The Economic Contribution of the Cultural and Creative Industries (CCIs) to Gross Domestic Product (GDP), Employment, and Informal Sector Dynamics in Uganda – CfCA Study Report

CONNECT FOR CULTURE AFRICA

SELAM

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ABBREVIATIONS AND ACRONYMS

AfCFTA	Africa Continental Free Trade Area
AGOA	American Growth Opportunities Act
APNET	African Publishers Network
CCFU	Cross-Cultural Foundation of Uganda
CCIS	Culture and Creative Industries
CfCA	Connect for Culture Africa
CGE	Computed General Equilibrium
COBE	Census of Business Enterprises
COMESA	Common Market for East and Central Africa
CSOs	Civil Society Organizations
EAC	East African Community
ICESCR	International Covenant on Economic, Social and Cultural Rights
ILO	International Labour Organization
ICT	Information Communication Technology
MEACA	Ministry of East African Affairs
MoFPED	Ministry of Finance, Planning and Economic Development
MGLSD	Ministry of Gender Labour and Social Development
NACCAU	National Arts and Crafts Association of Uganda
NAWOU	National Association for Women Organizations in Uganda
NCF	National Culture Forum
NDP	National Development Plan
NMC	National Media Council
NPA	National Planning Authority
SMEs	Small and Medium Enterprises

UBC	Uganda Broadcasting Corporation
UBI	Uganda Business Inquiry
UBOS	Uganda Bureau of Statistics
UCC	Uganda Communications Commission
UDHR	Universal Declaration of Human Rights
UEPB	Uganda Export Promotion Board
UGX	Uganda Shillings
UIA	Uganda Investment Authority
UNATCOM	Uganda National Commission for UNESCO
UNBS	Uganda National Bureau of Standards
UNCC	Uganda National Cultural Centre
UNCP	Uganda National Cultural Policy
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNESCO	United Nations Education Scientific Culture Organization
UNLF	Uganda National Labour Force
URA	Uganda Revenue Authority
URSB	Uganda Registration Services Bureau
USD	United States Dollars
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WTO	World Trade Organization

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It is important to note that Uganda has put in place a Culture Policy (revised 2022) whose main focus is to promote the development and promotion of culture and Creative Industries (CCIs). Further the Government has incorporated Culture in the National Development Plan and the Vision 2040. These are key development frameworks for Uganda's culture sector development aspirations. The Ministry of Gender, Labour and Social development is championing this effort at a policy level.

Despite the above, the contribution of CCIs to GDP, employment and informal sector dynamics has not been adequately tracked and documented. The absence of policy guiding data often leaves culture away from the priorities for National Development at policy and regulatory level in addition to low budget support and investment in the sector. The impact of CCIs largely remain undocumented and aggregated in National Planning processes. CCIs remain largely un-supported, un-regulated and under-developed yet the sector presents an enormous contribution to the economy's overall GDP, creating employment opportunities for majority of the youth who constitute more than 60% of the population. The sector remains bogged by key challenges that need to be addressed by stakeholders at sectoral, enterprise and national level.

Selam-CfCA is known for spearheading initiatives in selected countries including Uganda to pitch for increased recognition of the CCIs in expanding the GDP/National Income, creation of decent jobs as aspired under the UN Sustainable Development Goals (SDGs) and also creating opportunities under the informal sector where majority of the disadvantaged people derive livelihoods and business income (Micro enterprises).

This report has demonstrated that Policy Actions and Policy decisions can enhance or crimple the contribution of Culture and Creative Industries towards GDP, employment and informal sector dynamics and this has been discussed in the direction of Uganda's Vision 2040 and the National Development Plan (NDPIV).

1. STUDY BACKGROUND

Broadly, cultural and creative industries include an array of sectors which include artisan products, the performing arts, the visual arts, cinema and audio visual, the multimedia, books and publishing, music, museums and monuments, heritage sites and cultural tourism. According to UNESCO (2019)[1], creative industries account for more than 30 million jobs globally, employing more young people aged 15-29 worldwide than any other sector.

Uganda's Cultural and Creative Industries (CCIs) represent a dynamic pillar of the economy, encompassing domains such as performing arts and celebrations, visual arts and crafts, audiovisual and interactive media (including film and music), design and creative services, books and press, cultural and natural heritage, cultural tourism, sports and recreation, and intangible cultural heritage. Recognized in national frameworks like the fourth National Development Plan (NDP IV, 2025/26–2029/30), Vision 2040 and the National Culture Policy (revised 2022). CCIs contribute an estimated 3% to GDP which is approximately UGX 3.18 trillion (USD 850 million) in total business income based on 2017-2020 analysis. Further, CCIs are employing 280,000 to 400,000 people directly and indirectly and these are predominantly youth aged 18-30 years and women. The sector's undervalued role stems from its heavy reliance on informal activities, with 52% of enterprises unregistered and over 70% of jobs informal, yet it generates UGX 11.3 billion in annual tax revenue from 12,472 mapped businesses (UBOS 2014).

CCIs leverage Uganda's rich cultural diversity with over 50 ethnic groups, all with unique and rich cultural traditions, customs, music, dance and crafts. Ugandans are generally hardworking, innovative and resilient people and this is a great resource and opportunity.

The sector's strengths include high youth engagement (51% aged 31+ with 18–30-year-olds dominating audiovisual/design), gender balance and female participation (55.8% female overall), and adaptability to digital platforms evident in local film/music's growth via YouTube and Netflix (e.g., Wakaliwood film company's global reach).

The sector has a huge export potential particularly in crafts and music, film, tourism and spillovers for example Lake Bunyonyi because of its rich geographical and scenic beauty inspired the Hollywood blockbuster film, Black Panther), and digital economies like TikTok content creators driving informal revenues. Compared to agriculture (22% GDP, 70% employment but volatile) or manufacturing (8-10% GDP, formal jobs), CCIs excel in job creation for unskilled youth 4% of creative employment in 2020 versus civil service size offering inclusive, low-capital entry (59% enterprises under USD 5,000 revenue) and multiplier effects in urban regeneration.

CCIs are indeed integral to Uganda's national identity, preserving intangible heritage (e.g rituals, local languages and oral traditions) and promoting unity amid diversity, as per the country's 2020 UNESCO Quadrennial Periodic Report (QPR). CCIs drive socio-economic development by addressing youth unemployment (over 13% informal non-agricultural related jobs), fostering innovation (e.g., "Kina-Uganda" films challenging Nollywood), and supporting inclusive growth for women (dominant in design/books/press at about 67%). Unlike extractive sectors such as mining, oil and gas, and forestry, CCIs promote sustainable development goals (SDGs) through skills training and poverty reduction, yet they receive just 0.003% (around UGX 4 billion) of the total national budget, underscoring advocacy needs for budget support.

Performances vary across domains: According to UBOS Survey 2014 and FSPI study 2022, the Cultural/natural heritage employs 64,882 (66% female, 67% aged 31+).

1. UNESCO Report, Reshaping Policies for Creativity 2019

There is a strong registration of tourism-linked sectors standing at 89% but underfunded. Performing arts/celebrations (1,056, predominantly male) boasts high education with around 42% attaining a secondary-level); visual arts/crafts (13,850, 63% female) faces low revenues; audiovisual media (7,068, 88% male dominated and leads in offering permanent jobs (70%) but casual labor prevails (42-46% in film/music); design services (108,971, 67% female) is urban-centric; books/press (19,422) yields highest revenues (15% over USD 500,000); tourism (30,088) taps spillovers; sports/recreation and intangible heritage lag in formalization (29%).

Shaping trends include digital disruption (notably social media boosting music/film exports), post-COVID recovery (8.7% creative decline 2019-20), regional integration (EAC protocols), and policy reforms (IP enforcement gaps). Nollywood-inspired growth and international collaborations (e.g., French Embassy FSPI) signal potential, with local CCIs growing faster than global averages (8.7% annually).

Understanding the economic contribution of Uganda's CCIs is crucial to unlocking their potential particularly quantifying informal contributions reveals hidden GDP (e.g., youth-driven hubs), informs budget advocacy (beyond 1%), shapes reforms (labor/IP/tax for artists), and positions CCIs as engines for job-rich growth amid 2025 economic pressures. This study therefore fills critical data voids, empowering evidence-based policies for inclusive development across the industry.

1.1 Study Objectives

The study was undertaken using a rigorous economic valuation of the CCIs in Uganda, with the intent to generate policy-relevant evidenced data to guide strategic investment and policy interventions. Specifically, the research was expected to:

1. To quantify the contribution of CCIs to national economic output, including GDP and value-added metrics, employing internationally recognized methodologies adapted for local contexts.
2. To disaggregate employment data within CCIs subsectors (both formal & non-formal) by key demographic variables such as age, gender, to elucidate labor market dynamics and inclusivity.
3. To Assess the multiplier effects of CCIs on broader economic sectors, innovation systems, and entrepreneurial ecosystems, thereby contextualizing the sector's macroeconomic significance.
4. To Identify systemic constraints and enablers affecting sectoral growth, including regulatory frameworks, access to finance, infrastructure, and skills development gaps.
5. To Formulate actionable, evidence-based policy recommendations aimed at unlocking sector potential, fostering innovation, and enhancing equitable access to resources.
6. To Assess the extent and value of the informal creative sector and its contribution to the broader economy, including the identification of key challenges and opportunities specific to informal CCIs activities.

1.2 Scope of the Study

The study was conducted in Uganda among the stakeholders and practitioners in the country across different domains of culture and creative industries. The study was largely based on extensive reviews of secondary data with few selected interviews for primary data to corroborate information obtained in existing studies. The research extensively paid attention to compiling existing information and studies with interviews from Key agencies of Government and civil society to corroborate secondary data. Interviews were conducted with the ministry of Gender, Labour and Social development which is responsible for culture. The other key agencies interviewed included the Ministry of Finance, Planning and Economic Development, Uganda Registration Services Bureau, The Parliamentary Association for Culture, The Ministry of Education and Sports hosting the National Commission for UNESCO, the Uganda National Culture Centre, The Uganda Musicians Association among others. The main issues for analysis and discussion were the baseline data on culture and creative industries using available qualitative and quantitative data where institutions were asked to make further clarifications and comments, the contribution of CCIs towards the National economy using data on GDP, employment and informal sector activities. The study further provided scenario analysis using economic simulation to inform the study objectives and generate evidence-based policy recommendations and advocacy strategies. Enterprises, Individuals, Civil Society and Government agencies were the sources of data and information required for the study.

1.3 Literature review

Lack of up-to-date, reliable data has long been a major hindrance in understanding the economic contribution of CCIs in Uganda, thereby limiting government planning, policy formulation and advocacy work for the industry. Nonetheless, this study has meticulously reviewed a selection of authoritative reports and datasets, chosen for their relevance, recency, and comprehensive coverage of Uganda's Cultural and Creative Industries (CCIs). Primary sources include the UNESCO-Aschberg Final Project Report (Ministry of Gender, Labour and Social Development, 2024), the Comprehensive Study on the Status of Artists and Cultural Professionals in Uganda (2023), and the French Embassy's Study on the State of Play and Prospects of the Film and Music Industry (Tindyebwa et al., 2022) among others. These were prioritized because they directly address core study objectives: economic contributions to GDP and employment, informal sector dynamics, and CCIs domain-specific insights. The Aschberg report, stemming from participatory consultations across Uganda's regions, provides socio-economic profiles of artists; the 2023 study offers demographic and revenue data from UBOS mappings; and the French Embassy report delivers granular film/music statistics, filling gaps in audiovisual domains. Complementary sources like Uganda Bureau of Statistics (UBOS) CCIs Mapping (2014), UNATCOM reports (2009-2018), the 2021 Uganda National Labour Force (NLFS) survey and UNESCO Quadrennial Periodic Reports (2020) were selected for their quantitative baselines on enterprises (12,460), jobs (280,263+) and GDP shares (3%).

Analysis of the existing data involved a systematic desk review methodology: data extraction using standardized templates categorized by study objectives (GDP/employment/informal contributions), followed by qualitative synthesis and quantitative tabulation in Excel for cross-domain comparisons. For instance, GDP estimates (e.g., UGX 3.18 trillion) were aggregated from business income projections in 2022 this has reached UGX 4.2 trillion (UBOS est 2024), tax revenues (UGX 11.3 billion annually), and services value added (0.4% entertainment sub-sector). Employment data from UNLF was disaggregated by domain/gender/age, enabling trend identification (e.g., 55.8% female overall). Revenues were benchmarked against global CCIs averages (3.1% GDP, UNCTAD/UNESCO), revealing Uganda's undervaluation. Informal sector analysis triangulated registration rates (48% formal) with qualitative challenges like IP gaps. This mixed-method approach ensured alignment with objectives, transforming raw stats into insightful matrices (e.g., domain employment tables).

The previous studies (UBOS 2014, and French embassy 2023) provides useful data encompassed quantitative metrics; enterprises by size (58.5% micro), incomes (59% <$5,000/year), tax brackets and qualitative insights on policy gaps, analyzed via thematic coding to highlight informal dominance (70%+ jobs). For GDP, sources converged on 3% share, analyzed as conservative due to hidden informal activity; employment data supported job-rich claims versus agriculture/manufacturing. Domain-specific info (e.g., audiovisual's 70% permanent jobs) was cross-referenced to objectives, quantifying potentials like tourism spillovers.

In the Aschberg report of 2024, data triangulation was robust: overlapping stats from UBOS/UNATCOM/Aschberg validated employment (386,000-400,000), while the French Embassy report's film/music figures also corroborated audiovisual trends. Triangulation across government (MGLSD/UBOS), international (UNESCO), and private (French FSPI) sources mitigated biases, enhancing reliability for the study findings, analysis and discussions.

Limitations to the available data included data age (most data were pre-2023 and limited or missing of 2025 and post-COVID updates), urban bias (70% central region enterprises), and disaggregation gaps (e.g., no recent informal GDP by domain). Sample constraints in primary-embedded studies because this study conducted over 30 primary interviews and data (e.g., 103 Aschberg interviews) limited generalizability, and inconsistent metrics (e.g., varying GDP definitions) required cautious aggregation.

Additional useful sources discovered include the National Budget Framework Paper FY 2022/23 (4% creative employment), British Council mappings 2023, and CfCA reports 2024 on informal youth economies, providing contextual updates on budget (0.003% allocation) and digital trends. These supplemented core data while reinforcing advocacy needs and recommendations.

1.4 Baseline Indicators of Uganda's CCIs

1.4.1 Registration of Artists, cultural professionals and their enterprises.

The 2024 UNESCO-Aschberg study on socio-economic status of artists and cultural professionals in Uganda reveals that about half (48%) of the artists and cultural professionals' enterprises were formally registered while 52% were not formally registered. However, the study further reveals variation in formal registration across different domains as shown in figure 1 below.

