CONTRIBUTION OF SMALL AND MEDIUM-SIZED ENTERPRISES TO UGANDA'S GDP; *focusing on tax earnings, number of SMEs, employment opportunities created, and export earnings.*

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DECLARATION

I, MONO SAMUEL LOU REG No: S19B34/218 declares that this work is original and has never been submitted to any institution/University for any Award of a Degree.

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APPROVAL

I certify that this work has been produced under my supervision and is now submitted with my approval.

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DEDICATION

This work is dedicated to my parents Kurnelione Busi Lou and Matilda Eiyo and Windle International Uganda for their love, moral and financial support they have rendered to me.

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LIST OF ACRONYMS

UBOS	Uganda Bureau of Statistics
SMEs	Small and Medium-sized Enterprises
UNDP	United National Development Program
WTO	World Trade Organization
GDP	Gross Domestic Product
UIA	Uganda Investment Authority
GoU	Government of Uganda
USD	United States Dollar
YLP	Youth Livelihood Program
UWEP	Uganda Women Entrepreneurship Program
URA	Uganda Revenue Authority
IMF	International Monetary Fund
OLS	Ordinary Least Squares
UNCTAD	United Nations Conference on Trade and Development

ABSTRACT

The purpose of the study was to examine the contribution of small and Medium-sized enterprises to Uganda's GDP focusing on the Number of SMEs, their tax earnings, employment opportunities created, and revenue generate from their exports. The objectives of the study were to determine the relationship between the number of SMEs and the GDP of Uganda. The second objective was to evaluate the influence of SMEs' tax contribution on Uganda's GDP. The third objective was to explore the link between SMEs' employment generation and Uganda's GDP. The Last objective was to examine the influence of SMEs' export earning on Uganda's GDP

The study used a cross sectional and descriptive study design to conduct the study in the whole of Uganda. Secondary data from UBOS was used to describe the contribution of SMEs to Uganda's GDP. Findings revealed that SMEs has a positive contribution to Uganda's GDP after studying their number, tax earnings, employment created and their export earnings. This has culminated into the widening of the GDP of Uganda.

The study recommends that SMEs need to employ professionals to manage their businesses this will improve on GDP performance since these will establish and strengthen the internal controls as regards financial resources to reduce on mismanagement and misappropriations. Additionally, widening markets and innovation to boost exports and tax earnings should be enhanced by SMEs while Government should provide incentives and infrastructures to SMEs to boost their performance.

Lastly, the study is limited to number of SMEs, their tax revenues; employment opportunities created, and export earnings. This is due to resource and time constraint during the study. Researchers can widen their knowledge on SMEs by studying the impact of SMEs growth on the environment, and the challenges faced by SMEs.

1.0 CHAPTER ONE

1.1 Introduction

This chapter highlights the background of the study, statement of the problems, purpose of the study, specific objectives of the study, research hypothesis, scope of the study, conceptual framework, justification of the study, and significance of the study.

1.2 Background of the study

1.2.3 Definition of SMEs

There was no universally agreed definition of Small & Medium Enterprises (SMEs) (Kayanula D & Quartey P 1999, Peter Quartey 2001, Manuel Albaladejo 2002). Definitions range from those based on number of employees to those based on business turnover and assets. Even in those various categories' definitions vary from country to country depending on the size of the economy and the purpose of the definition. Countries with large and more developed economies tend to have bigger SMEs than those with smaller and underdeveloped economies. The most used definition was one based on the number of employees but in some cases where financial assistance is being offered to SMEs the definition may be broadened to include the level of annual turnover and the company asset size.

Small Medium Enterprises (SMEs) play a critical role in the world economy. They not only provide a vast range of employment opportunities but are also a breeding ground for tax revenue and export earnings. SMEs make up over 90% of business units in the world and account for between 50%- 60% of the total employment while SMEs engaged in manufacturing account for between 40 and 80 per cent of manufacturing employment (Kennedy, 1999). It was estimated that SMEs employ 22% of the adult population in developing countries (Peter, 2001)

In Uganda, Small and Medium Sized Enterprises (SMEs) has been a critical source of support to the struggling economy that formerly depended on the agricultural sector and remittances. The Small and Medium Sized Enterprises (SMEs) led to an increase in the employment levels to 70% of the non-farm labor force, thereby contributing to 80% of the manufactured output and 20% of total Gross Domestic Product (World bank, 2007). Additionally, according to (independent, 2022) 41,000 jobs were created and about 20,000 people were out of poverty over the year (This was explained by the growth of the number of people earning UGX 210,000 per month as per the

world bank measure of poverty levels, from 13,261 in 2020 to 32,189 in 2021) and total turnover over the year created total production value of UGX 2.445 trillion including 84bn paid as taxes to the government. This reduced poverty amongst the people in the rural and urban areas of the country which encouraged government to undertake more action in support for such investments since they needed less capital per job created, offering a rather inexpensive way of accommodating the labor force for equitable wealth distribution.

The Small, Medium, Enterprises (SMEs) were the engine of growth for the economic development of Uganda and indeed the world at large. They were spread across all sectors with 49% in service sector, 33% in commerce and trade, 10% in manufacturing and 8% in others. The SMEs were key drivers in fostering innovation, wealth creation and job creation in Uganda. Over 2.5 million people were employed in this sector, where they account for approximately 90% of the entire Private Sector, generating over 80% of manufactured output that contributes 20% of the gross domestic product (GDP). (Ministry of Trade and UIA, 2015 and 2021). The majority of sectors in Uganda are dominated by SMEs. It's only the Agriculture and Forestry, Utilities, and Mining and Quarrying sectors which have a significant proportion of large businesses. In these three sectors the large businesses account for 11%, 11% and 8% of total number of businesses respectively (Lutwama, 2008). Additionally, Uganda's 1.1 million SMEs account for 80% of the country's GDP and 90% of its private sector (Monitor and UNCTAD, 2022)

The Government of Uganda (GoU) introduced several economic measures to restructure the economy as a way to increase the role of both the public and private businesses. The deregulation of the economy was aimed at altering the incentive structures faced by the small-scale sector. Such policies include the payment and trade liberalization, interest rate liberalization, appropriate pricing of public goods and the reduction of government involvement to enhance production and performance, and seeking to link 750,000 SMEs to international markets (Monitor, 2021)

Through a critical review of the empirical literature, several factors have been investigated concerning SME contribution of SMEs. For instance, innovative capability and strategic goals (Donkor, 2018) inventory management and managerial competencies (Orobia, 2020), transformational leadership and dynamic capabilities (Eikelenboom M. & de Jong G, 2019), innovative capability dimensions (Maldonado-Guzmán, 2019), dynamic capabilities and

marketing orientation (Hernández-Linares, 2021), entrepreneurial orientation, networking capability and experiential learning (Karami, 2019), internal capabilities Management Science Letters, 9(4), 621–628. (Arshad, 2019), board governance and intellectual capital (Nkundabanyanga, 2016) branding capability (Odoom, 2017), green supply chain adoption (Namagembe, 2019), firm capability and business model design (Pucci, 2017).

In this present empirical study, number of SMEs, their tax earning, employment opportunities, and export earnings were analyzed in terms of GDP growth of Uganda. The existing contributions of these variables were compared with these results. It also seeks to determine whether there was a significant difference between tax earnings, employment opportunities created, number of firms (SMEs), and export earnings in terms of Uganda's GDP. In addition, the number of SMEs, tax earnings, employment opportunities created, and export earnings performance of the sectors were evaluated by the log linear regression model. The results were expected to reveal a significant positive relationship between the variables.

The rest of study was organized as: after introduction in section I, the relevant review of literature was discussed in section II. The methodology and data description were discussed in section III and discussion on results was made in section IV. Final section concludes the study with appropriate policy recommendation

1.3 Statement of the problem

The aim of the research was to examine and assess the contribution of small and medium-sized enterprises to the GDP of Uganda. Despite the recognition of SMEs as key drivers of economic growth, there was a lack of comprehensive analysis on the specific impact of SMEs on Uganda's GDP, particularly in terms of the number of SMEs, tax contribution, employment generation, and export earnings. This research seeks to address this gap by investigating the extent to which SMEs influence Uganda's GDP, thereby providing valuable insights for policymakers, stakeholders, and the broader economy.

