

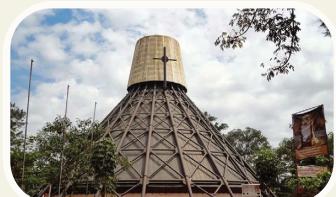
## 1.0 Country Overview

Uganda, an East African country with a population of 45.9 million and boasts literacy rates of 74% (UBOS 2024) and has a predominantly young population, nearly 48% of whom are under 15 years old. The size of Uganda's economy stood at US\$53.6 billion by the end of 2024. It is a multiparty democracy.

Uganda has undertaken key policy and institutional reforms that have contributed to macroeconomic stability and growth. Its strategic location in the heart of East Africa provides land access to regional markets including Kenya, Tanzania, Rwanda, South Sudan, and the Democratic Republic of the Congo (DRC). The country has demonstrated consistent GDP growth, prudent monetary policy, and a commitment to infrastructure investment.

Uganda's capital city, Kampala (daytime population exceeding 3 million,) is estimated to account for about 60% of the country's GDP and is expected to rank among the world's fastest-growing cities by 2035.

Uganda's development is guided by Vision 2040 and the National Development Plan IV (NDP IV), which focuses on agro-industrialization, tourism, mineral development, and innovation.



POPULATION  
**45.9** million  
(UBOS Census, 2024)



LITERACY RATE  
**76%**



## 2.0 Sector Overview

Uganda's tourism sector is a vital component of the national economy, contributing significantly to employment, GDP, and foreign exchange earnings. In 2024, the sector directly contributed UGX 6.06 trillion (approximately 3.2% of GDP) and employed about 803,000 individuals, accounting for roughly 7.2% of total employment. Tourism is also a key source of foreign exchange, with earnings reaching a record high of US\$1.28 billion in the same year.

The country's diverse attractions, including 10 national parks and 12 game reserves, offer a range of tourism products such as gorilla tracking, bird watching, and cultural experiences. These natural and cultural assets are distributed across various agro-ecological zones, enhancing Uganda's appeal as a tourism destination. Despite its potential, the tourism sector encounters structural challenges, such as inadequate infrastructure, limited marketing, and the necessity for product diversification.



**UGX 6.06**  
trillion in  
2024



Employed about  
**803,000**  
individuals

To address these challenges, Uganda's Vision 2040 and the National Development Plan IV prioritize tourism development by focusing on infrastructure improvement, product diversification, and sustainable practices. Recent initiatives, such as the introduction of star-rated hotels and investments in cultural site maintenance, aim to enhance the sector's competitiveness and resilience.

## 3. Market Opportunities

Uganda's tourism sector offers diverse and growing market opportunities, supported by the country's rich natural beauty, cultural heritage, and strategic location in East Africa. As global travel trends shift toward sustainable, experience-based tourism, Uganda is well-positioned to tap into both international and regional markets.

### 3.1 Domestic Market

Uganda's domestic tourism market is expanding, driven by urbanization, a growing middle class, and increasing interest in local travel experiences. With a GDP per capita of approximately \$1,014 in 2023, there's a rising demand for affordable and diverse tourism offerings.

