

**EFFECTS OF INTERNATIONAL RELATIONS ON FOREIGN DIRECT
INVESTMENT IN UGANDA: A CASE OF UGANDA INVESTMENTS
AUTHORITY UIA**

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S21B56/006

**A DISSERTATION SUBMITTED TO THE SCHOOL OF SOCIAL SCIENCES IN PARTIAL
FULFILLMENT FOR THE REQUIREMENTS OF THE AWARD OF A DEGREE OF BACHELOR
OF GOVERNANCE AND INTERNATIONAL RELATIONS OF UGANDA CHRISTIAN
UNIVERSITY**

September, 2024



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DECLARATION

I Kemigisha Irene, hereby attest that the work I have done is true and correct as documented in this dissertation. Except for specific citations, all of the data in this dissertation is based on my investigation, research, and conclusions.


.....

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Date:20/09/2024.....

APPROVAL

I, **Madam Asiimwe Joy** certify that this research report has been done under my supervision and submitted for examination with approval as a university supervisor.

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ACKNOWLEDGMENT

I want to extend my sincere gratitude to my academic supervisor for her exceptional guidance and support throughout my dissertation. Without her valuable assistance, I would have faced significant challenges.

I would like to express my appreciation to my family and friends for their support and encouragement during this time. Their presence has been a source of strength and motivation throughout my academic journey.

Thank you all for enriching my life with your constant support.

ABSTRACT

The study examined the effects of international relations on foreign direct investment in Uganda: a case of Uganda Investments Authority (UIA). The study was guided by objectives which included; finding out relations between Uganda and investor countries, identifying important treaties to improve the investment climate in Uganda, and finding out the importance of negotiations on foreign direct investments in Uganda.

The study was carried out using a case study design with a qualitative research approach. The data were collected using interviews during the data collection, purposive sampling method was used. A group of 18 respondents who are top management and staff of Uganda Investments Authority (UIA) were used as a sample during the study.

The study established that the Ugandan investment strategy is highly dependent on the country's robust diplomacy with these influential partners like China, the United State, and the United Kingdom that seek to foster long-term partnerships for the two parties. These partnerships are very critical in enhancing Uganda's economic development, technology transfer and foreign investment. Also, some agreements like the Bilateral Investment Treaties, East African Community Common Market Protocol, and the African Continental Free Trade Area have also benefited Uganda in enhancing the legal structure and market access which might take some time to reap results. Nevertheless, some constraints arising in the negotiation process in Uganda Investment Authority are bureaucratic delay, legal formalities, and culture barrier are terms that suggest the need for better communication and clearing of procedures that would make the Ugandan environment more attractive to the foreign investors.

Finally, the study suggested that there was a need to enhance and diversify Uganda's foreign alliances by building up the existing partnerships and seeking new ones outside the existing major associates. They also suggested that there is much more that can be done with international treaties and agreements, coupled with the need to eliminate bottlenecks experienced during negotiation with foreign investors through the usage of more effective and efficient methods.

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CHAPTER ONE

INTRODUCTION

1.0 Introduction

This study was about examining the effects of international relations on foreign direct investment in Uganda: an example of the Uganda Investment Authority. FDI is very important to the growth of the economy of many countries and for the development of Uganda it plays a significant role. FDI refers to the direct investment of a foreign country by using its money to put structures, equipment, and organizations within the host country. It is the initiator of economic growth since it contributes the capital, technologies as well as the efficient management which is required for the further development (Ciftci & Durusu-Ciftci, 2022). Global politics plays a crucial role for deciding the FDI and the volumes that are invested worldwide. Policies such as diplomacy, trade relations and political stability are key to attracting foreign investment, conversely policies including conflicts, sanctions or political instabilities have the tendency to discourage the investors. In the case of Uganda, knowledge of impacts of international relations on FDI is critical to developing policies that can promote economic growth (Voica et al., 2021). In order to ascertain the foreign capital a identified the nature of political stability, regional relations and global economic conditions that affect the flow of the foreign capital to Uganda. In this research study, the author focused on Uganda Investment Authority to assess the policies that the Ugandan government has put in place in order to woo FDI's.

This chapter therefore presented the background of the study, problem statement, purpose of the study, objectives of the study, scope of the study, research question, significance of the study, and the conceptual framework

1.1 Background of the Study

FDI is important in the development of most countries since it provides capital, technology and managerial skills (Sørensen et al., 2022). The interaction between international relations and FDI has been researched with work showing that friendly diplomatic relations improve the ability of a nation to source for foreign investors (Baylis, 2020). Friendly diplomatic relations are followed by cooperation in trade, investment and economic cooperation that provide a favourable framework for FDI. Such predictability deters risks in international relations hence making a country attractive for long term investments according to Wallace (2024).

International relations impact FDI in equally measures such as; trade relations, political stability, and bi-lateral agreements (Sarkodie &Strezov 2019). Geopolitical risks are lower in countries that hold friendly and positive relations with other large economies of the world so more FDI is attracted in these nations. On the other hand, diplomatic tensions or rivalry portray the country as insecure politically and reducing chances of getting investment due to sanctions (Paul & Feliciano-Cestero, 2021). It is therefore important, to analyze the relation between the diplomatic maneuvers and the economic approaches with a view of understanding how FDI flows. This dynamic therefore calls for proper diplomacy and international relations for the creation of a mutually rewarding investment climate (Hill et al., 2023).

Internationally, effects of international relations on FDI can be found in developed countries including the USA, Germany, Japan and China among others. The USA for example has relied on its dense web of BIPs and FTAs to be one the largest FDI destinations globally (Voica et al., 2021). Likewise, Germany's economic interdependence with the European Union and its connectivity strategies with other parts of the world also have realized German's as one of the most preferable international destinations for FDI (Hill, Smith, &Vanhoonacker, 2023). Specifically, Japan and China entered into regional economic integration regime like CPTPP and BRI, respectively, which make both countries more attractive for investors from overseas (Muhammad et al., 2021; Ciftci &Durusu-Ciftci, 2022).

As much as international relation, FDI is also has equally important in Africa. Various amount of FDI inflows have been experienced in Nigeria, Kenya and South Africa depending on their diplomacy and regional stability (Chih et al., 2022). For instance, Nigeria has been receiving relatively high FDI inflows due to the size of its economy and geopolitical location in the WAS given constraints such as political instability and security (Sarkodie &Strezov, 2019). These factors include Kenya's locational advantage in East Africa and the effort it has taken to jump-start and be an active member of several economic communities such as EAC (Bahizi et al., 2021). By being part of the BRICS grouping, South Africa has relied on international linkages to acquire FDI, especially in the mineral and manufacturing industries (Asafo-Agyei &Kodongo, 2022).

Uganda can be looked at especially through the Uganda Investment Authority (UIA) to analyse the impact of international relations on FDI (Mutenyo et al., 2022). As a Ugandan PR agency, the UIA has been instrumental in marketing Uganda as an investment friendly destination through the country's diplomacy and through participation in the economic communities including EAC and Common Market for Eastern and Southern Africa (COMESA) among others (Van Campenhout et al., 2021). Although Uganda has some challenges like political instability and infrastructural deficit it has been able to attract FDI in agriculture, energy, and service sectors which are major areas that requires an international relations strategy for attracting FDI (Wasike, 2022; Oogu, 2021). What this means is that proper diplomatic relations and cooperation within the region is essential in improving on the business environment and economic growth.

When comparing the general FDI and the regional and local factors it is easy to notice that political stability in international relations is crucial for FDI attraction and stabilization. To Uganda, the continuous initiatives of the UIA in the development and enhancement of diplomacy as well as in the establishment of an investment-friendly environment are still important in economic growth and the realization of sustainable development.

1.2 Problem statement

Albeit a wide range of advantages of FDI, Uganda lacks the capacity to attract and compound a respectable extent of FDI. These standards have been revealed by the Uganda Investments Authority (UIA) which has recorded diminishing trends in these aspects, whereas capital has been flowing at; \$1. This amount stood at \$2 billion in 2018 and is expected to reduce to \$800 million by the year 2022 (Bahizi et al., 2021). The intensity of technology transfer and innovation outcomes remain low, where 15% of the firms across the countries recorded the adoption of new technology in the last five years (Voica et al., 2021). There is a trend of showing a decline in employment generation for FDI projects where employment rationalization from 20,000 employment in 2017 to 10,000 employees in 2021. Besides, infrastructure development and economic growth related to FDI are more or less stagnant, where FDI projects create appreciable infrastructure development only in 5% cases, and incremental gross domestic product (GDP) generated through FDI related activities are below \$2 billion per annum (Asafo-Agyei & Kodongo, 2022). All this could be attributed to unpredictable government policies, less diplomatic measures and insufficient international agreements, leading to low investors' confidence and revenue.

If this situation is not addressed, Uganda risks further economic stagnation, reduced competitiveness, and diminished capacity to attract essential foreign investments. Furthermore, existing literature on FDI in Uganda has predominantly focused on general economic impacts without thoroughly examining the role of international relations (Aluko et al., 2023; Paul & Feliciano-Cestero, 2021). While some studies have explored aspects of economic freedom and investment climate, there is a notable gap in understanding how specific elements of international relations—such as negotiations, diplomacy, and treaties—affect FDI inflows and their subsequent economic benefits (Ciftci & Durusu-Ciftci, 2022; Ibrahim et al., 2021). This research aims to fill this gap by providing a comprehensive analysis of the impact of the effects of international relations on foreign direct investment in Uganda.

1.3 Major objective of the study

To find out the influence of International relations on foreign Direct Investment.

1.4 Specific objectives of the study

- i. To find out relations between Uganda and investor countries.
- ii. To identify important treaties to improve the investment climate in Uganda.
- iii. To find out the importance of negotiations on foreign direct investments in Uganda.

1.5 Research questions

1. What are the relations between Uganda and investor countries?
2. What are the important treaties to improve the investment climate in Uganda?
3. What is the importance of negotiations on foreign direct investments in Uganda?

