to 74 percent males. The Retail Trade sub sector employed more females than other sub sectors accounting for 53 percent. The table 3.7.3 shows the employment distribution in the Trade sector by sex.

**Table 3.7.3 Employment in the Trade Sector by Sex**

Trade sub sector	Business	Employment			
		Male	Female	Total	Average
Sale and Repair of Motor Vehicles and Cycles	1,863	16,205	3,206	19,411	10.4
Wholesale Trade	905	7,316	2,545	9,861	10.9
Retail Trade	2,501	11,082	6,422	17,504	7.0
<b>Total</b>	<b>5,269</b>	<b>34,603</b>	<b>12,173</b>	<b>46,776</b>	<b>8.9</b>
%		74.0	26.0		

The average number of employees per business in the sector was 9 persons. However in the Wholesale Trade and Sale and Repair of Motor Vehicles and cycles sub sectors, the average employment size was 10 persons.

### 3.7.5 Sale, Repair and Maintenance of Motor Vehicles

In this section a detailed analysis of the Sale, Repair and Maintenance of Motor Vehicles is presented. Specifically the following activities are considered:

- Sale of Motor Vehicles
- Repair of Motor vehicles
- Sale of Motor Vehicle Parts
- Repair of Motor Cycles
- Sale of Auto Fuel

#### 3.7.5.1 Distribution and Employment in Sale, Repair and Maintenance of Motor Vehicles sub sector

This sub sector employed 19,411 persons of which 9,432 were employed in Repair of Motor Vehicles, accounting for 49 percent, followed by Sale of Auto Fuel which employed 7284 persons. This was 38 percent of employment in the sub sector. The average employees in this sub sector were 10 persons, while the Sale of Motor Vehicle sub sector employed on average had 16 persons per business. The Repair of Motor Vehicles and Cycles sub sector employed 13 persons per business as shown in table 3.7.5 below.

Businesses in the Repair of Motor Vehicles sub sector employed 49% of total employment.

**Table 3.7.4      Employment in the Sale, Repair and Maintenance of Motor Vehicles sub sector**

Trade Sub sectors	Number of businesses	Employment			size of Business
		Male	Female	Total	
Sale of Motor Vehicle	54	653	205	858	15.9
Repair of Motor Vehicles	739	8,962	470	9,432	12.8
Sale of Motor Vehicle Parts	276	1,539	298	1,837	6.7
Sale of Auto Fuel	794	5,051	2,233	7,284	9.2
<b>Total</b>	<b>1,863</b>	<b>16,205</b>	<b>3,206</b>	<b>19,411</b>	<b>10.4</b>



*Retail Sale of Auto Fuel*

### **3.7.6      Wholesale Trade sub sector**

Wholesale trade is the re-sale (sale without transformation) of new and used goods to retailers, industrial, commercial, institutional or professional users or to other wholesalers or acting as agents in buying merchandise for

etc. Activities in whole sale trade account for a substantial proportion of the total economic activities in terms of the contribution of the sub sector to the GDP and its share of total employment.

The activities considered in this sector include:

- Wholesale at a Fee
- Agricultural Raw materials
- Food Beverages and Tobacco
- Textiles, Clothing and Footwear
- Other Household Goods
- Solid, Liquid/Gaseous Fuel
- Construction Materials
- Machinery and Equipment
- Other Wholesale

#### **3.7.6.1 Distribution and Employment in the Wholesale sub sector**

74% of the employees in the Wholesale Trade sub sector were males.

This sub sector employed 9,861 persons of this 26 percent were female and 74 percent were male. Of all activities in this sub sector, businesses involved in Wholesale Trade of Food, Beverages and Tobacco and dealing in Wholesale of Agriculture Raw Materials employed the highest number of persons, each having 28 percent of total employment. However more female, 35 percent, were employed in Wholesale of Agricultural Raw Materials followed by 21 percent Females engaged in Wholesale Trade of Food Beverages and Tobacco. Out of 905 businesses that were engaged in Wholesale Trade, 289 businesses were in Wholesale of Food Beverage and Tobacco, 32 percent. The total number of businesses in Wholesale of Agricultural Raw Materials was 17 percent as shown in table 3.7.6 below.

**Table 3.7.5 Distribution of Businesses and Employment in Wholesale sub sector**

Activity	Number of businesses	Employment			
		Male	Female	Total	Average
Wholesale at a Fee	2	16	0	16	8.0
Wholesale of Agricultural raw material	152	1,830	890	2,720	17.9
Wholesale of Food Beverages and Tobacco	289	2,252	529	2,781	9.6
Wholesale of Textiles, Clothing and Footwear	68	316	168	484	7.1
Wholesale of other household goods	95	583	230	813	8.6
Wholesale of solid, liquid/gaseous fuel	22	330	113	443	20.1
Wholesale of construction materials	83	560	119	679	8.2
Wholesale of machinery equipment	53	634	176	810	15.3
Other Wholesale	141	795	320	1,115	7.9
<b>Total</b>	<b>905</b>	<b>7,316</b>	<b>2,545</b>	<b>9,861</b>	<b>10.9</b>

On average, 11 persons were employed per business in this sub sector and the businesses engaged in the Wholesale of Solid, Liquid/Gaseous Fuel had the highest average number of persons per business (20) followed by businesses in Wholesale of Agricultural Raw Materials with 18 persons.

### 3.7.7 Retail Trade sub sector

Retail Trade is defined as the re-sale (without transformation) of new and used goods to the general public, for personal or household consumption or utilization, by shops, department stores, stalls, mail-order houses, gasoline (petrol) filling stations etc. Activities in the Retail Trade sub sector account for a substantial proportion of the total economic activities in terms of the contribution of the sub sector to the GDP and in terms of its share of total employment. According the Uganda Business Inquiry 2000/2001 the Retail Trade sub sector had a Value Added of close to half a billion shillings.

In this report the activities considered in The Retail Trade sub sector include:

- Retail sale in specialized stores
- Retail sale in Pharmaceuticals and Cosmetics
- Retail sale in Textiles, footwear and Leather
- Retail sale in Households appliances
- Retail sale in Hard ware
- Other Retail Sale in Specialized Stores
- Retail Sale in Second-hand goods
- Retail Trade not in Stores

### 3.7.7.1 Distribution and Employment in the Retail Trade sub sector

Businesses undertaking Retail Sale in Non Specialized Stores had the highest number of employees (3,526) accounting for 20 percent of total employment in the sub sector followed by businesses undertaking Retail Sale in Specialized Stores with 18 percent of total employment.. Proportionately, businesses engaged in Retail Trade in Textiles, Footwear and Leather Products employed more females than males, 54 percent compared to other activities within the sub sector.

54% of the employees Retail Trade of Textiles, Footwear and Leather Products were female

**Table 3.7.6 Distribution of Businesses and Employment in the Retail Trade sub sector**

Activity	Businesses	Employment			
		Male	Female	Total	Average
Retail Sale in non Specialized Stores	506	1,959	1,567	3,526	7
Retail Sale in Specialized stores	350	2,095	1,081	3,176	9
Retail Sale in Pharmaceuticals and Cosmetics	261	1115	826	1,941	7
Retail Sale in Textiles, Footwear and Leather	227	668	771	1,439	6
Retail Sale in Households Appliances	310	1,385	642	2,027	7
Retail Sale in Hardware	230	1,061	343	1,404	6
Other Retail Sale in Specialized stores	456	1,973	974	2,947	7
Retail Sale in Second-hand goods	55	225	77	302	6
Retail Trade not in Stores	106	601	141	742	1
<b>Total</b>	<b>2,501</b>	<b>8,611</b>	<b>4,759</b>	<b>17,504</b>	<b>5</b>

The average employment in the Retail Trade sub sector was 5 persons per business, the highest average employment was in the Retail sale in Specialized Stores with 9 persons per business.

Average employment size was 5 persons per business in Retail Trade.



Sole Proprietors owned 43% of businesses.

### 3.7.8 Ownership of businesses in the Trade sector

In the Trade sector Sole Proprietors owned 43 percent businesses slightly more than Partnerships who owned of 42 percent of the businesses as shown in Table 3.7.4 below.

**Table 3.7.7 Distribution of Businesses by type of Legal Ownership**

Legal Ownership	Sale and Repair of Motor Vehicle, Cycles	Wholesale Trade	Retail Trade	Total	%
Sole Proprietor	1,042	273	974	2,289	43.4
Private Limited	169	84	285	538	10.2
Partnership	573	505	1132	2,210	41.9
Unknown	52	43	110	232	4.4
<b>Total</b>	<b>1,836</b>	<b>905</b>	<b>2,501</b>	<b>5,269</b>	<b>100.0</b>

### 3.7.9 Membership to Associations

The main Associations to which businesses in this sector belonged were:

- Uganda Manufacturers Association
- Kampala Traders Association
- Petroleum Dealers Association.

The detailed list of Associations for this sector is found in Appendix 6.9.

### 3.7.10 Summary

The Trade sector contributed an average of 10 percent to GDP in 2006. Out of the businesses registered, 47 percent were in the Retail Trade sub sector. Kampala had 56 percent of businesses compared to other regions. The least number of employees were in the Wholesale Trade sub sector, only 21 percent. Sole Proprietors owned 43 percent of the businesses and Partnerships owned 42 percent while Private Limited Companies accounted for only 10 percent of the businesses. Businesses in the Repair of Motor Vehicles sub sector had 49 percent of total employees in the sub sector. In the Wholesale Trade sub sector 74 percent of the employees were males. In the Retail Trade sub-sector 54 percent the persons employed in the Retail Trade of Textiles, Footwear and Leather products were females. The average employment size in Retail Trade sub sector was 5 persons per business.

## 3.8 Hotels and Restaurants

### 3.8.1 Introduction

This sector covers all business establishments which are engaged in the following service activities;

- Hotels and Camping sites
- Restaurants and Bars

Hotels and camping sites includes the provision of fee basis short term lodging, camping space and camping facilities, whether open to the general public or restricted to members of a particular club or organization. Similarly Restaurants and Bars include all business establishments that sell food and drinks for immediate consumption on the premises.

The Hotels & Restaurants sector contributed about 3.0 percent to GDP in 2006 compared to 2.6 in 2002.

### 3.8.2 Distribution of Businesses in the Hotels and Restaurants sector

The coverage of businesses in this sector was restricted to businesses employing 5 or more persons, comparisons will thus be made with similar data in 2001/02. In 2006/07 a total of 3,411 businesses were registered and out of these 65 percent were Restaurants and Bars compared to only 35 percent Hotels and Camping Sites. Of the businesses registered, 3,200 employed 5 or more persons, an increase of 64 percent, compared to close to 2,000 registered in 2001/02

The Hotels & Restaurants increased by 64% in 2006/07 compared to 2001/02.

**Table 3.8.1 Comparison of the Hotels & Restaurants Sector, 2001/02 and 2006/07**

Employment size band	2001/02	2006/07	% increase
5-9	1506	2365	57.0
10-19	341	647	89.7
20-49	97	186	91.8
50 Plus	27	33	22.2
<b>Total</b>	<b>1971</b>	<b>3231</b>	<b>63.9</b>



*A hotel in Kampala*

### 3.8.2.1 Distribution of Hotels and Restaurants by Employment Size Band

The distribution of businesses by employment size shows that close to 70 percent of the businesses employed between 5 to 9 persons as shown in Table 3.8.2 below.

**Table 3.8.2 Distribution of Businesses in the Hotels and Restaurants Sector**

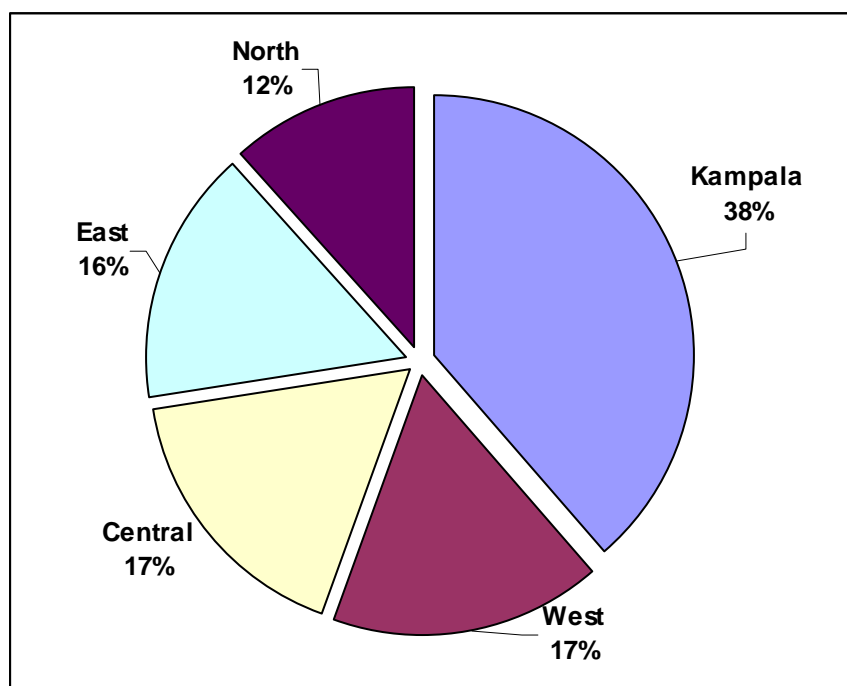
Employment Size Band	Hotels & Camping Sites	Restaurants & Bars	Total	%age Distribution
Not Stated	13	16	29	0.9
1-4	50	101	151	4.4
5-9	722	1,643	2,365	69.3
10-19	281	366	647	19.0
20-49	94	92	186	5.5
50-99	11	7	18	0.5
100 Plus	12	3	15	0.4
<b>Total</b>	<b>1,183</b>	<b>2,228</b>	<b>3,411</b>	<b>100.0</b>
%	34.7	65.3	100.0	

### 3.8.3 Regional Distribution

A regional distribution of businesses in the Hotels and Restaurants sector shows that close to 40 percent of the businesses were found in Kampala. The Western and Central regions each had 17 percent of the businesses in this while the Northern region had the least number of businesses, about 400.

**Figure 3.8.1 Regional distribution of Hotels and Restaurants**

40% of the Hotels and Restaurants were in Kampala.



**Table 3.8.3 Regional distribution of Hotels and Restaurants**

sub sector	Kampala	Central	East	North	West	Total
Hotels & Camping Sites	344	178	199	224	238	1,183
Restaurants & Bars	971	397	343	175	342	2,228
<b>Total</b>	<b>1,315</b>	<b>575</b>	<b>542</b>	<b>399</b>	<b>580</b>	<b>3,411</b>
%	38.6	16.9	15.9	11.7	17.0	100.0

65% of businesses in the sector were Restaurants and Bars.

Of all the businesses in the Hotels and Restaurant sector, 65 percent were Restaurants and Bars compared to 35 percent Hotels and Camping Sites. In Kampala, 74 percent of the businesses were Restaurants and Bars and only 26 percent were Hotels and Camping Sites. The Western and Northern regions each had 20 percent of the Hotels and Camping sites, next to Kampala. Although 44 percent of the Restaurants were in Kampala, the Central region had 18 percent while the Eastern and Western Regions each had 15 percent of the Restaurant and Bars. The Northern region had only 8 percent of the Restaurants and Bars.

### 3.8.4 Employment in the Hotels and Restaurants sector

54% of the employees in the Hotels & restaurants sub sector were females

The total employment in the Hotels and Restaurants sector was close to 33, 000 persons, 55 percent of them were employed in Restaurants and Bars and 45 percent in the Hotels sub sector as shown in table 3.8.4 below. The distribution of employees showed that 54 percent were females. At the sub-sector level, nearly 60 percent of the employees in Restaurants and Bars were female, while in Hotels and Camping Sites there were more males, 53 percent.