#### Local Demand Drivers and Constraints

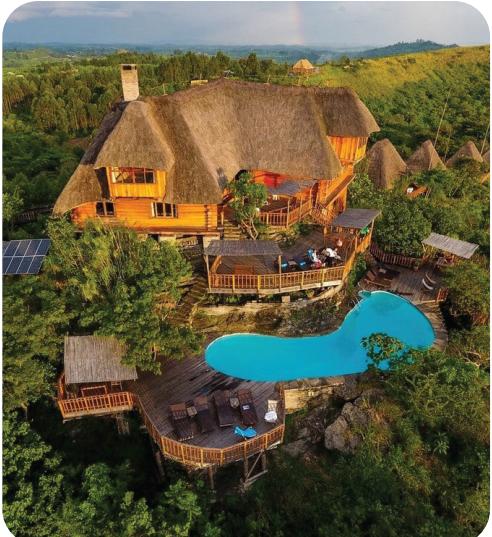


Urbanization and  
Income Growth



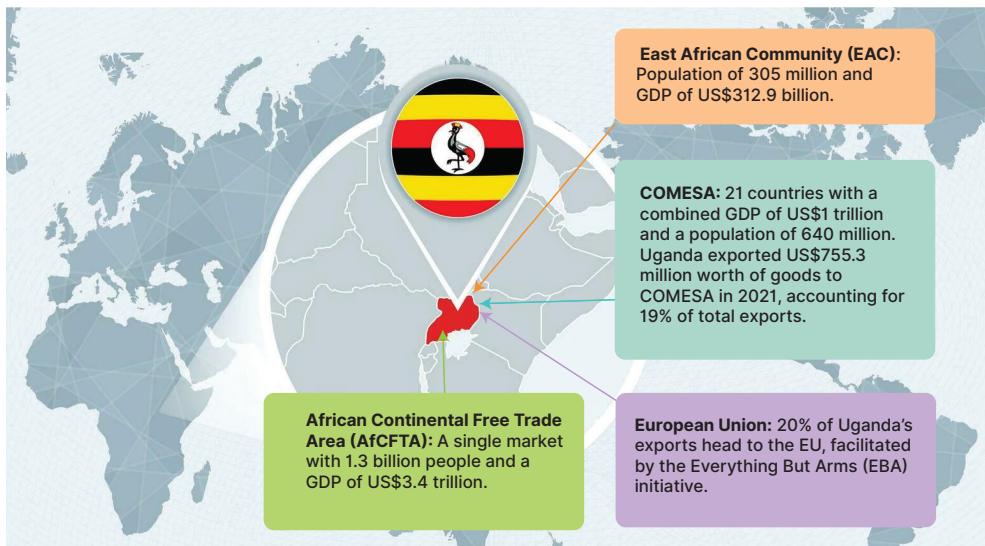
Youthful  
Population

Challenges such as limited infrastructure, high travel costs, and lack of awareness about local attractions hinder the full potential of domestic tourism.



## 3.2 Regional Market

Uganda benefits from strategic membership in multiple regional and international trade blocs:



These platforms position Uganda as a regional trade hub for the tourism sector.

## 4. Trade Performance and Openness

Uganda's tourism sector plays a significant role in the country's economy, contributing notably to export earnings and employment. In 2023, inbound tourism expenditure amounted to approximately \$4.58 billion, while outbound tourism expenditure stood at \$1.67 billion, resulting in a positive tourism trade balance of \$2.91 billion. International tourism receipts accounted for about 9.2% of Uganda's total exports in 2020, highlighting the sector's importance to the national economy.

**\$2.91 billion**  
trade balance  
in 2023



## 5. Uganda's Investment Climate



### 5.1 Policies

Uganda upholds liberal economic policies promoting private sector participation and economic liberalisation.



### 5.2 Electricity costs

Competitive electricity costs in the region, averaging USD 9 cents per kWh.  
(Source: UEDCL)



### 5.3. Property costs

Property costs are competitive with Industrial shed monthly rent averages USD 4-6 per square meter.

(Source: Knight Frank, Local property Agent)



### 5.4 Investment Incentives

01

VAT exempt on the supply of feasibility study, design, and construction services

02

VAT is exempt on Accommodation in tourist hotels and lodges located up-country

03

Hotel equipment, fixtures, and furniture are exempt from taxes at importation

04

Tourism-specific vehicles are exempt from import taxes

### Eligibility requirements:



Investment License from Uganda Investment Authority.



