

UAE Fund Backs Major Road Upgrade to Boost Eastern Uganda's Economy

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The Abu Dhabi Fund for Development (ADFD) has signed a loan agreement worth AED 91.8 million (\$25 million) with the Government of the Republic of Uganda. The financing is dedicated to supporting a strategic road project that will significantly enhance transport links across four key districts in Eastern Uganda: Kumi, Ngora, Serere, and Kagwara.

The development, which is co-financed by ADFD, the Islamic Development Bank, and the Government of Uganda, aims to unlock economic growth and improve community access to essential services and commercial centres.

Enhancing Connectivity and Road Safety

The project focuses on the upgrading of a **\$98.3\$ kilometre road**. The improvements will create a \$7\$-metre-wide roadway with \$2\$-metre-wide shoulders on each side. ADFD's financing specifically covers civil works, bridge construction, and related infrastructure development.

This upgrade is expected to enhance road safety, reduce travel time and transportation costs, and strengthen commercial activity, particularly in the **Kagwara region near Lake Kyoga**, thereby contributing to broader economic and social development.

The agreement was signed by correspondence between **His Excellency Mohammed Saif Al Suwaidi, Director General of Abu Dhabi Fund for Development**, and **His Excellency Matia Kasaija, Minister of Finance, Planning and Economic Development of Uganda**.

Strategic Partnership for Sustainable Growth

H.E. Mohammed Saif Al Suwaidi highlighted the strategic importance of the funding in line with the ADFD's core mandate.

Commenting on the agreement,, H.E. Mohammed Saif Al Suwaidi said: "Our strategic partnership with Uganda underscores ADFD's commitment to advancing comprehensive development. It also aligns with our broader objective of strengthening the transport sector, which plays a critical role in promoting sustainable economic growth within developing nations."

He further emphasised the social and economic benefits expected from the connectivity improvements.

He added, **"Financing this road project represents a major step towards enhancing the quality of life in Eastern Uganda. By enhancing connectivity within the national transport network, the project will facilitate better access to essential services and unlock new economic opportunities, including job creation during construction and operational phases."**

Deepening Bilateral Ties

The collaboration builds on a long-standing partnership between ADFD and Uganda that began in **1977**. Over the years, ADFD has financed three major development projects across key sectors, with a total value of AED \$79.3\$ million prior to this latest agreement.

H.E. Matia Kasaija expressed his appreciation for ADFD's ongoing support, noting the project's critical role in regional development.

H.E. Matia Kasaija expressed his appreciation for ADFD's ongoing support, reaffirming the project's important role in enhancing infrastructure in Eastern Uganda, improving connectivity, bolstering regional trade, and reinforcing the development of communities around Lake Kyoga. He noted that the collaboration reflects the growing partnership between the two nations and expressed his interest in expanding future cooperation with ADFD across a broader range of economic and development sectors.