**Table 3.8.4 Employment in Hotels and Restaurants**

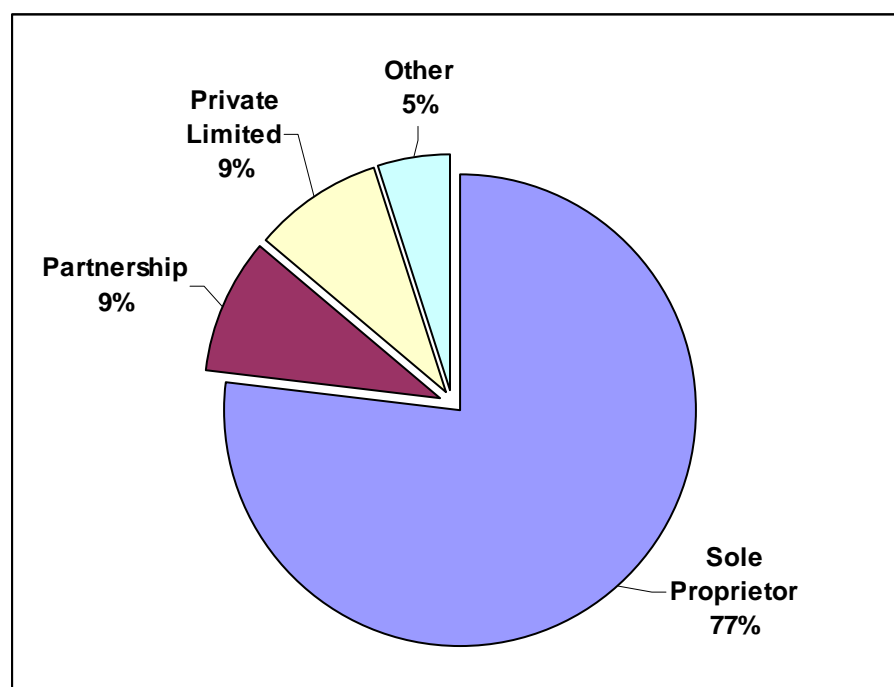
Sector	Businesses	Employment		Total	Average
		Male	Female		
Hotels & Camping Sites	1,183	7,771	6,925	<b>14,696</b>	12
Restaurants & Bars	2,228	7,363	10,737	<b>18,100</b>	8
<b>Total</b>	<b>3,411</b>	<b>15,134</b>	<b>17,662</b>	<b>32,796</b>	<b>10</b>
%		46.1	53.9		

### 3.8.3 Ownership

The main type of Legal Ownership was Sole Proprietorship with 77% businesses.

Figure 3.8.2 below, shows percentage contributions of businesses by type of legal ownership. A majority of businesses 77 percent were owned by Sole Proprietors. This was followed by Partnerships and Private Limited Companies which had 9 percent each. The last which was "Other" contributed about 5 percent and it includes the following categories of ownership; Public Limited Companies, Statutory Corporations, Parastatals, Government owned businesses, Co-operatives, Joint Government and Private Sector, Religious Organisations and NGO. It also includes those businesses whose ownership was not stated or was not known.

**Figure 3.8.2 Legal Ownership of Hotels and Restaurants**



**Table 3.8.5 Legal Ownership of Hotels & Restaurants**

Ownership Type	Hotels & Camping Sites	Restaurants & Bars	Total
Sole Proprietor	820	1,867	2,687
Partnership	107	207	314
Private Limited	161	150	311
Other	107	71	178
<b>Total</b>	<b>1,195</b>	<b>2,295</b>	<b>3,490</b>

### 3.8.6 Membership to Associations

The main Association to which businesses in the Hotels and Restaurants sector were members to was the Uganda Hotel Owners/Operators Association followed by the Uganda Manufacturers Association.

**Table 3.8.6 Membership to Associations in the Hotels and Restaurants sector**

<b>Association Name</b>	<b>Hotels &amp; Camping Sites</b>	<b>Restaurants &amp; Bars</b>	<b>Total</b>
Kampala City Traders Association	1	3	4
Lebanese Community In Uganda	0	1	1
National Ngo Forum	0	1	1
The Association Of Uganda Securities Brokers Dealers	1	0	1
Uganda Hotels Owners/Operators Association	17	6	23
Uganda Manufactures Association	5	5	10
Uganda Medical And Dental Practitioners	1	0	1
Uganda Small Scale Industries Association	1	0	1
Uganda Tourist Association	3	0	3
Uganda Traders Association	1	0	1
Not Given	1,153	2,212	3,365
<b>Total</b>	<b>1,183</b>	<b>2,228</b>	<b>3,411</b>

**3.8.7 Summary**

The number of Hotels and Restaurants increased by 64 percent in 2006/07 compared to 2001/02 and 40 percent of the Hotels and Restaurants were in Kampala. Over 65 percent of businesses in the sector were in the Restaurants and Bars sub sector. Overall, 54 percent of the employees in the Hotels and Restaurants sector were female and the main type of Legal Ownership was Sole Proprietorship with 77 percent.

## **3.9 Transport, Storage, Posts and Telecommunications**

### **3.9.1 Transport and Storage**

#### **3.9.1.1 Introduction**

This sector covers:

- Land Transport including scheduled and non-scheduled passenger transport
- Rail Transport
- Water Transport
- Air Transport
- Support and Auxiliary Transport Services including Tour Companies

The Transport sector contributed 4.2 percent to GDP in 2006 compared to 3.7 percent in 2002.

#### **3.9.1.2 Number of Transport, Storage and Communication businesses**

The coverage of Transport businesses was such that only businesses employing 5 and above were registered except for those businesses engaged in Transport Support and Auxiliary Transport Services such as Tour Companies. In 2001/02, 292 Transport businesses employing 5 or more persons were registered and in 2006/07 this number rose by 60 percent bringing the total number of businesses in this sector employing 5 or more persons to almost 500.

#### **3.9.1.3 Employment in Transport sector by size band**

Table 3.9.1 shows that the number of establishments employing 5 to 9 persons increased from 171 in 2001/02 to 275 in 2006/07, an increase of 15 percent, while those businesses with 10 to 19 employees increased by 6 percent in 2006/07 compared to 2001/02. The other employment size bands of 20 to 49, 50-99 and 100 plus increased by less than 3 percent each in 2006/07 compared to 2001/02.

**74% of the businesses in the Transport sector employed less than 10 persons.**





**Road Transport in Kampala**

In 2006/07, 74 percent, of the businesses had less than 10 employees. Further the Transport Support sub sector had the highest proportion of businesses, 78 percent while Water Transport

which had less than 2 percent of the businesses in the Transport sector.

**Table 3.9.1 Distribution of Transport Businesses by Employment Size Band, Activity, Totals 2006/07 and Totals 2001/02.**

Transport sub sector 2006/07	Employment Size Band							Total	%
	Not Stated	1-4	5-9	10-19	20-49	50-99	100 Plus		
Land Transport	3	11	38	28	32	6	13	131	17.0
Water Transport	0	4	5	1	0	0	0	10	1.3
Air Transport	0	7	7	9	4	2	1	30	3.9
Transport Support	14	263	225	59	27	6	7	601	77.8
<b>Total 2006/07</b>	<b>17</b>	<b>285*</b>	<b>275</b>	<b>97</b>	<b>63</b>	<b>14</b>	<b>21</b>	<b>772</b>	<b>100.0</b>
<b>Total 2006/07 %</b>	2.2	36.9	35.6	12.6	8.2	1.8	2.7	100	
<b>Total 2001/02</b>	6	389	171	59	47	6	11	689	

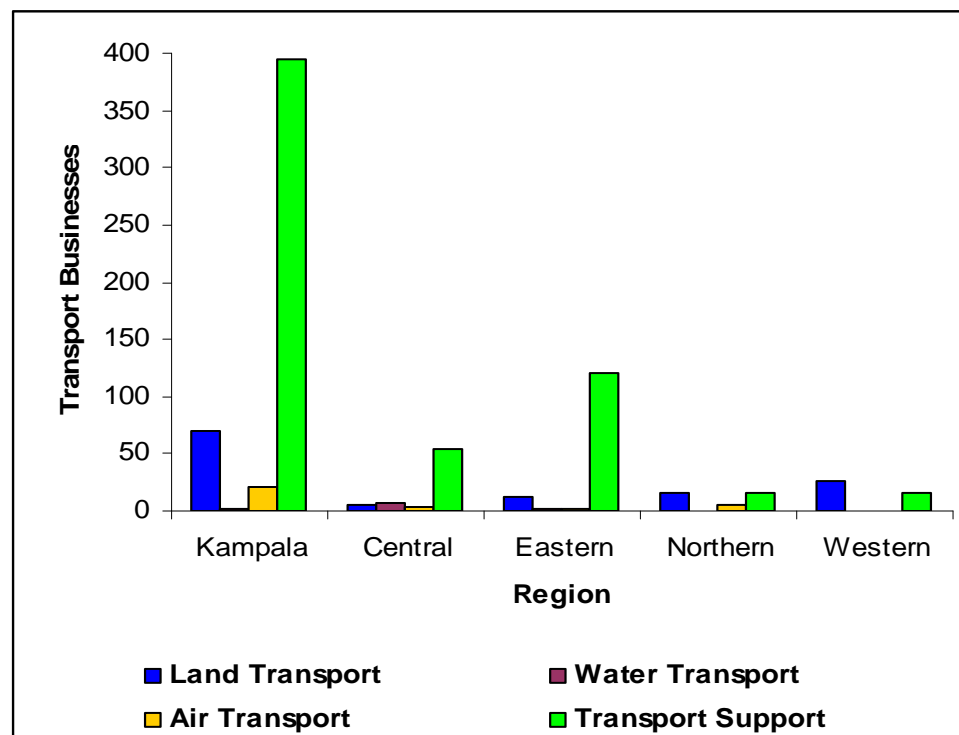
\* There was a limited coverage of Micro Businesses, i.e. businesses employing between 1 and 4 persons

### 3.9.1.4 Distribution of Transport business by region

Kampala had 64% of the businesses in the sector.

The distribution of Transport businesses by region shows that Kampala had the highest proportion of Transport business (64 percent). One of the possible reasons could be because of its being the main business center of the country. The Eastern region had 18 percent Transport businesses while the rest of the other regions had less than 10 percent each.

**Figure 3.9.1 Regional distribution of businesses in the Transport Sector by Activity**



### 3.9.1.5 Employment distribution by Sex.

84% of the employees were male..

The Transport sectors employed close to 15,000 persons out of these 84 percent were male and only 16 percent females. Land Transport was the leading employer accounting for 60 percent of the total employees in this sector, followed by Transport Support sub sector with 36 percent of the employees. The Water Transport sub sector had less than 1 percent of employees as shown in table 3.9.2 below.

**Table 3.9.2 Employment in the Transport Sector by Sex**

Transport sub sector	Businesses	Employment			Average
		Male	Female	Total	
Land Transport	131	8,281	674	<b>8,955</b>	68
Water Transport	10	43	10	<b>53</b>	5
Air Transport	30	337	184	<b>521</b>	17
Transport Support	601	3,792	1,593	<b>5,385</b>	9
<b>Total</b>	<b>772</b>	<b>12,453</b>	<b>2,461</b>	<b>14,914</b>	<b>19</b>
%		83.5	16.5	100.0	

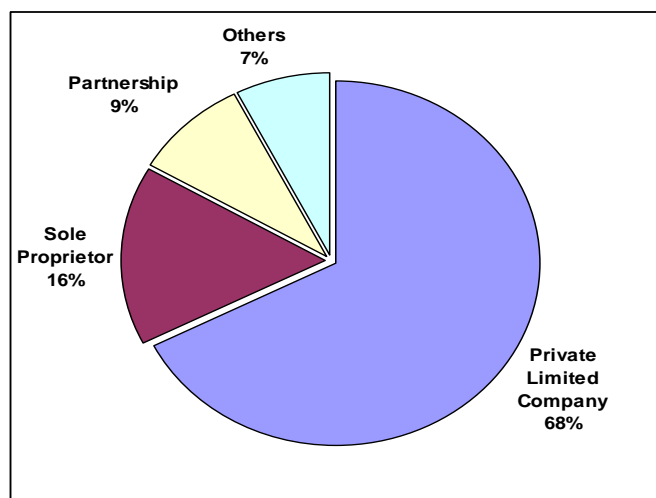
Water Transport businesses employed less than 1% of total employment.

Despite the fact that Uganda has 44,228 square kilometers of open water area<sup>5</sup>, there were only 10 businesses captured in the 2001/02 update exercise employing less than 1 percent of total employees in the sector. This was because the coverage was limited to businesses employing 5 or more persons.

### 3.9.1.6 Legal Ownership of Businesses in the Transport Sector

68% of the businesses were Private Limited Companies.

Ownership is dominated by mainly Private Limited Companies accounting for 68 percent, followed by Sole Proprietorships with 16 percent, then Partnerships with 9 percent as shown in Figure 3.9.3 below.

**Figure 3.9.2 Legal Ownership of Transport Businesses**

<sup>5</sup> Statistical Abstract, 2006/07.

### 3.9.7 Membership to Associations

Out of the businesses that responded, 4 percent were members to the Uganda Clearing and Forwarders Association while the Association of Uganda Tour Companies and UMA both had the same number of members as shown in Table 3.9.3 below.

**Table 3.9.3 Membership to Associations in Transport Sector**

Association Name	Transport Type				Total
	Land	Water	Air	Support	
Association Of Uganda Tours	0	0	0	18	<b>18</b>
FIATA	0	1	0	0	<b>1</b>
Kampala City Trade Association	0	0	0	1	<b>1</b>
The Uganda Travel Agencies Association	0	0	0	2	<b>2</b>
Uganda Clearing And Forwarding Agents Association	1	0	0	30	<b>31</b>
Uganda Commercial Truck Owners	1	0	0	0	<b>1</b>
Uganda Freight Forwarders Association	0	0	0	3	<b>3</b>
Uganda Hotels Owners/Operators Association	0	0	0	1	<b>1</b>
Uganda Law Society	0	0	0	1	<b>1</b>
Uganda Manufactures Association	4	0	1	13	<b>18</b>
Uganda Tourist Association	0	0	0	10	<b>10</b>
Uganda Transporters Association	0	0	0	1	<b>1</b>
Not Given	125	9	29	52	<b>684</b>
<b>Total</b>	<b>131</b>	<b>10</b>	<b>30</b>	<b>601</b>	<b>772</b>

#### 3.9.1.8 Summary

The Transport sub sector accounted for 4.2 percent of GDP in 2006. Out of the businesses registered in 2006/07, 74 percent of the businesses employed less than 10 persons and regional distribution showed that Kampala had 64 percent of the Transport businesses. The Transport Support sub sector had close to 80 percent of the businesses. Employment in the Transport sector was dominated by male workers who were 84 percent of the total. The Water Transport sub sector employed less than 1 percent of total employees and 68 percent of the businesses were Private Limited Companies.

## 3.9.2 Posts and Telecommunications

### 3.9.2.1 Introduction

This sector covers National Post activities, Courier Services and telecommunications. The Posts and Telecommunications sector contributed 4.5 percent to GDP in 2006 compared to 1.5 percent contribution in 2002.

### 3.9.2.2 Number of Posts and Telecommunications Businesses

It is not possible to compare the businesses in 2001/02 in this sector with the 2006/07 due to the fact that coverage was not consistent between the two updates. The section therefore presents the status of Posts and Telecommunications businesses in 2006/07. The total number of businesses registered in this sector 2006/07 was 156 and out of these 40 percent were businesses employing 5 or more persons.

The distribution of Posts and Telecommunications businesses showed that 44 percent were engaged in National Postal activities and 30 percent in businesses undertaking Courier activities. The distribution of businesses in the sector by employment size band showed that 58 percent employed between 1 and 4 persons and out of these 56 percent were engaged in National Postal activities.

44% of the businesses are engaged in National Postal activities.

