NEW VISION, Friday, August 23, 2019 17

KAMPALA BUSINESS & INDUSTRIAL PARK



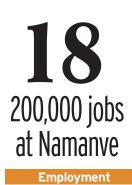
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High voltage lines

to be rolled out

Infrastructure







Namanve industrial park to

By Edward Kayiwa

fter years of slow growth and development, the Kampala Industrial and Business Park (KIBP) Namanve has begun to take shape, and is expected to generate 200,000 jobs at full operational capacity.

According to the state minister for investment, Evelyn Anite, 37 factories are fully operational, while 99 others are still under various stages of construction. They are expected to be fully functional at the end of the current financial year.

About 291 investors were licensed and allocated land by the Uganda Investment Authority (UIA), to develop factories in the 2,200 acrespark located off the Kampala-Jinja highway, about 15km from the city centre.

Anite said these would greatly drive the country's import substitution agenda.

Balance of trade

According to the central bank projections, the gap between exports and imports, also known as the current account deficit, widened by \$882m in June due to increased import volumes.

The bank said the Government and the private sector had pushed up the import volumes on account of oil investment imports. Uganda is a net importer of a



Some of the factories still under construction in Namanve are expected to be fully functional soon

number of goods and to some extent services, which continues to have Anite said development of

- Namanve and other industrial parks
- would consistently change Uganda's balance of trade position.
- She said in addition, the factories
- would help in the implementation
- of the country's value-addition
- strategy, which is ultimately aimed at increasing the volume, quality and value of Uganda's exports.

"The completion of Namanve and other industrial parks is expected to add value to the locally available raw materials and boost the agricultural

and mineral sectors," she said.

ABOUT 291 INVESTORS WERE LICENSED AND ALLOCATED LAND BY THE UGANDA INVESTMENT AUTHORITY TO DEVELOP FACTORIES IN THE 2,200 ACRES PARK LOCATED ALONG THE KAMPALA-JINJA HIGHWAY

The minister said the new factories will boost the country's Gross National Product (GNP) and the volume of exports, hence reducing over dependence on imports.

"We are excited that this industrial park is progressing, because it has immense potential in advancing our economy especially through creation of jobs and taxes," she said.

Statistics

According to statistics from Bank of Uganda, the country's current account deficit for the financial year ended June stood at \$882m (sh2.753



a drag-on effect on the country

a lange of trade. However, Uganda also registered a 5 % (\$188m) increase in export

receipts, driven by an increase in

gold exports, which expanded by

Originally Uganda cotton was by Law marketed internally and exported to external markets only by a Government parastatal, Lint Marketing Board (LMB). Co-operative Societies would purchase Seed Cotton from the Farmers, process it into raw cotton lint at their own ginneries then sell both in Uganda and abroad.

This completely changed in 1990 with the onset of liberalization/ privatization to create a Free Market Economy in Uganda. This also changed the mode of cotton sale from FOB Mombasa to Free on Truck (FOT) at individual ginneries across the country.

Moses Raamu Nareeba, the Founder of Livercot Impex Ltd, then employed by LMB was at the time of Liberalization posted in the Mombasa Office. With the monopoly aspect removed LMB was unable to compete with Private Firms and wound up in 1994.

Livercot was then incorporated to offer the Export service to the External Merchants who buy the cotton and sale to final overseas milling companies. Initially incorporated in **Kenya** (1994) and later **Uganda** in 1997.

We have since diversified our business to a full scope Logistics Company with our Headquarters in Uganda and subsidiary companies in Kenya and Tanzania. In Kampala, Livercot operates a fully-fledged Logistics Centre located in the Namarve Industrial Business Park with railway access and in close proximity to the Jinja Road highway.

Over the years we have built a team of experienced professionals and industry networks with major shipping lines to offer logistical services at competitive rates to our clients. We think Global act Local.

Services:

- Timely Road freight, clearing and forwarding solutions.
 Customs clearing with its associated documentation
 whether import, export or transit.
- ICD facilities with specialized container handling equipment, high speed internet and door to door transport support for cleared goods all in guarded and secure premises.

Notable Awards and Recognitions;

- International star for quality award Geneva 2008
 International award for excellence and business prestige New York 2009
- Century international quality award Geneva 2010
- Foundation for excellence in business practice Paris 2011

LOCAL CONTACTS: livercot Impet Ltd, Head Office, Bweyogerere - Krinya | P.O Box 3854, Kampala - Uganc E-mail - livercot.kampala@iivercot.com | Tel. +256-414-288132/5 | Fax. +256-414-288126 World Intellectual Property Trademark Reg No 1007414'



For more Information kindly Contact us Tel: +256 752 444776, +256 751 913072 Plot No 431, Namanve Industrial Park Namanve, Kampala, Uganda

generate 200,000 jobs



Investment minister Anite

trillion), equivalent to about 3.26 % of GDP

The statistics also indicate imports of goods declined from \$4.988b (sh18 trillion) in financial year 2017/18 to \$4.416b (sh15.942

trillion) in financial year 2018/19 According to Anite, the new factories will create jobs in the automotive industry, transformer manufacturing, steel manufacturing,

agro processing and plastics manufacturing and processing. Namanve was created by an act of

Parliament in 1997, following the degazettement of a national eucalyptus forest. In 2007, UIA was asked to develop 22 industrial and business parks around the country, including Namanve, to accelerate job creation, ease access to land for investment and boost Uganda's exports.



The new factories will create jobs in the automotive industry, steel manufacturing and agro processing

Infrastructure development

According to UIA, about 46.7% of the park is presently at various stages of development, while development of the remaining part is expected to kick off within the current and next financial years. Anite said already, the Government has secured approximately 246m

- euros from UK Export Finance Bank for infrastructure development in the industrial park. "The scope of works in this project
- will involve designs and construction of the tarmac roads, extension of
- high voltage power, extension of
- bulk water, sewage treatment plant and waste plant, ICT fibre optic
- cables, open green spaces and the construction of an SME incubation centre," she said. The project is expected to start in October and end
- in 2023. At the onset of the current financial year, finance minister, Matia Kasaija

Use (Priva

Cost Effect Facilities to

- announced a number of incentives
- the Government has put in place

Benefits

The state minister for investment, Evelyn Anite, said developers and investors in the park would benefit from economies of scale derived from common user infrastructure facilities such as paved roads high voltage power, bulk water supply and ICT backbone.

This she said would reduce their unit cost of production, increase productivity and encourage more investment which would also create more jobs. She said currently, Uganda has more than 5,000 formal factories that are contributing to the revenue base of the country through payment of taxes.

to attract both local and foreign investors to the various industrial parks.

