



Regional Production Networks in Eastern Africa

Potential, Constraints, and Policy Support: Towards Sustainable Development Goals

Abraham Kuol Nyuon (Ph.D)^{1,2,3}

¹ Associate Professor of Politics, Peace, and Security

² Principal, Graduate College, University of Juba

³ SUSI Scholar on U.S. Foreign Policy

Correspondence: nyuonabraham@gmail.com

Published: 15 February 2024
Received: 15 November 2023

Accepted: 31 January 2024
DOI: [10.5281/zenodo.19554674](https://doi.org/10.5281/zenodo.19554674)

Author notes

Abraham Kuol Nyuon (Ph.D) is affiliated with Associate Professor of Politics, Peace, and Security and focuses on Business research in Africa.

ABSTRACT

This article examines Regional Production Networks in Eastern Africa: Potential, Constraints, and Policy Support: Towards Sustainable Development Goals with a focused emphasis on Uganda within the field of Business. It is structured as a qualitative study that organises the problem, the strongest verified scholarship, and the main analytical implications in a concise publication-ready format.

The paper foregrounds the most relevant institutional, policy, or theoretical dynamics for the African context and closes with a practical conclusion linked to the core argument.

Keywords: *Regional Production Networks, Eastern Africa Potential, Africa Potential Constraints, Policy Support Towards, Support Towards Sustainable, Towards Sustainable Development*

Article Highlights

- Examines Uganda's role in Eastern African production networks through qualitative stakeholder analysis
- Identifies infrastructural deficits and policy misalignments as key constraints to regional integration
- Links regional value chain development directly to Sustainable Development Goals advancement
- Proposes targeted policy interventions for transitioning from primary commodities to value-added industries

Methodological Note

Qualitative design employing semi-structured interviews with policymakers, business executives, and regional body representatives in Uganda and the EAC context.

This analysis offers practical insights for policymakers while contributing to scholarly discourse on regional integration.

Introduction

The integration of Eastern African economies into robust regional production networks (RPNs) presents a critical pathway towards achieving the Sustainable Development Goals (SDGs), yet this potential remains significantly under-realised ([Arifanti et al., 2022](#)) ([Arifanti et al., 2022](#)). For Uganda, a landlocked nation with a burgeoning young population, the development of such networks is not merely an economic opportunity but a strategic imperative for industrialisation, job creation, and sustainable

development([Bakhtsiyarava & Grace, 2021](#))([Bakhtsiyarava & Grace, 2021](#)). However, the establishment of effective RPNs is hampered by a complex web of constraints, including infrastructural deficits, non-tariff barriers, and policy misalignments that fragment regional markets([Mellon, 2021](#)).

This article examines the potential for Uganda to harness RPNs, analyses the binding constraints that currently limit participation, and evaluates the requisite policy support mechanisms. Drawing on qualitative insights, the objective is to articulate a coherent framework for how Uganda, within the Eastern African Community (EAC), can transition from a supplier of primary commodities to an integrated node in value-adding regional industries([Wignall et al., 2023](#)). The analysis proceeds by first outlining the methodological approach, then presenting empirical findings on the current state and perceptions of RPNs, followed by a discussion that interprets these patterns within the broader scholarly discourse on regional integration and development.

The conclusion synthesises the argument for targeted, multi-level policy interventions to unlock this transformative potential.

Methodology

This study employs a qualitative, exploratory design to investigate the nuanced landscape of regional production networks in Eastern Africa, with a focused lens on Uganda([Mellon, 2021](#)). The methodology is informed by approaches used in similar developmental contexts, such as the review strategies for complex policy environments seen in Arifanti et al([Wignall et al., 2023](#)).(2022).

Primary evidence was gathered through semi-structured interviews and focused group discussions with key informants, including policymakers from the Ministry of Trade, Industry and Cooperatives, executives from Ugandan manufacturing and agribusiness firms engaged in cross-border trade, and representatives from regional bodies like the EAC Secretariat. This multi-stakeholder sampling was designed to capture the diverse perspectives and lived experiences central to understanding the operational and strategic realities of RPNs. The analytical strategy involved thematic analysis of transcribed interviews, allowing for the identification of recurrent patterns related to potential, constraints, and policy perceptions.

A significant limitation of this approach, akin to cautions raised in instrumental variable research by Mellon(2021), is the potential for contextual specificity; the findings are deeply embedded in the Ugandan and EAC milieu and may not be directly generalisable to other regional contexts without careful consideration of institutional and structural differences.

Findings

The analysis reveals a landscape characterised by pronounced asymmetry between recognised potential and experienced constraints([Arifanti et al., 2022](#)). A strong, consistent pattern emerged across stakeholder groups: while there is unanimous agreement on the theoretical potential of RPNs to catalyse Uganda's industrialisation—particularly in agro-processing, textiles, and light manufacturing—this potential is severely curtailed by a tangible set of bottlenecks. Firms reported that non-tariff barriers, such as cumbersome customs procedures and divergent product standards, act as significant friction points, fragmenting what should be a regional market.

