

***Building Consensus on Trade in Services, Reforms and
Negotiations; the Private Sector and the Role of Services
Coalitions in Uganda***

A Discussion Paper

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Background

1. The services sector contributed approximately 51.2% of annual GDP in Uganda for the financial year 2008/09(BOU 2009). This growth trend is in keeping with the average performance of the services sector in the developing world where most countries derive at least 50% of GDP from services exports. In Uganda, this is particularly significant given the traditional agricultural base upon which the economy has been premised. Globally, services is the most dynamic sector of the global economy, growing faster than trade in goods. The global services economy is fast paced, dynamic and highly competitive. Innovation, technology development and the twinning of education and job creation programs have given rise to this dynamism that characterizes services trade.

2. Uganda is at this stage positioning itself in this global environment and one of the key elements deemed as essential for industry growth is industry organisation. Negotiating trade in services regimes in the East African Common Market and the COMESA Free Trade Area, as well as extra-regionally with the European Communities as part of a Comprehensive Economic Partnership Agreement, trade in services is a new negotiating area for Uganda. Beyond the negotiation of trade in services, the services sector in its broader context as the engine of growth to the wider economy, must form a part of an overall developmental strategy which focuses on domestic development in order to effectively position service providers for external trade. The way national economies undertake to create this overall developmental strategy will be essential and must of necessity include the organisation of the services sector.

3. This paper will therefore look at services industry organisation in Uganda in the context of services industry trends globally and the possible utility of organizing the domestic services sector into a Coalition of Services Industries (UCSI). It is important to point out however that services industry organisation as a stand-alone intervention into the sector is insufficient to effect the required positive change. This paper is written however in the knowledge that a complete services sector development project has been

designed to address the issues facing the services sector holistically, *including* sector organisation.

General Context

4. Given the growing importance of services in the world economy, there is much at stake at the domestic level, in terms of how the sector is organized, how effectively it can respond to global standards and demands in services trade, and what measures are put in place to ensure sectoral development where export potential exists. Aside from the services trade as a stand alone issue, services are also important drivers of the wider economy and their development is linked to successful industrialization transformation. Transportation, Financial, Banking, Telecommunications and Professional services for example, are both services sectors in their own right, but they are also an essential part of the value chain and consequently to the agriculture and manufacturing sectors.

5. In successful services exporting economies, both developed and developing, the initial focus of trade policy was on building national competitive advantage with a strong domestic services sector. This national competitive advantage and the development of large efficient domestic services sectors resulted in increased emphasis on international services competition and export market access as economies of scale are achieved and export potential achieved. Simply put, as firms grow domestically, there is an inevitable transition to emphasis on exporting. The initial emphasis therefore must be on building domestic capacity in the services sector, both as a commercial sector on its own and as part of the wider value chain through linkages to infrastructure, agriculture and manufacturing.

6. As part of this domestic developmental thrust, effective and efficient services industry organisation is essential. Domestic services industry organisation has a positive effect on economic growth as a result of strategic interventions, industry innovation, building greater economies of scale and competitiveness. These are all critical outputs resultant from an overall services sector development strategy which builds on domestic competitive advantage and in turn better positions a country to take prepare for and engage in competitive services exporting

7. Services industry organisation in Uganda is a key element in the identification and execution of required sector interventions in order to take advantage of opportunities while facing challenges in a coordinated and strategic way. Additionally, it will enable the domestic services sector to increase their opportunities for Uganda, at this phase of its development process to expand the export base and to attract increased levels of foreign investment particularly in infrastructure services. However, Uganda must be able to ensure that their interests are protected in this process of external engagement which raises many issues which are both new and complex. Understanding the state of play in successful services exporting economies generally, and particularly those with who engagement is foreseen must be an essential part of Uganda's national services strategy.

8. The services sector in industrialized countries is well organized and positioned to pursue their interests with governments. In fact, the services coalition movement in industrial countries started out as a drive to promote further liberalization of the services sector and an increase in sectoral and modal commitments by WTO members. It has however evolved well beyond the liberalization debate in the WTO to be a forum for service providers to address policy making concerns, undertake developmental initiatives targeted at specific sectors and to reposition the services sector as a key driver of economic growth and development. At a global level, national coalitions have created a global forum which meets annually and attracts high level representation from all around the world.

