



The information contained in this sheet has been compiled by Jaume Portell, journalist specialising in economics and international relations, in an activity 85% co-financed by ERDF funds in the framework of the [AfricanTech](#) project (1/MAC/1/1.3/0088) within the INTERREG VI D MAC 2021-2027 initiative.

UGANDA

Macroeconomic overview:

Uganda's GDP grew by 4.6% in 2023, a figure slightly lower than the 6.3% growth recorded the previous year. The 2024 African Economic Outlook highlights the role of mining and construction while pointing to a decline in manufacturing as one of the reasons for the slowdown in growth. The government is reducing the deficit from 7.4% of GDP in 2022 to 5.5% in 2023. Part of the foreign investment is being directed towards the oil and gas sectors, with the first exports expected during the 2025-2026 financial year, according to the IMF's report on the country. Oil production is projected to reach 230,000 barrels per day, placing Uganda among the top 10 oil producers on the continent. The extraction projects are backed by the Ugandan government, the Chinese company CNOOC, and the French company Total Energies. Uganda's GDP in 2023 stood at \$49 billion, an eightfold increase compared to the year 2000.

Debt and currency:

Uganda, which paid \$68 million in annual debt servicing in 2012, will pay significantly more in 2025, with the figure reaching \$1.264 billion, according to the World Bank. Annual payments will remain above \$1.2 billion until 2031. Most of the debt is owed to multilateral creditors, with the World Bank (33%) and the African Development Bank (14%) playing key roles. Among bilateral partners, China is the main creditor, accounting for 18% of Uganda's debt.

The local currency, the Ugandan shilling, has depreciated since 2014 but has remained relatively stable over the past five years at around 3,700 shillings per US dollar. Annual debt payments, combined with worsening terms of trade - including falling gold and coffee prices and rising costs of fuel and other imports - pose major risks to currency stability. However, oil sales will work in the opposite direction to strengthen the currency once production begins next year.

Imports and exports:

Uganda is self-sufficient in maize, according to the United States Department of Agriculture, and produces most of the rice and sorghum it consumes. This makes the country less dependent on cereal imports compared to other African nations. The only major vulnerability in this regard is wheat, where local production covers just 7% of demand, forcing Uganda to import the remainder. The main import categories (valued at \$4.66 billion in 2022) include machinery, vehicles, vaccines, and medicines. Half of the imports come from Asian countries, with China (23%) and India (13%) being the most significant suppliers.

Exports, valued at approximately \$5 billion, are heavily concentrated, with more than 50% consisting of just two products: gold and coffee. The start of crude oil production will add another source of revenue to Uganda's exports. The main export destinations are the United Arab Emirates, India, and Hong Kong - all of which are linked to gold trade. In Europe, Uganda's primary export market is Italy, particularly for coffee.

Energy and electricity:

According to the International Energy Agency, 90% of Uganda's energy mix is composed of biofuels. With nearly 195,000 TJ consumed, the country ranks as the 10th largest energy consumer in Africa. The challenge posed by oil production is to avoid the paradox seen in countries like Nigeria and Angola, which export oil but end up spending part of their revenue on importing fuel from abroad.

Almost 90% of Uganda's electricity comes from renewable sources. Hydropower provides the majority of the country's electricity, far ahead of bioenergy (biomass conversion) and solar power. Total electricity generation stood at 5 TWh in 2023.

Defence:

Annual defence spending amounted to \$931 million in 2023, according to SIPRI, a Swedish institute specialising in defence trade. The 2023 figure represents 9.58% of government expenditure. Since 2000, Uganda's primary supplier of defence equipment has been Russia.

Demographics:

In 1990, 9 out of 10 Ugandans lived in rural areas, a figure that has since decreased to 73%. Over the past three decades, Uganda's population has grown from 17.58 million to 48.58 million. Kampala, the capital and its metropolitan area, surpassed 4 million inhabitants in 2024, and UN projections suggest this number will reach 7 million by 2035. Life expectancy has risen from 46 years in 1990 to 64 years in 2022. Half of the population is under the age of 16.

Technological innovation:

According to World Bank data, internet access remains very limited in Uganda. In 2010, it stood at 4%, a figure in line with neighbouring countries. More than a decade later, in 2022, internet penetration had only increased to 10%.

