

Cement prices down - ministry

Price down. The price of a bag of cement, which had risen to between Shs35,000 and 50,000 at the start of April, has gone down to Shs32,000.

BY MONITOR TEAM
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KAMPALA/SOROTI. The government will not now open doors for massive cement importation as earlier announced because local manufacturers have stabilised prices of the commodity, bringing to an end public outcry over the runaway costs.

The country suffered scarcity of cement at the start of April, forcing the prices to soar, with a bag of cement going for between Shs35,000 and Shs50,000.

But yesterday, the Trade, Industry and Cooperatives ministry public relations officer, Ms Khadijah Nakakande, told *Daily Monitor* that cement prices had gone down and that government would no longer invite external players since there is no more crisis.

"The cement prices have gone down and we understand a bag is now at Shs32,000 around where it was before the crisis. There will be no other players because the condition was that manufacturers increase production and reduce prices, which they have done," Ms Nakakande said in an interview.

On April 10, Trade, Industry and Cooperatives minister Amelia Kyambadde met cement manufacturers and ordered them to fix the scarcity and high prices by mid-May or else government invites other players to import cement.

The big cement manufacturers, especially Hima Cement and Tororo Cement in a closed-door meeting with Ms Kyambadde in April, had blamed the problem on technical glitches.



Stock-keeping . A worker inspects bags of cement a warehouse in Kampala yesterday. PHOTO BY RACHEL MABALA

CEMENT PRODUCTION

The annual cement production capacity by the three major plants is 2.5 million metric tonnes, with Hima Cement churning out 900,000 metric tonnes, Tororo Cement 1.2 million metric tonnes, and Kampala Cement producing the rest. But with the opening of a new plant at Tororo, Hima cement will increase its production capacity to 1.6 million metric tonnes per year.

The Kasese-based Hima Cement at the time said it was receiving little electric power supply which

forced irregular operation of the plant while Tororo Cement blamed it on its routine plant maintenance.

Both manufacturers said the problems forced them to first serve the bigger export orders to neighbouring regions and those for bigger local dam construction projects at Karuma and Isimba and also the Jinja Cable Bridge.

But Ms Nakakande says the country now has enough supplies of cement in hardware and retail shops across the country even as the companies continue to deliver on their export orders.

At the time of the meeting in April, Ms Kyambadde had advised the manufacturers to partially deliver their export orders and spare some supplies for the local market that

was suffering skyrocketing prices.

An official from Hima Cement, who preferred anonymity because he is not authorised to speak for the company, said cement production normalised in the past one month after the machines were serviced.

The communications The coordinator for Hima Cement, Ms Caroline Kezaabu, yesterday confirmed that their production and prices had normalised but did not provide any figures.

In Soroti Town, one of the hardware shop owners, Mr Munir Sula, said their cement suppliers communicated early this month that the prices have gone down with a bag of cement costing Shs31,500.

Reported by Misairi Thembo Kahungu, Simon P Emwamu & George Muron

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