

Global Initiative on Unique Identifiers for Businesses:

Global Perspectives and Uganda's Journey

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Uganda Government Agency mandated for;

- Business Registration– companies and business names, partnerships, documents, debentures and security interest in movable property
- Official Receiver in liquidation of companies and bankruptcy matters.
- Intellectual Property Rights – includes registration of Patents, Utility models, Industrial designs, Trademarks, Service marks and Copyright and Neighbouring Rights.
- Civil Registration– Marriages and Registration of Marriages conducted in Uganda



Introduction to UBIs

Definition and purpose of UBI:

A Unique Business Identifier (UBI) ensures a standardized and streamlined approach to business identification globally, facilitating business interactions across borders.

Core Purpose:

UBIs reduce barriers to international business transactions.

Unification Objective:

UBIs aim to create a universal language for business identification for global ease of business transactions.



The Importance of UBIs

1 Enhanced Government Oversight:

Streamlines regulatory processes and compliance monitoring, aiding in accurate data collection for policy-making and enforcement.

2 Business Efficiency:

Reduces bureaucratic hurdles for businesses operating across borders, streamlining business registration, banking, and tax filing.

3 Transparency & Trust:

Establishes a clear audit trail for corporate activities, boosting confidence among consumers, investors, and partners.

Global Overview on UBIs



Implementation Variance:

Different UBI systems in place such as the US' EIN and Germany's Handelsregister nummer..



Key Similarities:

Universal aim for transparency and streamlined operations, focus on enhancing tax collection and regulatory compliance.



Notable Differences:

UBI format and structure (alphanumeric vs. numeric) and diverse governing bodies.

Key Motivations for UBI Implementation

Enhanced Tax Compliance:

Improved tax tracking for businesses operating across borders, reducing tax evasion.

Registration Efficiency:

Streamlining legal business registration processes and providing standardized and efficient registration procedures. (One-stop shop concept).

Improved Service Delivery:

UBIs facilitate a coordinated, standardized and efficient business service delivery to all kind of customers.

Better Regulatory Governance:

Streamlining regulatory compliance monitoring strengthens accountability for regulatory compliance among businesses.

Emerging Best Practices

1

Strategic Implementation:

Phased rollout to manage transition and monitor progress and Inclusive planning involving all stakeholders.

2

Data Governance:

Data privacy and access to that data is a critical point in UBI implementation, where consortiums of private businesses and government agencies are often given access to a centralized database of business information and transactions.

3

Legal Framework:

UBI implementation needs a legal framework that is supported by a strong regulatory enforcement and corporate compliance culture.

4

Capacity Building:

Promoting training and education sessions for government staff and private sector counterparts will help them to understand the importance of UBI implementation and how it contributes to economic growth and development in their community.

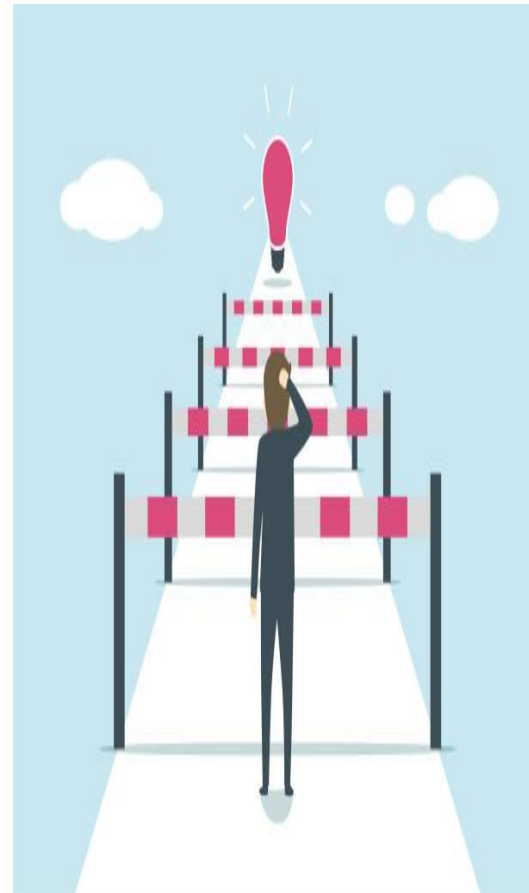
Key Challenges in UBI Implementation

Cultural Resistance:

Low levels of business diversity and development in communities breed suspicion, and new system adaptation.

Legal and Technical Obstacles:

UBI necessitates significant investment in technology and infrastructure, alignment with various legal systems, and resolution of technical interoperability challenges.