**Table 3.9.4 Distribution of Posts and Telecommunications Businesses by Employment Size band**

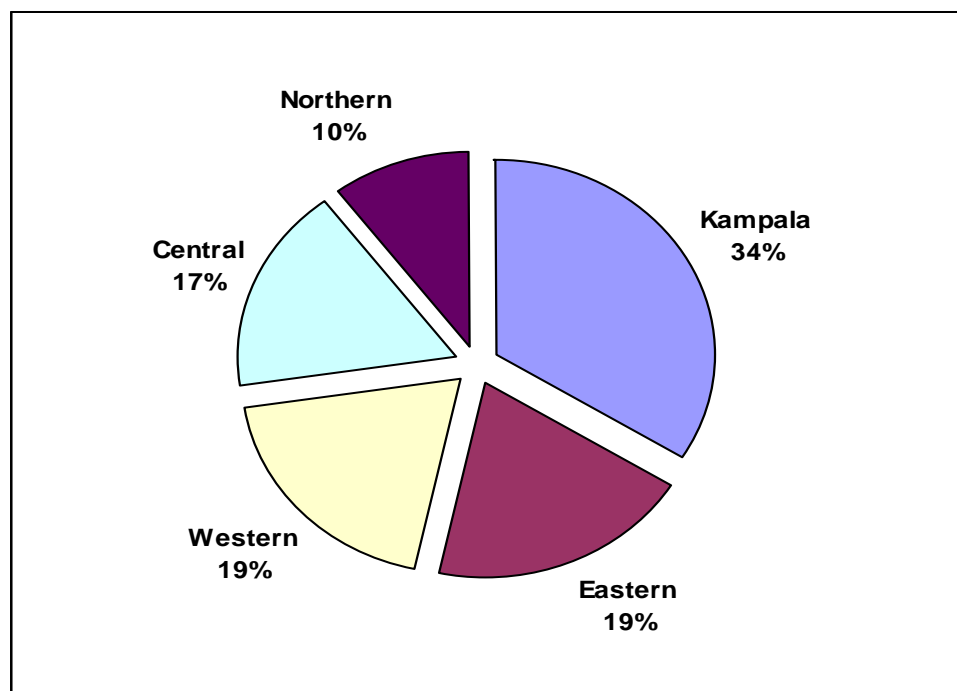
Industry Sub Sector	Employment Size Band							Total	%
	Not Stated	1-4	5-9	10-19	20-49	50-99	100 Plus		
National Post	1	51	7	8	1	0	1	69	44.2
Courier Services	1	30	8	4	4	0	0	47	30.1
Telecommunications	1	10	10	6	5	5	3	40	25.6
<b>Total</b>	<b>3</b>	<b>91</b>	<b>25</b>	<b>18</b>	<b>10</b>	<b>5</b>	<b>4</b>	<b>156</b>	<b>100.0</b>
%	1.9	58.3	16.0	11.5	6.4	3.2	2.6	100.0	

### 3.9.2.3 Regional Distribution of Posts and Telecommunications Businesses

34% of the Posts and Telecommunications businesses are found in Kampala.

Comparison of distribution of Posts and Telecommunications Services across the different regions showed that 34 percent of the businesses were found in Kampala. The Eastern and Western regions both had 19 percent of the businesses while the Northern region had only 10 percent of the businesses.

**Figure 3.9.3 Regional Distribution of Posts and Telecommunications Businesses**



A further distribution of the Posts and Telecommunications Services by sub sector showed that Kampala had the highest proportion of businesses in all sub sectors as shown in Table 3.9.5 below.

**Table 3.9.5 Regional Distribution of Posts and Telecommunications Businesses**

Industry Sub Sector	Region					Total
	Kampala	Central	East	North	West	
National Post	8	15	16	10	20	69
Courier Services	20	8	9	3	7	47
Telecommunications	25	4	5	3	3	40
<b>Total</b>	<b>53</b>	<b>27</b>	<b>30</b>	<b>16</b>	<b>30</b>	<b>156</b>
<b>%</b>	<b>34.0</b>	<b>17.3</b>	<b>19.2</b>	<b>10.3</b>	<b>19.2</b>	

### 3.9.2.4 Employment in Posts and Telecommunications

30% of total persons employed were female.

The total employment in this sector was close to 3,000 persons 67 percent of them were employed in the Telecommunications sub sector. Of the total persons employed, 70 percent were male compared to only 30 percent female. Of the females employed, 63 percent were in the Telecommunications sub sector.

**Table 3.9.6 Employment by Sex in the Posts and Telecommunications Sector**

Sub Sector	Businesses	Employment				
		Male	Female	Total	%	Average
National Post	69	390	213	<b>603</b>	21.9	9
Courier Services	47	190	93	<b>283</b>	10.3	6
Telecommunications	40	1341	524	<b>1,865</b>	67.8	47
<b>Total</b>	<b>156</b>	<b>1,921</b>	<b>830</b>	<b>2,751</b>	<b>100.0</b>	<b>18</b>
%		69.8	30.2	100.0		

Telecommunications sub sector employed an average of 47 persons per Business.

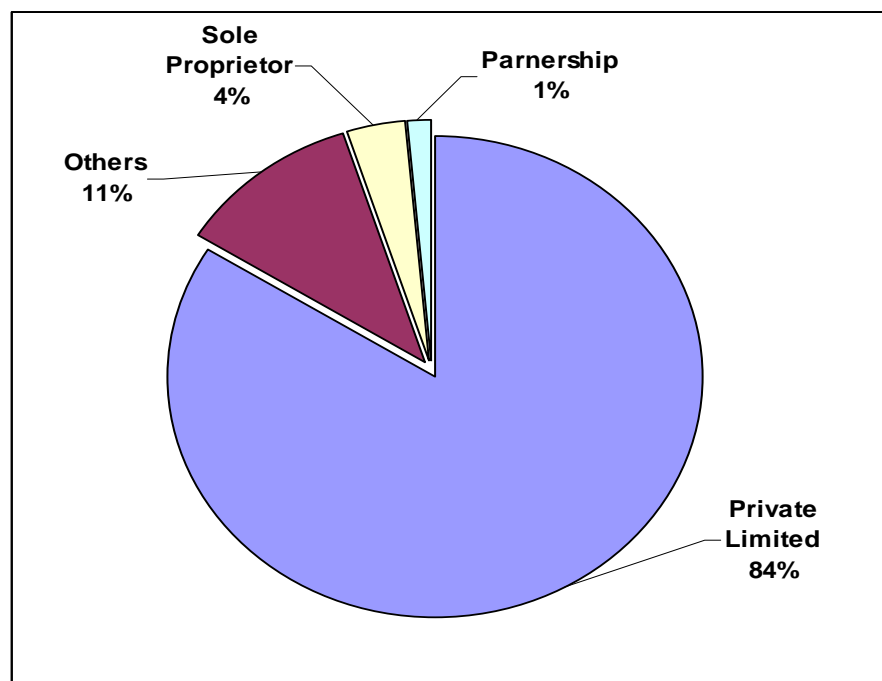
Average employment per business for businesses engaged in Posts and Telecommunications activities was 18 persons. The highest average employment size of 47 persons was in businesses engaged in Telecommunications sub sector compared to the rest of the sub sectors which employed on average less than 10 persons.

### 3.9.2.5 Legal Ownership in Posts and Telecommunications Sector

Figure 3.9.4 shows businesses categorized according to the main type of Legal Ownership. The figure shows that close to 90 percent of the businesses are Private Limited Companies.

**Figure 3.9.4 Legal Ownership in Posts and Telecommunications Sector**

Close to 90%  
of businesses  
are Private  
Limited  
Companies



#### 3.9.2.6 Membership to Associations

Almost all businesses in this sector did not provide information on Membership to Associations. The few that responded belonged to the Association of Courier Companies, Uganda Communications Commission and Uganda Manufacturers Association.



**Table 3.9.7      Membership to Associations**

<b>Association Name</b>	<b>National</b>	<b>Courier</b>	<b>Telecommunications</b>	<b>Total</b>
Association Of Courier Companies	0	1	0	<b>1</b>
Uganda Communication Commission	0	1	0	<b>1</b>
Uganda Manufacturers Association	0	0	2	<b>2</b>
Not Given	69	45	38	<b>152</b>
<b>Total</b>	<b>69</b>	<b>47</b>	<b>40</b>	<b>156</b>

**3.9.2.7 Summary**

The Posts and Telecommunications sector contributed 4.5 percent to GDP in 2006 and in 2006/07, 44 percent of the businesses in the sector were engaged in National Postal activities. Regional distribution of businesses showed that Kampala had 34 percent of businesses in the Posts and Telecommunications sector. Of the total persons employed in the sector, 30 percent were female. The Telecommunications sub sector employed an average of 47 persons per business and 84 percent of the businesses were Private Limited Companies.

## **3.10 Financial Intermediation**

### **3.10.1 Introduction**

Financial intermediation is defined as a productive activity in which an institutional unit incurs liabilities on its own account for the purpose of acquiring financial assets by engaging in financial transactions on the market. The role of financial intermediaries is to channel funds from lenders to borrowers by intermediating between them. They collect funds from lenders and transform, or repackage, them in ways that suit the requirements of borrowers. They obtain funds by incurring liabilities on their own account, not only by taking deposits but also by issuing bills, bonds or other securities. They use these funds to acquire financial assets, principally by making advances or loans to others but also by purchasing bills, bonds or other securities. A financial intermediary does not simply act as an agent for other institutional units but places itself at risk by incurring liabilities on its own account.

### **3.10.2 Coverage**

This sector of the economy covered all businesses engaged in the following activities

- Commercial Banking/Other monetary intermediation
- Financial Leasing
- Other Credit Granting
- Other Financial Intermediation and auxiliary services

### **3.10.3 Number of Businesses in the Finance Sector**

The number of businesses in the Finance sector more than doubled in 2006/07 compared to 2001/02, an increase of 138 percent. Out of total registered businesses in 2006/07, 69 percent were in the Other Financial Intermediation sub-sector (Financial Leasing and Credit Granting) and this may partly be attributed to the recent developments in the Micro Finance Institutions in Uganda. The Central Bank, and, Commercial Banks and Auxiliary Activities had an increase in registered businesses of 102 percent and 73 percent respectively in the 2006/07 compared to 2001/02.

In 2006/07  
businesses in  
the Finance  
sector more than  
doubled  
compared to  
2001/02.

**Table 3.10.1 Businesses in the Finance Sector by Activity, 2001/02 and 2006/07.**

Activity	2001/02	2006/07	%	%
			Distribution 2006/07	Increase 2006/07
Central Bank and Commercial Banks				
Banks	94	190	19.1	102.1
Other Financial Intermediation	253	682	68.7	169.6
Auxiliary Activities	70	121	12.2	72.9
<b>Total</b>	<b>417</b>	<b>993</b>	<b>100.0</b>	<b>138.1</b>

68% of the businesses employed less than 10 persons.

The distribution of Finance businesses by employment size band shows that 68 percent of the businesses were those employing less than 10 persons and less than 5 percent of the businesses employed 50 or more persons as shown in table 3.10.2 below.

**Table 3.10.2 Distribution of Finance Businesses by activity and Employment Size Band**

Finance sub sector	Employment Size Band							Total
	Not Stated	1-4	5-9	10-19	20-49	50-99	100 plus	
Central Bank & Commercial Banks	5	27	41	59	37	13	8	190
Other Financial Intermediation	57	262	248	89	16	7	3	682
Auxiliary Activities	5	52	47	9	5	3	0	121
<b>Total</b>	<b>67</b>	<b>341</b>	<b>336</b>	<b>157</b>	<b>58</b>	<b>23</b>	<b>11</b>	<b>993</b>
<b>%</b>	<b>6.7</b>	<b>34.3</b>	<b>33.8</b>	<b>15.8</b>	<b>5.8</b>	<b>2.3</b>	<b>1.1</b>	<b>100.0</b>

### 3.10.4 Regional Distribution of Businesses in the Finance Sector

29% of the businesses in the Finance sector were in Western region.

The Western region had the highest number of businesses in the Finance sector. Of the 993 businesses, 290 were in Western region contributing 29 percent. Most of the Commercial Banks and Central Bank were found to be in Kampala as reflected by the percentage share (44 percent). Auxiliary Activities were also mostly common in Kampala contributing 74 percent in the sub-sector businesses location.

**Table 3.10.3 Regional Distribution of Businesses in the Finance Sector**

*Business Register Update 2006/07, (UBOS & PSFU)*

	Kampala	Central	Eastern	Northern	Western	Total
<b>Finance sub sector</b>						
Central Bank & Commercial Banks	84	31	22	18	35	190
Other Financial Intermediation	107	165	107	63	240	682
Auxiliary Activities	90	10	3	3	15	121
Total Businesses	281	206	132	84	290	993
<b>Percentage distribution</b>						
Central Bank & Commercial Banks	44.2	16.3	11.6	9.5	18.4	100.0
Other Financial Intermediation	15.7	24.2	15.7	9.2	35.2	100.0
Auxiliary Activities	74.4	8.3	2.5	2.5	12.4	100.0
Total	28.3	20.7	13.3	8.5	29.2	100.0

### 3.10.5 Employment in the Finance Sector

The sector's employment increased from 7,023 in 2001/02 to a 12,678 in 2006/07, an 80 percent increase. The Central Bank and Commercial Banks sub sector had the largest number of employees standing at 54 percent to the total employment. In all the Finance sub sectors, more male than female employees were engaged. Overall the total female employees in the sector were close to 5,400, 42 percent of total employment.

**Table 3.10.4 Employment by Activity and Sex, 2001/02 and 2006/07.**

Activity	2001/02			2006/07		
	Total	Male	Female	Total	Male	Female
Central Bank & Commercial Banks	4,389	2,732	1,657	6,795	4,051	2,744
Other Financial Intermediation	2,164	1,110	1,054	4,999	2,699	2,300
Auxiliary Activities	470	265	205	884	570	314
<b>Total</b>	<b>7,023</b>	<b>4,107</b>	<b>2,916</b>	<b>12,678</b>	<b>7,320</b>	<b>5,358</b>

### 3.10.6 Size of employment in the Financial and Intermediation Sector

The Commercial Banks and the Central Bank sub-sector had the highest average employment of 36 persons per business in 2006/07 compared to 47 persons 2001/02. Average employment in Other Financial Intermediations declined from 9 persons per business in 2001/02 to 8 persons per business in 2006/07. On the other hand however, Auxiliary Activities remained stable at 7 persons per business. The sector average employment per businesses reduced from 17 persons in 2001/02 to 15 in 2006/07, 24 percent reduction.

Employment in the Finance sector increased by 81% in 2006/07.

Finance sector's average employment reduced by 24% in 2006/07 compared to 2001/02.

**Table 3.10.5 Average Employment Size by Activity, 2001/02 and 2006/07**

Activity	2001/02			2006/07		
	Employment		Average	Employment		
	Businesses	Total		Businesses	Total	Average
Central Bank & Commercial Banks	94	4,389	47	190	6,795	36
Other Financial Intermediation	253	2,164	9	682	4,999	8
Auxiliary Activities	70	470	7	121	884	7
<b>Total</b>	<b>417</b>	<b>7023</b>	<b>17</b>	<b>993</b>	<b>12678</b>	<b>15</b>

### 3.10.7 Ownership of Businesses

In this sector, Commercial Banks, Other Financial Intermediation, and Auxiliary Activities were largely Private Limited Companies representing 43 percent, 30 percent and 49

percent in each sub sector respectively. Over all, the Private Limited owned Companies were 35 percent of the total ownership. It should be noted however that Government hardly owned any of the Other Financial Intermediation and Auxiliary activities.

*A bank in Kampala*



35% of Finance businesses were Private Limited Companies .