1.4 Purpose of the study

The purpose of the study was to examine and understand the role and impact of Small and medium-sized enterprises (SMEs) on the country's Gross Domestic Product (GDP), with a particular focus on the independent variables of the number of SMEs, tax contribution, employment generation, and export earnings. By examining these, factors, the study aimed to

provide a comprehensive understanding of the impact of SMEs on Uganda's economic growth and inform policy recommendation to enhance the role of SMEs in driving GDP growth and promoting sustainable development.

1.5 Specific objectives

To determine the relationship between the number of SMEs and the GDP of Uganda

To evaluate the influence of SMEs' tax contribution on Uganda's GDP

To explore the link between SMEs' employment generation and Uganda's GDP

To examine the influence of SMEs' export earning on Uganda's GDP

1.6 Research hypothesis

This study was guided by the following hypothesis stated in their null form;

***H_0**: there was no significant relationship between the numbers of SMEs and the GDP of Uganda.*

***H_o**: there was no significant positive relationship between tax contribution, and the GDP of Uganda.*

***H_0**: there was no significant positive link between employment created and the GDP of Uganda.*

***H_0**: there was no significant positive influence between SMEs' export earnings and the GDP of Uganda.*

1.7 Scope of the study

1.7.1 Content scope

The content scope covered in this study includes;

Definition and characteristics of SMEs, this highlighted an overview of what constitutes SMEs in the context of Uganda and outline the criteria used to classify enterprises as SMEs based on factors such as employment, turnover, or asset size.

Importance of SMEs, this discussed the importance of SMEs in driving economic growth, job creation, and poverty reduction. It also highlights the unique characteristics and advantages of SMEs compared to larger enterprises.

Number of SMEs in Uganda: this explored the current landscape of SMEs in Uganda, including the total number of SMEs operating in the different sectors, analyze trends and changes in the number of SMEs over time.

Tax contribution of SMEs: this examined the tax contributions made by SMEs in Uganda, and also assessed the significance of SMEs' tax contributions to government revenue.

Employment generated by SMEs: These investigated the role of SMEs in job creation in Uganda, and analyzed the types of employment patterns and the contribution of SMEs to reducing unemployment.

Export earnings from SMEs: this explored the extent to which SMEs contribute to Uganda's export earnings and examined the sectors in which SMEs are actively involved in export activities.

Link between SMEs and GDP: this investigated the relationship between SMEs and the overall GDP of Uganda, and analyzed how the number of SMEs, tax contribution, employment, and export earnings impact the GDP.

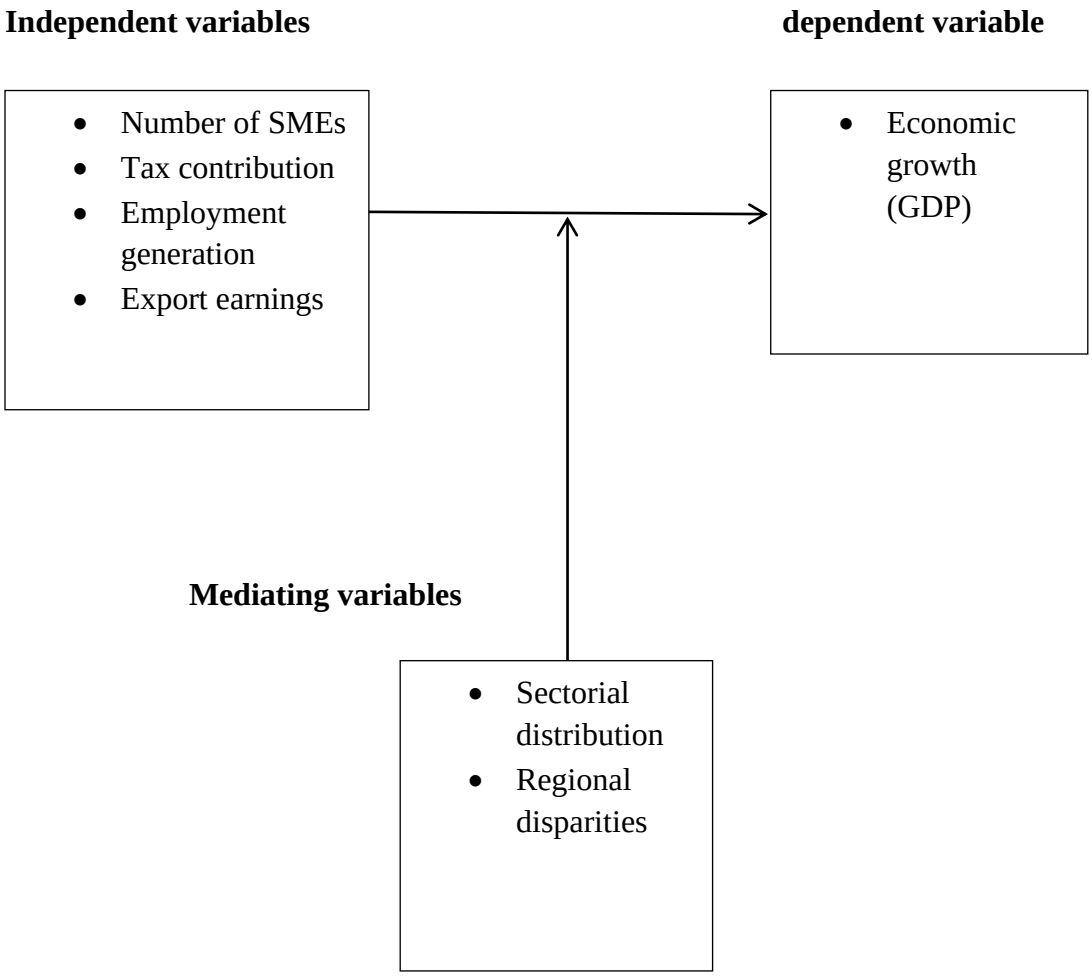
1.7.2 Geographical scope

This study examined the contribution of SMEs at national level. It analyzed the contribution of SMEs to the national GDP of Uganda as a whole. This involved considering data and factors related to SMEs across the entire country.

1.7.3 Time scope

This study used a cross-sectional study. It involved collecting data and analyzing the contribution of SMEs to GDP of Uganda at specific point in time. The study covered a time period from 2014/15-2022/23 (9 years).

1.8 Conceptual framework



1.9 Justification of the study

The study can be justified on the following grounds;

Economic significance: SMEs were known for their crucial role in driving economic growth, employment generation, and poverty eradication most especially in less developed countries like Uganda. Therefore, specially studying the contribution of SMEs to Uganda's GDP, this study shaded more light on the economic significance of SMEs in the context of Uganda, and provided more insights in to their capacity as engines of sustainable development.

Important for policy implication: A comprehensive understanding of the impact of SMEs to Uganda's GDP has paramount policy implications. Policymakers can make use of the findings in this study to design a well-targeted policies and interventions that enhance the growth and

development of SMEs, thereby stimulating economic activity and enhancing the overall GDP growth.

Employment generation: SMEs were recognized for their potential to create employment opportunities, and particularly in labor-intensive sectors like agricultural sector where Uganda heavily relied on. By examining the relationship between SME's employment generation and GDP, the study highlighted the role of SMEs in addressing the unemployment challenges in Uganda. Hence this can inform policies and programs focused on job creation and youth empowerment.

Tax revenue: Assessing the tax contribution of SMEs to Uganda's GDP can give insights into their compliance levels and tax capacity. The findings of the study can guide policymakers in developing tax policies and mechanisms that foster SME growth while ensuring fair and effective revenue collection for the government.

Export potential: analyzing the export earnings of SMEs and their relationship with GDP can uncover opportunities to promote Uganda's international trade. Assessing the sectors and regions where SMEs excel in export activities can help in identifying areas for targeted support and export promotion strategies.

Filling research gap: this study also addressed the lack of comprehensive analysis on the specific contribution of SMEs to Uganda's GDP, focusing on the key independent variables. By filling this research gap, this research work contributed to the existing body of knowledge and served as a reference for future studies on SMEs and economic development.

1.10 Significance of the study

This lies on the potential of SMEs to provide valuable insights and contribute to the various stakeholders and areas. The significance of the study includes;

Policy development: the study can inform policy makers and the government agencies about the role and impact of SMEs on the GDP of Uganda. The discoveries can guide the formulation and implementation of policies and initiatives that encourages a favorable environment for SME growth, job generation, and economic development.