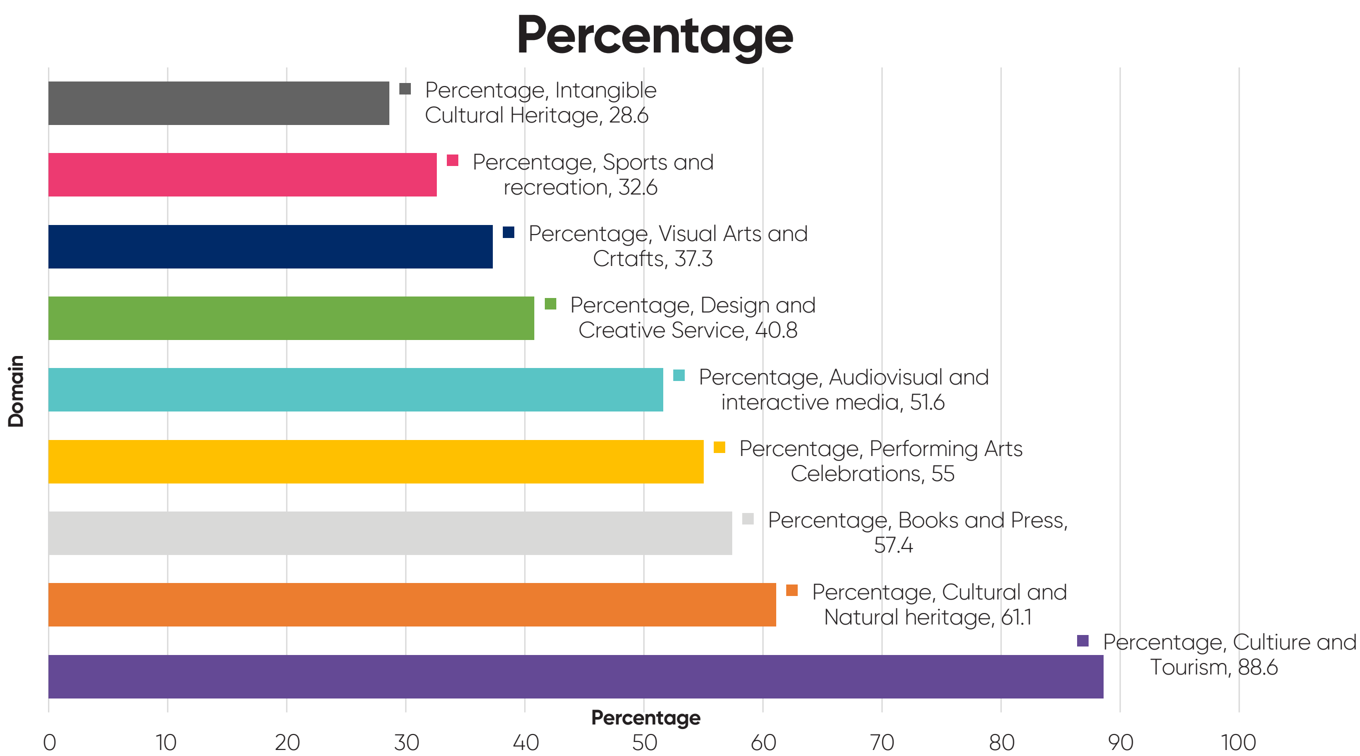

Figure 1: Percentage distribution by registration status across the domains of CCIs

Source: UBOS mapping report, 2014

As seen in the figure 1 above, Enterprises in the Culture and Tourism domain were more likely to be registered (89%) while enterprises in the Intangible Cultural Heritage domain were least likely to be registered indicating 29% registration status.

i) Size and Distribution of Individuals in domain by Gender

The Uganda National Labour Force and Child Activities Survey 2011/12 (UNLF &CAS 2011/12) collected information on all persons employed by type of employment. It is the only recent study available on the subject matter.

The Labour force Survey realized a total of 280,263 persons directly or indirectly engaged in cultural activities. Of these, 44.2 % were males while the rest 55.8% were females. Table 1 below shows the distribution of the population (artists/Cultural professionals) directly or indirectly engaged in cultural and creative industries by domain and gender.

Table 1: Distribution of Individuals engaged in cultural & creative industries

Domain	Gender		Total	Freq.
	Male	Female		
Cultural and Natural Heritage	33.8	66.2	100.0	64,882
Performing Arts and Celebration	100.0	0.0	100.0	1,056
Visual Arts and Craft	36.8	63.2	100.0	13,850
Audiovisual and Interactive media	87.6	12.4	100.0	7,068
Design and Creative Services	32.8	67.2	100.0	108,971
Books and Press	45.6	54.4	100.0	19,422
Cultural Tourism	48.9	51.1	100.0	30,088
Intangible Cultural Heritage	83.4	16.6	100.0	22,973
Sports and Recreation	92.8	7.2	100.0	11,953
Total	**44.2**	**55.8**	**100.0**	**280,263**

Source: UNLF & CAS 2011/12, UBOS 2014.

ii) Age Category of Artists and Cultural Professionals

Overall, as shown in table 2 below, more than half of the artists and cultural professionals (51%) are in the age group 31 years and above while only 42.3% are in the age group 18 – 30 years, according to the UNLF & CAS 2011/12 survey.

On the other hand, artists and cultural professionals in the age group 31 and above are dominant in the domains of Cultural and Natural Heritage and Intangible Cultural Heritage.

Table 2: Distribution of individuals in cultural and creative industries by Age

Domain	Age groups			Total	Freq.
	14-17	18-30	31+		
Cultural and Natural Heritage	14.9	18.2	66.9	100.0	64,882
Performing Arts and Celebration	0.0	100.0	0.0	100.0	1,056
Visual Arts and Craft	11.1	44.3	44.6	100.0	13,850
Audiovisual and Interactive media	0.0	95.9	4.1	100.0	7,068
Design and Creative Services	3.5	52.4	44.1	100.0	108,971
Books and Press	2.7	56.1	41.1	100.0	19,422
Cultural Tourism	4.8	53.0	42.2	100.0	30,088
Intangible Cultural Heritage	2.6	4.1	93.2	100.0	22,973
Sports and Recreation	2.7	64.4	32.9	100.0	11,953
Total	**6.4**	**42.3**	**51.4**	**100.0**	**280,263**

Source: UNLF & CAS 2011/12 UBOS/2014

Majority of youth aged 18-30 years are more concentrated in the performing arts, audio visual, design and creative services, sports and recreation and books and press. This data demonstrates that CCIs are more attractive to the youth.

1.5 CCIs domain profiles and economic Indicators

Table 3 below effectively summarizes domain-specific profiles, highlighting employment, demographics, formalization, and informal challenges key to economic contributions.

Table 4: Macro economic baseline data relevant to CCIs

CCI Domain	Est. Employment (as per UNLF CAS 2011/12)	% Female	% Aged 31+	Registration Rate	Key Revenue/ Tax Trait	Informal Challenges
Cultural/Natural Heritage	64,882	66%	67%	89% (tourism-linked)	Low; underfunded sites	Hidden rituals, tourism spillovers untapped
Performing Arts/ Celebrations	1,056	< 10%	0%	Moderate	Event-dependent	Gig economy, no contracts
Visual Arts/Crafts	13,850	63%	45%	Low	68% <$5k	Export informality, piracy
Audiovisual/Interactive Media (Film/Music)	7,068	12%	4%	48% avg.	High permanent jobs (70%)	Casual pay (42-46%), digital piracy
Design/Creative Services	108,971	67%	44%	Urban-focused	SME-driven	Self-taught (68%), finance gaps
Books/Press	19,422	54%	41%	Moderate	15% >$500k	Highest revenues but piracy-hit
Cultural Tourism	30,088	51%	42%	89%	Spillover booster	Informal guides/ events
Sports/Recreation/ Intangible Heritage	34,926 combined	Varies	93% (heritage)	29%	Low formal	Rituals/practices invisible

**These findings highlight CCIs' untapped potential, with informal dynamics demanding inclusive policies for sustained growth. UBOS 2014*

1.6 Macro Economic baseline data for Uganda

The Business Tendency Index (BTI) remains above the 50-mark threshold (recorded at 59.2% in late 2025), indicating sustained optimism in the private sector despite election-related uncertainties. Uganda's macroeconomic environment is characterized by stable growth and low inflation, with significant positive shifts expected later in the year due to the planned commencement of oil production. Real GDP growth for the 2025/26 financial year is projected at 6.6%, while the government forecasts a jump to 10.4% in FY 2026/27. Below the table 4 present macroeconomic data for Uganda relevant to CCIs;

Table 4: Macro economic baseline data relevant to CCIs

Indicator Parameter	Baseline data a	Year
Uganda GDP size	$66bn	2025
Real GDP growth rate	7%	2025
Total Labour force size	22.8 million	2024
Informal sector workforce	78%	2024
Uganda's unemployment rate	2.9% - 3.0%	2024
Youth Unemployment	4.46%	2024
Informal sector	29% to 51% of GDP	2024
GDP Impact of CCIs	3%	2023
GDP Value in UGX by CCIs	UGX 4.2 trillion ($1.17 bn)	2018/2019
Revenue Generation by CCIs	USD 1.6 billion	2024
Total Export Value for CCIs	USD 239 million	2019
Employment (Youth)	48.7% of all employment	2023
Percentage in Informal Employment	13%	2023
Enterprise Count for CCIs	12, 460 Enterprises	2014
Government Approved Support (2026/2027)	UGX 28 billion	2025

Source: MoGLSD 2018/19, UBOS 2024, MFPED 2024/2026

The above baseline data will provide a basis for scenario simulations. The baseline data is highly significant but methodologically challenging when applied to Creative and Cultural Industries (CCIs). This is because CCIs can be difficult to track through standard national accounting. Since Uganda's GDP is dominated by Services (-43%), CCIs are currently "hidden" within sub-sectors like Information & Communication, Arts, Entertainment & Recreation, and Trade. It is important to note that for the first time in many years, the Government has approved a UGX 28 billion budget support commitment as an expenditure plan for CCIs to be utilized in the new financial year 2026/2027. This is a budgetary allocation for the new financial year.

By using the 6.6% Real GDP Growth baseline, the study adopted a series of scenarios. For example, If the film and music sub-sectors grow at 12% (double the national rate) due to digital streaming penetration, how much does the Services share of GDP shift?. The utility of baseline data is that CCIs are labor-intensive and youth-centric. In a simulation, the study has used the 4.46% youth unemployment rate as target Variable. In scenario Simulation the Employment Multiplier will be adopted as for example for every one (1) direct job created in professional audio-visual production in Kampala, how many indirect jobs (makeup, catering, transport) are created? Baseline data allows one to test whether CCIs have potential to absorb the 880,000+ new annual job seekers more efficiently than the capital-intensive sectors.

Therefore, under the scenario option the economic contribution will be considered both as direct economic contribution (GDP share, monetary value and Revenue generation. Then contribution in terms of employment and youth impact, and also informal sector dynamics (invisible engine for economic growth, revenue potential of SMEs and formalization to widen tax base, regulation and access to finance).

1.6.1 Culture Valued Added Contribution to GDP at Constant Prices

The study reviewed trend data on the value-added contribution of culture and Creative industries in Uganda with the main focus on the segments classified as the Arts, Entertainment and Recreation. From the reports of the Ministry of Finance, Planning and Economic Development, over the last 5 years, the value-added contribution to GDP has been on average at 0.2% from the Arts, Entertainment and Recreation with potential for growth to higher fraction in nominal value with the support of the sector as shown below in table 5.

Table 5: Culture Valued Added-Contribution to GDP in Uganda

Financial Year	Value Added to GDP in Billion Shillings (UGX	% contribution to GDP
2017/2018	214	0.2%
2018/2019	249	0.2%
2019/2020	251	0.2%
2020/2021	229	0.2%
2021/2022	233	0.1%

Source: Background to the Budget for Uganda 2022/2023

There are often arguments that culture and creative sector value added to GDP is low and hence affecting choice of public sector investment to the culture sector. However, on the contrary the low level of value added of CCIs to GDP arises from low level of public investment and nominal value has rather been dynamic showing potential to increase. Inadequate systems to track and capture CCIs tax revenue, enterprises growth and business performance keep the CCIs an invisible engine for economic growth and development in Uganda. Recent studies (Selam 2024) show that an increase in public and private sector investment, formalization and alignment of the CCIs to the National Development Plan will ultimately increase the CCIs sector contribution to GDP through enhanced business revenue and contribution to GDP, employment and export performance.

1.7 Understanding Economic Contribution of CCIs.

In the context of Uganda's culture and creative sectors, "economic contribution" is defined as the quantifiable value added to the national economy through various metrics, encompassing job creation, revenue generation, export earnings, and overall contribution to the Gross Domestic Product (GDP).

The definition acknowledges that the sector involves knowledge-based economic activities that leverage human creativity and ideas, knowledge, and technology to produce tangible and intangible products with economic value and market objectives.

Measuring economic contribution of CCIs proxy data is critical for estimating the contribution of Culture and Creative Industries (CCIs) because direct instrumental records like comprehensive national tax or employment data specifically for creatives are often outdated or fragmented in many developing countries including Uganda. Estimating the contribution of the informal Culture and Creative Industries (CCIs) follows a conversion logic that distinguishes between what a business takes in (Revenue), what the owner keeps (Income) and what the business adds to the national economy (Value Added). Revenue pays attention to gross output from sale of goods and services, CCIs ticket sales, craft purchases and performance fees. Gross value-Added logic is revenue less or minus intermediate consumption (raw materials, rent for studio, rent for venues, transport costs and electricity) and hence Income often called mixed income in the informal sector is Value added less employee wages and taxes. It is a return on labour and the profits. Because the informal sector does not keep records or formal books there is usually a conversion logic applied.

1.7.1 Understanding Business Income

The study found out that Under the Uganda Income Tax Act, business income is the gross amount derived by a person or entity from carrying out a business. For a cultural entrepreneur (e.g., a musician or craft maker), this includes total sales from tickets, artwork, or merchandise, as well as any gifts or capital gains from disposing of business assets. And for purposes of this study, it is understood as a micro-level metric used primarily for taxation and individual financial performance.

1.7.2 Understanding Value Added (GVA)

This study understands Value added (or Gross Value Added) as the net output of the sector calculated as the total value of cultural goods and services produced minus the cost of "intermediate inputs" (like raw materials or electricity) used to create them. It represents the unique wealth created by the sector's labor and capital. In Uganda, the Culture and Creative Industries (CCIs) are estimated to determine the sector's percentage share of the National GDP. And it is also a micro level metric for taxation and financial performance. Below in table 6 is difference between business income and Valued added of CCIs

Table 6: Key difference between Business Income and Valued Added of CCIs

Features	Business Income	Value added contribution
Perspective	Individual/ company level	National Economy/Sector level
Calculation	Gross Receipts/ sales/gains	Total output-Intermediate inputs
Primary use	Tax Liability and business profits tracking	Measuring GDP share and economic growth

Source: URA, MoFPED websites

While the culture and tourism sectors in Uganda generated approximately USD $1.6 billion in revenue (gross income) for FY 2018/2019, the same figures were reported in the financial year 2023/2024, the "value added" component is a smaller.

1.8 CCIs and the National Development Plan for Uganda

This study indicates that the National Development Plan (NDP) for Uganda is the main overall framework that the Government uses in setting priorities for action at sectoral and industry level with the aim of achieving social and economic aspirations of Uganda. The NDP pays attention to sectors that will spur economic growth and transformation of Uganda in a period of 5 years.