According to Kasaija, the Government has reduced the minimum investment threshold, from \$100m to \$50m for developers of industrial parks and \$10m for foreign investors in the industrial parks. Locals, according to Kasaija require only \$1m to invest in the industrial parks.

He said the Government has also exempted income derived from leasing facilities in the industrial parks from income tax for 10 years from the date of commencement of construction of the park. He said the Government was also prioritising undertaking of feasibility studies, including engineering

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designs, for all the proposed industrial parks.

UGANDA INVESTMENT AUTHORITY

BRIFF ON INDUSTRIAL PARKS DEVELOPMENT

BNEE YON INUOJSI RALL PARAS DEVELOPMENT Uganda Investment Authority has been staded to develop 22 Industrial & Business Parks around the country to create jobs and ease accessibility of land for investments, introduce new research, technologies and skills development as well as boost Ugands' sevorts and therefore increase Ugand's revenue base. The competion of these industrial parks will add value to locally available raw materials thus boosting the agricultural and mineral sectors. There are three Government-owned industrial parks with the Kampada Aukloan region. These industrial and Business Park (KIBP), Namanve, Luzira Industrial and Bweyogerere Industrial Parks.

The KAMPAL ANDUSTRIAL AND BUSINESS PARK (KIBP) The KAMPAL ANDUSTRIAL AND BUSINESS PARK (KIBP) Cloated party in Wakso and Mukinoo Diriktiss. To data, all the land has been ali anaame, is a 2,200-acre facility located party in Wakso and Mukinoo Diriktiss. To data, all the land has been aliocated to 309 prospective investors for development in various sub-sectors such as agro processing, mineral processing, ICT, logistics and freight, warehousing general manufacturing are well as Tourism promotion activities.

2.1 Current Level of Development

Forty-Four (44) industries are currently in operation within the Kampala Industrial and Business Park directly r-u-y-rou (+w) moustnes are currently in operation within the Kampala Industrial and Business Park directly employing 15:000 (bugndans within the park; 10.05 projects have commenced construction creating an additional 17,000 indirect/ short term/ contract/ technical jobs during this period while 133 companies are still in the pre-start stages (surveying, processing deed pans and titles, emrity momental impact assessment certificates, architectural designs, geotechnical and hydrological studies). These too create employment to the various white collar professional job portunities for Architects, physical planesr, Environmental Longat assumators, and the same studies Surveyors et: The category under newly allocated (allocated land in 2018 - 2019) are 26.

lable s	able showing level of development				
No	Category	Number of Projects	Examples		
a.	Operational	44	Roofings, Steel and Tube, Kyagalanyi Coffee, Interior Technologies, Exquisite Solutions Ltd, Orion Transformers, Toyota, Nice House of Plastics, Luuka Plastics, Crown & Paper Packaging etc.		
b.	Constructional Phase	106	Tian Tang, Kampala Modernity, Bajaber Industries, Mukwano Industries, , MADA Hotels, Wash and Wills, Masindi Livestock, Lilly Benefit, etc.		
с.	Pre Start Studies	133	Divine Oils, Gayaza Electronic, Fine Spinners, Chromatic Paints (U) Ltd etc.		
d.	Newly allocated	26	Rose Wood Ltd, Landy Industries Ltd, Engo Holdings Ltd, etc.		

Consultancy Services are currently ongoing for the Feasibility Study and Detailed Project Report for Kampala Industrial and Business Park (KBP)-Hamanwe. The scope of works in this project will involve carrying out a comprehensive economic feasibility study review the Master Plan, prepare Detailed Engineeing Besigns of Infrastructure and Review existing Detailed Engineering Designs Road Infrastructure. The Infrastructure improvement of KBP Signg to be catered for in this project.

With the utilization of funds from the World Bank as well as Government of Uganda budget releases, the following has been achieved so far;

- Roads Network Tarmacked 7.5 km of roads out of the total 45km, another 30km have been opened up to r of access to investors plots. Total Average Coverage is at 83% and for paved roads at 16.7%
- ••••••• suppy UIA have extended Skm line of water to the investors who were ready to commence such as Roofings, Steel and Tube, Coca Cola and others. The coverage is approximately UIXs of the park. However, UIA is closely working with NWX8Cs and a project is underway to connect and upgrade the existing network to 30km (67%) to boost water efficiency at the park.
- Power Supply We have extended 11km of 33KV 3-phase power to investors wh Technologies, Opit Investments, Kyagalanyi, Tian Tang, Mukwan and others and the coverage is approximately 24% of the park. ors who were ready to start production such as lukwano, Masindi Livestock, Kampala Pharmad

- Railway Network UIA in collaboration with Uganda Railways Corporation extended a railway siding to Roofings Rolling Mill and plans to do the same for Mukwano Industries.
- rappe Training of River Namanve has been partially undertaken in South A and North Estates. More work is being uted by the Ministry of Works and Transport to avert perennial flooding downstream.

In order to complete this park, Government has to inject USD 245 million (inclusive of the feasibility study and SME project) which will be utilised for infrastructure development for upgrading gravel roads to bituminous standards, provide high voltage power lines (123X24) and 33X4), power sub-staton, supply buik water, fiber optic cable backbone, solid waste management plant and an effluent/severage treatment plant.

HIGHLIGHT ON THE CHALLENGES

- а. •
- :
- Lack of adequate Infrastructure in the Park The gravel roads are normally in deplorable condition especially during rainy seasons and produce too much dust pollution during dy seasons. There is therefore urgent need to tarmac the remaining 39km Flooding of park and drainage issues during rainy season There is need to upgrade to 13240 yourer (from 334) for heavy industries. The ongoing project for construction of a sub-station will inally solve this problem There is in edit to upgrade the tarker mains to 200mm diameter (from 80mm) for beverage industries. The ongoing water project will take care of this soon. .

. Acute Funding Gap he (NBP infrastructure development costs are estimated at Ushs.503 Billion yet annual Government support to he (NBP infrastructure) and Compared and Compa ueverupment and maintenance) There is therefore need to step up funding and also explore alternative financing strategies to realize the development of the Industrial parks.