#### Minimum capital thresholds:

- US\$50,000 for Domestic investors (EAC region); US\$250,000 for foreign investors.
- The Hotel developer must invest at least USD 8 million
- The hotel or tourism facility must have a capacity of at least 100 rooms

## 6. Labour Availability

Uganda continues to lead the East African Community (EAC) in adult literacy, with a rate of 79% in 2022. The literacy rate for young people entering the workforce (ages 15-24) in Uganda has improved to 91.2% in 2022, up from nearly 90% in 2015, reflecting ongoing investments in education and universal primary education programs (Source: UNESCO Institute for Statistics, 2023; World Bank, World Development Indicators 2024)

Uganda's working-age population totals 23.5 million people, constituting 55% of the population:



8.9 million skilled workers available.



The Government invests 10.6% of the national budget in education annually, supporting 145 Technical and Vocational Training Centres (TVETs).



#### Median monthly wages(UBOS 2021):

- Overall: Ushs200,000 (US\$55)
- Agriculture: Ushs100,000 (US\$28)

**This offers investors access to affordable, skilled labour**

## 7.0. Investment Opportunities



1

**Eco-tourism;** Gorilla and chimpanzee trekking, birdwatching, and nature-based experiences in national parks.



2

**Adventure tourism;** white-water rafting, mountain climbing, and hiking attract thrill-seekers.



3

**Cultural and heritage tourism;** rich traditions, festivals, and historical sites offer authentic cultural experiences.



4

**Religious tourism;** pilgrimage sites like the Uganda Martyrs Shrine provide faith-based travel opportunities, the Bahá'í House of Worship in Kampala, built in 1961, was the first in Africa and is renowned for its unique nine-sided architecture and peaceful gardens



5

**Business and MICE tourism;** growing demand for conferences, business travel, and events in Kampala and Entebbe.



6

**Domestic and regional tourism;** rising middle-class and EAC integration boost local and regional travel.



7

**Agro-tourism;** Farm tours and rural experiences tied to Uganda's strong agricultural base.



8

**Digital tourism services;** Opportunities in travel apps, virtual tours, and online bookings.



9

**Sustainable tourism;** Growing interest in eco-lodges and conservation-focused travel.



## 8.0 Government of Uganda Projects Supporting the Tourism Sector

### 8.1 Infrastructure Development

- Road Networks: Significant investments have been made to improve access to key tourist destinations.
- Air Transport through the construction of new airports near major tourist attractions. For example, the Kabalega International Airport in Hoima and the third international airport are planned near Kidepo National Park, aiming to attract more visitors to the region.

### 8.2 Institutional and Technical Support

- Financial Support to the Uganda Development Bank (UDB) offers financing to entities in the tourism sector, supporting the development of accommodations, hospitality training institutions, and specialized tourist transport facilities.
- Policy Frameworks for establishing and managing industrial parks and free zones, promoting sustainable and economically viable tourism-related investments.
- The revamp of Uganda Hotel and Tourism Training Institute (UHTTI) to enhance training facilities, including the addition of modern classrooms, a teaching kitchen, and increased accommodation capacity, to produce skilled personnel for the hospitality industry



### 8.3 Rural Development and Subsidy Programs

- Community Engagement programs have been initiated to involve local communities in tourism, ensuring that they benefit from tourism-related activities.
- Infrastructure in Rural Areas. Efforts are underway to improve infrastructure in rural regions, such as constructing roads and providing electricity, to make these areas more accessible and attractive to tourists.

### 8.4 Industrial Zones and Sector-Specific Initiatives

- Tourism Development Master Plan implemented, focusing on diversifying tourism products, developing infrastructure, and enhancing marketing strategies to position Uganda as a competitive tourist destination.
- Opportunities for Public-Private Partnerships collaborations between the government and private sector stakeholders have been fostered to develop and promote tourism products, ensuring sustainable growth in the sector.