Under the NDP, Strategy 2.10 pays attention to CCIs. In this section the NDP seeks to leverage the culture and creative economy for employment and domestic resource mobilization. Culture and the creative economy are considered as big contributors to employment and domestic resource mobilization. The aim of this NDP strategy is to harness the potential of the culture and creative economy in creating more jobs for Ugandans and contribute more to domestic revenues (GDP) for national development. The creative arts industry offers a diverse range of job opportunities including but not limited to; artists, musicians, writers, designers, actors, filmmakers, fashion designers and photographers. In terms of domestic resource mobilization, Uganda's rich cultural heritage can attract tourists interested in experiencing traditional music, dance, crafts, and other cultural expressions. This can lead to job creation in community tourism, including tour guides, event organizers, and hospitality services.

The NDP also mentions that the creative industry in Uganda faces several policy, legal, financial and regulatory challenges that impact its growth and development. There is limited access to funding and financial support for creative projects which constrain the growth and innovation within the industry.

The NDP key actions that will be undertaken to develop the culture and creative economy during the NDPIV are:

i. Fast-track the revision and enforcement of the Copyright Law;

ii. Build the capacity of practitioners in the culture and creative economy;

iii. Develop enabling infrastructure for the creative economy in Uganda;

iv. Provide common user facilities to the culture and creative economy;

v. Increase access to finance tailored to the culture and creative industry;

vi. Improve talent identification and skills development for the culture and creative industry

vii. Streamline leadership and institutional structures in the culture and creative industry.

Furthermore, under NDP Strategy 2.11, the plan focus is to promote Games and Sports . The aim of this strategy is to harness the potential of games and sports sub-sector to stimulate economic growth, create jobs, and generate revenue during the NDPIV implementation. The sports industry as part of the CCIs includes professional leagues, tournaments, and related businesses which can be a significant contributor to a country's economy in terms of GDP, employment and incomes. Hosting major sporting events and promoting tourism related to sports can stimulate economic growth, create jobs, and generate revenue. The NDP outlines that harnessing the potential of the games and sports subsector for job creation and domestic revenues under the NDP IV will require a comprehensive and coordinated approach that includes investment in sports infrastructure, youth development programs, coaching and training, and promotion of sports at all levels of Uganda's society including physical education. The strategy to promote games and sports during NDPIV include; i) Build and upgrade sports facilities and infrastructure; ii) Support the various respective sports Federations, and games; iii) Promote sports Academies and talent nurturing centers; and iv) Support Physical Education at all levels.

1.9 Study Methodology

The methodology for the study on the Economic Contribution of Cultural and Creative Industries (CCIs) to Uganda's GDP, Employment, and Informal Sector used a mixed-methods approach involving extensive desk review of secondary data and selected 25 key interviews from formal and informal sector practitioners across domains of film, music and crafts. Interviews were also conducted with selected agencies, MDA and Associations relevant to CCIs in Uganda.

The study did not use a questionnaire method because generating a sufficient sample would require more time and more resources. Instead, the study team adopted a sufficient alternative method using an Interview guide for all respondents which could also be administered online and on telephone which was cost effective and less time consuming but achieving the same objective. The approach strategically aligned with the study's core objectives: generating evidence-based insights on current and potential CCIs roles in economic growth, job creation, innovation, and inclusive development; informing advocacy and policy; valuing the informal CCIs sector; and positioning CCIs as vital for national development. By focusing on secondary data analysis and interviews with informal sector players during October, December 2025 and January 2026, the design provided directional baselines for subsequent primary and secondary data collection and analysis, ensuring represented voices in informal sectors are prioritized from inception. This phased, inclusive strategy drew from UNESCO-Aschberg participatory models and referenced with key development frameworks of the Government of Uganda which are the Vision 2040 and National Development Plan (NDP IV). This closely aligned with the objectives by synthesizing existing quantitative and qualitative data and projections for modeling and assisted to quantify the CCIs actual and potential contributions while identifying gaps for targeted Policy Action.

The adapted methodology sought to answer key research questions adapted from study goals such as: What is the current scale of CCIs contributions to GDP, employment, and informal economies (e.g., 3% GDP, 280,000+ jobs)? How do domain-specific performances (e.g., film versus music, audiovisual vs. heritage) vary in economic impact? what is the current and projected contribution of CCIs over a period of 5-10 years in Uganda? What policy and data gaps hinder recognition of informal activities? And, how can CCIs drive inclusive growth amid Uganda's youth unemployment problem where the youth are the majority of the Labour force ?.

These questions guided data extraction, analysis and economic simulation, framing secondary sources as proxies for preliminary answers, with primary phases refining them through stakeholder validations. Key indicators of economic contribution, per the study approach, include GDP shares currently at (e.g., UGX 4.2 trillion total income), employment metrics (direct/indirect jobs by domain/gender/age currently estimated as 400,000 jobs from CCIs), enterprise formalization rates (48% registered), revenue distributions (59% under USD 5,000 annually), tax revenues (UGX 11.3 billion yearly), and informal multipliers (e.g., 70%+ youth jobs). These were operationalized via standardized extraction templates, benchmarked against global standards (UNCTAD 3.1% GDP, 6.2% employment), enabling cross-objective linkages like informal revenue hidden in GDP estimates. The study also reflected on the current commitment of the Government of UGX 28 billion to spur the CCIs growth. To cater for the informal sector central to CCIs dominance (52% unregistered enterprises, 70%+ jobs) – the methodology emphasized informal sector analysis through mappings (UBOS 2014, UBOS recent data of 2023/2024, UNLF CAS 2011/12) and qualitative syntheses from consultations (e.g., Aschberg regional workshops of 2024 and NDP reports of 2024. Aspects analyzed include hidden economic activity (e.g., unregistered crafts/events), precarious incomes (casual labor 42-46% in film/music), access barriers (finance/social security), and demographic profiles (55.8% female in informal roles). Purposive triangulation of secondary qualitative insights (e.g., IP gaps) with quantitative proxies (low registration by domain: 29% intangible heritage) highlights underrepresented voices, setting up inclusive engagement interviews with informal grounds or un registered individual artist and micro enterprises to contribute their views.

Data triangulation enhanced validity: quantitative stats (employment from UBOS 2023/2024/UNLF CAS) cross-verified with qualitative narratives (Aschberg interviews, French Embassy surveys) and selected primary interviews conducted with stakeholders, government sources (MGLSD/UBOS 2024) balanced against international (UNESCO) and private (FSPI) data; domain overlaps (e.g., audiovisual jobs in film/music reports) converged for robustness. This multi-source validation mitigated biases, aligning with objectives for credible advocacy evide.nce. The strength of this adopted methodology was its cost-efficiency for rapid baselines, inclusivity via prior participatory data (103+ Aschberg respondents), and scalability to primary phases (e.g. stakeholder lists for interviews). The methodology leveraged authoritative sources for directional insights, fostering triangulation and gap-mapping. Weaknesses however encompass data obsolescence (pre-2023/2025 updates needed post-COVID), urban/regional biases (70% central enterprises of 2014 is a bit old data), small primary samples in embedded studies (limiting generalizability), and aggregation challenges from inconsistent metrics (e.g., varying GDP definitions and value). Despite these shortfalls, the approach robustly has helped to distill the actual and potential future of CCIs in expanding GDP, creating more employment and spurring the informal sector into a beneficial sector of the economy. This approach has been largely comprehensive and evidence-driven.

1.9.1 Use of Comparative Indicators in the study

Comparative Indicators for Uganda in the financial year 2025/2026 were utilized in the study together with the latest comparative indicators for the sector from UBOS for 2026 as summarized below in table 6;

Table 6 : Comparative Indicators (2026)

Indicator	Current status/ estimates	2026 Scenario drivers
GDP Share	3% ($ 1.6bn revenue)	Centre of 10 -Fold growth strategy of Uganda
Budget	UGX 66 billion	Targeting 1% of the National budget by 2030
Employment	8.2% of total Jobs	Expansion into AR/VR and AI-driven content
Informality	13% of informal Jobs	Implementation of Copy Rights and Neighbouring Rights Act

1.9.2 Use of proxy indicators

In Uganda proxy data is critical for estimating the contribution of Culture and Creative Industries (CCIs) because direct instrumental records like comprehensive national tax or employment data specifically for creatives are often outdated or fragmented. To determine economic and social contribution, previous researches have relied on using the following indirect measures which have assisted this study:

- **Employment and Demographics:** This is because formal employment data is scarce, most researches including this study are using demographics as a proxy for potential and actual workforce. For example;
  - i. An estimated 8.2% of total employment in African nations, including Uganda, comes from CCIs, which is higher than the global average.
  - ii. Demographic proxies show that approximately 75% of Uganda's population is under 35, a primary driver for the digital and creative workforce.
- **Digital Platform Usage:** As CCIs adapt to the digital age, this study recognized that data from online platforms will serve as a proxy for market reach and growth and this has also been applied to this study.
- **Sector Spending and Budgeting:** Uganda Government Allocations for in FY 2024/25, the sector received UGX 9.069 billion, which is only 0.016% of the relevant ministry's budget. This low figure is often contrasted with the sector's estimated 3% GDP contribution to advocate for better funding.
- **Trade and Value-Added Services:** Proxies like investment in intellectual property (e.g., software, artistic originals) are used to estimate the "intangible contribution" to the wider economy, often estimated at roughly 2.4% of value-added in related manufacturing.

Further, studies in Uganda utilizes international frameworks to organize and validate these proxies such as;

1. **UNESCO Culture for Development Indicators (CDIS):** This toolkit uses existing data in a thematic way to create a "Culture DNA" for countries with limited statistics. It covers dimensions like Economy, Education, and Communication.
2. **Mapping Studies:** Recent corroborative studies (2023–2024) by the British Council and the Ministry of Gender, Labour, and Social Development use desktop research and qualitative interviews as proxies for hard economic data to inform policy.
3. **Cross-Sectoral Links:** Measuring culture's impact on Tourism acts as a proxy for the creative industry's indirect economic value, estimated to generate approximately USD $1.6 billion in FY 2018/2019 when combined.

However, the study also reveals that there are limitations to this data. For example,

- **Data Recency:** Much of the existing foundational mapping data in Uganda dates back to a 2014 study, making current proxies essential but potentially less precise than direct 2026 data would be.
- **Informality:** A high percentage of creatives are self-employed (38.5%) or work in informal SMEs, which makes traditional economic proxies like "registered business revenue" unreliable.

1.9.3 Use of informal sector data and associated limitations

The study made use of informal sector data to make a national level estimation of the contribution of CCIs. The logic of weight arose from acknowledging that the informal sector is a backbone of Uganda's economy and informal sector accounts for over 50% of Uganda's GDP and the vast majority of non-farm employment opportunities. CCIs is a very dynamic sector of the Ugandan economy and 13% of informal jobs stem from CCIs. Further, the sector is driven by 48.7% of the demographic population dynamics (who are persons aged 14- 30 years) and women account for 55.8% highlighting the crucial role of CCIs in providing livelihoods for the vulnerable population. However constraints mainly associated with CCIs data fragmentation across many agencies, many invisible actors with no formal contracts or registration make it difficult to track. Under reporting of business performance and digital blind spots making it difficult to get accurate economic metrics. In addition, outdated laws make it rather challenging for policy decision making.

2. FINDINGS OF THE STUDY AND DISCUSSION

2.1 Global Contribution, Size and perspective of CCIs

According to UNESCO report 2025 and UNDP 2023 the global cultural and creative industries (CCIs) are recognized as a core engine for sustainable economic growth, diversifying beyond "art" to include essential sectors like digital content creation, gaming, and software services. UNESCO Global Report 2025 revealed that CCIs currently contribute 3.39% to global GDP and account for nearly 3.35% of worldwide employment (29.5 million persons), with projections suggesting the sector could reach 10% of global GDP by 2030.

In terms of GDP and Revenue, the global creative economy (UNDP 2025) is valued at approximately $2.25 trillion. Investment in these industries has a high multiplier effect with every $1 invested generating roughly $2.50 in overall economic output. Exports of creative services surged by 29% to $1.4 trillion in recent years, now representing 19% of all global service exports up from 12% a decade ago (UNESCO 2025).

UNESCO (2025) further estimated that the in terms of workforce, the sector employs roughly 50 million people worldwide. Further UNESCO report revealed that CCIs employ more people aged 15–29 than any other sector. Women account for nearly half (48.1% to 49.3%) of the creative workforce. Informal Sector: In emerging markets, the artisan economy is a major driver of informal jobs for an estimated 300 million people, with a projected global valuation nearly reaching $1 trillion.

The review of various reports indicated that International organizations like UNCTAD and the OECD are urging governments to treat CCIs as a core pillar of national economic strategy rather than peripheral planning. The African Union has urged African Governments including Uganda to allocate at least 1% of the total budget expenditure to Culture and Creative Industries so as to enhance the role of the CCIs towards social and economic development in terms of increase national income (GDP), revenues of business and individuals, creative opportunities for employment and poverty reduction.

The study also indicates that concerted efforts by governments, the UN, and NGOs to recognize the creative sector as a key contributor to economic growth started in the 1980s. In 2019, the UN declared that 2021 would be the International Year of Creative Economy for Sustainable Development.

The declaration recognized the role of the creative economy in "creating full and productive employment and decent work, supporting entrepreneurship, creativity and innovation, encouraging the formalization and growth of micro-, small- and medium-sized enterprises, stimulating innovation, empowering people, promoting social inclusion, and reducing poverty. Globally, CCIs provide 6.2% of all employment, generating nearly 50 million jobs worldwide and employing more young people (ages 15–29) than other sectors. A UNDP report (2025) revealed that Africa's creative economy is now the fifth largest globally. As of late 2023, the continent accounted for 2.9% of global creative exports.

The study confirms that the emergence of AI has shifted content creation and trade in local and global markets for CCIs. AI-generated content has now flooded the market for CCIs and consumers in 2026 are increasingly favoring human-made authenticity (UNDP 2026). Brands are shifting away from overly polished content toward imperfections that signal a human touch. Addressing the power imbalance between transnational digital platforms and independent creators remains a top policy priority in 2026 for all economies seeking to penetrate the market for CCIs goods and services.

2.2 Size and Contribution of CCIs in Uganda

Secondary data analysis has revealed that Uganda's CCIs is a resilient economic force, contributing approximately 3% to GDP (UGX 3.18 trillion or USD 850 million in total business income from 2017-2020 estimates). The sector employs between 280,263 and 400,000 individuals directly and indirectly, with over 70% of jobs in the informal sector (UBOS 2024).

The informal CCIs sector is characterized by 52% unregistered enterprises, low revenues (59% under USD 5,000 annually), and youth/women dominance.

55.8% are female and 51% are aged 31+ but, many youths aged between 18 to 30 dominate the sector and drive socio-economic development through inclusive job creation for unskilled labor, poverty alleviation in urban slums (e.g., Wakaliga's film hubs), and community cohesion via cultural events like festivals (UBOS 2014).

The study indicates that informality in CCIs persists due to low entry barriers (minimal capital for crafts/music), regulatory hurdles (complex URSB registration, IP enforcement gaps), limited formal finance access, and cultural norms favoring flexible, gig-based work amid 13%+ youth unemployment.