Neighbours to the Industrial Park

to clearly district them nom neighbouring lands and avert encroactiment.						
	Name of Company	Sector	Business Activity	Acreage		
1	Century Bottling (Coca Cola)	Manufacturing	Beverages processing	30		
2	Saba Gifco	Storage	Industrial warehouses and commercial complex	2.6		
3	National Water and Sewerage corp. (NWSC)	Electricity, Gas and Water	Water booster pumping station	0.4		
4	Roofings Rolling Mill Ltd	Manufacturing	Building Materials	43		
5	Alfasan (U) Ltd	Manufacturing	Veterinary pharmaceuticals and other animal health products	2		
6	Sunbelt Industries	Manufacturing	Agro packaging factory	25		
7	Namanve Industries	Manufacturing	Agro packaging factory	10.3		
8	Nice House of Plastics Ltd	Manufacturing	Plastics manufacturing	5		
9	Toyota Uganda Ltd	Repair services	Motor vehicles and motor cycles	5		
10	Livercot Impex Ltd	Manufacturing	veterinary drug production	4		
11	Threeways Shipping Services	Logistics	Forwarding and Logistics	15.7		
12	Saran Agro investments Ltd	Manufacturing	Manufacturing of 'Made Black Tea''	1		
13	Victoria Seeds Ltd	Manufacturing	Seed processing	1.5		
14	Interior Technologies Ltd	Manufacturing	Interior furniture	2		
15	Leaf Tobacco & Commodities (U) Ltd	Manufacturing	Tobacco processing	5		
16	Kyagalanyi Coffee Ltd	Manufacturing	Processing of coffee	4.81		

	Name of Company	Sector	Business Activity	Acreage		
			Assembly and manufacture of	-		
17	Orion Transformers and Electrics	Manufacturing	transformers	10		
4.0	Hima Cement Ltd		Milling of clinker, gypsum & other	20		
18	Hima Cement Ltd	Manufacturing	additives	20		
19	Opit Investments	Manufacturing	grain processing	3		
20	Uganda Police Force	Manufacturing	Police textile factory as well as a	5.5		
20	oganua Police Force	wanuaccumg	security post	5.5		
21	Office of the Prime Minister	Storage	National emergency response	5		
			facilities			
22	Mariana Agencies Ltd	Manufacturing	Soap and vegetable oil plant	10		
23	Kazi Group Ltd	Storage	Cold storage plant	3.5		
24	ROKE Investments Ltd	Manufacturing	Wood pole treatment	4		
25	Mineral Oils Company	Manufacturing	Agro processing plant	2		
26	Hansom Eastern investments	Manufacturing	Agro-processing	6		
27	Steel and Tube Industries Ltd	Manufacturing	Bulk manufacture of steel tubes	50		
			and plates			
28	FOL Logistics (U) Ltd	Manufacturing	Agro processing facility	5.4		
29	Creston Properties	ІСТ	Business Process, Outsourcing/	6		
			Showrooms	-		
30	Kingstone Enterprises Ltd	Storage	ware houses, an Inland Container	43		
	5		Depot and a parking yard			
31	Lexus Developments Ltd	Storage	Industrial warehouses and	10		
	Uganda Brilliant Pile Industrial	-	commercial complex			
32	Co. Ltd	Manufacturing	Manufacture of blankets	3		
33	Plasnet	Manufacturing	Olyset mosquito nets	20		
22	Plastiet	Wanuacturing	plastic production and recycling	20		
34	Senzira Traders Ltd	Manufacturing	plastic production and recycling	2		
		Manufacturing	Flexible plastic packaging	10		
35	Luuka Plastics Ltd		materials			
		Manufacturing	Rice processing factory	7		
36	Zhongs Industries Itd		Refined molten steel processing			
50	Liongs maastres ra	Manufacturing	plant and scrap smelting	3		
37	Aliyzeco Industries Uganda Ltd	Manufacturing	Cosmetics	1.5		
			Packaging materials, crowns and			
38	Crown & Packaging Ltd	Manufacturing	metal tins	4		
39	Canaanze Construction Co Ltd	Manufacturing	Soft Drinks	3		
40	End the Estation and		Business Processing Out-Sourcing	1		
40	Exquisite Solutions Ltd		Centre	1		
41	Fei Long Investments Ltd	Manufacturing	Warehouses for industrial use	7.1		
42	Partnership for Renewal Ltd	Manufacturing	incubation centre for SMEs	4.84		
43	Creston Properties Ltd	Manufacturing	Warehouses	3		
44	Equator seeds Ltd	Manufacturing	Agro-processing plant (SME PARK)	2		
2.0	EXPECTED BENEFITS FROM THE INDU	STRIAL AND BUSINES	S PARKS DEVELOPMENT (2016-2021)			
NO	BENEFIT	QUANTITIES				
a.	Employment creation	200,000 jobs expected at full capacity				
	Exhanged Barrison Concernition	4 stillion shilling in source as full connects.				

ent creation	200,000 jobs expected at full capacity		
Revenue Generation	4 trillion shilling in taxes at full capacity		
on of New Research ies.	Roofings rebar plant, Quality Chemicals Single ARV pill, Orion GIS transformer		
ecurity of Tenure	Guaranteed tenure by GOU hence minimal investor interruptions due to Land Court cases		
n Orderly and Efficient Land te and Public)	Park is efficiently zoned hence no incompatible land use conflicts are bound to arise.		
tive Infrastructure and o Support Industrial ent	Industries located in one geographical location hence easier to service and extend dedicated utility services.		

Drainage The trainin Financial Investment on Infrastructure Development

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ADVERTISER SUPPLEMENT

Industrial parks: Uganda's key to

By Benon Ojiambo

n November last vear. President Yoweri Museveni commissioned six manufacturing factories at the Namanve Industrial park. These were Orion Transformers and Electrics Limited, Toyota Uganda Limited, Alfasana Uganda Limited, Interior Technologies Limited, Steel and Tube Industries and Luuka Plastics and Packaging Limited.

This brought the total number of operational industries in the industrial park to 37.

Others are Kyagalanyi Coffee, Roofings Limited and Century Bottling Company. Namanve is one of the

nine industrial sites that Uganda Investment Authority (UIA) is currently operating throughout the country. Three of these are around Kampala. These are Namanve which measures 2,200 acres, Luzira and Bweyogerere that are 670 and 50 acres respectively.

More than 40 years ago, Namanve was a dreaded area. At the time, it was a dumping ground for bodies of people murdered during the Idi Amin 62020

Contractors grading Kyagulanyi Coffee Processors factory site at the Uganda Industrial Park in Namanye

regime. Twenty years ago. the place which is along Jinja Road in Wakiso district was just another forest reserve. Namanye ceased to be a forest reserve in 1997 when Parliament passed a law for establishment of the Kampala Industrial and Business Park (KIBP) commonly known as Namanye Industrial Park.

Lawrence Byensi, UIA's acting director general, says using industrial parks as a method of developing a country is perfect because it is a quicker way to attract investment.

He explains that the parks are at different levels of development with Luzira as the most developed park. It has all companies, about 14 of them, that were awarded land fully operational currently. In Namanve, Uganda's biggest industrial park, UIA has allocated land to 291 companies.

