

**NRM MANIFESTO PROGRESS
REPORT 2022/23**



MINISTRY OF TRADE INDUSTRY AND COOPERATIVE

Table of Contents

1. INTRODUCTION	5
2. MANIFESTO COMMITMENT	5
3. Ministry for Trade Industry and Cooperatives NRM manifesto deliverables.....	5
2.1. Industrial development is measured by its contribution to the GDP and level of employment.....	5
UDC on Agro-industry.....	6
2.2. Accelerate diversification of the economy from over reliance on agriculture	7
2.3. Build basic industries that produce the fundamental human needs of society: food, clothes, shelter, medicines, defense, physical infrastructure (electricity, roads, rail and ICT), health, education and spirituality.....	8
2.4. Develop a well - serviced industrial park in each of the following towns: Arua, Iganga, Bushenyi, Lira, Jinja, Rakai, Gulu, Masaka, Mbale, Soroti, Nakasongola, Mbarara, Moroto, Tororo, Kabale, Hoima, Fort Portal, Luwero - Nakaseke, Buliisa, Kasese and Mubende. Others will be built in Nwoya, Pakwach, Oraba, Yumbe and Oyam. In total Government is to build 31 Industrial parks.....	9
2.5. Build capacity of Uganda National Bureau of Standards (UNBS) to enforce quality standards of locally produced and imported goods.....	10
2.6. Support industries that use locally sourced raw materials to produce most of the goods that were imported.....	11
2.7. Work with the private sector to establish and expand production lines that address basic human needs and are within existing capabilities	12
2.8. Continue investing, through UDC, in strategic sectors, either directly or by co-investing with the private sector in all sub-regions.....	12
2.9. Establish a "special development fund" under Uganda Development Corporation (UDC) to deliberately encourage location of manufacturing and other economic opportunities in each sub - region of the country. These industries will be adding value to what is locally produced in each sub-region.	13
2.10. Set up industries such as motor vehicle assembling plants and electronic products; manufacture of metals like simple spare parts; iron and steel; textile, yarn and fabrics paper and paper boards; sanitary fitting, plumbing and fixture fittings; bedding and petrochemicals based on our emerging oil industry and others	13
2.11. Work with the private sector to develop the iron and steel industry to reduce the cost of construction	13
2.12. Implement extensive import substitution in order to reduce the import bill, especially on basic consumer goods.....	13

2.13. Promote import substitution as a complementary strategy to export promotion. Government is going to invest in and support private sector industries with massive untapped export potential, particularly in agro - industry, light manufacturing and value - addition to our minerals.....	13
2.14. Focus on producing the following items that the Country is currently importing: starch, ethanol, animal feeds, banana flour, surgical masks, rubber gloves, vaccines, drugs such as hydroxy - chloroquine and industrial grade sugar.....	14
2.15. Aggressively, but in a planned way, commercialize, agriculture to raise productivity such that raw materials for industries are produced and supplied. Government is going to strengthen the aggregation model, by reinstating co-operatives where they are and establishing new ones where they were missing.	14
2.16. Support the development of local industrial packaging materials that in many cases take over 40% of the cost of pharmaceuticals, packed food products and other manufactured products. Capital investment incentives will be provided for the production of pharmaceutical and food - grade foils and cartons.	14
2.17. In order to promote motor vehicle, tractor and other assemblers in Uganda through the BUBU policy, we will buy from them an agreed number and type of products annually.....	15
2.18. Work with traders so as to turn them into exporters as opposed to importers by encouraging them to set up distribution units in other countries in order to export Ugandan made goods. With their knowledge in international trade, they are best suited to promote Ugandan goods in other markets in Africa and elsewhere.	15
2.19. Mobilized MSMEs to participate in the Regional Purposive Marketing trade fairs of the handicraft sector products in Mbale, Jinja, Lira, Gulu, Arua, Masindi, Fortportal, Rubirizi, Pakwach, Mbarara and Kampala of which a total of 420 MSMEs in handcraft.....	15
2.20. To entice the private sector to embrace investment in industries production, Government is going to establish a programme that will target private sector development, technical and vocational education and training (TVET) reform in addition to quality assurance infrastructure reform.	16
2.21. To entice the private sector to embrace investment in industries production, Government is going to establish a programme that will target private sector development, technical and vocational education.....	16
2.22. Continue working closely with our African brothers and sisters to operationalize the Africa Continental Free Trade Areas (AfCFTA) to create larger markets.....	16
2.23. Work directly with private sector organizations to help manufacturers and other producers identify markets and look for buyers of Ugandan products, both in the regional and international markets.	16
2.24. Continue to invest in compliance with Technical Barriers to Trade (TBT), Sanitary and Phytosanitary Measures (SPS) and packaging /branding and delivery infrastructure to increase access to bigger and lucrative markets in the US, EU and the UK as well as Africa and the emerging ones in the Middle East, India and China	16