1.6 Scope of the study

The scope of the study will cover three dimensions that is; content, geographical and time and these are discussed in detail below;

1.6.1 Content scope

This study will specifically focus on; finding out relations between Uganda and investor countries, identifying important treaties to improve the investment climate in Uganda and finding out the importance of negotiations on foreign direct investments in Uganda.

1.6.2 Geographical scope

Geographically, the study will be conducted in Uganda Investments Authority located on Facilitation Centre Plot 1, Baskerville Avenue, Kololo Floors, P.O. Box 7418 Kampala. Uganda Investments Authority is chosen because it's the institution under the government of Uganda tasked with the mandate of promoting the economic growth of Uganda through attracting foreign direct investment (FDI).

1.6.3 Time scope

The study will focus on scholarly material from the period 2019 to 2024. It will also be carried out for a period of four from May to August, 2024.

1.7 Justification of the study

The justification of this study lies in the critical need to understand the intricate relationship between international relations and foreign direct investment (FDI) in Uganda. Given the significant decline in key FDI dimensions such as capital inflows, technology transfer, employment generation, infrastructure development, and economic growth, it is imperative to identify how negotiations, diplomacy, and treaties can enhance FDI performance. The insights generated from this research will enable policy makers and stakeholders in Uganda to formulate strategies that encourage the use of diplomacy for economic progress and help to fill the existing gaps as well as create a favourable environment for sustainable foreign investment.

1.8 Significance of the study

Among other things, the study will be of helpful to policymakers by putting forward a set of recommendations based on the empirical findings on international relations FDI environment in Uganda to design a better policies to attract and sustain FDI.

This research work will benefit the Uganda Investment Authority (UIA) because the findings will afford patronizing dimensions to the factors of FDI that will enhance the formulation of superior investment policies and international relations.

It shall assist the investors by identifying the aspects of international relations that can contribute to the improvement of the investment environment in Uganda in order to assist them to make the right investment decisions as well as formulating the right investment strategies.

The study will be of help to economic development agencies by identifying the specific aspects of diplomacy, negotiations, and treaties that can boost FDI, thereby aiding in the development of targeted programs to stimulate economic growth.

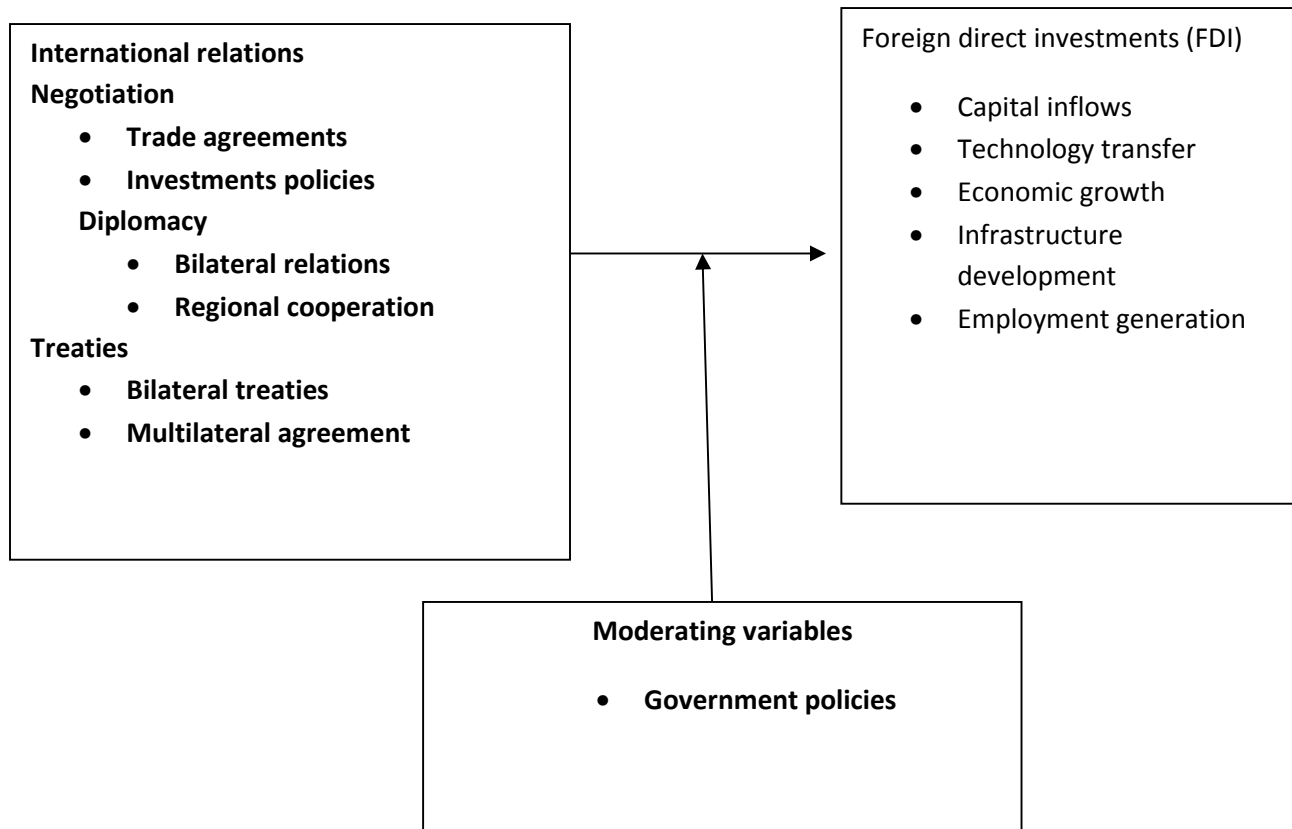
The study will be of help to future researchers by filling the existing research gap on the impact of international relations on FDI in Uganda, providing a foundation for further studies and contributing to the academic discourse on international investment and economic development.

1.9 Conceptual framework

Figure 1: Conceptual Framework

Independent variable
variable

Dependent



Source: Adopted from, Nguyen (2022) and modified by the researcher (2024)

The conceptual framework explores the relationship between international relations and foreign direct investment (FDI) in Uganda, focusing on the roles of negotiations

(trade agreements, investment policies), diplomacy (bilateral relations, regional cooperation), and treaties (bilateral treaties, multilateral agreements) as the independent variable. These dimensions influence FDI outcomes such as capital inflows, technology transfer, employment generation, infrastructure development, and economic growth. Government policies act as a moderating variable, shaping the effectiveness and impact of international relations on FDI by providing a regulatory framework, tax incentives, and ensuring a conducive investment environment.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviews the scholarly materials put forward by several personalities on the effects of international relations on foreign direct investment as well as critically analyzing the deviations in the explanations to find out the research gap in the study variables. Literature will be reviewed objectively by starting with definition of a concept followed by reviewing of objectives. Sources like newspaper articles, magazines, encyclopedia and books related to the people will be used.

2.1 Definitions and concept of international relations

International relations are important to reflect the integration and development of states in a system and affect different dimensions of political, economic as well as social existence. Sørensen et al. (2022) defines international relations as a combination of processes that involves the relations among sovereign states and other actors at the global level which involves diplomacy, conflict and cooperation. According to Hill, Smith, & Vanhoonacker, (2023) international relations helps countries to formulate the manner in which they will relate with the international community. Some scholars hold the view that international relations can be improved through diplomacy and competent negotiation which improves the standing of a country and promotes goodwill in engaging in relations (Hill et al., 2023). Mention may also be made of Baylis (2020) wherein interaction with the global politics currently involves analyses of how states as actors in the international system exercise systemic power and positions as well as understand the rules that guide these actions.

The existence of modes of relationships between and among nations have been analyzed in many facets by various scholars, with focus on negotiations, diplomacy, and treaty making as vital tools for enhancing cooperation and development at the international level. Asafo-Agyei & Kodongo (2022) points out that negotiation is widely

considered to have significant functions in overseeing the nature of international trade and investments policies for economic development in the SSA region. As Asafo-Agyei & Kodongo mentioned, based on their arguments, cooperation - through cooperation, countries can negotiate for acceptable terms that will encourage the FDI and the improvement of their respective economies (p. 675). In furtherance, Aluko et al (2023) underscore this diplomacy to sustain bilateral and multilateral relations and cooperation which are central to FDI attraction. It noted they underscore that diplomatic processes can help to build the framework in which investment climate can be maintained by enhancing political risk between nations (Aluko et al., 2023). Bahizi et al. (2021) also agree with the fact that treaties whether bilateral or multilateral are essential in the development of legal structures that ensure the rights of investors are protected and enhance cross-border investment.

International finance is, in part, determined by the position of the country in international relations. This has been proved in several studies. In their work, Voica et al. (2021) consider the connection between international relations and foreign direct investments, maintaining that, within the European Union, trade agreements and international relations affect the climate for foreign investments significantly. They highlight that well-developed international ties can act as catalysts for an increase of capital, enhancement of technology transfer, or boosting the economy. Ciftci & Durusu-Ciftci (2022) suggest a similar observation pointing out that developing countries should create market-friendly policies and encourage external relationships for high FDI levels. The foreign investment in the countries with stable political environments and positive foreign relations provides greater possibilities for improving the infrastructure and creating jobs. In connection to this, Lomachynska et al. (2020) further support the observation that international relations promote export expansion and economic growth, stating that well-formulated international partnerships and agreements encourage investors and promote the economy.

2.2 Definitions and concept of foreign direct investment

Foreign direct investment (FDI), in contemporary terms, implies the investment by an entity or individual from a particular nation into business holdings set up in another

nation. Asafo-Agyei & Kodongo (2022) are of the opinion that FDI is very important especially in most of the developing regions such as the sub-Saharan Africa because it helps ease the investment gap with the help of local funds. Bahizi et al. (2021) explain that the inflow of FDI leads to the introduction of technology and managerial skills, which play a critical role in economic growth. Voica et al. (2021) add that Jackson FDI may substitute internal investments in such a way and trade improvement may help to increase a holistic economy of a target country.

