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# Contents



**Invest in Agro Processing**  
Page 8



**Improve your Capacity - PPDA**  
Page 24



**Lubricants firm eyes Uganda oil**  
Page 40

Editorial: BUBU essence is patriotism	7
"Invest in agro-processing"—Museveni urges investors	8
My customs officials are lazy - Museveni	10
Uganda Clays Ltd; age old vibrancy	12
Improving service delivery at UNBS	14
Manyindo strives for a smart Kampala	16
Fine Spinners Ltd is fully BUBU compliant	17
Uganda's sesame is highly rated	20
Apologies to Star Tahina Confectionaries	22
Improve your capacity, win big contracts - PPDA	24
Strategic objectives - UNBS	27
Victoria Engineering; a reliable steel fabricator	28
Presidential Banana initiative	31
Building a fair market	34
I will discipline Inefficient officials - Museveni	36
Uganda needs Made in Uganda	38
Lubricants firm eyes Ugandan oil	40
Ugandan businesses need a trademark	42
Meeting the fresh fruits export standards	44
Nile Breweries fights drunkenness	46
I will discipline Inefficient officials - Museveni	36
Uganda needs Made in Uganda	38

# Editorial >

## BUBU essence is patriotism



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**W**e congratulate those Ugandans who have ventured into manufacturing, consciously or unconscious of the nation's clarion call to consume Ugandan.

Considering that most entrants in manufacturing have no prior experiences in such ventures, the stark challenges they have to negotiate call for much innovation, quick learning and doggedness.

We take heart in the Tooke innovations engendered by President Yoweri Museveni's suggestion for industrializing the matooke fruit, together with his apparent admiration for processing the mango fruit into sun-dried packaged slices. Whereas the venture is state inspired, imaginative entrepreneurial minds can take a leaf and have many other foods and fruits processed into longer shelf and higher value food for economic security.

Similarly, sesame (sim sim) processing into a variety of high value affordable nutrient laden cookies and paste is ammunition against malnutrition/kwashiorkor in the nation's children, whereas the peasant growers of the two season crop are the better off for it.

We congratulate and salute those Ugandan herbalists who have invested

into science, understood chemistry and formulated potent substances that remedy a variety of human maladies much like and even better than the famed Chinese herbs.

This publication hails Nile Breweries Ltd for opting to use locally grown sorghum and barley base for some of their products, putting a few shillings in our people's pockets, improving their welfare and making them feel wanted.

BUBU Magazine is outraged by the selfish anti-Ugandan elements that lobby the authorities for concessions to import goods some of them sub-standard, that are also locally produced, against the letter and spirit of Buy Uganda Build Uganda and against the grain of patriotism. This literally puts high quality local manufacturers at a loss and caricatures all the BUBU talk.

Nonetheless, like clockwork Uganda Registration Services and Uganda National Bureau of Standards are executing their mandates, notwithstanding the economic hitches associated with their work.

Our hope is that the PPDA guidelines being revised in relation to local content will really enhance meaningful local participation in big projects.

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President Y.K. Museveni with some of the participants in the Exim Bank Regional Conclave on Partners in Development at Munyonyo.

# “Invest in agro-processing” – Museveni urges investors

Notwithstanding the encumbrances in the customs procedures and the diverse red tape in fulfilling the requirements for doing business especially in Uganda, India will ensure that its business partnerships with Africa are fully realized—India’s Secretary for Commerce.

President Yoweri Museveni has advised prospective investors to focus on agro-processing and value addition to minerals like phosphates in Uganda.

The President was addressing a business conference of the Confederation of Indian Industry (CII)-Exim Bank Regional Conclave on India-East Africa Partners in Development at Speke Resort, Munyonyo under the theme; 'Partners in Development.'

The annual CII-Exim Bank Conclave on India-Africa partnership project is a singular platform for cross-border partnership-building, at institution, government and enterprise levels. It facilitates discussions for bilateral, economic and business capabilities.

The President told delegations from India, Tanzania, the United Kingdom, Uganda and other partner countries that because of the historical background that India shares with Africa, the potential for businesses





President Museveni admires mango processing at Namukekera Fruit Factory.



*President Museveni noted that the value of Uganda's imports from Indian products is much less than that of India imports of Ugandan products, which he deemed unfair and encouraged India to buy more of Uganda's products.*

cooperation is very big. The market between India and Africa is vast, a crucial advantageous factor for both parties if fully utilized.

"India and Africa can complement each other very well. We have in

common the use of the English language which we should take advantage of. Indians have been here for the last 130 years; Mehta's father began sugar production in Uganda in 1924," he said.

President Museveni noted that the value of Uganda's imports from Indian products is much less than that of India imports of Ugandan products, which he deemed unfair and encouraged India to buy more of Uganda's products.

He also stressed the need for infrastructure development to easily link the producers to the market/consumer, which also helps to lower the cost of doing business in an economy. The human resource, good security and macro- economic stability are critical essentials in the smooth business operations.

The Minister of Finance and

Economic Planning, Hon. Matia Kasajja, reported that India tops the licensed investments in Uganda and echoed the president's call to investors to take advantage of the investment opportunities in Uganda especially in agriculture, agro-processing, roads, rail and water transport.

The Secretary of Commerce for India, Ms. Rita Teaotia, talked of the strong partnership that India has with African countries, especially Uganda. She noted that judging from the size of the Indian delegation at the Conference, the Indian economic interest and affinity for Africa is huge. She added that despite the challenges in the customs procedures along with the diverse red tape in fulfilling the requirements for doing business especially in Uganda, India would ensure that its business partnerships with Africa are fully realized

# My customs officials are lazy - Museveni

Uganda's President Yoweri Museveni has apologised to Kenyans on behalf of his custom officials who he blamed for slowing down the movement of goods and services at border points between the two countries. Museveni left Kenyans in stitches when he described his official as lazy and people who did not get embarrassed easily.

Speaking during the 14th summit on the northern corridor integration project held in Nairobi on Tuesday, June 26, the Ugandan president joked that his men usually worked for half a day then went to sleep as their Kenyan counterparts continued to work.

"In Uganda, the authorities only work for half a day and they go to sleep. And Ugandans are not easily embarrassed, but on my side I feel really embarrassed," he said.

According to the president, the sluggish Ugandans were entirely responsible for the slow pace at which goods and services were moving from his country to Kenya. Recently named among the best presidents in the world to the bewilderment of many, the Ugandan leader commended President Uhuru Kenyatta for the successful completion of the first phase of the Standard Gauge Railway (SGR).

"Things are now moving very quickly from Mombasa port, but not from Uganda. So that's why I am apologising on behalf of the Ugandan authorities," he said.

Presidents Museveni, Uhuru and Rwanda's President Paul Kagame expressed their commitment in the multi-billion northern corridor integration project. The project is expected to fast-track movement of goods, services and people across the borders of the three East African countries.

*Jacob Onyango authored this slightly edited Business article originally (June 27, 2018) published by Tuco news-Editor*



President Kenyatta hosted President Museveni for the inauguration of the border point.



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# Uganda Clays Ltd; age old vibrancy

Uganda Clays Ltd is the only ISO 9001-2008 certified clay processor in the country since March 2014. The Company's processes have been audited and certified by independent quality assessment systems as appropriate, leading to quality products; "We are Uganda's only clay building products manufacturers with a claim to quality products which are triple tested and checked by UNBS."

The company's distinguishing marks is the quality of its products, courtesy of a vigorous process the clay is subjected to, leading to the final products. Unfortunately, many consumers do not understand the certification issues and they could buy the imitations of when they find them.

Mr. George Inholo, Uganda Clays Ltd Managing Director was reflecting on the Company's market which spans much of eastern Africa and south Sudan. He paid tribute to the far sighted entrepreneurs that in the early 1950s realised the need for clay building materials and launched Uganda Clays Company.

The clientele has grown by the year, in part courtesy of globalisation which influences the dynamic consumers' preferences and tastes to appreciate Kajjansi clay roofing materials and the Company's other products. "Clients associate with the good building fashions abroad, it is therefore not surprising that Uganda Clays has customers in neighbouring countries," Inholo says.

Extolling the virtues of his products, Inholo argues that they are all baked to approximately 1000 degrees centigrade and are thus fire proof. Kajjansi clay tiles roofs can literally last forever, the only setback could be the disintegration of the wooden frame upon which the tiles are mounted. They are unlike the relatively more widely used iron roofs that need to be replaced after 25years or there about.

He says discerning customers' preference for clay tiles is in part informed by their coolness enhancing properties, even under the hot sun, and hence enhanced comfort for the house occupants. According to Inholo, considering that one cannot put a time frame to clay tiles' lifetime, the cost of roofing is only a matter of perception.

Among the prominent Kajjansi

Kajjansi Clay products are all baked to approximately 1000 degrees centigrade and are thus fire proof and literally last forever. Considering that one cannot put a time frame to clay tiles' lifetime, the cost of roofing is only a matter of perception.

Clay tiles roofed structures, Makerere University Main Hall, Namirembe Cathedral, Rubaga Cathedral and State House at Entebbe are most renowned among numerous others. The other products are quarry tiles, ideal for walk ways in compounds and gardens, wall cladding tiles, decorative grills et al.

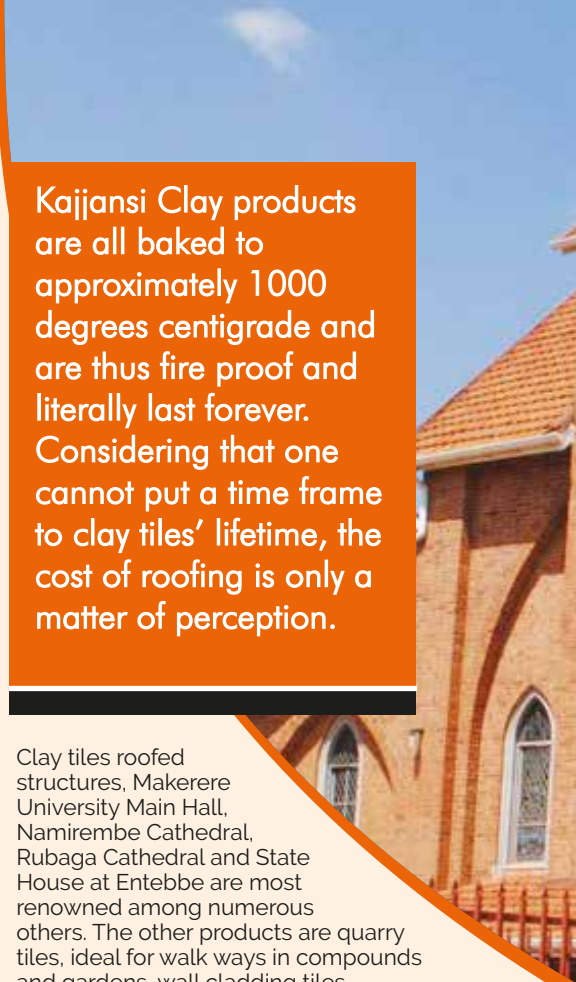
Contending that no technical flaws will happen to clay roof, Inholo explains that much as the tiles could host an algae growth, courtesy of a combination of moisture, heat and dust, the roof is however washable, if the property owner so wishes although some individuals prefer to leave it intact.