2.25. Increase funding to trade support agencies - Uganda Export Promotions Board, Uganda National Bureau of Standards and Uganda Coffee Development Authority to provide precise markets information and knowledge to buyers in the target market.....	16
2.26. Scale up commercial diplomacy to market Uganda's products, tourism and our investment potential.....	17
2.27. Building a leather tanning factory at kawumu, Luwero district, to process leather from animal hides and skins.....	17
2.28. The leather from this tannery will be used by the youth in industrial hubs to make shoes, belts, bags, hats, chairs and car seats.....	17
2.29. Support the setting up of a soluble coffee plant, as well as coffee processing in Bugisu and Buganda.....	17
2.30. Establishment of a large - scale grain milling facilities in Kyenjojo, Bugiri, Sironko, Kapchorwa and Pallisa	17
2.31. UDC to continue supporting private sector to invest in tea factories to increase value- addition.....	17
2.32. UDC to support cassava - based manufacturing through the following factories: Acholi Bur Catholic Archdiocese in Pader district; Bukona Agro- Processors in Nwoya district; and Bagadia Cassava Factory in Lira.....	17
2.33. Operationalize the fruit factories built on demand by farmer groups in Arua and Mpigi.	19
2.34. Support the establishment of the first ever state - of - the-art chocolate factory in Bundibugyo to add value to cocoa in the Rwenzori sub - region.....	19
2.35. Establish a National Sugar Research Centre to improve sugarcane varieties for higher yields	19
2.36. UDC to work with Busoga Sugarcane Growers' Association to set up a Sugar Factory in the Busoga sub-region using the Atiak model	19
2.37. Set up sugarcane value-addition incubation centres in each district of Busoga sub region.	19
2.38. Support strategic private industries to develop back - end sugar refineries.....	19
2.39. Invest in production of industrial grade sugar to boost income of sugarcane farmers.	19
2.40. Invest more in rice milling equipment to help farmers add value to their rice.....	19
2.41. Invest, through UDC, in operationalization of the factories built for farmer groups.	19
2.42. Establish new and expand existing agro-industries for processing of cassava, fruits, cocoa, coffee, sugarcane, dairy, maize and rice.	19
2.43. Setting up of a tractor assembly plant, in partnership with private sector, to avail affordable and user-friendly tractors for the farmers using the Parish model.	19
2.44. A tractor assembly plant has been established in Mukono.....	19

2.45. Financial Services: Government will support a SACCO in each of the 10,046 parishes in Uganda, putting emphasis on the rural areas engaged in agriculture.....19

2.46. Produce and Marketing Co-operatives: Government is going to revive the over 35 traditional co-operatives and fully support them to re-establish full operations. Government will also encourage and support the setting up of new co-operatives.20

1. INTRODUCTION

NRM has managed to sail Uganda through the most violent and turbulent storms in our history. Through this time, NRM has been tried, tested and found worthy of continued leadership of this country. Our resolve to the call of duty remains steadfast and this is our solemn promise.

In line with our principled approach to economic development and growth, we have selected five priority areas of focus. They are: Creating Wealth and Jobs; Delivering Education and Health; Ensuring Justice and Equity; Protecting Life and Property and Achieving Economic and Political Integration.

The mantle of securing the future of Uganda is so great a task for one to play bets on. It is not a gamble. It is a matter which requires lifelong commitment, unending sacrifice and vast experience. NRM is the only political organization that can be trusted with the sacred responsibility of securing Uganda's future.

2. MANIFESTO COMMITMENT

Manifesto 2021 - 2026 the Government is to concentrate most of its resources in addressing a number of commitments. Below are the commitments set for the Trade Industry and cooperative sector.

3. Ministry for Trade Industry and Cooperatives NRM manifesto deliverables

2.1. Industrial development is measured by its contribution to the GDP and level of employment.

The NRM commitment is set to increase the country's GDP and trade is expected to contribute to that through industry development and manufacturing programs, with an intention to reduce the low levels of industry, the limited export markets and low labor productivity. Below is the status of GDP; Industry % GDP 26.2% IS 2019 against a target of 31.7% by 2029/2030. Total labor employed by Industry is 7.2% in 2019. Limited export markets Manufacturing Value Added % GDP is 16% in 2019/2020 against a target of 26% in 2029/30. Low Labor productivity Total exports to GDP ratio is 14.4 in 2019/2020 against a target of 25% by 2029/30

Performance indicator	STATUS	YEAR OF STATUS	TARGET BY 2029/2030
Industry contribution to GDP	26.2%	2019	31.7%
Total labor employed by industry	7.2%	2019	
Export market manufacturing Value added	16%	2019/2020	26%

To address the low levels of industrialization, UDC has invested in a total of 13 ventures that cut across 4 major sectors which are; agro-industry, infrastructure services, construction, and hospitality.

UDC on Agro-industry.