**Table 3.10.6 Legal Ownership of Businesses in the Financial and Intermediation Sector, 2006/07**

Finance sub sector	Ownership Type							Total
	Sole Proprietor	Partnership	Private Limited	Religious	NGO	Gov't	Others	
Central Bank& Commercial Banks	2	1	82	28	8	53	16	190
Other Financial Intermediation	47	27	211	6	166	0	225	682
Auxiliary Activities	24	17	59	1	6	0	14	121
Total	73	45	352	35	180	53	255	993
Percentages								
Central Bank & Commercial Banks	1.1	0.5	43.2	14.7	4.2	27.9	8.4	100
Other Financial Intermediation	6.9	4	30.9	0.9	24.3	0	32.9	100
Auxiliary Activities	19.8	14	48.8	0.8	5	0	11.6	100
Total	7.4	4.5	35.4	3.5	18.1	5.3	25.7	100

### 3.10.8 Membership to Associations

The majority of the businesses in the Finance sector, 30 percent, were members to the Association of Micro Finance Institutions of Uganda. The other key Associations include:

- Uganda Manufacturers Association
- Uganda Bankers Association
- Uganda Cooperative Alliance, and
- Uganda Forex Bureau Association.

**Table 3.10.7 Membership to Associations in the Finance Sector**

<b>Association Name</b>	<b>Central Bank &amp; Commercial Banks</b>	<b>Other Financial Intermediation</b>	<b>Auxiliary Activities</b>	<b>Total</b>
Acholi Private Sector Association Of Microfinance Institutions Of Uganda	1	0	0	<b>1</b>
Bundibugyo Vanilla Farmers Association	13	264	18	<b>295</b>
Capital Market Authority	0	1	0	<b>1</b>
Cooperative Association	0	1	0	<b>1</b>
Institute Of Bankers	3	0	0	<b>3</b>
Kampala City Trade Association	0	1	0	<b>1</b>
National NGO Forum	0	5	1	<b>6</b>
Uganda Bankers Association	39	1	0	<b>40</b>
Uganda Co-Operative Alliance	3	23	0	<b>26</b>
Uganda Cooperative Finance Association	0	1	0	<b>1</b>
Uganda Credit & Savings Association	0	2	0	<b>2</b>
Uganda Employers Association	0	0	1	<b>1</b>
Uganda Forex Bureau Association	3	1	8	<b>12</b>
Uganda Hotels Owners/Operators Association	0	1	0	<b>1</b>
Uganda Insurers Association	0	0	1	<b>1</b>
Uganda Law Society	1	0	0	<b>1</b>
Uganda Manufacturers Association	101	13	21	<b>135</b>
Northern Uganda Manufactures Association (NUMA)	0	2	0	<b>2</b>
Not Given	26	365	71	<b>462</b>
<b>Total</b>	<b>190</b>	<b>682</b>	<b>121</b>	<b>993</b>

### 3.10.9 Summary

In 2006/07 businesses in the Finance sector more than doubled compared to 2001/02 and 68 percent of the businesses employed less than 10 persons. The Western region had 29 percent of the businesses in the Finance sector compared to other regions. The employment in the Finance sector increased by 81 percent in 2006/07 compared to 2001/02. About 35 percent of Finance businesses were Private Limited Companies.

## 3.11 Insurance

### 3.11.1 Introduction

The sector consists of Resident Insurance Corporations and Quasi-corporations and Autonomous Pension Funds. Insurance Corporations consist of incorporated, mutual and other entities whose principal function is to provide life, accident, sickness, fire or other forms of insurance to individual institutional units or groups of units. The Pension Funds included here are those that are constituted in such a way that they are separate institutional units from the units that create them. They are established for purposes of providing benefits on retirement for specific groups of employees. They have their own assets and liabilities and they engage in financial transactions in the market on their own account.

The Insurance sector covered the following activities:

- Life Insurance
- Non-Life Insurance Providers
- Pension Funding
- Auxiliary Support services

### 3.11.2 Number of Businesses in the Insurance Sector

The number of businesses recorded in the year 2001/02 was 122 and this increased to 165 businesses in 2006/07, giving a 35 percent increase. Of the 165 new businesses recorded in 2006/07, 68 percent were in the Non-Life Insurance sub sector followed by Life Insurance at 22 percent and finally Pension Funding at 10 percent.

**Table 3.11.1 Businesses in the Insurance sector, 2001/02 and 2006/07.**

Insurance sub sector	2001/02	2006/07	% Distribution	% Increase
			2006/07	2006/07
Life Insurance	34	37	22.4	8.8
Pension Funding & Auxiliary	10	16	9.7	60.0
Non-Life Insurance	78	112	67.9	43.6
Total	122	165	100.0	35.2

Insurance  
businesses  
increased by  
35% in 2006/07.



The distribution of Insurance businesses by employment size band showed that 11 percent employed between 1 to 4 persons representing 68 percent of total businesses, followed by those employing 5 to 9 persons with 13 percent.

**Table 3.11.2 Businesses in the Insurance Sector by Employment Size band.**

Insurance sub sector	Employment Size Band						Total
	Not Stated	1-4	5-9	10-19	20-49	50-99	
Life Insurance	2	23	5	2	2	3	37
Pension Funding & Auxiliary	0	9	5	1	1	0	16
Non-Life Insurance	0	78	12	13	8	1	112
<b>Total</b>	<b>2</b>	<b>110</b>	<b>22</b>	<b>16</b>	<b>11</b>	<b>4</b>	<b>165</b>
%	1.2	66.7	13.3	9.7	6.7	2.4	100.0

### 3.11.3 Regional Distribution of Businesses in the Insurance Sector

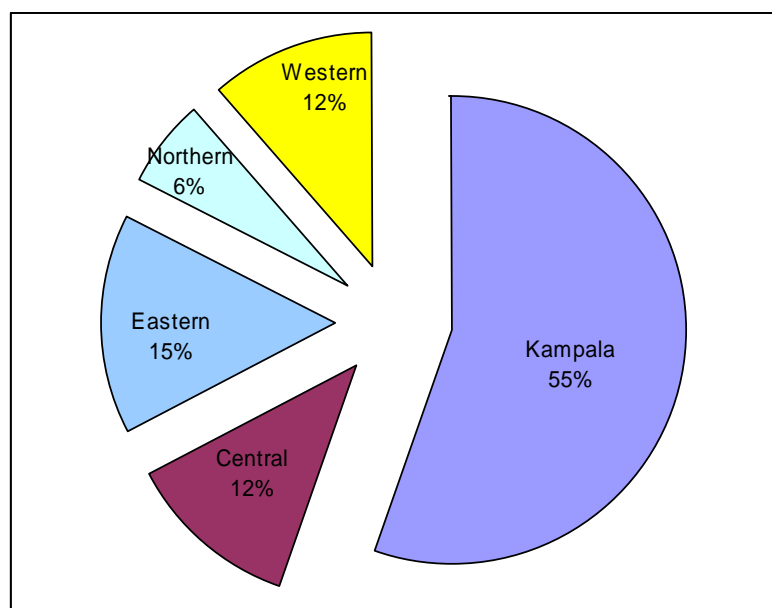
Table 3.11.3 below shows out of 165 businesses registered in 2006/07, 91 businesses were located in Kampala representing 55 percent. All registered businesses in Pension Funding and Auxiliary Activities in 2006/07 were found to be in the Central and Kampala regions. Data in the table further shows that 41 percent of Non-life Insurance businesses in 2006/07 were in Kampala. The Northern region had the least number of businesses in the sector, only 6 percent.

55% of the total businesses were in Kampala.

**Table 3.11.3 Regional Distribution of Businesses in the Insurance Sector**

Activity	Kampala	Central	Eastern	Northern	Western	Total
Life Insurance	26	4	2	2	3	37
Pension Funding & Auxiliary Activities	14	2	0	0	0	16
Non-Life Insurance	51	14	23	8	16	122
<b>Total</b>	<b>91</b>	<b>20</b>	<b>25</b>	<b>10</b>	<b>19</b>	<b>165</b>

**Figure 3.11.1 Regional Distribution of Insurance Businesses**



### 3.11.4 Employment in the Insurance Sector

The total number of employees in the sector grew from 1,077 persons in 2001/02 to 1,226 persons in 2006/07, a 14 percent increase. Over 60 percent of the employees in Insurance Sector were employed in the Non-life Insurance sub sector in 2006/07. The sector had more male than female employees.

Employment in the Insurance sector grew by 14% in 2006/07

**Table 3.11.4 Employment in the Insurance Sector, 2001/02 and 2006/07.**

Activity	2001/02			2006/07		
	Male	Female	Total	Male	Female	Total
Life Insurance	238	136	374	210	169	379
Pension Funding & Auxiliary Activities	184	139	323	62	39	101
Non-Life Insurance	213	167	380	447	299	746
<b>Total</b>	<b>635</b>	<b>442</b>	<b>1,077</b>	<b>719</b>	<b>507</b>	<b>1,226</b>

### 3.11.5 Size of Employment in the Insurance Sector

Overall the average employment size in the sector reduced to 7 persons per business in 2006/07.

In the Insurance sector, employment size has reduced in Life Insurance and Pension funding sub sectors. Non-life Insurance sub sector employment size has increased from 5 persons per business in 2001/02 to 7 persons per business in 2006/07. The overall sector's employment size reduced from 9 employees per business in 2001/02 to 7 employees per business in 2006/07.

**Table 3.11.5 Average Employment by Activity, 2001/02 and 2006/07.**

sub sector	2001/02			2006/07		
	Businesses	Total	Average	Businesses	Total	Average
Life Insurance	34	374	11	37	379	10
Pension Funding & Auxiliary	10	323	32	16	101	6
Non-Life Insurance	78	380	5	112	746	7
<b>Total</b>	<b>122</b>	<b>1,077</b>	<b>9</b>	<b>165</b>	<b>1,226</b>	<b>7</b>

### 3.11.6 Legal Ownership of Businesses in the Insurance Sector

#### *An insurance business*



registered businesses. Twelve establishments were owned by others which included Cooperatives, Joint Government and NGOs.

In this sector, 81 percent of the total businesses registered were largely Private Limited Companies. The Government owned only one business out of 165

**Table 3.11.6 Legal Ownership of Businesses in the Insurance Sector**

Legal Ownership	No. of Establishments			
	Pension Funding &			Total
	Life Insurance	Auxiliary	Non-Life Insurance	
Sole Proprietor	2	1	5	8
Partnership	2	2	4	8
Private Limited	27	11	95	133
Public Limited	1	0	2	3
Government	0	1	0	1
Others	5	1	6	12
<b>Total</b>	<b>37</b>	<b>16</b>	<b>112</b>	<b>165</b>

**3.11.7 Membership to Associations**

Close to 20 percent of the businesses were members of the Association of Insurance and Brokers. The other Associations to which businesses were members to are shown in Table 3.11.7 below.

**Table 3.11.7 Membership to Associations in the Insurance Sector**

Association Name	Life Insurance	Pension Funding & Auxiliary	Non-Life Insurance	Total
Association of Insurance Brokers	5	1	24	30
Association of Microfinance Institutions Of Uganda (AMFIU)	2	0	0	2
Uganda Association For Insurers Brokers	3	0	2	5
Uganda Insurers Association	2	0	7	9
Uganda Manufactures Association	1	3	1	5
Not Given	24	12	78	114
<b>Total</b>	<b>37</b>	<b>16</b>	<b>112</b>	<b>165</b>

**3.11.8 Summary**

Insurance businesses increased in 2006/07 by 35 percent from 2001/02. Of 165 businesses, 52 percent of registered in 2006/07 were located in Kampala. The employment in the sector grew by 14 in 2006/07. Overall the average employment size in the sector was 7 persons per business in 2006/07 and 81 percent of the businesses were Private Limited Companies.

## 3.12 Business Services

### 3.12.1 Introduction

This sector of the economy covers several business activities including Real Estate, Renting and Other Business activities, including:

- Real Estate Activities, either:
  - with own or leased property;
  - on a fee or contract basis;
- Rental of:
  - transport equipment, including, land, water and air transport;
  - machinery and equipment, including agriculture machinery, construction and civil engineering machinery and office machinery;
  - personal and household goods;
- Computer Related Activities;<sup>6</sup>
- Research and Development;<sup>7</sup>
- Legal Activities;
- Accounting Services<sup>8</sup>
- Market Research and Management Consultancy;
- Architectural, Engineering and other Technical Activities;
- Security Services;
- Photographic Activities;
- Other Business Services.<sup>9</sup>

Although the general principle was that the update exercise be restricted to only businesses employing 5 or more persons, in this sector coverage was for all business irrespective of the employment size especially in sectors such as:

- Legal activities
- Market Research
- Architecture & Engineering Firms
- Security Activities
- Photographic activities and
- Other Consultancies

---

<sup>6</sup> Computer-related activities include hardware consultancy, software consultancy and supply, data processing, database activities and maintenance.

<sup>7</sup> Research and development activities include experimental development on natural sciences, engineering, social services and humanities.

<sup>8</sup> Accounting services include accounting, book-keeping and auditing activities including tax consultancy.

<sup>9</sup> Other business services include labor recruitment, office cleaning, photographic activities, packaging, advertising etc.

Tables in this section will therefore include businesses employing less than 5 persons. However for comparison purposes only businesses employing 5 or more persons will be considered.

### 3.12.2 Comparison of Service Businesses between 2001/02 and 2006/07

There were 86% more Business Services in 2006/07 compared to 2001/02.

The number of businesses employing 5 or more persons in this sector increased by 80 percent as shown in Table 3.12.1 below. Businesses in this Sector employing 100 or more persons doubled in 2006/07 compared to 2001/02. Overall all businesses employing 5 or more persons increased by at least 50.

**Table 3.12.1 Comparison of Service Businesses between 2001/02 and 2006/07**

<b>Employment Size Band</b>	<b>2001/02</b>	<b>2006/07</b>	<b>% increase</b>
5-9	328	630	92
10-19	113	210	86
20-49	65	103	58
50-99	29	50	72
100 plus	18	36	100
<b>Total</b>	<b>553</b>	<b>1029</b>	<b>86</b>

In 2006/07 there were a total of 1,738 businesses in the Businesses Services Sector, some of them employing less than 5 persons as explained earlier. The distribution of businesses by employment size band showed that 38 percent employed between 1 and 4 persons. Of all the businesses in the Services sector, a majority of them 24 percent were undertaking Legal services followed by businesses in the Other Business Services sub sector with 13 percent.

**Table 3.12.2 Distribution of Service Businesses by Employment Size Band**

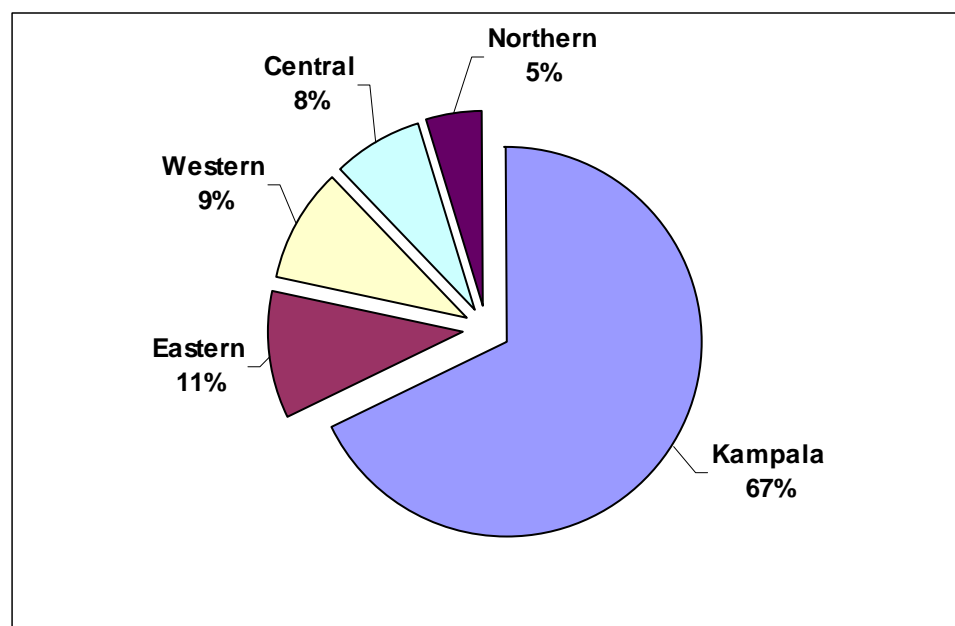
Sub Sector	Employment Size Band							Total	%
	Not Stated	1-4	5-9	10-19	20-49	50-99	100 Plus		
Real Estate	4	29	33	19	13	2	1	101	6
Rental of Transport Equipment	0	4	12	1	1	0	0	18	1
Computer related activities	3	37	79	30	9	0	1	159	9
Research & Development	0	6	21	8	4	0	1	40	2
Legal Services	13	249	131	21	3	2	0	419	24
Accounting Services	3	76	53	11	10	3	0	156	9
Market Research and Management	2	81	72	34	11	3	1	204	12
Architectural, Engineering Services	3	101	70	25	9	2	1	211	12
Security Services	6	11	11	19	33	34	29	143	8
Photographic Activities	2	11	42	3	1	1	0	60	3
Other Business Services	4	64	106	39	9	3	2	227	13
<b>Total</b>	<b>40</b>	<b>669</b>	<b>630</b>	<b>210</b>	<b>103</b>	<b>50</b>	<b>36</b>	<b>1,738</b>	<b>100</b>
<b>%</b>	<b>2</b>	<b>38</b>	<b>36</b>	<b>12</b>	<b>6</b>	<b>3</b>		<b>100</b>	

### 3.12.3 Regional Distribution of Businesses Services

A comparison of distribution of Businesses Services across the different regions shows that 67 percent of the businesses are found in Kampala alone followed by 11 percent in the Eastern region. The rest of the regions had less than 10 percent of the Business Services as shown in Figure 3.12.1 below.

