MPs back scrapping of licence for cane by-products

By Nicholas Wassajja

Parliament has bought into the idea that an already established and licensed sugar miller should be allowed to add value to the by-products of sugarcane, without procurement of another business licence.

The proposal was mooted by small-scale companies under their umbrella body, Millers' Association of Sugarcane while interfacing with the parliamentary committee of trade, industries and co-operatives, to scrutinise the Sugar Bill of 2016.

Other than sugar, other by-products, such as ethanol, bagasse, molasses, falernum and rum are derived from sugarcane.

According to clause 6(1) (j) of the new Bill, a potential miller should secure a licence to produce sugar separately from that of by-products.

James Kisambira, the general manager of Uganda Farmers Crop Industries Ltd, on behalf of the millers, said: "It would be unfair to have two separate licences for a similar job. Allow us to run the production as one multi-tasking entity, which, in the long run, strengthens good sugar production."

Although the committee nodded to the idea, it did not go without reservations, especially from the chairperson, Alex Ruhunda (Fort Portal Municipality), who said: "It is okay to excuse you from this licence, but we want you to do more. For example, how come we spend our forex on importing mere sweets, yet you have these, as by-products?"

If the proposal sails through to form part of the law, it means that sugar manufacturers will have the leeway to make an extra income without necessarily parting with revenue derived from securing authority for production.

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