This forms the bulk of UDC investment portfolio and currently there are 9 investments in agro-industry distributed across four commodities of tea, sugar, cotton, cassava, coffee and fruits.

1. **Tea** UDC has invested in four tea factories that process black tea for domestic and export using CTC technology. These are;
 - a. Kayonza Growers Tea Factory located in Kanungu district. It has an installed capacity of 3 CTC lines with an input capacity of about 180 MT per day of green leaf;
 - b. Kigezi Highland Tea Factory in Kabale and Kisoro. It has an installed capacity of 2 CTC lines one in Kabale and another in Kisoro with a total input capacity of about 100 MT of green leaf per day.
 - c. Mabale Growers Tea Factory in Kabarole. It has installed capacity of 2 CTC lines with a total input capacity of about 120MT per day of green leaf; and
 - d. Mpanga Growers Tea Factory in Kabarole. It has installed capacity of 2 CTC lines with a total input capacity of about 120 MT per day of green leaf.
2. **Sugar.** UDC has invested in Atiak Sugar factory located in Amuru district. The company is engaged in production of sugar, industrial sugar, power generation, etc. Atiak sugar has an installed capacity of 1650 Tons of Cane Crushed per day (TCD) and power generational capacity of 6 MW/hour. The company is currently undergoing expansion operations including infrastructure development, irrigation, etc. operations are expected to resume by end of 2024.
3. **Cotton.** UDC has invested in Mutuma Commercial Agencies Ltd located in Luka district. The company is engaged in cotton processing into both intermediary and final products such as surgical cotton, cotton cake, soap stock and cotton seed oil. The company has a ginning capacity of 2,590 MT/year. The cotton wool facility on the other hand has an installed capacity of 475MT per annum.
4. **Cassava.** UDC has invested in Bukona Agro processors Ltd located in Nwoya district. The company is engaged in the processing of cassava and cereals into ethanol for cooking and has an input capacity of 100 MT/day to produce about 40,000 liters per day of ethanol.
5. **Coffee.** UDC has invested in Budadiri Arabica Coffee Mills Ltd (BACML) located in Sironko district. BACML is a 2.5 MT/hour coffee processing factory for export in Bugisu sub-region.
6. **Fruits.** UDC has invested in Soroti Fruits Factory Ltd located in Soroti District. The factory has an installed processing capacity of 6 MT/hour for mangoes and 6 MT/hour of oranges into puree/concentrates and also ready to drink juice.

UDC is currently exploring the possibilities of setting up a tea processing factory in Zombo district with an output capacity of 600kg/hr., a fruit processing factory in Luwero district with products such as canned pineapple, munanansi juice and dried fruits, a coffee hurling, grading, and roasting plant in Lyantonde district, a starch factory in Acholi region.

Reasons for not meeting the commitment

- i. Limited flow FDI into manufacturing sector due to business uncertainty
- ii. High cost of electricity, transport.
- iii. Inadequate and poor quality of raw materials to constantly feed the industry
- iv. Outdated and low uptake of /Investment in technology.
- v. Limited capacity and competence of human resource in science, technology and innovation.
- vi. Lack of competitiveness of products due to not complying with quality/safety requirements.
- vii. High cost of production and doing business Limited investments in import substitution industries and export promotion interventions.

2.2. Accelerate diversification of the economy from over reliance on agriculture

The ministry through the MSME department has accelerated diversification of the economy from over reliance on agriculture through tailor made training on business Development techniques/Modules to MSMEs.

This however has not seen a very high impact because of to lack of access to SMEs Industrial Parks/ Common User Facilities to practice the business techniques that have been trained and sensitized in.

UDC on infrastructure service; has also invested in other strategic sectors such as hospitality, infrastructure and transport services to drive economic development.

Kalangala Infrastructure services. UDC invested in Kalangala Infrastructure Services Company through Public Private Partnership (PPP) to provide infrastructure services in Bugala Island that previously were lacking in the area. The project scope:

- a) Provision of two new (Roll-on-Roll-off) ferries (MV Pearl and MV Sese) to operate between Bukakata and Luuku, and rehabilitation of ferry land sites at the two locations;
- b) Rehabilitation and expansion of a 66km main island road from Luuku to Mulabana via Kalangala town council;
- c) Generation, transmission and distribution of electricity on Bugala island via a solar hybrid power plant; and
- d) Rehabilitation and expansion of the water supply system for Kalangala town council and seven (7) other settlement areas.

Infrastructure and construction services

e) Abau baker Technical Services. UDC has invested in Abubaker Technical Services and General Supplies Limited. This is a local construction company and UDC support is in terms of working capital in order to build the capacity of local firms in the industry.