Economic planning: Analyzing the contribution of SMEs to the GDP helps in economic planning and efficient resource allocation. Policymakers are provided with evidence-based insights. This can help them make informed decisions regarding investment priorities, sectorial development strategies, and resource distribution.

Business development support: the study findings can guide business support organizations, development agencies, and financial institutions in designing targeted programs and services that assist SMEs. These include access to finance, capacity building, market development, and networking opportunities to enhance SME productivity and competitiveness.

Stakeholder's awareness: the findings can raise awareness among the different stakeholders such as SME holders, entrepreneurs, investors, and the general public. It highlighted the opportunities that may accrue to SMEs.

International comparisons: understanding the contribution of SMEs to the GDP of Uganda enabled comparisons with other countries and regions. This facilitates benchmarking exercise, best practices sharing, and learning from successful models and strategies implemented in other economies.

2.0 CHAPTER TWO: Literature review

2.1 Introduction:

Small and Medium Enterprises (SMEs) were considered as the engine of economic growth in Uganda. According to the Ugandan Investment Authority (UIA), SMEs contribute to over 90% of the private sector, and provide about 80% of employment opportunities in the country. Despite the significant role played by SMEs, there was limited information on their actual contribution to the economy. This literature review aimed to examine the number of SMEs in Uganda, tax contribution to GDP, employment generated by SMEs, and export earnings by SMEs.

2.2 Theoretical framework

Small and medium enterprises (SMEs) in Uganda are defined as enterprises with less than 100 employees and an annual turnover of less than 360 million Ugandan shillings (USD 96,000) (Uganda Bureau of Statistics, 2019). According to the 2019 Uganda National Household Survey, SMEs constitute 90% of all business enterprises in Uganda, employ about 2.5 million people, and contribute 20% to the country's GDP. SMEs are thus an important source of employment and income for many Ugandans, and contribute significantly to the economy of the country.

SMEs play a critical role in driving economic growth in Uganda. They contribute significantly to Gross Domestic Product (GDP) through job creation and income generation. According to statistics from the Ministry of Trade, Industry and Cooperatives (2019), over 90% of businesses in Uganda are classified as SMEs, accounting for approximately 80% of employment opportunities in the country (Jayeola et al., 2022). Moreover, SMEs contribute to poverty reduction by providing livelihood opportunities for individuals with limited access to formal employment.

Additionally, SMEs are known for fostering innovation within the economy. Due to their smaller size and flexibility compared to larger corporations, they can adapt quickly to changing market demands and introduce new products or services. Research has shown that innovative activities within SMEs can lead to increased productivity and competitiveness, ultimately benefiting the overall economy (Religia et al., 2021).

Various factors influence the growth and development of SMEs in Uganda. These factors can be categorized as internal or external. Internal factors include access to finance, managerial skills,

and technological capabilities. Limited access to finance is often cited as a major challenge for SMEs in Uganda (Zamani, 2022). Without adequate financial resources, SMEs struggle to invest in productive assets or expand their operations.

External factors such as government policies and market conditions also significantly impact SME growth. Favorable government policies that promote entrepreneurship, simplify business registration procedures, provide tax incentives, and offer training programs can enhance the business environment for SMEs (Jayeola et al., 2022). Stable market conditions with supportive infrastructure and a conducive regulatory framework are also essential for SME growth.

The Ugandan government has recognized the importance of supporting SME development and has implemented various initiatives in this regard. Access to finance is one area where significant efforts have been made. The Ministry of Finance introduced special financing schemes targeted at small businesses through partnerships with commercial banks and microfinance institutions (Religia et al., 2021). Additionally, there are ongoing efforts to streamline business registration procedures and reduce bureaucratic hurdles faced by entrepreneurs.

Furthermore, training programs aimed at improving managerial skills and promoting innovation within SMEs have been initiated by both governmental organizations and non-profit entities. These initiatives aim to equip entrepreneurs with the necessary knowledge and tools needed for sustainable business growth (UIA, 2019)

Several successful case studies highlight the potential for success among Ugandan SMEs. One such example is Jumia Uganda - an e-commerce platform that has revolutionized online shopping experiences for consumers across the country (Utami & Sudarmiatin, 2022). Jumia Uganda's success can be attributed to its innovative business model, which leverages technology to connect buyers and sellers. This case study demonstrates the transformative impact that SMEs can have on GDP growth and consumers when given the right support and environment.

2.3 Number of SMEs in Uganda:

The number of SMEs in Uganda was difficult to ascertain due to the informal nature of most businesses in the country. However, the UIA provides some estimates on the number of registered enterprises in Uganda. According to the UIA, there were about 1.3 million enterprises in Uganda in 2018, with about 53% of them being micro-enterprises. The registered SMEs accounted for about 9% of the total number of enterprises in the country (UIA, 2019).

Additionally, data from the Uganda Bureau of Statistics (UBOS) shows that SMEs account for approximately 90% of all businesses in Uganda, implying that the sector is a key driver of the country's economic growth (UBOS, 2019).

2.4 Tax contribution to GDP:

SMEs have a significant impact on the Ugandan economy through their tax contributions. In 2017, the total tax collections in the country amounted to UGX 14.1 trillion, with the SME sector contributing about 28% of the total revenue (World Bank, 2019). The contribution of SMEs to tax revenue shows that these businesses play a significant role in the country's financial system.

Government data and reports provide valuable insights into the tax contributions made by SMEs to Uganda's GDP. For instance, Umar et al. (2020) highlight that SMEs account for a significant portion of Nigeria's GDP and present an opportunity for economic growth. Analyzing similar reports specific to Uganda would allow us to assess the significance of SMEs' tax contributions.

Tax laws also play a critical role in shaping the ability of SMEs to contribute effectively to the country's GDP. It is necessary to examine these laws closely as they may affect various aspects such as compliance costs or incentives for business expansion or investments (Suyani, 2017). By understanding how these laws impact SMEs' operations and financial resources allocation, we can better evaluate their overall contribution.

Comparisons between the tax contributions made by various sectors in Uganda are also informative when assessing the significance of SMEs' contributions relative to others industries within the economy. Drawing on available data from government sources would enable us to identify any disparities or similarities regarding their respective tax obligations.

Moreover, it was important not only consider formal sector businesses but also analyze the contribution of informal sectors to Uganda's GDP through taxes. Informal sectors, as defined by Sutandi et al. (2020), consist of unregistered or unincorporated economic activities that operate outside the purview of formal regulations and tax systems. Exploring how these sectors contribute to the economy through taxation provides a comprehensive understanding of SMEs' overall impact.

Based on this analysis, it may be possible to conclude that SMEs make a substantial tax contribution to Uganda's GDP. However, further research might be necessary to fully investigate this topic considering potential limitations in available data or specific contextual factors affecting SMEs in Uganda.

2.5 Employment generated by SMEs:

SMEs contribute significantly to employment opportunities in Uganda. According to the UIA, SMEs provide about 80% of employment opportunities in the private sector. This figure highlighted the critical role of SMEs in creating jobs and reducing unemployment in the country. The government has recognized the importance of SMEs in employment creation and has implemented several measures aimed at promoting the sector. For instance, the government established the Uganda Youth Venture Capital Fund to provide young entrepreneurs with affordable capital for starting and growing businesses. The initiative has helped to create thousands of jobs in the country (Oguttu & Ngoma, 2018).

Research conducted by Nure et al. (2020) highlights the positive relationship between tourism-related SMEs' activities and job creation potential. Similarly,
Durst et al. (2022) emphasized that knowledge management practices within SMEs contribute not only towards organizational learning but also towards job creation.

While SMEs has the potential to create employment opportunities, they face various challenges that hinder their ability to do so. Limited access to credit facilities was one key challenge faced by many SMEs in Uganda (Basika et al., 2020). It restricts their borrowing capacity for business expansion and hampers their ability to invest in human resources and technology improvements

necessary for job creation. Another common challenge is the lack of skilled labor, which affects productivity levels within SMEs.

Recognizing the importance of supporting entrepreneurship and fostering small business growth, the Ugandan government has implemented several initiatives aimed at promoting employment generation through addressing the challenges faced by SMEs. For instance, the Ministry of Finance Planning & Economic Development launched programs such as 'Uganda Women Entrepreneurship Program' (UWEP) and 'Youth Livelihood Program' (YLP), targeting women-owned enterprises and youth entrepreneurs respectively. These programs provide financial support, training, mentorship, and market linkages to enable sustainable growth of these enterprises.