Out of these, 37 are currently operational, 99 companies are under construction while the remaining 155 are still

undertaking preliminary studies like surveying and environment impact assessment. Bweyogerere has nine operational companies while four are still under

construction. The institution has also acquired about 182 acres of land in Jinja district. One hundered of these have

been allocated to the Kiira Motors Corporation that is currently under construction. The other land has been allocated to other companies like Uganda Free Zones Authority.

Mbale Industrial Park that measures 619 acres has been allocated to Tian Tang, a Chinese private company to develop the infrastructure like roads, electricity connections and ICT connections in the

park. "They will also have to attract investors to the park and they are doing quite a good job given the short they have taken over the park. They have opened many roads," Bvensi said.

The park, according to Byensi, already has 10 companies that are different levels of development while three of them are already producing goods.

These produce electric bulbs and household such as soap and cooking oil, electric cables

Soroti, which is about 220 acres, has the Soroti fruit factory that was commissioned in April as the project in the park. Other projects that were allocated land have not done anything on the land.

Kampala Industrial and Business Park, Namanve Job Creation



 Roke Investment International Ltd (RIIL) is a limited liability company incorporated in Uganda

- Pole/timber treatment is the core business which RIIL began in January 2015. Our future is focused on continued research and
- evelopment of the best ways to treat and preserve w products.
- Our Poles treatment complies with both national and regional East African (EAC) specifications and standard requirements as stipulated by Uganda National Bureau of Standards (UNBS).
- The treatment plant is situated in Kampala Industrial Business Park (KIBP)- Namanve and treats poles using vacuum pressure impregnation in a cylinder.
- This treatment method is full cell impregnation which gives a minimum net retention of 20kg/cubic meter. The plant produces treated poles to UNBS specifications. The Chemical used is CCA (Copper, Chrome, and Arsenic) or otherwise known as Tanalith Oxide.
- Majority of our poles are from eucalyptus plantations in various parts of Uganda with lengths of 14M, 12M, 10M and 9M
- Treatment services for fencing poles and timber of all sizes and lengths are also offered.
- Poles can be transported by road (making use of our own transport or contractors)

Raw materials

1) Eucalyptus wood poles Eucalyptus poles are classified as hardwood and can be treated with a preservative just like any other lumber for installation. We use eucalyptus species especially eucalyptus grandis and saligna which are ten years and

2) Copper Chrome Arsenate (CCA)

CCA is water-borne preservative known by many trade names (including tanalith oxide) and is the world's most

ROKEINVESTMENT

WOOD TREATMENT & SEASONING PLANT

widely used wood preservative and it is manufactured to national and international standards and is recognizable for the greenish tint it imparts to the treated wood.

The chromium (38-45%) acts as a chemical fixing agent it helps the other chemicals to fix in the wood. The copper (23-25%) acts primarily to protect the wood against decay fungi and bacteria, while the arsenic (30-37%) is the main insecticidal component of CCA, providing protection from wood attacking insects including termites and marine borers. It also improves the weather-resistance of wood after treatment





Suppliers of raw poles Poles are grown in Uganda and are procured from farmers with eucalyptus plantations

4. Suppliers of CCA (Tanalith Oxide) Peja East Africa Limited (the approved agents of CCA)

supply our plant. 5. Method used for seasoning Natural air drying is method is what we are using currently although we have plans of installing a drying kiln by the end

of the vear

6. Moisture content detection method Acceptable moisture content before treatment is 25%-28% and this is measured using a moisture meter. Impregnation/Chemical Treatment Plant is fabricated with the best of materials available in the market for optimum efficiency of the CCA impregnation process

- Impregnation processes Vacuum Period: Impregnation pressure in the cylinder is applied at 60 cmHg (0.8 bars) vacuum for 30 minutes. Following this vacuum process the air in wood material is removed. The treatment vessel is capable of withstanding maximum pressure up to 210psi & 600mmhg vacuum.
- Filling Period: After vacuum period the preservative is transferred into the cylinder. Preservative filling process is applied under vacuum (50cmHg).
- Pressure Period: High pressure application is generally procured between 10-12 bars and the pressure period is 60 min.
- Transfer of chemical back to storage tanks and the final

When the pressure is completed the preservative is withdrawn from the cylinder. A short final vacuum at 40cm Hg is applied for 10-15 minutes to free the charge of wood from dripping preservative, and the vacuum is removed.



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economic growth, development

Byensi said they are optimistic that operation of the fruit factory that he described as the 'anchor project' shall entice other people to develop their pieces of land.

We have land in Moroto but we have not brought it to the level of attracting investors because there has been 'local politics' over ownership of the land. Others are Kashari, Mbarara and Kasese.

Funding gap

Byensi, however, said insufficient funding is still a major bottleneck towards development of vibrant and fully functional industrial parks.

UIA is mandated with attracting investments into the country and developing industrial parks for establishment of investments.

After Namanve was set up, the country has seen the establishment and development of several other industrial parks such as Luzira, Bweyogerere, Mukono, Mbale, Iganga, Jinja, among others. UIA's role is to acquire land on which an industrial area is to be established, open the boundaries within the park and undertake master planning of the area which



Part of Namanve Industrial Park in Wakiso district

involves zoning the area into various categories of industries. "We then develop the requisite infrastructure within the park like access roads, electricity, water and information technology cable network and central sewerage system," he says. After this, the responsibility

falls on the investors. However, Byensi says

Uganda as a country has

seen low and slow levels of development of these industrial parks and he attributed this to insufficient funding yet it is a costly venture.

"Given the resource envelop we have been getting every year, that is the pace at which we have been moving," Byensi says. He adds that with meagre resource allocations, they have been operating on priority basis where the institution assesses where the requirements before allocating the funding. Byensi says they have

been allocated sh374m for development of industrial parks this financial year. Previously, the underutilisation of the industrial park was blamed on

lack of adequate infrastructure such as roads, electricity and water to facilitate investors. According to UIA about

Aliasan Uganda Ltd Manufacturer of Veterinary and Human Medicines

UGANDA INVESTMENT AUTHORITY'S ROLE IS TO ACQUIRE LAND ON WHICH AN INDUSTRIAL AREA IS TO BE ESTABLISHED, OPEN THE BOUNDARIES WITHIN THE PARK.

sh500b is needed to fully develop the park for effective utilisation.

New Vision has since learnt that the government has signed an agreement with Lagan Group, a UK company to develop infrastructure services in Namanve.

Early this week, the agency signed an agreement with a consortium of companies for offering consultancy and supervisory services during the development of infrastructure in the industrial park.