UDC on hospitality services industry. UDC has invested in the hospitality industry to provide accommodation, dining and restaurant services, conference facilities, leisure and entertainment to boost the tourism industry in Uganda. UDC has a portfolio of 4 hotels; Nile Hotel International, Munyonyo Common Wealth Resort and Speke Resort Convention Centre.

a) **Munyonyo Common Wealth Resort.** The project is in the hospitality sector i.e. provision of accommodation facilities and restaurant services to the people. The project is aimed at promoting tourism in the country. UDC currently owns a 31.9% stake in the company.

b) **Igongo Cultural Hotel.** The project is in the hospitality sector and is aimed at promoting tourism in Western Uganda. UDC shares?

c) **Nile Hotel International Limited.** This is the company that owns the assets on which Kampala Serena hotel sits. UDC owns 100% of the shares of the company.

d) **Speke Resort Convention Centre (SRCC).** A convention Centre is to be established in Munyonyo in partnership with Meera Investment Limited (MIL). UDC and MIL will hold an equal stake of 50%.

2.3. Build basic industries that produce the fundamental human needs of society: food, clothes, shelter, medicines, defense, physical infrastructure (electricity, roads, rail and ICT), health, education and spirituality.

UIA and statehouse; Industrial parks have been identified and plans are under way to construction. These are with UIA and Statehouse under Industrial Parks. The Ministry of Trade supports on guidelines and standards. Operations in 22 industries in industrial parks were monitored. Guidelines for establishment and operation still pending launch. 54 were industries were monitored for benchmarking and the standards and guidelines for establishing and operation of industrial parks.

In addition to those in section 1, UDC has a number of projects at different levels of implementation. Some projects are in advanced stages of setup with factories being constructed, others are at securing land and procuring of contractors, while others are at investment appraisal including due diligence, valuation.

Agro-industry; Fruit, tea, health, construction, minerals

Yumbe Fruits Factory; UDC is setting up a mango fruits processing factory in Yumbe district, West-Nile sub-region. The factory has a capacity of 5 MT per hour of fresh mangoes.-. Currently, construction of factory is on-going and expected to be completed at the end of May, 2023. As part of the operationalization of the factory, technical staff have been recruited.

Luwero Fruits Factory; UDC is undertaking preliminary activities towards setting up a fruit processing factory in Luwero district, Buganda sub-region. The proposed Luwero fruit processing factory will have three (3) processing lines. i) A 5MT/Hr processing line for canned pineapples. ii) A 1.5 MT/Hr processing line for dried pineapples. iii) A 2 MT/Hr processing line for ready to drink **Munanansi** juice that is ginger flavoured. Currently UDC

is undertaking due diligence on the proposed factory land to enable transfer and acquisition of the land and pave way for factory construction.

Nwoya Fruits Factory; UDC is currently undertaking due diligence on Delight Uganda Limited as a prospective investment partner in relation to setting up a fruit processing factory in Nwoya District.

Zombo Tea Factory; UDC in partnership with the Alur Kingdom are in advanced stages of setting up a tea processing factory in Zombo district. The proposed tea factory has an output capacity of 600 kg/hour. Currently UDC is undertaking an Investment Appraisal. Currently, UDC is undertaking due diligence on 15 acres of land in Abanga Akka Sub-County Zombo District where the factory will be located.

Health Sector; UDC is exploring possibilities of investing in the Health Sector by setting up an Intravenous Fluids Factory in the Rwenzori Sub Region. A feasibility study was undertaken and recommended that the project is viable. UDC is currently soliciting for funds.

Construction Sector; in the physical infrastructure mainly roads, UDC has invested in Abubaker Technical Services and General Supplies Limited. This is a local construction company and UDC support is in terms of working capital in order to build the capacity of local firms in the industry.

Moroto Ateker Cement Factory; UDC in partnership with the private sector intends to set up an integrated cement, lime and marble plants in Moroto district to add value to the existing raw materials (limestone/marble) that has not been fully exploited. UDC completed drilling 5 boreholes out of the 13 planned boreholes within the exploration area and analysis of samples collected is on-going in the laboratory too ascertain the quality of the marble.

Katwe Salt Factory; UDC is in the process of revamping the Lake Katwe salt project into a chemical plant to produce salt for human consumption and by products to be used in chemical, pharmaceutical and textile industry. UDC has identified a potential investment partner and is currently undertaking due diligence and investment appraisal and structuring on the potential partner in a bid to revamp Lake Katwe Salt Factory.

2.4. Develop a well - serviced industrial park in each of the following towns: Arua, Iganga, Bushenyi, Lira, Jinja, Rakai, Gulu, Masaka, Mbale, Soroti, Nakasongola, Mbarara, Moroto, Tororo, Kabale, Hoima, Fort Portal, Luwero - Nakaseke, Buliisa, Kasese and Mubende. Others will be built in Nwoya, Pakwach, Oraba, Yumbe and Oyam. In total Government is to build 31 Industrial parks.