Many authors also focus on the positive influence of foreign direct investment on economic growth. Aluko et al. (2023) note that foreign direct investment is often considered a consequence of globalization and is extremely interested to deepen the economic integration of African countries with the world economy. Lomachynska et al. (2020) voice their opinion that the inflow of foreign direct investment has a positive correlation with export growth, especially for the members of the Visegrad Group through increased production and competitiveness. In this context, Ciftci & Durusu-Ciftci (2022) examine the topic relating to economic freedom and FDI, and argue that more economically free countries do in fact attract more FDI which will ultimately lead to more economic growth.

The influence of Foreign Direct Investment (FDI) on the process of economic growth is complicated in nature and varies with the countries and the sectors under consideration. Well, Chih et al. In their study (2022), they look into the spatial structure of FDI in Sub-Saharan Africa and claim that the FDI inflow in a region can be affected by the economic activities of adjacent countries which is spatial spillover effect. Ibrahim & Acquah (2021) are re-visiting the relationships among FDI, economic growth and development of financial sector in Africa, noting that there is a need for a certain level of a financial system to take full advantage of FDI benefits. Muhammad et al. (2021) assess the social effects of FDI on the economy and its sub sectors. They observe that FDI can enhance economic growth. However, there are environmental challenges particularly with FDI regarding the use of resources and energy efficiency.

2.3 Relations between host countries and investor countries

In a study, by Asafo Agyei and Kodongo (2022) they explored the dynamics between countries where investments originate and those where investments are received in the context of foreign direct investment (FDI) in Sub Saharan Africa. They suggest that while FDI inflows can have an impact on growth the relationship between them is not straightforward. Their study points out that countries, with climates and strong institutional frameworks tend to attract more FDI investments. This influx of investments then contributes to boosting productivity and developing infrastructure in these host nations (Asafo Agyei & Kodongo 2022). In addition, to that study by Bahizi and colleagues in 2021 shows proof based from the region that foreign direct investment (FDI) influxes have a beneficial connection, with economic advancement as multinational companies introduce funds, technology and managerial skills which promote the growth of local industries and the creation of job opportunities.

A recent research, by Ciftci & Durusu Ciftci (2022) delves into the impact of freedom on the connection between nations hosting investment and those investing in FDI (Foreign Direct Investment). The authors suggest that countries with scores in freedom tend to attract more FDI as a result of fewer regulatory obstacles and increased investor trustworthiness. Their results indicate that economic freedom not encourages levels of FDI inflows but also plays a key role, in stimulating overall economic progress through the promotion of entrepreneurship and innovation (source; Ciftci & Durusu Ciftci 2022). In a study conducted by Lomachynsk et al. (2020) they add to this viewpoint by investigating how foreign direct investment (FDI) influences the expansion of exports, in Visegrad Group nations. They emphasize that the influx of FDI boosts industries focused on exports, resulting in trade balances and increased economic stability, by broadening revenue streams.

An additional study by Chih et al. (2022) provides insights into the spatial concentrations of FDI and economic growth in Sub-Saharan Africa. They provide evidence of a 'spillover' spatial effect leading to regional clustering for changes in economic activity of neighboring countries influencing FDI inflows. It suggests that FDI decisions depend not just on the state of the individual countries, but rather it

depends on both regional economic integration and cooperation (Chih et al., 2022). Ibrahim & Acquah (2012) further speculate on this discussion by re-examining the causal pathways between FDI, economic growth, and financial sector in Africa. They highlight that a developed financial sector enables FDI to become more beneficial because it allows for an efficient market for capital allocation and risk, which would economize the developmental impact of an increase in FDI.

The study conducted by Muhammad et al. (2021) examines the environmental aspects of foreign direct investment (FDI) relationships and its implications for sustainable development. They sustainable development and FDI impact on economic growth, while FDI creates economic development it also leads to environmental health due to resource extraction and energy use. Their response is that policy makers should act to encourage sustainability and other environmental negative externalities due to FDI (Muhammad et al., 2021). On the other hand, Mutenyo et al. (2022), provided paradigms and empirical evidence, about private domestic investment and economic growth in Africa. This empirical evidence supports the necessity of a facilitative investing climate and sufficient governance to gather optimal developmental benefits of FDI about enhancing productivity and competitiveness.

Paul and Feliciano-Cestero (2021) present an extensive summary of 50 years of empirical studies on multinational enterprise (MNE) foreign direct investment (FDI) and the implications of changing FDI flows on host economies. Their review reveals that while investment in foreign direct capital can incur economic benefits, the implications of doing so vary by sector and region, calling for a nuanced policy framework when trying to foster developmental benefits (Paul & Feliciano-Cestero, 2021). In contrast, Sarkodie and Strezov (2019) offer an even broader perspective by understanding the relationships between MNE FDI, economic development, and energy consumption, necessitating pathways for sustainable development that balance economic growth and environmental preservation in developing economies.

2.4 Important treaties to improve the investment climate in a country

In their recent research, Sørensen et al. (2022) analyzed the relationship between international treaties and the investment climate at a global scale of analysis. They posit that treaties-in particularly, bilateral investment treaties (BITs)-balances passage, offer off legal certainty and security to foreign investors. Moreover in BITs, countries will typically have provisions concerning the mechanism for dispute resolution which minimized the investor risks and thus, made host countries a more convenient place for investment (Sørensen et al., 2022). Hill et al. (2023) also supported this argument, stating that BITs can provided a higher level or attractiveness for foreign direct investment (FDI) by delivering fair treatment, non-discrimination, and serving as protections against expropriation, which can create support for a more stable and predictable investment environment (Hill et al., 2023).

Wallace (2024) investigates the historical perspective of investment treaties, particularly their implications for developing countries in the 1990s. Within his analysis, Wallace argues that the rise of BITs indicated and aligned with the proliferation of FDI, inclusive of legal assurances and reduced political risks to attract investors. In addition, he indicates some BITs have an inherent bend towards protecting investor rights, adversely, reducing the sovereignty of host-states, which inspired regulatory chill and constraints on their policy space for development (Wallace, 2024). Wallace's piece raises discourse about the balance between investor legal personality from strong treaty protections and regulatory authorities of the state enhancing the notion of either regulation extension or responsibilities of states to create regulations.

In the context of RIAs (Regional Integration Agreements), Baylis (2020) examines the ways that RIAs contributed to investment climate improvement focused on specific geographic blocs. RIAs such as the EU typically include provisions that harmonize investment rules between member states, allow for access to their markets, and promote regulatory convergence among the various member states. Empirical studies suggest that RIAs can increase FDI inflows by creating 'larger,' more integrated markets for member countries. Increased market size lowers transaction costs and the

regulatory burden on investors (Baylis, 2020). Moreover, Oogu (2021) studies the gendered dimensions of investment treaties, stating that inclusive treaty provisions can thus promote gender-sensitive investment policy that also advocate greater equity of opportunity in an economy for traditionally undermined groups (Oogu, 2021).

Voica et al. (2021) assess the link between trade-related investments and investment treaties that are formalized through Rio's meaning the authors suggest that trade agreements such as free trade agreements, that could also be formally penned, include specific investment chapters aimed at protecting cross-border investment and fostering liberalized backing, which should inherently lead to fostering economic growth and sustainable development in the host and related economy (Voica et al., 2021). Chih et al. (2022) also consider the spatial dynamics of investment treaties contrasting Sub-Saharan Africa to identify how regional economic communities go about negotiating a collective investment treaty- treaty focuses on common objectives to bog regulatory standards which should lend itself toward investing in these countries (Chih et al., 2022).

The article by Ullah et al. (2024) examines the relevance of sustainable development clauses in investment treaties, noting that a greater emphasis has been placed on environmental sustainability and corporate social responsibility (CSR) in investment law. They claim conventions of sustainable development increasingly appear in investment treaties and feature investment practices that promote sustainable development goals (SDGs), which lead to responsible investment and mitigation of environmental risks arising from foreign direct investment (FDI) (Ullah et al., 2024). In addition, Van Campenhout et al. (2021) provide evidence in Uganda, where investment treaties successfully improved agricultural value chains, expanded access for smallholder farmers to worldwide markets, and improved food security (Van Campenhout et al., 2021).

Ibrahim et al. (2019) discuss the role of institutional capacity-building in maximizing investment treaties for developing countries. They argue that capacity building

initiatives, under the auspices of donor agencies and international organizations, can strengthen legal and regulatory frameworks, improve policy consistency, and increase negotiating capability to make investment treaties more impactful in attracting sustainable foreign direct investment (Ibrahim et al., 2019). Similarly, Asafo-Agyei & Kodongo (2022) examine the non-linear effects from treaties on economic growth in Sub-Saharan Africa, arguing that better governance and implementation of treaties need to happen to convert FDI flows into sustainable development benefits (Asafo-Agyei & Kodongo, 2022).

Lastly, Aluko et al. (2023) undertake a critical analysis of the structures of investment treaties, induced by globalization. They argue even though bi-lateral investment treaties () and other investment agreement attempts to deregulate, liberalize and secure investment, the impacts on economic development have differed greatly across countries and regions as a result of; regulatory quality, political stability, and the effectiveness of domestic institutions will all ultimately determine how much benefit can be gleaned from the investment treaties in shaping the investment climate (Aluko et al., 2023). This has implications for the case of investment treaties since policy changes and regulatory reforms need to happen in a context-specific way if view treaties are to contribute positively to development.

2.5 Importance of negotiations on foreign direct investments in a country

In the study undertaken by Aluko et al. (2023), the authors investigate the importance of negotiations in relation to attracting foreign direct investment, strengthening the evidence that by enhancing prospective negotiating strategies, countries can prove more attractive to prospective investors. As they note, negotiating investment relevant policies and investment relevant incentives as part of an investor-government negotiating entails investing in negotiating exclusionary matters of risk mitigation and returned investor confidence (Aluko et al., 2023). Furthermore, the study regarding negotiating forms of investment and economic growth conducted by Asafo-Agyei & Kodongo, (2022) also adds to the consequences of extended negotiating for increased foreign direct investment in relation to indicators for national

development priorities for sustainable economic activities (Asafo-Agyei & Kodongo, 2022).