The review of studies (UBOS 2014) also reveal that defining traits include urban concentration (70% central region), casual labor prevalence (42-46% in film/music), self-taught skills (68% in audiovisual), and digital adaptability (YouTube/TikTok revenues bypassing formal channels).

Further the challenges in informal CCIs encompass precarious incomes, vulnerability to shocks (8.7% declined post-COVID), piracy eroding earnings (books/press), inadequate social security (low NSSF access), and policy invisibility (0.003% budget allocation), stifling scaling (Aschberg 2023, Selam 2024 et al). Furthermore, opportunities lie in digital exports (Wakaliwood's global views), tourism linkages (film locations boosting visits), and youth innovation (Nollywood-inspired "Kina-Uganda" films), potentially doubling contributions via formalization.

The study also reveals that Informal-formal interactions are symbiotic: informal artists supply content to formal media houses (e.g., TV/radio gigs), crafts feed export chains, and events regenerate urban spaces, yet tensions arise from unfair contracts and royalty non-payment. The reviews further established that Government efforts to enhance CCIs include NDP IV's household CCI promotion strategies, UCC's 70% local content quotas policy (under-enforced at 40%), and Aschberg consultations for artist protections, but implementation lags.

The studies conclude that incentives and formalization could involve simplified URSB registration for micro-CCIs, tax holidays (extending presumptive schemes) for creative startups, CCI-specific credit guarantees, and digital IP tools among others.

Beyond employment, the study revealed that CCIs bolster GDP via tax revenues (estimated at UGX 11.3 billion annually from 12,472 enterprises, scaling to UGX 56.6 billion over five years specifically aligned to implementation of the NDP) and multipliers.; cultural tourism (30,088 jobs) enhances hospitality (51% female), audiovisual media drives tech/advertising and crafts support manufacturing exports. The study indicates that CCIs sustain local communities through heritage preservation (intangible rituals fostering identity), urban regeneration (events like Nyege and Bayimba festival), and SDG-aligned innovation (skills for 400,000+ youth).

Data analysis employed thematic synthesis (qualitative coding of policy gaps), quantitative tabulation (excel matrices for domain disaggregation), benchmarking (vs. global 3.1% GDP), and triangulation (UBOS stats cross-verified with Aschberg/French reports), yielding robust insights like informal revenue proxies from low formal taxes. Domain performances underscore variability, with formal strengths in tourism (89% registered) contrasting informal dominance elsewhere.

According to interviews conducted with MoFPED and the Ministry of Gender, Labour and Social Development, Uganda government recognizes CCIs as a sector with the potential to create employment and income generating opportunities for Ugandans, especially young people. The Government officials revealed that the most recent comprehensive study on CCIs was done in 2014 as mapping study of the sector and UNESCO supported another status survey in 2023 under the Aschberg programme for the implementation of the UNESCO 2005 convention and the Uganda government which shows that the number of people employed in the creative industries grew from 250,000 to 386,000 between 2009 and 2013. A breakdown of the data in the report shows that the majority (55.8%) were women, and 48.7% were between 14 and 30 years of age. The report also mentions that 280,263 persons were directly or indirectly engaged in cultural activities in 2012. One can confidently assume that the numbers have since increased.

According to regulations issued by the Uganda Communications Commission (UCC), the statutory body that regulates all communication in the country, 70% of content aired on TV and radio stations should be local, that is, content produced by Ugandans or within Uganda. However, many media stations are reported to have failed to meet this standard, which affects the earnings of local content producers. One media practitioner informed that study that there have been some improvements and that there has been an increase in the amount of local content shown on local television stations from 25% in 2012 to 58% in 2022.

However, UCC admits that the cost of airing local content is rather high for local media establishments: the cost of airing local series ranges from 20 to 25 million shillings, while foreign series can be secured for as little as 3 million UGX. The study established that a decent source of revenue for musicians in Uganda is the telecom companies that use their songs as Caller Ring Back Tones (CRBTs). However, aggregators and actors in the chain have been reported to keep a bulk of the profits from CRBTs, as stated in an article by Charles Batambuze, the vice chairperson of the National Cultural Forum (NCF). His article illustrates how this comes about: each CRBT costs UGX 700, of which the government takes 50% (UGX 350). The telecom companies take 35% (UGX 245), and the aggregator takes 13.2% (UGX 92.4), leaving the musician with 1.8% (UGX 12.6) before tax. Batambuze, who banks on cumulative data collected by NCF, indicated that, as of 2019, telecoms collected US$21 million (UGX 78 billion) from CRBTs. NCF is advocating for a change that will see artists get at least 60% of the money.

Additionally, the Uganda Performing Rights Society (UPRS), which collects royalties on behalf of musicians, has been registering low collections from its 300 licensed music users. The study established that in 2019, UPRS collected US$191,770 (UGX 710 million) from licensed music users. That figure decreased to US$66,714 (UGX 247 million) in 2022 from 239 clients. Moreover, UPRS indicated that it lacks a distribution system to equitably reward beneficiaries. Society is exploring the possibility of securing music log sheets and playlists from licensed clients. Further UPRS's main focus since 2023 was on increasing the number of paying clients with a projected revenue of US$378,138 (UGX 1.4 billion).

For content creators, the study established that YouTube and social media channels enabled them to monetize their work with limited restrictions and regulations. Available evidence indicated that Eddy Kenzo, a popular Ugandan musician is currently the highest paid Ugandan musician on YouTube, earning US$38,894 (UGX 144 million) per month, followed by a group of young dancers called Masaka Kids Africana at US$19,987 (UGX 74 million) and comedian Anne Kansiime at US$7,292 (UGX 27 million) per month. However, the study established that for one to join the YouTube Partner Programme that allows content creators to earn from their videos, they are required to have at least 1,000 subscribers and more than 4,000 valid public watch hours in the last 12 months. Some young Ugandan creatives in the digital space reportedly complain that clients do not value their work, leading to lower earnings. According to recent research by Policy Uganda, respondents shared that there appears to be little valuing of the creative process by clients of digital creative products. In addition, female creatives complained of discrimination by advertising agencies. The study found out that the 2025 Human Development Report (HDR) for Uganda has paid attention to see how Artificial Intelligence (AI) can be harnessed to augment jobs in the creative sector rather than replace them, emphasizing the need for digital literacy.

2.3 Contribution to incomes, employment and socio-economic development

2.3.1 Contribution in Uplifting household standards of living:

The study has established that CCIs in Uganda have contributed about 3% of Uganda's GDP (approx. UGX 4.2 trillion), matching the economic weight of the mining sector (MoFPED 2024). The study further revealed that CCIs have dominated the urban economy as the main alternative livelihoods for especially youth who have freshly graduated from school have not secured any other jobs in either manufacturing, agro processing, transport, mechanize trading or public services in Government departments and agencies. A number in CCIs who were interviewed revealed that many of them prefer CCIs segments to other industries because of limited entry restrictions, easy networks and no significant capital required. The Youth further reveal that Government Jobs are very limited in the public service sector and the best option is activities like acting, film making, singing and drama, comedy among others. For rural and peri-urban communities and women, many of whom face vulnerabilities, disabilities or social oppression, sectors like handicraft and jewellery making provide sustainable income for food, medical care, and education for their family as reported by respondents from Uganda Crafts Village at National Theatre.

The study further reveals that optimal use of traditional knowledge and skills (traditional medicine and other practices, performing and visual arts) offers means of earning a living, reducing health-related and other expenditure, and promoting local culture at household level in many urban settlements in Kampala City, Mbale and Guli City where respondents were interviewed. For instance, one respondent in Kampala revealed that traditional leaders are influential and are in a position to discourage negative cultural practices and to promote positive values to enhance community participation, harmony and prosperity. Enhanced knowledge about a people's origin and way of life, will inculcate a sense of pride and motivation to preserve positive aspects of one's culture and in turn trigger a desire to improve living standards and to contribute to development initiatives. Initiatives such as the GROW Project (supported by the World Bank) focus specifically on skilling women in the creative arts to enhance their productivity and household saving capacity.

2.3.2 Contribution to gainful employment.

The reports reviewed from the Ministry of Gender, Labour and Social Development and online data revealed that for the last 3 years and currently, Uganda's Creative and Cultural Industries (CCIs) have emerged as a critical engine for gainful employment, particularly for the youth. One respondent from the private sector revealed that the sector is recognized for its high "absorptive capacity," meaning that it can hire young people rapidly with lower capital requirements than traditional industries.

UBOS 2025 estimates indicates that the total employment contribution from CCIs is estimated at over 400,000 people, representing roughly 1.3% of the total labor force in Uganda. And that Approximately 48.7% to 67% of the creative workforce consists of young people aged 14–30, making it the primary sector for youth job absorption. The Uganda Bureau of Statistics (UBOS 2025) estimates that 13% of all informal employment in the country is generated by the creative sector. UBOS further estimated that the sector is characterized by high levels of entrepreneurship. With roughly 38.5% of creative practitioners as self-employed or freelancers while 29.5% are in formal employment.

The study established that much of this burgeoning employment is coming from platforms like TikTok, YouTube, and Instagram which have turned digital content creation into a "lifeline" for urban youth, with social media advertising revenue in Uganda projected to grow significantly through 2026 and beyond. The study also established that Women make up a substantial portion of the creative workforce approximately 55.8% particularly in the crafts, fashion, and visual arts sub-sectors (UBOS 2025). One artist in the comedy and TikTok influencer reported that Uganda's digital creators are rewriting the country's employment map. That TikTok has become a true market place not for pass-time from their mobile phones. He noted that,

> *''Young people in Masaka, Kampala, Mbale, Gulu and elsewhere are building businesses and wealth from their phones''.*

This implies that personal phones of young people have become studios, shops, innovation gadgets and export market channels earning them incomes. Dancers, comedians, stylists, musicians, beauty artists, commentators, storytellers, influencers, fashionists are earning income from brand deals, digital gifts, sales, events, advertising, promotions and event bookings even if much of this digital economy remain un documented, uncaptured in official national statistics in Uganda and elsewhere.

Further the study reveals that the development of tangible and intangible heritage offers employment opportunities for both skilled and less skilled members of a community with a notable example of the Kasubi Tombs, a UNESCO heritage site and burial ground for Buganda Kingdom loyals. The development of cultural arts, crafts, the entertainment industry near heritage sites and National Parks (especially for ethnic minorities) as found in places like Fort portal and in Bwindi impenetrable National Park and other tourism related opportunities is another great example. The study revealed that CCIs indirectly trigger employment in the economy through production and marketing of quality cultural products nationally and internationally. The study further established that given Uganda's attractiveness as a tourist destination, there are many opportunities for employment in the form of tour guides, transporters, hospitality workers, and resort owners. The development of tangible heritage attracts private sector investment and helpful amenities around heritage sites which in turn enhance gainful employment.

2.4 Contribution of Covid 19 to the Dynamic changes in CCIs.

The study further investigated the impact and dynamic changes brought by Covid 19 to the spectrum of CCIs in terms of business structure, employment structure, production and distribution of services and goods in CCIs including the level and sources of earnings from CCIs.

According to many respondents both at government level and private operators and practitioners, many creatives in Uganda were severely affected by the government closure of entertainment and hospitality businesses in an effort to contain the COVID19 pandemic. The early survey of 2020 on the impact of the pandemic on Ugandan practitioners in music production, film production, live events and performances, e-sports, visual arts, fashion, libraries, and museums found that many artists registered lower incomes or no incomes at all because of the pandemic.

The study reviewed the first Africa-wide survey of the economic impact of COVID-19 on CCIs which estimated that Ugandans in the sector lost US$134,360 (UGX 475 million) in revenue in the second quarter of 2020. Further the study also found that nearly 700 artists were affected after more than 3,000 events were cancelled. And the most affected subsectors were the performing arts (i.e., live music, dance, theatre, and events). A report published by one private company in the CCIs named KQ Hub Africa painted a clear picture of the impact of the pandemic on the visual and performing arts in Uganda: The report noted that Scheduled weekly comedy shows, the only source of income by established and upcoming comedians, were cancelled. Popular poetry night performances were stopped and Art galleries closed. Artists meant to travel and attend international exhibitions, art residencies, exchanges, fairs, biennales, and auctions found themselves with no options but to stay home due to travel restrictions. The study documented that a majority (80%) of the artists and artist organization respondents relied on these events for a large proportion of their income, adding that most artists, managers, booking agents, DJs, sound engineers, and bar staff had little or no savings to survive on.

On the other hand, studies reviewed and evidence from interviews indicated that the pandemic introduced some innovations within the sector that have produced substantial gains to the CCIs sector and some of these innovations have remained mainstream channels for promotion, marketing, trading and selling CCIs goods and services. Interviews with some artists revealed that online shows and promotions have remained active. Some actors who created YouTube channels and produced short comedy skits during the days of the pandemic lockdown still use these to earn income as part of the wider digital market place and are able to reach both local and international markets. Although this study has not established if this approach has generated much revenue for the CCIs operators and practitioners, it is evident that these channels and platforms online have brought other substantial benefits like staying connected and visible to their fans and possibly gaining new fans, both nationally and internationally.

One report of the impact of Covid 19, it is indicated that one Musician, Spice Diana, who put on shows online said that while this couldn't match ticket sales for live performances, she began to see the value of the "likes and follows" during the pandemic and added that companies had reached out to her because of her growing following online. Another musician also said that online shows helped artists like him to access airplay unlike the physical or television shows where airplay is given to already-established musicians.

The study therefore concludes that CCIs have had substantial dynamic gains from the Covid 19 pandemics and these have transformed the business structure, segments, channels and platforms from which CCIs practitioners generate meaningful income, and export their services and products locally and internationally.

3. ECONOMETRIC MODELING OF THE CONTRIBUTION OF CCIs

Under this section, the study attempts to present a conceptual outline and simulation of the contribution of the Culture & Creative Industries (CCIs) to Uganda's GDP, employment and informal sector dynamics. To study begins with a simple general equilibrium-style model along with available data, caveats and suggestions for future studies. This simulation does not present a fully quantified Computable General Equilibrium (CGE) model because it would require detailed sectoral data that is lacking in the CCIs sector in Uganda. However, it is a hybrid back-of-the-envelope model drawing on available information that the study has been able to come across during the review and fieldwork. The CGE is used to assist to analyze how all parts of the economy interact simultaneously rather than looking at one market in isolation. The CGE look at wider economy consistency, policy effects across sectors and policy evaluation, micro effects to macro linkage such as houses and firms to whole GDP, employment and prices

In subsequent sections the study also presents Scenario specific simulations to help us isolate specific factors and how they affect outcomes. Further Scenario simulation helps to forecast trends, behaviors and impacts such as policy effects. It also helps in improving decision making by Policy makers.

In Uganda the role of Culture and Creative industries in explained through GDP share and employment contribution even when labour productivity is uncalculated because it serves vital proxies for the sector's scale and social impact.