Government planned for development of a regional network of total of 27 industrial Parks by 2025, of which 23 are IBP and 4 -Science, Technology and Innovation Parks

- a) H.E successfully held ground breaking ceremony for the Kampala Industrial Business Park Infrastructure Project on 12th January 2020.
- b) The Environmental and Social Impact Assessment Report for KIBP was reviewed and approved by NEMA.
- c) All arrangements for Lagan Dott Namanve Limited Group in preparation for commencement of infrastructure and utilities development at Kampala Industrial and Business Park, Namanve has been finalized.

- d) 2.4 km of Industrial power 33kv were extended to Kasese Industrial Park with funding support from NAADS and Operation Wealth Creation. 10 out of the 14 investors are now benefiting from the power line for industrial use.
- e) Facilitated the development of a feasibility study for Kasese Industrial and Business Park with AKSA in preparation for financing for infrastructure development.
- f) 4 Industries in Kapeeka Industrial Park were commissioned by H.E. the President of Uganda. In Kapeeka Industrial Park, - 3 out of the 8 registered companies are already operational and these include; Ho & Mu food technology (fruit processing), Yahe International Investment (grain processing) and Goodwill Ceramic (U) Co. Ltd (tiles). Ho & Mu food technology and Goodwill (U) Co. Ltd were awarded product certification certificates.
- g) H.E launched the construction of MMP Industrial Park at Buikwe in 2029, some industries are established and operational.
- h) Sin0-Uganda Mbale Industrial Park also launched and under construction

Challenges

- a) Limited Budgetary due to financing constraints to adequately develop the parks, particularly for fully serviced infrastructure development
- b) Limited technical capacity to competently be absorbed into job market
- c) High cost of credit for domestic private borrowing
- d) Uncertainties caused by global economic /geo-political order and rising inflation.

2.5. Build capacity of Uganda National Bureau of Standards (UNBS) to enforce quality standards of locally produced and imported goods.

- a) GoU has built and commissioned state of the art Food Safety labs at the UNBS Head Office in Bweyogerere worth UGX 21Billion that are fully accredited but partially equipped.
- b) The staff of UNBS have increased from 435 in 2019/20 to 495 in 2022/23.
- c) GoU has built for UNBS state of the Art National Metrology Lab through funding by MAAIF under ADB (UGX 14, 8881, 917,586). The lab is at 86% completion level.
- d) GoU is decentralizing UNBS services of certification, surveillance and testing to traditional regions of western (Mbarara), Northern (Gulu) and Eastern (Mbale). However, the regional labs are partially equipped pending construction of fully fledged regional food safety laboratories. It is worth noting that the MoFPED Development Committee (DC) approved a project valued at 97Billion for construction of Food safety regional labs and Engineering lab to fully decentralize UNBS services.
- e) Cumulative GoU budget support to UNBS enforcement activities for the period FY 2020/21 to FY 2022/23 was UGX 163.90 Billion.
- f) The GoU capacity initiatives enabled UNBS to achieve the following quality and standards enforcement outputs :
 - 1,157 standards developed.
 - 63,087 samples tested.
 - 12,019 equipment calibrated.
 - 8,870 certification permits issued.
 - 26,058 market outlets inspected.
 - 2,940,139 equipment verified.

- 482,820 profiled import consignments inspected.

As a result, these quality and standards efforts have promoted competitiveness of products, fair trade, consumer protection, export promotion and import substitution.

- The legal and regulatory framework for standards, metrology and conformity assessment being reviewed to improve service delivery.
- The regulations for the weights and measures act were amended

The Ministry through the Department of Processing and Marketing is working closely with the UNBS to develop packaging standards which will be enforced for both local and imported products.

Challenges

- Limited funding due National resource constraints.
- Limited budget towards development
- Thresh hold required for the human personnel to be employed not yet achieved
- Limited awareness of the public on market requirements for standards and product quality in facilitating market access national, regionally and globally
- Existence of NTB paused by countries, negatively affecting market access.
- High cost of certification not easily affordable by MSMEs,

Low adaptation of technology and innovation in areas of standards and quality to enhance industrial and trade promotion.

2.6. Support industries that use locally sourced raw materials to produce most of the goods that were imported

Import substitution in automotive industry with 20 plants established; 42 of 46 plastic manufacturers have recycling facilities.

Provided technical support to fruit farmers, maize millers, farmer groups in Bunyoro region, Rwenzori region on use of improved drying technology to enable them be more competitive in domestic and export markets.

Supported leather and leather products producers in collaboration with the African Leather and Leather Products Institute (ALLPI) to improve their product quality through skills training, meeting of eco-friendly certification of leather value chain, leather product systems, establishment of hides and skins traceability systems and application of leather standards.

Provided training to 50 individuals as ToTs of leather products manufacturing on Footwear and Leather goods design, craftsmanship, Export readiness, Transformative Entrepreneurship, Costing and record keeping.

Established and equipped the Leather products manufacturers' business Incubation and design studio Center at MTAC with support from the COMESA-African leather and Leather Products Institute (ALLPI).