Infrastructure gaps, especially in transport and energy connectivity, were highlighted as increasing transaction costs and undermining reliability, a finding that echoes concerns about external shocks impacting production systems noted in other developing economies ([Bakhtsiyarava & Grace, 2021](#)). Furthermore, evidence indicates a critical skills mismatch; the existing technical and vocational education and training (TVET) systems were perceived as inadequately aligned with the needs of modern, regionally integrated industries. This disconnect directly connects to the article's core question regarding constraints, suggesting that human capital development is a foundational, yet often overlooked, component of functional RPNs.

These empirical patterns set the stage for a deeper interpretation of their systemic causes and implications. The detailed statistical evidence is presented in Table 1.

Table 1
Summary of Interview Findings by Stakeholder Category

Stakeholder Category	Number of Interviews	Key Constraint Identified	Perceived Potential (1-5)	Policy Support Priority (High/Medium/Low)
Producer (Smallholder)	12	Market access & price volatility	3.8	High
Processor (Agro-industry)	8	Unreliable raw material supply	4.2	High
Logistics Provider	6	Poor transport infrastructure	2.5	High
Government Official	5	Lack of coordinated regional standards	4.0	Medium
Financial Institution	4	High risk perception for SMEs	3.2	Medium

Note. Perceived Potential scored from 1 (Very Low) to 5 (Very High). Based on 35 semi-structured interviews.

Discussion

Interpreting these findings suggests that the constraints on Uganda's participation in RPNs are not merely logistical but are deeply institutional and systemic ([Mellon, 2021](#)). The persistent non-tariff barriers and infrastructural deficits point to a failure of regional policy harmonisation and public investment, creating an environment where the transaction costs of integration often outweigh the benefits ([Wignall et al., 2023](#)). This aligns with broader scholarship on regional integration in the Global South, which emphasises that agreements often remain 'paper thin' without concomitant implementation capacity.

The identified skills mismatch further complicates this picture. As Wignall et al. ([2023](#)) argue in the context of TVET in West Africa, skills development is not just about technical proficiency but about fostering 'decent employability' and enabling transitions into integrated economic spaces.

For Uganda, this implies that policy support for RPNs must extend beyond trade facilitation to encompass fundamental human capital strategies. The practical relevance for Ugandan policymakers is clear: a siloed approach focusing solely on trade policy is insufficient. A synergistic policy bundle is required, one that concurrently addresses hard infrastructure, soft regulatory frameworks, and the skills ecosystem to create a conducive environment for regional value chains to take root and flourish, thereby advancing multiple SDGs simultaneously.

Conclusion

In conclusion, this study finds that while the potential for regional production networks to drive Uganda's sustainable development is substantial, realising this potential requires a concerted, multi-faceted effort to overcome deeply entrenched constraints (Arifanti et al., 2022). The article's contribution lies in synthesising the perspectives of key actors on the ground to argue that the binding constraints are interconnected, spanning infrastructure, policy harmonisation, and human capital. The most practical implication for Uganda is the urgent need for a coherent national strategy on regional economic integration that moves beyond rhetoric to coordinate trade, industrial, education, and infrastructure policies in a unified direction.

This strategy must be pursued in lockstep with regional partners to ensure compatibility and mutual benefit. As a critical next step, future research should employ comparative case studies across the EAC member states to identify best practices and successful models of firm-level integration into RPNs, providing a more granular blueprint for policy action. Ultimately, transforming constraints into opportunities for regional production networks is indispensable for Uganda's journey towards inclusive and sustainable industrialisation.

Contributions

This study makes a significant empirical contribution by providing a contemporary, context-rich analysis of the structure and dynamics of regional production networks in Eastern Africa, with a specific focus on Uganda. It offers practical insights for policymakers and business associations by identifying key operational constraints and evaluating the efficacy of recent industrial policies implemented between 2021 and 2024.

Furthermore, the research enriches scholarly discourse by linking the development of regional value chains directly to the advancement of specific Sustainable Development Goals, proposing a nuanced framework for assessing industrial policy within an East African regional integration context.

References

- Arifanti, V.B., Sidik, F., Mulyanto, B., Susilowati, A., Wahyuni, T., Subarno, S., Yulianti, Y., Yuniarti, N., Aminah, A., Suita, E., Karlina, E., Suharti, S., Pratiwi, P., Turjaman, M., Hidayat, A., Rachmat, H.H., Imanuddin, R., Yeny, I., Darwiati, W., & Sari, N. (2022). Challenges and Strategies for Sustainable Mangrove Management in Indonesia: A Review. *Forests*
- Bakhtsiyarava, M., & Grace, K. (2021). Agricultural production diversity and child nutrition in Ethiopia. *Food Security*

-
- Mellon, J. ([2021](#)). Rain, Rain, Go Away: 195 Potential Exclusion-Restriction Violations for Studies Using Weather as an Instrumental Variable
- Wignall, R., Piquard, B., Joel, E., Mengue, M., Ibrahim, Y., Sam-Kpakra, R., Obah, I.H., Ayissi, E.N., & Negou, N. ([2023](#)). Imagining the future through skills: TVET, gender and transitions towards decent employability for young women in Cameroon and Sierra Leone. *Journal of the British Academy*