

By Vision Reporter

Uganda, China ink deal for \$200m business centre

Uganda and China have signed a Memorandum of Understanding (MOU) for three proposed investment projects, namely the construction of the East African-China Manufacturing, Trade and Exhibition Centre in Kampala, an abattoir in south western Uganda and the Kampala Metropolitan Rapid Bus Transport.

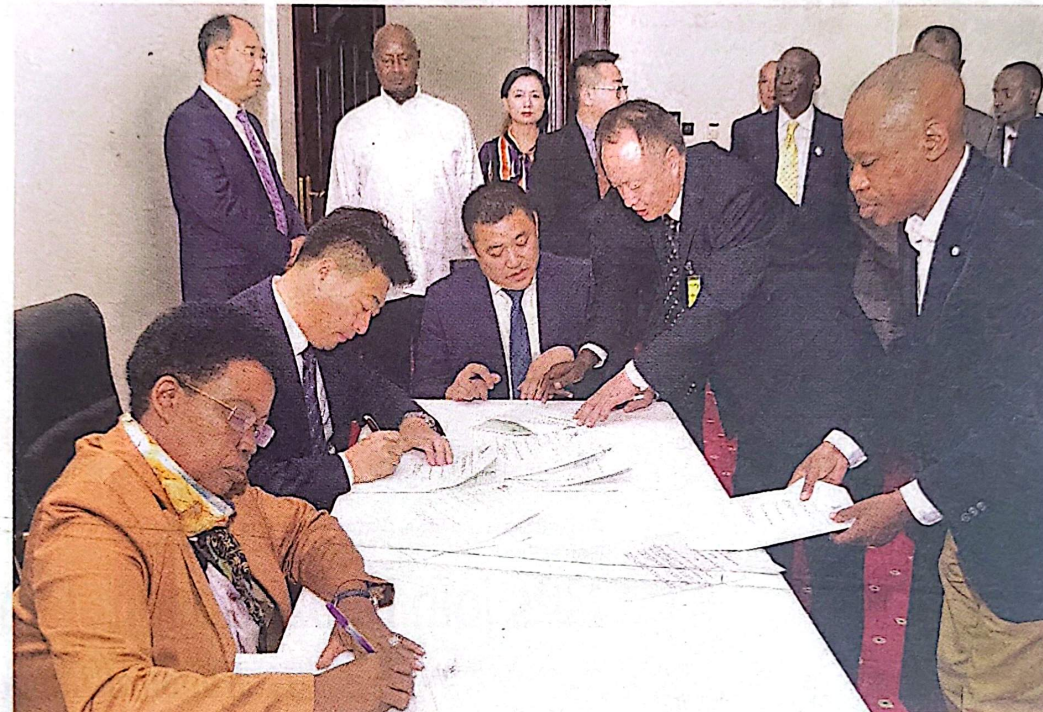
According to a press release from State House, the proposed \$200 million East African – China Manufacturing, Trade and Exhibition Centre, is to be established on a 355,000 square metre piece of land in Bugolobi.

The \$25m abattoir project in the south western part of the country, is expected to slaughter 200 cows per day for beef production. The proposed Kampala Metropolitan Rapid Bus Transport, with an investment portfolio of \$40m, will have 26 bus stations and six bus terminals established.

The MOU was signed by state minister for animal industry, Joy Kabatsi, while the chief executive of East Africa International Trade Company, Wang Shujun, with executive director of Wanton Think Tank, Lijun He and Jingshi, signed it on behalf of the Chinese investment group.

The ceremony at State House, Entebbe was yesterday witnessed by President Yoweri Museveni and the Chinese envoy to Uganda, Ambassador Zheng Zhugiang.

China is Uganda's largest source of foreign investment with a total investment by Chinese firms reaching \$3.07b at the end of 2016. China is also Uganda's largest project contractor and the third largest



President Museveni (in white) witnesses the signing of the agreement on Saturday at State House, Entebbe. The agreement was between the Uganda Government and China to set up a \$2m trade centre. PPU photo

trade partner with bilateral trade volumes exceeding \$978m in 2016.

"These are good projects which will strengthen trading with China," President Museveni observed.

The President assured the

proprietors of the East African Trade and Exhibition Centre that the Government will avail the required land to them.

Reaffirming the need to rationalise the transport system in Kampala, in order to decongest the city, the President

is said to have revealed that engagements will be held with taxi and bodaboda operators to encourage them to be in the Kampala stock exchange with a view to help those who want to be shareholders to buy shares in the company. He noted

that such an arrangement will achieve a win-win situation where everybody will concentrate.

Beef production project

The President assured the Chinese entrepreneurs that

the country's cattle stock is projected at 24 million, up from the current 14 million. He added that the cattle feed on natural pastures and that annually, 20% of the 14 million are sold for slaughter.

Museveni, who said Uganda needs to concentrate on promoting beef exports observed that if artificial feeds are introduced, the supply of cattle will definitely increase.

He also urged the Chinese delegation to invest in other business sectors, such as tourism, solar power generation, as well as coffee and cocoa processing.

The Chinese entrepreneurs requested the Government to establish a co-ordinating committee to enable investors connect with the line ministries and other relevant groups aiming at realising high efficiency and progress.

Stephen Kaboyo, a member of the Presidential Advisory Group, who also attended the meeting, observed that Uganda is yet to gain a strong foothold into the Chinese market, saying it has high growth potential.

Decongesting Kampala

In 2012, KCCA unveiled a project to decongest the city with plans to incorporate fast-growing suburbs in Mukono, Wakiso and Entebbe districts, an area termed the Greater Kampala Metropolitan Area.

The Kampala Physical Development Plan, which covers the city's development between 2012 and 2040, highlighted establishment of housing projects and establishment of a rapid bus transport system as well as the construction of bypasses and new lanes to ease traffic.