

GRANTEE

In 1997, Jakana Foods Limited (JFL), a company in Kampala, began producing bottled juices for the domestic market on a small scale. JFL is owned by the Jakana family (60%), its employees (25%), and the Bussi Fruit Growers Association (15%).

PROJECT DESCRIPTION

The **goal** of this five-year Trade and Investment project is to increase Ugandan production, consumption, and exports of fruit juices.

The **purposes** of the project are to increase the incomes of fruit producers and processors and increase access to high-quality juices on the domestic and regional markets.

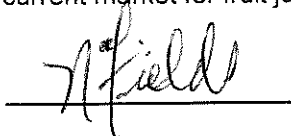
- Increase juice production from the current 72,000 liters per year to 620,637 liters in Year 1 and by more than 15-fold to 1,179,000 liters per year by Year 5.¹
- Generate annual gross revenues for the company of USh. 765,385,608 in Year 1, increasing to Ush. 2,133,592,077 by Year 5.
- Increase the number of full-time employees at JFL's plant to 28 by Year 2.
- Increase the annual sales of the Bussi Fruit Growers Association to JFL to USh. 159,519,000 in Year 1, increasing to U.Sh. 317,921,760 by Year 5.
- Increase the annual sales of the pineapple juice supplier Crafts Bazaar to JFL to USh. 159,519,000 in Year 1, increasing to USh. 127,370,380 by Year 5.

The major **activity** of the project is the upgrading of the juice processing enterprise.

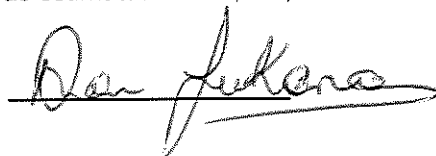
Jakana's inadequate plant and machinery and the poor availability of glass bottles have limited its production. The project will enable JFL to complete construction of its factory, obtain technical assistance and training, buy a truck for transporting raw materials and finished products, and have sufficient working capital to buy a much larger volume of raw materials and cover other operating and marketing costs for expanded production.

¹ The current market for fruit juices in Uganda was estimated at 206,000,000 liters.

ADF



GRANTEE




To solve the packaging problem, JFL will use the proceeds of an International Finance Corporation loan that is contingent on the ADF grant for purchasing equipment for aseptic packaging of juice in foil pouches that does not require refrigeration and in sealed plastic cups.

Jakana will obtain pureed banana pulp and other fruits from the Bussi Fruit Growers Association on Bussi Island off Lake Victoria in Kalangala District. It will also purchase pineapple juice from a small processor in Kampala, Crafts Bazaar.

ADF-Funded Activities

Infrastructure: The existing plant building will be completed to meet the requirements of the Ugandan Bureau of Standards for fruit juice processing and plumbing and drainage will be installed for proper disposal of waste products. An access road and parking area will be constructed.

Working capital: A 4-month initial stock of raw materials will be purchased and one year of operating costs for the truck, and communication and banking costs will be covered.

Office furniture and equipment: Three computers, a laser printer, an office safe, and stationery will be purchased.

Transport: The sum of Ush. 56,676,000 will be used for purchase of a truck and customs and registration costs for it.


Marketing: JFL will sponsor programs and run radio and television ads for a year. The company's general manager and marketing manager will attend sales exhibitions in several countries and visit a similar plant in Kenya. Ten glass window refrigerators will be given to big sellers of JFL's products.

Training and technical assistance: A qualified export marketing person will be hired for 2 years and a beverage marketing consultant will be retained for 1 year. The company's general manager, marketing manager, accountant, cashier, stores person, and sales staff will attend a 2-week course in marketing, business management, financial management, and procurement at the Uganda Management Institute.

GROUP CONTRIBUTION

Land	US \$45,333
Existing building premises	US\$208,667

ADF 

GRANTEE 



Total contribution of JFL

US \$254,000

ADF *A. Field*

GRANTEE *Ben Jakana*

*AJ.
E.N.P*