2.6 Export earnings by SMEs:

SMEs are also significant contributors to Uganda's export earnings. According to the Uganda Bureau of Statistics (UBOS), the country's total exports amounted to USD 3.7 billion in 2018, with agricultural products accounting for over 80% of the total exports (UBOS, 2019). SMEs play a critical role in the agricultural sector, particularly in the production and export of traditional crops such as coffee, tea, and cotton. The government has implemented several measures aimed at promoting the export of agricultural products, including the establishment of the Uganda Export Promotion Board to coordinate and facilitate the export of manufactured and processed products.

The current state of export earnings by SMEs in Uganda showed potential for further growth. However, there are certain trends or patterns that have been observed in recent years. For instance, Adebayo and Alheety (2019) found that entrepreneurial competence and government policies positively impact non-oil export performance among Nigerian SMEs. Similar findings can be applied to Ugandan exporting SMEs since both countries share similarities in terms of economic structure.

Several factors influenced export earnings by SMEs in Uganda. Access to finance is one critical factor that affects their ability to generate export revenues (Kintu et al., 2019). Limited access to affordable credit hampers their capacity to invest in production capabilities required for

international market competitiveness. Additionally, market access barriers also impede their ability to expand into new markets beyond domestic borders (Adebayo & Alheetyy ,2019). Infrastructure deficiencies, such as inadequate transportation and logistics systems, further hinder their export activities (Basika et al., 2020).

To support exporting SMEs in Uganda, the government has implemented various policies and initiatives. For example, there are tax incentives and exemptions for export-oriented SMEs (Kintu et al., 2019). Additionally, the government has established trade support institutions to provide training, market information, and technical assistance to SMEs engaged in exports (Adebayo & Alheetyy ,2019). However, it is crucial to evaluate these policies' effectiveness in promoting export earnings by these enterprises.

Despite the government's efforts, exporting SMEs in Uganda face numerous challenges that limit their ability to maximize export earnings. Limited access to finance remains a significant hurdle for many SMEs. Basika et al. (2020) highlight this challenge in their study on human resource management dilemmas faced by Ugandan SMEs. Lack of market information and inadequate infrastructure also pose challenges for exporting SMEs (Kintu et al., 2019).

However, there are opportunities for enhancing export earnings among Ugandan exporting SMEs. Diversification into new markets can help mitigate risks associated with reliance on a single market or product (Adebayo & Alheetyy ,2019). Adoption of technology can improve production efficiency and quality standards required for international competitiveness (Basika et al., 2020). These opportunities need to be leveraged effectively to overcome existing challenges.

Case studies or examples can illustrate successful strategies employed by exporting SMEs in Uganda to enhance their export earnings. Such examples highlight practical approaches that other enterprises can learn from and replicate. For instance,Kumar & Kishore(2023) conducted a study on the direction of trade of Indian Arabica coffee which provides insights into how an agricultural commodity like coffee can be leveraged for higher export revenues through targeted marketing strategies.

In conclusion, SMEs were critical to the Ugandan economy, providing significant contributions to tax revenues, employment opportunities, and export earnings. However, there is still a need for more research into the actual contributions of SMEs to the country's economy. Nonetheless, the government and other stakeholders need to establish more initiatives aimed at promoting the growth and development of SMEs to maximize their contributions to the economy.

3.0 CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This section describes the methods that were used for conducting the research. It dealt with the research design, study population, sampling technique, sample size determination, data sources, data collection instruments, data quality control, data analysis plan, and ethical consideration.

3.2 Research Design

In order to provide more insights on the contribution of SMEs to Uganda's GDP, this study employed both descriptive and quantitative statistical techniques. Descriptive statistical analysis entails the use of cross-tabulations where I generated the estimated contribution of SMEs and by key background variables in order to draw insights on the interactions between different variables. On the other hand, quantitative statistical techniques entail the estimation of an empirical model with a view of answering the set study objectives. Measuring the SMEs size, tax earnings, employment and export earnings quantitatively ensured that the research hypothesis can be easily tested and its significant contribution to GDP.

3.3 Data source and scope

The study used secondary data from the Uganda Bureau of Statistics (UBOS) survey data, and Uganda Revenue Authority (URA) annual report on the contribution of SMEs in Uganda. This was a cross-sectional data set covering a period of (2014/15-2022/23). The UBOS annual statistical report covered statistics on the Environmental, Demographic, Socio-economic, Production and Macroeconomic sectors while URA annual revenue performance report covered annual revenue performance of the different sectors of the economy in the various years. The data for this study was compared to a variety of reliable sources. The primary sources of the data included; UBOS and URA while sources like UNDP, WTO, IMF, Academic research, etc. were used for comparison.

By incorporating data from diverse sources, the study aimed to provide a comprehensive analysis. The selection of these data sources was based on their relevance, reliability, and availability of data required by the variables. The data from these sources have been carefully analyzed and synthesized to derive meaningful conclusions and insights.

3.4 Data quality control

To ensure data quality in the study, I applied data quality control practices. These measures aimed to enhance the accuracy, reliability, and the validity of the data collected and used for the analysis.

Data validity and reliability: ensured that the data collected accurately measure the intended variables. I used Multi-co linearity test. Multi-co linearity was a condition in which two or more independent variables in a regression model are highly correlated (Damodar N Gujarati, 2009). This can cause problems with the model's accuracy, as it can be difficult to determine which variable is actually having an effect on the dependent variable (Damodar N Gujarati, 2009). There are several ways to test for multi-co linearity, such as the variance inflation factor (VIF) test and the condition number. Additionally, Normality test was used. A normality test was a statistical test that was used to determine whether the data follows a normal distribution (Damodar N Gujarati, 2009). A normal distribution is a bell-shaped curve that is symmetrical around the mean. Many statistical tests, such as the t-test and the F-test, assume that the data is normally distributed (Damodar N Gujarati, 2009). If the data is not normally distributed, then these tests may not be accurate. There are several different normality tests, such as the Shapiro-Wilk test and the Kolmogorov-Smirnov test.

Data quality and cleaning: data entry protocols were implemented to minimize errors during entry. A practice such as double-entry verification was employed to ensure accuracy. Additionally, data cleaning procedures like data validation checks and cross-reference was used to ensure consistency of entered data.

3.5 Empirical model

The empirical model employed in this section draws from Francis Galton (19^{th} C), but with modifications in the outcome variable and also the explanatory variables considered in the overall model.

It is assumed that the number of SMEs, their tax earnings, employment opportunities created and export earnings has a significant positive contribution to the growth of Uganda's GDP. The estimated empirical model is given as:

$$GDP_i = \beta_0 + \beta_1 N_i + \beta_2 T_i + \beta_3 Em_i + \beta_4 X_i + \boldsymbol{\varepsilon_i}$$

Where;

GDP_i =the dependent variable, GDP at the ^{i} period and it is represented using contribution from all sectors of the economy.

N_i = the number of SMEs from ^{ith} time period

T_i = tax earnings from SMEs at the ^{ith} time period

Em_i =Employment opportunities created by SMEs starting from ^{ith} time period

X_i =Export earnings by SMEs at the ^{ith} time period

$\boldsymbol{\varepsilon}_I$ = error term; while β 0, β1, β2, β3 and β4 are the parameters of interest.

3.6 Estimation strategy

To examine the contribution of SMEs to Uganda's GDP, the study used a log linear regression approach initially developed by Joseph Berkson (1934) to estimate the regression model. From the empirical model, the log linear regression model was written as;

$$InGDP_i = \beta_0 + \beta_1 InN_i + \beta_2 InT_i + \beta_3 InEm_i + \beta_4 InX_i + \boldsymbol{\varepsilon_i}$$

The log regression was deemed appropriate because unlike the OLS, it permitted analysis of count variable of different explanatory variables in the distribution of the dependent variable. The log regression estimation was also more robust and corrected for over dispersion in case of presence of any outliers and also when the dependent variable was not normally distributed.

3.7 Data analysis plan

The contribution of SMEs has already been categorized into different categories by the rigorous secondary data assessment. With this categorization, I examine the variation in the GDP across number of firms, tax earning, job created, and export earnings. I used STATA and Microsoft Excel to quantify their contribution to GDP (Davis S.J., 1996).