9. The global coalition movement has filled its ranks with trade in services experts, business development professionals and sector specialists in a bid to ensure that they are fully equipped to promote domestic industry development and exploit export markets for their services.

10. In contrast, in East Africa, and more widely in continental Africa, governments are ill prepared to tackle the intricacies of negotiations on services. The private sector is still unfamiliar with the subject matter of such negotiations and their implications. At a national level therefore and at a broader regional lever the services sector is not in the most beneficial position to contribute to forging national or regional positions. In the

EPA negotiations for example, one of the key outcomes envisaged is a regime for trade in services between East African countries and the EC. In the area of professional services, the negotiation of mutual recognition, it is expected that negotiations will need to be undertaken between professional associations in the EAC and their counterparts in the EC. Based on the shortcomings in organisation and the lack of expertise in the services trade, Uganda and the East African region are not ideally positioned to engage with the sophisticated and well organized EC services associations. In the absence of such critical mass at the national level in the services sector, changes need to be effected at a national and wider regional level in order to position the services sector to take full advantage of the outcome of trade negotiations with Europe, the EAC Common Market and the COMESA in the area of trade in services. Given the ongoing work being undertaken by the private sector apex associations, it is possible, with some reorganization and investment of necessary resources to make the transition into a well trained, organized services sector which is able to input into all elements of services negotiations with the most organized and sophisticated of partners.

11. The point here is that aside from engagement in negotiations in multiple spheres on trade in services, there are important, if not critical developmental, regulatory and institutional measures which are essential for domestic economies to take implement if they are to take advantage of negotiated market access. An effectively organized services sector would contribute to this process as part of a public-private sector approach to services trade in its fullest context.

Uganda and the Services Sector

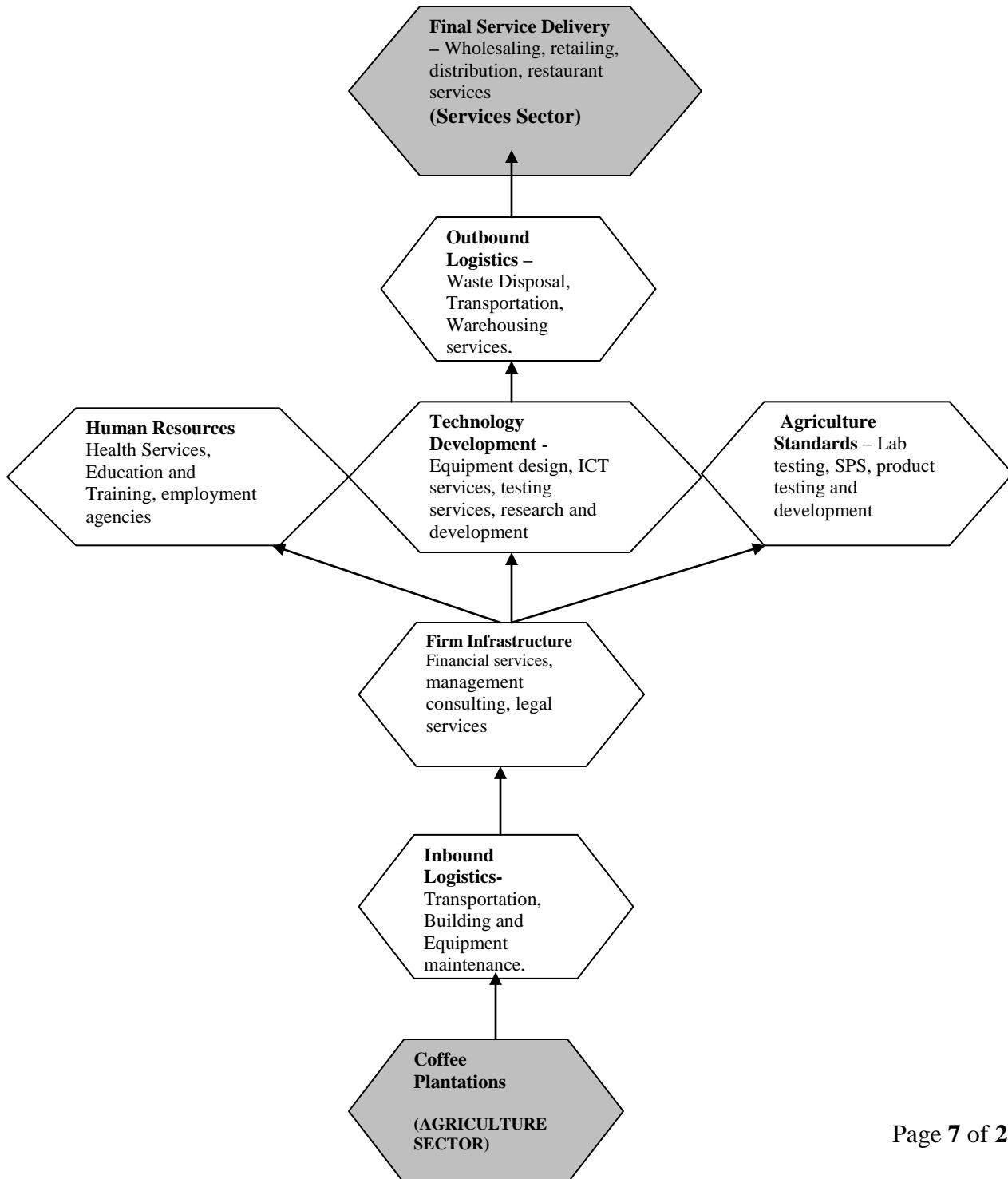
12. In Uganda, the historical focus on agriculture has metamorphosed into a business culture which has evolved into one which is overwhelming services driven, without the simultaneous development of an organized business sector and an appreciation for the complementary institutional, regulatory and policy framework essential to promote the sectors development. There is no national policy on services which aims to promote the development of the sector as a whole with emphasis on those sectors with export