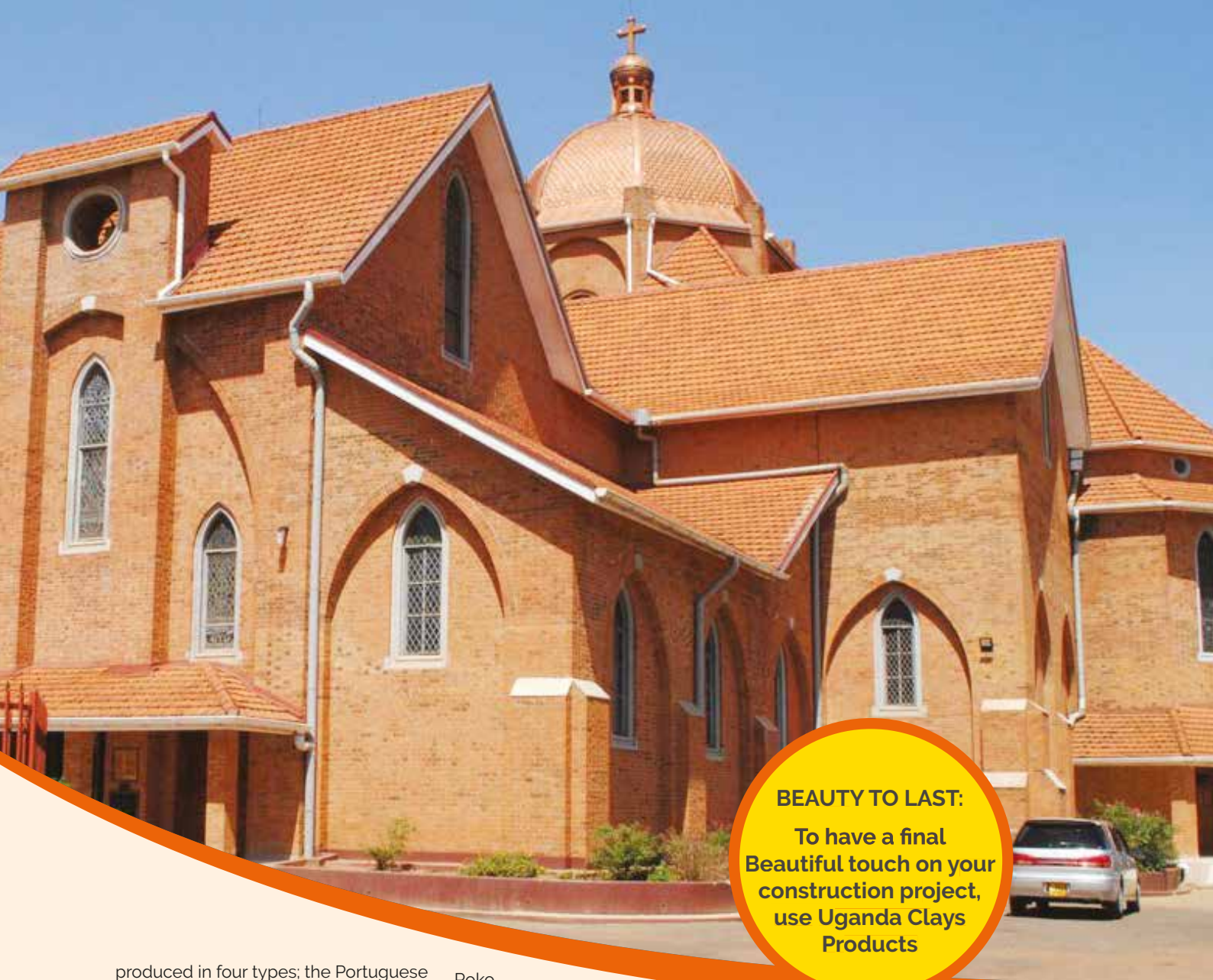
This Company is the only organisation in the economy where the Central Bank extincts condemned legal tender, aware beyond doubt that it will cease to exist and hence beyond use. Other banks and institutions with similar needs can also put their sensitive decommissioned documents beyond use by employing the services of Uganda Clays Ltd, taking advantage of its kiln's baking temperatures that rise to Centigrade 1000 degrees and never go off.

Inholo explains that after its excavation, the lay is dumped on the company's grounds/a reserve dump for aging. It is left to settle for at least three months during which time the impurities disintegrate and grass grows atop, indicating its maturity and readiness for processing. Non aged clay is never used.

The Company's roofing tiles are

Mr. George Inholo  
MANAGING DIRECTOR  
UGANDA CLAYS LTD





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Beautiful touch on your  
construction project,  
use Uganda Clays  
Products**

produced in four types; the Portuguese (premium), Mangalore (the fastest moving) followed by the Marseilles and then the Roman, catering for a broad array of clients.

Besides its specialisation in roofing tiles, the Company produces bricks and floor tiles, decorative grilles, suspended floor units, ventilators, and walling and partitioning bricks. However, it commands the biggest share of clay roofing in the Mangalore tile.

The Company's premium product is the Portuguese tile that has been used to roof Imperial Royale at Entebbe; it is a beautiful and ideal choice for discerning property developers. The slightly cheaper Mangalore predominates the estate in Kololo while the Portuguese is dominates Bugolobi residences.

Kajjansi Clays Ltd does business with

Roko Construction Ltd, Seyani Brothers and Arab Contractors among others, because the ISO certification affords such clients recourse. The Company takes responsibility for the quality of its products per their beauty, quality and durability which is a source of satisfaction.

Conscious of the ever increasing need for high rise buildings prompted by more than 1.2million people annually, Uganda Clays Ltd has figured that max pans will increasingly be needed for the construction of various apartments and hotels structure sizes.

They are also appropriate as floor tiles; they are durable and fashionable too, cost effective (34,000/=sq metre in contrast to 80,000/= for ceramic tiles). Losses through breakages may not

even be experienced, unlike with the use of ceramic tiles.

Kajjansi Clays Ltd is also the sole manufacturer, on order, of intense heat furnace fire bricks at US\$40, 100 for each. Our bricks are from finely ground lay, properly compacted, seasoned and fired at appropriate temperatures depending on the intended application.

The Company largely uses coffee husks as the preferred fuel because of its firing properties, but has alternatives in rice and ground nuts husks because outcomes have determined that coffee husks have the best heat properties. In this way, it supports the farmers.

# Improving service delivery at UNBS

From the standardization stand point, UNBS ensures that while the imports meet UNBS quality requirements, the Small and Medium Enterprises are assisted to manufacture to the standards.

Uganda National Bureau of Standards (UNBS) is leveraging the use of the Information and Communications Technology (ICT) to enhance the pace of its service delivery. All its procedures will be ICT automated, on the Bureau's App and will soon be launched through the social media.

"We shall launch many applications, one for each of the ten areas of service delivery, enabling anyone from anywhere in Uganda an access to the particular service of interest through a smart phone," Dr Ben Manyindo, the Bureau's executive director says.

UNBS will put in place a service chart, a kind of contract to further enhance its pace of service delivery. A client seeking a particular service can get it at a fast enough pace within a particular time frame at a stipulated cost.

Businesses generate employment when they are performing well. They increase the tax base and grow the economy, which conforms to the NRM's drive to down-size the poverty levels.

In his reflections about the steady progress' in relation to the implementation of 2016-2021 NRM Manifesto, Dr. Manyindo appeals the blanket moratorium, argues that an objective analysis would confirm UNBS among the agencies that need staff more staff to deliver better on the manifesto and thus make exceptions

to the moratorium on recruitment in respect to UNBS.

The Bureau needs to be focused to address its challenges and realize its mission, the reason it continuously engages the government to have its staffing increased. Part of this is in part involves the inspection and certification of the goods' quality before they are shipped out of the exporting country to Uganda.

Accordingly, the percentage of sub-standard goods which was 65 per cent of the imports not so long ago has dropped to 48 per cent and would drop further with the deployment of more personnel.

Internally, the bureau is focused to assist SMEs to meet the requirements for the relevant standards, believing in the needs for industries to support the economy and the markets are waiting for them. With Buy Uganda Build Uganda (BUBU) the standards bureau wants to assist the SMEs to tap into government procurement and grow their business; anybody whose products meet government's quality standards has a already market.

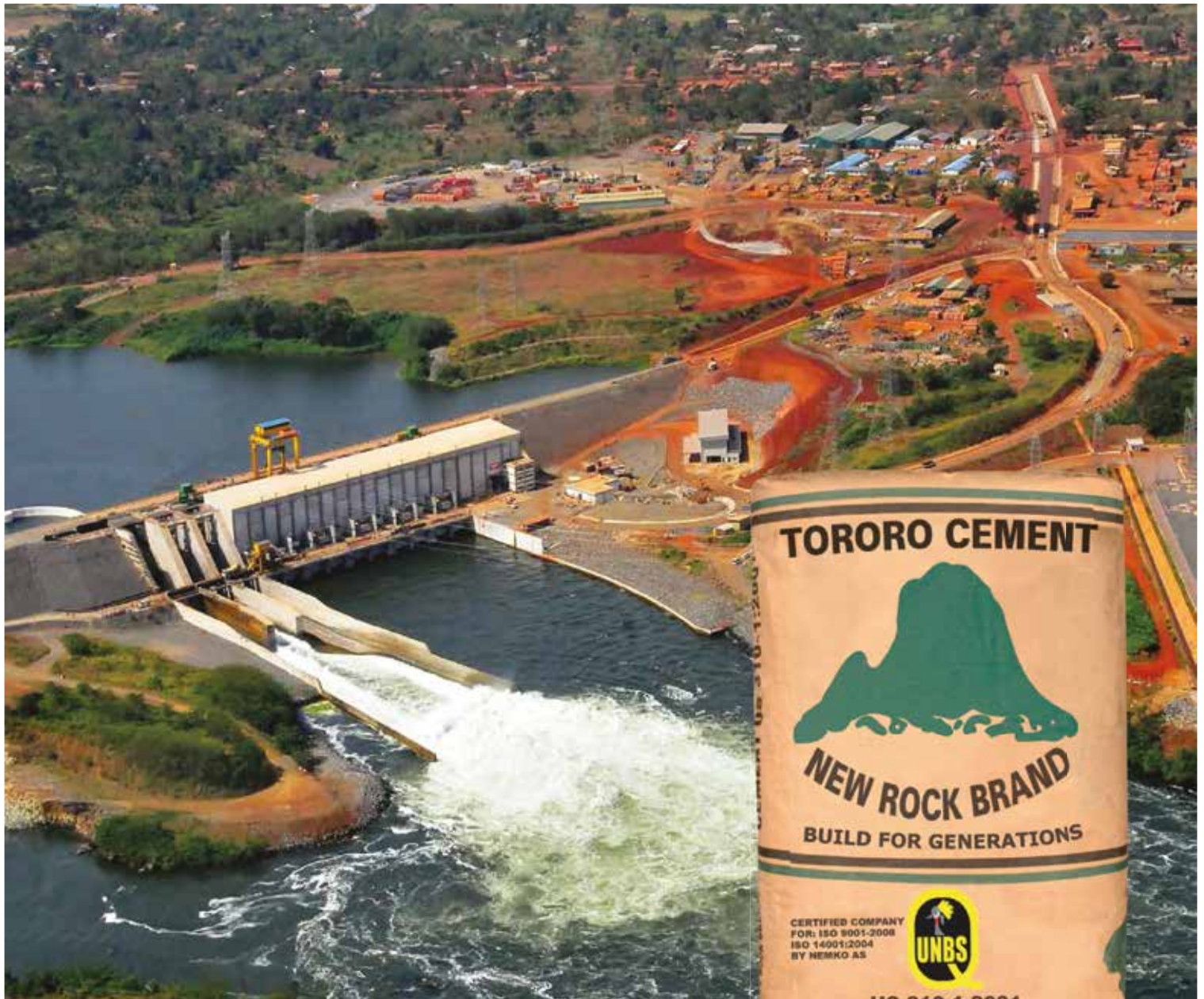
At the regional level, UNBS is competing for markets with five other countries. It needs to increase Uganda's share of that market. Accordingly the Bureau will next FY figure out how best to assist the SMEs to grow their business to get more of the market share at the national and regional levels.



Trade and Industry Minister, Hon Amelia Kyambadde receives equipment from Trade Mark East Africa, for enhancing UNBS work.

He is nonetheless appreciative of government's interventions enabling UNBS to improve by the year; "It will one day get to where it needs to be." Various teams have been establishment, especially to look at the market place and ensure it is fair, especially for the local and expatriate investors who expect the right thing of UNBS.

This will spur investment; more people will invest, without the threat of being undercut by sub-standard products. The consumers too will access safe and quality products and healthy products, avoiding increased medical bills and loss of work time due to the resultant illnesses. Strengthening UNBS strengthens the economy and stimulates the social economic development.



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# World Standards Day 2017

27<sup>TH</sup> OCTOBER, 2017



Dr. Ben Manyindo at the 2017 World Standards Day.

## Manyindo strives for a smart Kampala

Dr. Manyindo has urged government ministries, departments, and agencies to constitute a technical committee to discuss and implement the standards for smart cities.