67% of the Business Services are found in Kampala.

**Figure 3.12.1 Regional Distribution of Businesses Services**



A further distribution of the Business Services by sub sector showed that Kampala had the highest proportion of businesses in all sub sectors engaged in Business Services as shown in Table 3.12.3 below.

**Table 3.12.3 Distribution of Business Services by Region**

Business Service sub sector	Region					Total
	Kampala	Central	Eastern	Northern	Western	
Real Estate	88	4	4	4	1	101
Rental of Transport Equipment	12	3	2	1	0	18
Computer related activities	127	9	10	7	6	159
Research & Development	25	4	7	2	2	40
Legal Services	300	20	40	18	41	419
Accounting Services	113	7	21	7	8	156
Marker Research and Management	157	9	14	7	17	204
Architectural, Engineering Services	143	17	15	12	24	211
Security Services	44	22	40	9	28	143
Photographic Activities	34	4	8	5	9	60
Other Business Services	134	32	23	10	28	227
<b>Total</b>	<b>1,177</b>	<b>131</b>	<b>184</b>	<b>82</b>	<b>164</b>	<b>1738</b>

### 3.12.4 Employment in Businesses Services

The 1738 businesses in the Business Services sector employed over 27,000 persons and out of these 81 percent were male compared to only 19 percent female, overall the



males dominated in all sub sectors, (Table 3.12.4). Businesses undertaking Security Services employed the highest proportion of persons, 55 percent. The Security sub sector employed the highest proportion of both males and females 64 percent and 24 percent respectively.

**Table 3.12.4 Employment by Sex in Business Services**

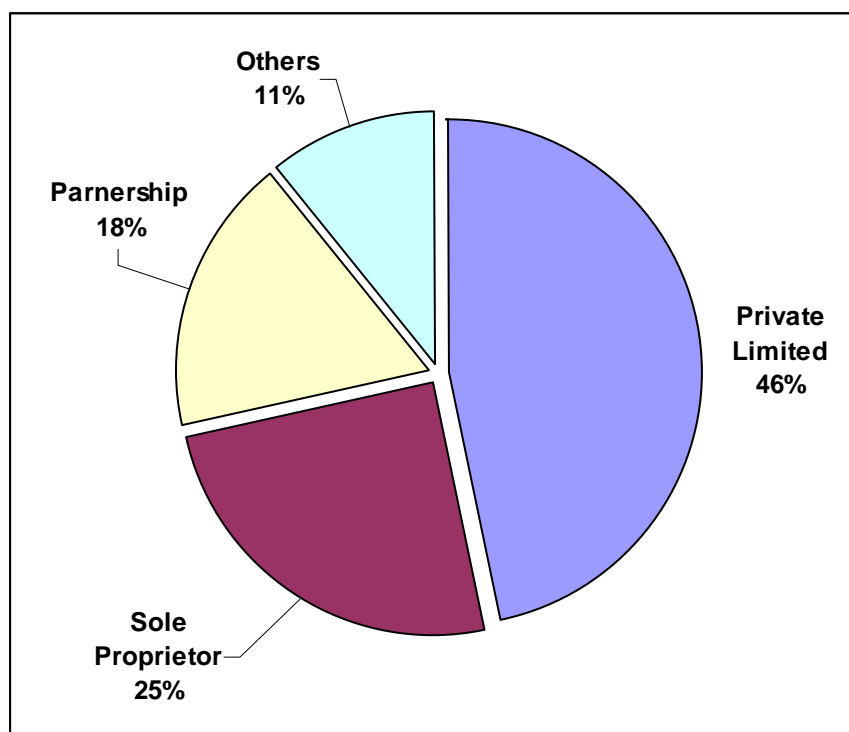
Service Sub Sector	Businesses	Employment			
		Males	Females	Total	Average
Real Estate	101	790	316	<b>1,106</b>	11
Rental of Transport Equipment, Machinery	18	109	35	<b>144</b>	8
Computer Related Activities	159	954	444	<b>1,398</b>	9
Research & Development	40	310	195	<b>505</b>	13
Legal Services	419	1,265	785	<b>2,050</b>	5
Accounting Services	156	767	405	<b>1,172</b>	8
Market Research and Management Consultants	204	1,288	621	<b>1,909</b>	9
Architectural, Engineering and Technical Services	211	1,197	336	<b>1,533</b>	7
Security Services	143	14,085	1,181	<b>15,266</b>	107
Photographic Activities	60	279	135	<b>414</b>	7
Other Business Services	227	1,400	643	<b>2,043</b>	9
<b>Total</b>	<b>1,738</b>	<b>22,444</b>	<b>5,096</b>	<b>27,540</b>	<b>16</b>

Average employment per business for businesses engaged in Business Service activities was 16 persons. However for the Security Services sub sector a business on average employs more than 100 persons compared to the Legal services which employ an average of only 5 persons per business.

### 3.12.5 Legal Ownership in Businesses Services

The businesses have been categorized according to the main type of Legal Ownership which shows that 46 percent of the businesses are Private Limited Companies followed by 25 percent which are Sole Proprietorships as shown in Figure 3.12.3 below.

**Figure 3.12.2 Legal Ownership of Businesses Services**



A distribution of businesses by the main type of legal ownership is further shown in Table 3.12.5. Legal ownership of businesses undertaking Legal Services showed that 36 percent were Sole Proprietorships, 28 percent Partnerships and 25 percent were Private Limited Companies.

**Table 3.12.5 Legal Ownership of Business Services**

<b>Business Services Sub sector</b>	<b>Sole Proprietor</b>	<b>Partnership</b>	<b>Private Limited</b>	<b>Others</b>	<b>Total</b>
Real Estate	16	7	72	6	101
Rental of Transport Equipment, Machinery	7	3	7	1	18
Computer Related Activities	38	17	98	6	159
Research & Development	1	2	18	19	40
Legal Services	152	116	106	45	419
Accounting Services	48	57	43	8	156
Market Research and Management Consultants	17	24	106	57	204
Architectural, Engineering and Technical Services	53	53	97	8	211
Security Services	14	12	104	13	143
Photographic Activities	19	4	34	3	60
Other Business Services	63	15	130	19	227
<b>Total</b>	<b>428</b>	<b>310</b>	<b>815</b>	<b>182</b>	<b>1735</b>
<b>%</b>	<b>24.7</b>	<b>17.9</b>	<b>47.0</b>	<b>10.5</b>	<b>100.0</b>

### **3.12.6 Membership to Associations**

19 percent of the businesses in this sector were members of the Uganda Law Society, 11 percent were members to the Uganda Manufacturers Association and 7 percent were members to the Uganda Private Security Association. Appendix 6.10 provides details of membership of Associations in this sector.

### **3.12.6 Summary**

There were over 80 percent more establishments engaged in Business Services in 2006/07 compared to 2001/02, Data showed that 24 percent of these businesses were offering Legal Services. Regional distribution showed that, 67 percent of the Business Services were in Kampala and 55 percent of total employees were in Security Services sub sector. The average employment per business was 16 persons. Finally 46 percent of businesses in the Business Services sector were Private Limited Companies.

### 3.13 Education

#### 3.13.1 Introduction

The Education sector covered in this report mainly focuses on:

- Primary education with particular emphasis on Pre-Primary Schools,
- Technical and Vocational Education
- Adult and other education.

The other Education sectors such as Secondary and Higher education were not covered in this survey because up-to date data on these can be obtained from the Ministry of Education and Sports. The percentage contribution of Education sector to GDP was 4.9 percent in both 2006 and 2002.

#### 3.13.2 Distribution of Education Businesses

The number of businesses registered in this sector was 2,415 as shown in Table 3.13.1, 84 percent of the businesses were Nursery Schools. The distribution of Education businesses by employment size band shows that 65 percent employed 5 or more persons. Over 70 percent of the Nursery Schools employed between 1 and 9 persons

**Table 3.13.1 Distribution of Education Businesses by Employment Size band**

Education sub sector	Employment Size Band							Total	%
	Not Stated	1-4	5-9	10-19	20-49	50-99	100 Plus		
Technical & Vocational Education	2	40	71	61	30	8	2	214	8.9
Adult and Other Education	6	26	55	26	8	1	-	122	5.1
Primary Education (Nursery)	68	704	705	487	105	8	2	2,079	86.1
<b>Total</b>	<b>76</b>	<b>770</b>	<b>831</b>	<b>574</b>	<b>143</b>	<b>17</b>	<b>4</b>	<b>2,415</b>	<b>100.0</b>
<b>%</b>	<b>3.1</b>	<b>31.9</b>	<b>34.4</b>	<b>23.8</b>	<b>5.9</b>	<b>0.7</b>	<b>0.2</b>	<b>100.0</b>	

#### 3.13.3 Regional distribution of Education Businesses

A comparison of distribution of Education businesses showed that 48 percent were in the Central region and 25 percent were in Kampala. In all regions Nursery Schools were predominant, with the highest being 53 percent in the Central region.

84% of Education businesses were Nursery Schools

53% of Nursery Schools were in the Central region

**Table 3.13.2 Distribution of Education Businesses by Region**

Education Sub Sector	Region					Total
	Kampala	Central	East	North	West	
Technical & Vocational Education	65	56	32	17	44	214
Adult and Other Education	74	13	12	4	19	122
Primary Education (Nursery)	466	1109	268	28	208	2079
Total	605	1178	312	49	271	2415
%	25.1	48.8	12.9	2.0	11.2	100.0

***A Nursery School in Kampala*****3.13.3 Employment in Education Sector**

**54% of total employees were female.**

In the Education sector covered, there were over 20,000 persons employed. Overall more female (54 percent) were employed in this sector compared to 46 percent male. At the sub-sector level however, Technical and Vocational Education had close to 70 percent male employees and Adult and Other Education had 58 percent male employees, while Primary Education (Nursery) had about 60 percent female employees. Out of the females employed close to 90 percent were working in Nursery Schools. The Nursery schools overall employed 80 percent of the total employees and only 5 percent were working in Adult Education schools as shown in Table 3.13.3 below.

**Table 3.13.3 Employment by Sex in the Education Sector**

Education Sub Sector	Businesses	Employment				Size of Business
		Male	Female	Total	%	
Technical & Vocational Education	214	2,106	948	<b>3,054</b>	14.8	14
Adult and Other Education	122	581	424	<b>1,005</b>	4.9	8
Primary Education (Nursery)	2,079	6,812	9,804	<b>16,616</b>	80.4	8
<b>Total</b>	<b>2,415</b>	<b>9,499</b>	<b>11,176</b>	<b>20,675</b>	<b>100.0</b>	<b>9</b>
%		45.9	54.1	<b>100.0</b>		

Nursery Schools employed an average of 8 persons.

The average employment per business for the Education businesses was 9 persons. Nursery Schools however, employed an average 8 persons per business compared to Technical and Vocational schools with an average of 14 persons.

### 3.13.4 Legal Ownership of Education Businesses

The highest proportion of businesses in this sector, 56 percent were Sole Proprietorships followed by 11 percent Partnerships as shown in Table 3.13.4 below.

**Table 3.13.4 Legal Ownership of Education Businesses**

Ownership Type	Technical & Vocational Education	Adult and Other Education	Primary Education (Nursery)	Total	%
Sole Proprietor	55	23	1,275	<b>1,353</b>	56.0
Partnership	19	7	234	<b>260</b>	10.8
Private Limited	48	28	103	<b>179</b>	7.4
Joint Government	12	0	119	<b>131</b>	5.4
Religious	33	8	193	<b>234</b>	9.7
Other	47	56	155	<b>258</b>	10.7
<b>Total</b>	<b>214</b>	<b>122</b>	<b>2,079</b>	<b>2,415</b>	<b>100.0</b>

### 3.13.6 Membership to Associations

The response to this was quite low however an indication of the membership to Associations in this sector is shown in Table 3.13.5 below.

**Table 3.13.5 Membership to Associations in Education Sector**

<b>Association Name</b>	<b>Technical &amp; Vocational Education</b>	<b>Adult and Other Education</b>	<b>Primary Education (Nursery)</b>	<b>Total</b>
Agakhan	0	0	3	<b>3</b>
Companionship Of Works & Association	1	0	0	<b>1</b>
Compassion International	0	0	1	<b>1</b>
Institute Of Certified Public Accountants	1	0	0	<b>1</b>
Kalangala Function Adult Literacy Instructor Association	0	1	0	<b>1</b>
Kampala Catholic Archdiocese	0	1	0	<b>1</b>
Makindye Private School Association	0	0	1	<b>1</b>
Muzzanganda Association	0	0	1	<b>1</b>
National Ngo Forum	0	1	0	<b>1</b>
Private Schools Association	0	0	1	<b>1</b>
Soft Power Education Jinja	0	0	1	<b>1</b>
Uganda Hotels Owners/Operators Association	0	1	0	<b>1</b>
Uganda Manufactures Association	1	0	0	<b>1</b>
Uganda Teachers Associations	0	0	1	<b>1</b>
Uganda Veterinary Association	0	0	2	<b>2</b>
Not Given	211	118	2,068	<b>2,397</b>
<b>Total</b>	<b>214</b>	<b>122</b>	<b>2,079</b>	<b>2,415</b>

**3.13.5 Summary**

The contribution of the Education sector to GDP was 4.9 in both 2002 and 2006 and 54 percent of employees in the sector were female. The sector was dominated by Nursery schools with 53 percent of them in the Central region. The average employment size was 8 persons per business and most of the Education businesses were Sole Proprietorships.

## 3.14 Health and Social Work

### 3.14.0 Introduction

The Health sector contributed nearly 3% to GDP in 2005.

The Health sector includes private and public activities of General and Specialized Hospitals and Clinics with help of Private Consultants, General Physicians, Veterinary Doctors and Nurses. Social Work on the other hand includes activities that are directed to providing social assistance to children, the aged and special categories of persons with some limits on ability for self-care, but where medical treatment and education are not important elements. The Health sector contributed 2.5 percent to the total GDP in the year 2006 compared to 1.8 percent in 2002.

