

## I. STUDY OF FISHERIES CONTRIBUTION TO UGANDA'S GDP

(Objective 2.a)

### RESEARCH TEAM:

|                    |                   |          |
|--------------------|-------------------|----------|
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### 1. BACKGROUND AND JUSTIFICATION:

Uganda has been able to achieve increasing growth rates of up to 7% per annum over the last five years under the Government's reforms programmes set up to redress economic imbalances through economic rehabilitation, growth and development (MPED 1987). The main objective of these reform programmes is to achieve GDP growth rate of at least 5% and reduce inflation rate to 15% by the end of June, 1993 (MFEP 1992).

However, there is now the problem of sustaining this high growth rate, much of which has been achieved from the agriculture sector. Falling world prices for the major agricultural products, namely coffee and cotton, coupled with increasingly unpredictable weather conditions in the country have led to major fluctuations in the performance of the agricultural sector over the years, and thus in the overall performance of the economy. In 1991/92 financial year, for example the growth rate in the economy fell from 3.9% in the previous year to 1.8%, while within agriculture it fell from 2.6% to -1.5%. This fall has been attributed to the factors mentioned above.

There has been a growing concern over this situation and the Government has been exploring avenues for expanding and diversifying the economic base of the country away from the traditional agricultural crops.

Fisheries is being increasingly viewed as an important alternative area of economic growth. About 241,000 km<sup>2</sup> or 18% of surface area of the country is under water (Lakes, Rivers, Swamps, Dams, Valley tanks and Fish ponds) (MPED 1991). It is estimated that these waters produce about 219,000 tones of fish (UFD 1991) main contributors being Lakes Victoria and Kyoga followed by Albert, Edward, George and Albert Nile. In terms of species composition, Nile perch and Tilapia species represent most significant proportions of the catch, representing 51% and 39% respectively.

Increasing fish catches have been landed over much of the 1980s. Although substantial catch increases are not expected beyond existing levels of production due to resource limitations, opportunities exist within the post-harvest activities, resulting in loss minimization, improved product quality and better prices.

For fisheries to play an increasing role in the growth of the country, however, there is need for programmes designed to exploit opportunities that may exist within the sector. This calls for information on the different

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areas within fisheries from where national income is derived and how these sources could be developed for increased growth.

There is at present no clear understanding of the magnitude of the role of fisheries towards Uganda's GDP. Various estimates put fisheries contribution at 1 - 2% of GDP, but the validity of this figure has often been questioned. There is need to confirm these estimates through an independent study.

2. OBJECTIVE OF STUDY:

The overall objective of this study is to increase the contribution of the fisheries to the nation's GDP.

The study will seek to establish the present and projected contribution of fisheries industry in general and that of Nile perch, Nile tilapia and Mukene fisheries in particular to the total GDP of Uganda's economy. The results will provide information on trend of fisheries contribution and its potential to the GDP. This information would be useful for formulation of policies aimed at strengthening fisheries contribution to GDP.

Specific objectives of the study would include:

- i. Estimating the present contribution of fisheries to the total GDP of Uganda.
- ii. Studying the trend in fisheries contribution and the determining factors with a view to predicting its future contribution to GDP and how this could be enhanced.

3. METHODOLOGY:

For study implementation, the following methodological steps would be used:

- i) Review of previous studies, records and documents on Uganda's fisheries to establish existing understanding of fisheries contribution to total GDP.
- ii) Design and implement sample surveys to obtain secondary data on fisheries output to the economy for at least five years back.
- iii) Carry out analysis of data, derive conclusions, make predictions and recommendations for policy intervention.
- iv) Prepare and submit a satisfactory report to the Principal Investigator and finally to end users at the project closing workshop.

4. IMPLEMENTATION:

The study has been designed, implementation plans drawn up and a research team identified. But the data collection has not yet started due to logistical problems.

However, it is hoped to start soon when on-going studies have completed their data collection and facilities, particularly the vehicles currently in use become available.