



## Atiak Sugar Factory

### Background

UDC in partnership with the private sector (Horyal Investment Holding Company Ltd (HIHC)) has invested in setting up 1,650 Tons of cane crushed per day (TCD) sugar processing plant in Atiak, Amuru district. The capacity will be scaled up to 3,500TCD in phases 2 and 5,000 TCD in phase 3. The proposed plant will also produce by-products such as molasses and bagasse to produce ethanol and up to 6MW of electricity in phase 1. UDC holds 40% shareholding in HIHC and this first large investment by Government in northern Uganda post-conflict. Approximately 15,000 outgrowers are integrated into the investment and are expected to supply cane to the factory. The proceeds from the supply of cane can be reinvested into cane growing and other commercial activities within the region.

The Factory was commissioned on the 22nd October 2020 by H.E Yoweri Kaguta Museveni, President of the Republic of Uganda.

### Expected socio-economic benefits

1. Employment of at least 3,500 workers directly and 15,000 indirectly on the out-grower farms of whom over 4,700 members are women and heads of families.
2. transformation from subsistence to commercial farming through the out-grower scheme, hence a reduction in poverty levels as a result of improved household incomes amongst participating households and consequently, rural development
3. enhanced community wellbeing in terms of improved social services
4. Regional distribution of resources (industries)
5. Domestic revenues to the Government (PAYE, VAT, excise duty), local government revenues – licensing and other regulatory fees associated with rural development.
6. Foreign exchange earnings through exports and the attendant macro-economic impacts



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