Uganda is transitioning directly from agriculture to services (including CCIs). In this perspective of a service-led growth mechanism, the sheer volume of people moving into creative roles is a more immediate indicator of economic shift than the output per individual worker. CCIs are identified as a high-multiplier sector for Uganda meaning that every dollar invested creates more jobs compared to other industries. Measuring employment share highlights the CCIs unique capacity to absorb Uganda's rapidly growing and young labour force (CCIs have high absorptive capacity). CCIs are estimated to contribute approximately UGX 4.2 trillion an equivalent of 3% of GDP demonstrating the sector's revenue potential to policy makers in Uganda. And this is regardless of whether this output is produced efficiently or not (Labour productivity). Labour productivity cannot be precisely calculated due to data gaps of the informal economy occasioning the majority of CCIs (gigs , freelancers and un-registered). Statistical unreliability remains a challenge on labour productivity.

3.1 Baseline Data & Assumptions for the model

3.1.1 Key facts & estimates

i. Available data show that the CCIs are estimated to contribute about 3% of Uganda's GDP according to the reports of the Ministry of Gender, Labour and Social Development including data available at the Uganda Bureau of Statistics (2024).

ii. For the Financial Year (FY) 2022/2023, the Arts, Entertainment and Recreation services sector which is a proxy for part of the CCIs sector rose from 2.2% of GDP in FY 2021/22 to 4.1% in FY 2022/23 (According to MoFPED, 2024)

iii. Employment: The most recent evidence by UBOS indicates that an estimated 250,000 people are employed in the culture sector. The other study by UNATCOM indicated that direct employment in CCIs was around 386,000 people and although UBOS estimated 400,000

iv. Many CCIs enterprises are informal, small (80% with 1-5 persons) according to the UBOS survey of 2014.

v. Uganda's GDP (nominal) for FY 2022/23 was about UGX 184,895 billion (MoFPED, 2024).

Assumptions for Modelling under the General Equilibrium Model

- Let's define:
  - Y = Total GDP of Uganda
  - Y_{CCI} = Value added (GDP contribution) of CCIs
  - L = Employment in the economy
  - L_{CCI} = Employment in CCIs
- **Baseline**:
  - Y = UGX 184,895 billion (≈ 100%)
  - $Y_{CCI} \approx 3\% \times Y =$ ~ UGX 5,547 billion
    - Note: depending on which estimate you use (3% vs 4.1%) this could be somewhat higher (at 4.1%: ~ UGX 7,579 billion)
  - Suppose $L_{CCI} \approx$ 300,000 to 400,000 (midpoint ~350,000) workers (formal + informal)
- Productivity (value added per worker) in CCI: $p_{CCI} = \frac{Y_{CCI}}{L_{CCI}}$
  With $Y_{CCI} \approx$ 5,547 billion and L_{CCI} = 350,000,
  $p_{CCI}\approx\frac{5,547\,\text{billion}}{350,000}\approx \text{UGX 15.85 million per worker annually}$

3.2 Simple equilibrium-style simulation: growth scenario

Objective

To Model what happens if the CCIs sector grows e.g., through policy support, innovation, export growth and estimate how much employment and GDP contribution could rise in Uganda as a result.

Scenario assumptions

1. Suppose over a 5-year horizon, the CCIs sector grows at 10% p.a. in value added (reflecting digital expansion, export growth, creative exports)
2. Suppose that employment grows more slowly (given productivity improvements)- perhaps 5% p.a.
3. Meanwhile, the overall economy of Uganda grows at say 6% p.a. (a plausible macro-growth rate for simulation)
4. The model assumes the rest of the economy outside CCIs grows at baseline 6% p.a.
5. Productivity in CCIs improves over time because of technology/exports: So value added grows faster than employment.

Table 7: Simulation table (5-year horizon)

Year	GDP (overall, Y)	CCI VA (Y_{CCI})	CCI Employment (L_{CCI})	Share of GDP (Y_{CCI}/Y)	Productivity CCI (UGX million/worker)
Base (Year 0)	184,895 billion	5,547¨billion	350,000	3.0%	15.85
Year 1	195,988	6,102 (Ã–1.10)	367,500 (Ã–1.05)	3.11%	16.62
Year 2	207,748	6,712	385,875	3.23%	17.40
Year 3	220,392	7,383	405,169	3.35%	18.21
Year 4	233,615	8,121	425,427	3.48%	19.10
Year 5	247,613	8,933	446,698	3.61%	20.01

All figures in UGX billion for GDP and CCI VA; employment in "workers".

Interpretation

- After 5 years, the CCIs sector's share of GDP rises from 3.0% to 3.61% (assuming 10% growth).
- Employment in CCIs rises from ~350k to 446k (≈ +96k jobs).
- Productivity (value added per worker) increases from ~15.85 m UGX to ~20.01 m UGX (≈ +26%).
- The rest of the economy still grows, but slowly the CCIs become a larger chunk.

Extended Model: Multiplier and Spill-overs

In a full general equilibrium frame-work we consider also :

i. Backward/forward linkages: CCIs support tourism, manufacturing (fashion/design), services (events), technology (digital content). Growth in CCIs could stimulate other sectors.

ii. Employment multipliers: e.g., an additional creator or cultural enterprise triggers jobs in logistics, hospitality, merchandising.

iii. Export impact: CCIs export growth brings foreign exchange, improving trade balance and investment.

iv. Technology/innovation spill-overs: Digital platforms used by creatives might foster broader ICT capability.

- Labour market dynamics: Youth employment, informal-formal transitions, skill development.
- Constraints: infrastructure, copyright regime, market access – all affect scaling.

Rough Multiplier Adjustment

Assuming that for each direct job in CCIs there's 0.5 additional indirect/induced jobs (in supply chain, hospitality, events), then:

- At year 5, with 446,698 direct jobs, indirect = ~ 223,000 jobs → Total employment impact ≈ 669,698.
- That adds ~319,698 extra jobs vs baseline.

Likewise, if the CCIs growth stimulates additional GDP in other sectors (say +2% of CCIs growth), the effective GDP contribution might be slightly higher than the direct line.

3.3 Policy Implications and Sensitivity

- Key Levers

1. Support for digital content platforms which implies higher growth than 10% p.a.
2. Export promotion of cultural goods/services due to stronger foreign demand.
3. Skills & training leading to higher productivity and faster employment growth.
4. Formalizations/institutional strengthening such as better measurement, investment, credit access.
5. Infrastructure (studios, performance venues, connectivity) which remove bottlenecks.

Sensitivity Variation

- If CCIs growth is 15% p.a. instead of 10%, the share of GDP might reach ~4.3% in 5 yrs.
- If employment growth is 8% instead of 5% the CCIs employment could reach ~517k (vs 447k).
- If productivity stagnates then employment needs rise further to reach the same output.
- If linkages are weaker than assumed the multiplier effect might only be 0.2 job per job, reducing overall jobs impact.

Caveats & data gaps

- Much of the data used are estimates, especially for the informal sector. E.g., employment figures vary widely.
- CCIs definitions vary across studies (some include media, heritage, tourism overlap).
- This model assumes constant linkages and no major structural shocks.
- Measurement: The attribution of spill-over effects is difficult without detailed input-output tables for UG.
- Formal CGE modelling would require a social accounting matrix (SAM) for Uganda with CCIs disaggregation which is lacking.

3.4 Summary and Conclusions

In summary:

1. The CCIs in Uganda currently contribute roughly 3% of GDP and employ a few hundred thousand people.
2. With moderate growth (10% p.a. VA and 5% p.a. employment) over 5 years, it's plausible to see CCIs share of GDP reach ~3.6%, direct employment increase by ~96 000 jobs, and with multipliers total employment impact approaching ~670 000 jobs.
3. With stronger policy support and linkages, the impact could be materially higher: larger GDP share and higher job creation.

3.5 Alternative Scenario Modeling and Simulation

3.5.1 CCIs Contribution to GDP, employment and informal sector dynamics

In 2026, scenario analysis of Uganda's Culture and Creative Industries (CCIs) highlights a sector at a critical juncture, characterized by rapid digital growth and significant informal employment. While CCIs contribute roughly 3% of Uganda's GDP, their impact is projected to fluctuate based on government investment and the success of "formal-lite" structures.

3.5.2 Baseline data on CCIs in Uganda

1. Baseline (Year 0 = 2024)

Macroeconomic Baseline

- Total GDP: USD 53.65 bn
- GDP growth (economy-wide): 6.1%
- Total employed labour: 9.4 million
- Youth share of employment (18–30): 44% → 4.14 million youth
- Formal + informal value added: 50% of GDP
- Informal employment share: ~85% (implicit)

Culture & Creative Industries (CCIs)

- CCI contribution: 3% of GDP
    - ≈ USD 1.61 bn (≈ UGX 4.2 trillion)
- CCIs growth rate: 7% per year
- CCIs enterprises: 12,460
- Government support: UGX 28 bn (seed / catalytic)

Comparator Sector (UBOS data 2024)

- ICT contribution: 9% of GDP
- ICT growth rate: 15% per year

2. Modelling Assumptions (Explicit & Transparent)

To avoid "black box" projections, the model uses simple, defensible rules:

GDP

- Economy grows at 6.1% annually (MoFPED 2025 data)
- No major macro shocks assumed.

CCIs Value Added

- Grows at scenario-specific rates (7%–12%)
- Share of GDP changes endogenously (changes are generated from within the system or model itself not driven by external factors)

Employment Elasticity

- CCIs employment elasticity = 0.8%
    - 1% CCIs GDP growth → 0.8% employment growth
      (Higher than economy average because CCIs are labour-intensive)

Youth Employment (UBOS 2024 data)

- 60% of new CCIs jobs go to youth aged 18-30 years
  (Reflects demographics + entry-level nature of CCIs)

Informality Dynamics

- Baseline: 80% of CCIs jobs informal (UBOS 2024)
- formalization improves gradually under higher-investment scenarios

3. Scenario Design

Scenario A –

Baseline Continuation

- CCIs growth: 7%
- Limited scale-up beyond UGX 28 billion (MoFPED 2026)
- Slow formalization

Scenario B –

Accelerated CCI Development

- CCIs growth: 10%
- Better linkage with ICT, exports, platforms
- Skills, IP enforcement, finance access

Scenario C –

Transformational / Digital-Creative Leap

- CCIs growth: 12%
- Strong digitization, regional exports, platform monetization
- ICT-CCIs convergence

3.6. Simulation Results

3.6.1 GDP Contribution (USD)- CCIs Contribution to GDP in 5- 10 years

Year	Baseline 7%	Accelerated 10%	Transformational 12%
2024	1.61 bn	1.61 bn	1.61 bn
2029 (5 yrs)	2.26 bn	2.59 bn	2.84 bn
2034 (10 yrs)	3.17 bn	4.18 bn	4.99 bn

CCIs are able to contribute USD 4.99bn in 10 years, an equivalent of UGX 17 trillion by the year 2034 as transformational impact. This is approximately 9.4% of the country's GDP.

Share of National GDP (10-year)

Scenario	CCIs Share of GDP
Baseline	4.1%
Accelerated	5.2%
Transformational	6.0-6.5%

CCIs begin to approach today's ICT weight under Scenario C causing more quantitative and qualitative leap and transformational share of the GDP.

3.6.2 Employment Impact

Estimated CCIs Employment (Index-based)

Assuming that CCIs currently employ 1.0 million people (formal + informal, direct & indirect) formally limited to only 400,000 (est 2024).

Year	Baseline	Accelerated	Transformational
2024	1.00 m	1.00 m	1.00 m
2029	1.32 m	1.47 m	1.60 m
2034	1.74 m	2.15 m	2.55 m

Youth Employment (60% of new jobs)

By 2034 (cumulative):

- Baseline: 440,000 youth jobs
- Accelerated: 690,000 youth jobs
- Transformational: 930,000 youth jobs

CCIs become one of the largest youth job absorbers outside agriculture at the end of 10 years horizon.

3.6.3 Informal Sector Dynamics

Informality Rate in CCIs

Scenario	2024	2034
Baseline	80%	75%
Accelerated	80%	65%
Transformational	80%	55-0%

Economy-wide Impact

- CCIs act as a formalization bridge
- Platform work, IP registration, cooperatives reduce vulnerability
- Tax base expands without job destruction

3.6.4. Enterprise Growth

Number of CCIs Enterprises

Year	Baseline	Accelerated	Transformational
2024	12,460	12,460	12,460
2034	18,000	24,000	30,000+

Growth driven by:

- Digital distribution
- Micro-enterprise scaling
- Export-oriented creative SMEs

3.6.5 Role of UGX 28 billion (Catalytic Effect)

UGX 28 billion does not move GDP alone — it:

- De-risks private investment in CCIs
- Unlocks finance (5–10× leverage)
- Funds IP, skills, export readiness for CCIs

In the model:

- Every UGX 1 → UGX 5–7 in private value added over 10 years
- Biggest payoff under Scenario B & C

3.7. Key Policy Conclusions

1. CCIs can double or triple their GDP contribution in 10 years
2. Youth employment impact is disproportionally high
3. Formalization improves without killing jobs
4. CCIs can become a second ICT-style growth engine

Uganda's demographics make CCIs a strategic necessity, not a luxury.

In order to further clarify, below we Integrate the scenario simulation for Culture and Creative Industries (CCIs) with Uganda Vision 2040 and National Development Plan IV (NDP IV, 2020/21–2024/25). The intention is to align CCIs step by step so that the projections and assumptions in the sector reflect national policy objectives (outlined in Vision 2040 and NDP IV).

3.8 Policy Alignment Context for Vision 2040 and NDP IV

3.8.1 Vision 2040 Goals Relevant to CCIs

- Under vision 2040, Uganda aims to become a modern, prosperous upper-middle-income country by 2040.
- Key pillars relevant to CCIs:
    1. Human Capital Development – youth skills, creativity, and entrepreneurship.
    2. Science, Technology & Innovation (STI) – digital adoption in creative sectors.
    3. Industrialization and Service Sector Growth – fostering value addition and formal jobs.
    4. Inclusive Economic Growth – especially in rural and youth-dominated sectors.

3.8.2 NDP IV Goals Relevant to CCIs

The objective of the NDP is to Accelerate industrialization and create decent jobs for the population.

Specific interventions for CCIs:

- Strengthen creative arts enterprises and SMEs.
- Promote cultural heritage and tourism as growth engines.
- Invest in ICT-creative convergence (digitalization, e-commerce for creative content).
- Expand formalization and tax compliance among small creative enterprises.
- Increase youth and women employment in CCIs.

3.8.3. Model Alignment

The baseline and scenarios to NDP IV / Vision 2040 objectives.