In their study on the effects of negotiated outcomes on economic growth in the East African Community (EAC), Bahizi et al. (2021) states that countries with well negotiated forms of foreign direct investment experience overall increased levels of some form economic growth, while at the same time benefiting from increases in job growth and knowledge acquisition, arising from the uptake of negotiated forms of foreign direct investment (Bahizi et al., 2021). Similarly, Voica et al. (2021) suggest that negotiations can result in trade complementarity with simultaneous flows of foreign direct investment. It indicates that well negotiated outcomes from negotiations provides a form of negotiations that offers consideration not only for economic diversification opportunities but also added consideration for negotiated terms for export competitiveness alternatives (Voica et al., 2021).

Lomachynska et al., (2020) tell us the effect of negotiation on export growth in Visegrad Group countries. What their study yields are group of characteristics of normal or strategic negotiating practice that yield foreign direct investments with strategically important employment and capacity for enhancing export-oriented industries, and thus overall overall economic resilience and competitiveness (Lomachynska et al., 2020). Finally, Ciftci & Durusu-Ciftci (2022) remind there is a consideration upgrading spaces (that may not be synonymous) to negotiate forms of economic freedom alongside foreign direct investment for economic growth, where economic freedoms increases lodging spaces for sustained waves of development or foreign direct investment and then systematically linked developmental outcomes of investments (Ciftci & Durusu-Ciftci, 2022).

Wallace, 2024, says for historical perspectives on FDI and negotiations on terms with investors, government strategies for negotiations have shifted, responding to global economic shifts and expectations of investors in these negotiations (Wallace, 2024). Sørensen et al., 2022, posit an international relations perspective and suggest FDI

negotiation for terms reflect geopolitics and diplomatic strategies guiding member states economically and politically (Sørensen et al., 2022).

Hill et al., 2023, examine regional integration agreements in negotiating FDI terms within the EU. Hill et al., 2023, suggest collective bargaining strategies among EU states engaged in negotiations provide the bloc with bargaining power, and that higher-quality investments have the potential to further regional economic integration and stability (Hill et al., 2023). Additionally, Baylis, 2020, suggests negotiations on FDI influence and determine economic outcomes, as well impact the international relations of bilateral and multilateral negotiations between states and global investors (Baylis, 2020).

2.6 Summary of literature review

The literature review investigates the complex relationships between international relations, foreign direct investment (FDI), and their effects on economic growth in diverse countries. Scholars emphasize the critical roles of negotiations, treaties, and economic freedoms in shaping the investment climate. However, gaps exist in understanding the specific mechanisms through which different types of treaties, negotiation strategies, and regional integration agreements influence FDI flows and their developmental outcomes, particularly in diverse geopolitical contexts such as Sub-Saharan Africa. Further research could delve deeper into the nuanced impacts of these factors on sustainable economic growth, regulatory frameworks, and the equitable distribution of FDI benefits to maximize developmental impacts globally.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter explains the methodology that will be used to conduct the research, procedures of data collection. Inclusive is the research design, the study area and the population, sampling procedures, sampling size and composition, data collection methods, data processing data analysis methods, data quality control, reliability and ethical consideration.

3.1 Research design

According to Ahuja (2009), research design is defined as planning the strategy of conducting research. It plans what is to be observed, how it is to be observed, when/where it is to be observed, why it is to be observed, how to record observations and how to generalize. The study will involve the use of cross-section survey research. Cross-section survey research entails the collection of data to make inferences about the population of interest at one point in time. It will be used since it can investigate the effects of various demographic factors (age, for example) on individual differences. In addition, correlation and regression analysis will be used to examining the effects of international relations on foreign direct investment in Uganda. This research design will be used because it reduces time wastage and costs and it also gives useful conclusions in the form of statistics and in-depth details about the study (Patrik & Ugo, 2019).

The research design will also involve the use of quantitative and qualitative research approaches. In natural sciences and social sciences, quantitative research approach is the systematic empirical investigation of observable phenomena via statistical, mathematical or numerical data or computational techniques (Trochim, 2006). Quantitative research approach will be used because it is more reliable and objective,

it will help the researcher in use of statistics to generalize the findings, it will also help in reducing and restructuring complex problems to a limited number of variables, it will also help in testing theories/hypotheses and lastly, it will help in determining the relationship between the two variables. Questionnaires both closed ended and open ended will be used to gather quantitative data.

In the handbook of qualitative research, Denzin & Lincoln (2005) describe qualitative research as one that involves “an interpretive naturalistic approach to the world. This means that qualitative research studies things in their natural settings, attempting to make sense of or interpret phenomena in terms of the meanings people bring to them.” Qualitative research approach will be used because they help in providing details about human behavior, emotions and personality characteristics of the respondents plus details on the topic under study. Interviews will be used to gather qualitative data.

3.2 Study area and population

The study will be conducted in Uganda Investments Authority located on Facilitation Centre Plot 1, Baskerville Avenue, Kololo Floors, and P.O. Box 7418 Kampala. Uganda Investments Authority is chosen because it's the institution under the government of Uganda tasked with the mandate of promoting the economic growth of Uganda through attracting foreign direct investment (FDI). According to the HRM of UIA (2024), there is a total of 60 employees and management working in the following departments in Uganda Investments Authority and these will be included in the study as the study population. The study will also include 5 key informants who are the Minister and State Minister of Trade, the Director General, the Director Investment Promotion & Business Development and the Corporation Secretary & Head Legal and Board Affairs.

3.3 Sample Size and Sample Determination

According to Katamba & Nsubuga (2014) sample size is the portion or subset of the total population. The sample size will be determined by the sample calculation formula by Slovin's formula as follows;

$$n = \frac{N}{1 + N(e)^2}$$

“n” is sample size, “N” is population, “e” is error (0.05) or level of confidence 95%

“N” (population) = 60 employees of UIA in the different departments

$$n = \frac{60}{1 + 60(0.05)^2}$$

$$n = \frac{60}{1 + 60(0.0025)}$$

$$n = \frac{60}{1 + 0.15}$$

$$n = \frac{60}{1.15}$$

n = 52 selected employees of UIA in the different departments

Therefore from the table above, the sample size will be 52 respondents got from a total population of 60 employees of UIA. The study will also include the general manager of the study context and the heads of department totaling to 5 who will participate in this study as the key informants.

3.4 Sampling methods

The sampling methods provide information required about the selection of the samples. It also provides a detailed foundation where the research sample can be drawn, and for a population that is enough for a high quality selection of the participants (Lewis and Ritchie, 2003). The researcher will use both purposive and simple random sampling methods. Purposive sampling method will be used to select the Minister and State Minister of Trade, the Director General, the Director Investment Promotion & Business Development and the Corporation Secretary & Head Legal and Board Affairs who will participate in this study as the key informants. The reason for the use of purposive sampling method is because it helps in the selection of

top management because of their knowledge about the subject study and given that they are few in number.

The employees in the other departments in Uganda Investments Authority will be selected using simple random sampling given that these are big in number and using this method will ease their selection and give each person a chance to participate in the study, simple random sampling is preferred because its procedure is unbiased and prevents bias in their work and makes research on large populations more practical.

3.5 Data collection methods and instruments

The researcher will collect data from respondents by use of questionnaire survey and interviews as the data collection methods.

3.5.1 Questionnaire survey

A questionnaire survey is a data collection method for collecting information from respondents using standardized questionnaires (Mugenda & Mugenda, 2003). Amin (2005) recommends using questionnaire survey because it provides a high level of general capability in representing a large population. Due to the usual huge number of people who answers survey, the data being gathered possess a better understanding of what is being studied. Here, the data collection instrument will be a questionnaire. The researcher will use both closed-ended and open-ended questionnaires in the study. Closed-ended questions will be used because they are easy and quick to answer and because they help in improved consistence of the responses. Open-ended questions will also be used because they do not place any limits on the response which means that the survey respondents will be able to tell the researcher anything they feel is relevant and anything they want the researcher to know. The questionnaires will be administered to the 52 employees of UIA. A five (5) Likert scale where; 5 (Strongly Agree), 4 (Agree), 3 (Not Sure), 2 (Disagree), 1 (Strongly Disagree) will be used on the self-administered questionnaires;

3.5.2 Interviews

According to Ahuja (2009), an interview is a two-person conversation initiated by the interviewer for the specific purpose of obtaining research-related information and

focused by him on the content specified by the research objectives of description and explanation. The instrument of data collection here will be an interview guide which refers to a set of structured questions in which answers will be recorded by the interviewer herself (Ahuja 2009). It will be used because it gives the research control over the line of questioning hence time saving. Interviews will be conducted in a quiet place without noise with the key informants who are the Minister and State Minister of Trade, the Director General, the Director Investment Promotion & Business Development and the Corporation Secretary & Head Legal and Board Affairs and the purpose of the interview will be explained followed by addressing the terms of confidentiality. The format of the interview which is an informal conversational interview will be established where questions will be asked and answers recorded by the interviewer.

3.6 Data collection procedure

The researcher will obtain an introductory letter from the School of Business in Uganda Christian University, after which she will seek for permission from the different respondents in Uganda Investments Authority (UIA) to use as a case study. The researcher will then approach various respondents to conduct interviews and distribute the questionnaires.

3.6 Quality and control

3.6.1 Validity

According to Cohen, Manion and Keith (2007), Validity is ensured by; choosing an appropriate scale, ensuring that there are adequate resources for the required research to be undertaken, selecting an appropriate methodology for ensuring the research questions, avoiding having too long or too short an interval between pre-test and post-test, ensuring standardized procedures for gathering data or for information administering tests, and tailoring the instruments to the concentration span of the respondents. Validity will be done in order to find out whether the questions are capable of capturing the intended data.

Instruments are supposed to measure what they are supposed to measure, the researcher will ensure the validity of the tools to be used in data collection first by carrying out pre-test where 5 questionnaires will be distributed to 5 people who are not part of the sample size, the researcher will try by all means to be highly involved in data collection and analysis so as to avoid number of errors in her research.