## 11. Success Stories

### Case study 1:

#### Ziwa Rhino Sanctuary: Reviving Wildlife through Sustainable Tourism

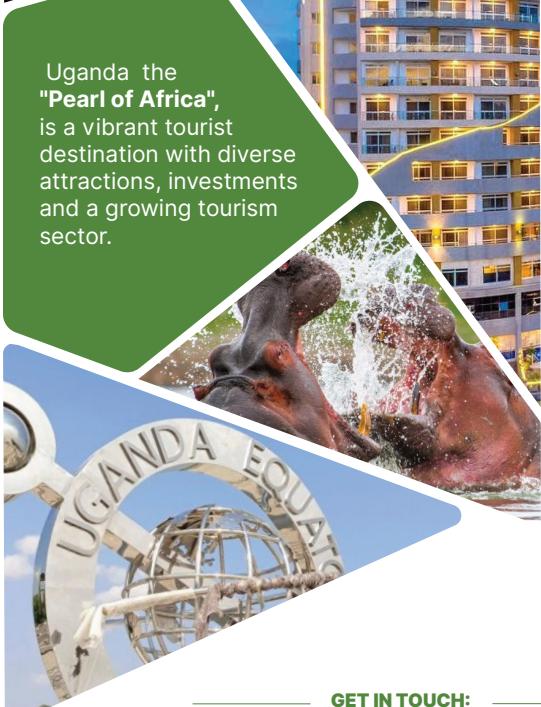
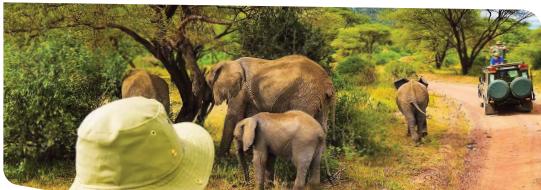
The Ziwa Rhino and Wildlife Ranch was established in 2005 through a partnership between the Uganda Wildlife Authority and Ziwa Rhino and Wildlife Ranch Limited, the sanctuary aimed to reintroduce Southern White Rhinos to Uganda after their extinction in the country by 1982. Starting with just six rhinos, the sanctuary has seen the population grow to 50 as of June 2024. Spanning 70 square kilometers in Nakasongola District, the ranch offers visitors unique experiences like on-foot rhino trekking, bird watching, and nature walks. The sanctuary not only plays a crucial role in wildlife conservation but also boosts locals through tourism-related employment and services.

### Case study 2:

#### Kampala Serena Hotel: A Landmark in Luxury Hospitality

Originally opened in 2006 after an extensive \$30.5 million renovation, the hotel transformed the former Nile Hotel into a luxurious five-star establishment. It boasts 152 rooms, including 13 suites, and features amenities such as a helipad and the adjacent Serena International Conference Center, which can accommodate up to 1,500 delegates.

Owned by a consortium including the Aga Khan Fund for Economic Development, Uganda's National Social Security Fund, and French investment company Proparco, the Kampala Serena Hotel has significantly contributed to Uganda's appeal as a destination for high-end tourism and international conferences.



Uganda the "Pearl of Africa", is a vibrant tourist destination with diverse attractions, investments and a growing tourism sector.

## One Stop Center services for investors

The Government of the Republic of Uganda created a One Stop Centre (OSC) to make it easy for both local and foreign investors and entrepreneurs to easily register, start and operate a business in Uganda

**The following services are offered at the One Stop Centre (OSC)**

- ① Investment Advisory Services
- ② Company Registration and Intellectual Property Advisory Services
- ③ Citizenship and Immigration Control Services
- ④ Tax Registration and Compliance Advisory Services
- ⑤ Environmental Impact Assessment Certificate
- ⑥ Application and Issuance of Trading License and Application for Building Permits
- ⑦ Banking and Online Payments
- ⑧ Distinctive Mark Application and Purchase of Standards from UNBS
- ⑨ Free Zone Advisory Services from the Uganda Free Zones Authority
- ⑩ Services of Utility Companies (UEDCL and NWSC)
- ⑪ Land Title Verification Services by the Ministry of Lands
- ⑫ Housing and Urban Development
- ⑬ Tourism and Investment advisory services by Giants 100 and the Federation of Uganda Employers (FUE) for employer-employee relations.

[www.ebiz.uganda.gov.ug](http://www.ebiz.uganda.gov.ug)

**GET IN TOUCH:**



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