



MINISTRY OF TRADE INDUSTRY AND COOPERATIVES

**GUIDELINES BY THE MINISTRY FOR ISSUANCE OF CLEARANCE
CERTIFICATES FOR FOREIGNERS TO TRADE IN UGANDA.**

2015

1.0 INTRODUCTION

The Ministry in its interventions is guided overall by the National Trade Policy whose vision is – to transform Uganda into a dynamic and competitive economy in which the trade sector stimulates the productive sectors; and to trade the country out of poverty into wealth and prosperity. This is supplemented by other policies and laws. Under the domestic trade sub-sector, government is pursuing a multi-faceted approach in a bid to achieve the policy vision and mission. This approach includes: strengthening of domestic policies and laws and identification and exploitation of policy synergies and complementarities among others.

2.0 STATUS OF THE DOMESTIC TRADE SECTOR.

Following monitoring missions and spot-checks by the ministry, it has become very clear that contrary to our laws and policies, many Foreigners have engaged in activities they are not supposed to be. The ministry in conjunction with other Agencies and departments of government has therefore worked out measures to address the anomalies in the trade sector. The guidelines given below are meant to help guide appropriately individuals, companies and firms wishing to carry out formal trade in the country. The guidelines are based on existing laws and policies which regulate the trade sector players and stakeholders.

3.0 GUIDELINES.

The ministry of Trade, Industry and Co-operatives is mandated to regulate domestic trading in line with the **Trade Licensing Act Cap 101**. The process entails synergising with Local and Urban Authorities among others. Since Foreigners come to the country under various arrangements, it's therefore imperative that, those intending to engage in trade in the country should first provide documentary evidence of clearance to enter the country and the purpose of their coming or stay in the country. The ministry on the basis of the available information and guided by the existing and applicable laws, policies and practices will then consider whether to issue clearance for the applicant to be issued a trade licence for a given trade and location.

(I) INVESTMENT CODE ACT

Section 10(5)

(5) A foreign investor who is intending to engage in trade only shall not be required to comply with subsection (1) but shall—

(a) Incorporate a company with the Registrar General as is required by law;

(b) deposit a sum of one hundred thousand United States dollars or its equivalent in Uganda shillings at the Bank of Uganda, which shall be specifically used for importation or direct purchase of goods for the business.

(6) Upon compliance with subsection (5), the Bank of Uganda shall issue a certificate of remittance to the foreign investor.

(7) A foreign investor who obtains a certificate of remittance under subsection (6) shall lodge an application, in writing, to the immigration department which shall contain the certificate of remittance and other information that may be required by the department.

(8) Subject to compliance with the provisions of this section and the immigration laws, the immigration department may issue an entry permit to the foreign investor.

(9) A foreign investor who obtains an entry permit under this subsection

shall lodge an application, in writing, to the local authority where the business will principally be carried out for a trade licence. (**To obtain the trade license from any licensing authority, the non-citizen applicant will first acquire the certificate of clearance to trade from the Ministry of Trade Industry and Cooperatives**).

(II) IMMIGRATION AND CITIZENSHIP ACT

Fourth Schedule. ss. 53, 54.

Classes of entry permits.

Class D (Business and trade)

A person intending to carry on a business or trade on his or her own account, or as partners in a firm in Uganda, or who satisfies the board

that—

(a) if a licence is required to enable him or her to engage in the trade or business, he or she is in possession of such licence or will be able to obtain one; and

he or she has in his or her own right and at his or her full and free disposition such sum as may be prescribed by the responsible Ministry in respect of any particular trade or business. **(the Applicant will be required to present the certificate of registration Approval to trade to the Ministry of Trade Industry and Cooperatives.)**

(III) Professional services

For firms and companies wishing to engage in profession services in Uganda, a clearance from the relevant professional body or registered National Association is required. The Ministry will provide guidance to the applicant on the appropriate professional body or Association for the sector or sub-sector. These may include Associations of engineers, lawyers, architects, Doctors and accountants among others –they have umbrella Organizations.

(IV) Regional and International Agreements

Uganda has signed up to regional and International Agreements- in the issuance of clearances to applicable Foreigners, to trade in the country, these will be considered.

4.0 DOCUMENTS THAT WILL BE REQUIRED FOR CLEARANCE BY THE MINISTRY;

- a) Status of Entry Permit
- b) Copy of current Passport
- c) Certificate of incorporation / registration
- d) Company Form 7(Details of Directors)
- e) Copy of Tax Identification Number (TIN)
- f) Copy of the Investment Licence
- g) Certificate of Remittance of Foreign Currency/ Bank Statement/ Copy of Audited Books of Account
- h) Where applicable copy of previous Trading Licence