3.6.1 Reliability

Mugenda and Mugenda (2003) defined reliability as a measure of the degree to which a research instrument yields consistent results or data after repeated trials. An instrument is reliable if it measure consistently what it is supposed to measure even if other researchers administer it, it should be able to produce the same results to ensure reliability. A pilot study will be carried out on the same few respondents on this research topic before the questionnaire are sent to different respondents.

3.7 Data analysis

3.7.1 Analysis of quantitative data

The data collected will be coded, keyed into SPSS (a computer software database), organized, and cleaned for any errors that might occur during data collection. The data will then be analyzed using statistics with aid of the SPSS and Microsoft Excel (computer software). Qualitative statistical techniques will be used to describe and summarize data. The results will then be interpreted in the form of descriptive statistics the frequencies and percentages. The findings will be presented in form of tables and figures.

3.7.2 Analysis of qualitative data

This will involve content analysis. Thus, qualitative data will be edited and reorganized into meaningful phrases. In other words, a thematic approach will be used to analyze qualitative data where themes, categories and patterns will be identified. The recurrent themes, which might emerge in relation to each guiding question from the interviews, will be presented in the results, with selected direct quotations from participants presented as illustrations.

3.8 Ethical considerations

According to Nsubuga & Katamba (2013) ethical issues include setting clearances from the ethical body and consent of the respondent. It refers to the moral justification of the investigation or intervention; as regards the minimal about disregard, safety and psychological wellbeing of the person and or community. The researcher will exhibit a high level of ethical behaviour in the course of implementing the study; confidentiality where the information got from the field will only be used for academic purposes. There will also be anonymity of the respondents exhibited so that they can get the freedom to express themselves. More so, informed consent will be obtained from all respondents before including them in the study.

3.9 Anticipated limitations and delimitations of the study

Some respondents might not be willing to provide information because of being suspicious of where the information will be taken. This will be solved through the nice remarkable reputation in the study context as a learning institution and also obtaining an introductory letter from the university.

The researcher is likely to be limited by funds that will be needed to facilitate the research such as motivating the respondents, printing fees and even daily transport to the organization to collect data. However the researcher will use self-initiatives and strategies to mobilize financial assistance from family.

Some people might delay to bring back the questionnaires which will affect the researchers target time planned to analyze his study. This will be solved by issuing more questionnaires beyond the target and this will help her to cover up the gaps for those who might fail to return the questionnaires.

CHAPTER FOUR

DATA PRESENTATION, INTERPRETATION AND DISCUSSION

4.0 Introduction

This chapter presents and discusses the results of analysis that has been done to look at the specific objectives of the study and in relation to the reviewed literature with the help of tables. The study was carried out using interviews with 18 selected top management and staff of Uganda Investments Authority (UIA).

4.1 Findings on demographic characteristics of respondents

This section presents the general background information about the respondents (top management of UIA) in relation to their gender, age, highest level of education, position held and period spent working in Uganda Investments Authority as shown in the table below;

Table 1: Background Information about the respondents

Item	Description	Frequency	Percentage (%)
Gender	Male	11	61.1
	Female	7	38.9
	Total	18	100.0
Age bracket	21-30 years	5	27.8
	31-40 years	9	50.0
	41-50 years	4	22.2
	Total	18	100.0
Level of education	Bachelor's degree	4	22.2
	Master's degree	6	33.3
	Others	8	44.4
	Total	18	100.0
Position	Director	4	22.2
	Manager	5	27.8

	Legal aid	2	11.1
	Assistant manager	7	38.9
	Total	18	100.0
Period spent working	1-5 years	5	27.8
	6-10 years	7	38.9
	Above 10 years	6	33.3
	Total	18	100.0

Source: Primary data

According to table 1 above, majority of respondents represented by 61.1% are male, while 38.9% are female. This indicates that men constitute a larger proportion of the top management at the Uganda Investments Authority (UIA), with over three-fifths of the respondents being male.

Furthermore, half of the respondents represented by 50.0% fall within the age bracket of 31-40 years, making this the most common age group among the top management at UIA. This is followed by those aged 21-30 years, who are represented by 27.8% of the respondents, while the smallest group is those aged 41-50 years, comprising 22.2% of the respondents. The majority of the top management is relatively young, with most being in their 30s.

Additionally, regarding educational attainment, 44.4% of respondents were in possession of alternative qualifications (such as postgraduate diplomas or specialized professional qualifications such as ACCA, CPA and CIPS). Whereas 33.3% of respondents possessed a Master's degree, and the rest (22.2%) possessed a Bachelor's degree. This implies that a reasonable proportion of the top management in UIA have attained qualifications beyond a Bachelor degree.

Equally, in relation to position, the most prominent responses to the position held were assistant manager, which constituted 38.9% of the respondents, managers 27.8%, Directors - 22.2%, and legal aids which was the smallest grouping with - 11.1%. This

suggests that the majority of the respondents were in mid-level management positions, with less ability to occupy senior positions such as Director or specialized roles like the Legal Aid.

Lastly, regarding the period spent working at UIA, 38.9% of the respondents have been with the organization for 6-10 years, making this the most common tenure among the respondents. Those who have worked for more than 10 years constitute 33.3%, while 27.8% have been with UIA for 1-5 years. This shows that a significant portion of the top management has considerable experience, with the majority having served for over six years.

4.2 The nature of international relations between Uganda and investor countries

Table 2: Countries that Uganda has strong relationships with regarding investments (using multiple analysis)

Countries	Number of times the answer was mentioned	Percent (%) based on respondents
China	16	88.9
United States (USA)	14	77.8
United Kingdom (UK)	13	72.2
India	12	66.7
Kenya	11	61.1
South Africa	9	50.0
Germany	7	38.9
United Arab Emirates (UAE)	6	33.3
Japan	5	27.8
South Korea	3	16.7
Total	18	100.0

Source: Primary data

From the interviews conducted with the selected top management of Uganda Investments Authority, they were asked to give the countries that Uganda has strong relationships with regarding investments and their responses were as follows;

A significant majority of respondents represented by 88.9% mentioned China as a country with which Uganda has strong investment relationships. China's role in Uganda's investment landscape is substantial, driven by large-scale infrastructure projects and significant investments in sectors such as energy, manufacturing, and telecommunications. The strategic partnership between Uganda and China has been bolstered by numerous bilateral agreements aimed at enhancing trade and investment flows, making China a critical ally in Uganda's economic development.

The USA emerges as another important investor in Uganda, as 77.8% of respondents noted. The two countries' strong ties are driven by investments into agriculture, technology, and the energy sector(s). The USA played an important role in supporting Uganda's economic reforms through development assistance and private-sector investment, creating an enabling environment for American investors.

Again, the UK was identified as a major investor in Uganda by 72.2% of respondents, indicating longstanding relationships, stemming from historical ties. UK investments are extensive and span finance, education and health. The collaborative activities between the UK and Uganda are reinforced by numerous bilateral trade agreements, initiated to facilitate economic cooperation. The UK is a significant investor in Uganda's FDI.

Finally, India was identified as an important investor partner for Uganda by 66.7% of respondents. The relationship between Uganda and India is particularly strong in the area of investments in pharmaceuticals, information technology, and education. Indian companies have established meaningful investment footprints in Uganda, which have resulted in capital inflows, as well as, a contribution to the further industrialization of the economy. Uganda and India are strongly tied by culture and economic ties, which serves as a vehicle for investment.

Given its shared border with Uganda and previous consideration as a member of the East African Community, 61.1% of respondents identified Kenya as a strong investment partner with Uganda. The two countries maintain strong economic ties, with cross border trade and investment occurring between citizens of Uganda and Kenya. Foreign direct investment interests into Uganda demonstrated by Kenya are significant, with investments in sectors such as banking, retail, and manufacturing. This strong investment relationship is enhanced through recent efforts to increase regional integration, typically referred to as East African Community (EAC).

Half of the respondents (50.0%) recognized South Africa as an important investment partner. South African investments are primarily found in telecommunications, retail, and financial services sectors. The presence of South African corporations suggests the existence of strong economic relations between the two countries, which have been supported by recent trade agreements have also facilitated those relations.

38.9% of respondents identified Germany as being an important investment partner of Uganda. Germany has invested in Uganda notably in renewable energy, manufacturing, and technical education. Germany's cooperative based relationship with Uganda has assisted the country in its development through bilateral investment partnerships that are sustainable in nature, and also significant corporation investments.

3.3% of the respondents subsequently noted the United Arab Emirates as a key player in Uganda's investment landscape. The UAE's investments are largely concentrated in the real estate, hospitality, and energy sectors. The strategic economic partnership between Uganda and the UAE is driven by the growing interest of Middle Eastern investors in the African market.

Japan was identified by 27.8% of respondents as an important investment partner. Japanese investments are focused on infrastructure, automotive, and technology sectors. The relationship between Uganda and Japan is characterized by a mix of direct investments and development aid, aimed at boosting Uganda's economic infrastructure.

South Korea was mentioned by 16.7% of respondents as a growing investment partner for Uganda. South Korean investments are seen mainly in technology, education, and manufacturing. The relationship is still in its early stages but has the potential to grow, particularly in areas where South Korea has a competitive advantage. Some of the selected respondents reported that,

“.....The relationship with China is pivotal. They are heavily involved in our infrastructure development and continue to be a major source of Foreign Direct Investment in various sectors.....” Director

“.....The United States remains a vital partner, especially in agriculture and technology. Their investments are not just financial but also come with a transfer of knowledge and skills.....” Manager

“.....Our relationship with Kenya is vital, particularly because of our shared borders and economic ties. Their investments are crucial in sectors like banking and retail.....” Assistant Manager

Table 3: Description of the interactions between Uganda and these countries (using multiple analysis)

Description of interactions	Number of times the answer was mentioned	Percent (%) based on respondents
Collaborative and Mutually Beneficial	14	77.8
Strategic and Long-term	12	66.7
Focused on Economic Growth	11	61.1
Diplomatic and Cordial	9	50.0
Based on Shared Interests	7	38.9
Driven by Investment Opportunities	6	33.3
Occasionally Challenging	4	22.2
Total	18	100.0

Source: Primary data

From the interviews conducted with the selected top management of Uganda Investments Authority, they were asked for their views on how they would describe the interactions between Uganda and these countries and their responses were as follows;

The majority of respondents represented by 77.8% described Uganda's interactions with its key investment partner countries as collaborative and mutually beneficial. They emphasized that these relationships are grounded in a shared commitment to fostering economic growth and development. The collaborations are often structured around key sectors such as infrastructure, energy, and agriculture, where both Uganda and its partner countries see tangible benefits. These interactions are marked by regular dialogues, trade missions, and joint ventures that help in aligning mutual interests.

