

UGANDA EARNS SH5.35 TRILLION FROM MARCH EXPORTS

By Sarah Nabakooza

Uganda's export earnings rose sharply in March 2026, reaching \$1.446b (sh5.35 trillion), largely driven by increased gold exports, according to the April 2026 Performance of the Economy report released by the finance ministry.

The report indicates that export receipts increased by 45.6% from \$992.98m (sh3.67 trillion) recorded in March 2025.

Compared to February 2026, export earnings also grew by 5.8% from \$1.367b (sh5.06 trillion), reflecting stronger performance in gold, cotton, tea, electricity, sugar and oil re-exports.

Gold remained Uganda's leading export commodity during the month under review. Earnings from gold exports more than doubled from \$585.08m (sh1.42 trillion) in March 2025 to \$851.35m (sh3.15 trillion) in March 2026, representing a 121.1% increase.

According to the report, the increase in gold earnings was largely driven by rising global gold prices as investors increasingly turned to gold as a safe haven amid global economic uncertainty and geopolitical tensions.

However, coffee, traditionally Uganda's leading export commodity, registered a decline in earnings despite an increase in export volumes.

Coffee export receipts fell from \$198.94m (sh736.08b) in March 2025 to \$173.37m (sh641.47b) in March 2026, representing a 12.9% decline. The report attributes the drop to lower international coffee prices.

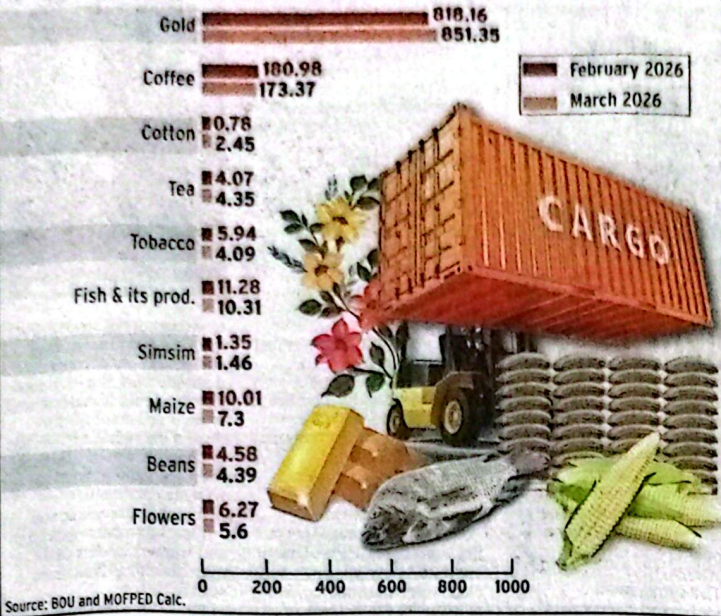
The average unit price of coffee declined from \$5.16 (sh19,092) per kilogramme in March 2025 to \$4.31 (sh15,947) per kilogramme in March 2026. Despite the fall in earnings, export volumes increased by 4.4% from 642,981 60kg bags to 671,152 bags due to improved production.

OTHER EXPORTS

Cotton export earnings increased from \$2.2m (sh8.14b) in March 2025 to \$2.45m (sh9.07b) in March 2026, while tea exports rose from \$3.9m (sh14.43b) to \$4.35m (sh16.1b). Tobacco export receipts also grew significantly from \$2.86m (sh10.58b) to \$4.09m (sh15.13b), representing a 42.8% increase.

Informal cross-border

Merchandise exports by product (Feb. 2026 and March 2026) (Million dollars)



Source: BOU and MOPPED Calc.

trade exports increased from \$63.28m (sh234.14b) to \$83.14m (sh307.62b), reflecting stronger regional trade flows. On a monthly basis, the strongest gains were recorded in cotton exports, which rose by 213.9% between February and March 2026.

However, fish export earnings declined from \$12.32m (sh45.58b) in March 2025 to \$10.31m (sh38.15b) in March 2026, while simsim exports fell sharply from \$6.08m (sh22.5b) to \$1.46m (sh5.4b).

Maize exports also dropped from \$8.34m (sh30.86b) to \$7.3m (sh27.01b), while flower exports slightly increased from \$5.48m (sh20.28b) to \$5.6m (sh20.72b).

IMPORTS

Uganda's import bill increased to \$1.494b (sh5.53 trillion) in March 2026 from \$1.097b (sh4.06 trillion) recorded in the same month last year, representing a 36.2% rise.

According to the report, the increase was driven by higher government project imports and stronger private sector demand for mineral products.