### 3.14.1 Coverage

Coverage of the Health and Social Work sectors of the economy was such that all businesses were registered irrespective of the number of employees. The Sector specifically covered the following activities;

- Hospitals
  - It includes services of medical staff, laboratory facilities, radiology, anesthesiology and other hospital facilities.
- Medical and Dental Practices
  - This includes consultation and treatment activities of general physicians, medical specialists such as dentists. It also includes among others clinics and sickbays in schools.
- Other Human Health
  - This includes activities for human health not performed by hospitals, medical doctors or dentists. It includes businesses engaged in physiotherapy, speech therapy, and acupuncture among others. In addition it includes ambulance and air ambulance activities.
- Veterinary
  - This includes activities of veterinary hospitals where animals are confined to facilitate their medical, surgical or dental treatment.
- Social work with accommodation
  - This includes activities that are directed at providing social assistance to children, the aged and other special categories. It involves activities of orphanages, residential nurseries, homes for the disabled among others.
- Social work without accommodation



- This covers a wide range of businesses engaged in a variety of social, counseling, welfare refugee, referral activities delivered to individuals or families in their homes or elsewhere.

### 3.14.2 Number of Businesses in the Health and Social Work sector

Businesses grew by 63 % in 2006/07.

The businesses in the sector increased from 3,273 in the 2001/02 to 5,341 in 2006/07, a 63 percent increase. The highest increase was in Social Work sub sector by more than 175 percent as shown in Table 3.14.4 below. Of 5,341 businesses registered in 2006/07, 80 percent were in the Medical and Dental Practitioners sub sector.

**Table 3.14.1 Number of Health Businesses by Activity, 2001/02 and 2006/07.**

Activity	2001/02	2006/07	% Increase	2006/07 % contribution
Hospitals	64	86	34.4	1.6
Medical and dental Practices	2,773	4,289	54.7	80.3
Other Human Health	142	210	47.9	3.9
Veterinary	34	35	2.9	0.7
Social Work	260	721	177.3	13.5
Total	3,273	5,341	63.2	100.0

71% of the businesses employed 1 to 4 persons.

A distribution of businesses by employment size band showed that 71 percent of businesses that employed 1 to 4 persons. The majority (91 percent) were mainly businesses in the Medical and Dental Practice sub sector as shown in Table 3.14.2 below.

**Table 3.14.2 Businesses in the Health and Social Work Sector, by Employment Size Band**

Activity	Number Of Employment Size Band							
	Not							
	Businesses	Stated	1-4	5-9	10-19	20-49	50-99	100 plus
Hospitals	86	1	11	18	17	8	15	16
Medical and Dental Practices	4,289	43	3,439	619	140	42	6	3
Other Human Health	210	9	149	26	11	11	2	2
Veterinary	35	1	28	3	2	1	0	0
Social Work Services	721	88	170	216	141	80	14	12
<b>Total</b>	<b>5,341</b>	<b>142</b>	<b>3,797</b>	<b>882</b>	<b>311</b>	<b>142</b>	<b>37</b>	<b>33</b>

### 3.14.3 Regional Distribution of Businesses in the Health and Social Services Sector

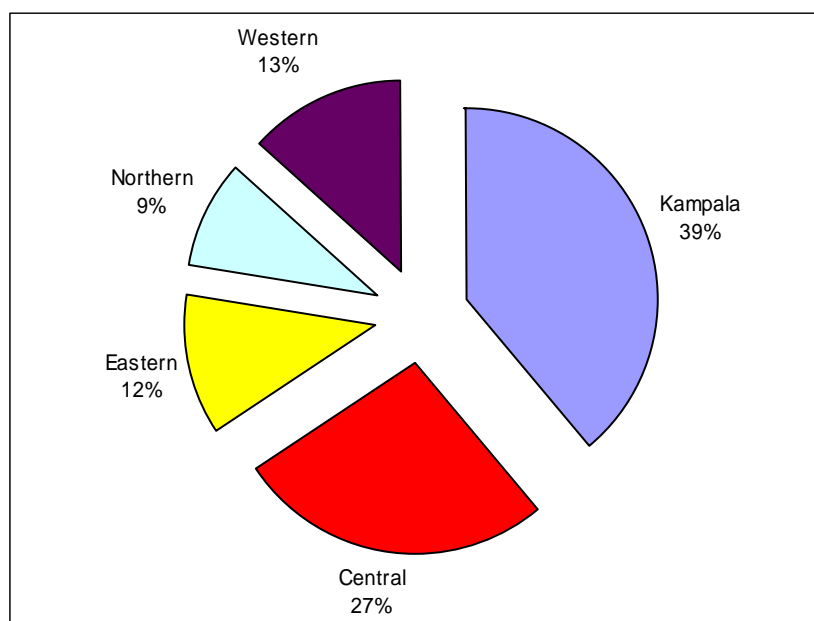
Regional distribution showed that Kampala had 39 percent followed by central with 27 percent. The Eastern and Western regions each had close to 13 percent of the businesses while the Northern region had the least, only 9 percent as shown in Figure 3.14.1.

39% of the businesses in the Health and Social Services Sector were in Kampala.

**Table 3.14.3 Regional distribution of Businesses in the Health and Social Services Sector.**

Activity	Kampala	Central	Eastern	Northern	Western	Total
Hospitals	19	19	12	13	23	86
Medical and dental Practices	1,709	1,263	503	300	514	4,289
Other Human Health	126	29	21	11	23	210
Veterinary	10	17	2	1	5	35
Social Work Services	220	88	97	171	145	721
Total	2,084	1,416	635	496	710	5,341

**Figure 3.14.1 Percentage Distribution of Health and Social Work business by Region**



### 3.14.4 Employment in the Health and Social Work sector

Employment in the Health and Social services sector has increased by 78% 2006/07 compared to 2001/02.

Total Employment in the sector grew by 78 percent, from 17,396 in 2001/02 to 30,943 in 2006/07. The Medical and Dental Practice sub sector had the highest employees, 15,512 in 2006/07 compared to 9,244 in 2001/02. Businesses in the Veterinary sub sector employed the least number, only 126 employees in 2006/07 which was less than 1 percent of total employment in the entire sector.

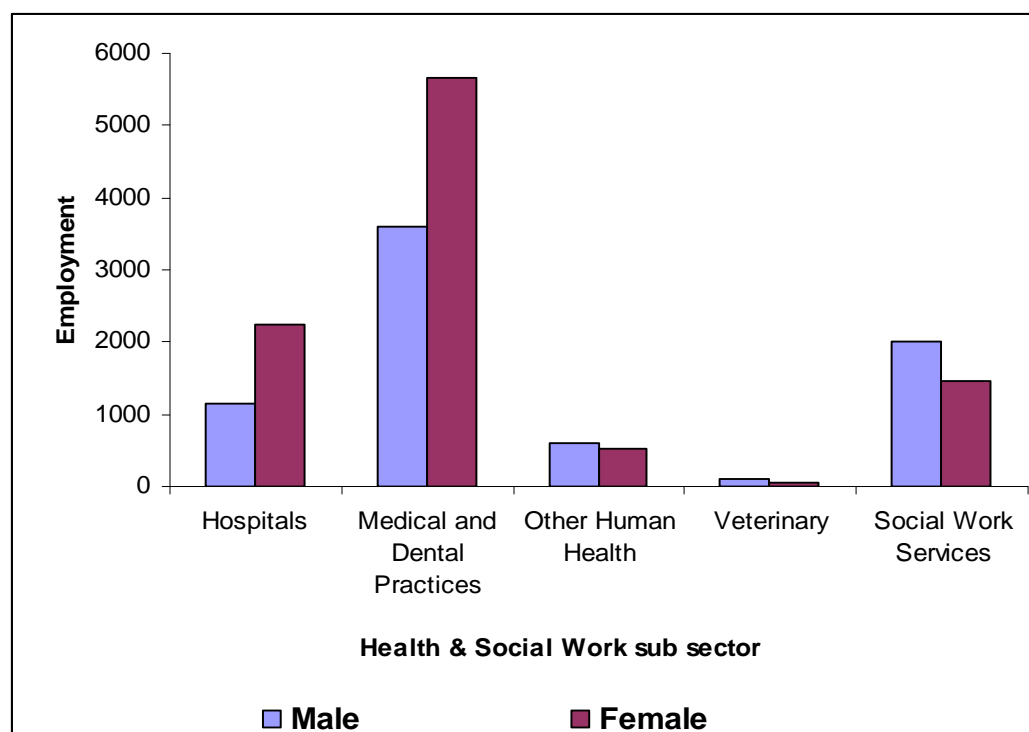
**Table 3.14.4 Employment by Activity and Sex, 2001/02 and 2006/07**

	2001/02 Employment			2006/07 Employment		
	Total	Male	Female	Total	Male	Female
<b>Health and Social Work sub sector</b>						
Hospitals	3,395	1,150	2,245	5,597	1,935	3,662
Medical and dental Practices	9,244	3,591	5,653	15,512	6,561	8,951
Other Human Health	1124	604	520	1,386	706	680
Veterinary	156	115	41	126	77	49
Social Work Services	3,477	2,020	1,457	8,322	4,781	3,541
<b>Total</b>	<b>17,396</b>	<b>7,480</b>	<b>9,916</b>	<b>30,943</b>	<b>14,060</b>	<b>16,883</b>

Female employed reduced 55% 2006/07. to in

The contribution of female employees reduced to 55 percent in 2006/07, compared to 57 percent in 2001/02. Businesses in the Veterinary sub sector and Other Human Health sub sector had more male than female employees, where only 40 percent and 47 percent of employees were female respectively, as shown in Figure 3.14.2 below.

**Figure 3.14.2 Employment by Sex and Activity, 2006/07**



### 3.14.5 Size of the business in the Health and Social Works Sector

Hospitals had the highest average employment size with each business employing at least 65 persons in 2006/07 compared to 53 in 2001/02. This was followed by businesses in the Social Work sub sector where on an average 12 persons were employed per business. The Veterinary sub-sector employed had the least average employees. Overall the sector employed an average of 6 persons per business in the 2006/07.

**Table 3.14.5 Average Employment by Activity, 2001/02 and 2006/07.**

Activity	2001/02			2006/07		
	Businesses	Employment Total	Average	Businesses	Employment Total	Average
Hospitals	64	3,395	53	86	5,597	65
Medical and Dental Practices	2,773	9,244	3	4,289	15,512	4
Other Human Health	142	1,124	8	210	1,386	7
Veterinary	34	156	5	35	126	4
Social Work Services	260	3,477	13	721	8,322	12
<b>Total</b>	<b>3,273</b>	<b>17,396</b>	<b>5</b>	<b>5,341</b>	<b>30,943</b>	<b>6</b>

### 3.14.6 Legal Ownership of businesses in the Health and Social Works Sector

NGOs owned 80% of the businesses in the Social Work sub sector.

The most common type of Legal Ownership was Sole Proprietorship accounting for 70 percent, and a majority of these were in Medical and Dental Practice sub sector. NGOs played a significant role in this sector especially in the Social Work sub sector where out of the 572 businesses operated by NGOs, 456 were in the Social Work sub sector, 80 percent.

**Table 3.14.6 Ownership of Businesses in the Health and Social Works Sector**

Health and Social Services sub sector	Sole Proprietor	Partnership	Private Limited	Joint Gov't	Religious	NGOs	Other	Total
Hospitals	15	4	11	14	32	7	3	86
Medical and Dental Practices	3,566	213	145	35	81	73	176	4,289
Other Human Health	114	17	10	3	1	35	30	210
Veterinary	25	2	5	0	0	1	2	35
Social Work Services	42	6	30	8	43	456	136	721
<b>Total</b>	<b>3,762</b>	<b>242</b>	<b>201</b>	<b>60</b>	<b>157</b>	<b>572</b>	<b>347</b>	<b>5,341</b>

### 3.14.7 Membership to Associations

The main Associations to which businesses were members to in the Health and Social Works sector include:

- Uganda Medical and Dental Practitioners
- Uganda Private Midwives Association
- National NGO Forum
- Allied Health Professionals Association
- Uganda Medical Association

The details of membership to associations for the sector are provided in Appendix 6.11.

### 3.14.8 Summary

The businesses in the Health and Social work sector grew by 63 percent in 2006/07 compared to 2001/02 and 71 percent of them employed 1 to 4 persons. The Health sector contributed close to 3 percent to GDP in 2006. Regional distribution of businesses showed that 39 percent were in Kampala. Employment in the sector increased by 78 percent 2006/07 compared to 2001/02 and 55 percent of the employees were female. The Hospitals employed an average of 65 persons per businesses in 2006/07 and nearly 80 percent of the NGOs were in the Social Works sub sector.

### **3.15 Community and Personal Services**

#### **3.15.1 Introduction**

The Community, Social and Personal Services sector covers a number of activities, including:

- Sewage and refuse disposal;
- Membership organizations, comprising:
  - Business and employers' organizations;
  - Professional organizations;
  - Trade unions;
  - Religious and political organizations;
- Recreational, cultural and sports;
- Laundry;
- Hairdressing and beauty treatments;
- Funeral and related services;
- Other personal services, including:
  - Dry Cleaning businesses
  - Salons and related Services
  - Funeral Services

Note that for this report the following activities were excluded:

- Services provided by companies (not individuals) to private households;
- Extra-territorial activities<sup>10</sup>.

Business engaged in Sewage and Refuse Disposal and other activities of Membership Organizations (NGOS) were covered irrespective of the employment size as long as they had fixed premises.

#### **3.15.2 Number of Community and Personal Services Businesses**

The total number of Community and Personal Services businesses as per the specification above was 1,041 businesses. It was not possible to directly compare the businesses in 2001/02 and 2006/07.

The distribution of businesses in the Community and Personal Services Sector by employment size band showed that 47 percent were those employing between 5 and 9

---

<sup>10</sup> *Extra-territorial activities include activities of international organizations, but exclude diplomatic and consular missions.*

persons and out of these 38 percent were in Hair Dressing and Beauty sub sector followed by 32 percent in Recreation, Culture and Sports sub sector. The highest proportion of businesses in this sector were in Recreation, Culture and Sports sub sectors, close to 40 percent. The least number of businesses were those engaged in Sewage and Refuse Disposal sub sector, only 2 percent.

**Table 3.15.1 Businesses in the Community and Personal Services Sector**

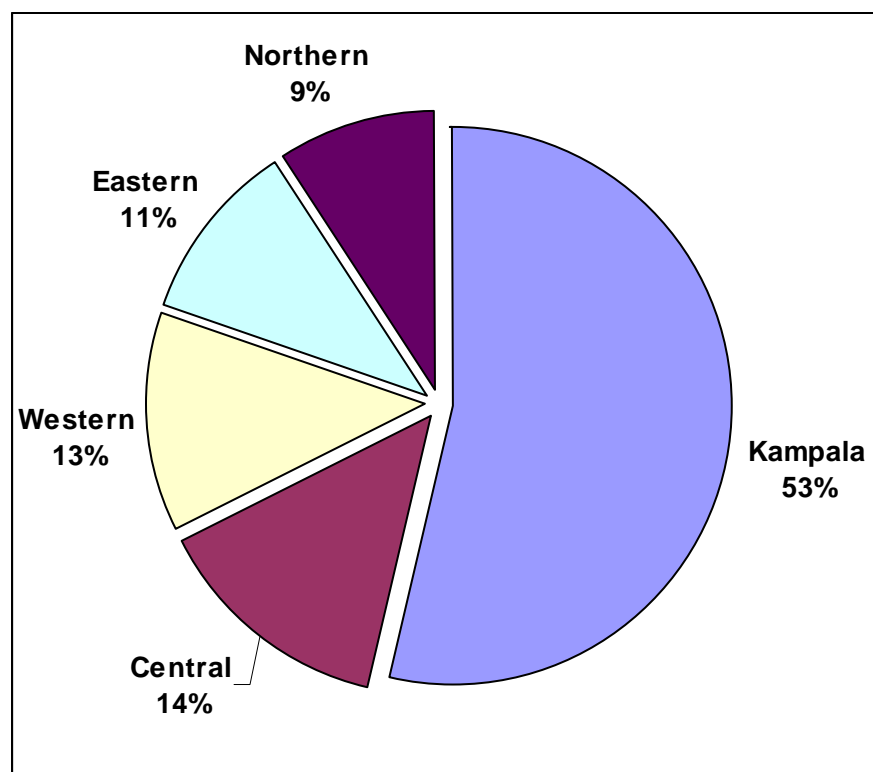
Community and Personal Services sub sector	Employment Size Band							Total	%
	Not Stated	1-4	5-9	10-19	20-49	50-99	100 Plus		
Sewage and Refuse Disposal	0	8	3	4	4	1	1	21	2.0
Activities of Membership Organizations	12	86	90	57	22	4	4	275	26.4
Recreation, Culture and Sports	6	85	160	76	54	15	5	401	38.5
Laundry	0	12	33	11	4	0	0	60	5.8
Hair Dressing and Beauty Treatment	1	19	187	19	1	0	0	227	21.8
Funeral and Other Personal Services	2	9	23	9	6	5	3	57	5.5
<b>Total</b>	<b>21</b>	<b>219</b>	<b>496</b>	<b>176</b>	<b>91</b>	<b>25</b>	<b>13</b>	<b>1,041</b>	<b>100.0</b>
<b>%</b>	<b>2.0</b>	<b>21.0</b>	<b>47.6</b>	<b>16.9</b>	<b>8.7</b>	<b>2.4</b>	<b>1.2</b>	<b>100.0</b>	

53% of the Community and Personal Services are found in Kampala.

