



Kick-Starting Kampala

Presented By:

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Kampala:

- Major business and industrial hub, contributing 60% of the country's GDP.



Infrastructural Development:

- Kampala has 1200 km of road network
- But: only 20% in fair condition
- Road network constructed for 100,000 vehicles, but currently used by over 400,000
- KCCA plans to upgrade and reconstruct over 600 km of road by FY 2018/19.
- KCCA also plans to increase on parking through PPPs
- Traffic jams – according to NEMA cost the economy UGX 500 million (approx. USD 140,000) daily
- Standard gauge railway project under way to revamp railway network between the port in Mombasa to Kampala and Kigali

Urbanization:

- Urban population in 2015: 16.1% of total population
- 5.43% annual rate of urbanization
- Urban population is projected to grow from 6 million people in 2013 to 20 million in 2040
- Speed of urbanization can lead to low productivity due to congestion challenges in infrastructure and housing

Population Growth:

- Total population in 2014 (last Census) at 34.6 million
- 1,507,000 people in Kampala and 1,997,000 in Wakiso
- Annual population growth rate: 3.2% while the world average is 1.2%, Uganda's growth rate being one of the highest in the world
- Over 78% of population in Uganda is below 30 years.

Foreign Direct Investment:

According to the World Bank, Foreign Direct Investment has grown from 4.2 million USD in 1970 to over 1 billion USD in 2015.

<http://data.worldbank.org/indicator/BX.KLT.DINV.CD.WD?locations=UG>

Office market in Kampala:

- Increase in Grade A and B office buildings, however risk of oversupply
- Increased demand for standalone houses – used for office space

Commercial property rentals

Grade A \$ 12 – \$ 15

Grade AB \$ 10 – \$ 13

Grade B \$ 8 – \$ 10

Grade C \$ 8 – \$ 7

Source: Knight Frank Uganda

Retail market in Kampala:

Increase in modern shopping malls due to changing shopping patterns of local consumers and increased interest by international brands to open up in Kampala

Prime retail rentals

<50 m² \$ 25 – \$ 45
<100 m² \$ 22 – \$ 38
<500 m² \$ 20 – \$ 35
>500 m² \$ 16 – \$ 20
Anchors \$ 12 – \$ 15

Source: Knight Frank Uganda