The consortium led by Roughton International includes Basic Group, Townsend & Turner and Joadah Consult Limited. Byensi further said with the sh374m allocation this financial year, they are prioritising opening of roads in Soroti and Kasese industrial parks.

He says it would be ideal to be allocated about sh10b annually devoted to infrastructure development in the parks.

"Even there, we would have to prioritise because you can't be everywhere," he stated. He explained that the

institution carried out a survey in April this year and put the cost of fully developing the 22 industrial sites that have been allocated to government at sh1 trillion. However, this includes the cost of acquiring land. "If you have sufficient money, you hire companies to do infrastructure like roads, electricity and water, among others," Byensi said.

"Government must be prepared to commit money for acquisition of land and also develop infrastructure," he adds.

Alfasan looks to producing Vaccines and Acaricides

Alfasan adheres to the Good Manufacturing Practices (GMP), a system for ensuring that products are consistently produced and controlled according to scientifically accepted quality standard.

Dr. Stephen Birungi

Dr. Stephen Birungi is a veterinary surgeon. He initially had a private practice at Ntinda in Kampala, until the high prices and the high incidence of disease outbreaks associated with inefficacious drugs attributed to the alleged imports of substandard veterinary products became common place. Dr. Stephen Birungi is Alfasan founder managing director of the company, now ten years old and he is upbeat that considering that economic analysts have concluded that a Ugandan company that survives that long has chances of living for ever after. In his estimation, Alfasan has taken off and has no reason to look backwards.

He opted to partner colleagues from Alfasan of The Netherlands, producers and distributors of veterinary medicines since 1985, to address the issue, effectively kicking in an enhanced entrepreneurial knack, ten years ago. They set up shop in Uganda to produce medicines of the authentic European standards albeit at the prices affordable to Ugandans. Alfasan's veterinary drugs production is in three phases to produce injectables and oral liquids, Hydro soluble powders, acaricides and vaccines. While attributing the high cost of Europe-originating pharmaceutical products to the cost of labour, Alfasan pays its Staff at relatively higher levels than what the local market offers but at rates whichare lower than those of Europe.

Thus with a lower cost of labour and packaging, whilst adhering to the Good Manufacturing Practice (GMP), a system for ensuing that products are consistently produced and controlled according to scientifically acceptable quality standards. The company's equipment has been imported from the Netherlands. GMP covers all aspects of production; from the starting materials, premises and equipment to the tram mg and personal hygiene of staff. At home, the National Drug Authority regularly audits Alfasan's production processes and issues the company with a certificate of authority.

In so doing, Alfasan will address the issue of drugs shortages and pricing, develop critical technical expertise and create employment for the professional nationals in the veterinary Pharmaceuticals' sector and contribute to Buy Uganda Build Uganda, an economic development philosophy the government is promoting. Reacting to the incidence of foot and mouth disease which beset the herders prompting a declaration of quarantine Dr. Birungi is optimistic of Alfasan's rising to the occasion to find a solution through the manufacture of appropriate efficacious vaccines in the very near future, for which a laboratory for the purpose is already in place. He urges livestock owners to treat the vocation as serious businesses that are conscious of inputs, outputs and outcomes. They need to take professional advice seriously and strive only to apply authenticated efficacious drugs recommended by the veterinary practitioners, so as not to nurture diseases and pests which are resistant to

eradication.

To further this ideal, the company has recently acquired two square miles ofland on which it intends to set up an ideal farm; the animals will benefit from scientific innovations Alfasan will be generating.

Against this background, with a passion for professional development, Dr. Birungi urges his professional colleagues to Junk the mentality of simply practicing vetermary medicine but find ways of enhancing their vocation to be more productive in nation-building. He say the company will also be hosting university veterinary students who undertake research into the development of various veterinary Pharmaceuticals.

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By Vision Reporter

oving to a new country constantly comes with anticipation of new opportunities. When it comes to foreign investors, the business

environment in Uganda is ensuring that they get the desired break-through. Uganda is one of the countries

in East Africa that attract the most Foreign Direct Investment (FDI), according to United Nations Conference on Trade and Development (UNCTAD) 2019 World Investment Report. Last year, FDI flows to Uganda accounted for \$1.3b, an increase from \$803m in 2017.

Why the investment interest in Uganda

In 1991, Uganda's economy was privatised. The Government remains committed to the private sector-led economy. All sectors of the economy are liberalised for investment. Uganda's liberalised economy allows the free inflow and outflow of capital.

According to the UNCTAD report, progress has also been made in regulatory development in financial services, especially in insurance and capital market. as well as privatisation in banking, attracting FDI

Furthermore, is the discovery of oil reserves in Uganda. The richness in natural resources and minerals that remain largely

THE UGANDAN LAW ALLOWS **FOR 100% FOREIGN-OWNED BUSINESSES**, **WHICH ARE ALLOWED TO PARTNER WITH UGANDANS WITHOUT** RESTRICTIONS

unexploited makes Uganda an attractive investment destination. Uganda's rich endowment with rainfall, fertile soils and favourable temperatures further make Uganda an attractive destination for investors. The UNCTAD report indicates that FDI in Uganda mainly goes to the coffee and mining sectors. Uganda is also strategically located at the heart of Sub-Saharan Africa, giving it a commanding base for regional trade and investment.

Uganda gives an investor access to the Eastern African Community (EAC) market and the Common Market for Eastern and Southern Africa (COMESA).



Uganda attractive for investment

Participants during the opening of the China-Uganda Economic Investment and Trade Cooperation forum at Hotel Africana in Kampala. Uganda's policies are investor-friendly

More incentives

The Ugandan law also allows for 100% foreign-owned businesses, which are allowed to partner with Ugandans without restrictions. According to the Uganda Investment Code Act, investors engaged in exportoriented production can also enjoy a 10-year tax holiday.

The Government has set incentives for industrial investments, including a 75% import duty reduction on factory equipment and a 100% tax deduction on research and training costs, plus mineral exploration costs. The country also guarantees

security of investment. Uganda has equally achieved macroeconomic stability, with low inflation rates around the target of 5% and annual economic growth averaging 6% per annum. In addition, Uganda has a good education system that produces trainable human resource.

The Goal

Right from the time of assuming leadership in 1986, the current government has consistently emphasised the transformation of Uganda from a peasant to an industrialised modern society. It sets out the goals and

targets to be achieved to realise this desired socioeconomic

transformation. Uganda's vision 2040 aspires to change the country from a predominantly low income to a competitive upper middle income country within 30 years, with a per capita income of \$9.500.

Vision 2040 is conceptualised around strengthening the fundamentals of the economy to harness the abundant opportunities around the country. The opportunities include

investments in, among others, oil and gas, tourism, minerals, ICT business, abundant labour force, infrastructure, technology, agriculture, trade and industrialisation.

