## Hima Cement Boosts Coffee Production to attain Alternative Fuels

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Hima Cement will inject over UGX 2bn in a bid to boost coffee production in Kasese and Kamwenge districts, and improve the incomes of at least 45,000 smallholder farmers. Over 14, 200,000 coffee seedlings will be distributed to coffee farmers through their organized farmer groups.

The project will also receive additional support from Uganda Coffee Development Authority (UCDA) who will address some of the technical issues including the coffee value chain, increase production, improvement in quality controls and strengthen the management of farming cooperatives organizations.

As a by product Hima Cement will get more accessible coffee husks, which are currently sourced from distant areas, for use as an alternative energy source for their Kasese factory.

While officiating at the launch of the Coffee Development project at KADIFA in Kasese Municipality, the Minister for Agriculture, Animal Industry and Fisheries, Hon. Tress Buchanayandi said that government is ready to work with investors who have a sustainable developmental approach towards agriculture, adding that the sector is now on the right track with the extra funding support from the private sector.

"Our goal as government is to increase agricultural sector funding to at least seven percent by the next financial year, and this has already been agreed upon. However, it is very encouraging when the private sector comes in to further boost our efforts as this is an indicator of the good relationship government enjoys with the private investors", said Buchanayandi. "Coffee in Uganda and the world over has a very good market, and with this boost, I believe that farmers in Kasese and Kamwenge must work hard to ensure that they utilize this chance very well to produce good yields because the market is available."

He commended Hima Cement for the support towards the sector and called upon other private players to emulate Hima's responsible approach while conducting their businesses.

Hussein Mansi, CEO of Lafarge East Africa said, "Our main motive with this project is to support the government in employment creation through coffee growing. In return the husks support our objective of increasing the use of clean fuels to provide energy to our factory"

"We are fully committed to building a sustainable business that is environmentally friendly and are ready to work alongside the communities, organizations and the government to achieve our purpose," said Mansi.

Hima Cement first embarked on an ambitious alternative energy project in 2001 while aspiring to achieve environmental sustainability. Today Hima Cement has one of the most successful clean energy projects in the continent achieving an energy substitution rate of upto 40% while significantly reducing our carbon emissions. The communities have also for a long time benefitted from income obtained through the purchase of biomass waste by the Company.

UCDA, mandated to manage coffee production in the country will work alongside the district National Agricultural Advisory Services (NAADS) and local farmers associations to ensure that the seedlings distributed meet the internationally accepted standards. Already, some farmer groups including KADIFA, Bukonzo and Karusandara have been identified from Kasese and the process of identifying organized associations is ongoing in Kamwenge.

Mansi said that Hima has been a very reliable and community sensitive neighbor and has invested billions in various health, education and environmental conservation projects to bring about social and economic development in the country. He noted that where as there have been several challenges with some of the approaches taken by stakeholders, Hima's commitment and capacity has not been hindered and still stands firm.

He further explained that there have been some media reports on the subject of the expiry of Hima's mining license and stated that Hima's capacity and track record is very clear; despite the current production of up to 850,000 tonnes, a notification was not given before the license was issued to another company. Mansi however said that Hima acquired the license of the Dura mines with all due integrity, and all documentation and facts are available. He added that as a responsible investor, Hima has been at the forefront of innovative approaches towards development through technology enhancement in order to produce more using fewer resources, while saving the environnent.

"I don't think there are any resource constraints that make using alternative energy an unachievable goal because there is sufficient land for us to support coffee growth, and promote agriculture in this region," he added.

"We shall continue to use the resources that we have to invest in areas that are directly related to community growth and empowerment because we believe that as key development partners; our role does not stop at making profits out of the people, but also creating opportunities where they too can have what to sustain their day to day lives."

Under the *Coffee development project*, Hima will distribute quality, disease-resistant coffee seedlings to farmers by ...... 2012 in the first phase. The project will also aim at helping coffee farmers to adopt and rejuvenate coffee growing- a once popular practice in the region in order to increase their household incomes and improve livelihoods.

"We foresee a huge potential for the coffee sector with the support Hima Cement is set to provide and we hope this will also restore Kasese's might as a leading coffee producer in the country," said UCDA Production Manager, Francis Chesang.

"We pledge to support Hima Cement and all farmers in this region to take on the right approach to address the range of obstacles within coffee production, quality, and yields."

The Kasese district Chairman, Lt.Col. (Rtd) Dula Mawa Muhindo commended the stakeholders for spearheading such developmental programmes adding that as aleader, he is going to do everything to ensure that the project is a success for the benefit of the district. «On behalf of the local leadership, i want to thank Hima and UCDA for coming in to help in the restoration of Kasese's glory », said Muhindo. « I want to pledge that for the good neigbourhood that has been displayed by Hima, we shall continue to support their activities and work closely for the good of Kasese and the country in general. »

The project will be implemented across a period of five years during the various rainy seasons.

Through partnership with UCDA Hima will distribute Arabica and Robusta coffee depending on landscape and altitude of the farming area.

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