### 3.15.3 Regional Distribution of Community and Personal Services

A comparison of distribution of Community and Personal Services across the different regions showed that 53 percent of the businesses were found in Kampala followed by 14 percent in Central Region. The Northern Region had only 9 percent of businesses engaged in Community and Personal Services as shown in Figure 3.15.1.

**Figure 3.15.1 Regional Distribution of Community and Personal Services**



A further distribution of the Community and Personal Services by industry sector showed that Kampala had the highest proportion of businesses in all sub sectors engaged in Community and Personal Services as shown in Table 3.15.2 below.

**Table 3.15.2 Regional Distribution of Businesses in the Community and Personal Services Sector**

	Region					Total
	Kampala	Central	East	North	West	
Sewage and Refuse Disposal	14	3	0	1	3	21
Activities of Membership Organizations	126	40	32	42	35	275
Recreation, Culture and Sports	177	64	50	40	70	401
Laundry	43	8	4	2	3	60
Hair Dressing and Beauty Treatment	149	27	20	9	22	227
Funeral and Other Personal Services	48	4	4	1	0	57
<b>Total</b>	<b>557</b>	<b>146</b>	<b>110</b>	<b>95</b>	<b>133</b>	<b>1,041</b>
<b>%</b>	<b>53.5</b>	<b>14.0</b>	<b>10.6</b>	<b>9.1</b>	<b>12.8</b>	<b>100.0</b>

### 3.15.4 Employment in Community and Personal Services

The over 1,000 businesses in the Community and Personal Services sector employ over 13,000 persons and out of these 65 percent were male compared to only 35 percent female. Although the males dominated in most sub sectors, 60 percent of the employees

60% of the employees in Hair Dressing and Beauty Treatment sub sector were female.



in the Hair Dressing and Beauty Treatment sub sector were female as shown in table 3.15.3. The highest proportion of employees (45 percent) was in the Recreation, Culture and Sports sub sector.

**Table 3.15.3 Employment by Sex in Community and Personal Services Sector**

Community and Personal Services sub sector	Businesses	Employment			
		Male	Female	Total	Average
Sewage and Refuse Disposal	21	569	317	<b>886</b>	42
Activities of Membership Organizations	275	1,844	1169	<b>3,013</b>	11
Recreation, Culture and Sports	401	4,057	1811	<b>5,868</b>	15
Laundry	60	315	180	<b>495</b>	8
Hair Dressing and Beauty Treatment	227	569	845	<b>1,414</b>	6
Funeral and Other Personal Services	57	1,105	222	<b>1,327</b>	23
<b>Total</b>	<b>1,041</b>	<b>8,459</b>	<b>4,544</b>	<b>13,003</b>	12

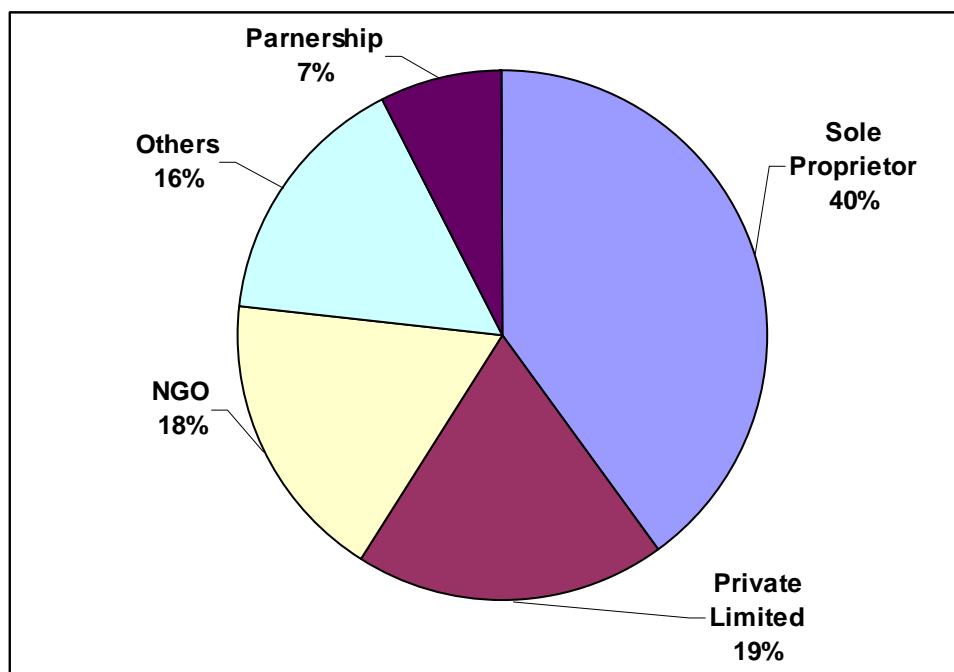
On average 12 persons were employed per business engaged in Community and Personal Services

Average employment per business in the sector was 12 persons. The highest average employment size of 42 persons was in businesses engaged in Sewage and Refuse Disposal compared to Hair Dressing businesses that employed only on average of 6 persons.

### 3.15.5 Legal Ownership in Community and Personal Services

The businesses have been categorized according to the main type of Legal Ownership which shows that 40 percent of them were Sole Proprietorships. The businesses owned as Private Limited Companies and Non Governmental Organizations had close to 18 percent businesses each as shown in Figure 3.15.2 below.

**Figure 3.15.2 Legal Ownership of Community and Personal Services**



A distribution of businesses by the main type of legal ownership is further shown in Table 3.15.4. 44 percent of Sole Proprietorships were engaged in Hair Dressing and Beauty activities while 38 percent of businesses engaged in Recreation, Culture and sports were also owned as Sole Proprietorships. The NGOS owned 81 percent of the businesses engaged in activities of Membership Organizations.

**Table 3.15.4 Legal Ownership of Community and Personal Services**

Community and Personal Services sub sector	Sole Proprietor	Partnership	Private Limited	NGO	Others	Total
Sewage and Refuse Disposal	1	3	6	4	7	21
Activities of Membership Organizations	18	3	21	152	81	275
Recreation, Culture and Sports	154	37	122	29	59	401
Laundry	29	6	24	0	1	60
Hair Dressing and Beauty Treatment	184	26	11	1	5	227
Funeral and Other Personal Services	29	3	13	1	11	57
<b>Total</b>	<b>415</b>	<b>78</b>	<b>197</b>	<b>187</b>	<b>164</b>	<b>1041</b>
<b>%</b>	<b>39.9</b>	<b>7.5</b>	<b>18.9</b>	<b>18.0</b>	<b>15.8</b>	<b>100.0</b>

### 3.15.5 Membership to Associations

The main Associations to which businesses in the Personal Services sector belonged to include:

- Uganda Manufactures association
- Uganda Broadcasting Council
- National NGO Forum

Appendix 6.12 provides details of all the Associations to which businesses in this sector belonged.

### **3.15.6 Summary**

Out of the Community and Personal Services existing in 2006/07, 53 percent were found in Kampala. . The sector employed over 13,000 persons. Of the persons employed in Hair Dressing and Beauty Treatment sub sector, 60 percent were females. On average 12 persons are employed per business engaged in Community and Personal Services and 40 percent of businesses were Sole proprietorships.

## **4.0 METHODOLOGY & FIELD ORGANIZATION**

### **4.1 Introduction**

The Business Register (BR) update exercise was a program that began in May 2006 and ended in February 2007. It was an exercise that was intended to capture data from the entire country. This was an update following the BR update undertaken in 2001/02. In 2006/07, the criterion for update was only those businesses that employed five or more persons. The exclusion to this were businesses such as Nursery Schools, Clinics, Law Firms, Forex Bureaus among others as spelt out in Table 1.2.

### **4.2 Organization of Field work**

The Bureau embarked on the update of the Business Register in May 2006 covering Jinja district and Nakawa division in Kampala. The field work was categorized into two, Kampala and Wakiso Districts and the Rest of the Country. This was because Kampala and Wakiso districts have close to 50 percent of the businesses in the entire country.

#### **Phase 1**

Phase 1 of the update exercise was restricted to businesses within Kampala and Wakiso districts that did not require over night stay. The bulk of the field work was covered in the months of September to December 2006.

#### **Phase 2**

Phase 2 of the field work which covered the rest of the country was embarked in Mid December 2006 and completed in February 2007; the method of update remained the same. However to ease the exercise the teams were provided with letters of introduction to top District Officials

**Table 4.1 Coverage of Districts.**

Team	Districts to be covered	Update Period
All Teams	Jinja district and Nakawa division in Kampala	May and June 2006
All Teams	Kampala and Wakiso	September to December 2006
One (South Western)	Kisoro, Kabale, Kanungu, Rukungiri, Ntungamo, Bushenyi, Mbarara, Isingiro and Kiruhura	December 2006 and January 2007
Two (Mid Western)	Kyenjojo, Kabarole, Bundibugyo, Kamwenge, Ibanda, Kasese	December 2006
Three (West Nile Region)	Arua, Nebbi, Pader, Moyo, Adjumani, Yumbe, Maracha, Amuru and Koboko	December 2006
Four (Northern Region)	Gulu, Kitgum, Pader, Apach, Oyam, Dokolo, Amolatar and Lira	December 2006 and January 2007
One (Central 1)	Kalangala, Mubende, Mpigi, Mityana, Masaka, Sembabule, Rakai and Mbarara	January and February 2007
Two (Central 2)	Wakiso, Luwero, Nakasongola, Kiboga, Hoima, Masindi, Nakaseke, Kibaale	January and February 2007
Three (Central & East)	Mukono, Kayunga, Iganga, Kamuli, Kaliro, Mayuge, Bugiri, Busia, Tororo, Pallisa, Butaleja	January and February 2007
Four (North and Far East)	Lira, Soroti, Moroto, Kaberamaido, Dokolo, Amolatar, Katakwi, Amuria, Kotido, Nakapiripirt, Kapchorwa, Mbale, Kumi, Sironko, Manafwa	January and February 2007

Questionnaires used for the update were designed as shown in Appendix 6.14. The main variables on which data was collected were:

- Name of establishment;
- Activity;
- ISIC activity code;
- Location<sup>11</sup>;
- Telephone and postal contacts;
- Employment numbers by Sex;
- Type of ownership;
- Sex of owners (where applicable);

<sup>11</sup> Location data noted included Plot and Block Number (where available), and/or administrative division, i.e. village / Local Council / Parish / Sub-County.

- Nationality of owners
- Membership of Associations<sup>12</sup>
- For enterprises<sup>13</sup>, the enterprise name and ISIC activity code;

### 4.3 Recruitment and Training of Staff

UBOS recruited a total of 10 temporary staff to assist with the update exercise in order to



*Theophilus interviewing a respondent*

beef up the existing numbers.

A total of 20 staff were engaged in the program and their duties included data collection, editing, data entry and data processing. Each staff was given a code for ease of identification. In order to better guide the data collectors, a BR update manual was prepared with

the corresponding forms to be used. All staff were trained on how to administer the questionnaire and the allocation of the appropriate codes for each activity as provided in the ISIC Revision 3.

### 4.4 Team Formation

In order to ease the field work and supervision, the staff were grouped in teams. Each team had a Team Leader, four Interviewers and a driver. The Team Leader was in charge of directing the operation in the field which included:

- getting guides
- deciding as to where and how the team would work
- allocation of work
- editing and monitoring follow-ups.

Prior to the field work each team was allocated an area to cover based on the administrative locations. This was to minimize movement between businesses and to ease supervision.

<sup>12</sup> Determine whether a given business is a member of any Association

<sup>13</sup> Organizations comprising more than one establishment.

## 4.5 Update Materials

All the information obtained from the respondents was written down in questionnaires which were numbered serially (attached is a sample questionnaire in appendix 6.14) and each questionnaire had 15 sheets each with a provision of 15 businesses and each questionnaire had a unique batch number for easy identification. In Kampala and Wakiso districts a batch was restricted to a division while in the rest of the country a batch was restricted to a district. The other materials that were used during field work included:

- manual of instruction
- control forms for new administrative units
- forms for guides
- administrative units
- introductory letters for District Officials
- introductory letters for Business Proprietors
- association lists and forms
- clear bags
- highlighters
- pens
- notebooks

## 4.6 Field Work

The field work was structured in such a way that there were 4 teams each with a Team Leader and each team constituted of 4 persons. The update exercise was undertaken in the following manner:

- The exercise started with a briefing at the office for both the Interviewers and drivers
- During this briefing allocation of specific areas of coverage, code of conduct and allocation of vehicles was discussed, among other things.
- Each team would then sort and pack all the required materials mentioned above. Questionnaires and other materials were packed in boxes in bulk and kept in the vehicle.
- Once at the District, team members would report to the District Officials who included the Chief Administrative Officer (CAO), the Resident District Commissioner (RDC) District Internal Security Officer (DISO), District Police Commander (DPC)<sup>14</sup> and Town Clerks. The key person at the district was the

---

<sup>14</sup> The provision of letters to the DPC, DISO was to ensure the security of the staff while in the district.

CAO who in turn provided letters of introduction to the Lower Administrative Officials such as Sub County and Parish Chiefs.

- The Parish Chief or his designate acted as a guide for the Interviewer by introducing him/her to the businesses proprietors. (In such a way to ensure obtaining a response from proprietors)
- The Interviewers worked in pairs, one with a new questionnaire and the other with the old list of businesses. This helped ascertain whether businesses initially registered still existed and determine the new ones that had started operations
- Once all villages in a specified parish were completed, the team moved on to another parish and the exercise would be repeated until all village by village, street by street until the whole division/district was completed.
- In the office the Interviewer allocated the right administrative codes and ISIC Rev III codes to the activities. Thereafter the questionnaire was handed to the Team Leader who would in turn hand it over to the Supervisor ready for data entry.

#### **4.6.1 Guides**

The Guide was required to take a team around the administrative unit, showing clearly the boundaries of each area. The team members would move on foot with the Guide street by street while registering businesses. They would meet face to face with the respondents who included Managers, Accountants, Business representatives, Sales Persons, to mention but a few. Letters of introduction to each business were presented during the update exercise which to a certain extent provided assurance to the respondents that the data would be kept confidential. The guide played a very important role introducing members to Business Proprietors, and where they tried to be uncooperative, the guide would convince them to provide the required information. Normal working hours were from 8.00 am up to 7.00 pm; this was due to the need to get the late opening businesses such as Clinics. After the day's work, the guide(s) was paid some token amount of money to solicit their continued cooperation.



## 4.7 Data Processing

Once the questionnaires were received from the field they were captured in a pre-designed data entry system which whose back end was in Visual Basic and front end in MSAccess 2003. The data was captured by four Data Entry Operators (DEO) on four networked terminals and data was stored centrally in the UBOS server. The DEO were supervised by a Statistician who was in charge of allocation of work, receiving of completed questions and general supervision; and by a Programmer who was responsible for identifying and solving any faults with the software system. Subsequent

analysis of the data was undertaken in STATA.