potential. The National Export Strategy only makes reference to tourism and does not incorporate any other services sector, even though there are strong performers including ICT which should be the focus of a coordinated approach. The services export strategy is also in need of updating and a more in depth analysis of the services sector. In this challenging environment, the private sector is faced with serious challenges as it relates to crafting approaches to the services sector and building capacity accordingly. It is difficult to, among other things;

- Identify the sectors in which specific interventions are required and the nature of those interventions;
- Engage in public and private sector partnerships specific to the sector;
- Develop policy interests based on technical and business knowledge
- Coalesce special interests around a single issue for the purpose of advocating on behalf of that interest
- Identify sectoral groups for specialized training and education of services and services related issues;
- Effectively contribute to the development of national negotiating positions and ensure that trade negotiations are private sector driven
- Identify the specific market access barriers which exist to Ugandan services exports and develop ways of addressing those challenges
- Negotiate with other services bodies for Mutual Recognition Agreements for professional services
- Develop coherent, fact based and consensual positions on services and services related issues

13. The creation of a national services coalition is intended to assist in redressing these challenges and in the long term position Uganda's services sector as the main driver of the economy. Moreover, as a LDC, Uganda has identified infrastructural development as essential to its transformation process and services are a key driver of the wider economy

Value Chain Illustration of Linkages between Agriculture and Services – (Domestic Trade)



14. As the above value chain analysis of the interrelatedness of the services and agriculture sectors demonstrates, there are clear and inextricable linkages between the services sector and the wider economy. This interrelatedness, applies to all sectors of economic activity and even to the performance of Government business.

15. At a regional level, as firms become more vertically integrated as a result of regional market opening and integration, this same value chain illustration is reflected in regional firms. A Tea producer in Kenya for example may utilize ICT services sub-contracted from Uganda, Kenyan transportation services and retail coffee beans or ground roasted coffee in Kenyan supermarket chains with commercial presence in Kampala. National services development is spawning greater regional movement of services firms and sub-contracting of services incidental to regional trade. This makes a further case for national services sectors to organize themselves domestically, but also lays the foundation regional groupings under which national coalitions would operate. It is in this context that the East African Business Council (EABC) is undertaking a similar initiative to create a regional services coalition.

