



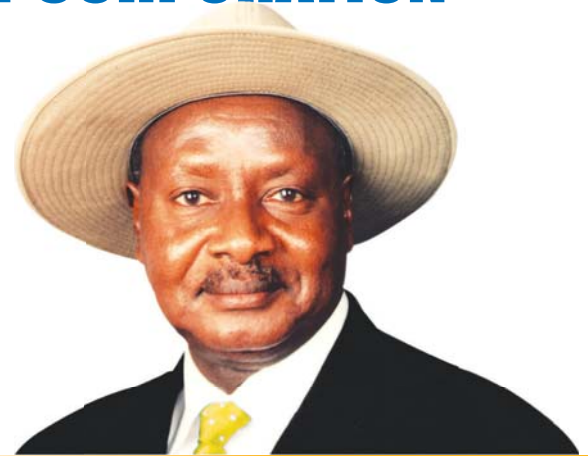
UGANDA DEVELOPMENT CORPORATION



MR. FRED OGENE
AG. EXECUTIVE DIRECTOR UDC



HON. AMELIA KYAMBADDE
MINISTER OF TRADE, INDUSTRY AND COOPERATIVES



H.E. GEN. YOWERI KAGUTA MUSEVENI, PRESIDENT OF THE REPUBLIC OF UGANDA

Happy 54th
Independence Uganda!

The Management and staff of Uganda Development Corporation wish to congratulate H.E. General Yoweri Kaguta Museveni the President of the Republic of Uganda, Government and All Ugandans on marking 54 years of Independence.

Uganda Development Corporation (UDC) as the investment and development arm of the Government of Uganda is mandated to invest in projects that ensure diversification and grow Uganda's production capacity. The Uganda Development Corporation Act 2016 was passed by the Parliament of Uganda on 3rd March 2016. The UDC Act 2016 is now awaiting Assent by His Excellency the President of Uganda.

UDC is currently implementing the following Projects;

- The Soroti Fruits processing factory;
- Kalangala infrastructure Services Limited- Roads, Power, water and ferry service Components
- Assembly and manufacture of vehicles under the Kiira Motors Corporation (KMC)
- Value addition to tea processing in Kabale and Kisoro Districts through an Equipment leasing arrangement

The general associated social economic benefits of projects undertaken by UDC include employment opportunities along the value chains and foreign exchange saving due to import substitution in the long term amongst others.

UPDATES ON THE PROJECTS BEING IMPLEMENTED BY UDC

1. SOROTI FRUIT FACTORY

Teso Region (Soroti, Kumi, Bukedea, Katakwi, Amuria, Serere, Ngara and Kaberamaido) is the leading producer of citrus in Uganda with the bulk of it being improved orange varieties. The Region also grows mangoes. Given this potential, and a bid to enable communities benefit more from fruit production, Government in partnership with the Korean Government through KOICA, has intervened by setting up a fruit processing factory (Soroti Fruit Factory) in the region to provide a ready market for the farmers' produce, add value to the fruits, hence increasing household incomes in the region.

The Soroti Fruit Processing Factory will process oranges and mangoes into concentrates and ready to drink juice. It will have capacity of 6 metric tonnes per hour for oranges and 2 metric tonnes per hour for mangoes. The fruits will mainly be sourced from the fruit growing districts of Teso benefiting both individual farmers and cooperative societies

Associated socio-economic

1.1. Associated economic benefits of the Soroti Fruit Factory

- An increase in the incomes of the fruit farmers in Teso Region; hence creation of wealth in the region.
- Creation of employment opportunities along the value chain;
- Infrastructure development will emerge in the Teso region such as roads, power, education and health facilities, and other social amenities;
- Skills enhancement of the facility's workforce due to the training component of the investment.