EXPORT DESTINATIONS

The Middle East remained Uganda's largest export destination in March 2026, accounting for 37.2% of the country's total exports. The region absorbed exports worth \$538m (sh1.99 trillion), up from \$337m (sh1.25 trillion) recorded in March 2025. The report attributes this performance largely to strong gold exports to the United Arab Emirates, which accounted for 99.5% of Uganda's exports to the region.

Asia emerged as the second-largest export market, accounting for 25.3% of Uganda's exports valued at \$366m (sh1.35 trillion), while the East African Community accounted for 21.8% worth \$315m (sh1.17 trillion). Exports to the European Union stood at \$136m (sh503.2b), while the rest of Africa accounted for \$60.9m (sh225.3b).

machinery, vehicles, vegetable products, beverages, fats and oils.

Compared to February 2026, imports also increased by 4.1% from \$1.435b (sh5.31 trillion). The report attributes the rise to higher volumes of government infrastructure imports and increased private sector demand for chemicals, processed foodstuffs, wood products and industrial supplies.

Asia remained Uganda's largest source of imports,

accounting for 31% of the total import bill, followed by the East African Community at 24.1% and the rest of Africa at 22.7%. China, India and Japan were identified as Uganda's leading import sources within Asia.

TRADE BALANCE

Uganda's merchandise trade deficit narrowed significantly in March 2026 as export earnings grew faster than imports.

According to the finance ministry report, the country's trade deficit reduced by 54.1% to \$47.75m (sh176.7b) compared to \$103.92m (sh384.5b) recorded in March 2025.

On a monthly basis, the trade deficit also improved by 29.5% from \$67.76m (sh250.7b) registered in February 2026. The improvement was mainly attributed to increased export earnings from gold, electricity, cotton, tea and oil re-exports, which offset the rise in imports during the month.

Uganda recorded trade surpluses with the Middle East and the European Union worth \$371.47m (sh1.37 trillion) and \$25.24m (sh93.4b) respectively. However, the country continued to post trade deficits with Asia, the East African Community and the rest of Africa.

The report notes that Uganda's trade deficit with the East African Community narrowed to \$44.33m (sh164b) from \$77m (sh284.9b) recorded in March 2025.

STAKEHOLDERS SPEAK OUT

William Tibyasa, the chief executive officer of Uganda Fish Processors and Exporters Association, said Uganda's fish export sector continues to face deep structural challenges that have undermined its performance over the last decade, warning that export reforms are needed to restore competitiveness and revive export growth.

Tibyasa said the industry is grappling with a severe shortage of Nile perch for processing factories, largely caused by illegal fish exports through porous borders, which he estimated cost the country more than \$700m (sh2.6 trillion) annually in lost export earnings.

He also raised concern over the widespread use of illegal fishing gear, especially mukene (silverfish) nets that trap juvenile Nile perch before maturity, threatening fish stocks and sustainability of the sector.

He urged government to

tighten enforcement on illegal fishing practices, regulate mukene fishing and increase investment in commercial aquaculture to supplement declining natural fish stocks.

Tibyasa further called for lower industrial electricity tariffs, review of fish export levies and improved access to affordable financing to help processors to remain competitive within the region.

Julius Mukunda, the executive director of the Civil Society Budget Advocacy Group (CSBAG), said the sharp rise in gold exports highlights Uganda's growing potential to earn more from value addition and mineral processing, which could strengthen the country's external position.

"The growth in gold exports is important because it improves our balance of payments position and strengthens foreign exchange reserves, which are now at about 4.1 months of import cover," Mukunda said.

He added: "It also signals that Uganda has the capacity to refine other minerals and add value locally instead of exporting raw products."

However, Mukunda warned that relying heavily on gold exports could deepen inequality because the sector benefits only a few companies compared to agriculture, which supports millions of households.

"Most agricultural exports are declining, which shows that wealth creation programmes are not materialising as expected because production remains low," he noted.

Mukunda urged the Government to focus on improving productivity and export competitiveness across all sectors, especially agriculture, to fully utilise opportunities such as China's zero-tariff market access for Ugandan products.

Geoffrey Kinaalwa Ssemakula, the chief executive officer of La Marc Coffee, a coffee exporter, said the decline in Uganda's coffee export earnings despite higher export volumes reflects the continued vulnerability of the sector to fluctuations in global prices.

"The increase in export volumes is a positive sign because it shows farmers are producing more coffee, but lower international prices affected overall earnings," Ssemakula said.

"This means Uganda must now focus more on value addition and speciality coffee markets where exporters can earn better prices."



Mukunda, the executive director of CSBAG