Model Element	Alignment with NDP IV / Vision 2040	Notes for Assumptions
CCIs GDP Contribution (Baseline 3%)	Supports industrialization + service sector growth	NDP IV emphasizes scaling SMEs; model assumes gradual GDP share growth (3 – 6% in 10 yrs)
CCI Growth Rate (7-12%)	Matches accelerate value addition & digital content export ambitions	7% baseline aligns with existing growth; 10-12% reflects NDP IV priority programs (skills + finance + ICT integration)
Employment Growth	Supports decent jobs, especially for youth	Vision 2040 stresses youth employment; model assumes 60% of new CCIs jobs go to youth
Informal Sector Dynamics	Formalization improves tax base, productivity, and social protection	NDP IV encourages formalization without stifling SMEs; model shows informal CCIs employment falling from 80%-55-65% under high-growth scenarios
Enterprise Growth (12,460- 30,000+)	Aligns with Vision 2040 SME development and industrialization strategy	Driven by financing, digital platforms, market access, creative hubs
Government Support (UGX 28B)	Aligns with NDP IV- enabling environment	Seed funding, incubators, IP registration, skills & digitalization; leveraged in model to stimulate private investment 57Ãx

3.9 Scenario-Based Simulation Aligned with Vision 2040 and NDP IV

3.9.1 GDP Contribution of CCIs

Year	Baseline (7%)	NDP IV Accelerated (10%)	Vision 2040 Transformational (12%)
2024	1.61 bn USD	1.61 bn USD	1.61 bn USD
2029	2.26 bn USD	2.59 bn USD	2.84 bn USD
2034	3.17 bn USD	4.18 bn USD	4.99 bn USD
GDP Share	4.1%	5.2%	6-6.5%

Interpretation: Under NDP IV alignment, CCIs' contribution rises steadily, supporting the plan's target of industrialization and value-added service sector growth. This means CCIs will contribute USD 2.59 bn (UGX 8.8 trillion) under the 5 years of NDPIV and in 10 years transformational CCIs will contribute USD 4.99bn UGX 17.2 trillion).

3.9.2. Employment & Youth Jobs

Interpretation: This supports Vision 2040 and NDP IV objectives to reduce youth unemployment and provide decent jobs in the creative economy.

Year	Baseline	NDP IV Accelerated	Vision 2040 Transformational
2024	1.0M	1.0M	1.0M
2029	1.32M	1.47M	1.60M
2034	1.74M	2.15M	2.55M
Youth Jobs (60% new jobs)	440K	690K	930K

3.9.3 Informal Sector Dynamics

Year	Baseline	NDP IV Accelerated	Vision 2040 Transformational
2024	80%	80%	80%
2034	75%	65%	55-60%

Interpretation: Aligned with NDP IV, which emphasizes formalization and capacity-building without reducing employment. Vision 2040 transformational scenario shows the creative sector becoming more formalized and productive.

3.9.4 Enterprise Growth

Year	Baseline	NDP Accelerated	Vision 2040 Transformational
2024	12,460	12,460	12,460
2034	18,000	24,000	30,000

Based on the table above, supporting SME expansion, digital entrepreneurship, and industrialization targets under Vision 2040. In summary, enterprises under CCI will more than double in 10 years to reach over 30,000 enterprises.

3.9.5 Policy Instruments & Investment Leverage

- UGX 28 Billion government seed funding is aligned with NDP IV's support for creative hubs, skills, IP, and financing.
- The model assumes 5–7× leverage in private investment, consistent with NDP IV's industrialization + private sector growth strategies.

3.9.6 Alignment Summary

Dimension	NDP IV / Vision 2040 Target	Model Alignment
GDP contribution	Growth of SMEs + creative economy contribution	3%- 6% over 10 yrs
Youth employment	Jobs for 60-70% of youth entering workforce	60% of CCIs jobs go to youth
Formalization	Reduce informal employment, increase compliance	80% - 55-65% informal over 10 yrs
Enterprise expansion	Promote SME-led industrialization	12,460- 24- 30k enterprises
Digital adoption	ICT + CCIs convergence	Model assumes digital growth drives higher productivity and formalization
Government intervention	Seed & catalytic funding	UGX 28 billion leverages private sector growth.

The Bottom Line:

This scenario simulation directly supports NDP IV and Vision 2040 by:

- Increasing GDP contribution of CCIs
- Creating youth-focused employment
- Formalizing the informal creative sector
- Expanding enterprises and digital adoption
- Leveraging government funding for catalytic growth

Uganda CCIs scenario model aligned with Vision 2040 and NDP IV into a strategy-

Scaling Uganda's Culture & Creative Industries (CCIs) 2024–2034. Unlocking Uganda's Creative Economy: Vision 2040 & NDP IV Alignment.

Additional discussion based on Scenario Simulation for 2024–2034: GDP, Employment & Informal Sector Dynamics

Key Points:

- CCIs = 3% of GDP (~UGX 4.2T / USD 1.61Billion) in 2024
- 12,460 enterprises, ~1M employed (80% informal)
- Youth = 44% of total employment
- Government seed funding = UGX 28 Billion

Uganda with icons representing arts, music, film, fashion, ICT, and tourism

Scenario-Based Growth Model-

Three Scenarios have been discussed above:

1. Baseline: 7% annual CCI growth
2. NDP IV Accelerated: 10% growth with policy support
3. Vision 2040 Transformational: 12% growth with ICT integration & exports

Employment & Youth Jobs have been explained as total CCIs employment (all scenarios) and portion of youth employment created.

Key Points:

- 2034: 2.55M total jobs (Vision 2040 scenario)
- 930k youth new jobs created
- Supports NDP IV goal of decent, youth-focused employment

Informal Sector Dynamics

Reducing Informality, Enhancing Productivity

- Three lines (scenarios): Baseline 75%, Accelerated 65%, Transformational 55–60%.

3.9.7 The Role of Government Support of UGX 28 billion (MoFPED 2025)

CCIs will be Leveraging UGX 28B for Catalytic Impact announced in 2026

- UGX 28 billion as Seed funding → Private leverage 5–7× → GDP & employment growth

Key Points to consider:

- Funding enables skills, IP protection, market access for CCIs
- Catalytic role: encourages private sector investment in CCIs

Strategic Recommendations

The focus should be on Unlocking Uganda's Creative Economy by:

1. Scaling up policy support: Expand funding, incubators, creative hubs etc.
2. Youth-focused employment programs: Linking skills, digital literacy, apprenticeships
3. Formalization & digitization: Encourage registration, IP protection, e-commerce adoption
4. ICT-CCIs integration: Leverage digital platforms for national & regional markets
5. Export & branding strategy: Promote Ugandan creative content internationally

The main focus here is that Policy will stimulate Investment, leading to Growth and Jobs and subsequently enhancing GDP.

Key Takeaways;

In this case CCIs are seen as a Strategic Growth Engine of the economy in the sense that;

- CCIs can grow from 3% → 6% of GDP by 2034
- Create 1.55M new jobs, 60% for youth
- Reduce informal employment by 20–25%
- Expand enterprises to 30,000+
- Aligns fully with Vision 2040 and NDP IV targets

3.10 Recommendations based on Scenario Analysis

3.10.1 GDP Contribution Scenarios

i. **High-Growth Scenario:** If the government meets its ambitious 15-year 10-fold economic growth strategy centering on CCIs, the sector could significantly exceed its current $1.6 billion annual revenue. This is supported by a massive 2026 budget increase for creative arts to UGX 66 billion (up from UGX 4 billion previously).

ii. **Stagnant Scenario:** Without addressing "policy fragmentation" across relevant ministries, the sector's contribution may remain limited by high compliance costs and inadequate intellectual property (IP) protection, despite rising digital consumption.

3.10.2 Employment Scenarios

i. **Youth Absorption:** Uganda is recognized as a global leader in using CCIs to address youth unemployment. CCIs are projected to absorb a large share of the 58% of unemployed youth. Government supported through financing CCIs investment and policy reforms if necessary.

ii. **Digital Transformation:** By 2026, employment is shifting toward "digital creatives" on platforms like Tik-Tok and You-Tube. New roles in high demand include UX designers, animators, and web content managers.

iii. **Gender Impact:** Women currently make up 55.8% of the CCIs workforce but continue to face barriers like discrimination and lack of dedicated ministry support. This ought to be addressed using gender specific measures like promoting women owned CCIs.

3.10.3 Informality Scenarios

i. **Incubator Effect:** The informal sector currently serves as a "massive incubator" for innovation, with over 13% of informal employment stemming from CCIs. This sector needs to be harnessed and tapped.

ii. **The "Formal-Lite" Trend:** In 2026, workers are increasingly seeking "formal-lite" structures achieving professional standards and global credibility through digital tools without the bureaucratic hurdles of traditional registration. The process of formalization ought to be incentivized with tax rebates, tax holidays and other policy measures.

iii. **Cost of Informality:** Informality costs the broader Ugandan economy approximately 40% of potential GDP annually due to tax evasion. In the creative sector, this manifests as a lack of access to formal credit and a reliance on self-organization for emergency funds. Government introduction of a catalyst seed fund of UGX 28 billion will help to attract CCIs into formalization and reduce the cost of informality in the economy.

3.11 Understanding CCIs and the Informal Sector In Uganda

The informal economy generally is understood to refer to economic activities that are not fully regulated, taxed or registered, and businesses run without formal registration, tax status, social protection and even employees lack formal employment contracts and Social Security etc. In Uganda typically the study established that:

- The informal sector is a major source of employment, especially in urban areas and most young persons aged 18- 35 are entering this lucrative but largely unregulated sector of the economy for jobs and income generation.
- The Creative-industry enterprises lie largely in the informal segment (unregistered, small scale, low access to formal finance) e.g., digital creatives described as "unreported economy" or some respondents call it "the black economy".

The study established that many Video halls, video recording and music copying writing outlets, comedy business, music groups, fashion kiosks and boutiques are run as informal enterprises by many urban youths in Uganda. UNATCOM mapping of 2017/18 confirmed that there are many of these enterprises in Kampala and many urban centres such as Mbale, Gulu, Mbarara, Jinja among others. Thus, though the informal sector is not regulated, it has become a major component of Uganda's economy. The CCIs and the informal sector overlap significantly according to the findings of this study and many creative practitioners are remaining informal, micro-entrepreneurs, freelancers, or self-employed outside structured formal business/ industrial frameworks of the Ugandan economy (FSPI report 2023).

3.11.1 How CCIs Contribute to Informal Sector Dynamics

The study established that there are key ways in which CCIs are playing out in Uganda's informal economy as follows;

a. Employment and Livelihoods for Youth and Micro-entrepreneurs

- The study established that CCIs provide a low-barrier entry for young people and micro-businesses. For example: "a One respondent Sharon", indicated that in 2019 while starting with UGX 50,000 (US$15) she started a fashion shop in Ndeeba Suburb of Kampala City but now employs two tailors in a fashion micro-enterprise. This respondent however has a lot of fear of going to the formal economy due to fear of tax burden associated with registration, cost of registration and cost of paying workers with contracts and respondents note that there is no incentive to register.
- The study revealed that many are self-employed young males and females running a video or music distribution and pirating outlets in Katwe, Kalerwe, Bwaite, Nakulabye, Makindye, Kabalgala, Kawempe and Kamwokya suburbs of Kampala City. In a mapping study by Uganda National Commission for UNESCO in 2018, about 38.5% of CCIs practitioners were self-employed, 29.5% fully employed and many part-time or on-call yet with no formal employment contract and no defined salary or pay wage. Accordingly, too many young people working with established musicians in Kampala and Mbarara indicated that they just remain around artists, have no job contract, have no license on what they do and are not sure of any payment or even medical insurance.

- The study noted that informal structure (pop-up stalls, social-media sales channels, casual gigs) allows flexibility and can absorb those excluded from formal jobs or formal structured economy in Uganda.

b. Micro-enterprise Growth and Urban Informal Markets

- The study also established that there are many culture/creative enterprises operating in urban areas, in urban markets, stalls, digital spaces, kiosks of music/video, fashion houses, video halls and this was observed in may peri urban markets and suburbs in Kampala, Mbarara and Mbale where the study has attempted to conduct some interviews
- These enterprises generate business income and contribute to local economic activity at grassroots level. For example, analytical estimates suggested culture/creative arts generate UGX 3.18 trillion in business income in Uganda (for a baseline) roughly 3% of GDP in 2023.

c. Flexibility, Innovation, and Informal Value-Chains

- The study further reveals that the informal CCIs segment adapts quickly to market changes. For example, in the digital age, many youths are self-taught creators of online content creation, using mobile phones and social-media platforms to find gigs or buyers globally and are informally generating income/revenues. This is outside the control and regulation of the Government.
- Furthermore, the study indicated that because many operators are informal just as individuals, they form loosely organized value-chains, peer networks, freelancing models, which contribute to the informal economy's dynamism not only in Uganda but globally.
- This informal nature of enterprises allows experimentation and entrepreneurship with low overhead, which is especially important in contexts where formal employment is limited and unemployment is high especially among young people as evident in Uganda. The review of literature confirms this, where the unemployment rate in Uganda stands at 2.9% in 2024, meaning that 2.9 out of every 100 people in the labour force were unemployed and actively looking for a Job.
- The review of studies indicated that while the overall unemployment rate seems low in Uganda, It is significantly higher among the ages of 18-30 with reports showing around 16% youth unemployment. The above scenario of unemployment has important implications for the culture and creative economy (music, film, fashion, crafts, digital content, performing arts and design among others.

3.11.2 Key Implications of the Informal Sector;

i. Culture and Creative work become a fallback employment option as has been demonstrated by the study especially among many University graduates entering the job market. Many young people join music, art, comedy, design, photography, or content creation because formal jobs are scarce in Uganda in manufacturing, public services and other Non-Governmental organizations. With the increasing competition by young people in CCIs, this is also affecting the earnings of operators negatively.

ii. High informality has resulted in low-income security among the practitioners and operators in CCIs. As already shown by the study, most creative workers operate without contracts, social protection and stable income. The common feature of engagement is irregular gigs, delayed payments and exploitation of artists and professionals in the sector.

iii. Innovations are thriving and growing very fast but sustainability is weak among the informal activities of the CCIs. The study has shown that high youth participation is creating or fueling creativity, digital innovation and cultural diversity in Uganda. However, the lack of capital, training and market access means that many CCIs will remain informal and fail to scale up or last beyond 1 year.

iv. Because of this high level of informality in CCIs, digital platforms are critical and CCIs rely on platforms such as YouTube, Tik-Tok, Instagram, streaming platforms and mobile money transactions with associated dependency and income volatility.

v. Another implication of informality is limited policy recognition. Informality and absence of data on employment in CCIs cause the Government to under-estimate joblessness in CCIs and vulnerability of the sector. As a result, there are limited policy provisions on access to Credit, weak copyright enforcement and exclusion in National employment Policies and Industrial Policies.

The study established respondents pointed out that what can help the informal CCIs economy to grow is better enforcement, access to micro-finance and grants, creative business and digital skills training and formal recognition and registration of CCIs. Further, the study notes that there are spill-over effects into the broader informal sector. For example, CCIs enterprises often source materials, services, consumables from other informal enterprises (tailors, fabric sellers, print shops, event vendors, audio/video equipment rentals). This therefore means that CCIs are not only informal themselves but also propel and stimulate other parts of the informal economy. The CCIs also contribute to ungazetted urban markets, informal trade on road side, pop-up stalls, craft markets and social gatherings, which in turn generate a range of informal jobs (vendors, event staff, logistics, transport) linking to the broader informal sector. These were even at the craft village in Kampala, the Roadside craft shops along Kampala-Masaka highway and most visible in urban centres like Jinja, Mbarara, Masaka, Gulu, Mbale among others.