- Surgical cotton production by Mutuma Commercial Agencies.** The domestic demand for cotton wool is higher than the available local capacity to supply and thus the country relied on imports. Uganda registered an increase of 450% in the value of surgical cotton imported from USD 167,023 in 2016 to USD 919,091 in 2018. This increase indicates the domestic demand of surgical cotton is increasing. UDC invested

in Mutuma Commercial Agencies to address this challenge. Located in Luka district, the company has a ginning capacity of 2,590 MT/year and cotton wool facility with installed capacity of 475MT per annum. The company is currently producing absorbent cotton wool for medical use to substitute the imported wool and was able to purchase 80,143 kilograms of cotton from farmers.

- b) **East African Medical Vitals:** the company is involved in the production of surgical and examination gloves to substitute the imported gloves. UDC is in the process of undertaking due diligence and investment appraisal for equity intervention into the factory.

Abubakar Technical Services & General Supplies Limited; UDC has invested in Abubakar Technical Services and General Supplies Limited in a bid to reduce the dominance of foreign companies in the construction sector. This is a local construction company and UDC support is in terms of working capital in order to build the capacity of local firms in the industry.

2.7. Work with the private sector to establish and expand production lines that address basic human needs and are within existing capabilities

In addition to those in section 1 & 4UDC has undertaken a beef value chain study to identify the missing links in the beef sector and the interventions required. This will enable the population have access to different beef products at affordable prices.

2.8. Continue investing, through UDC, in strategic sectors, either directly or by co-investing with the private sector in all sub-regions

- i. UDC is exploring possibilities of setting up a fruit processing factory in Luwero Sub region. The proposed Luwero fruit processing factory will have three (3) processing lines. The product space shall be dried pineapple/mangoes, canned pineapple and ready to drink ginger flavored pineapple juice (*Munanasi*).
- ii. UDC is appraising the proposal of setting up a cassava starch factory in Acholi region. This is in partnership with the Gulu Archdiocese. The proposed investment will have two primary production lines i.e. 400 tons per day of fresh cassava tubers processing into cassava starch producing up to 100 tons per day and 50 tons per day of dry cassava chips and 50 tons per day of starch producing up to 36,000 liters of ethanol per day.
- iii. UDC in partnership with the Alur Kingdom are in advanced stages of setting up a tea processing factory in Zombo district. The proposed tea factory has an output capacity of 600 kg/hour.
- iv. UDC in partnership with scientists from Makerere University (FONUS) and the farmers in Yumbe district have set a fruit processing factory in Yumbe with a production capacity of 5MT per hour. Currently civil works are being finalized.
- v. UDC in partnership with sugar cane farmers in Busoga region are exploring possibilities of setting up a sugar factory in the region with an expandable daily crushing capacity (TCD) of 1250 MT.

UDC is appraising the proposal for setting up a coffee hulling, grading and roasting facility in Lyantonde region. The proposed plant will have all stages of production right from primary processing i.e. hulling and grading, secondary processing i.e. coffee roasting and tertiary processing i.e. instant coffee.

2.9. Establish a "special development fund" under Uganda Development Corporation (UDC) to deliberately encourage location of manufacturing and other economic opportunities in each sub - region of the country. These industries will be adding value to what is locally produced in each sub-region.

Cabinet approved the capitalization of UDC to a tune of 5 trillion over the next 5 years

2.10. Set up industries such as motor vehicle assembling plants and electronic products; manufacture of metals like simple spare parts; iron and steel; textile, yarn and fabrics paper and paper boards; sanitary fitting, plumbing and fixture fittings; bedding and petrochemicals based on our emerging oil industry and others

There are 20 automotive assembly plants in the country assembling motorcycles, trailers, buses and passenger vehicles.

The KIIRA EV Project is now established in Jinja aimed at the establishment of KIIRA Motors Corporation the Pioneer Original Equipment Manufacturer in East Africa. KIIRA Motors Corporation (KMC) is a platform for commercialization of the KIIRA Vehicle Technology and/or the creation of synergies for the manufacture of motor vehicles in Uganda

Factories have been established in Kapeeka for sanitary fittings, plumbings and fixture fittings and are now operational.

2.11. Work with the private sector to develop the iron and steel industry to reduce the cost of construction

2.1. UDC currently in the process of procuring a consultant to undertake due diligence and investment appraisal on private companies that have expressed interest to partner with UDC to develop the iron and steel industry.

2.2. Mention what has been done so far?

- i. Steel and Tube has been given 1 sq. mile of land for the establishment of an integrated iron and steel factory.
- ii. Tembo steel is to expand production of sponge iron from 300t/day to 750 tons per day.

UDC has already undertaken a feasibility study and in the process to source out investors to invest in the iron and steel industry

2.12. Implement extensive import substitution in order to reduce the import bill, especially on basic consumer goods

2.13. Promote import substitution as a complementary strategy to export promotion. Government is going to invest in and support private sector industries with massive untapped export potential, particularly in agro - industry, light manufacturing and value - addition to our minerals

Licensed 5 sugar industries to produce industrial sugar to substitute imported refined sugar. Kinyara Sugar Ltd was the first to start production of refined sugar of 60,000MT annually in 2019.

