

## Great Kampala Metropolitan Area - Quick Facts

Uganda's Greater Kampala Metropolitan Area (GKMA) is well-positioned to be the engine to drive positive structural transformation. A new World Bank report, [From Regulators to Enablers: Role of City Governments in Economic Development of Greater Kampala](#), aims to provide Ugandan policymakers with economic analyses on the role of Greater Kampala in achieving Uganda's economic goals outlined in Vision 2040, and the actions needed to unlock the city's economic potential.

Here are a few factoids about the GKMA and how it can spur the country's growth:

- The GKMA has been earmarked in *Vision 2040* as an economic and administrative hub, and a major investment destination for Uganda.
- 10% of Uganda's population resides in Greater Kampala
- 46% of all formal workers are employed in Greater Kampala
- 10% of people residing in the GKMA are unemployed
- Kampala is the most industrialized city in Uganda, with 70% of Uganda's manufacturing plants.
- Greater Kampala contributes a third of Uganda's overall gross domestic product (GDP)
- 23% of the GKMA's labor force are underemployed either in terms of number of hours or wages 57% of employment in Greater Kampala is informal
- The informal sector in Kampala provides essential livelihoods for the city's poorest in the absence of more formal jobs in the city
- 97% of informal businesses employ five or less people, of which 59% are one-person enterprises.
- 93% of micro-enterprises earned income below the poverty line of \$ 1.90/day
- 24% of informal sector enterprises started their business because they could not find other employment
- 69% of the informal firms generate less than UGX 10 million annually, hence are not taxable
- The majority of people employed in the informal sector are poor, rather than evading taxes
- Only 18% of informal firms have the potential to grow, expand and create more jobs
- 97% of informal businesses only sell to households and individual customers.
- 84% of informal businesses sell to customers within a 30 minute walk
- 35% of informal businesses say their biggest constrain is a lack of customers or lack of profitability of their business model
- The number of vehicles on the roads in Greater Kampala is increasing faster than infrastructure investment can keep up.
- A complete and sudden phasing out of taxis will not be feasible in reducing road congestion and traffic jams in Greater Kampala

- Improved transport infrastructure can decrease the cost of motorized transport in Kampala, which would reduce costs for business.
- Increasing paved roads in the city can better connect where people live with where they work
- Road improvements of the northern and southern bypass around the city would enhance the connectivity of east and west parts of the city and improve city mobility
- Providing a conducive environment for non-motorized modes of transport (such as cycling and walking) can improve city mobility
- A majority of formal firms rated access to finance and tax administration as major constraints
- Providing support to local firms in business plan development, tax education and skills development could improve firm performance