The UNBS Executive Director, Dr. Ben Manyindo has advised urban authorities to strive for sufficient fresh water, universal access to cleaner energy, the ability to travel efficiently, a sense of safety and security to provide a decent quality of life to their citizens.

With expanding urban areas expected to host up to 70 % of the total world population by 2050, the adoption of international standards for smart cities is critically necessary.

The World Standards Day is an initiative of the International Electro technical Commission (IEC), the International Organization for Standardization (ISO) and the International Telecommunication Union (ITU), the three leading International Standards developers.

Dr. Manyindo was speaking at the World Standards Day Celebrations at Kampala City Authority (KCCA) Mayor's Grounds. He argued that, "Standards contain expert knowledge and best practices, and are essential enablers in ensuring quality and performance of products and services. Without benchmarking on International Standards, cities will struggle to run safe and smooth services.

KCCA's Director for Physical Planning, Mr. Moses Atwine, is in agreement, "KCCA has embraced the concept of smart cities and undertaken a number of initiatives to implement the standards for smart cities."

On this World Standards Day October 14, under the theme, "Standards make cities smarter", tribute was paid to the collaborative efforts of the thousands of experts around the world, who

voluntarily develop the technical agreements published as international standards.

The focus of this particular event was 'sufficient fresh water, access to cleaner energy, the ability to efficiently travel from one point to another and a sense of safety and security'. Modern cities deliver on these kinds of promises to be competitive and provide a decent quality of life to their citizens.

The event was characterized by a panel discussion by experts from National Water and Sewerage Corporation, Ministry of Energy and Mineral Development, Ministry of Works and Transport, the leading government bodies that are central to implementing the standards for smart cities.



# Fine Spinners Ltd is fully BUBU compliant

One way FSUL ensures its compliance to quality standards is its CmiA (Cotton made in Africa) certification. CmiA ensures that cotton farmers, cotton companies and the cotton ginneries uphold the mandate of ethically grown cotton and ethically manufactured products.



Cotton in the Blow room at Fine Spinners; here the cotton is opened and blown to remove impurities before it is spun.

**F**ine Spinners Uganda Limited (FSUL) whose operations began at the end of 2014 is Africa's first Vertically Integrated Textile Mill. A vertically integrated textile mill starts garment production from processing locally grown raw cotton, into the spinning yarn, which is then knitted into a fabric. The fabric is dyed and then tailored into 100 per cent cotton garments either for export or local market.

At FSUL, vertical integration means that FSUL is involved in the full value chain from cotton growing to garment manufacturing; the cotton is ginned at Western Uganda Cotton Company in Kasese and then milled at Bugolobi where it is then spun into yarn, knitted, dyed and made into finished garments. Fine Spinners produces 100 per cent cotton T-shirts, undergarments, yarn, thread at 4,200,000 garment units' capacity per annum.

FSUL products are sold on the domestic and regional markets of the East African Community. Internationally, the products are supplied into European market countries, among them Germany and Denmark. FSUL has taken advantage of the AGOA Act duty free policy to extend its reach into the American market.

Policies like the AGOA Act and BUBU through the Public Procurement and Disposal of Public Assets Act



## Some of Fine Spinners employees at work

(PPDA) of Uganda are important for companies like FSUL. In particular, the PPDA policy is a big boost to local manufacturers in the country; without doubt, FSUL will benefit from this arrangement too. It is indeed important that the government protects local industries and give the manufacturers an edge over the international vendors' competition.

FSUL holds itself to rigid international standards. One way FSUL ensures its compliance to quality standards is its CmiA (Cotton made in Africa) certification. CmiA ensures that cotton farmers, cotton companies and the cotton ginneries uphold the mandate of ethically grown cotton and ethically manufactured products. CmiA along with the major international retail groups carry out annual audits to

ensure compliance across a wide range of business practices.

Fine Spinners has a vital role to play in Uganda's textile industry. It adds value to one of the most important raw materials that this country produces and by so doing, significantly contributes to Uganda's economic development.

Secondly, it is creating sustainable employment and equipping the labour force with essential skills; because FSUL is a vertical textile mill, labour is required at every step of the value addition process and thus far, the company has created direct employment for over 1000 strong gender balanced workforce.

Employment creates opportunities for changing people's lives, right from the cotton growers to the factory employees at Bugolobi. In

Kasese from where much of the raw cotton is sourced, the farmers' rigorous training programmes were implemented and as a result, they have enjoyed a significant increase in their yields. There are many examples of farmers, whose yields have more than doubled from the same acreage, increasing their income and positively impacting their quality of life.

As part of Corporate Social Responsibility at FSUL, a tailoring training program empowers interested individuals from the local community by training them at no cost. Each group is trained for one month at the end of which they are free to pursue their own interests if they opt not to be bound to Company. Those that meet the quality standards criteria are absorbed into the FSUL workforce if

there are open positions.

FSUL is an equal opportunity employer, which is focused on constantly improving the working conditions and the well-being of its employees. It has several programs in place to support the staff;

FSUL provides employment opportunities to people with a range of physical capabilities. A transport facilitation program provides a monthly allowance to such staff to ease their movement to and from the workplace.

A schedule for sports and recreational activities has been implemented enabling the staff to engage in different activities in their free time.

Expecting and new mothers are taught how to care for themselves and their children at regular antenatal and postnatal care sessions.

Notwithstanding these contributions, the company finds itself challenged:

The labour force is largely unskilled.

The counterfeit products on the market create un-favourable competition; their specifications are falsified to mislead the consumers, and are sold at significantly lower prices than the genuine products. With continued government intervention, local manufacturers are optimistic that the challenge will be resolved.

Because Uganda is landlocked, when the high cost of transportation is factored into the cost of the final product, the price is accordingly affected.

Buy Uganda Build Uganda (BUBU) is an initiative that all Ugandans need to whole heartedly embrace. BUBU will grow the Ugandan economy by leaps and bounds and hence lead to the achievement of the desired

economic milestones. FSUL is appreciative of Uganda government for the BUBU policy and confidently looks forward to contributing to its successful implementation.



*Policies like the AGOA Act and BUBU through the Public Procurement and Disposal of Public Assets Act (PPDA) of Uganda are important for companies like FSUL.*



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# Uganda's sesame is highly rated

For six months now, a sesame (sim sim) processing plant has been operating from Kigunga in the environs of Mukono town, using Uganda grown sesame as its raw material. Mr. Gaby Yossi, the Managing Director of Star Tahina Ltd is deeply appreciative of the Ugandan crop, "Uganda sesame is sweet and the ideal type for Tahina sesame paste and confectionery."

Consideration had been made for the facility to be set up in Rwanda, Tanzania or Ethiopia but the Uganda option won, for its environment and the quality of its sesame. With a confectionery in Kigali, sesame would have been imported from Uganda and Tanzania, whereas the Ethiopian product is rather bitter and hence not in conformity with the standards of taste the Company adheres to.

With background in agriculture, and industrial processing of vanilla, chili, sesame, and cocoa beans elsewhere around the world, the company that had up to the year 2013 exported Uganda sesame, decided to process and add value to it locally.

"I found Uganda interesting, and hence got used to the country. I have

“When an investor opts to invest in Uganda, do not make their lives difficult. UNBS people know that without their certificate it will be difficult for me to supply the local market, let alone export.

*Gabay Yossi, Star Tahina Ltd, Managing Director.*

been here for 11 years and why not give the business a chance; I hence settled," Gabay Yossi, a loving father of two, further explains. He has answered President Museveni's call to investors to venture into agro-processing and value addition to Uganda's agricultural.

All the machines are made of stainless steel which is rust-proof and hence can neither compromise nor out rightly endanger the consumers' health, unlike similar fabrications from ordinary metal. "We opted to use the Israeli 9001-9002 food processing standards;

thus we invested a lot of money into the machines and also adhere to the Israeli food production standards," he elaborates.

The facility's US\$300 000 machinery has a capability of milling 4tons of sesame in a day; it will mill ten tons when running at full capacity, generating more than US\$10 000 a day.

Kigunga based Star Tahina Ltd employs ten staff in the factory and supports more than 100 families of farmers in the in northern Uganda districts of Kitgum, Gulu, Lira, Masindi and other sesame growing areas with the seeds.

"They are happy with our support. It would have been easier and less of a headache to import sesame from Tanzania but my feeling is to support the farmer in the north. I want them to focus on sesame to which I am adding value rather than having them to export it raw, which has been the case all the while," Gabay Yossi argues.

The moment the sesame is ready for delivery, we weigh and check it and promptly pay cash; we are the only factory promptly paying in cash for sesame deliveries. We have equipment to ascertain its moisture content and hence the entire quality check is



*Star Tahina Ltd residence at Kigunga - Mukono*

*Yossi Gabay, Star Tahina's Director says UNBS needs to improve on its service delivery.*

accomplished in 20 minutes and then the cash payment.

However, the foregoing is only a silver lining to a rather dark cloud of glum which this entrepreneur explains, "When we opened the factory, I encountered a challenge from some officials under Mukono Municipality who, without ceasing, are inquiring about a series of certifications that cannot be got in a day, considering the way public offices function. However, we shall gradually manage."

We do not have any issue with NEMA at the moment, but it is the UNBS that is a little frustrating. They have audited our processes during which some black things were seen and mistaken for rat-droppings, without sending the samples for laboratory tests.

The fact is that the sesame leaves behind some tiny leaves/husks as it goes through the process leading to grinding. It is these that the UNBS people must have seen--but they need to scientifically ascertain what they see before writing a damning report. "We roast the seed to properly dry it before it is ground; I use the best technology in the factory, and I have set up a good factory in this country. It hurts when someone comes to put to waste something good you are trying to do," the entrepreneur argues.

The bad report has delayed the certification of our products, "The UNBS guy said issuing a certificate of quality would take a month, but it is

now more than five months hence. With the certification, I get into the market and pay tax to government but all things are slow."

By way of comparison, "We have operated in the United States of America where we opened a spices/ food company in the year 2002. We applied for a quality certificate and it was issued by the FBA, a USA leading quality organization in two weeks."

He further clarifies, "I know that some individuals want to be corrupted-they want money, but I do not want any discounts. If anything is wrong, please tell me what it is and I will fix it, but I will not bend the rules. It is not right when one tells me that an audit would be carried out in a week but they turn up after six weeks."

He stresses that, "UNBS people know that without their certification, it will be difficult for my company to either supply the local market or export. They need not make me wait for five months before they inspect my facility? When I apply for certification, I would have expected their visit in one month."

Uganda has two sesame seasons. The seeds with which the farmers are supported have an edge over the traditionally grown seed; it is faster maturing, higher yielding and more resistant to disease.

The farmers take much time to produce the harvest and need to meet their domestic needs; hence they earn US\$3000/kg from their sesame

deliveries to Star Tahina Ltd. Uganda used to export 400 000 tons, but agents would deceive the farmers that the quality was not good and pay U\$400/kg.

The entrepreneur elaborates that with one per cent content of dust in the sesame, "I do not complain and hence do not deduct the farmers' money; it is something understandable, so I let it pass and pay. However if I there are stones and sand, I will deduct their weight. We are working hand in hand to succeed; the farmers on their side and I on my side."

The Kigunga factory is the only one processing sesame in East Africa. The other two are in Ethiopia and South Africa.

Initially, I did not mind much about the local market. However, it is now about promoting the local industry by adding value; it could be cocoa or vanilla.

Our products are very good and ideal for child growth, as they are 100 per cent healthy. A child eating at least a spoonful of Tahina sesame paste every day would benefit from its mega 3 and mega 6, in addition to the five different types of vitamins; the nutrition that enables an avoidance of medication.

This tasteful paste can be added to bread or fish and used as salad dressing; it cleans the blood and does many good things to your body. Anyone can walk into the factory and buy any quantity they need.

# Apologies to Star Tahina Confectionaries



**Dr. Ben Manyindo**  
EXECUTIVE DIRECTOR  
UNBS

For being unable to audit Star Tahina Ltd. as soon as its management would have desired, "We apologise to the Company. We appreciate that a business person who asks for a service, needs it there and then; they say time is money," UNBS Executive Director.

Dr. Ben Manyindo was reacting to Star Tahina Ltd. Managing Director, Mr. Gaby Yossi's concern that the standards bureau was taking too long to respond to his invitation to audit his factory's production processes. The Company processes sesame (sim sim) from a newly built plant at Kigunga in the environs of Mukono town, using Uganda grown sesame as its raw material.

