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For immediate release

EU-imposed standards helped revamp Ugandan fisheries sector

The Ugandan fisheries sector has successfully adjusted to a ban on its fish exports imposed by the European Union in the late 90s. Ms. Rose Kiggundu, a PhD candidate at UNU-MERIT - a joint research and training centre of United Nations University, and Maastricht University in the Netherlands – has completed a detailed analysis of what happened next. Her dissertation titled: *Innovation Systems and Development: The Journey of a Beleaguered Nile Perch Fishery in Uganda* documents the actions taken by a complex network of local and international organizations, helping to bring about the renewal of the sector. Kiggundu will defend her thesis at Maastricht University on 26 October 2006.

In the late 90s, the the European Union imposed a set of Sanitary and PhytoSanitary (SPS) standards on Uganda's fish exports. This led to a conditional ban of one of Uganda's important exports as the country's fish processing and export industry was unable to meet the new exporting requirements.

Consequently, the industry was plunged into a hard-hitting export crisis and for a prolonged period fish processing firms were locked out of their biggest and most lucrative export market. Export revenues fell at a time when revenues from traditional commodity exports (coffee in particular) were also falling. Fish processing plants were forced to close in order to restructure. Jobs were lost and fishing communities lost their main source of livelihood. In response, Uganda's fish processing and exporting industry successfully engaged in a complex process of learning and innovation that has resulted in substantial gains for Uganda's economy.

To analyse how this positive result came about Kiggundu compared 48 firms – meat, fruit, fish byproducts, grain processors and bakeries - with the fish export firms hit by the EU product standards. The results indicate that the availability of new technologies to comply with the EU-standards was not sufficient. It took a concerted effort of government, international development agencies, the industry association, some buyers and local as well as foreign firms to make the change possible.

This battle may have been successfully won, but the war is far from over. "The government of Uganda played a central role and it worked," says Kiggundu, "...but the government was rather reactive. Government policies were not part of a well coordinated proactive public

policy to catch up or move ahead of the technological standards of developed countries. Critical linkages in the system are still lacking and more structural improvements are still needed.”

Kiggundu also found that while financial services in Uganda did improve in the process, they are not yet sufficiently equipped to support innovation needs.

But the study has demonstrated, contrary to the belief of some observers, that the imposition of product standards on developing countries can have some positive effects. “The imposition of standards can be and is sometimes used for the protection of markets, but it can also improve the market, as was the case for Uganda’s fish exporters,” Kiggundu concludes.

Rose Kiggundu will defend her PhD at 12 pm on Thursday 26 October at the Aula, Minderbroedersberg 4-6, Maastricht

An overview of the dissertation is available at:

http://www.merit.unu.edu/archive/docs/200610/Thesis%20Overview_Kiggundu.pdf

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About UNU-MERIT

(United Nations University – Maastricht Economic and social Research and training Centre on Innovation and Technology)

[UNU-MERIT](#) is a joint research and training centre of United Nations University, based in Tokyo, Japan, and the University of Maastricht in The Netherlands. It integrates the former UNU-Institute for New Technologies (UNU-INTECH) and the Maastricht Economic Research Institute on Innovation and Technology (MERIT).

UNU-MERIT provides insights into the social, political and economic contexts within which innovation and technological change is created, adapted, selected, diffused, and improved upon. The Institute’s research and training programmes address a broad range of relevant policy questions dealing with the national and international governance of innovation, intellectual property protection, and knowledge creation and diffusion.

[United Nations University](#) (UNU) is an international community of scholars engaged in research, postgraduate training and the dissemination of knowledge aimed at resolving the pressing global problems of human survival, development and welfare, in line with the purposes and principles of the Charter of the United Nations.

Established in 1976, [Universiteit Maastricht](#) (Maastricht University) is the youngest university in the Netherlands. It has gained a reputation at home and abroad for its unique “Problem-based learning” approach. Approximately 12,000 students and 3,250 staff currently study and work within the University’s seven faculties.