

TRUTH EVERYDAY

Daily Monitor

Thursday
November 7, 2013



News **Business** OpEd Special Reports Magazines Sports Other Features Advertorial

Prosper | Commodities | Finance | Markets | Technology | Insurance | Auto

In the New World, business knows no borders. MTN Backhaul Fibre provides your business border to border connectivity in Uganda. Visit our website www.mtn.co.ug/business for more information. With the right partner, anything is possible. MTN Business

Editor's Choice

Click to scroll



RVR invests Shs10 billion in locomotive expansion



Mwesigye established a link between job seekers



Herbal medicine; despised but profitable



Government advised to tap into capital markets



Heritage pays up Shs871b to Tullow oil, eyes

Home > Business > Prosper

PROSPER

Ten years on, Namanve yet to take off

SHARE | BOOKMARK | PRINT | RATING



A section of the Namanve Industrial Park. Much of the Park's land remains idle with only a few firms establishing structures and operations. PHOTO by Issac Kasamani.

By Nicholas Kalungi
Posted Tuesday, March 26 2013 at 02:00

IN SUMMARY

Ambitious plan? The government in 2002 launched an ambitious plan that would redirect Uganda from a peasant to an industrialised economy, however, 10 years down the road, there is less to suggest that this will soon be achieved.

SHARE THIS STORY

1 | 0 | | Recommend | Tweet | +1 | Share

In 2002, the government of Uganda launched an ambitious project that had promised to form the foundation for the turnaround of Uganda's industrialisation.

The project that had been conceptualised around Namanve Industrial Park remains a shadow of its own self after the World Bank

LATEST UPDATES

- + Congo's M23 rebel chief Makenga in Ugandan hands
- + Explosions rock ruling party offices in China
- + AU delegation attacked
- + Odinga offers to mediate in Tanzania, EAC fall out
- + Kirumira land case fails to take off for third time
- + Drivers clash over Mbarara park
- + Another court backs Prof Ndiege
- + Kadaga orders MP Kipoi back in Parliament
- + Nurses' board to introduce promotional exams
- + Doctor held over selling aborted babies

Most Popular

- + Slavery: One woman tells of her ordeal in Kuwait
- + Aronda sets up spy unit at immigration
- + How M23 rebels lost ground to DRC army
- + Government spends Shs500m on eclipse
- + FDC rejects Mafabi's demand, backs Muntu
- + KCCA boss suspends director over misconduct
- + MPs uncover rot in Judiciary
- + Brig Ondoga, two others denied bail
- + Amin's son writes to Museveni
- + Dedicating one's home to gods is common
- + Faulty line caused Umeme fire

DIABETES?



no doubt after the World Bank pulled out citing environmental concerns, administrative bureaucracy and inflated land costing procedures among others.

For more than a decade now there is little to suggest that Uganda Investment Authority would in the short term achieve its plan of forming an industrialised zone in the east of Kampala (Namanve). A simple walk through the Park brings out the reality of a failing project that has now been taken over by brick layers, food gatherers, mingling with cattle, sheep and goats that leisurely mow away on the Park's fertile grass.

The Park, in its current form doesn't emphasise President Museveni's drive of turning Uganda into an industrialised economy by 2025. In 2002 the government of Uganda signed a credit agreement with the World Bank that would jointly fund

the establishment of an industrial park at Namanve at an estimated cost of Shs350 billion (\$125m).

However, information obtained by Prosper indicates that the World Bank – a major funder of the project quit, citing fraudulent and unnecessary delays for the project's implementation.

In an email, Mr Steven M. Shalita, the World Bank senior communications officer, told this newspaper that while it was prudent to launch the project, delays in actual implementation had in 2011 forced the bank to withdraw its financial support.

He said: "The Kampala Industrial Business Park (Namanve) could not be implemented due to delays related to environmental concerns and procurement."

Thus, he adds, the government in consultation with its partners (World Bank) decided to cancel the sub-component."