A global perspective

16. Services coalitions continue to grow around the world. What initially started as a movement in industrialized countries has gained momentum in developing and transition economies based on their effectiveness in mobilizing the services sector. They have rapidly evolved into a well organized global machinery based on national coalitions which has mobilized the international community on services trade issues. WTO, bilateral and regional negotiations have been heavily influenced by the collective voice of services coalitions who have emerged as major players on the global stage. The EU Services Forum for example has a clear list of objectives that they provide to EU negotiators as they approach WTO, bilateral and EPA negotiations. For example, in the negotiations with India on trade in services, the ESF was extremely instrumental in identifying the sectors, sub-sectors and modes of offensive interest to EC services providers. The briefs prepared by the ESF formed the basis of many of the interventions in these bilateral negotiations by EC negotiators. This model is replicated in nearly every

industrialized country and is a growing trend in developing countries, particularly given the need to have defensive and offensive postures in negotiations. Yet the services economy is significantly more than negotiations and the development of positions. In order for countries to take advantage of negotiated market access, a well developed services sector is essential. Uganda needs to be positioned *domestically*, in order to take advantage of export opportunities created *externally*.

17. This initiative, aims to position Uganda in that global network of services coalitions to ensure that the sector, is efficiently organized, strategically positioned, technically sound and supports innovation, improvements in industry standards and globally networked with potential export markets.

18. The transition into a services coalition simply aims to explore the options available to Uganda based on international dynamics. Moreover, it aims to ensure that Uganda benchmarks its standards against international best practices of the highest standards, and moves progressively towards achieving them. Ultimately, the international re-branding of Uganda, the pearl of Africa, starting with services industry organisation, should result in the emergence of Uganda as an economy known for, '*reliable, high quality services.*' Effective services sector organisation will generate employment, promote economic growth and development, increase exports and overall facilitate the greater integration of Uganda into the global economy.

19. The essential question for the private sector in Uganda is how best to organize itself to ensure that the services sector is afforded the kind of specialist attention which the sector requires. One key point is that goods and services trade fall under entirely different trading regimes and rules based systems. It is not feasible to treat services in the same way as a goods sector although they are mutually complementary. Some differentiation is required based on specific knowledge of the dynamics which are unique to services trade. The proposal for a Coalition therefore proposes to address all this challenge by complementing the ongoing work being undertaken by the private sector apex association by strengthening their capacity in the services sector. The private sector

apex bodies are best placed to assimilate a specialized services body within its ranks in order to address the meet the demanding requirements of a highly specialised services industry.

The Private Sector Foundation of Uganda (PSFU)¹

20. The PSFU has been undertaking several initiatives already in the services sector and this initiative, if housed within that organisation would ensure that their capacity to intervene in the services sector is considerable enhanced to the benefit of the services sector specifically, but more generally to the wider private sector.

21. The PSFU is one of the two primary apex bodies for the private sector and comprises over 133 associations, corporate bodies as well as the major public sector agencies that support private sector growth. Since it's inception in 1995, the PSFU has developed a reputation as a leading voice for Uganda's private sector, high quality policy and advocacy work, and the maintenance of strong partnerships with Government in the implementation of key private sector growth initiatives. In recognition of the role being played by the PSFU, the organisation has attracted funding from several international development agencies including the World Bank and the Department for International Development. These projects include the \$71 million World Bank funded Second Private Sector Competitiveness Project (PSP II).

22. PSFU's membership ranges from trade associations, professional bodies and industrial organisations to major corporations covering both large and small businesses. This membership includes nearly all services sector professional associations as well as those businesses engaged in providing services. The Private Sector Platform for Action outlines the key areas of intervention in the services sector by the PSFU in 2009;

Transport/ Logistics sector;

- Policy advocacy on the establishment of the Tororo Dry Port and its impact on the domestic freight and forwarding industry;

¹ Private Sector Platform for Action, PSFU, 2009

- Policy advocacy to effect the removal of Non tariff barriers (NTB's) at a regional level

Tourism;

- Advocated successfully for greater resources to be allocated to this sector;
- Exemption of specialised tour operation vehicles for both VAT and application of CET;
- Led the private sector to secure land close to parks and forest reserves for tourism development;
- Acquired tax exemption extension for building materials to be used for Hotels;
- Supported tourism promotion through the Seven Wonders Program.

Telecommunications;

- Advocated for a reduction of the excise duty on air time.

Insurance Industry;

- Advocated for an amendment of the act to establish UgandaRE;
- Advocated for the establishment of a national insurance policy.