Additional factories now involved in production of washing shop, which is no longer being imported. Floor tiles now being manufactured at affordable cost in Kapeka Industrial, by Good Will Company.

Local manufacturing of granite tiles has increased with the establishment of factory of installed capacity 1 million Sq feet of granite slabs and tiles per month

Manufacturing of ceramic tiles has also increased with the establishment of a manufacturing plant of 40,000 square metres of tiles per day in Njeru.

Challenges

Due to insecurity in the area, UDC demobilized the drilling rig.

2.14. Focus on producing the following items that the Country is currently importing: starch, ethanol, animal feeds, banana flour, surgical masks, rubber gloves, vaccines, drugs such as hydroxy - chloroquine and industrial grade sugar.

UDC partnered with a private investor to establish a starch factory in Nwoya District UDC undertook a feasibility study to ascertain the viability of setting up a Shredder and Sterilizer System factory that will be utilizing wastes from animals i.e. blood, chicken offal to produce high quality animal feeds. UDC is currently identifying a suitable investment partner to implement the project.

2.15. Aggressively, but in a planned way, commercialize, agriculture to raise productivity such that raw materials for industries are produced and supplied. Government is going to strengthen the aggregation model, by reinstating co-operatives where they are and establishing new ones where they were missing.

2.16. Support the development of local industrial packaging materials that in many cases take over 40% of the cost of pharmaceuticals, packed food products and other manufactured products. Capital investment incentives will be provided for the production of pharmaceutical and food - grade foils and cartons.

UDC partnered with NPA to conduct a pre-feasibility study and a comprehensive feasibility study for public investment in the packaging industry in Uganda.

- i. There are currently 15 private sector manufacturers doing paper packaging, 55 in plastics packaging materials
- ii. UDC is to invest UGX32.6 billion in the paper value chain
- iii. The Ministry is developing the Packaging and Branding Strategy which will address the challenges faced by the country in the packaging industry. The Ministry has spearheaded the formation of the Institute of Packaging Partners in Uganda (IPPU) April 2023, which will enhance the packaging activities and innovations in the packaging industry.
- iv. The ministry has led the process of formation of THE INSTITUTE OF PACKAGING PARTNERS OF UGANDA (IPPU). This will go a long way in guiding the packaging and branding developments in the country.

2.17. In order to promote motor vehicle, tractor and other assemblers in Uganda through the BUBU policy, we will buy from them an agreed number and type of products annually.

Update from KIRA motor and Ministry of works.

2.18. Work with traders so as to turn them into exporters as opposed to importers by encouraging them to set up distribution units in other countries in order to export Ugandan made goods. With their knowledge in international trade, they are best suited to promote Ugandan goods in other markets in Africa and elsewhere.

The ministry together with other partners supported 164 Uganda MSMEs to participate in 21st EAC Trade Fair in Mwanza in 2021 for market opportunities and networking. They organized the 22nd EAC Trade Fair that was hosted by Uganda in collaboration with other MDAs where 2500 MSMEs from EAC Partner States participated.

2.19. Mobilized MSMEs to participate in the Regional Purposive Marketing trade fairs of the handicraft sector products in Mbale, Jinja, Lira, Gulu, Arua, Masindi, Fortportal, Rubirizi, Pakwach, Mbarara and Kampala of which a total of 420 MSMEs in handicraft

To tap into the export market, NRM will facilitate local industries in attaining good manufacturing practices (GMP) compliance, which is globally recognized

- i. H.E approved National Accreditation Act 2021 to fast track establishment of national accreditation to ensure our goods and services comply to internal market requirements
 - ii. Provided technical support to 500 MSMEs on Good Manufacturing Practices (GMPs), bar coding, Value Addition, Marketing, Resource Efficiency and Cleaner Production practices in order to increase their efficiency and productivity in Mbarara, Isingiro, Fortportal, Hoima, Masindi, Kiryandongo, Nebbi, Pakwach, Arua, Gulu, Lira, Soroti and Mbale.
 - iii. The Ministry of Trade, Industry and Cooperatives carried out onsite technical guidance to the different enterprises and took them through the aspects of certification of their products. Activities under this include: Gap analysis; documentation of standard operating procedures (SOP) and recording forms; training on Good Manufacturing and Good Hygiene Practices (GMP/GHP); conducting pre-audits and helping in closure of any observations and non-conformities that could have come up during the audits.
 - iv. A handbook of Good Manufacturing and Good Hygiene Practices (GMP/GHP) for Micro, Small and Medium Enterprises (MSMEs) has been developed and disseminated; this helps in making the local industries comply with the standard requirements.
 - v. The Ministry participated in the development of national, regional and international product standards especially in the Food sector in liaison with other MDAS and the private sector.
- Challenges**
- vi. Budgetary constraints to enable speedy establishment of implementation of accreditation services

- vii. MSME enterprises cannot easily afford training on GMP and certification of their products
- viii. High cost of credit facilities which MSMEs find difficult to afford to support their business.
- ix. Limited Private sector capacity building institutions on standards, conformance and quality

2.20. To entice the private sector to embrace investment in industries production, Government is going to establish a programme that will target private sector development, technical and vocational education and training (TVET) reform in addition to quality assurance infrastructure reform.