The study has established that CCIs though largely informal offer significant benefits as follows;

- CCIs offer more easy and ready jobs especially for youth and women who are considered to be most vulnerable and poor. Because CCIs are labor-intensive, low-capital and flexible, they provide employment opportunities where formal jobs are scarce.
- CCIs have engineered entrepreneurship & income generation among low-income people. CCIs are Facilitating and enabling micro-business growth, self-employment and local value-creation in local income settlements of most urban centres in Uganda most prominent and visible in Kampala city.
- CCIs have become the bedrock of urban life style through Cultural value and identity. Beyond purely economics, CCIs preserve heritage, promote local culture and connect creativity to livelihoods, adding social/cultural benefits. The Kampala Carnival which was revived recently in 2025 by the Kampala Capital City Authority is a typical example of celebration of Culture value, heritage and urban regeneration.
- CCIs have also been recognized as major drivers of Urban economic vibrancy in Kampala. The study has shown that creative micro-enterprises have contributed to urban informal economies, markets, festivals, creative hubs thus enriching urban life and diversifying economic activity.
- The Study further established that CCIs are an engine that has driven Innovation and digital inclusion. With digital tools, the study confirms that many informal creative workers in Uganda have been able to access global markets, embed new business models and generate substantial income beyond local geographies. For instance, influencers discovery data for 2025 revealed there were 408,000 TikTok Accounts for Ugandan Influencers and these are generating substantial income from digital channels.

The estimated Annual Income of Influencer in Uganda is presented in the summary table below;

Category	Number of Followers	Earnings Annually
Nano	1k- 10k Followers	\$500- \$ 2000 per year
Micro	10k – 50K Followers	\$2000- \$10,000 per year
Mid-Tier	50k- 500k Followers	\$10,000- \$40,000 per year
Macro	500K + Nationally known	\$40,000- \$100,000 per year
Top Uganda Creators	with multiplatform deals	\$100,000 + per year

Source: Influencer Discovery data 2026, Star Ngage 2026

Considering that approximately 408,000 are Tik-Tok influencers in Uganda at a Mid-tier category, and since the mid-tier earn between US$10,000-US$40,000 which means an average of US$25,000 per person annually. This translates to a total income earning of US$10,200,000 collectively for influencers annually. This is a conservative estimate but the potential for higher actual revenue is significant.

Review of reports and digital sources revealed that the digital market in Uganda alone is big with more than 9 million internet users, 2.5 million on Facebook, twitter/X spaces, Instagram has 1.2 million users and YouTube has 1.8 million users (starngage.com). Of this digital market space, 76% of social media users are below 35 years (Youth centric market) and 42% are Urban concentrated in Kampala City alone. The study established that Leading Social media Influencers include Eddy Kenzo with 2.4 million plus followers, Sheeba Karungi 1.8 Million plus followers, Bebe Cool 1.2 million plus followers, Spice Diana 1 million followers and Fik Fameica 0.8m plus followers among others. Others include Douglas Lwanga 1.1 million followers, Sheila Gashumba 0.95m plus followers and other influencers are in segments of business, health and fitness, media and entrepreneurs.

3.12 Challenges of CCI-Informal Interface

While the study reveals a plethora of benefits, respondents pointed out that the informal nature of CCIs brings distinct challenges but also the informal economy remains a challenge in itself as well.

1. The study reveals that the Informal sector presents precarious employment to many CCIs operators and even those who are not in CCIs face similar challenges. A number of creative workers interacted with are freelancers, part-time, self-employed without formal contracts, social protection or stable income. This has been mentioned in several previous studies such as the Aschberg report of 2024, French Embassy Study of 2022/23 and UBOS report of 2014.
2. Further the study points to Limited access to finance and formal markets in the informal sector where many CCIs are thriving. The Informal creative enterprises often can't access credit from commercial banks or financing schemes of Government, investment is limited with CCIs considered unbankable or high risk, or cannot participate in formal procurement markets because they lack registration, tax status or formal business structures. Some respondents revealed that whereas the Government has allocated UGX 28 billion for the CCIs, access may be limited to only formally registered CCIs with Tax identification numbers or a record of paying taxes and a trading License. This means that many CCIs may never access this catalyst seed fund.
3. The study also revealed that low productivity and scaling constraints remain dominating CCIs in informal segments. Because of informality many CCIs are dogged with a small scale, limited business skills or lack of institutional support. This results in many businesses remaining small and struggling to grow.
4. Respondents raised about weak data, regulation and institutional support. The creative sector in its informal nature lacks strong formal data, policy backing, dedicated budget lines and regulatory protections (e.g., intellectual property). This has often limited its integration into the formal economy in Uganda. Many policy makers reported not appreciating the real, actual and potential impact and magnitude of the CCI economy. Until recently, the CCIs have not been aligned with the National Development Plan for Uganda and loosely mentioned in Vision 2040.

In all, Informality traps are another feature characterizing CCIs and informal economy. According to Government regulators, being informal means that the sector is often operating outside the tax/benefit system. This is so because it lowers barriers to entry but also limits access to formal sector privileges (e.g, formal contracts, banking, subsidies), **"unreported economy"**. Many technocrats in government suggest that CCIs should be documented and brought into the reported economy. This could reduce vulnerability to shocks, many creative informal enterprises have low buffers, they are vulnerable to economic shocks (e.g., the lockdowns during COVID-19 hit CCIs harder than many other sectors because of this informality).

3.13 Implications for Policy & Formalization Pathways

Given the role of CCIs in the informal economy, there are several policy implications emerging from this analysis and discussion and these are;

1. **Support mechanisms tailored to informal creatives:** e.g., micro-grants, business skills training, digital platforms, creative hubs. For example, programmes like MoTIV help young creatives via training and marketplace opportunities.
2. **Formalisation incentives:** Registration and transitioning into formal business status could unlock access to finance, larger markets and growth; but it must be accompanied by support and incentives (because formalization alone may impose burdens to CCIs SMEs).
3. **Data collection and recognition:** Strengthening data collection on informal creative enterprises (employment, output) to inform policy and allocate resources is an important pathway.
4. **Linkages with formal economy:** Encouraging collaborations between informal creatives and formal industries is key, integrating CCIs into formal supply-chains, export markets, and digital platforms to scale is necessary.
5. **Social protection and decent work:** Given the informal nature of many creative jobs, policies that extend labour rights, social protection and income stability to freelancers and micro-enterprises are important.
6. **Infrastructure and market access:** Creative hubs, marketplaces (physical and digital), copyright awareness, and platforms for exposure will help informal creatives grow and integrate in the formal economy.
7. **Urban planning and support for informal markets:** As many creative enterprises operate in informal markets and stalls, urban policy that recognizes and supports these spaces (rather than displacing them) is key.

The analysis of Uganda's economy has revealed that the culture and creative industries are significant contributors to Uganda's informal economy providing jobs, livelihoods and entrepreneurial opportunities especially for youth and women. Their informal nature offers flexibility and low barriers to entry, which is both a strength (absorption of labour) and a vulnerability (low productivity, lack of formal protections). Realizing the full potential of CCIs requires addressing informality's downsides through policy, support and formalization pathways.

4. CASE STUDY OF INFORMAL SECTOR DYNAMICS FOR LEADING CCIs

4.1 A Case profile of Audio-Visual (Film)

Uganda's informal audiovisual sector is dominated by film production, thrives as a youth-led ecosystem of low-budget movies, video halls, and digital content creators, generating substantial indirect employment despite lacking formal structures. Practitioners estimate direct employment at 5,000 and indirect at 10,000 or more, with film ranking high within CCIs' 3. % GDP share, fueled by kiosks, freelance editing, and mobile screenings in urban slums and rural areas. This informality enables rapid production of over 200 low-budget feature films annually as per the 2021 UNESCO report on the African film industry. The domain faces significant piracy, equipment shortages, and no IP enforcement, limiting revenues to under UGX 5 million per project for most hustlers.

Economic contributions stem from multiplier effects; a single film shoot employs casual actors, camera operators, marketers, and vendors, injecting cash into local economies via daily wages (UGX 20,000-50,000 per gig). Video halls, numbering thousands informally, collect UGX 200-500 per viewer daily, sustaining operators and electricity charges for kiosks while entertaining 70% youth audiences, thus curbing idleness in high-unemployment zones of most urban centres of Uganda. Digital platforms like YouTube and TikTok amplify reach; skit makers earn from ads and sponsorships, with top earners hitting UGX 10 million monthly, though 90% subsist on micro-incomes. In this domain challenges include zero formal contracts, exposing workers to exploitation, and post-COVID venue closures led to losses that have not been recovered till date. Further, resilience shines through mobile projections and phone-based distribution. Policy gaps exacerbate problems in this domain: no subsidies for equipment or training leave 68% self-taught, stifling scalability of businesses. Opportunities under this domain lie in formalization incentives like tax holidays for startups and UCC grants, potentially doubling GDP input to 1% standalone. Community hubs also could train 10,000 annually, linking informal producers to EAC markets and tourism tie-ins, where films promote heritage sites.

Informal film's poverty alleviation role is profound. The domain absorbs 600,000+ annual youth entrants, offering flexible gigs amidst 78% informal labor dominance in Uganda. Women dominate scripting (40%), gaining empowerment, while rural shoots boost agriculture spillovers via crew catering. Quantifying through UBOS proxies shows UGX 500 billion+ annual turnover, underscoring the need for census inclusion to unlock financing of the segment. Without intervention, brain drain to Nollywood persists, but localized incentives could retain talent, fostering a UGX 1 trillion sector by 2030.

4.2 A Case of Music Domain

Many Ugandans, especially the youth, love music as part of heritage and talent. Informal music in Uganda pulses through street performances, entertain places like bars and restaurants, recording kiosks and gig hustling, anchoring CCIs' 3% GDP slice. Uganda boasts of more than 500 music artists most of whom are below the age of 35years. Music employs thousands via freelance roles such as singers, producers, promoters, and vendors. It is reported that youth orchestrated events are drawing 5,000+ attendees weekly for music shows and concerts in Uganda. Lugaflow and gospel dominate with artists earning UGX 1 to 5 million per show informally, bypassing labels through direct fan sales, social media and mobile money.

Dynamics in this segment reveal high turnover for music artists and collectively for the domain. For example, a hit track via WhatsApp blasts yields up to UGX 50 million in airplay royalties (often evaded), sustaining producers in Kampala's Kikuubo studios. Festivals like Nyege Nyege and Bayimba festival indirectly employ over 2,000 casuals per edition in sound, security, and crafts, injecting UGX 2 billion (US$ 550,000) locally into the economy. Informality breeds innovation self-produced on USBs carriers, outselling formal CDs for albums but piracy erodes 70% revenues from music artists, forcing diversification into events and endorsements. Employment creation excels in the music segment. Music absorbs graduates via linked jobs locally and regionally, with Uganda mirroring via informal bands and DJs reportedly filling 91.9% non-farm roles. Women in backup vocals and management gain entry into the music market, though gender pay gaps persist with most female artists complaining of under payment compared to male counterparts. Evidence revealed that Economic multipliers amplify the contribution of music. Music gigs boost bar businesses, transport, and fashion tailors and is contributing 0.4% services value added (est UGX 141 billion) into the economy.

Barriers of this segment include the lack of pensions or skilling academies, with 75% under-30s navigating gig economy volatility with not unique or special skills acquired. Digital shifts via Spotify Uganda playlists offer escape, but data costs hinder rural artists from taking advantage. The strength of this domain is that cultural export potential is high at the regional market, earning forex via diaspora streams. Policy levers required include micro-grants, IP reforms that could formalize 20%, and promote scaling. Hubs for beat-making training could create employment of more than 50,000 persons, integrating with tourism for live heritage shows is also another pathway. This sector's vibrancy demands valuation models capturing informal flows, positioning music as an unemployment antidote amid Vision 2040 goals and NDP IV alignment.

4.3 A Case of Visual Arts & Crafts Dynamics

Uganda's informal visual arts and crafts sector harnesses heritage for livelihoods across all communities with artisans in pottery, basketry weaving and painting, sculpturing, home decorative articles, wall hangings and artistic textiles. UBOS statistics show that the domain is contributing to CCIs' 4.5% employment. Out of the over 30,000 enterprises in CCIs (51% female-led but largely in visual arts and crafts) operating unregistered outlets in the skies of Kampala city, Mbarara city, Gulu city and also selling via roadside stalls and markets, generating mainly between US$ 1000-5000 annually through tourism spillovers (Tourist dominate visits to craft villages in the urban areas of Uganda. Crafts like barkcloth and baskets employ casual dyers and exporters, with 89% informal registration gaps hiding true scale and true potential.

Economic dynamics center on direct sales. For example, Owino Market vendors earn UGX 10,000-30,000 daily, sustaining families and inputs like dyes come from Owino market and feed into the making of visual arts and crafts. Export strategies for the Government of Uganda targeted $20 million handicrafts (2004-2008 baseline), now amplified by diaspora buyers, though logistics eat 40% margins of these operators. Job creation shines under this domain especially for absorbing vulnerable women/youth (42% female), with over 34,000+ in heritage crafts (UBOS 2014). Multipliers link to tourism where craft souvenirs boost guides and hotels. Informality enables scalability; monthly markets uplift thousands of urban poor but lack of credit facilities limit expansion of businesses leaving most (over 59%) under $5,000 revenue annually (UBOS survey 2014).

Main challenges under this domain include climate impacts on materials such as forest materials, wetland materials and synthetics. No investment in proper galleries for exposure. The strengths of this segment include the global appeal via cultural motifs, with online sales rising recently and even post-COVID. Opportunities for online sales. Investment in district craft hubs and tax breaks could support formalization up to 30% (UBOS 2014), adding 100,000 jobs into the economy. EAC incentives for crafts exports align with NDP IV and enhance foreign exchange earnings. Women's empowerment via cooperatives and youth training in digital design could triple incomes, integrating crafts into value chains. This domain's resilience underscores CCIs' informal engine status and is vital for inclusive and sustainable growth.

5. CONCLUSIONS, ACTIONABLE AND EVIDENCE BASED POLICY RECOMMENDATIONS

5.1 Conclusions

The study has generated information on the contribution of CCIs to GDP, employment and Informal Sector dynamics in Uganda drawing from diverse evidence from previous studies by various researchers and institutions. This section seeks to formulate actionable, evidence-based policy recommendations aimed at unlocking sector potential, fostering innovation, and enhancing equitable access to resources and markets.

The scenario analysis in chapter 3 demonstrated that Cultural and Creative Industries (CCIs) have the potential to become a significant driver of inclusive economic growth in Uganda, provided that structural constraints are addressed. Across all modelled scenarios, CCIs show strong labor absorption capacity, particularly for youth and women, and a relatively low barrier to entry compared to capital-intensive sectors.

Under the baseline scenario, CCIs continue to contribute modestly to GDP growth and employment, but their impact remains constrained by informality, limited access to finance, weak intellectual property protection, and fragmented value chains. Employment growth occurs largely within the informal sector, limiting productivity gains and fiscal returns.

The high-growth scenario, which assumes targeted public investment, improved regulatory frameworks, and market access support, shows a disproportionate increase in employment relative to GDP growth. This indicates that CCIs are especially effective as a job-creation engine. Formalization rates improve, productivity rises, and linkages with tourism, ICT, and exports strengthen, resulting in broader spillover effects across the economy.