A considerable percentage of the respondents that equals 66.7%, disclosed that Uganda's engagements with these countries are strategic, based around long-term aspirations. They described Uganda's affinity to associate with countries that have a specific long-term vision and investment strategies that match Uganda's long-term objectives. The interaction has a strategic planning notion where both parties weigh future growth potential over immediate gains.

An estimated 61.1% of respondents described Uganda's engagement with its investment partners as primarily growth-oriented. They noted that these interactions are framed to foster the desired investments that have a growth potential to stimulate Uganda's economic development. Specifically, these activities are about creating jobs, increasing trade, and boosting the Uganda's industrial capacity, ensuring that the growth attributes related to foreign direct investment attracts Uganda across various sectors of the economy.

Half of the respondents, a percentage equivalent to 50.0%, characterized Uganda's interactions as diplomatic and cordial. They noted that Uganda deals with these countries in a respectful and amicable manner which supports the positive climate for business investment. This diplomatic approach guarantees that if issues or challenges

arise they will be handled in a manner that preserves the engagement and encourages foreign direct investment.

Certain respondents, in a degree equal to 38.9%, also characterized the interactions as based on common interests. They stated that Uganda associates with countries that have the same economic targeting interests, and investment priorities, suggesting that this smooth the negotiation and facilitation of trade and investment agreements that are mutually beneficial.

A smaller proportion of respondents represented by 33.3% indicated that the interactions are driven by specific investment opportunities. They mentioned that Uganda tends to engage more actively with countries that offer lucrative investment prospects, particularly in sectors where Uganda has a competitive advantage. This approach ensures that Uganda can attract investments that are most likely to succeed and contribute to the economy.

Lastly, a minority of respondents represented by 22.2% acknowledged that while the relationships are generally positive, there are occasional challenges. These challenges may arise from differing priorities, economic conditions, or political factors. However, respondents emphasized that these challenges are typically managed through diplomacy and ongoing dialogue. Some of the selected respondents reported that,

“.....Our relationship with these countries is very much a partnership. Both sides are eager to benefit, and that creates a strong foundation for sustained collaboration.....” Director General

“.....The goal is always to create more jobs, improve infrastructure, and boost the economy through these interactions.....” Director Investment Promotion & Business Development

“.....We actively pursue opportunities that will bring the most benefit to our country, and that's what drives these interactions.....” Staff Member from Investment Promotion Department

Table 4: The benefits Uganda seeks from these international relationships (using multiple analysis)

Benefits	Number of times the answer was mentioned	Percent (%) based on respondents
Economic Growth and Development	15	83.3
Access to Technology and Expertise	13	72.2
Increased Foreign Direct Investment	12	66.7
Infrastructure Development	10	55.6
Market Access for Ugandan Products	8	44.4
Job Creation	7	38.9
Improved Diplomatic Relations	6	33.3
Total	18	100.0

Source: Primary data

From the interviews conducted with the selected top management of Uganda Investments Authority, they were asked for their views on the benefits Uganda seeks from these international relationships and their responses were as follows;

Economic growth and development: A significant majority of respondents represented by 83.3% identified economic growth and development as the primary benefit Uganda seeks from its international relationships. They emphasized that the government of Uganda views these relationships as crucial for accelerating the country's economic trajectory. The benefits of increased trade, investment, and financial aid from partner countries contribute directly to the GDP and overall economic stability of Uganda. Respondents highlighted that these relationships are carefully cultivated to ensure that they align with the country's development goals.

Access to technology and expertise. A significant proportion of the participants signified by 72.2% cited access to greater technology and expertise as a paramount benefit. Accessing advanced technology and technical skills is vital for modernizing a variety of sectors of the economy, as respondents pointed out: "Uganda is privy to cutting-edge technology." Furthermore, the acquisition of knowledge and skills from more developed countries will build local capacity and increase competitiveness in manufacturing in Uganda.

Increased foreign direct investment. Two-thirds of respondents signified by 66.7% noted increased foreign direct investment (FDI) as a key benefit of these international relations. Increased FDI is critical to stimulate economic activity, create employment opportunities and improve Uganda's critical infrastructure, as noted: "Foreign investment is very important for Uganda's economy." Uganda significantly benefits from enhanced relationships with investment partner countries, which helps attract further investors who are confident in Uganda's stability and potential.

Infrastructure development. Greater than half of respondents indicating 55.6% identified infrastructure development as a clearer benefit Uganda seeks from its international relationships. The role of international development partners through foreign government partnerships and international organizations allows Uganda to secure funding and technical assistance for key infrastructure development projects. Projects may include the development of road systems in Uganda or energy establishment or operation that support the improved quality of life for Ugandans and economic development.

Market access for Ugandan goods. 44.4% of the respondents to be precise stated that access to international markets for Ugandan goods is a vital gain. They gave examples of international partnerships working to advance favorable trade agreements for Uganda which creates new markets for Ugandan goods. It is important to say that access to markets further sustains growth in Agribusiness and manufacturing; both of which are core to Uganda's economy.

Job creation. 38.9% of the respondents highlighted the creation of jobs as a positive result of these international relationships. They noted that the investments and infrastructure projects stemming from these relationships create employment opportunities for Ugandans across various sectors. This is particularly important in reducing unemployment rates and improving the standard of living for many citizens.

Improved diplomatic relations. A minority of respondents represented by 33.3% mentioned that improved diplomatic relations are another benefit Uganda seeks from its international partnerships. They explained that fostering strong diplomatic ties with other nations helps Uganda in securing political and economic support on the global stage. This, in turn, strengthens Uganda's position in international negotiations and allows the country to advocate more effectively for its interests. Some of the selected respondents reported that,

“.....Our partnerships have been instrumental in developing the infrastructure we need to support our growing economy.....” Corporation Secretary & Head Legal and Board Affairs

“.....Strong diplomatic ties enhance our global standing and allow us to negotiate better deals for our country.....” Assistant Manager

“.....FDI is a lifeline for our economy. The stronger our international relationships, the more investment we can attract.....” Director Investment Promotion & Business Development

4.3 Important treaties made to improve the investment climate in Uganda

Table 5: Key agreements or treaties Uganda has signed to attract foreign investments (using multiple analysis)

Key Agreement or Treaties	Number of times the answer was mentioned	Percent (%) based on respondents
Bilateral Investment Treaties (BITs)	15	83.3
East African Community (EAC) Common Market Protocol	14	77.8
African Continental Free Trade Area (AfCFTA) Agreement	13	72.2
Double Taxation Agreements (DTAs)	10	55.6
Economic Partnership Agreements (EPAs) with the EU	8	44.4
Trade and Investment Framework Agreement (TIFA) with the US	7	38.9
Total	18	100.0

Source: Primary data

From the interviews conducted with the selected top management of Uganda Investments Authority, they were asked to give any key agreements or treaties Uganda has signed to attract foreign investments and their responses were as follows;

Bilateral Investment Treaties (BITs): A large majority of respondents represented by 83.3% identified Bilateral Investment Treaties (BITs) as a key instrument that Uganda has utilized to attract foreign investments. BITs are agreements between two countries that establish the terms and conditions for private investment by nationals and companies of one state in another state. Uganda according to the respondents, has signed numerous BITs with various countries, including the United Kingdom, Germany, and China, for a provision of a secure and favorable environment for foreign investors. These treaties often include provisions for fair and equitable treatment,

protection from expropriation, and mechanisms for dispute resolution, which are crucial for investor confidence.

East African Community (EAC) Common Market Protocol. An overwhelming majority of respondents recognized the East African Community (EAC) Common Market Protocol, marking 77.8%, as another vital agreement that positively affects Uganda's ability to attract foreign investments. The EAC Common Market Protocol was conceptualized in relation to enhancing free movement of goods, labor, and services, as well as free movement of capital, and provides access to the regional and full, integrated market that EAC partner states provide. Respondents indicated that the EAC Common Market Protocol enhanced Uganda's access to the regional market, while also establishing a framework that allowed investors to operate freely across East Africa.

African Continental Free Trade Area (AfCFTA) Agreement. A significant selection of respondents representing 72.2% mentioned the African Continental Free Trade Area (AfCFTA) Agreement to be a significant treaty signed by Uganda to draw international investors. The AfCFTA, which is fashioned upon creating one continental market for goods and services in addition to the free movement of business persons and investments, positions Uganda to be a conduit to the continental African markets. Respondents overwhelmingly agreed that the AfCFTA increases Uganda's attractiveness to incurring international investments, which is of interest to investors wishing to utilize Uganda to access a larger consumer base, as well as emerging markets, throughout Africa.

Double Taxation Agreements (DTAs). "In addition, more than half of respondents, or 55.6% indicated that Double Taxation Agreements (DTAs) are important treaties Uganda has entered into to enhance its investment climate." DTAs are, "treaties between two countries to avoid taxing the same income twice," it has signed DTAs with various countries, such as India, Norway, and the Netherlands. Respondents noted that these treaties provide tax relief to foreign investors, making Uganda a more attractive destination for investment.

Economic Partnership Agreements (EPAs) with the EU. "Furthermore, a considerable number of respondents, or 44.4%, claimed that Economic Partnership Agreements (EPAs) with the European Union (EU) are significant treaties that Uganda has signed." EPAs are "trade and investment agreements between the EU and African, Caribbean, and Pacific countries" that are focused on promoting economic growth through trade. Uganda has benefited from participation in EPAs because it has allowed for easier access of Ugandan products into European markets and has attracted European-level investors to be involved in the Ugandan market.