3.8 Ethical considerations

The following ethics were considered while carrying out the study;

Respect for cultural sensitivities. I acknowledged and respected the cultural norms, values and customs of the institutions and the economy being studied. I seek to collaborate and establish

rapport of the institutions, recognizing their rules and ensuring that the research process is culturally sensitive and inclusive.

There was transparency in reporting. I ensured transparent and accurate reporting of the research methods, findings, and limitations. I have clearly presented the research methodology, data sources, and analysis techniques. This was to enable other researchers to be able to replicate or build their own work.

4.0 CHAPTER 4: DATA PRESENTATION, INTERPRETATION AND DISCUSSION THE OF FINDINGS

4.1 Introduction

This chapter highlights the presentations, interpretations and discussions of collected data in tables, and carts among others were 9 panel data recorded for the last 9 years. The primary data source is UBOS.

4.2 Background information on key variables under study

Table 1: Descriptive Statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
Log_GDP	9	32.4949	.2113348	32.233	32.84752
Log_No_of_~s	9	14.20576	.1864449	13.91082	14.45736
Log_Tax_ea~s	9	22.31081	.2559152	21.96321	22.67186
Log_Employ~d	9	14.597	.1256817	14.4033	14.77102
Log_Export~s	9	23.65558	.2924256	23.19568	24.04188

Looking at the summary statistics, we can observe that the mean log GDP was 32.4949. This means that the average log GDP in the sample is 32.4949. The standard deviation of log GDP was 0.21133. This means that the observations in log GDP are typically within 0.21133 of the mean. The minimum log GDP was 32.233 and the maximum log GDP is 32.8475.

The mean log of number of SMEs in Uganda is 14.2057. This means that the average log number of SMEs in Uganda in the sample was 14.2057. The standard deviation of log of number of SMEs in Uganda was 0.186. This means that the observations in log number of SMEs in Uganda were typically within 0.186 of the mean. The minimum log number of SMEs in Uganda was 13.91 and the maximum log number of SMEs in Uganda was 14.457

The mean log tax earnings by SMEs in Uganda is 22.31. This means that the average log tax earnings by SMEs in Uganda in the sample was 22.31. The standard deviation of log tax earnings by SMEs in Uganda was 0.255. This means that the observations in log tax earnings by SMEs in Uganda were typically within 0.255 of the mean. The minimum log tax earnings by SMEs in Uganda was 21.96 and the maximum log tax earnings by SMEs in Uganda is 22.67

The mean log of employment opportunities by SMEs is 14.597. This means that the average log of employment opportunities by SMEs in the sample was 14.497. The standard deviation of log of employment opportunities by SMEs was 0.1256. This means that the observations in log of employment opportunities created by SMEs were typically within 0.1256 of the mean. The minimum log of employment opportunities by SMEs was 14.40 and the maximum log of employment opportunities by SMEs is 14.77

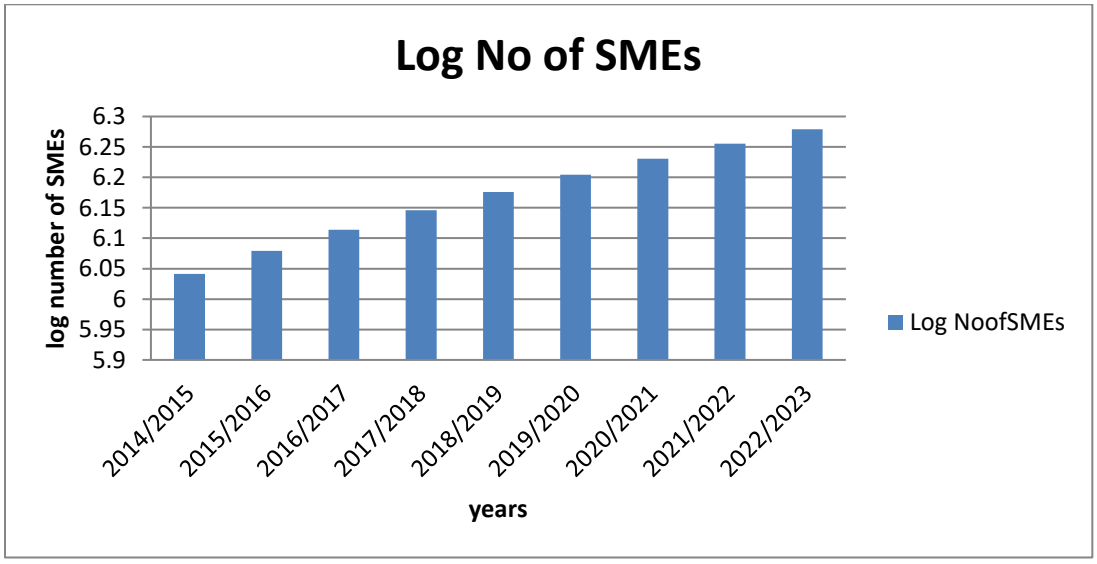
The mean log of export earnings is 23.6555. This means that the average log of export earnings in the sample was 23.6555. The standard deviation of log of export earnings was 0.292. This means that the observations in log of export earnings are typically within 0.32 of the mean. The minimum log of export earnings was 23.195 and the maximum log of export earnings was 24.041.

4.3 Finding on the relationship between the number of SMEs and the GDP of Uganda

Findings on the different number of the Small and Medium Sized Enterprises (SME5) were considered as evidenced below;

4.3.1 Presentation of findings on Number of SMEs over the past 9 years

Figure 1 presentation of Number of SMEs



Analysis Shows that the number of small and medium-sized enterprises has being increasing consistently in the last 9 years. This was so because majority of the Small and Medium Sized Enterprises (SMEs) in

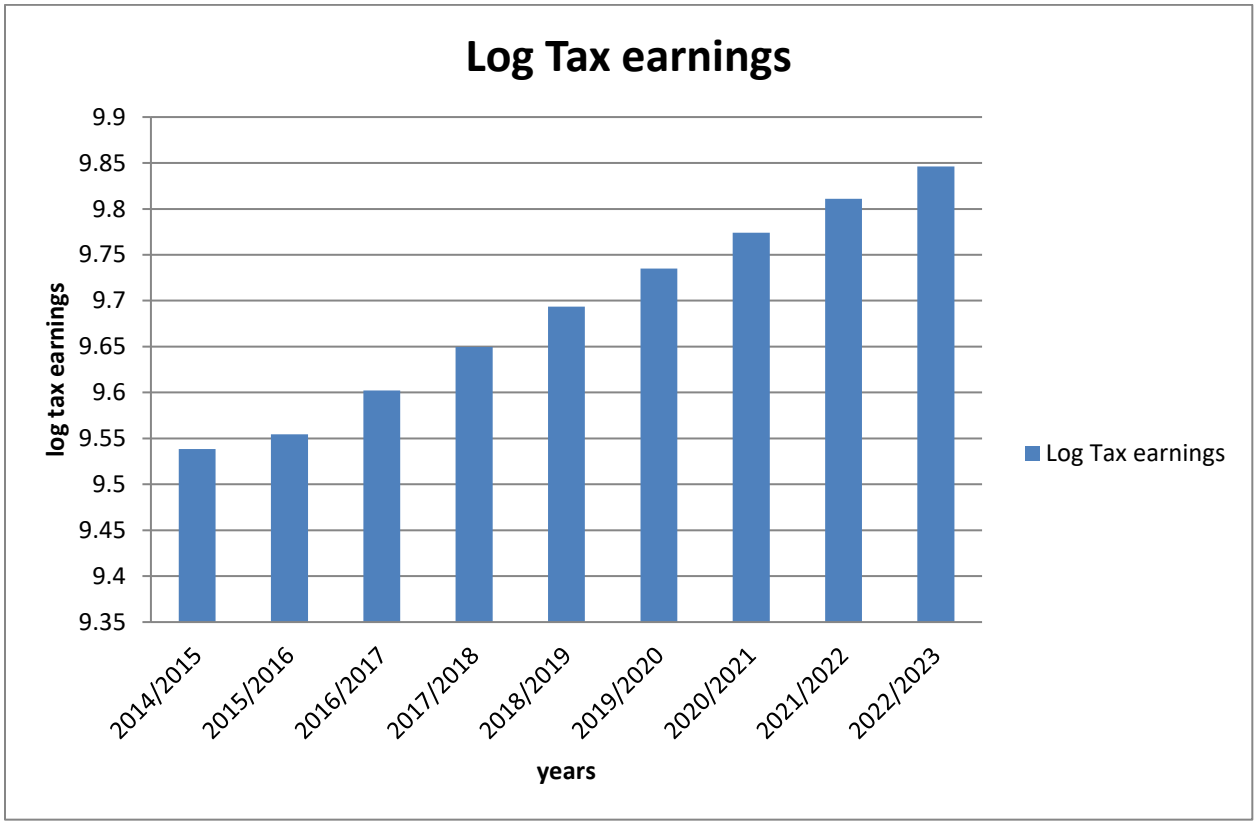
the Uganda increased due the high population growth rate and the increased development in human capital with a higher log of 6.375 in 2022/23 compared to log of 6.04 in the year 2014/15.