Conversely, the low-investment or policy-inertia scenario suggests stagnation, with CCIs remaining predominantly informal, vulnerable to shocks, and under-monetized. In this case, the sector's contribution to GDP remains marginal, and employment growth is characterized by low incomes and precarity.

Overall, the scenario model confirms that CCIs are not merely cultural assets but economically strategic sectors capable of advancing Uganda's industrialization, employment, and structural transformation agendas if supported by coherent policy action.

5.2 Actionable and Evidence Policy Recommendations

1. Integrating CCIs into National Development (NDP) and Industrial Policy

Uganda has begun to implement the NDP IV and should review the Industrial Policy. CCIs should be explicitly recognized as productive sectors within national development plans, industrial policy, and employment strategies. This includes setting measurable GDP and employment targets for CCIs and aligning them with Uganda's Vision 2040 and youth employment objectives. The NDP has already highlighted efforts for addressing CCIs including the Sports sector. This should be short action and responsible agencies for this recommendation include the Ministry of ICT, Ministry of Gender, Labour and Social Development, Ministry of Education, National Planning Authority and Ministry of Finance, Planning and Economic Development, Ministry of Local Government and Ministry of Trade and Industry.

2. Supporting Gradual Formalization without Exclusion

The study has noted a significant level of informality in CCIs with more than 75% business unregistered. Policy actions should promote progressive formalization of creative enterprises through simplified registration processes with Uganda Registration Services Bureau, tax incentives through

Uganda Revenue Authority and Ministry of Finance, and tailored compliance requirements. A punitive approach for informality should not be opted for because this action risks excluding vulnerable creatives, instead, formalization should be linked to access to finance, markets, and social protection as driving factors. This action should be medium and Long-term action and responsible institutions include the Uganda Registration Services Bureau, Parliament of Uganda, Ministry of Gender, Labour and Social Development, Uganda Revenue Authority and Associations for Culture practitioners and Uganda National Culture Centre.

3. Expanding Access to Finance for Creative Enterprises

Dedicated financing mechanisms just like the Government adopted the Parish Development Model to support low income and household agro enterprises, there should be a special fund such as creative industry funds. One example is the recently announced UGX 28 billion fund for artists and creatives and this could be institutionalized, credit guarantees, and blended finance instruments should be developed to address the unique risk profiles of CCIs. Financial institutions should be encouraged to recognize intellectual property and contracts as bankable assets. This should be medium and Long-term action and responsible agencies include the Ministry of Finance, Planning and Economic Development, Ministry of Gender, Labour and Social Development, Ministry of Local Government and Private Sector Foundation Uganda.

4. Strengthening Skills Development and Business Capabilities

Investment in technical, digital, and entrepreneurial skills is critical to increasing productivity and incomes in CCIs. This includes integrating creative skills into Technical and Vocational Education Training (TVET) systems, supporting creative hubs and incubators, and promoting business management training for informal and micro-scale creatives. These are short term, medium and long term actions and responsible agencies include the Ministry of Education and Sports, Ministry of Finance, Planning and Economic Development, Uganda Vocational Education Agency, Ministry of Finance, Planning and Economic Development, Ministry of Gender, Labour and Social Development, Enterprise Uganda, Private Sector Foundation Uganda among others.

5. Improvement in Intellectual Property Protection and Monetization

Strengthening IP enforcement, awareness, and collective management systems is essential for improving income security and encouraging formal market participation in Uganda's CCIs. Digital rights management and regional IP cooperation should be prioritized to support export growth. This action is both short term and medium-term action and responsible agencies include Parliament of Uganda, Ministry of Gender, Labour and Social development, Ministry of Finance, Planning and Economic Development, the Uganda Police Force, the CMOs, Associations of Artists and Uganda Communications Commission.

6. Leveraging Digital Platforms and Market Access

Relevant Policies (ICT Policies) should support digital infrastructure, e-commerce, and content distribution platforms that enable creatives to reach domestic, regional, and global markets. Strategic linkages between CCIs, tourism, and the digital economy can significantly amplify GDP and employment impacts. The study demonstrated that digital platforms are already generating over USD 10.2 Million through social media. Revenue from the digital economy can be as high as five times the recorded revenues. This is short, medium and long-term action and responsible agencies include Ministry of ICT, Ministry of Trade and Industry, Private Sector Foundation Uganda, Ministry of Foreign Affairs, Ministry of Gender, Labour and Social Development, Artists Associations, Uganda National Culture Centre among others.

7. Enhancing Data Collection and Evidence-Based Policymaking

Much of the studies done and even UBOS has been skewed. Regular data collection on CCIs disaggregated by gender, age, and formality should be institutionalized at UBOS to improve scenario modeling, monitor policy impact, and guide investment decisions. Future economic surveys, monthly data forecasts and census reports and economic abstracts should capture comprehensive data on CCIs just like other sectors like agriculture and manufacturing. In the next section 5.3 the study formulates specific policy recommendations for Cultural and Creative Industries (CCIs) explicitly aligned with the

Sustainable Development Goals (SDGs), Uganda Vision 2040, and African Continental Free Trade Area (AfCFTA). This is a medium and long-term action and responsible agencies include Uganda Bureau of Statistics, Uganda Revenue Authority, Ministry of Gender, Labour and Social Development, Ministry of Education and Sports, Uganda Registration Services Bureau, Uganda National Culture Centre, Artists Associations and the National Culture Forum among others.

8. Strengthening Coordination of Various Interventions in CCIs through a dedicated Ministry of Culture and Creative Economy or National Arts Council.

Stakeholders and the various studies conducted previously point the many piecemeal and overlapping projects in CCIs by various stakeholders but many have invisible impact. Secondary stakeholders reported overlapping and conflicting mandates between many agencies that handles CCIs. For example Film in under the Uganda Communications Commission while Ministry of Gender thinks this segment is under its ambits. Many agencies conduct studies with similar and overlapping objectives. Thirdly, Government catalyst funds are not anchored to a core institution leading to misuse and management of such catalyst funds. The recommendation is that dedicated Ministry or Council responsible for Culture and Creative economy will strengthen institutional and stakeholders' coordination, strengthen monitoring of government support to adequate reach out of segments of the Culture and Creative economy and strengthen prioritization of the sector in the National Development Plans and the Tenfold Growth Strategy mechanisms. Such an Agency will also develop a National Business Model for CCIs that will benefit all segments of CCIs.

9. Monitoring, Supervision and Strong KPIs should be a key pillar of any Catalyst Funding of Government to CCIs.

The study has highlighted that Government catalyst funds will play a key role in unlocking the investment potential of CCIs and also de-risk many SMEs investment in the sector. Further the skills development, IP registration and Copy rights protection will be enhanced including building strong momentum for the CCIs markets and exports. The major recommendation by stakeholders is that recipients of catalyst funds should be carefully selected and strict KPIs (Key Performance Indicators) be designed to measure, evaluate and document impact of catalyst funds and programmes of Government to the CCIs economy. Relying on SACCOs and Associations of artists is not sufficient to build a robust CCIs sector for the benefit of the economy in terms of GDP contribution, employment and accelerating formal entrepreneurship. Evidence from past efforts is that catalyst funds have been received and shared among a few collaborating individuals leaving the bulk of operators and practitioners in CCIs cursing and often these funds have been diverted to non CCI activities. A dedicated Ministry and strong KPIs should drive any future efforts of Government and donors on catalyst financing to the CCIs sector.

10. **The Study further recommends a National Programme dedicated to build a strong domestic demand market for CCIs.** While exporting is crucial, the growth, visibility, impact of CCIs economy is largely domestic. Festivals, concerts, performances, and urban markets are typically domestic and will spur more revenues, more jobs and more inclusiveness from CCIs sector in Uganda. Best examples is large demand of Nigerian Movies in Nigeria, strong demand for Hollywood films with in the American market, Bollywood with in the Indian domestic economy and the Chinese movies are largely deriving dividends from the Chinese domestic market. Further stakeholders argue that Government Incentives and Schemes for CCIs should seek to strengthen the performance of the sector in the domestic market before emphasizing export opportunities. CCIs are derivatives largely of the local heritage and appeal most to domestic audiences before exports. Further it is recommended that support for local creative hubs, spaces, open air markets, festival centres and facilities, studios and promotional platforms should be support through Government subventions under the relevant Ministry of Government charged for CCIs. This will also interest development Partners to support the CCIs. The Local markets will benefit CCIs through Buy-Uganda and Build Uganda programme and also support Government Import Substitution Policy where consumption of domestic goods and services will be enhanced as opposed to consumption of imports.

11. **The Stakeholders further recommend for the development of a National Value System for CCIs with the ultimate aim of strengthening regulations of the markets for CCIs including digital market platforms such as Tik-tok, Content creation, Instagram, face book and Twitter.** The objective will be to combat the consumption of illicit and illegal content that undermines the National value systems rooted in family, gender, national character and morality in society. The ICT revolution has created uncontrolled platforms many of which have promoted obscenity, nudity, pornography, child abuse, crimes of different nature and has affected the national value systems in Uganda in the eyes of other citizens globally. This National value system should be able to catalyse meaningful and profitable growth of CCIs for Jobs of unemployed Youth who are stiving to take advantage of ICT and CCIs.

5.3 Policy Recommendations Aligned to SDGs, Uganda Vision 2040 and AfCFTA

1. Mainstreaming CCIs as a Strategic Growth Sector

The study has demonstrated that CCIs contribute to income generation (SDG 1 zero poverty) and decent jobs, SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation and Infrastructure).

The CCIs are also linked to Vision 2040 on Structural transformation and industrialization and AfCFTA regarding productive capacity and competitiveness.

Policy action recommended is that the Government of Uganda should formally integrate CCIs into Uganda's industrial and economic transformation agenda by recognizing them as priority growth sectors. This includes embedding CCIs in National development plans, sector investment strategies, and employment frameworks, with clear targets for GDP contribution, export earnings, and job creation. This will result in improved policy coherence, increased public and private investment, and stronger linkages between culture, industry, and innovation. This is short and medium term action and responsible agencies include the National Planning Authority, Ministry of Gender, Labour and Social Development, Office of the Prime Minister, Ministry of Finance, Planning and Economic Development, Uganda Investment Authority, Ministry of Trade and Industry among others.

2. Promotion of Youth- and Women-Led Employment through CCIs

The study has demonstrated evidence that CCIs are Youth and women-oriented sectors and this means that CCIs promote gender equality. This is linked to SDG 5 on (Gender Equality) and SDG 8 (Decent Work and Economic Growth).

Promotion of youth and women employment is aligned with Uganda Vision 2040 on Human capital development and youth employment. The recommendation is also aligned to AfCFTA on Inclusive participation in regional value chains especially trade related value chains.

In this case policy action should be targeted to support programs that prioritize youth and women entrepreneurs in CCIs through skills development, startup grants, incubation hubs, and market access initiatives. CCIs should be leveraged as entry points into employment for young people transitioning from education to work. This will result in expanded decent work opportunities, reduced youth unemployment, and enhanced economic participation of women. This is short, medium and long-term action and agencies responsible include Ministry of Gender, Labour and Social Development, Ministry of Education and Sports, Ministry of Finance, Planning and Economic Development, Ministry of Science, Technology and Innovations, Private Sector Foundation Uganda among others.

3. Enabling Progressive Formalization of the Informal Creative Sector

The effort should be to ensure that CCIs contribute to attainment of SDGs: SDG 8 (Decent Work and Economic Growth), SDG 10 (Reduced Inequalities), Vision 2040: Inclusive growth and private sector development and AfCFTA. Compliance with regional trade and standards regimes.

Policy Action will include a phased and incentive-based approach to formalization, including simplified business registration, creative-sector-specific tax regimes, and access to social protection. Formalization should be linked to tangible benefits such as finance, export readiness, and IP protection. This will result in higher productivity, improved income security, and increased fiscal contributions without marginalizing informal creatives. This is a medium and long-term action and agencies to spearhead this action include the Uganda Registration Services Bureau, Uganda Revenue Authority, Ministry of Gender, Labour and Social Development, Ministry of Local Government, Uganda National Culture Centre, Artists Associations among others.

4. Expanding Access to Finance and Investment for CCIs

This recommendation focuses on enabling Access to Finance which is aligned to SDGs; SDG 8 (decent work and economic growth), SDG 9 (industry, innovation and infrastructure), Vision 2040 on Private sector–led growth and financial inclusion and AfCFTA regarding competitive African enterprises. Actionable policy includes establishment of a dedicated creative industry financing instruments or dedicated National Culture and Creative Industries Fund (CCIF) rather than politically driven catalyst schemes, including public–private funds, credit guarantees, and concessional loans. Financial institutions should be supported to recognize intellectual property, contracts, and digital revenues as collateral. The impact of this action is business scaling, innovation, and improved survival rates of creative enterprises. This is a short- and medium-term action and agencies to lead this include the Ministry of Finance, Planning and Economic Development, Ministry of Gender, Labour and Social Development, Uganda Investment Authority, Uganda Bankers Association, the Ministry of Local Government and Artist Associations through SACCOs among others.

5. Strengthening Skills, Innovation, and Digital Transformation.

This recommendation aligns well with SDG 4 (Quality Education), SDG 9(industry, innovation and infrastructure), and Vision 2040 on Knowledge-based economy and AfCFTA related to Digital trade and services.

Policy action on this will include integrating creative, digital, and entrepreneurial skills into technical and Vocational Training (TVET) and higher education curricula. Supporting innovation through creative hubs, digital platforms, and technology adoption, particularly in film, music, fashion, design, and digital content. This action will result in higher productivity, globally competitive creative products, and improved participation in digital markets. These are medium and long-term actions and lead agencies include Ministry of education and sports, Ministry of Finance, Planning and Economic Development, Ministry of ICT, Ministry of Science, Technology and Innovations, Artists Associations among others.

6. Improve Intellectual Property Protection and Commercialization

This recommendation is aligned with SDGs: SDG 8, SDG 16 (Strong Institutions) and Vision 2040 on Good governance and value addition and AfCFTA regarding Intra-African trade in creative goods and services. Policy Action will include strengthening IP enforcement in Uganda, collective management systems, and public awareness of rights and monetization mechanisms. Harmonize IP frameworks with regional standards to facilitate cross-border trade under AfCFTA. These actions will result in increased creator incomes, reduced piracy, and enhanced investor confidence.

7. Promote Export Readiness and Regional Market Integration

This recommendation is well aligned with SDGs: SDG 8, SDG 17 (Partnerships for the Goals) and Vision 2040 on Export-led growth and AfCFTA on market access and regional integration. Policy actions relevant include supporting CCIs to access AfCFTA markets through export promotion programs, trade fairs, digital distribution platforms, and regional co-production agreements. Simplify customs procedures for creative goods and services. This will ultimately result in increased creative exports, regional visibility of Ugandan content, and foreign exchange earnings. This is a short to medium term action and the lead agencies include the Ministry of Trade and Industry, The Freezones and Export Development Authority, Private Sector Foundation Uganda, Uganda Revenue Authority, Uganda Bureau of Standards among others.

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