UIA statistics indicate that the government would at the moment need about Shs470 billion (\$180 million) up from the budgeted Shs350 billion (\$125m) to implement the project.

A survey conducted by Prosper also indicates that at least 80 per cent of the land that was allocated to businesses remains idle with no meaningful developments.

The Park, according to UIA, is divided into two wings including the southern and the northern wings.

The southern wing, which houses Hima Cement and Roofings among others has two interlinked murram roads with a poorly developed drainage system.

However, the southern wing is far better than the northern wing (that houses Coca Cola) that is devoid of even a properly developed foot path, has no electricity or water lines.

Whereas the southern wing was developed for large industries, the northern wing was developed to house small and medium industries.

This means that businesses that were allocated land in such areas (northern wing) cannot establish anything due to the absence of amenities including water, sewerage systems and electricity.

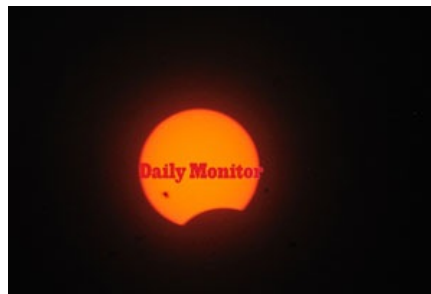
Ms Josephine Okot, the Victoria Seeds managing director, told Prosper that the biggest challenge is the lack of government's commitment to provide basic infrastructure for the Park to operate.

"We can't operate our business because we have no water and electricity supply or even access roads for big trucks. Additionally, the security of the entire Park is worrying considering that brick makers have transformed the Park into free land for collecting mud and burning bricks," she says.



In Pictures

Bit by bit: How the eclipse was viewed in Uganda



Although many people viewed parts of the eclipse for a few minutes, the beauty was in watching...



Standing Tall: Buildings from Independence and beyond

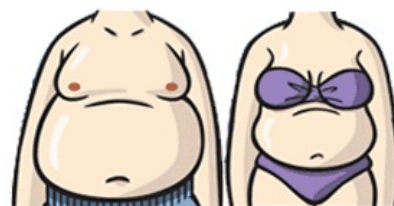
<http://epaper.monitor.co.ug>



1. Flip or slide through pages
2. Search text headlines,
3. Print page(s)
4. Email pages to friends . ETC

6 Exercise Mistakes

[Click here](#) to avoid these common mistakes & burn fat twice as fast!



Accordingly, Ms Okot adds: "It seems as though UIA has failed to work on its mandate of offering serviced land and other ancillary services including street lighting, garbage collection and security.

"There is no basis for promoting Namanve as an Industrial park if individuals are expected to grade roads, provide electricity, water and security. The government must ensure that UIA is facilitated to implement its core mandate instead of embarrassing itself."

A source who declined to be named told Prosper that at a recent meeting, an official from the government had suggested that they (investors) should dig boreholes that could provide them with water.

This he said was quite disturbing, unfortunate and irresponsible talk since they had been promised by the government that they would be provided with all amenities including water, electricity and access roads.

However, Eng Frank Sebowa, the UIA executive director, attributes the implementation lapses to not only low funding but the delay in receiving even the little that is allocated for the implementation of the project.

"We are working to fasten the development of Namanve and other parks. It is not an issue of commitment but an issue of funds. We even have a plan to have construct a basic road on the northern wing of the Park this financial year," he says.

"For now, those who already set up workshops in Namanve should implement temporary interventions as we work to put in place permanent services."

Far still, Dr Lawrence Bategeka, a senior research fellow at Makerere University says minus the absence of funds, there is need to probe the Namanve project in order to establish if land was allocated to genuine businesses.

Brazil is Rising

www.greenwood-management.com

Brazil's economy is booming. Invest in forestry,12%p.a. See more



Jobs Vacancies in Germany

www.findemployment.com

Browse jobs vacancies by company, location and industry.