4.4 Finding on the influence of SMEs' tax contribution on Uganda's GDP

A finding on the influence of SMEs' tax contribution to Uganda's GDP has being found to significant. SMEs contribute positively to Uganda's GDP as presented below.

4.4.1 Presentation of findings on SMEs tax contribution to Uganda's GDP over the past 9 years

Figure 2 Presentation on SMEs tax contribution



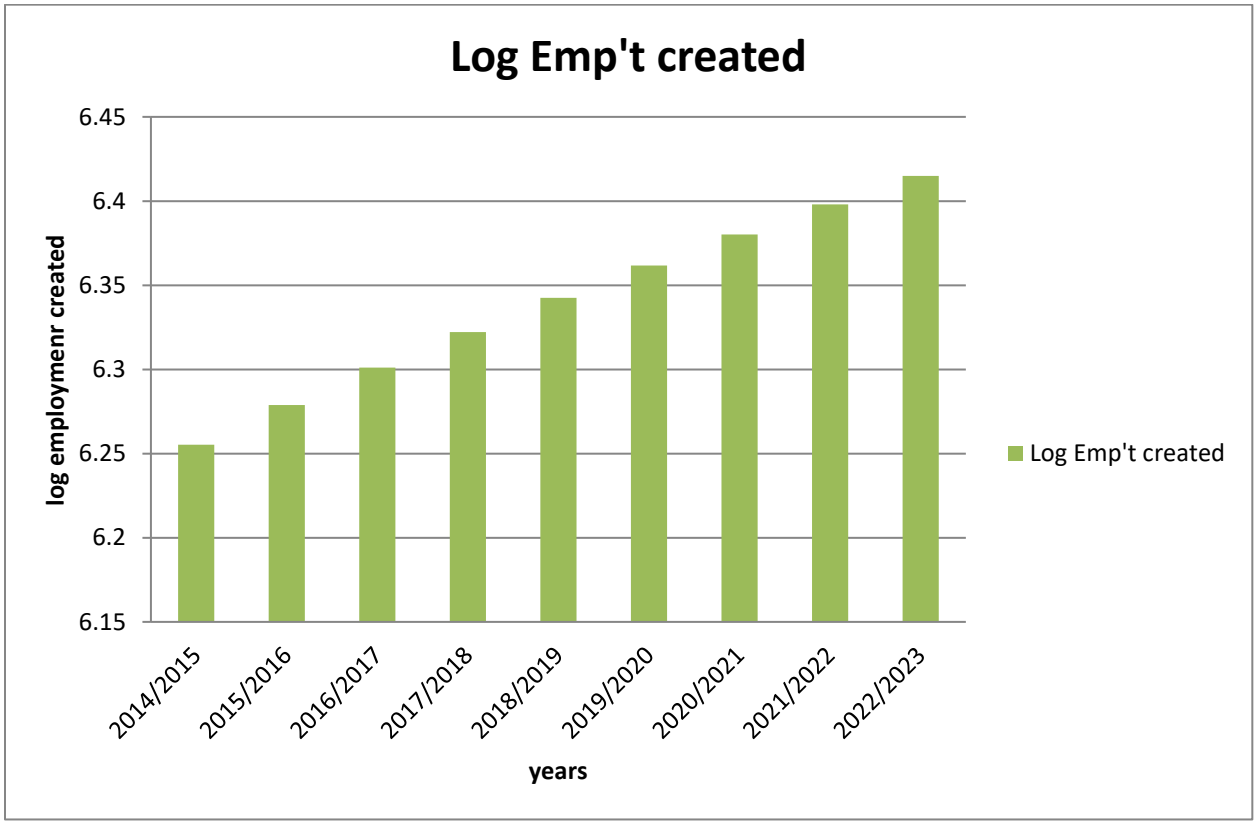
The Above Analysis Shows that SMEs tax contribution to GDP has being increasing consistently in the last 9 years. This was because majority of the Small and Medium Sized Enterprises (SMEs) in the Uganda has a large taxable capacity due to expansion in the size of SMEs. The tax contribution to GDP has a higher log of 9.84 in 2022/23 compared to log of 9.53 in the year 2014/15.

4.5 Finding on the link between SMEs' employment generation and Uganda's GDP

A finding on the link of SMEs' employment generation and Uganda's GDP has being found to significant. SMEs contribute positively to Uganda's GDP in terms of creating job opportunities as presented below.

4.5.1 Presentation of findings on the link between SMEs Employment generations to Uganda's GDP over the past 9 years

Figure 3 Presentation on employment created by SMEs



The number of jobs created by SMEs has been rising over time. In 2014/2015, the number of jobs created by SMEs was 6.26 log employment units. By 2022/2023, the number of jobs created by SMEs had increased to 6.43 log employment units.

The growth of SMEs employment generation has been correlated with the growth of Uganda's GDP. In years when Uganda's GDP has grown, the number of jobs created by SMEs has also grown. For example, in 2017/2018, Uganda's GDP grew by 4.7% and the number of jobs created by SMEs grew by 0.1 log employment units.

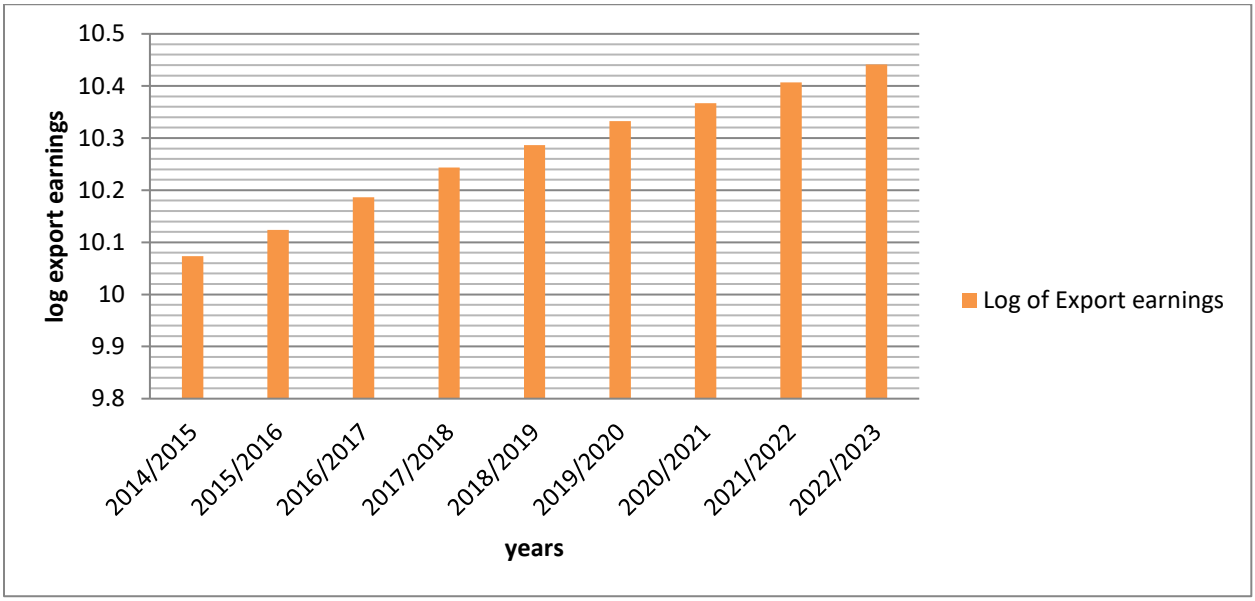
The growth of SMEs employment generation has been uneven. There have been some years when the number of jobs created by SMEs has grown more rapidly than in other years. For example, in 2020/2021, the number of jobs created by SMEs grew by 0.2 log employment units, which was the largest annual growth rate over the entire period.