Dr. Manyindo observes that, "When manufacturers ask for certification, they want it yesterday and when they bring a sample to test, they want the outcome immediately."

The truth is that, "Your product could have been in the queue behind others waiting to be tested; the testing space (laboratory capacity) is limited, and the

The inflow of products for testing is increasing by the day and therefore the need for testing is ever piling up. For this reason, UNBS is partnering with some other laboratories for assistance so as to cope.

laboratory technicians who do the job are few. The inflow of products for testing is increasing by the day and therefore the need for testing is ever piling up. For this reason, UNBS is partnering with some other laboratories for assistance so as to cope."

Dr Manyindo explained that there is no alternative for the audit applicants to queuing to be attended to and hence the waiting time depends on one's position in the line, "Your product will be 'sleeping' as no one will be attending to them in the queue as you wait until it gets to the front of the queue. It is the redundant time that makes life difficult for the business people."

The standards bureau chief executive further elaborates that when the Company submitted its application, "We only had twelve staffs, and the entrepreneur could have found when each already had a pile of applications they had to attend to. With that scenario, Star Tahina Ltd. application could have had to wait from the bottom."

He cautions that even after the analysis, there could be a need for applicants to perfect, nonetheless, "The delay is beyond our control; the demand for those services outstrips the institutions capacity for timely delivery of those services."

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Enjoy Responsibly.



The failure on the part of local suppliers to partake of big government contracts which are largely won by foreign firms is to say the least frustrating. BUBU Magazine sounded out the Acting Executive Director for the Public Procurement & Disposal of Public Assets Authority (PPDA), Mr Benson Turamy, about this and other related public procurement issues.

# Improve your capacity, win big contracts - PPDA



The president admiring Ugandan Fine Spinners cotton fabric

## The PPDA Act as it exists

The 2014 amended PPDA Act provides for locally produced goods; Section 50 (2) aims to promote particular sectors within specified geographic areas; specified public procurement contracts or parts of a contract shall be subject to reservation schemes.

Section 59 (a) is about performance schemes. A performance scheme is an arrangement where advantage is given to local bidders when procuring works, goods and services in a public procurement process.

The scheme is applied in circumstances where both local and foreign bidders submit bids or proposals and the purpose of the scheme is to give local bidders a competitive edge over foreign bidders. Preference scheme is used in the following circumstances:

- Where the open domestic or open international bidding methods are used; and
- In respect of consultancy services, where proposals are

invited from both national and foreign consultants and the quality and cost based selection method of the least cost selection methods are used.

Another area is reservation scheme, which serves to exclude potential bidders from participating in a particular procurement by "revising" the procurement for specified bidders.

PPDA in consultation with a competent authority and relevant stakeholders, is mandated to specify the public procurement contracts to be subject to a reservation scheme

and PPDA shall designate the particular sectors, within a specified geographical area, that are eligible to participate in the reservation scheme.

A reservation shall apply to procurements for supplies, works and services by threshold and to benefit local providers. The target group for the reservation are all procuring and disposing entities in Uganda.

## What was the original PPDA Act provisions regarding the Ugandan firms?

In the 2003 PPDA Act, specifically



about preference and reservation, subject to the economic and social policies of government and the international obligations of government, preference shall be given to domestically manufactured goods, Ugandan contractors and consultants in order to promote their development by giving them a competitive advantage when competing for public procurement contracts with foreign manufactured goods, contractors or consultants.

In accordance with Sections 50 (2) of the PPDA, 2003 and Regulation 53 of the Local Governments (PPDA, 2006, and to implement the National Development Plan II (NDP II) 2015/16-2019/2020 and the Buy Uganda Build Uganda policy, 2014 that provide for the need to support locally manufactured products, knowledge transfer, and human capital development, the authority has issued guidelines on reservation schemes to enhance local content in public procurement.

This is to provide for mechanisms of increasing the input of local labour, goods and services in the procurement of public sector works, goods and services within the

country. In the revised guideline, the local provider was changed to the national provider.

National provider means a provider registered in Uganda and wholly owned and controlled by Ugandans. Provider means a natural person, a company or a partnership. The provider may also take the form of a joint venture, partnership, association or consortium.

**Local suppliers complain of 'discrimination' on account of their limited resources and others for their quasi foreign partnerships. What do the new guidelines entail, in respect of the two law-abiding taxpayers?**

We realised that big contracts were being won by international firms at the expenses of local providers. We had to issue guidelines last year to all accounting officers in all government ministries, departments and agencies to give contracts to Ugandan companies under the reservation scheme.

PPDA Act currently provides for implementation of preference and reservation schemes according to Section 50 of the PPDA Act 2003. The implementation of preference

schemes is intended to increase the participation of local providers in public procurement. In the Financial Year 2015/16, about 58 per cent (in terms of value) contracts were awarded to local firms compared to 42 per cent awarded to foreign firms.

The objective of the guidelines is to provide mechanisms of increasing the input of local labour, goods and services in the procurement of public sector projects, goods and service within the county.

**How is the 'reservation' applied?**

Reservation shall apply to procurements for supplies, works and services by threshold and to benefit local providers. The target group for the reservation are all procuring and disposing entities in Uganda.

The following thresholds shall be applicable for this reservation: procurement for supplies whose estimated cost is Shs1billion and below, procurements for road works whose estimated cost is Shs45 billion and below, and other public works whose estimated cost is Shs10 billion and below, procurements for consultancy services whose estimated cost



**Benson Turamyé**  
PPDA's Ag Executive Director



An operation on Nyanza Textiles floor shop

is Shs1 billion and below, and procurements for consultancy services whose estimated cost is Shs200m and below.

Reservation of at least 30 per cent of the value of works through subcontracting to local providers shall apply to procurements of works above Shs45 billion where the bidder is not a local provider. The target group for the reservation are: Ministry of Works and Transport, Ministry of Water and Environment, Ministry of Local Government, Ministry of Health, Ministry of Defence, Uganda National Roads Authority, and Kampala Capital City Authority.

The reservations apply to procurements funded by the government and those funded by development partners except where the conditions of funding limit the application of reservations.

**Local manufacturers argue that they have been denied supplying big projects; Kampala-Entebbe Expressway, the New Nile Bridge, Karuma Hydro-power project and Isimba Hydro power project. What is your position?**

Some of the big projects are funded

through loans and therefore cannot be handled as procurement. Those big projects come as bi-lateral agreements and are not subjected to PPDA.

**It looks like the PPDA Act is yet to be internalized by many of the people who, through it should be relating to the government; what is the way forward?**

Compliance has been a challenge. But every government ministry, department and agency has a procurement unit for checks and balances. The Act also gives leeway to any aggrieved bidder to complain first with the accounting officer. If not satisfied, one can complain to the regulator and finally to the PPDA tribunal appeals. Last year, the regulator (PPDA) handled 28 complaints.

**What else would you like to enlighten the public in respect of BUBU policy?**

In the monitoring, we have come up with a framework to see how different entities are implementing the policy guidelines. The capacity of local suppliers has to

**“**  
*We issued guidelines last year to all accounting officers in all government ministries, departments and agencies to give contracts to Ugandan companies under the reservation scheme.*

be enhanced in terms of human resource and capital so that they can compete favourably for big government construction projects in the country.

Limited capital affects local suppliers' competitiveness, which also affects the quality of goods and services offered. They also need to observe set standards to offer high quality products.



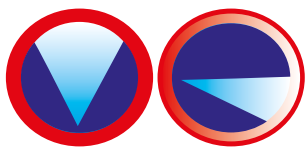
Business at Fine Spinners Uganda Limited



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Victoria Engineering has positioned itself as one of the most qualified, reliable and efficient companies dealing in steel fabrication within the country. Our customer base cuts across several sectors and we ably provide quality services to all our customers.

# Victoria Engineering; a reliable steel fabricator



A section of Victoria Engineering workshop floor.

**Victoria Engineering Ltd**, a member of the **Gmach Group of Companies** which were established in 1960, has been registered in Uganda since 1998. It is committed to delivering quality work through professional competence, using quality materials in well equipped workshops and facilities run by a committed workforce.

The Company is upgrading its ISO certification, for the three standards to which its products conform: ISO 9001:2015 for Quality, ISO 14001:2015 for the Environment and ISO 45001:2018 for Occupational Health and Safety.

Victoria Engineering operations are

run under three departments:

- 1. General fabrication** spread out across a 1200m<sup>2</sup> floor area workshop with ~30 craftsmen including welders and fitters. The welders have been trained by experts from Norway and China in mild steel welding. Our expertise is in both structural and other mild steel fabrications including roof structures, storage tanks, bracketing for the telecom industry, agricultural trailers and water bowsers, palisade fencing, gates, metal doors, grilles, railings, stairways, platforms etc. The workshop is well-equipped with machinery including, but not limited to, a hydraulic shearing

machine (up to 10mm thickness), press brake, plate roller, iron worker, punching machine, rolling machine, hydraulic press, band saws, plasma cutter, mig and arch welding machines, overhead cranes and various power tools and equipment.

- 2. Machine shop** is spread over a 400m<sup>2</sup> floor area with 10 well trained machinists manning the various machines. The machine shop caters for the needs of vehicles, construction equipment, marine, quarry and trucking industry. The equipment enables a provision of unique, specialized precision services to customers including: crankshaft

regrinding and rebuilding, engine block re-boring and honing, line boring, cylinder head resurfacing, connecting rods, valves and valve seats reconditioning, lathe machine work etc.

3. **Hot Dip Galvanizing** is done to ISO 1461:2009. Our galvanizing plant is a mechanically operated ISO 9001:2008 and ISO 14001:2004 certified operation sitting on 1200m<sup>2</sup> floor area comprising of a material preparation and loading bay, three (3) acid baths – 6m long each, a water cleaning bath, a 6m long flux bath, a zinc bath with fume box – 3.2m long, a fume filtration plant, a flux cleaning plant, an ash mill to recycle zinc from zinc ash, a chemical laboratory, safe storage area for zinc and chemicals, finished products dispatch area. We also have an area in line with NEMA standards, dedicated for the storage of hazardous waste from the use of chemicals, zinc dross and ash as they await re-export for safe disposal. The plant which is capable of galvanizing up to 6m lengths using the


double-dip method is run by eight (8) people, two of them trained in Denmark.

The management at Victoria Engineering takes on about ten tertiary institutions' for internship students under a partnership with a number of institutions for a period of three months, every year. They include Uganda Petroleum Institute Kigumba, Kyambogo University, Nakawa Vocational Institute, TASC, St. Peters Vocational Institute. Candidates are chosen for the internship after a rigorous assessment of the applications. The candidates rotate through all departments and leave with an appreciation for the art of fabrication.