Construction;

- Has recommended the introduction of a construction policy;
- Has been advocating for an increase in the local component of the government procurement process especially for roads

ICT and Business Processing Outsourcing;

- Contributed to the recommendation establishing a Ministry responsible for Information and Communications Technology matters;
- Supported the backbone fibre optic cable project which connects to the marine cable in Mombasa through advocating for increased funding;
- Exerted pressure to fast-track the cyber laws; ICT policy; special funding for BPOs

EAC Common market negotiations;

- Supported this process in a representative capacity on the Uganda delegation.

23. These are all important services initiatives and will inevitably continue to contribute to the development of the sector. This initiative on forming a services coalition is designed with a view to supporting the ongoing role the apex private sector bodies

have been playing in the services sector by streamlining them within the broad context of a national services policy and the targeted interventions required to support industry development and services standards.

24. Uganda's traditional dependence on agricultural exports has given way to the emergence of a mushrooming services sector which has to be strategically positioned to compete in a competitive regional and global environment. At the same time, the forward and backward linkages between the service sector and agriculture and industry are integral to effective trade policy as envisaged in the National Trade Policy (2007). The PSFU though its cluster based approach to private sector interventions is an ideal organisation to play the leading role in ensuring that under its umbrella, the services sector benefits from the requisite combination of services specific technical analysis, business development services and a broad lens on overall private sector growth and development.

25. Uganda is the first country in the region and continental Africa to launch this initiative. At a regional level however the East African Business Council has launched a similar initiative in recognition of the urgent need to organize the services sector. This regional level however needs to be built on the basis on a hierarchical structure originating at the national level. This project has the potential to become the basis of a regional model with respect to the organisation of national services providers into services coalition which converge at a regional level to enhance the region's potential as a services exporting region. This is even more timely, given the ongoing negotiations in multiple regional fora for services protocols and the negotiations with the European Union based on common requests. This makes an even stronger case for the development of regional and national bodies.

26. Most service sectors have representative associations, but there is no institutionalized framework that allows for the efficient consolidation of their activities and integrates them into a single body of service providers who are effectively positioned to influence policy making and promote the development of their own members. This

issue is really one which requires effective industry organisation in support of industry development.

27. This first phase of the project proposes therefore to provide the necessary support to the PSFU to promote the establishment of a Uganda Coalition of Service Industries (UCSI) which would be the designated focal point on all service sector and service sector related issues. The UCSI will bring together all service sector organizations and organizations into an alliance. The discussion at this stage would therefore need to focus on how coalitions can be constituted in such a way that they are strong enough to achieve the high quality outputs required while fitting into an existing apex association with a broad mandate for overall private sector development and advocacy.

28. By looking at how different successful services exporting economies have achieved the balance of promoting national developmental interests in support of export promotion, Uganda may find useful illustrations of how a UCSI could be designed according to national circumstances. The following are some examples;

Case Studies

The Hong Kong Coalition of Services Industries (HKCSI)

29. The Hong Kong Coalition of Service Industries was founded in 1990 by several services providers including the Hong Kong Association of Freight Forwarders, Hong Kong Shippers Council, Hong Kong Association of Banks and the Hong Kong Bar Association. Over the years since its inception the HKCSI has played a leading role in the development of Hong Kong's service economy. The HKCSI represents the vast majority of service sectors and is the major private sector voice for Hong Kong's service industries.

30. Its members are mainly service associations or federations but a few individual enterprises (in air and sea transport and telecommunications) share membership. The aim of the HKCSI is "to promote the continuing development and competitiveness of Hong Kong's service industries", through achieving seven objectives²:

1. To promote the development of a "service friendly environment" in Hong Kong.
2. To provide a focal point for liaison with Government.

² See www.hkcsi.org accessed on September 14, 2009.

3. To establish and maintain cooperation between members of Hong Kong's service industries for the purpose of achieving common goals.
4. To represent the interests of service industries in Hong Kong and to formulate policies and make submissions on behalf of members of the Hong Kong Coalition of Service Industries.
5. To promote fair, effective and comprehensive international and multilateral rules for trade in services.
6. To contribute to the opening of the services sector of the Mainland
7. To establish and develop links with counterpart organizations elsewhere.