## 4.8 Challenges

The exercise came with challenges and problems that were met by fieldworkers on a day to day basis

*in reviewing the final report*

- Business Proprietors were sometimes very rude and hard to convince about the true intentions of the exercise. Ignorance about statistics was easily evident on their faces. This sometimes resulted in chasing away of Interviewers without any information provided to them.
- Some Business Proprietors thought that UBOS collaborated with Uganda Revenue Authority (URA) officials to increase taxes based on the data provided.
- The Guides sometimes turned against the Interviewers because of the hectic schedule, working all day moving from place to place and yet the payment provided was unrealistic based on their assessment.
- The weather conditions were simply unpredictable. Sometimes it would rain heavily leaving the Interviewers wet and muddy as a result of moving through muddy roads. In such cases some Business Proprietors would send Interviewers away so as not to soil their premises and yet in some cases the places were

extremely hot for instance the newly created Buliisa district. This resulted in failure to conduct the interviews leading to a slow down of the entire exercise.

- Given the insults and abuses sometimes hurled to the Interviewers, there would be loss of morale going back to those businesses. The Team Leader and Supervisors would then take up such businesses.
- Insecurity in some regions posed another threat where the exercise proved practically impossible. A case in point was the districts in the Karamoja region.
- Ignorance on the part of the Guides on the names of the administrative units was another problem. Sometimes there would be a discrepancy in administrative names making it difficult to code the questionnaires.
- Some Business Proprieties did not provide all the required details in the questionnaire referring the Interviewers to their bosses who were consistently away. This resulted in numerous 'call backs', for example "*employment*", was in some cases left blank.
- Uncertainty on the part of the respondents for different details was yet another problem. For example '*year in which business started*', "*membership to associations*" were in most cases not given.
- Some respondents pretended to be too busy with their own schedules to be interviewed and requested the Interviewers to leave the questionnaire behind.
- Strict bureaucracy to acquire information within establishments led to time wasting and in some cases leaving Interviewers with unsatisfactory information.
- Some businesses could not be located although Interviewers had guides, this would consume a lot of time trying to look for them, some of them could have shifted to different location or closed.
- The restriction of the update exercise to only businesses employing 5 or more persons was a problem because the Interviewer would have to inquire as to the number of employees before a business could be registered; this was particularly a problem with the new businesses.

#### **4.9 Recommendations**

Following the problems and challenges that were encountered during the survey, the following recommendations could be implemented in future similar programs:

- Statistical advocacy should be undertaken prior to the field work. The business community should be sensitized in all aspects of the inquiry and statistics and this could be done through Radio, News Media and Television Talk Shows or

otherwise. In this way the respondents will be ready for the exercise and as such ease data collection.

- Improved funding for Guides because they are a key in locating the businesses. The amount of money provided to them at close of business was rather low.
- Plan another comprehensive BR updated so that every single business is registered without restriction.
- Copies of the Statistics Act should be given to Interviewers to explain further the importance of data collection to respondents.
- Global Positioning System (GPS) are a necessity in order to locate businesses that were earlier recorded and provide location of new businesses. Work would be simple if GPS coordinates were provided in addition to maps of the enumeration areas.

I.



*Martin interviewing a respondent*

## 5.0 CONCLUSION

As revealed in previous reports the highest number of businesses, 45 percent were located in Kampala. In addition the district had the highest number of businesses in all industry groups except Education, Agriculture, Forestry and Fishing. Although the Northern region had the least number of businesses in all industry groups, it registered an increase in numbers of businesses employing 5 or more persons of 80 percent in 2006/07. Extra effort could be directed to increasing the business distribution in the northern region because this may in one way reduce on the rural – urban migration.

As in previous survey data out of the total persons employed, 68 percent were males, the female employees were a minority in most sectors of the economy except Education, Health and Social Works and Hotels and Restaurants and the average employment size per business was 12 persons. There is need to encourage female to take up training and obtain skills in the male-dominated sectors of the economy.

Government is currently pursuing a policy of privatization. Following privatization data on ownership of businesses showed that government hardly owned any businesses. Businesses that were owned as Sole Proprietorships were the majority, 51 percent followed by 24 percent Private Limited Companies. Considering that one of the disadvantages of Sole Proprietorships is inability to secure a loan, business owners could be encouraged to register businesses in other ways for instance, Cooperative, in order to access funding.

Although response to *“membership of businesses to associations”* was low, of those who responded, Uganda Manufacturers’ Association (UMA) had the highest Membership.

## **6.0 APPENDICES**

- 6.1 References
- 6.2 Definition of key Words
- 6.3 Persons Involved
- 6.4 Regional Distribution of Businesses by Industry
- 6.5 Distribution of Businesses by Employment Size band by Industry
- 6.6 Employment in Businesses by Industry
- 6.7 Main Ownership Types by Industry Sector
- 6.8 Membership to Associations in the Manufacturing Sector
- 6.9 Membership to Associations in the Trade Sector
- 6.10 Membership to Associations in the Business Services Sector
- 6.11 Membership to Associations in the Health Sector
- 6.12 Membership to Associations in the Personal Services Sector
- 6.13 Membership to Associations by Industry Sector
- 6.14 Questionnaire

## Appendix 6.1 References

1. A Report on the Uganda Business Register, 2001/2002 Uganda Bureau of Statistics January 2003
2. Census of Business Establishments Uganda 1989 Manufacturing Sector Report Statistics Department Ministry of Finance and Economic Planning December 1993
3. Cochran, William G. Sampling Techniques, Third Edition. John Wiley & Sons New York, 1977
4. Daniel W.G & Terrell J.C. Business Statistics for Management and Economics Sixth Edition. Houghton Mifflin Company 1992
5. Key Economic Indicators 63<sup>rd</sup> Issue: First Quarter 2006/7 Uganda Bureau of Statistics December 2006
6. Key Economic Indicators 65th Issue: Third Quarter 2006/7 Uganda Bureau of Statistics June 2007
7. Prof. Ben Kiregyera (1999) Sample Surveys with Special Reference to Africa Phidam Enterprises Ltd. Kampala
8. Report on the Uganda Business Inquiry, 2000/2001 Uganda Bureau of Statistics April 2004
9. System of National Accounts 1993 World Bank 1993
10. Uganda National Household Survey 2002/2003 Socio Economic Report Uganda Bureau of Statistics November 2003.

## Appendix 6.2

## Definitions of Key Words

<b>Activity</b>	Actual activity a business is engaged in as specified in the International Standard Industrial Classification
<b>Activity Code</b>	A 4-digit number referencing the activity as specified in the International Standard Industrial Classification
<b>Enterprise</b>	This was the smallest combination of legal units. It may be a sole legal unit carrying out one or more activities at one or more locations, which benefits from a certain degree of autonomy in decision making, especially with regard to the allocation of its current resources.
<b>Business Establishment</b>	This was an enterprise, or part of an enterprise that was situated at a single location e.g. an individual firm mine, factory and in which only a single (non-ancillary) productive activity was carried out or in which the principal productive activity accounted for most of the value added.
<b>Formal Business</b>	Organized, large with a fixed location and employing 5 or more persons
<b>Informal</b>	Small or not organized and employing less than 5 persons
<b>Follow up</b>	Going back to the same businesses to collect data
<b>Interviewer</b>	One who asks questions
<b>Industry</b>	Main type of activity carried out at person's place of work irrespective of what other work is done.
<b>ISIC</b>	A United Nations International Standard of Industrial Classification of all Economic Activities
<b>Proprietor</b>	Owner of a business
<b>Respondent</b>	A person who provides answers to the Interviewer or a person who records the answers in a self-administered questionnaire.
<b>Response</b>	An answer provided by the respondent during an interview / inquiry or the answer recorded by the respondent in a self-administered questionnaire.
<b>Sector</b>	Is equivalent to a category in the ISIC which is normally made up of one or more Divisions.
<b>Batch</b>	A whole booklet/questionnaire used for data collection
<b>Region</b>	An administrative area with defined boundaries either by counties, districts, countries or any other specificity, which can clearly differentiate boundaries and is normally named according to the compass direction with respect to the

surrounding areas or a tract of a country. There are five regions for this report and they include Kampala, Central, Eastern, Northern and Western.

**Business Register** List of Businesses Establishments in the country at a particular time normally used as a sampling frame for economic surveys

**Legal Ownership** defines business possession in ways that permit both the allocation of each establishment to the correct sector for national accounting and leads to the correct measurement of employment.



## **Appendix 6.3 Persons Involved in the UBI**

### **A) Management**

#### **Uganda Bureau of Statistics**

J.B. Male Mukasa, Executive Director  
J.W Mubiru, Deputy Executive Director  
F. Mashate, Director Finance and Administration  
S. Nakasinde (Ms), Human Resource Officer  
R. Lukyamuzi (Ms), Administrative Officer

#### **Private Sector Foundation Uganda**

G. Hatega, Executive Director  
G. Badagawa, Director Policy and Advocacy  
J. Byaruhanga, Project Manager

### **B) Technical Staff**

A. Matovu, Senior Systems Analyst/Programmer  
I. Atai (Ms), Principal Statistician Business & Industry  
J.B Musoke, Senior Statistician Industry  
S.N Mayinza, Director, Production Statistics  
W. Anguyo, Statistician, Business

### **C) Authors**

C. Wabwire	Transport, Posts and Telecommunications
G. Mwesigye and R. Lubega	Field work
I. Atai (Ms)	Report Writing Coordinator, Manufacturing, Education, Research and Personal Services
J.B Musoke	Hotels & Restaurants
P. Opio	Mining and Quarrying, and Construction
S. Kaisiromwe	Finance, Insurance, Health and Social Works
S.N. Mayinza	Final Editor
W. Anguyo	Agriculture, Fishing, Trade

#### **D) Other Staff**

##### **Drivers**

C. Bazanye	C. Ngarambe
D. Mivule	J. Mukasa
M. Lukambuzi	R. Bakwera

##### **Data Processing Staff**

A. Namono (Ms)	DEO
H. Moyoby	DEO
R. Uwera (Ms)	DEO
S. Naseeta (Ms)	DEO
W. Anguyo	Supervisor

##### **Field Staff**

B. Okwii	J. Muyimba
C. Tebandeke	J. Opio
C. Wabwire	L. Kyasikane
D. Okiror	M. Edumu
I. Wandwasi	R. Lubega
J. Asimwe	S. Wamwangu
J. Kikanja	T. Musiimenta

## Appendix 6.4 Regional Distribution of Businesses by Industry Sector

Industrial Sector	Region					Total
	Kampala	Central	Eastern	Northern	Western	
Agriculture & Forestry	13	161	8	11	219	412
Fishing	3	119	2	-	-	124
Mining & Quarrying	21	6	6	2	4	39
Food Processing	380	276	282	69	193	1,200
Other Manufacturing	994	343	319	130	294	2,080
Utilities	9	2	4	3	11	29
Construction	177	26	17	30	32	282
Trade	2,946	731	596	323	673	5,269
Hotels & Restaurant	1,315	575	542	399	580	3,411
Transport, Storage and Communications	540	98	164	53	73	928
Finance & Insurance	372	226	157	94	309	1,158
Business Services	1,177	131	184	82	164	1,738

*Business Register Update 2006/07, (UBOS & PSFU)*

<b>Industrial Sector</b>	<b>Region</b>					<b>Total</b>
	<b>Kampala</b>	<b>Central</b>	<b>Eastern</b>	<b>Northern</b>	<b>Western</b>	
Education	605	1,178	312	49	271	<b>2,415</b>
Health & Social works	2,084	1,416	635	496	710	<b>5,341</b>
Community, Social & Personal Services	557	146	110	95	133	<b>1,041</b>
<b>Total</b>	<b>11,193</b>	<b>5,434</b>	<b>3,338</b>	<b>1,836</b>	<b>3,666</b>	<b>25,467</b>

## Appendix 6.5 Distribution of Businesses by Employment Size Band by Industry Sector

Industry Sector	Employment Size Band							
	0	1-4	5-9	10-19	20-49	50-99	100 Plus	Total
Agriculture & Forestry	18	12	187	92	45	14	44	412
Fishing	1	3	93	21	6	-	-	124
Mining & Quarrying	2	4	12	6	7	5	3	39
Food Processing	11	101	627	238	118	41	64	1,200
Other Manufacturing	18	132	1,274	362	192	52	50	2,080
Utilities	1	2	2	8	9	4	3	29
Construction	5	57	80	63	38	22	17	282
Trade	44	1,142	2,753	965	302	47	16	5,269
Hotels & Restaurant	29	151	2,365	647	186	18	15	3,411
Transport, Storage and Communications	20	376	300	115	73	19	25	928
Finance & Insurance	69	451	358	173	69	27	11	1,158
Business Services	40	669	630	210	103	50	36	1,738

Business Register Update 2006/07, (UBOS & PSFU)

Industry Sector	Employment Size Band						
	0	1-4	5-9	10-19	20-49	50-99	100 Plus
Education	76	770	831	574	143	17	4
Health & Social Works	142	3,797	879	311	142	37	33
Community, Social & Personal Services	21	219	496	176	91	25	13
<b>Total</b>	<b>497</b>	<b>7,886</b>	<b>10,887</b>	<b>3,961</b>	<b>1,524</b>	<b>378</b>	<b>334</b>
							<b>25,467</b>

## Appendix 6.6 Employment by Sex by Industry Sector

Industry Sector	Number of businesses	Employment			
		Males	Females	Total	Average
Agriculture & Forestry	412	20,718	7,689	28,407	69
Fishing	124	939	73	1,012	8
Mining & Quarrying	39	1,344	149	1,493	38
Food Processing	1,200	30,867	8,766	39,633	33
Other Manufacturing	2,080	25,934	6,522	32,456	16
Utilities	29	2,254	484	2,738	94
Construction	282	7,736	1,257	8,993	32
Trade	5,269	34,603	12,173	46,776	9
Hotels & Restaurant	3,411	15,134	17,662	32,796	10
Transport, Storage and Communications	928	14,374	3,291	17,665	19
Finance & Insurance	1,158	7,808	5,729	13,537	12
Business Services	1,738	22,444	5,096	27,540	16
Education	2,415	9,499	11,176	20,675	9
Health & Social works	5,341	14,125	16,946	31,071	6
Community, Social & Personal Services	1,041	8,459	4,544	13,003	12
<b>Total</b>	<b>25,467</b>	<b>216,221</b>	<b>101,550</b>	<b>317,795</b>	<b>12</b>

## Appendix 6.7 Main ownership Types by Industry Sector

Industry Sector	Main ownership Types						
	Sole Proprietor	Partnership	Private Limited	Religious	NGO	Others	Total
Agriculture & Forestry	251	17	89	7	9	39	412
Fishing	114	4	4	-	-	2	124
Mining & Quarrying	12	3	21	-	-	3	39
Food Processing	684	87	358	8	8	55	1,200
Other Manufacturing	1,136	260	586	19	9	70	2,080
Utilities	1	-	9	-	-	19	29
Construction	23	19	223	1	4	12	282
Trade	2,262	538	2,210	16	11	232	5,269
Hotels & Restaurant	2,619	308	307	29	5	143	3,411
Transport, Storage and Communications	129	73	652	1	13	60	928
Finance & Insurance	81	53	485	35	183	321	1,158
Business Services	428	310	815	7	63	115	1,738
Education	1,353	260	179	234	96	293	2,415
Health & Social works	3,762	242	201	157	572	407	5,341
Community, Social & Personal Services	415	78	197	49	187	115	1,041
<b>Total</b>	<b>13,270</b>	<b>2,252</b>	<b>6,336</b>	<b>563</b>	<b>1,160</b>	<b>1,886</b>	<b>25,467</b>
%	52.1	8.8	24.9	2.2	4.6	7.4	