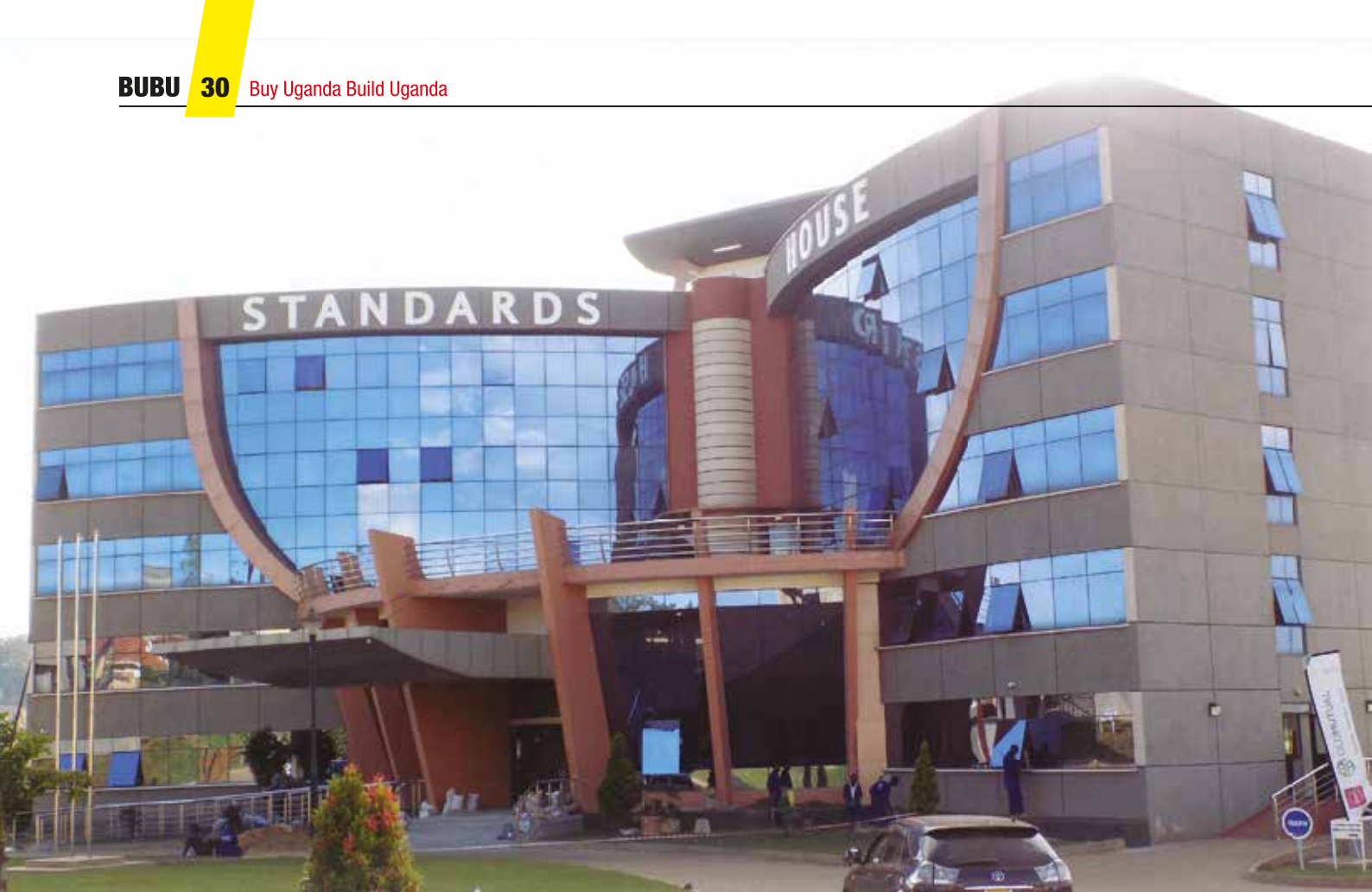
Victoria Engineering is committed to providing a safe and conducive working environment for the employees by complying with all Environment and Occupational Health and

Safety regulations as per the International Standards Organization. The Company prioritises its employees' safety as its success is built on the human resource well-being and thus, ability to perform over and above the customers' expectations.

Victoria Engineering has positioned itself as one of the most qualified, reliable and efficient companies in steel fabrication within the country. Its customer base cuts across several sectors. We ably provide quality services to all our customers. The services quality and our reputation for accuracy have attracted customers from across our borders, in DRC, Rwanda and South Sudan.



Norwegian and Chinese mild steel welding experts have trained the Company's welders.



# UNBS 2015-2020 Strategic Plan

UNBS Strategic Plan is aligned to the National Development Plan (ii). The plan has a number of strategic objectives drawn from UNBS Vision and Mission, which in turn is derived from the Law under which it is run.

A review of this plan will commence towards the end of this (2018) year in preparation for rolling over to NDP (iii).

➤ In keeping with the Law UNBS six strategic objectives have been pegged to the NDP (ii), giving it direction to the government plans: UNBS has to ensure that as many standards as possible are available for this country and hence the standardization programme is maintained and that standards are made annually.

This is coupled with an annual harmonization with the regional and international standards; and ensuring the standards are

available, implemented and enforced.

- The second objective is compliance. In respect to the market place, standards directly deal with the consumers' protection.
- Another UNBS strategic objective is to deal with wealth creators by dealing with SMEs. It is the SMEs' standards implementation that grows their businesses and gets them an increased market share.

- The other strategic objective is internal to UNBS; the Bureau focuses on the staffs themselves to grow their professionalism through conducive working environment.
- The other objective is UNBS partnership and collaboration with other agencies; the NDA, KCCA, DDA, MAAIF, and the Ministry of Energy and Minerals Development.
- UNBS other strategic objective is the mobilization of resources from the development partners, besides government resources.



Promoting drinking responsibility

Nile Breweries Limited has been buying epuripur from Ugandan farmers for the past dozen years. It has 20,000 farmers in its value chain, earning US\$15million annually. Epuripur is the main brewing raw material for its Eagle brands; Eagle Lager, Eagle Extra and Eagle.

# Nile Breweries fights drunkenness

One can be forgiven to suppose that SABMiller, the proprietors of Nile Breweries Ltd (NBL) would do anything to protect their products, some of which are relatively recent introductions to the Ugandan market.

NBL is a Ugandan renowned brewer of Nile Special and Club Pilsener. Its list of products has in recent years grown to include Eagle Lager, Eagle Extra, Eagle Dark, Nile Gold, Castle Milk Stout, Redd's, Redd's Vodka Lemon, Castle Lite, Chibuku and Club Twist – a 2 per cent ABV flavored beer.

NBL was established in 1951 by a group of businessmen, associated with the Construction of the Owen Falls Dam. It was subsequently acquired by the

Madhvani family and later in 2001 by SABMiller Plc, the world's second largest brewer. NBL is now part of the ABInBev upon completion of a business combination with SABMiller plc.

NBL combined capacity of Jinja and Mbarara plants is 2.45 million hector litres of beer; meaning that it is the leading provider of locally produced beer in Uganda with a 59 per cent market share.

Its products are ISO 9001:2008 and ISO 22000:2005 certified (equivalent to Hazard Analysis and Critical Control Points (HACCP)) and also certified by UNBS, NOSA). It was recognised as The Investor of The Year 2015 by Uganda Investment Authority.



Excelling sorghum producer won a tractor.

Jinja Plant, with a capacity of 1.8 million hectolitres of beer is the NBL heritage plant. It sources water from the Source of River Nile on Lake Victoria, giving credence to one of its brands, Nile Special being a "True Reward from the Source."

**Partnership with farmers**

Nile Breweries' External Communications Manager, Ms Sumin Namaganda says for the past dozen years NBL, which has been buying epuripur from within Ugandan, has 20,000 farmers, annually earning US\$15million in its value chain. Epuripur is the main brewing raw material for its Eagle brands; Eagle Lager, Eagle Extra and Eagle Dark. The latter is Uganda's largest beer brand by volume.

The Company has nurtured a robust sorghum farming chain in response to Uganda government progressive beer excise tax policy that supports the use of local brewing raw materials. Beer brewed from locally grown sorghum is charged 30 per cent excise tax, as opposed to 60 per cent for beer brewed from imported raw materials.

To get the farmers going, the NBL gives them seeds subsidized at 65 per cent of the open market price.

The crop is closely monitored by the company's agricultural extension officers, who work with the farmers to maintain good farming practices for high yields.

Nile Breweries has helped the farmers to organize into associations through which they grow sorghum. Many of farmer associations have expanded to own processing plants and directly supply NBL.

Nevertheless, the poor road accesses to the farming communities increase the costs of transport and operations in the long run; the poor adherence to good farming practices results in low productivity and quality of crop.

According to INSEAD Institute report, 20,000 smallholder farmers directly earn annually from NBL. The Jinja brewery has expanded then a second plant built at Mbarara, employing over 1 000 directly, while nearly 180,000 people are indirectly involved the value chain.

In many rural areas, mud and thatch huts are being replaced with permanent brick and mortar housing; the farmers are acquiring commercial and personal vehicles and their children attend good schools.

The Company's market share has

grown to 60 per cent as the Eagle brands have grown to about 50 per cent of NBL's volume. It annually contributes US\$70million to the national exchequer in taxes, "enough to run six big Ugandan districts," in the words of President Yoweri Museveni whilst the government has maintained Eagle excise at 20 per cent for eight consecutive years.

**Empowerment**

It is encouraging that 50 per cent of the top 10 farming groups supplying NBL are women-led and 30 per cent of sorghum farmers operate under the women-led groups. Twenty-three per cent of the sorghum crop is supplied by women-led groups; and 26 per cent of income paid by NBL to sorghum during 2014 went to women-led groups.

In regard to health, 25,000 farmers and other value chain stakeholders have been screened for HIV/AIDS and those found to be infected have been supported, whereas more than double that number has been given HIV/AIDS wellness awareness.

In respect to Clean Water provision, 93 million litres of water is supplied to 16,000 people annually. US\$160,000 was invested in the project out of





## Drink smart campaign

US\$896,000 committed to the farming communities, thereby reducing water-borne ill health related health costs.

Nile Breweries Limited has also contributed to the protection of the environment by encouraging the planting of 19,000 trees that are growing in the farming communities and other areas of the value chain.

Keen on education in the epuripur growing communities, NBL awarded 72 scholarships, worth USD 380,000 to farmer's children. With secondary school scholarships, it also supports all orphans of the victims of the twin terror bombings in Kampala; on July 11, 2010 the fans watching the finals of the Soccer World Cup were targeted.

### **Drunken driving**

But while the drinking public is spoiled for a choice in their enjoyment of life, Nile Breweries has rolled out a 3D campaign, "Don't drink and drive" in partnership with the Uganda Police, to increase awareness of the risks of drinking and driving.

"We are engaging government to address underage beer purchase and consumption, through appropriate partnerships and programmes. The campaign has reduced the incidence of accidents by drunk drivers, according to the Traffic Police," Namaganda explains.

She says the Company is conscious that when abused, alcohol leads to negative consequences, the reason Nile Breweries has prioritized the promotion of sustainable development by discouraging irresponsible alcohol consumption; "We have a very rigorous policy on commercial communication (POCC) to ensure that we market our beer in a responsible manner."

The Company has strengthened and expanded its marketing codes of practice by establishing the Responsible Marketing and Compliance Committee (RMCC) that vets all company commercial communication and is chaired by an independent external person.

The SMCC meets regularly to review the new marketing campaigns and all its agency contracts include a clause

on adherence to the SABMiller policy on commercial communication (POCC). Nile Breweries products do not contain energizers or added stimulants (such as caffeine, guarana and taurine).

All the NBL promotional materials, including the digital, contain the SABMiller approved responsible messaging and easily understood symbols or equivalent words. The purpose is to discourage drinking and driving and beer consumption by the underage, pregnant women and consumption by the intoxicated.

Namaganda stresses that all company corporate and brand websites include reference to [www.talkingalcohol.com](http://www.talkingalcohol.com), a SABMiller website that gives details about alcohol from health specialists.

In partnership with the government, through the Uganda police Nile Breweries implements a responsible retailer training campaign; 2,703 retailers have been trained in responsible alcohol consumption and selling and issued with codes of practice.

# Building a fair market

**UNBS will assist SMEs to meet the requirements for the relevant standards and thus tap into government procurement and grow their business in conformity with BUBU guidelines. Quality standards products a ready market through government procurement.**

**U**ganda government needs to intervene for the national standards bureau to have an adequate human resource that will satisfactorily deliver on its programmes. Out of an ideal establishment of 640 personnel, Uganda National Bureau of Standards is operations' capacity is

has to do with only 295 around the entire country.

In his reflections on the implementation of 2016-2021 NRM Manifesto which subscribes to 'steady progress', Dr. Ben Manyindo UNBS Executive Director appeals to the government to analyze the human resource requirement of each ministry, department and agency and thus make exceptions to the rule against recruitment.

"We have the money for the construction of laboratories' structure to its completion, but we lack the people. Operating with less than 50 per cent of the establishment is inadequate for the the needs of the entire country, especially as some are deployed to Mombasa and Dar-es-Salaam in keeping with the requirements of the single custom territory," Dr Manyido argues.

Appealing to the government to revise the application of a blanket moratorium on employment, he says an objective analysis would confirm

his Bureau among the agencies that need staff more staff to deliver better on the manifesto.

He is nonetheless appreciative of government's interventions that have enabled UNBS to improve by the year; "Gradually, it will one day get to where it needs to be." Acquiring an own home, an environment that is conducive to work, is a motivating factor to UNBS' biggest resource, the staff.

This achievement realized in 2016 confirmed UNBS identity as a national standards body and the first government institution with an own home in this country, a source of immense pride.