31. The HKCSI is the think tank of the Chamber of Commerce on the services sector and is structured along committee lines covering key subsectors and the subject of statistics. In addition to the Executive Committee the HKCSI has the following committees;

- Financial Services Committee
- Travel/Tourism Committee

32. The HKCSI undertakes a wide range of activities to promote the services sector domestically and internationally based on the following broad activities;

- To conduct a range of projects and studies on the development of the Hong Kong economy and the services sector
- To publish a quarterly newsletter, Hong Kong the Servicing Economy, Hong Kong Services Statistics and other publications on specific topics.

33. The HKCSI also has significant representation in the advisory bodies of the Government and, on its own initiative or by invitation; the Coalition presents papers extensively to the Government on issues affecting business and the economy in general, and the services sector in particular. Internationally, the HKCSI is the Hong Kong private sector's principal spokesman on the General Agreement on Trade in Services in international and multilateral forums such as the World Trade Organization, Asia Pacific Economic Cooperation, the Trade Policy Forum of the Pacific Economic Cooperation Council and the International CSI Conference. **The HKCSI is an autonomous body *within* the Hong Kong National Chamber of Commerce and is not a standalone entity.**

Barbados Coalition of Services Industries (BCSI)

34. Barbados is a small open economy with a thriving services sector. In March 2002, the Barbados Professional Services Export Committee was established and later evolved in July of that same year into the Barbados Coalition of Services Industries (BCSI). This Initiative was undertaken as a result of a regional thrust to establish services bodies at a

national level to *'serve as a focal point for the services sector and function primarily as a lobbying institution in order to provide the CARICOM (Caribbean Community), government and negotiators with sectoral and general positions as it related to trade in services. This proposed coalition would be a member of the technical working group in services and serve as an organ'* of the regional integration community CARICOM.

35. The first annual general meeting of the BCSI was held in October 2002 and the official launch took place in November, a mere nine (9) months since the idea was first mooted. Between 2003 and 2004, the Government of Barbados made its first contribution to the BCSI in the amount of BDS\$250,000³. The Secretariat of the BCSI was established in January 2004.

36. Today, the BSCI as a stand-alone institution, which works closely with the Barbados Chamber of Commerce, the Barbados Small Businesses Association, Barbados Manufacturers Association, the Barbados Private Sector Trade Team among other local private sector bodies, is the primary voice on all matters related to trade in services.

The BCSI's objectives are to;

- Promote the further development and competitiveness of Barbados' services sector;
- To ensure that the highest industry standards are met by all Barbadian services providers;
- To educate Barbados' service providers on relevant aspects of the CSME, WTO, EPA and other trade agreements and on any government policies or issues that can affect trade in services;
- To represent the interests of Barbadian services providers by lobbying Government for legislative and policy changes which will promote fair rules for trade in services
- To provide Barbadian service providers with knowledge of export opportunities and to promote export activities.

Today, the BCSI has several ongoing activities in the services sector which include;

- An ISO 9000 Internal Auditing Course
- Training programmes in services export readiness, leveraging cyberspace, initial market entry strategies, Working with strategic allies and innovating for export success;

³ Barbados maintains a fixed exchange rate which is 1 Barbados dollar = 1.98 US dollars

- Sectoral development programs in fashion, e-commerce, recreational services (spas) and financial services;
- Trade Missions to potential export markets
- It houses an Association Incubation and Support Unit which provides administrative and development support to services associations in order to enable them to increase their efficiency, expansion and export development
- It sources and channels funding from development partners and international business support organizations which can benefit their membership;
- It serves as an interface where members can post information concerning upcoming events in their sector on the webpage;
- Participation in national and regional meetings on services trade including EPA implementation meetings;
- Posts information on the services sector on their web page.

Coalition of Services Industries Malaysia (CSIM)

37. Malaysia is a developing economy but has its sights firmly fixed on becoming a developed nation. Over 40 years, Malaysia has enjoyed strong growth and has emerged as a major global exporter. This level of development has been based on an enabling policy framework established in Malaysia's 3rd Industrial Master Plan (IMP). In 2005 services accounted for 59.9% of GDP and is targeted to grow to about 67.0% by 2020.

38. At the Government level there is no lack of understanding of trade in services and in fact the Government has recognized that the services sector has reached a stage where it needs to be afforded some prominence. From 2005 the Government started a campaign to develop the services sector and the institutions which service it. The formation of a private sector platform to advance the services sector was among the initiatives undertaken by the Malay government.