Progress on the construction of the Soroti fruit factory

1.2. Progress on the Construction of the Fruit Factory

The ground breaking for the construction of the fruit factory took place on September 28, 2014 by His Excellency the President, Yoweri Kaguta Museveni. The construction of the factory commenced in April 2015 and is scheduled to be completed by October 2016. Thereafter, installation and commissioning of machinery and equipment will be done from December 2016 to March 2017 while Commercial operation of the factory is scheduled to commence in April 2017.



Soroti fruit factory opening in March 2017

2. THE KIIRA MOTORS CORPORATION(KMC)

KIIRA Motors Corporation(KMC) which is jointly owned by Uganda Development Corporation and Makerere University is an offshoot of the Kiira Motors Project; which was an industrial development intervention supported through the Presidential Initiative for Science and Technology Innovations. The Project was aimed at establishing Vehicle Manufacturing Capabilities in Uganda for Pickups, SUVs, Sedans, Light and Medium Duty Trucks, and Buses. The Kiira Motors Project has now transitioned into a government program and vehicle for industrialization through the Kiira Motors Corporation. The ultimate goal is to establish Kiira Motors Corporation as an Automotive Original Equipment Manufacturer (OEM) in East and Central Africa.

2.1. Key Accomplishments by the Kiira Motors Corporation

- Allocation of 100 Acres of land by the Government through Uganda Investment Authority (UIA) at the Jinja Industrial and Business Park for the construction of the KMC Plant
- Continuous key Staff Training in Vehicle Engineering & Manufacturing at the renowned top tier automotive industry institutions.
- Heavy involvement of a wide spectrum of artisans especially in the informal manufacturing sector (Katwe artisans) in the development of the three Concepts Vehicles under the Kiira Vehicle Technology Innovation Program;
- Development of three concept vehicles which are now famously known as the Kiira EV (the Green Car), the Kiira SMACK (the black sedan) and the Kayoola Solar Bus (Kayoola Bus).
- Development of the 25 Year Kiira Motors business case and strategy which provides for the implementation of the KMC objectives in Five tangible Phases:

2.2. Socio-Economic benefits of Kiira Motors Corporation

- Creating over 10,000 employment opportunities both direct and indirect at various skill levels, foreign exchange saving due to import substitution in the long term;
- The local automotive industry will build strong backward and forward linkages with other sectors such as the petroleum sector, sheet glass industry, iron and steel industry, the Roads and Transport Sector and many more
- Encourage investment and the adoption of environmentally friendly technologies, acquisition of skills and work practices that facilitate quality improvement and adoption of recognized international standards in the Automotive industry
- Promote the development of engineering facilities and apprenticeship schemes aimed at building the capacity of the local human resource in automotive industry.
- Encourage partnerships with the private sector so as enhance capacity to develop similar bankable projects in Uganda

3. PROJECTS THAT UDC INTENDS TO INVEST IN;

UDC proposes to undertake a number of strategic investment projects in line with its mandate. These proposed investments will ensure diversification of Uganda's industrial base hence spur economic growth. These Strategic investment projects include the following;

- Establishment of Agricultural and Fruit Processing Industries in the numerous fruit growing and Agriculturally intense parts of the Country
- Revamping of Salt Processing under the Lake Katwe Salt Processing Project in Kasese District
- Exploitation and value addition of Mineral Raw Materials such as Iron Ore, white sand, , lime stone and



Solar Panels at the Bukuzindu Hybrid Solar Plant that supplies Electricity to the Islands in Kalangala District



The MV Pearl Ferry transporting passengers and goods on Lake Victoria



Food city complex to add value to grain cereal



H.E. The President launching the KIIRA EV at Makerere University



H.E. The President disembarking from Kayoola Solar Bus upon its being Launched

marble for the establishment of steel industry, sheet glass plant and cement plant in Moroto District respectively.

- Establishment of Food Storage and Cereal Processing Facilities
- Establishment of Tourist infrastructure facilities
- Energy -related facilities and Projects

It is worth noting that while UDC operates independently, the investment decisions are based on the economic viability of each investment. UDC remains accountable to the Government and to the citizens of the Republic of Uganda.