In 2016, while in Berlin, Germany, President Yoweri Museveni delivered a kevnote address at the Germany-African Business Day Forum, emphasising that Uganda was an impressive investment destination, with the population projected to grow to 120 million people by 2050, providing the purchasing power and labour.

World over, investment is a major driver of economic growth and development. Both public and private investments play distinct, but complementary roles in the growth and development of an economy.

According to UNCTAD, when it comes to FDI, growing demand and a corresponding rise in the price of commodities, of which Africa is a key producer, are expected to prop up FDI flows to the continent this year.

Also, the growing number of special economic zones could become another factor in drawing investment to the continent in the coming years. For Uganda, the UNCTAD 2019 World Investment Report indicates that Kenya, Germany and Belgium are the main investors

INDUSTRIALIZATION N UGANDA:

Investment and Job Creation (Namanve)

The Government of Uganda represented by the **Ministry of Finance Planning and Economic** Development (MoFPED) and Uganda Investment Authority (UIA) is working with Vision Group to highlight the developments under Industrialization with the theme;

"Investment and Job Creation in Uganda"

We have carefully crafted a series of supplements in print, electronic and digital platforms to cover all the industrial parks nationwide.

Today's Highlights:

- Namanve Industrial Park to create 200,000 jobs
- How Uganda can secure returns from industrial parks
- Waste management at Namanve
- Why Uganda is attractive for investors
- Government pushes for high voltage lines, substations in industrial parks





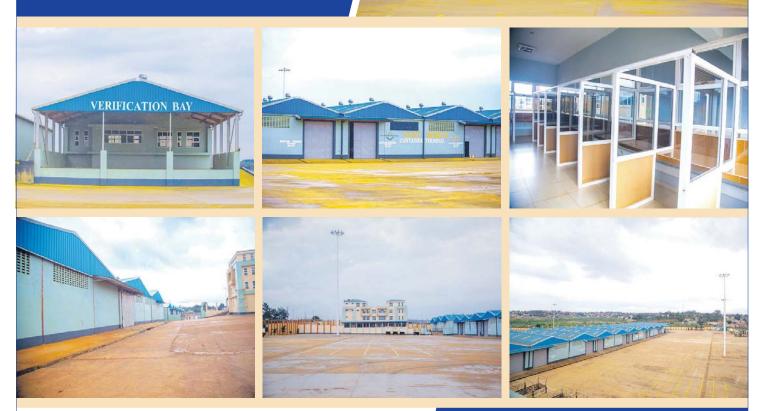
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The Uganda Investment Authority building at Kampala Industrial Park, also known as Namanve

Over 290 companies pitch

At least 291 companies have been allocated land at the Kampala Industrial and Business Park, popularly known as Namanve. This is Uganda's first and biggest industrial park. Out of these, 37 companies are operational, 99 are under construction, while the remaining 155 are still undertaking preliminary studies like surveying and environment impact assessment. The industrial park that straddles both Mukono and Wakiso districts, sits on a 2,200 acre piece of land. It so far has industries in agro-processing, ICT and health sectors. Mpalanyi Ssentogo and Ronnie Kijjambu captured some the activities at the park

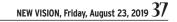




Roofings Group manufactures a variety of steel products



Steel and Tube Industries manufactures steel tubes and plates





The East African Container Terminal Limited

at Namanve



Alfasan Uganda Limited, manufacturers of veterinary medicine



An aerial view of Namanve Industrial Park



Workers of Roke Investments Limited



A heavy duty truck carries a consignment of steel at the East African Container Terminal



Namanve Industrial substation



Roke Investments Limited has commenced operations in the industrial park

INDUSTRIAL PARKS SHOULD BE SYSTEMATICALLY INTERLINKED WITH SUPPLIERS

By Benon Ojiambo

contention about the importance of industrial parks towards economic development of nations. It has been proven that industrial parks are instruments for structural transformation as they aid urbanisation and industrialisation, for example in countries like China and South Korea.

here is no

What are Industrial parks

An industrial park can simply be defined as an area zoned and planned for purposes of industrial development. Industrial parks are usually

located on the edges of cities and normally provided with transportation access including road and rail.

Experts argue that zoning is based on several concepts such as concentrating dedicated infrastructure in a limited area to reduce the business expenses.

Such infrastructure includes roadways, railway sidings, high power electricity supplies, high-end communication cables, large volume water supplies and waste management.

Providing an integrated infrastructure in one location helps attract new businesses. This is alluded to by Ramathan Ggoobi, an economics lecturer at the Makerere University Business School.

"This is a good concept because it solves challenges faced by investors since the Government puts all the necessary infrastructure like technology and transport in one place," Ggoobi says.

Special economic zones The idea of industrial parks, according to Ggoobi, was conceived by countries that were finding it hard to attract investors because the economy was controlled.

These countries, which include China, South Korea and Mauritius, were looking at ways of getting special economic zones that could aid their structural transformation.

Indeed, in a 2017 presentation titled Study on Industrial Parks Development: Issues, World Experiences and Lesson to Ethiopia, Dr Alebel Weldesilassie, a research fellow at the Ethiopian Development Research Institute, argued that special economic zones (SEZs) led to urbanisation and rapid growth in exports of China.

He attributes China's success to "setting realistic goals and designing feasible pathways" to effectively achieve those goals.

During a presentation at the 16th Executive Idea Exchange Forum at the Addis Ababa

How Uganda can secure returns from industrial parks



The streamlining and packaging station at the Goodwill Uganda Ceramic Company factory in the Liao Shen Industrial Park, Kapeeka, Luwero district. Industrial parks have the potential to transform economies and jobs

THE GOLDEN **RULE LIES IN HOW YOU** CONCEIVE AND **STRUCTURE** YOUR **CONCEPT IN TERMS OF** LOCATION **TO ADDRESS** MARKET **NEEDS**

University, Weldesilassie said China's SEZs had a function of 'window and radiator' "As a window function, they serve as a first step for foreign enterprises to enter the Chinese market in a more guaranteed investment atmosphere and could also collect information. As a radiator, the SEZs served a function of creating linkages between firms in the SEZs and those in the rest of the country," he said. Ggoobi reasons that countries that have succeeded in implementing this concept



Providing an integrated infrastructure in one location helps attract new businesses such as in Namanve where a number of industries have already been set up

had structured and thought through implementation strategies.

He also cites East Asian countries of China and South Korea as well as Ethiopia and Mauritius where he says it is taking root in Africa.