Trade and Investment Framework Agreement (TIFA) with the US. 38.9% of the respondents identified the Trade and Investment Framework Agreement (TIFA) between Uganda and the United States as a significant treaty that has played a role in attracting investments. The TIFA provides a framework for expanding trade and investment ties between the two countries. It has facilitated dialogue on key trade and investment issues, helping to resolve disputes and encouraging more US companies to invest in Uganda. Some of the selected respondents reported that,

".....Our BITs are fundamental in creating a stable and predictable environment for foreign investors, ensuring their investments are protected under international law....." Director General

".....The AfCFTA is a game-changer for Uganda. It opens up immense opportunities for investors who want to access the entire African market from a strategic location....." Corporation Secretary & Head Legal and Board Affairs

".....The EPAs with the EU have been crucial in strengthening our trade and investment ties with Europe, providing Ugandan products preferential access to one of the world's largest markets....." Director Investment Promotion & Business Development.

Table 6: How these agreements help make Uganda a better place for investors (using multiple analysis)

Benefits	Number of times the answer was mentioned	Percent (%) based on respondents
Providing Legal and Regulatory Certainty	16	88.9
Enhancing Market Access and Trade Opportunities	15	83.3
Facilitating Easier Entry and Operations for Foreign Investors	14	77.8
Reducing Risks through Investor Protection Mechanisms	13	72.2
Strengthening Economic and Diplomatic Relationships with Partner Countries	11	61.1
Total	18	100.0

Source: Primary data

From the interviews conducted with the selected top management of Uganda Investments Authority, they were asked to give their views on how these agreements help make Uganda a better place for investors and their responses were as follows;

Providing legal and regulatory certainty: A significant majority of respondents represented by 88.9% emphasized that international agreements such as Bilateral Investment Treaties (BITs), Double Taxation Agreements (DTAs), and others provide legal and regulatory certainty, which is crucial for attracting foreign investors to Uganda. These agreements provide specific legal regimes designed to safeguard investors' rights while granting that the investments will be afforded fair and equitable treatment per international law. Respondents acknowledged that such certainty reduces the risks of investing in Uganda because the investor can rely on not

being subjected to arbitrary or discriminatory treatment in the handling of their investment.

Facilitating market access and trade opportunities. A sizable portion of the respondents represented by 83.3% indicated the agreements that Uganda signed, including the East African Community (EAC) Common Market Protocol, and the African Continental Free Trade Area Agreement (AfCFTA Agreement), helped to facilitate market access and trade opportunities. The agreements provide opportunities for foreign investors to access larger regional markets through Uganda, which means they can grow their business revenues beyond the Ugandan borders. According to the respondents, market access has remained a critical factor in attracting investment in Uganda.

Facilitating entry and operations of foreign investors. A large number of respondents represented by 77.8% illustrated that these international agreements facilitate entry and the operational functionality of foreign investors in Uganda. The agreements remove barriers to entry for foreign investors, including restrictive trade policies and convoluted operational procedures commonly encountered when international companies establish and begin operations in Uganda. Additionally, the respondents added that the agreements often included clauses for free movement of capital and labor, supporting the entry and operational functionality for foreign investors.

Readiness to reduce risk through investor protection. A substantial proportion of respondents represented by 72.2% highlighted that the agreements that Uganda signed contained investor insurance mechanisms that help to curtail outlay risks involved in the foreign investment scenario. The mechanisms offered protection against expropriation, dispute resolution, and guarantees of adequate treatment of foreign investors generally. The respondents emphasized that these provisions and provisions offered a key variables in the risk assessment and assessment of Uganda as a viable option for investment.

Strengthening economic and diplomatic relationships with partner countries. 61.1% of respondents highlighted that these international agreements strengthen economic and

diplomatic relationships between Uganda and its partner countries. These strengthened relationships often lead to increased investment flows, as partner countries feel more confident in Uganda's commitment to mutual economic growth. Respondents also noted that these relationships can lead to additional support from partner countries, such as development aid, technical assistance, and capacity-building initiatives, which further enhances Uganda's investment climate. Some of the selected respondents reported that,

“.....These agreements are the core of investor confidence. They ensure that Uganda is dedicated to respecting the rule of law and protecting investors' rights, that is crucial for attracting serious long-term investments.....” Director General

“.....Investors need assurance that their investments are safe from undue risks. These treaties provide that assurance, making Uganda a more appealing investment destination.....” Director Investment Promotion & Business Development

“.....Our strong diplomatic and economic ties, forged through these agreements, are a testament to Uganda's commitment to being a trusted partner. This, in turn, attracts more investors who see Uganda as a stable and reliable country to invest in.....” Staff Member from the Investment Promotion Department

Table 7: How these agreements help make Uganda a better place for investors

Responses	Frequency	Percentage (%)
Yes, there have been recent impactful treaties	14	77.8
No, there haven't been any notable recent treaties	4	22.2
Total	18	100.0

Source: Primary data

From the interviews conducted with the selected top management of Uganda Investments Authority, they were asked to give their views on whether there have been any recent treaties that they think have made a big difference for foreign investments and their responses were as follows;

To a great extent, a significant majority of respondents represented by 77.8% acknowledged that there have been recent treaties that have made a considerable difference in attracting foreign investments to Uganda. The respondents highlighted treaties such as the African Continental Free Trade Area (AfCFTA) Agreement and the revised Bilateral Investment Treaties (BITs) that Uganda has signed with key partner countries. These treaties were cited as game changers due to their impact on reducing trade barriers, enhancing investor confidence, and opening up larger markets for foreign investors operating in Uganda.

Respondents noted that the AfCFTA, in particular, has been instrumental in making Uganda a more attractive destination for foreign investors by providing access to a vast market of over 1.3 billion people across Africa. This has encouraged investors to use Uganda as a strategic entry point to the African market.

Additionally, respondents mentioned that the revised BITs have introduced more robust protections for investors, including clearer dispute resolution mechanisms and better guarantees against expropriation. These enhancements have significantly reduced the perceived risks of investing in Uganda, making it a more attractive option for international investors.

However, to a small extent, a smaller portion of respondents represented by 22.2% expressed the view that there haven't been any recent treaties that stand out as having made a significant difference for foreign investments. These respondents felt that while Uganda has been active in signing treaties, the actual impact of these agreements has yet to be fully realized. They pointed out that the benefits of such treaties often take time to manifest and may not be immediately apparent. Some of the selected respondents reported that,

“.....The AfCFTA has been a real turning point for us. It has not only boosted investor confidence but also positioned Uganda as a gateway to the larger African market, which is a huge incentive for foreign investors.....” Director General

“.....he updated BITs have made Uganda a safer bet for foreign investors. With stronger protections in place, investors feel more secure about committing their capital here.....” Corporation Secretary & Head Legal and Board Affairs

“.....While Uganda has signed several treaties recently, I believe we are still waiting to see their full impact on the ground. It takes time for these agreements to translate into tangible investments.....” Staff Member from Investment Promotion Department.

4.4 The importance of negotiations on foreign direct investments in Uganda

Table 8: How negotiations with foreign investors usually take place at UIA

Key Agreement or Treaties	Frequency	Percentage (%)
Formal structured meetings	10	55.6
Collaborative and consultative processes	6	33.3
Informal discussions and networking events	2	11.1
Total	18	100.0

Source: Primary data

From the interviews conducted with the selected top management of Uganda Investments Authority, they were asked to give their views on how negotiations with foreign investors usually take place at UIA and their responses were as follows;

Formal structured meetings: The majority of respondents represented by 55.6% indicated that negotiations with foreign investors at the Uganda Investments Authority

(UIA) primarily occur through formal, structured meetings. These meetings typically involve detailed discussions on investment proposals, project viability, and legal requirements. Respondents emphasized that these meetings are usually attended by key stakeholders from both the UIA and the investor's side, which helps to ensure that important aspects of the investment are thoroughly addressed. These meetings are formal and thus allow for clear documentation of agreements and commitments, which is important for maintaining transparency and accountability in the investment process. These structured meetings often follow a pre-determined agenda, ensuring that both parties have a clear understanding of the objectives and outcomes expected from the negotiation.

Consultative and collaborative processes: 33.3% of the respondents highlighted that negotiations at UIA are consultative and collaborative. These processes involve consultations with investors on their needs and aligning them with the goals of Uganda's investments. Such a process instills a partnership mentality among respondents, with the UIA and investors working together to achieve mutually beneficial solutions. These consultative processes usually characterize the staff of UIA, who go out to hold open dialogues with investors, debating and bouncing ideas for the consideration of options. Such an approach is quite important in complex projects which may call for flexibility and innovation.

Semi-formal discussions and networking events: The minority of the respondents, 11.1% in total, reported that some negotiations with foreign investors are done through semi-formal discussions and networking events. These are informal settings, such as business lunches, conferences, and social gatherings, where more open and frank discussions can take place. The discussions, based on the responses, may not necessarily result in any immediate agreements but often precede formal negotiations. These informal discussions help the UIA staff to build rapport with the investors and therefore understand their apprehensions as well as assess their interests in different sectors. As a matter of fact, though not as common as formal meetings, these informal discussions are also believed to be effective in building

relationships and credibility with the investors. Some of the selected respondents reported that,

“...Our negotiations with foreign investors are very structured. We make sure that every meeting is documented, and all stakeholders are present to address issues that may come up. This way, we are transparent and gain confidence with the investors...”

Director General

“....We believe in a collaborative approach. It's not just about what we want as a country but also about understanding the investor's perspective. We work together to find solutions that benefit both parties....” Director Investment Promotion & Business Development

Table 9: Common challenges faced during these negotiations (using multiple analysis)

Challenges	Frequency	Percentage (%)
Differing Expectations Between Investors and UIA	7	38.9
Bureaucratic Delays	5	27.8
Legal and Regulatory Complexities	4	22.2
Cultural and Communication Barriers	2	11.1
Total	18	100.0

Source: Primary data

From the interviews conducted with the selected top management of Uganda Investments Authority, they were asked to give some of the common challenges they face during these negotiations and their responses were as follows;

Differing expectations between investors and UIA: The most common challenge highlighted by 38.9% of respondents is the differing expectations between foreign investors and the Uganda Investments Authority (UIA). Respondents explained that investors often come with high expectations regarding incentives, legal protections,

and market access, which might not always align with the policies and capabilities of UIA. These differences can lead to prolonged negotiations as both parties attempt to reconcile their priorities. This is best exemplified while dealing with investors from countries with different business practices and legal frameworks, that are incompatible with the regulatory environment of Uganda. The negotiation process and subsequent strain on relationships can occur if there is careless communication and a lack of compromise as noted by the respondents.