Other developments include the establishment of various teams especially to ensure a fair market place, the biggest challenge at UNBS, in respect of local and expatriate investors who expect the right thing of UNBS.

A leveled market place will spur investment, without the threat of being undercut by sub-standard

**Construction of the 600MW Karuma Hydro Power Plant requires an average of 4,400 tones of cement per month and all this cement is supplied by Ugandan manufactures. This certainly has a big impact on our economy.**

products and the consumers will access safe and quality products. Because the products are safe, incidences of rising medical bills and work time losses due to substandard consumer goods' induced illnesses will not arise. A strengthened UNBS will strengthen the economy and stimulate the country's social economic development.

Poor standards imports, whereas quality standards goods are locally manufactured, distort the market, the reason UNBS seeks to build fairness in the market. UNBS therefore ensures that the imports meet Uganda's quality requirements, and that the Small and Medium Enterprises are assisted to manufacture to the national standards.

Though under manned, UNBS is focused to address its challenges and realize its mission; it needs to cope with the demands for the harmonization of national, East African Community and global standards to facilitate Uganda's exports acceptability.

Over the last few months, the focus has been on pre export verification conformity. It ensures that the imports have a quality certificate to facilitate their entry into Uganda, an approach that has been fairly successful. Sub-standard imports have dropped from about 65 per cent to about 48 per cent and would have been lower with the deployment of more personnel.

Internally, the bureau is focused to assist SMEs to meet the requirements for the relevant standards, believing in the needs for industries to support the economy and considering that the markets are waiting for them. In conformity to Buy Uganda Build Uganda (BUBU), the standards bureau will assist the SMEs to tap into government procurement, a ready market, and grow their business should they meet government's quality standards.

At the regional level, UNBS is competing for markets with five other countries in a quest for Uganda's increased market share. Accordingly

the Bureau is considering how best the SMEs can grow their business to get more of the market share at the regional levels.

This is conforms to the NRM manifesto's letter and spirit of down-sizing the poverty levels; when the businesses are doing well, they will generate employment, increase the tax base and grow the economy.

UNBS is also leveraging the use of the Information and Communications Technology (ICT) to enhance its real time service delivery; all processes will be ICT automated on the Bureau's App and will soon be launched through the social media. "We shall launch many applications, one for each of the ten areas; you can be anywhere in Uganda and access the particular service of your interest through your smart phone," Dr Manyindo elaborated.

It will be a kind of contract providing for the delivery of particular services within a particular time frame at a stipulated cost.



President Museveni said because of infrastructure development, a recent US Harvard University Center for International Development study predicted that Uganda would be among the fastest growing economies by 2025.

# I will discipline Inefficient officials - Museveni

**P**resident Yoweri Museveni has warned government technocrats against delaying developmental projects. He made the remarks upon touring the 2.5 square mile Liao Shen Namukenkera Industrial Park in Kapeeka, Nakaseke district.

The president observed that some government officials are at decision making on development projects while others are constrained by their disposition to corruption and which affects the economic growth of the country.

He promised to be harsh on those who slow down the processes because they are oblivious to workings of the modern world; those who delay projects out of corruption will not be tolerated, he warned.

President Museveni said in spite of the confusion of government officials and their lack of knowledge about the workings of the modern world, Uganda has grown with his guidance.

"After working with the 2006 Parliament and emphasizing infrastructure development, Uganda exports more to Kenya than was the case in 1986. Kenya was selling merchandise worth US\$200 million to Uganda, while Uganda was exporting US\$12 million worth of goods to Kenya; Uganda now sells US\$700 million worth of goods to Kenya while we import US\$500 million worth," he said.

He called for more entrepreneurs to invest in different industries in the country. "We need investments in industrial grade starch for pharmaceutical and beverages industries so that our industries stop importing expensive starch from India," he said.

President Museveni thanked the Chinese Ambassador to Uganda, Mr. Zheng ZhuQiang and the Egyptian envoy, Mr. Mai Taha Mohammed Khalil for their respective governments' support to Uganda's anti-colonial struggle and subsequently to the development projects after 1962.

The President pledged that government would tarmac the road from Kapeeka to Nakwaya, extend electricity from Kawanda to the industrial park to supply stable power to the factories and build a water plant for industrial use.

The government would also support the graduates of food science and technology to acquire equipment for food processing, "We are working with the Chinese to set up a machine making center. Once you have the equipment, you need capital and land and I can assure you that we will provide all the three."

State Minister for Privatization and Investment, Hon. Evelyn Anite, said that the establishment of industries would soon ensure that Uganda becomes a middle-income country.

The Operation Wealth Creation Commander, Gen. Salim Saleh undertook to have ten functional industries in the park by the end of the 2018. He will also work with different districts to set up more industrial parks, leading to employment and household incomes improvement.

Mr. Zhang Hao, Chairman of Liao Shen Industrial Park said the park would create Ugandan 15,000 jobs when completed and expressed his gratitude to the NRM Government and the President for supporting the industrial parks development.

President Museveni also launched the CURAD/RAH (Rural Agricultural Hub), a joint public-private partnership venture aiming to produce innovative young entrepreneurs and agribusiness leaders to champion productivity and profitability of the agricultural enterprises that can spin off new enterprises.

The Managing Director of the venture, Mr. Apollo Seggawa pointed out that US\$1.6 billion factory will provide technical support, equipment, marketing and product development to a variety of Small and Medium Enterprises (SMEs), promoting



**I will be harsh on those who slow down the processes because they are oblivious to workings of the modern world; those who delay projects out of corruption will not be tolerated.**

*H.E Yoweri Kaguta Museveni  
President of the Republic of Uganda*

commercial agriculture in the country.

The President launched the Logistics Hub and E-voucher Servicing Centre, which works with the OWC and NAADS programmes to provide genuine agricultural inputs such as seeds, machinery and fertilizers.

He visited the US\$5 million YAHE International Investment Co. Ltd, a factory with buildings laid out on ten acres. Other facilities are food processing equipment; maize silos, grain storage and deep agro-processing including wine brewing and fodder processing.

The President also visited US\$30 million Goodwill (Uganda) Ceramics factory that produces building materials including clay tiles and employs 2000 people.

He was also conducted about a tour of Ho and Mu Food Technology Co. Ltd, a US\$ 10 million investment that sits on ten acres of land. It is a modern factory with capacity to process 50 tons of fresh fruit daily. It will employ more than 350 Ugandans at different levels and help 6,000 Ugandan households to improve their income through providing market for their fruits.

**“**  
*In spite of the confusion of government officials and their lack of knowledge about the workings of the modern world, Uganda has grown with my guidance.*  
**”**  
*President Museveni*



President Museveni in Ugandan cotton (Fine Spinners Ltd. fabric) comfortable shirt on a meet the people tour of Karamoja.



# The elusive 'Made in Uganda' label

A Senior Political Assistant to the President of the Republic lived through an interesting and instructive experience when he started adding value to milk, by processing the now well-known 'Mega Milk'. Read on.

Uganda's national economy does not work because it is structured not to work. Until its structure and policy framework change, Ugandans will not benefit from their country's massive potential, let alone realize the national aspirations.

In a rather light-hearted savour of the dead-serious economic realities that Buy Uganda Build Uganda (BUBU) is designed to address, Ramadhan Ggoobi, a senior economics academic lecturing at Makerere University Business School satirises the state of Uganda's economy and the factors that make it what it is.

He writes, "I woke up one morning at 5am, on the prompting of my alarm clock (made in China), to research about Uganda's trade policy. I switched on my bedside lamp (made in India), pulled out my laptop (made

in South Korea) and sat on my reading table (made in Malaysia) to read some policy documents related to Uganda's economy.

After a moment of reflection I remembered the routines. I put on my Bata sandals (made in Kenya), rushed to the washroom (with all its accessories made in India and China) and picked my toothbrush (made in Kenya) and tooth paste (made in Brazil).

I washed my face with Geisha soap (made in Kenya), pulled out a towel (made in China) and headed for the living room for the Morning Prayer (made in Saudi Arabia). I pulled out my prayer mat (made in Tanzania) and recited those Arabic words to guide me through the day full of aliens.

After the prayer, I turned on my TV (made in Japan) to watch the morning news (read by a Kenyan) in which

the newsreader informed me that Uganda's current account deficit had widened to US\$1,095 million, while inflation had reached double digits, with food inflation accelerating at 26 per cent. My mind wandered a little.

Before long I realised that time was not on my side, so I picked my electric kettle (made in China) to fix myself a cup (made in India) of Nescafe (made in South Africa). I reached for some biscuits (made in Egypt) and a piece of bread (baked by a Kenyan at Nakumatt Supermarket) coated with blue band margarine (also from Kenya).

After the tea, I felt pieces of bread clogging some gaps in my teeth. So reached out for toothpick (made in China), opened the refrigerator (made in China) for a glass (made in China) of Ceres juice (made in South Africa).

After the breakfast, I wore my shirt (made in USA), jeans (made in China), and a pair of shoes (made in Italy). I jumped into my car (made in Japan) drove to the nearest filling station for some fuel (made in Libya), went to

the bank (owned by the British and managed by a Kenyan) to draw some money (printed in Sweden) to buy my mother some basmati rice (from Pakistan).

### The challenge

I bump into in Uganda's problem every time I go to shop for the usual groceries and general merchandise at a supermarket. At my favourite store, Capital Shoppers, the shelves are stuffed with simple items that Ugandans produce — mangoes, potatoes, popcorns, frozen chicken, etc. but on scrutinizing the wrappers, I realise they are imported.

Moses Byaruhanga, a Senior Political Assistant to the President of the Republic of Uganda, lived through an interesting experience when he started adding value to milk, by processing the now well-known 'Mega Milk' at Uganda Industrial Research Institute (UIRI) as an incubate.

When he visited the big supermarkets to find a market; he was asked

the following as if it had all been rehearsed; UNBS certification, barcode, tax clearance, etc.

While these are standard procedure, his experience is that getting them in Uganda is a big problem. For UNBS certification, he had to go through several procedures, one of them the calibration of equipment. UNBS doesn't have enough people for the function and so he was advised that the responsible individual was then in Jinja at the similar work and he would be in Masaka the following day.

For the barcode (an optical machine-readable representation of data relating to the item to which it is attached), Moses was advised by UNBS that the nearest place he could get barcodes for his milk was Nairobi.

*While this article authored by Ramathan Ggoobi, now edited, was first published in 'The Sunrise' of February 27, 2015, the concerns it raises are for the most part yet to be resolved.*



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# Lubricants firm eyes Ugandan oil



When properly implemented, BUBU will reduce the dependence on foreign goods and rather promote local industry. In anticipation of the pumping of Ugandan oil, we have started investing in the necessary equipment for the expansion of our production.

*Salman Khan, General Manager  
Uganda Lubricants Factory Ltd.*

**S**alman Khan is the General Manager of Uganda Lubricants Factory Ltd, a Company dealing in lubricants in Uganda since 2004 when it was importing lubricants from Dubai and India.

The Company opened a manufacturing unit in Uganda in 2006, having considered the country's excellent investment opportunities, friendly environment and satisfactory government investment policies.

The Company's main stay is the production of a variety of automotive and industrial lubricants, using base oil and lubricants additives the raw material, from the Middle East, Iran and Korea.

The Company blends base oil and additives from its plant to manufacture different types and grades of finished lubricants in demand in Uganda and the neighbouring countries.

Khan says Uganda Lubricants Ltd dominates 25 to 30 per cent of the market share, "This is a result of our quality and output consistency and hence the certainty of the availability of our products on the market. We offer a product that is tailored to the customers' mentality and their specific requirements."

And whereas the inputs are predominantly imported, we can say our products are semi-local; when we get access to the Ugandan oil base, the products will be wholly Ugandan, which will mean a lot in terms of business.

By importing the raw materials, we encounter many charges; the transportation and its associated delays and hence availability. However, when the product is local, we shall have the opportunity to supply Kenya, Tanzania, Sudan, Rwanda, and Congo Burundi; that will help the country earn extra foreign currencies.

We already have a presence in the some of those countries and we export to Sudan, Rwanda, Burundi, and Congo but not as much as we should. When we get the local raw material, our company will have a market for the best oil.