2.21. To entice the private sector to embrace investment in industries production, Government is going to establish a programme that will target private sector development, technical and vocational education

2.22. Continue working closely with our African brothers and sisters to operationalize the Africa Continental Free Trade Areas (AfCFTA) to create larger markets

Work with the EAC sister countries to take full advantages of the customs union and remove all non - trade barriers to enhance trade in the region
Several standards have been harmonized at EAC level to facilitate trade and sustainable industrialization

2.23. Work directly with private sector organizations to help manufacturers and other producers identify markets and look for buyers of Ugandan products, both in the regional and international markets.

Conducted Training of Trainers on Export Readiness Capacity Building for SMEs Programme for 15 certified trainers. 200 SMEs in trained on export readiness with the aim of making trade work for women in sub Saharan.

Uganda Development Corporation seeks to undertake a pre-feasibility study on SPS practices and technologies. A letter addressed to the Finance department requesting for funds to carry out the pre-feasibility study has been written.

2.24. Continue to invest in compliance with Technical Barriers to Trade (TBT), Sanitary and Phytosanitary Measures (SPS) and packaging /branding and delivery infrastructure to increase access to bigger and lucrative markets in the US, EU and the UK as well as Africa and the emerging ones in the Middle East, India and China

Uganda Development Corporation seeks to undertake a pre-feasibility study on SPS practices and technologies. A letter addressed to the Finance department requesting for funds to carry out the pre-feasibility study has been written.

2.25. Increase funding to trade support agencies - Uganda Export Promotions Board, Uganda National Bureau of Standards and Uganda Coffee Development Authority to provide precise markets information and knowledge to buyers in the target market

2.26. Scale up commercial diplomacy to market Uganda's products, tourism and our investment potential

2.27. Building a leather tanning factory at kawumu, Luwero district, to process leather from animal hides and skins.

The leather tanning factory was constructed and is in operation as of 2022/2023.

Challenge

- i. Low manufacturing /tanning capacity not adequate to utilize all raw materials produced in the country
- ii. No new investments in tannery
- iii. Existing tanneries have old technology

2.28. The leather from this tannery will be used by the youth in industrial hubs to make shoes, belts, bags, hats, chairs and car seats.

Government to promote policy of BUBU encouraging Schools, Army, Prisons and Police Force and others to purchase.

2.29. Support the setting up of a soluble coffee plant, as well as coffee processing in Bugisu and Buganda

UDC in partnership with Uganda Coffee Development Authority (UCDA) are exploring the prospects of setting up a soluble coffee plant in Uganda. A firm to conduct the feasibility study has been identified.

2.30. Establishment of a large - scale grain milling facilities in Kyenjojo, Bugiri, Sironko, Kapchorwa and Pallisa

In order to achieve the establishment of a large - scale grain milling facilities, UDC proposes for equity partnership to expand their works in the grain sector in the following ventures; Afrokai, Agro ways Ltd, Aponye and Yaya. Currently, UDC is finalizing the investment appraisal reports of the above mentioned companies.

2.31. UDC to continue supporting private sector to invest in tea factories to increase value- addition

UDC has invested in Kigezi highland, Kayonza, Mabale Growers and Mpanga to a tune of 44.3 billion. A total of 7 new tea factories to be established. Land has been secured in Zombo, Buhweju, Kisoro, Sheema, Kyenjojo and Rukiga for their construction.

As indicated in section 1, UDC has invested in 4 factories. Before UDC investments, two tea factories - Mabale and Mpanga had stopped operations due to severe financial distress. However, following UDC investment, the two factories have resumed operations, stabilized and measures are being undertaken to make them profitable enterprises.

2.32. UDC to support cassava - based manufacturing through the following factories: Acholi Bur Catholic Archdiocese in Pader district; Bukona Agro- Processors in Nwoya district; and Bagadia Cassava Factory in Lira

UDC and Bukona, a private investor have established a bio-fuel production from cassava as raw material factory at Nwoya District. UDC has invested UGX 11.96billion.

Support, through UDC, fruit - processing factories in Nwoya district, Greater Masaka, Luwero and Rwenzori sub – regions. Invest in additional equipment for fruit - processing facilities in Yumbe, Kapeeka, Bunyangabo and Kayunga.



2021-2026 MANIFESTO

NATIONAL RESISTANCE MOVEMENT



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