4.6 Findings on the influence of SMEs' export earning on Uganda's GDP

A finding on the influence of SMEs' export earnings on Uganda's GDP has being found to positive. SMEs contribute to Uganda's GDP in terms of export earnings as presented below.

4.6.1 Presentation on the findings of the influence of SMEs' export earning on Uganda's GDP

Figure 4 Presentation of SMEs, Export earnings



From the above, my finding suggests that SMEs contribute positive to GDP in terms export earnings and this has been increasing upwardly in the past years. This was because many of the Small and Medium Sized Enterprises (SMEs) in the Uganda has the capacity to produce for export and the favorable public policy of trade liberalization. The influence of export earnings by SMEs to GDP has a higher log of 10.42 in 2022/23 compared to log of 10.08 in the year 2014/15. This shows a positive influence between export earnings and Uganda's GDP.

4.7 Correlation analysis between Uganda's GDP and SMEs

Table 2 correlation results

	GDPatM~X	NoofSMES	Taxear~X	Employ~d	Export~X
GDPatMktpr~X	1.0000				
NoofSMES	0.9763*	1.0000			
Taxearning~X	0.9893*	0.9948*	1.0000		
Employmetc~d	0.9763*	1.0000*	0.9948*	1.0000	
Exportearn~X	0.9802*	0.9995*	0.9971*	0.9995*	1.0000

From the findings, there was a strong positive relationship between Uganda's GDP and the Number of SMEs with Pearson correlation coefficient at 0.9763. This implies that for every increase in the number of SMEs, it will lead to increase in the GDP of Uganda. For instance, each increase in the number of Small and Medium Sized Enterprises (SMEs) is an opportunity to increase o GDP hence more efforts and policies that promote growth in the size of SMEs should be advocated for to enhance economic growth and increase on economic development.

Additionally, there was a very strong positive relationship between Uganda's GDP and Tax earned by SMEs with a Pearson correlation coefficient at 0.838. This implies that for every kind of taxes earned by SMEs it increases on the Uganda's GDP. For example, each activity done in the Small and Medium Sized Enterprises (SMEs) is an opportunity for increased tax earnings hence more efforts should be done to enhance their performance so as to increase on their contribution to GDP.

Furthermore, our results reveal that there was a very strong positive relationship between employment opportunities created by SMEs and the Uganda's GDP growth at Pearson correlation coefficient of 0.9822. This implies that for every kind employment opportunity generated by SMEs, Uganda's GDP increases. For instance, each activity done in the Small and Medium Sized Enterprises (SMEs) is an opportunity to the labor force hence more efforts should be done to enhance their performance so as to increase on their contribution to development.

From the findings, there was a strong positive relationship between Uganda's GDP and export earnings by SMEs at Pearson correlation coefficient at 0.9731. This implies that for every kind

of export earnings by SMEs it increases on the Uganda's GDP. For instance, each export earnings in the Small and Medium Sized Enterprises (SMEs) is an opportunity to expand on GDP hence more efforts should be done to enhance their performance so as to increase on their contribution to development via export earnings.

4.8 The regression analysis results between GDP Growth and the Number of SMEs, Their Tax earnings, Employment opportunities created, and Export earnings.

Table 3 Regression output

Source	SS	df	MS	Number of obs = 9
				F(4, 4) = 7.64231
Model	.0 67128959	4	.01678224	Prob > F = 0.0000
Residual	.000261772	4	.000065443	R-squared = 0.6661
				Adj R-squared = 0.6622
Total	.067390731	8	.008423841	Root MSE = .00809

gdp |	Coef.	Std. Err.	t	P>|t|	[95% Conf. Int	
No of SMEs	1.107866	.0905897	12.23	0.000	.8936556	1.322077
Tax earnings	.8159458	.0480718	16.97	0.000	.7022741	.9296175
Employment created	1.651541	.1194481	13.83	0.000	1.369091	1.933991
Export earnings	.7032206	.0629842	11.17	0.000	.5542866	.8521546
_cons	3.642584	.7572533	4.81	0.002	1.851965	5.433204

From the above the regression equation can be written as;

$GDP_i = 3.642584 + 1.107866N_i + 0.8159458T_i + 1.651541Em_i + 0.7032206X_i + \boldsymbol{\varepsilon_i}$

Where;

GDP_i =is the dependent variable, GDP at the ^{i} period and it is represented using contribution from all sectors of the economy.

N_i = the number of SMEs from ^{ith} time period

T_i = tax earnings from SMEs at the ^{ith} time period

Em_i =Employment opportunities created by SMEs starting from ^{ith} time period

X_i =Export earnings by SMEs at the ^{ith} time period

$\boldsymbol{\varepsilon}_I$ = error term.

Table above presents the regression results based on the OLS models. These results showed the positive and significant coefficients of the variables influencing Uganda's GDP growth. The coefficients of small and medium-sized enterprises are significant and stable. F-statistic was equal to 7.64231 with a probability of 0.000, showing that the model was significant. The R^2 was equal to 0.6661(66.61%), which indicated the explanatory power of independent variables in the model.

In the OLS model, the coefficient of the number of small and medium-sized enterprises with respect to the GDP of Uganda was stable at approximately 1.107866 with a T-value of 12.23 indicating a significant positive effect on Uganda's GDP. This result suggests that if the ratio of Number of SMEs in Uganda increases by 1% point (e.g., from 27% to 28%), then the GDP of Uganda would increase by approximately 110.78% point (e.g., from a performance rate of 15% to 115.78%).

The coefficient of Tax earnings by small and medium-sized enterprises with respect to Uganda's GDP was stable at approximately 0.8159458 with a T-value of 16.97, indicating a significant positive effect on GDP growth. This result suggests that if the ratio of tax earnings by small enterprises to GDP growth increases by 1% point (e.g., from 32% to 33%), then the Uganda's GDP would increase by approximately 81.59% point (e.g., from a performance rate of 11% to 92.59%).

The coefficient of employment opportunities created by small and medium-sized enterprises with respect to the performance of GDP was stable at approximately 1.651541 with a T-value of 13.83, indicating a significant positive effect on performance of GDP. This result suggests that if

the ratio of Employment opportunities created by small enterprises to GDP increases by 1% point (e.g., from 2% to 3%), then the performance of Uganda's GDP increases by approximately 165.51% (e.g., from a performance rate of 44% to 209.51%).

The coefficient of Export earnings by small and medium-sized enterprises with respect to the performance of GDP was stable at approximately 0.7032206 with a T-value of 11.17, indicating a significant positive impact on performance of GDP. This result suggests that if the ratio of Tax earnings by small enterprises to GDP increases by 1% point (e.g., from 23% to 24%), then the performance of Uganda's GDP increases by approximately 70.32% (e.g., from a performance rate of 23 to 93.32%).

4.9 Discussions of the findings

Drawing on the dynamic capability theory, the study investigated the relationship between Uganda's GDP growth and the number of SMEs, their Tax earnings, Employment opportunities created, and Export earnings by SMEs. The study established that SMEs variables such the number of SMEs, their Tax earnings, Employment opportunities created, and Export earnings by SMEs have a strong positive correlation with GDP performance thus supporting H1. This implies that when SME owners/managers can create opportunities, increase on number of SMEs, pay revenue, and export their products with different stakeholders; this would enhance the growth of GDP. A plausible explanation for such results could be due to the fact that SME managers in Uganda rely on their workers to establish long-term relations with their clients and other stakeholders which improve the performance of the GDP. Our findings are consistent with the earlier establishment of a positive and significant relationship between Uganda's GDP growth and the number of SMEs, their Tax earnings, Employment opportunities created, and Export earnings by SMEs. (UBOS, 2019; Adebayo and Alheety et al., 2019 Nure et al. (2020) Umar et al. (2020)).