Bureaucratic delays: The second most significant challenge, as identified by 27.8% of the respondents, revolves around bureaucratic delays in the government and other agencies that work in tandem. These bureaucratic blockages may occur at any instance in time during the negotiation cycle right from the time of securing the necessary approvals to the time of signing contracts. According to the respondents, Uganda's bureaucratic system is so complicated that inefficiencies result and may frustrate both the UIA and the potential investors. This delay not only prolongs the negotiation process but also leads to lost opportunities where some of these investors become uninterested or shift to more agile markets. In their views, one of the important ways to mitigate this challenge has been by ensuring there is streamlining of processes and improvement in inter-agency coordination.

Legal and Regulatory Complexities: A total of 22.2% of the respondents identified legal and regulatory complexities as one of the common challenges during negotiations. According to them, the legal framework in Uganda, though strong, is somewhat complicated for a foreign investor to manage in case he or she is not conversant with local laws and regulations. Misunderstandings, disputes, and delays might result from this very legal complexity in finalizing agreements. They also cited that any change in legislation or statutory requirements during the negotiations can add to these complications, as some pre-agreed terms would have to be renegotiated. While it is significant that either party to an agreement fully understands the legal ramifications of those agreements, it is rather time-consuming.

Cultural and communication barriers: The least reported challenge, by 11.1% of respondents, involves cultural and communication barriers. Differences in business etiquettes, language, and negotiating styles from UIA and foreign investors create this sort of barrier. According to the respondents, misunderstandings as a result of such differences are likely to give rise to misaligned expectations or offense, in all probabilities capable of causing the derailment of negotiations. This is often only surmounted through the use of intermediaries or cultural liaisons who can bridge the gap between the parties. However, even with the use of such measures, cultural disparities can be a formidable hindrance to the negotiation process. Some of the selected respondents reported that,

“.....Bureaucratic delays are a major obstacle. It can take a long time to get approvals, which frustrates investors and sometimes leads to lost opportunities.....” Director General

“.....Cultural differences can sometimes create barriers to effective communication and understanding during negotiations. It’s something we have to be mindful of and manage carefully.....” Director Investment Promotion & Business Development

“.....One of the biggest challenges we face is managing the expectations of investors. They often have very high demands, which are not always possible to meet within our regulatory framework.....” Staff Member from Investment Promotion Department

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This chapter includes a discussion of findings concerning the literature. It also summarizes all findings reported in chapter four according to questions of the study, draws conclusions, suggests recommendations and also proposes some areas for further study.

5.1 Summary of Findings

The interviews with top management at Uganda Investments Authority revealed that Uganda maintains strong investment relationships with several key countries, particularly China, the United States, and the United Kingdom, driven by mutual economic benefits. The interactions with these nations are characterized by collaboration, strategic long-term planning, and a focus on economic growth. The benefits Uganda seeks from these international partnerships include economic development, access to technology and expertise, increased foreign direct investment, and infrastructure development, all of which contribute to the country's overall progress and global positioning.

The study also identified that Uganda has made good use of various international agreements and treaties to improve the investment climate and, therefore, become attractive to foreign investors. Such important agreements are Bilateral Investment Treaties (BITs), the East African Community Common Market Protocol, and the African Continental Free Trade Area Agreement, which have played an important role in promoting legal certainty, widening market access, and allowing for less difficult operations by a foreign investor. These treaties have also boosted Uganda's economic and diplomatic relations, hence raising investor confidence. Some respondents added that perhaps the impact of the recent treaties may take time to fully be realized;

however, the general observation is that these agreements have gone a long way in making Uganda a better destination for foreign investment.

The study established that negotiations with foreign investors at UIA are usually done in a formal and structured manner, having the best clarity and transparency. The collaborative and consultative processes also come in to promote a partnership approach towards the needs of the investor and national investment imperatives. Where these are insufficient, informal discussions and networking events are not unheard of, with their role in relationship building and initial engagement. However, negotiations are beset by challenges such as a mismatch of expectations by investors and UIA, bureaucratic delays, legal and regulatory complexities, and cultural differences. Overcoming these challenges requires effective communication, smoothing of processes, and an understanding of cultural differences for successful investment agreements to take place.

5.2 Conclusions

Strong investment relationships with major international partners, including China, the United States, and the United Kingdom, are founded on a collaborative approach to long-term strategic planning that must realize mutual economic benefits. Uganda is strategic in harnessing these partnerships to drive broader economic development, technological advancement, and increased foreign direct investment areas critical to national progress and standing in the global arena.

Using international treaties and agreements has been important in raising the investment climate of Uganda. BITs like the EAC Common Market Protocol and the AfCFTA Agreement create a legally enabling framework, widen market access, and ease operations for foreign investors. As a result of these agreements, Uganda has consolidated its economic and diplomatic ties; hence, making it an attractive destination for investment. Despite that, it is pointed out that the full benefits accruable from the said treaties would take some time to materialize.

Despite these improvements, the negotiation process in UIA has a number of challenges. These include mismatched expectations between the investors and UIA,

delays in bureaucratic procedures, legal and regulatory difficulties, and cultural issues that make it difficult for both parties to come to an agreement. Overcoming such challenges requires enhanced communication, smoother processes, and higher sensitivity to culture for better and more effective agreements on investment. Their resolution thus is key to the optimization of Uganda's investment climate and its attractiveness to foreign investors.

5.3 Recommendations

The following recommendations based on the findings of the study have been found necessary concerning the effects of international relations on foreign direct investment in Uganda: a case of Uganda Investments Authority (UIA);

The recommendation goes toward strengthening and diversifying international relationships of Uganda through deepened existing partnerships and the pursuit of new ones beyond the current major partners. Such a strategy will reduce the risks related to overdependence on a few key countries and improve Uganda's capacity to attract all categories of foreign direct investment. An outreach for more diplomatic and economic relations with emerging markets and regional actors will also lead to a resilient and well-balanced investment strategy.

The study also goes on to suggest a need to actively leverage and promote international treaties and agreements to their fullest potential. In this regard, Uganda should invest more in sensitizing its potential investors of the benefits accruable and protection offered under agreements like BITs, EAC Common Market Protocol, and the AfCFTA Agreement. Besides, the study suggests smoothing the implementation of agreements and surmounting legal and regulatory challenges to inspire investor confidence, creating a better investment climate.

Again, the negotiations with foreign investors should be resolved through more efficient and open procedures. This means de-bureaucratization, which involves reduction of bureaucratic delays, simplification of legal and regulatory procedures,

and training in culture and communication for UIA staff. Improvement in these areas will enhance efficiency in the negotiation process, reduce misunderstandings, and foster better relations with investors. All this would positively influence the successful and timely making of investment agreements, therefore contributing to Uganda's economic development as a whole.

The study also recommends increasing the level of collaborative and consultative approaches in negotiations with foreign investors. Through a partnership mentality, UIA would align investor needs to national investment goals with proactive open dialogues. This approach will make negotiations effective, and permit long-term relationship building, and mutual trust which is very important in acquiring and sustaining foreign direct investment.

The study, therefore, recommends strategic relationship-building investments that include informal discussions and networking events. Even though they are less formal, these contacts are truly important in providing an opportunity for initiating relationships, which helps in developing an understanding of investor needs and issues of interest. Through the increased organization of business luncheons, conferences, and social gatherings, UIA will be able to establish rapport with potential investors and set the ground for successful formal negotiations, leading eventually to increased foreign direct investment in Uganda.

5.4 Areas for further research

Since this study aimed at examining the effects of international relations on foreign direct investment in Uganda: a case of Uganda Investments Authority (UIA), the study recommends that; similar study should be done on other areas concerning this topic and these areas of further research needed include the following:

The study recommends further research into the impact of specific international treaties and agreements on foreign direct investment flows into Uganda.

Future studies could also explore how individual agreements, such as Bilateral Investment Treaties (BITs) or regional trade agreements directly influence investment decisions and economic outcomes.

Finally, research could focus on the effectiveness of different negotiation strategies used by Uganda Investments Authority (UIA) in attracting investors from various regions, including the comparative success of formal versus informal negotiation approaches.

Interview Guide

For the top management and staff of Uganda Investments Authority (UIA)

Dear Respondent,

I am Kemigisha Irene, a Governance and International Relations bachelor's student from Uganda Christian University, Main campus. I am researching “The Effects of International Relations on Foreign Direct Investment in Uganda: A Case of Uganda Investments Authority (UIA)”. You have been selected to participate in this study because your contribution to your organization is central to the information required. Your information is solely for academic purposes and will be treated with utmost confidentiality. This interview will take approximately 40 minutes. Please kindly spare a few minutes to respond to the following questions.

I agree to participate Writes his/her name

Section A: Introductions

1. Tell me about yourself (gender, age, level of education)
2. What position do you hold in this organization and what roles do you play?
3. How long have you been working in this organization?

Section B: The nature of international relations between Uganda and investor countries

4. Which countries does Uganda have strong relationships with regarding investments?
5. How would you describe the interactions between Uganda and these countries?
6. What benefits does Uganda seek from these international relationships?

Section C: Important treaties made to improve the investment climate in Uganda

7. Can you mention any key agreements or treaties Uganda has signed to attract foreign investments?
8. How do these agreements help make Uganda a better place for investors?

9. Have there been any recent treaties that you think have made a big difference for foreign investments?

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Section D: The importance of negotiations on foreign direct investments in Uganda

10. How do negotiations with foreign investors usually take place at UIA?
11. Can you share an example where negotiations led to a significant investment in Uganda?
12. What are some common challenges you face during these negotiations?

Thank you for your cooperation

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