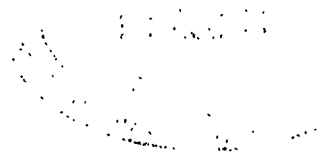




THE REPUBLIC OF UGANDA



**MINISTRY OF TRADE, INDUSTRY AND
COOPERATIVES**

**PRESENTATION
TO
THE PARLIAMENT
ON**

**CONCERNS OF NATIONAL IMPORTANCE ON
SUGAR INDUSTRY**

18th AUGUST, 2021

A handwritten signature in black ink, appearing to be 'K. K. K.', located at the bottom center of the page.

Rt. Honorable Speaker

Honorable Members

1.0 Introduction

At the 14th Sitting of the 11th Parliament, an issue was raised on the Slump in cane purchase prices due to bumper harvest and surplus in the Busoga Region by Hon. Sauda Kauma, Woman MP of Iganga District.

Honorable Speaker and Honorable Members;

- The market of demand and supply have direct bearing on prices. Currently, the supply of sugar cane is greater than the demand by the sugar mills and this has led to the slump in prices both for sugarcane.
- In addition, the Global sugar prices slumped from USD 400 - 500 per tonne in 2016/ 17 down to USD 330 per tonne in 2021. The



prevailing sugar prices also have a direct bearing on the sugarcane prices.

- The existence of unsold sugar at the Mills is also an impediment to the Millers to consume more sugarcane.

INTERVENTIONS

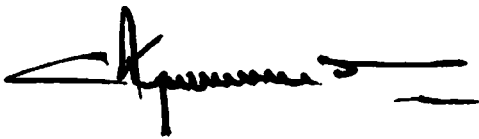
- The Ministry's has directed the Sugar Mills to consume more sugar cane from farmers than from their nucleus estates.
- The Ministry is assisting sugarcane Outgrowers to supply sugar cane from Busoga Region to Atiak Sugar in Amuru District, to Bushenyi Sugar Ltd in Kyenjojo District and to Victoria Sugar Ltd in Luwero District. This will address the surplus.
- The Ministry with the help of H.E the President has secured market to export sugar to Kenya. This will help to reduce the high sugar stocks at



the Mills which will create more capacity for Millers to purchase sugarcane from Outgrowers.

- We have licensed 5 more Sugar Mills to process Brown Sugar into Industrial Sugar. This will reduce the high sugar stocks that is being held at the Sugar Mills.
- We are in advanced Stages of setting up a sugar Mill in Busoga to address this scenario.

I submit!



Minister

Minister for Trade, Industry and Cooperatives

KAMPALA

18th August, 2021