

STRATIGMA

East Africa Outlook Series

Landlocked but Strategic: Rwanda & Uganda

How connectivity-driven strategies are transforming
landlocked economies into regional growth hubs

*A strategic briefing on how Rwanda and Uganda
are overcoming geographic constraints through
regional integration and policy innovation.*

Context

In traditional trade geography, landlocked countries are often seen as disadvantaged. Distance from the sea usually means higher transport costs, longer delivery times, and reduced competitiveness in global markets.

Yet in East Africa, Rwanda and Uganda are gradually reshaping this narrative.

Rather than being peripheral economies, both countries are positioning themselves as connectivity-driven growth hubs — leveraging regional integration, logistics corridors, and policy reforms to overcome geographic constraints.

Their strategy is clear: if geography cannot change, connectivity must.

What's Changing?

1) Connectivity Is Becoming a National Priority

Both Rwanda and Uganda have placed regional connectivity at the center of their economic strategies. Key priorities include:

- Cross-border transport agreements
- Logistics facilitation
- Dry ports and inland logistics hubs
- Trade facilitation reforms

These investments aim to reduce the “distance penalty” traditionally faced by landlocked economies.

2) Kigali Is Positioning Itself as a Services and Conference Hub

Rwanda has adopted an ambitious strategy focused on services, governance, and international visibility. The country has invested heavily in:

- Aviation connectivity
- Conference infrastructure
- Tourism and business events
- Digital public services

Kigali is positioning itself as a regional meeting point for diplomacy, finance, and international organizations.

This strategy reflects a shift from resource-based growth toward services-led positioning.

3) Uganda's Demographic and Agricultural Scale

Uganda brings a different set of strengths to the regional landscape. Key characteristics include:

- One of the fastest-growing populations in the world
- Significant agricultural potential
- Expanding urban centers
- Strategic proximity to major regional markets

Uganda's role is increasingly tied to food production and regional supply chains.

As regional trade expands, agricultural economies gain strategic importance.

4) Inland Logistics Hubs Are Gaining Importance

Landlocked countries depend on efficient inland logistics systems. Dry ports, warehousing facilities, and improved customs procedures are becoming critical tools for reducing transport costs and improving trade reliability.

These investments are transforming inland cities into logistics nodes rather than end points.

Why It Matters

Landlocked economies often serve as the true demand centers of regional trade.

They represent:

- Growing consumer markets
- Expanding urban populations
- Rising demand for imports and infrastructure

As transport corridors improve, the economic gravity of these inland markets increases.

Trade corridors do not end at the coast — their value is realized inland.

Strategic Insight

Rwanda and Uganda illustrate a broader shift in emerging market development.

Geography still matters. But connectivity matters more.

In East Africa's evolving trade architecture, inland markets are becoming integral components of regional growth rather than passive recipients of coastal trade.

As corridors expand and integration deepens, the distinction between coastal and landlocked economies will gradually blur.

*The success of East African trade corridors will depend not only on ports —
**but on how effectively inland markets are integrated
into regional supply chains.***