Legacy Systems:

Integration difficulties with existing infrastructures and upgrading or replacing outdated technologies that lack clear digital identity features required for UBI implementation.

Data Quality and Consistency:

Data integrity is key for UBI success, but it's tough to keep data consistent and high-quality from multiple sources in one database.

UBI Implementation in Uganda - Overview

Collaborative Foundations:

UBI implementation in Uganda is through the Taxpayer Register Expansion Programme (TREP); a partnership between key government agencies responsible business registration, Tax and licensing

Programme Objectives:

Growth of the business sector through formalization of the economy, broaden taxbase, improved tax compliance, and access to financial services

Structural Framework:

The Ugandan UBI system is aimed at facilitating business registration, compliance monitoring, and taxation processes.

UBI Implementation in Uganda - Successes



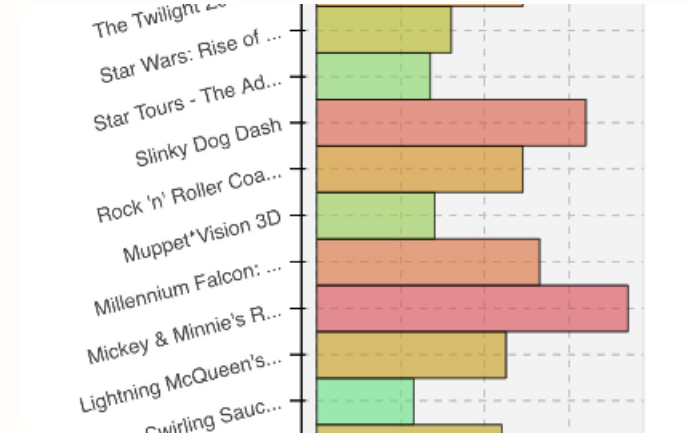
Integrated Operations:

The UBI system allows for seamless integration between the Tax, Registration, statistics and licensing authorities.



Efficiency Enhancements:

Business registration processes have been streamlined, reducing bureaucratic hurdles for both local and foreign businesses.



Statistical Highlights:

The UBI system has increased the number of registered taxpayers, improving tax compliance and business statistics.

UBI Implementation in Uganda - Approach

Inter-agency Synergy:

Collaboration between government agencies which has bridged information gaps, translating to better reporting and compliance for businesses.

Implementation Tactics:

Leveraged existing databases and national ID registration campaigns, allowing for more accurate and efficient UBI incorporation.

Public Engagement:

TREP collaboration launched an awareness campaign for UBIs, increasing the understanding and acceptance of the system among the public and feedback mechanisms established for continuous system improvement

Uganda's UBI Structure

- Defining Characteristics:
 - Using ISO 3166-1 numeric
 - No data imbedded in the number
 - No special characters
 - Number of digits =14
 - Country code is 800 (Uganda's ISO 3166-1 numeric code)
 - 10 sequential numbers
 - Last digit is check-digit (International standard algorithm used)

1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	13th	14th
8	0	0	1-9	0-9	0-9	0-9	0-9	0-9	0-9	0-9	0-9	0-9	1-9
Country code			Sequence Number (Digit 2nd-9th)										Check-digit

The Success of UBI in Uganda

TREP Impact:

- Substantial increase in registered businesses.
- Notable improvement in tax base and revenue collection.

Business Community Benefits:

- Streamlined business registration and regulatory processes.
- Enhanced data sharing and access to financial services and formal markets.

Economic Advantages:

- Growth in entrepreneurship and formal employment opportunities.
- Positive effects on the country's economic data accuracy and reliability.
- International exchange of data

Lessons Learned and Recommendations

Insights from Uganda:

- Importance of stakeholder engagement and public awareness campaigns.
- Continuous updating and maintenance of the UBI database are crucial

Policy Recommendations:

- Adoption of a phased implementation strategy for UBIs.
- Encouragement of public-private partnerships to enhance system integration

International Perspective:

- Learning from global best practices and adapting to local contexts.
- The necessity for international collaboration in standardizing UBIs.

Concluding Remarks

UBIs and Modern Economies:

- Central to improving global business transparency.
- Facilitators of international trade and economic collaboration.

Call to Action:

- Encourage adoption of UBIs for sustainable economic development.
- Emphasize the role of UBIs in enhancing the digitalization of economies.

Open Discussion:

- Invite questions, insights, and share experiences.
- Strengthen the importance of ongoing dialogue and knowledge exchange.

END