39. The Coalition of services Industries Malaysia was launched on June 07, 2007. Its objectives are;

- To provide a focal point for liaison with government for all areas affecting services industries including trade, industry, development, competition, human resources, taxation, capacity building and investment;
- To represent and promote the interests of services industries in Uganda
- To enhance the competitiveness of Malaysian services industries

40. Its membership includes both associations and individual firms. It is a member of the Global Coalition of Services Industries. **The CSIM falls under the Malaysia Chamber of Commerce and Industry and is not a standalone body.**

Options for a UCSI

41. As the three case studies above show, there are different models of coalition structures. They can be standalone entities like the BCSI, but in many instances they are created within a wider apex private sector association as is the case with the Hong Kong Coalition. The latter is the proposed case for Uganda. It is proposed that the PSFU houses a services coalition which assumes responsibility for addressing issues specific to the services sector. The members of the PSFU already include nearly the entire portrait of services associations and corporate bodies and therefore they are perfectly positioned to provide this essential service to their members.

42. Services trade is highly complex and usually requires specialist expertise in order to deal with the complex blend of GATS rules, sectors, schedules of commitments, market access barriers and sectoral development initiatives. Uganda needs to invest the time required and dedicate the expertise, which would enable this sector, with such tremendous potential to grow, to develop to its full potential, keep pace with global changes in the sector and analyse the impact of those changes on Ugandan service providers and to gain and maintain competitiveness in trade in services in the internal regional and global markets for services trade.

43. An important point which must be made is that as a landlocked country, Uganda has faced the challenges occasioned by its geographical position. Services transcend borders and operate in a 24/7 virtual world, which is fueled by technology and innovation. There is a place for Uganda in that services economy. Under the present organizational arrangements, this kind of organisation is not feasible and it will be to the long term detriment of the sector if left unaddressed.

44. The UCSI, falling within the PSFU organisational structure, would be that dedicated arm addressing services issues specifically. The services sector, based on its dynamism, complex rules and required sector and sub sector specific approaches requires particular attention and specialist knowledge. The UCSI will enhance the capacity of the PSFU to provide that essential foundation for the services sector through its activities. With a dedicated secretariat domiciled within the PSFU which is solely responsible for addressing issues of services sector organisation, coordinating with the existing clusters and supporting both domestic and external services issues the services sector in Uganda can be dramatically transformed.

Possible Membership structures

45. The USCI would group all services specific private sector bodies within the PSFU for the purpose of supporting their development. The models that emerge from the case studies are essentially two-fold: the association-specific model and the mixed model, which allows for membership of both associations and enterprises. In the case of Uganda therefore, the PSFU's membership structure includes, corporate, associate and ordinary members. Those that are specific to the services sector will be treated with under the umbrella of the UCSI as a dedicated arm of the PSFU.

46. Within the UCSI itself, functionally, the organisation of its work can be structured around along various priority issues– by subsectors (eg professional services, education), issue areas (for example, services trade statistics), negotiating arenas (WTO, EPA, COMESA, EAC), country emphasis (attention to China, India), and a range of other options based on the determination of national priorities.

47. In Uganda, Infrastructure services⁴ are among the key identified priorities which can propel economic growth and development. Traditionally the domain of governments, these sectors have been privatized and more commercialized. The UCSI would also need

⁴ Infrastructure services in this context refer to telecommunications, energy, financial and transportation services etc, Services, Development and trade; the regulatory and institutional dimension, UNCTAD TD/B/C.I/MEM.3.2, January 06, 2009

to target members in these key sectors in order to ensure the essential forward and backward linkages to the wider economy.

Financing Options

48. There are several financing options available to the Coalition. First, as a body within the existing structure, it could be mainstreamed within the regular program budget of the PSFU.

49. Secondly, there is considerable available support from the donor community for private sector development, business support, and poverty eradication programs. This initiative has already received substantial ‘in principal’ support from several development partners and the fact that it forms one component of a broader services sector project, has been highly attractive. That funding could be domiciled within the PSFU in the same way as the BUDS projects for example.

