BUSINESS

New UDC board to industrialise country

By Samuel Sanya

The Minister of Trade, Industry and Co-operatives, Amelia Kyambadde, has unveiled the Uganda Development Corporation (UDC) board of directors, and challenged it to industrialise the country.

The move comes nearly a year after a law re-constituting the board, was passed.

Hamu Mugenyi, a lawyer with experience in negotiating joint ventures and collective investment schemes, will chair the board, which has a tenure of three years.

Other members are Andrew Magezi Rugasira, the founder of Good African Coffee; Ramathan Ggoobi, the managing director of Great Lakes Communications and a lecturer at the Makerere University Business School and Ambassador Julius Onen, the permanent secretary of the trade ministry.

Also on the board are Emmanuel Mutahunga, the acting UDC executive director, Keith Muhakanizi, the Secretary to the Treasury; Miriam Magala, the chief executive officer of the Uganda Insurers Association (UIA) and Josephine Okot, the managing director of Victoria Seeds Limited.

The board is mandated to steer the corporation by investing in strategic business ventures, singly or in partnership with private sector investors, both local and international.

Kyambadde noted that the members of the board had been selected based on their track record in the private sector and their integrity and repute.

"This is a powerful team. This board should ensure the industrial and economic transformation of Uganda. You should follow up the assets that belonged to UDC, try to trace where those assets are and improve the board charter," Kyambadde told the board.

"You should consider the UDC strategic plan and submit quarterly progress reports. You should establish governance structures and ensure responsible financial management of UDC subsidiaries, such as Kiira Motors," the minister instructed the board.

Hamu Mugenyi

After the board was sworn in, Mugenyi said UDC will industrialise and develop Uganda, using research to craft unique solutions to Uganda's challenges.

Mutahunga noted that UDC is engaging technology and financing partners to manufacture vehicles designed by Kiira Motors. He said equipment is being installed at the $10m (about sh36.5b) Teso Fruit Factory at the Industrial and Business Park at Arapai in Soroti. He added that farmers in 57 local co-operatives in the Teso sub-region have been trained to supply fruits to the factory, which will be in operation by June next year.

"We will look for project funds through a hybrid approach, from domestic sources — through partnering with the private sector and from external sources by partnering with foreign firms," Mutahunga said.

Constituted in 1952, UDC had 36 subsidiaries and 22 associated companies by 1971, but suffered due to political upheavals, mismanagement and privatisation, which rendered it inactive, until the Government re-established the body in 2008.

In its prime days, UDC spearheaded the establishment of multiple government-led investments, including entities like dfcu, Uganda Hotels, Kakira Sugar Works, Kinyara Sugar Works, Steel Rolling Mills, Hima Cement, Tororo Cement and Nytil.

Under the new dispensation, UDC will once again act as the fulcrum of industrialisation and will be an investment agency on behalf of the Government of Uganda, in partnership with the private sector, to catalyse industrial and economic development.

In addition to Kiira Motors and the Soroti Fruit Factory, UDC has also invested in the Kalangala Infrastructure Services through a public private partnership framework with other development partners.

Other initiatives under consideration are the establishment of a cement factory in the Karamoja region, an iron and steel plant, a sheet glass manufacturing plant; and ten other zonal agro-processing facilities, including the manufacture of tea and investment in tourism.

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