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THE ROLE OF NATIONAL TRADING CORPORATIONS
IN STIMULATING AFRICAN ENTREPRENEURSHIP.

Introduction.

National Trading Corporations have been established with primary purpose to stimulate, promote and to encourage Africans to enter into commerce and industries. In all cases the Corporations were founded with realisation that without public support Africans individually or in partnerships could not and cannot survive the ruthless competition against the Asians and Europeans who are years ahead in commerce and industries.

In this Chapter our interest has been to examine the goals, the structure, credit policies and other commercial activities of the Corporations. The chief purpose is to see how these activities affect the African entrepreneur. There is also a comparison of policies and structure of the two main national corporations in the Uganda National Trading Corporation (UNTC) and Kenya National Corporation, (KNTC). Finally an effort was made to investigate the case for planning and co-ordination.

For the sake of clarity each corporation is treaded separately and the comparison comes towards the end of the Chapter.

THE KENYA NATIONAL TRADING CORPORATION LTD (K.N.T.C)

The Kenya National Trading Corporation (K.N.T.C.) is a subsidiary of the Industrial Commercial and Development Corporation (I.C.D.C) owned wholly by the Kenya Government. It was established in April 1965 by the initiative and leadership of Minister of Commerce and Industries with a small Capital of £10,000.

The following objectives of K.N.T.C. gives an indication of what the corporation is attempting in encouraging and stimulating African entrepreneurs. Among others, the main objectives are:

- 1) To promote the participation of African businessmen into the field of Commerce by providing wholesale credit facilities.
- 2) To participate in export and import trade by channeling imported goods through African traders.
- 3) To Act as export agent for certain goods in those cases where State Trading Countries with whom Kenya has trading agreement require such an arrangement.

- 4) To assist in lowering the living cost of the majority of Kenya people by lowering prices of essential consumer goods.
- 5) To establish and maintain an efficient and equitable distribution network for essential food-stuff and other commodities.

Under the leadership of Mr. Peter Kenyanjui, the Company has been operated by a handful of young Kenyans and it has expanded with great economic success and is introducing many African entrepreneurs into commerce.

The Corporation is becoming the chief instrument for the Government's policy in wholesale trade and it is the sole wholesale distributor of certain commodities especially those which are mainly consumed by low and midium income Africans.

Through the scheme of selecting able Africans to act as agents and distributors of selected crops and other products many Africans are entering trade and Africanisation of Commerce is underway. In the past the African had to pay cash down for whatever amount of supplies he wanted. Very few Africans were able to have ready cash and even fewer could get bank loans. Moreover the prices were so high that no African could make any sizeable profit. Very often there were more losses than gain. In such circumstances the African entrepreneur was frustrated and his initiative was stifled. The Corporation is changing this picture through its Credit Schemes.

A good example is the success with which K.N.T.C. has introduced Africans into the wholesale and distribution of certain commodities especially sugar. In August 1965, the Ministry of Commerce and Industries directed the Kenya National Trading Corporation to take over all the sugar distribution and Africanize the sector within a minimum time. The results were as follows:

Race	August 1965		30th June 1966	
	No. of Distributors	% of Trade	No. of Distributors	% of Trade*
African	81	28.90%	205	91.08%
Asian	80	57.92%	15	3.86%
European	11	5.48%	7	1.45%
Arab	6	1.89%	8	0.96%
Mixed	9	5.81%	7	2.65%
	187	100.00%	242	100.00%

* Figures taken from Mr.P. Kinyanjui's, speech to the Africa Club Septeber 14, 1966. NAIROBI.

These figures show tremendous success on the part of the Kenya National Trading Corporation in as far as Africanization of sugar wholesale and distribution is concerned. From the above table it is clear that there was an increase of the African participation from 28.9% to over 91% in just eleven months. There is similar success in other commodities such as maize meal wheat flour, soap, matches, beer, certain textiles, secondhand clothes, cooking oil and etc.

Credit Scheme:

Before the Kenya National Trading Corporation was founded very few Africans were able to take part in wholesale or retail business. The crucial handicap was that whoever attempted to go into business had to purchase goods with cash. The African had no access to overdraft facilities, he could not get loans from any of the banks and under these conditions the African faced more frustrations and failures than success.

In order to bring about a change the Kenya National Trading Corporation introduced a very ideal credit system to the Africans. Under the scheme the approved African distributor was given a number of sugar or rice bags. He did not have to pay any cash down. He only signed for the goods he had taken on promise to sale as quickly as possible, pay back the money to the K.N.T.C. and retain his profit. As soon as the distributor paid what he owed the Corporation he was given more bags for further sale. Towards the end of 1966, K.N.T.C. had issued Commodity loans, up to £50,000.

Under this scheme a substantial number of Kenyans were able to get into wholesale and retail business and a good number of them are making substantial profit. See appendix No. 1. for a list of traders aided by the K.N.T.C.

