

## **STATEMENT ON THE WITHDRAWAL OF MILK COOLERS FROM DIARY COOPERATIVES AND FARMER GROUPS IN WESTERN UGANDA**

Rt. Hon. Speaker,

In 2006, Government of Uganda entered into a Lease Agreement with SAMEER AGRICULTURE & LIVESTOCK LTD (SALL) by which all the assets of Dairy Corporation were leased out to SALL. This included the Dairy Factory in Kampala and the Milk Coolers and Generators spread all around the country.

The then existing arrangement provided that the coolers were to be extended to Cooperatives/Farmer Groups for purposes of collecting bulk raw milk for exclusive sale and onward delivery to SALL.

Subsequently, SALL changed its name to Brookside Ltd following acquisition of the interest of SALL by the latter in 2015.

Brookside Ltd sought Government help in retrieving the Coolers from the Farmers' Groups/Cooperatives to ensure compliance with the Lease Agreement.

Government requested Resident District Commissioners (RDCs) to support the transfer of the Coolers from one Farmers' Group to another, which has worked successfully in Sheema District.

Following the return of several Coolers, Brookside Ltd. has entered into fresh arrangement with new farmers' groups willing to use the coolers for exclusive sale of the raw milk to the Company within the Districts' cattle corridor. Some of the farmers Groups are within the same Districts where the Coolers were originally established.