Starting industrial parks

"The golden rule lies in how you conceive and structure your concept in terms of location to address fundamental challenges like solving market needs. I do not think we thought this

through well," Ggoobi says. He adds that failure to do this may lead to challenges mean that we

shall get challenges like getting investors 'who are transferring all the dirty industries to you without transferring the jobs'. "They come with their

workers and that has been Africa's story so far. They (investors) have not transferred technology; do not pay tax because you have given them tax incentives and they create casual jobs while

retaining the high paying ones. After a period, they relocated to another country to set up and enjoy the same," Ggoobi said. To plan an industrial park well, they need to be systematically well clustered so that the industries are interlinked with suppliers, associated institutions, proximity to bulk transport, business environment. Ggoobi cites the Kapeeka industrial area run by Gen. Salim Saleh, the co-ordinator of Operation Wealth Creation,

Albeit, Dr Alebel Weldesilassie, a research fellow at the Ethiopian Development Research Institute, argues that many countries have fallen into different traps like overestimation of the benefits of foreign direct investments and heavy debts to develop industrial parks due to thirst for development.

Ramathan Ggoobi, an economist, says this is because most of the countries that are already implementing the industrial park strategy are liberalised economies that should be attracting investors naturally. "If you fail to get an

investor by his own accord, it will be difficult to get them through industrial parks," he said.

as a well thought through idea that will succeed. "Saleh started a park, which would grow naturally, put some thinking into it and it has ended up attracting more investors than other public

parks," he says. "Industrial parks usually fail when transactional costs are high. There is no way you will take an investor to Soroti or Arua when you have not looked at how you will reduce their cost of doing business,' Ggoobi adds

By Edward Kayiwa

ll around the world, industrial and business parks feature prominendy as pivotal vehicles for both social and economic development. This is partly due to their propensity to reverse imports, grow exports and create jobs.

In Uganda, the Government has instructed the Uganda Investment Authority (UIA) to oversee creation of at least 22 industrial and business parks, as the country strives to attain a middle income status by 2025.

These, according to President Yoweri Museveni, will create jobs, boost domestic tax mobilisation, improve productivity and turn around the country's balance of trade.

The Kampala Industrial and Business Park (KIBP), one of the 22, is by far Uganda's premier and best planned industrial complex, sitting on approximately 2,200 acres of land.

The number of operational establishments has over the years grown, reaching 38 fully operational factories with about 99 others at various stages of construction.

Environmental concerns

However, operations in the industrial park have raised environmental concerns by those living in close proximity, given the current poor disposal of waste from the industries.

At the moment, the 38 investors operating at Namanve Industrial Park are managing their own waste disposal, due to the inhomogeneity of waste collection at the park.

However, according to UIA executive director, Lawrence Byensi, the Government has already contracted a consortium led by Roughton International, to supervise works for the construction of infrastructure, including a waste collection and management system in the park.

The civil works will be done by local construction company, Dott Services Limited together with Lagan, an Irish company.

"Waste management is part of the infrastructure development plan, because currently, it is lucking. Just like roads, water and ICT fibre optic, waste management is another area that the Government has prioritised, because without it, the park cannot be fully operational." he said

be fully operational," he said According to Byensi, the contract signed on August 19, will see the infrastructure works kick off in the next two to three months and span a period of three years.

He said the project is being done under the \$246m (sh907b) support the Government secured from the UK's Export Finance Bank for infrastructure development in the industrial park.

Central processing unit Godfrey Ssemakula, the deputy

Godfrey Ssemakula, the deputy director for industrial parks development, said the system has been designed is such a way that all industries will have their effluence channeled to one central processing facility managed by UIA.

"Instead of each industry setting up their own waste treatment plant, they will channel the effluence into the system and then we manage it from there," he said.

from there," he said. Before discharging the effluence, Ssemakula said the industries will

Govt to construct Namanve waste management system



Government has contracted a consortium to construct infrastructure, including a waste collection and management system in the park



A National Environment Management Authority (NEMA) official takes samples of waste water. Operations in the industrial park have raised environmental concerns over the poor disposal of waste

be required to have a pre-treatment plant, which sorts out the waste before channelling it into the central treatment system.

He said the system will be divided into two, a solid waste management section and a liquid waste management system for radioactive

waste. "This model is what is used in most industrial parks all over the world and we believe it is the most effective," Ssemakula said.

According to Ssemakula statu. According to Ssemakula, the fiveacre processing facility connecting all the 291 allocated plots will be in the Southern part of the industrial park and it is expected to take approximately three to four years to build.

THE PROJECT IS BEING DONE UNDER THE SH907B SUPPORT GOVERNMENT SECURED FROM THE UK'S EXPORT FINANCE BANK FOR INFRASTRUCTURE DEVELOPMENT

He said the model, will be replicated in all other industrial parks the Government is currently constructing and those it intends to build in the future, adding that already, Makerere University has been allocated land for conscious scientific research and innovations derived from the industrial waste.

Welcome development Roofings' head of finance, Dr Martin Kyeyune, welcomed the development with mixed feelings. He said, although waste management is a problem that needs to be sorted out urgently, it needs to be done in the best and safest way possible.

Kyeyune said some investors do not entirely agree with the solid waste management plan in place because there are other innovative ways that solid waste can be managed.

"A company like ours, which deals in steel manufacturing, cannot produce bio-degradable waste which a land fill like facility handles. Our waste needs to be managed in a way that does not make it a threat to nature or people. The best way is to recycle it into raw material for other products," he said.

Kyeyune said as such, other attendant industries should be licenced to operate on the periphery of the industrial park, as part of the waste management plan. In 2016, UIA attempted to introduce a natural, cost-effective waste treatment method, which it

said was also environment-friendly. The Rootzone Filter System entails construction of an artificial swamp with a green treatment

system known as the reed bed. UlA told investors in Namanve that the system minimises waste, cuts pollution and promotes an efficient process of waste-water management through various methods such as the soil filter that removes organic wastes and heavy metals.

However, the method drew different reactions from factory owners at the time; some of whom thought it would be more expensive in the long term, since investors were expected to install the system on their premises. It was

later dropped. In an earlier interview

- with Byensi, he said once all
- infrastructure in the industrial park
- is fully done, the regulator expects Namanve to quickly grow and
- create a multitude of jobs.
- mente a manatade or jobs.

High voltage lines, substations to power new industrial parks

By Benon Ojiambo

Ithough Uganda has an installed electricity generation capacity of about 1,179MW against a peak demand of about 650MW, industrialists have on several occasions complained about the quality and reliability of electricity

supplied. Last year, in October, Hima Cement complained about the quality of electricity, especially for industrial use. Sadly, it was a shared plight with other industrial consumers in the country. In a move to avert this, the

In a move to avert this, the Government through the Uganda Electricity Transmission Company Limited (UETCL) launched the electrification of industrial parks, a programme through which they target to build high grade infrastructure in industrial parks around the country. UETCL through this programme

UETCL through this programme that kicked off in 2016 is to construct high voltage substations and transmission lines in 22 industrial parks around the country.