In anticipation of the Ugandan oil, we have started investing in the necessary equipment for the expansion of our production. We have been improving the quality of our products since 2006 and are now in search of bigger space premises at Namanve industrial area to facilitate our further expansion.

We have investment plans for a grease producing facility, brake fluids,

anti freeze and coolants.. a range of products from our factory. We had dealt in lubricants for more than 25 years before coming to Uganda. We started operating from here in 2004; we have sister companies in Kenya and Tanzania. Rwanda, Sudan and Congo, operations are Uganda based.

## Challenges

Whereas institutions like Uganda Investment Authority are very helpful for being enthusiastic, fast-acting and welcoming to the investors, NEMA and a few others tend to be laid-back in decision making, for reasons I have never known. I appeal to NEMA to speed up its processing of investors' needs; they could accomplish what they take eight months or even a year to do in a period of a month. Investors suffer much loss as they wait indefinitely.

For power and water supplies, the outages that occur twice or three times in a month do not adversely affect our production.

## Competition

As for the competition from imports coming from within and outside the region, which is the way with business, is not a problem. We work hard and out-compete the competition; we are dealing with them.

## PPDA

We have not applied for any bid in the past. However, the government prefers to deal with the very big suppliers and tends not to ask for Ugandan manufactured product. However, Uganda Lubricants Factory Ltd is now in position to apply and hence ask the government to give priority to the local manufacturers bids and thus their locally manufactured products.



## BUBU

Buy Uganda Build Uganda (BUBU) is a deliberate government policy to promote Ugandan goods by buying locally made products, which is driven by the trade ministry. When we heard President Yoweri Museveni's announcement of this project, we got excited and hence rather than implement some of our production expansion programmes in two years, we set upon them at once.

When properly implemented, BUBU will reduce the dependence on foreign goods and rather promote local industry. We appreciate the tax rates on our products, which I think are fair and I think the taxation on imported manufactured products that is rather high is promotional of the local products.

The government is taking these investment issues seriously; we were operating from Dubai in 2013 when President Museveni invited investors to Uganda. We were very excited and rather than being located in Kenya and Tanzania, the bigger markets, I encourage the investors that Uganda's is the business hub of this region. Uganda government is also the best in the region in terms of security guarantees and investment incentives offered.

I suggest to others to open their manufacturing facilities in Uganda, which will also be party to a free trade zone and hence they need not go to Kenya or Tanzania.

I think within five to eight years, the industrial sector in Uganda will be much more developed, the reason we have determined to expand our facilities in Namanve and thereby take full advantage of the investment climate.

Our Company therefore appreciates the government's efforts to improve the national transport infrastructure.

The efficiency in the movement of goods and services is very important. Infrastructure is beneficial in service delivery, the private sector benefits a lot and we shall continue to benefit.

For the time we have been in Uganda, much money has been invested in power generation and the roads as a matter of priority. The SGR will further reduce the cost of finished products in the country.

Uganda's weather is good, the people are friendly, an advantage over the other countries in the region. This Company is also proud of its staff; we have empowered them and also trained local engineers, we only have one expatriate engineer.



Lubricants for the local and regional market.



Some of the employees of Uganda Lubricants Factory Ltd.



# Ugandan businesses need a trademark

Trademarks are a hugely important asset for any business, especially in today's highly competitive and brand-driven marketplace. They are critical in strengthening brand recognition and protection against fraudulent and counterfeit operations. A trademark only holds value if it has been properly registered and maintained.

Businesses thrive on a variety of aspects, not least their trademarks. A trademark is a distinctive sign identifying certain goods or services. It may be one or a combination of words, letters, and or numerals.

A registered trademark affords the proprietor of a business the right to an exclusive use of the mark in respect of the goods or services it covers. The most important reason for registration of a trademark is the powerful remedies against unauthorized use.

Trademark registration allows the proprietor to sue for infringement and to obtain very powerful remedies such as veto plus delivery of infringing articles and damages. At the same time, the trademark infringement provisions do not preclude a person.

A registered trademark can be used as security to secure loan facilities in the same way as immovable property can be bonded.

Trademarks also make it easy for customers to find you. They are an efficient commercial communication tool to capture customer attention and enhance the business, products and services visibility.

Customers viewing a trademark immediately know who they are dealing with; its image invokes the reputation of the business and hence customers are less likely to look for alternatives.

## Legal provisions

Trademark registration in Uganda is governed by the Trademarks Act, 2010. The Act provides for among other things; the registration of trademarks, the procedure for and duration of registration, the effect of trademark registration and action for infringement of a trademark, the fees for legal proceedings and appeals and trademark related offences.

Section 19(1) of the Trademarks Act provides that any person claiming to be the proprietor of a trademark that

they have used or propose to use and who are desirous of registering the mark, must apply in writing to the registrar in a prescribed manner for registration either in Part A or in Part B of the register.

The Trademarks Act also makes it unlawful for any person to register a trademark or part of a trademark that incorporates any scandalous design, or the use of which would be likely to deceive or cause confusion, thus removing the mark's entitlement to protection in a court of justice, or which would be contrary to the law or morality.

In addition, a trademark proprietor can license the right to use a mark to someone else.

According to Provia Nangobi, a Senior Public Relations Officer at the Uganda Registration Services Bureau, Ugandan companies recognise the significant role of intellectual property and thus trademark protection in their businesses.

Nangobi says Uganda Registration Services Bureau has recorded a significant number of trademark registrations, but notes that trademark protection system is not always fully taken advantage of as many companies are unaware of the intellectual property system or the protection it can provide for their inventions, brands, and designs.

### Trademark acquisition

A trademark acquiring process begins with a search in the trademarks registry to ascertain whether the trademark already exists or is not in the register; if not, whether it is inoffensive and therefore suitable.

The applicant may then, if they so wish, obtain advice from the registrar as to whether the proposed trademark appears to be inherently adapted to distinguish or capable of distinguishing goods or services of the proposed undertaking from those of other undertakings already registered.

The applicant can then file their application for trademark registration, upon payment of an

*The more you differentiate your brand from others in your industry, the easier it will be to protect. Choose a name and logo that distinctly identify your business and will protect it from competitors.*

*Nangobi advises.*

application fee. It should contain the mark proposed to be used, the class of goods or services, a name, address and signature of the applicant.

If the applicant is a foreign company, a power of attorney or a form of authorisation from an advocate of the High Court of Uganda will be sufficient.

The registrar then determines whether the trademark can be registered if it does not conflict with prior existing registrations or applications for trademark registrations.

Having been generally approved by the registrar, the application will then be advertised in the official government gazette for 60 days. Without being contested by the expiration of the 60 days, and upon payment of the necessary registration fees by the applicant, the registrar shall enter the trademark into the trademark register and issue a certificate of registration of the trademark to the applicant. The fees depend on whether the trademark is a local or foreign one and whether the applicant intends to employ an attorney to process the registration or follow up the process by them.

The amount payable in professional fees depends on the attorney engaged in the registration process. Nangobi notes that when the trademark intended to be registered conflicts with an already registered one, the law allows the owner of an existing trademark to object to the registration of the new trademark, if

it is their opinion that it conflicts with their original trademark.

To protect a trademark from infringement, the applicant must register everything associated with the mark because marks are a critical asset, "Once you ascertain that there is no chance of confusion with your mark, it is important to register everything around it," Nangobi admonishes.

The company's name, logo, slogans, and product names and anything that references the trademark should be registered at the same time.

"The more you differentiate your brand from others in your industry, the easier it will be to protect. Choose a name and logo that distinctly identify your business and will protect it from competitors," Nangobi advises.

Upon registration, a trademark is valid for seven years and upon expiry is renewed every ten years. In the event that the business is closing shop, Nangobi notes that intellectual property is an intangible asset that can be valued and sold.

Nangobi says trademarks are valuable assets that appreciate in value over time and hence businesses should fight to own them; the more a business reputation grows the more valuable the brand will be.

She says trademarks can lead the way for expansion from one industry to another, such as from personal care to clothing or eye ware. If one so desire, Nangobi explains, one's trademark can lead to the acquisition of business by a larger corporation.

### Illustration of fees for a trademark

Sub category	Local applicant UGX	Foreign applicant USD
Search fees	25,000/=	USD 65
Application fees	50,000/=	USD 150
Registration fees	100,000/=	USD 250

Source: URSB

# Cable Corp can satisfy local demand

Cable Corporation Ltd is comforted by President Museveni's keen interest in ensuring that the company is given preference in supplying to government projects, which however depends on the compliance of the procurement mechanisms.

Whereas BUBU has been effective in some respects, it remains ineffective in others; it is effective in organisations like KCCA, National Water and Sewerage Corporation that practice preferential treatment for local manufacturers. It is also effectively applied in the manner Uganda Electricity Transmission Company Limited UETCL and Uganda Electricity Distribution Company Limited (UEDCL) in relating to the local manufacturers and suppliers.

This is the verdict of Cable Corporation Ltd, according to Mr. T.S. Sundaram, the Director and Chief Executive. "We are not getting any business from the Rural Electrification Agency (REA), notwithstanding the BUBU policy, because of the manner of their procurement."

He explains that elsewhere in the East African Countries, the importations of cables and conductors are prohibited, "The conductors are locally manufactured and supplied by local suppliers, enabling the full capacity manufacturing operations unlike Cable Corporation that can only manage two shifts."

As of now, Cable Corporation Ltd can only utilise around 50 to 60 percent of its installed capacity, yet full production could save the country precious foreign exchange and enhance local employment. "We believe that Uganda needs to borrow a leaf from our neighbours by sourcing

locally manufactured electrical cables and conductors, starting by prohibiting the contractors' direct procurement from abroad. This is the only way BUBU can be effective."

## Background

Cable Corporation Ltd. was established in 1967 to cater to Uganda Electricity Board and was until 1972, run by the Mehta Group. It was nationalised and embedded to Uganda Electricity Board by Idd Amin Regime up to 1980, when the government invited the original owners to return.

It was run under 51:49 per cent share arrangement in favour of government until 2009, when it was fully privatised to The Mehta Group Management. In the year 2000, it made a turnover of US\$2bn, and has since grown with CAGR exceeding 20 per cent.

It has gradually improved on the quality and quantity of its products and able to compete with similar products coming on the market; with time can increase its market abroad. Growth rate has been increasing annually by 20 per cent till now.

The Company expanded its production in 2011-12 to manufacture large cables of up to 4 core 300 sq.mm and manufacture XLPE insulated cables, which are required by Umeme as a new product. It started using Aerial Bundled Cables (ABC) in the year 2012 and hence the expansion of the cable production facilities in the year 2012.



Cable Corporation Resident Director, Mr. S. Sundaram, "BUBU policy needs to be enforced."

In the year 2017, the production processes had been modernized and expanded to cater for quality and volume of production improvements, prompting an expectation of more than US\$40bn turnover.

Sundaram notes that whereas other manufacturers are struggling, Cable Corporation

makes conscientious survey and understanding of the market, to cope with the competition and the substandard products, "In as far as selling to Umeme, UEDCL and UETCL is concerned, we do not have any problem because they want quality products."

## Liberalisation

He argues that market liberalisation favouring the imports is one of the biggest challenges the Company is facing. The more advanced economies, like that of Egypt, can compete seriously because their production capacity is massive; their cost of production is therefore low, the volume of production is quite high and hence can effectively compete.

The second challenge is in the

substandard imported products for the last so many years, government needs to introduce strict control measures to prevent such imports. This type of illegal imports avoids payment of duties and taxes, thereby creating unfair competition to the local manufacturers.

There are places in the City Market area also selling cables that do not reflect VAT; government thus effectively loses revenue.

He says the advantage to the electric cable manufacturers is the electricity network expansion that is seriously underway and the growing rural electrification scheme. "There are no electric conductor cables that we cannot supply to them. Our turn over is about US\$ 12m annually which translates into about US\$44bn. It would be in the region of US\$70bn if (REA) procured our material."

He elaborates that the BUBU policy is affected by the turn-key projects; when contracts are awarded to multinational Chinese or Indian Companies, they bring duty free and VAT free import materials from their countries of origin. Rather than support the local industry,

Uganda is in effect exporting jobs to India and China.

### Finance/borrowing

Another impediment to growth is the exorbitant cost of borrowing, which has been the case over the last 20 years, according to Sundaram. The servicing long term loans are very high, moreover the annual inflation/ devaluation also seriously affects the business. This is a situation that could be ameliorated by lower and fixed interest percentages if the monetary policy was amenable.