The results also revealed that Number of SMEs significantly influence GDP growth. This was an indication that as entrepreneurs increase on the number of Firms in form of creating more branches in the economy, their number would greatly improve. For instance, more enterprises would enable entrepreneurs to acquire and retain customers whilst management capabilities would aid in professionalization and formalizing enterprise operations. Thus, these capabilities would result in better sales, market share, and profits. My results corroborate with J. B. Barney

(2001) assertion that SMEs that possess and control pool capabilities are in a better performance position compared to their counterparts. Related, Adebayo & Alheetyy, 2019 argued that exporting SMEs that utilize their internal capabilities employee skills, better technologies realize better export performance. Furthermore, Kamboj and Rahman (2015) explain that for SMEs to realize superior contribution in this complex environment there was a need to develop and efficiently use their capabilities especially marketing capabilities. More studies have established a positive and significant correlation between GDP Growth and tax earnings by government (World Bank, 2019, Umar et al. (2020)). Leveraging on the dynamic capability theory, firm Capability enhances the firm's ability to utilize resources efficiently and perform tasks or activities that generate better tax revenue (Teece, 2014b)

Regarding employment opportunities created a positive and significant association was established between GDP growth and employment opportunities hence being supported. This suggests that when SME owners/ managers are competent enough, firms are most likely to have capabilities in terms of management, marketing, and market linking and this would enhance their performance through efficiency in their operations. Employee competencies like working experience enable managers to mobilize and beef up the firm's internal labor force like through internal linkages. Therefore, despite the commonalities in SMEs resources as assumed by the theory, differences in employment opportunities created are brought out by their ability to integrate, reconfigure, gain and utilize these resources to create market value (Eisenhardt & Martin, 2000). The findings resonate with Hwang et al. (2020), they also found that entrepreneurial competencies in the form of managerial skills and technical knowledge have a significant influence on competitive advantage and employment generation.

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5.0 CHAPTER 5: SUMMARY, CONCLUSION, AND RECOMMENDATION

5.1 Introduction.

This chapter presents summaries of study findings as per the study objectives, conclusions based on those findings and recommendations based on both the study findings and other relevant literature considered necessary and vital to be used in future to improve the study situation.

5.2 Summary of major findings.

This section shows summary of the major findings in accordance with research objectives and questions.

5.2.1 Summary of finding on background of descriptive statistics

The summary statistics show that the variables in the study were normally distributed with a mean close to the median. The standard deviation was relatively small, indicating that the observations were clustered around the mean. The minimum and maximum values are within a reasonable range, suggesting that there are no outliers in the data. Based on the summary statistics, we can conclude that the variables in the study are generally well-behaved and suitable for further analysis.

5.2.2 Summary of finding on the relationship between the number of SMEs and the GDP of Uganda

The number of SMEs in Uganda has been increasing steadily over the past nine years. This increase is likely due to a number of factors, including economic growth, government policies, and changing demographics. The growth of SMEs was a positive development for the Ugandan economy, as they contribute to job creation, innovation, and economic growth.

5.2.3 Summary of finding on the influence of SMEs' tax contribution on Uganda's GDP

The log of SMEs' tax earnings as a percentage of Uganda's GDP has been increasing in recent years. This increase was likely due to a number of factors, including the growth of the SME sector, the improvement of tax collection systems, and the increase in government support for

SMEs. The increase in SMEs' tax contribution was a positive development for the Ugandan economy, as it provided much-needed revenue to the government and helps to support economic growth.

5.2.4 Summary of finding on the link between SMEs' employment generation and Uganda's GDP

My findings show that there was a positive link between SMEs employment generation and Uganda's GDP. As Uganda's GDP grows, the number of jobs created by SMEs also grows. However, the growth of SMEs employment generation has been uneven, with some years experiencing more rapid growth than others. It also suggests that SMEs play an important role in the Ugandan economy. By creating jobs and stimulating economic growth, SMEs can help to reduce poverty and improve the lives of Ugandans.

5.2.5 Summary of finding on the influence of SMEs' export earning on Uganda's GDP

There was also a positive influence between SMEs export earnings and Uganda's GDP. As Uganda's GDP grows, SMEs export earnings also grow. This suggests that SMEs are benefiting from the growth of the Ugandan economy and are playing an important role in export trade.

5.3 Conclusion

From the results of this study, it can be concluded that GDP Performance can be improved by enhancing the growth of SMEs through increasing the number of SMEs. This could be done at individual level by entrepreneurs or managers taking advantage of any training opportunities through which skills and knowledge are attained or through specialized sector trainings organized by authorities like ministry of trade, industry and cooperatives. It's evident that when entrepreneurs possess competencies such as innovative thinking, networking, and relationship building, GDP performance tends to improve. Therefore entrepreneurs/managers need to attain such competencies as a way to spur improved GDP performance. This will also fuel the accumulation of SMEs capabilities given the fact that SMEs are resource constraints. This suggests that entrepreneurs with high networking, relationship building, and innovative thinking competencies able to create SMEs capabilities in form of marketing, market linking, and management capabilities. To sum up, the significant contribution of this study is the mediating

role of SMEs capability. It was revealed that where these managers focus on building the overall SMEs capability as a conduit to promote SME performance, GDP perform better through the direct effect of SMEs.

5.4 Recommendation

Small and Medium Sized Enterprises (SMEs) need to employ professionals to manage their businesses this will improve on GDP performance since these will establish and strengthen the internal controls as regards financial resources to reduce on mismanagement and misappropriations. It is through this that small businesses whose startup capital is based on own savings will easily access financial institutions for loans to enhance their business operations towards employment provision.

SMEs operators should widen their markets so as to reduce competition and increase on export this should be done by integrating market information into the planning process because marketing is the life blood of a competitive marketplace as it is driven towards the needs and desires of customers in the production decisions. This should be done with the help of the Government through tax exemption strategies for investment and direct financial support to small scale enterprises.

Government should introduce motivation incentives in support of the SMEs operations for examples increased salaries, wage tax holidays and other non-monetary rewards. This would improve on the performance of the GDP towards development and employment provision.

The decision makers of the Small and Medium Sized Enterprises (SMEs) should adopt the best form of organization that can address the following issues with help of updated technology;

i. The life and continuity of the business
ii. ii. The operating flexibility of the employees
iii. iii. The ease and expense of making the business recognized
iv. The ease with which capital can be acquired to support business operations
v. The ability to control the business without jeopardizing other activities in which they are involved

5.5 Limitations

The impact of SMEs on the economy can vary depending on a number of factors, such as the sector they operate in, their location, and their access to resources. This makes it difficult to generalize about the impact of SMEs across the economy due to time and resource constraints.

The contribution of SMEs to the economy is often indirect. For example, SMEs may create jobs that support other businesses or industries. This makes it difficult to fully measure the contribution of SMEs to the economy.

5.6 Areas for further Research

The impact of SMEs growth on environment: More research is needed to understand the impact of SMEs on economic growth. This could include research on how SMEs create jobs, boost exports, and innovate.

The challenges faced by SMEs: More research is also needed to understand the challenges faced by SMEs in Uganda. This could include research on access to finance, infrastructure, and markets.

The role of government: More research is needed to understand the role of government in supporting SMEs. This could include research on government policies and programs that are designed to help SMEs grow and thrive.

By addressing these limitations and conducting further research, a researcher can gain a better understanding of the contribution of SMEs to Uganda's GDP and how to support their growth.

APPENDICES

Table 4 Secondary data set

S/No	Year	GDP at Mkt prices in UGX	No of SMES	Tax earnings in UGX	Employmet created	Export earnigs in UGX
1	2014/2015	99,681,000,000,000	1,100,000	3,455,435,000	1,800,000	11,851,000,000
2	2015/2016	104,447,000,000,000	1,200,000	3,585,202,000	1,900,000	13,305,000,000
3	2016/2017	108,518,000,000,000	1,300,000	4,002,940,000	2,000,000	15,360,000,000
4	2017/2018	115,197,000,000,000	1,400,000	4,462,459,000	2,100,000	17,508,000,000
5	2018/2019	128,694,000,000,000	1,500,000	4,939,226,000	2,200,000	19,352,000,000
6	2019/2020	138,283,000,000,000	1,600,000	5,433,243,000	2,300,000	21,492,000,000
7	2020/2021	148,278,000,000,000	1,700,000	5,944,511,000	2,400,000	23,272,000,000
8	2021/2022	162,123,000,000,000	1,800,000	6,473,031,000	2,500,000	25,522,000,000
9	2022/2023	184,288,000,000,000	1,900,000	7,018,804,000	2,600,000	27,622,000,000

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