This is aimed at providing industrialists with reliable and stable electricity supply and also stimulating consumption.

First phase

According to Eng. Mark Namungo, the programme manager, the first phase of the project is expected to be completed before end of year and it has four substations at Namanve, Luzira, Mukono and Iganga industrial parks.

The first phase of the project has cost the company approximately \$100m (about sh370b). About \$85m is financed by the China Exim Bank while the \$15m is provided by the

Government through counterpart funding.

Namanve substation has three transformers each with capacity to handle 70MW, while Mukono substation is capable of handling about 189MW. Currently, the Mukono substation

Currently, the Mukono substation has been completed and is fully operational while the other three are under construction.

Kapeeka, Mbale, Tororo

The next phase of the project is targeting Kapeeka, Mbale, Tororo, and Nakasongola industrial parks.

Stephen Ilungole, Umeme's media relations manager, said

the distribution company is concentrating its capital investments in load growth and customer growth related projects in the different industrial parks to boost reliability of supply mainly for industrial

customers setting shop there. This is through developing new and upgrading the already existing

Infrastructure. The company upgraded the Gulu and Ishaka substations, Kawanda-Kapeeka industrial park and the building of the Nyakesi substation in Tororo

"Creating demand for increased generation capacity is core to ensure that there is a lot of production in the country," he says.

High demand

Namungo also explained that they are overwhelmed by the loads they are experiencing from industrial consumers.

At the planning stage about six years ago, we made a load forecast but we did not expect it to actualise this soon.

Right now, there is a distribution line dedicated to Tembo Steel Works that requested for 40MW supply from this substation.

"This alone is about three-quarters of one of the transformers here. At forecast, we anticipated the load to NAMANVE SUBSTATION HAS THREE TRANSFORMERS EACH WITH CAPACITY TO HANDLE 70MW, WHILE MUKONO SUBSTATION IS CAPABLE OF HANDLING ABOUT 189MW

be about 140MW by now, but it is about 160MW from this substation alone," Namungo said.

Tembo Steel Works, according to Electricity Regulatory Authority (ERA), was one of the top consumers of electricity in the country by end of last year.

Currently, Namungo said the supply is sufficient but it will not be too long before the agency is strained with demand.

"We are still comfortable (with the load) but it should also be noted that we have room for expansion to cater for addition demand. For the next six years, we need at least two more transformers each of 63MW to sustain this demand," he added.

Dr Martin Kyeyune, the finance and economic advisor at Roofings Group and a prospective beneficiary of the project said there is change in quality following the investments in dedicated substations and transmission lines.

"Namanve and these other industrial parks are coming up with very good quality electricity supply," Kyeyune said recently.

Kyeyune said recently. He described the project as the model that can stabilise electricity supply to the manufacturing sector. "Have industrial parks and dedicate an investment towards electricity supply specifically for industrial use as opposed to mixed use with domestic, commercial and industrial." he added.

Namanve industrial park gets infrastructure boost

By Vision Reporter

bout 291 companies have been allocated land in Kampala Industrial and Business Park popularly known as Namanve, Uganda's first and biggest industrial park.

Located in both Mukono and Wakiso districts, the industrial park sits on a 2,200 acre piece of land hosts many industries.

Some of the prominent operational industries in the industries are Kingdom Rice, Bakhresa Grain Millers, Namanve Industries, Sunbelt Industries, Kyagalanyi Coffee, Zahra Foods, Steel and Tube Industries, Tile Center among others

Tile Center, among others. To fully harness the benefits of the park, requisite infrastructure like a well-developed road network, information and communication cables, quality and reliable electricity supply and a sound waste management plan have to be put in place. However, to date, only a portion of this has been done in the park.

Lawrence Byensi, Uganda Investment Authority's (UIA) acting director general, says a total of about 45km of a tarmac road network within the industrial park is supposed to be developed by the agency.

Of these, only 7.5km have been developed while about 37km of access roads have been opened within the park to ease investors' access. The agency has served about 12% of the electricity and water network.

Loan

However, infrastructural bottlenecks could be forgotten soon. The Government has secured a loan of \$246m (about sh910b) from the UK Export Finance, an export credit agency for infrastructure development in the park.

The Government has signed an agreement with Lagan Group, a UK company to undertake full infrastructure development in the

n of 🕴 area

The company is expected to develop a tarmac road network, high voltage electricity supply, an information and communications network as well as a waste management system.

"We now hope that the challenge of Namanve as far as providing infrastructure in the park will be resolved by that project," Byensi said.

UIA also signed another memorandum of understanding with a consortium of companies for offering consultancy and supervisory services during the development of infrastructure in the industrial park. The consortium led by Roughton International includes Basic Group.

International includes Basic Group, Townsend & Turner and Joadah Consult Limited.

Premium fees abolished In November 2017, President

In November 2017, President Yoweri Museveni directed that the premium lease fees that used to be charged by the investments body before acquiring land be abolished. This was aimed at reducing the cost of doing business for the prospective investors. Prior to that, UIA was charging \$80,000 (about sh296m) per acre in the industrial park.

This was, however, with the exception of four sectors that were regarded top priority towards economic development of the country and these were agroprocessing, tourism, mineral beneficiation and information and communications technology. However, this has also come with its challenges as Byensi

with its challenges as Byensi explains that it has reduced the level of preparedness by most of the prospective investors before submitting their license applications. He explains that the \$80,000 per

acre that used to be paid, acted as a 'sieving mechanism' through which the agency could differentiate 'serious' from 'unserious' investors. This used to be paid in a 24-month period.

"When you put \$80,000 on the table for an acre of land in an industrial park, you will have to thoroughly think through the proposal you are submitting. Currently, prospective investors are submitting less thought through proposals," he said.

proposals," he said. This, he explained, is likely to lead to awarding land to companies that don't have adequate capacity to develop their land.

develop their land. He also added that they are already experiencing slow development as some of the investors who were awarded land as early as 2017 are yet to undertake even the basic studies on the land like environmental impact assessment or even submitting architectural plans to urban authorities for approval.

An investor is given up to three years to develop their land, failure leads to automatic withdraw and reallocation of the land.

Since 2009 when the first chunk of land was awarded to an investor, 120 investors have seen their pieces withdrawn by the investments body and reallocated to others after failing to develop their land.