Of the recent Uganda Development Bank recapitalisation, largely to support the SMEs along with larger scale manufacturers, he says their interest is 10 to 12 percent which is reasonable. Even then the currency devaluation problem badly affects the Company, "We take a loan and by the time we have to complete the repayment it will become more difficult.

### Capital flight

Mr. T.S. Sundaram argues that in the case of Cable Corporation Ltd, the company has evolved from a small scale facility into the middle scale

manufacturer it now is by employing own internal resources. "Capital Flight" does not apply to Cable Corporation Ltd," he stresses.

### Industrialisation by 2040

Reflecting on Uganda's aspiration to have metamorphosed into an industrialised state by 2040, he says industrialisation basically needs technical skills. Most of the Universities graduates lack the appropriate employable skills; the mechanics and electricians, the shop-floor cadres that drive the industrialisation.

BUBU is a very good idea that needs to be implemented and hence the need for its improvement to enable manufacturers to get to full production levels; the more they produce, the more profits they make, and thus more growth employment and development. Cable Corporation Ltd is however comforted by H.E. President Museveni's keen interest in ensuring that Cable Corporation is given preference in supplying to government projects, which however depends on the compliance of the procurement mechanisms.



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Trade and Industry Minister, Hon Amelia Kyambadde (*in blue*) at the Codex

# Meeting the fresh fruits export standards

**Uganda Bureau of Statistics (UBOS) statistics for 2015, indicate that Uganda exported 7,900 tons of fruits worth USD3.2 million and 12,000 tons of vegetables worth USD127 million.**

The Minister for Trade, Industry and Cooperatives (MTIC) is concerned that whereas trade in fresh fruits and vegetable has been growing steadily over the last five years, Ugandans find the penetration of the lucrative international markets challenging, due to their (Ugandans) non-compliance to international standards.

Notwithstanding, "The implementation and application of relevant codex standards, has helped Uganda's exports to penetrate key markets in the various food sectors significantly fruits and vegetables, and fishery products," Hon. Amelia Kyambadde said.

She was opening a meeting of the Codex Committee on Fresh Fruits and Vegetables (CCFFV) which was hosted by Uganda Government, in conjunction with the Government of Mexico that attracted more than 200 delegates from 50 countries.

The Kampala meeting in October brought together experts in the food and agriculture sector to discuss the standards for fresh fruits and vegetables, inclusive of garlic, potatoes and eggplants, kiwi fruits and fresh dates. Uganda is an effective participating in the development of the standards related to quality and safety of food and agricultural products.

The Minister of Health, Dr. Jane Ruth Aceng commended its timing; "The meeting is at a time the Government is streamlining the national food control system to respond to the existing and emerging food safety issues."

Fresh fruits and vegetables from Uganda are largely exported to the European Union (United Kingdom, German, Belgium and Netherlands), Middle East, USA and the East African Community (EAC) region. Uganda Bureau of Statistics (UBOS) statistics for 2015, indicate that Uganda exported 7,900 tons of fruits worth USD3.2 million and 12,000 tons of vegetables worth USD127 million.

Uganda is a member of the Codex Alimentarius Commission (CAC), an international food standards body that the Food and Agricultural Organisation (FAO) and the World Health Organization (WHO) formed.

# The case for banana industrialisation

Some matooke preparations can increase energy by up to ten times compared to the popular porridge. This is good quality flour for supplementing the energy gap in nutrition. This product is superior to Cerelack.

The Presidential Initiative on Banana Industrial Development (PIBID) is a nationalistic venture with origins in the NRM Manifesto 2005-2016 to ensure that banana processing takes root in Uganda.

The team strategist entrusted with pulling off this feat comprises of scientists, who had been researching on matooke, with very interesting outputs. originally based at Makerere University, led by Dr. Florence Murunga, a biochemist, food scientist the executive director.

The scientists had shelved some products but needed outcomes when the opportunely government invited them to support put up a banana industry, which was put in place on July 5, 2005 and got its governance in October 7, 2005.

The project has a mission, like the government, to reach out with transformation to the poor, thus offering rural farmers entrepreneurial technical and scientific knowledge.

## Sustainable production

The Initiative started with a focus on the improvement of production, considering that world production levels range between 60 to 150 metric tonnes/hectares, while the best of the Uganda production was 5 to 10 tones. A model linked to irrigation to facilitate production growth was thus put in place, and production increased from 10 to 30 and eventually to 76 metric tonnes/

hectares.

The unprecedented achievement in the first four years was a function of science through soil enrichment and irrigation; an infant plantation could yield 100 and more metric tons/ hectare.

Besides, the initiative had to build support for business and hence set up a projections model; it built a team to drive banana processing through primary value addition—peeling, treatment, slicing and drying. It was realised that banana could be stored in silages for up to six months when still viable, subsequently, the milling would give quality.

The third level was to look at the products; one quick way was biscuit formulations, first with students for different types of biscuits and hence a biscuit line that was set up with astounding success.

We also have to process some products; excision processing gives expanded products which are viable as material for children's foods as well as ingredient for different formulations.

The initiative has been demonstrating the flaking machine for products like baby foods with good results, prompting the decision to make models and promote investment. Improvements have been made on milling the milling and hence the quality products the consumers have come to appreciate.

UNBS has certified the Company's



quality, facilitating the products' acceptance in the market. A team manages the quality by ensuring that the products meet all the qualifiers; they ensure that the products have no microbes and are virtually free from fungal infestation, a rare feat in Africa. They also look at the physical, chemical, nutrition and sensory presentation to see that product is good and palatable.

The Initiative is also into processing technology transfer and commercialisation, aiming at getting viable technology for community, in other words, backward integration. Communities will adopt some of the technology through their cooperatives; they are trained in production and hence produce more bananas, surpassing the existing processing capacity. Communities' productivity levels will be established and those with the viable capacity empowered to undertake own processing.

The Commercialisation involves sharing some of the processes with the third parties, the potential investors. The Initiative has received overtures from Europe, for scaling up these products by getting faster processing technology, about which, discussions will be held this summer.

The Initiative is also looking at the spin-offs, considering that most land in banana producing areas is owned by men. There are technologies that can be shared with the women and the youth, like the extraction of fibre from the waste for various innovations, a project for women empowerment.

Preliminary weaving has produced cloth with much promise for different applications, which will largely be propelled by women in the communities and hence will bring a balance.

### **Quality**

The consumers have nationally, become more aware of quality of the products that are safe to consume. Internationally, it is becoming increasingly difficult to supply consumer products which have implications of quality and safety problems.

The Initiative's set up takes into consideration world class quality recognition; ISO 22000, a Food Safety Management System and HASAP which are prerequisite; it has the structure, and has trained personnel to perform. It has a qualified laboratory to check and control the products, have established a partnership with

internationally accredited Chemifa of Belgium.

This lab that is assistive in testing the quality of our products. For it to be fully international, ISO 171-175 is necessary for testing laboratories, which is being pursued in partnership with the Chemifa that also trains the Initiative's laboratory staff.

Further, audits are carried out annually and the training provides a range of local manpower, some of which could be accredited as auditors for the future. This will be of profound assistance for some other industries looking to getting into the ISO domain.

### **Production, technological transfers**

Originally, the project had a mandate to focus on greater Bushenyi where matooke production capacity has been built over the last ten years, but will be expanded to other parts of Uganda along with

the technology transfer.

Accordingly, a facility will be set up at Jinja Agricultural show grounds and kept open for the benefit of people from Eastern Uganda around the year.

Considering that one of Uganda's





biggest commodities is wheat, it is discomfoting that it is not perceived as a foreign exchange sucker. It is therefore the Initiative's strategy that research leads to the realisation that raw banana flour is more than a substitute to wheat; it can be blended with wheat by up to 50 per cent and it is in production year round.

An incubation facility will thus be launched this September, as a strong arm for transferring technology transfer in the bakery industry in a stratagem for making the product competitive by growing the bakery industry. This was started by encouraging Bakers to voluntarily incorporate the product in their ingredients rather than going through legislation.

The other approach is by working with the cooperatives in backward integration; they will be taught the primary process skills especially as the Initiative broadens its outreach from the Bushenyi factory to Ntungamo.

There is a commitment to minimising the production of carbon miles and hence the concentration of the product at source; only one dried banana truck is delivered for every ten unprocessed ones. This is possible through a strategic memorandum with suppliers for accessing the technology for the communities. The communities' business development is also supported.

### **Dry matooke warehouse**

A silos system is in place targeting the internal operations. In order to export, the accumulation of stock/bulking is necessary to facilitate export.

And as communities start own processing, warehouses are necessary and hence their construction is in the offing.

Green banana is pilled, treated and then dried before it is so dried that it can be kept in silos; banana can be turned into a shelf stable product through science. This means that Ugandans need to be more curious and do things differently, which will save us money.

### **Enhancing BUBU ideology**

One objective for the research into matooke was the realisation that there was much malnutrition in the country. Research established that mothers lack the time for preparing the kind of food children need.

Babies then do not get the energy levels they need and hence suffer energy deficiency.

Some matooke preparations can increase energy by up to ten times compared to the popular porridge. This is good quality flour for supplementing the energy gap in nutrition.

This product is superior to Cereclack.

The Initiative is interested in Buy Uganda because Ugandan mothers need to start using this product rather than Cereclac, a

brand of instant European wheat. The tooke has a potential of substituting wheat by up to 50 per cent, and can save the country much forex for developing our industrial sector.

### **Matooke production areas**

Masaka, Kamuli, Bugerere, Mbale and other regions with the potential to produce matooke have become a little too dry to sustain the crop; climate change is a reality.

Banana production has thus been chosen to be profiled as one of the areas of climate change management. Through irrigation a desert country, Israel produces 150 metric tonnes/hectare and therefore there is no area in Uganda where with water access banana cannot be grown. The Water for Production has given the Initiative water in Kamuli where a village will have access to planting material. The farmers will learn how to conserve water in the plantation as a starting point.

The Kyabazinga of Busoga will facilitate the opening of a model plantation that will avail suckers to the communities in the area and also train the people in tending the banana crop. The growing of the Ficus trees for a symbiotic relationship with the banana will be promoted so that the tree provides wind breakers and nutrients for the crop, which can generate at least US\$50million/hectare/year.

The difference between processed matooke and the traditional preparation is in the flavour. Work is underway to shorten the drying time, and also have the instant flour flavoured. Versions with more flavour will soon be available on the market.

Ugandan women, like many others around the world are held back from development by the time it takes then to put food on the table; the reason many need to have house-helpers. The processed tooke brand presents convenience and ease of preparation, even to the children, further value addition.

### **Diaspora clients**

PIBID Executive Director is grateful to Company's customers in the Diaspora, the biggest market segment; very few return abroad without tooke packets. "You are our indirect distributors; we are working around the clock to position the product on the Amazon, which will enable us to send the product wherever it is wanted."

As a spin-off, a project to generate electricity will be set up in the next three years, whilst producing organic



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# TOOKE biscuits

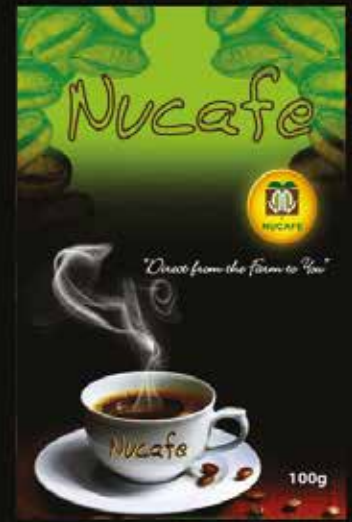
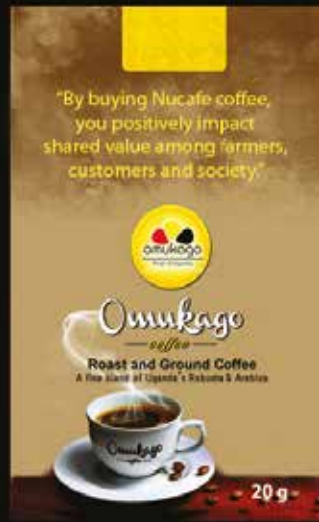
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