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Resource Recovery and Safe Reuse (RRR) III

Financial Analysis of Briquette Businesses in Kampala, Uganda

Mr. Martin WAFLER, cewas Dr. Johannes HEEB, cewas Dr. Ernest ABAHO, MUBS Prof. Vincent BAGIRE, MUBS











water for people



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1. Objectives

- Understand profitability of micro- and small-scale briquette businesses.
- Assist growth and profitability of briquette businesses.
- Support briquette businesses to adapt co-processing of faecal sludge.



2. Type of Cooking Fuel

Uganda

Kampala





3. Market Price Ranges for Cooking Fuels



Largely subjective in pricing (sold in truck loads, heaps or by pieces)



USD 22,00 per sack (UGX 80.000, 70 - 80 kg/sack) USD 1,10 - 1,40 per basin (UGX 4 - 5.000, 5 kg/basin) USD 0,40 - 0,55 per tin (UGX 1.500 - 2.000, 1 - 2 litres) USD 0,15 - 0,30 per heap (UGX 500 - 1.000)



USD (0,15 -) 0,30 - 0,40 per kg (UGX 600 - 1.500)



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Jeutsche Gesellschaft ür Internationale Jusammenarbeit (GIZ) SmhH



19.000 tons/year



in cooperation with

93.000 tons/year

cewas 🔕 Sanivation



5. Overview on Briquette Businesses

Ugandan Briquette Industry





- 5. Overview on Briquette Businesses Surveyed Briquette Businesses
 - CBO, Limited by shares or Co-operative Society
 - 2 within Kampala city boundaries, one outside
 - Carbonised biomass waste and charcoal dust
 - Low-income households, schools, restaurants, poultry breeders
 - Simple hand-press briquette moulders, manual briquette presses and motorized briquette machine
 - < 10 tons/year; 60 70 tons/year up to ca. 100 tons/year



5. Overview on Briquette Businesses

Surveyed Briquette Businesses (contd.)





Company "S"



Company "L"





6. Preliminary Results of Financial Analysis







7. Preliminary Conclusions

- Market for fuel briquettes in Kampala is huge
- Competition is stiff and margins tight
- Unwillingness of people/current customers to pay higher prices
- Small profits limit acquisition of modern equipment that could step up production and consequently increase sales
- Need to stabilise with supplies, market leads and production model (quantity, packaging and frequency)
- Lack of certification from Uganda National Bureau of Standard (UNBS) limits companies to sell in supermarket
- Quality of charcoal decreases & charcoal dust no more freely available → replace charcoal by FS

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