Start up financing would be required for:

- A small dedicated secretariat within the PSFU
- A small staff of professionals headed by a specialist on PSFU’s staff
- The development of a web site which opens Uganda’s services sector to the world
- Research and development
- Training Workshops

Conclusions

50. A UCSI would be a timely and effective intervention in the services sector in Uganda which would see tremendous returns to the private sector. A formally constituted, well functioning and visionary coalition could be the vehicle through which the PSFU delivers on the important mandate it has for overall private sector development, the means of implementation of the soon to be developed National Services Policy and

Implementation Strategy and the interlocutor for the agriculture and manufacturing sectors.

Appendix 1

The following sectoral list is based on the WTO Services Classification List. It would be useful for the PSFU to group the respective associations according to the adapted version for the purpose to developing sector specific target groups for coalition interventions.

1. BUSINESS SERVICES
 - A. Professional Services
 - a. Legal Services
 - b. Accounting, auditing and bookkeeping services
 - c. Taxation Services
 - d. Architectural services
 - e. Engineering services
 - f. Integrated engineering services
 - g. Urban planning and landscape architectural services
 - h. Medical and dental services
 - i. Veterinary services
 - j. Services provided by midwives, nurses, physiotherapists and para-medical personnel
 - k. Other
 - B. Computer and Related Services
 - C. Research and Development Services
 - D. Real Estate Services
 - E. Rental/Leasing Services without Operators
 - a. Relating to ships
 - b. Relating to aircraft
 - c. Relating to other transport equipment
 - d. Relating to other machinery and equipment
 - F. Other Business Services
 - a. Advertising services
 - b. Market research and public opinion polling services
 - c. Management consulting service
 - d. Services related to man. consulting
 - e. Technical testing and analysis serv.
 - f. Services incidental to agriculture, hunting and

- forestry
- g. Services incidental to fishing
- h. Services incidental to mining
- i. Services incidental to manufacturing

- j. Services incidental to energy distribution
- k. Placement and supply services of Personnel
- l. Investigation and security
- m. Related scientific and technical consulting services
- n. Maintenance and repair of equipment (not including maritime vessels, aircraft or other transport equipment)
- o. Building-cleaning services
- p. Photographic services
- q. Packaging services
- r. Printing, publishing
- s. Convention services

2. COMMUNICATION SERVICES

- A. Postal services

- B. Courier services

- C. Telecommunication services

- D. Audiovisual services
 - a. Motion picture and video tape production and distribution services
 - b. Motion picture projection service
 - c. Radio and television services
 - d. Radio and television transmission services
 - e. Sound recording
 - f. Other

3. CONSTRUCTION AND RELATED ENGINEERING SERVICES

4. DISTRIBUTION SERVICES

- A. Commission agents' services

- B. Wholesale trade services

- C. Retailing services

D. Franchising

5. EDUCATIONAL SERVICES

A. Primary education services

B. Secondary education services

C. Higher education services

D. Adult education

E. Other education services

6. ENVIRONMENTAL SERVICES

A. Sewage services

B. Refuse disposal services

C. Sanitation and similar services

7. FINANCIAL SERVICES

A. All insurance and insurance-related services

B. Banking and other financial services (excl. insurance)

8. HEALTH RELATED AND SOCIAL SERVICES
(other than those listed under 1.A.h-j.)

A. Hospital services

B. Other Human Health Services

C. Social Services

9. TOURISM AND TRAVEL RELATED SERVICES

A. Hotels and restaurants (incl. catering)

B. Travel agencies and tour operators services

- C. Tourist guides services
- 10. RECREATIONAL, CULTURAL AND SPORTING SERVICES
(other than audiovisual services)
 - A. Entertainment services (including theatre, live bands and circus services)
 - B. News agency services
 - C. Libraries, archives, museums and other cultural services
 - D. Sporting and other recreational services
- 11. TRANSPORT SERVICES
 - B. Internal Waterways Transport
 - C. Air Transport Services
 - E. Rail Transport Services
 - F. Road Transport Services 744
 - G. Pipeline Transport
 - H. Services auxiliary to all modes of transport
 - a. Cargo-handling services
 - b. Storage and warehouse services
 - c. Freight transport agency services
 - d. Other
 - I. Other Transport Services
- 12. OTHER SERVICES NOT INCLUDED ELSEWHERE