At this juncture the question arises as to how African distributors are appointed. The procedure goes as follows:

Information on prospective distributors:

Kenya National Trading Corporation sends circulars to District Commissioners and Trade Development Officers in each district for recommendation of traders who they think have the financial capacity and management ability to sale a particular product in his area profitably. Trade Development Officers are also asked to complete forms with the questionnaire about such information as name of the business; business address; bank; form of business; sole trader; partnership; limited company, type of business whether wholesale or retail; capital invested; value of fixed assets; value of stock of goods held; monthly turnover; cash available; number of employees; storage space; transport and other pertinent information.

Preliminary Application for goods.

Once the above information is received at the K.N.T.C. headquarters, application forms are sent to those traders who, according to recommendations and the information available, show greater potentialities for success. The potential trader fills the forms showing the amount of the goods required, the possible value to be purchased monthly, his trading area and the nearest K.N.T.C. depot from where the goods can be collected. This information is handed to District Development Officers who make recommendation to the District Commissioner. The District Commissioner mainly endorses the applications and then finally passes them to the K.N.T.C. Officer at the headquarters. The importance of this fact finding stage is to investigate whether there is sufficient demand and market for a particular product. Furthermore the district officers and Trade Development Officers are able to know the number of local distributors so that in their confidential recommendations they can indicate whether the number of distributors exceeds the local demand or whether an additional number of distributors is necessary.

Double-Checking by K.N.T.C. Field Officers:

The Kenya National Trading Corporation is not satisfied by the trader's, Development Officer or the District Commissioner information. A double-check is carried out to verify the authenticity of the information obtained from the various sources. This is done by sending the Corporation's Officers in the field. These make random sample of about 60% of the traders in each district. The information which the K.N.T.C. Officers gather from the field is then correlated with the information already obtained in each trader's file.

Bank Reports.

With regard to financial standing of the applicants, K.N.T.C. requests confidential reports from various banks. Once again the bank statements and the individual financial statements are compared. In this way KNTC. is able not only to assess the Applicant's finances but also whether he is creditworthy.

Assessment of the Market Possibilities and Limitations:

For fear of over supply, under-supply or cut-throat competition among the African traders K.N.T.C. makes use of the information obtained from questionnaires to establish the market trends of the area. Supply and demand schedules for particular commodities are established. These schedules serve as guide-points for K.N.T.C. officials in allocating distributors to different location. When it is found out that the demand is greater than the

possible supply as requested by applicants, the distributors are advised to take more of the commodity than they had demanded originally. On the other hand if the supply is likely to exceed the local demand, fewer applications are approved and whenever necessary the distributors are given fixed quota.

Appointment of Distributors.

After the thorough screening of the potential distributors and a satisfactory estimation of the size of the market the Management Committee of the K.N.T.C. appoints successful applicants as distributors.

The appointed distributors are then sent official order forms in which the traders fill their immediate requirements, purchases and relevant sale contracts which bind them to take delivery of the goods made available to them. The firm orders and contracts are returned to K.N.T.C. headquarters accompanied by the trader's cheque or other recognised legal tender acceptable to the Corporation. The goods are then taken by respective traders for distribution and sale in their areas.

By far the most important element in this seemingly long screening process is not only the sound commercial practice but the training and education value that is derived from the exercise. The traders have to keep books of accounts and stock records; they must at any time be able to present their monthly sales and cash flows; they must have a properly conducted bank account; and they have to possess or rent satisfactory storage facilities as well as having reliable means of transport that is essential for wholesale business to run smoothly and economically.

Commercial Activities of K.N.T.C.:

Kenya National Trading Corporation is not only aiding Africans into commerce but it also operates as any other Commercial Corporations whose primary purpose is to make profit. The Corporation has a unique monopoly feature. Whichever crop or commodity K.N.T.C. decides to incorporate in its business the government declares it a monopoly for the Corporation. In this way the Corporation has acquired a monopoly in the distribution of sugar for which in 1966, a total of 1,132,752 bags were handled by the corporation with a value of £7,500,000. The monthly average consumption for the year was in the range of £650,000 to £700,000. For this particular year the Corporation earned £99,000 on Commission for sugar while the sub-agents earned nearly £200,000.

Rice was the second crop to be imported and distributed by K.N.T.C. In its first year 4,000 tons were purchased and distributed by African agents. And a net profit of £113,000 was realised by the Corporation.

The Corporation also handles some textiles but this line is still too complicated for the Africans to operate efficiently. Nevertheless the Africans distributed imported Khaki Drill, Khangas and secondhand clothes making a total turnover at the value of about £500,000.

Similar successes were made in the distribution of blankets and other items such as soap, and vegetable oil. The Corporation is also handling selected hardware, mainly galvanised pipes, shovels, and door bolts. In addition to these K.N.T.C. is purchasing and distributing through African agents, cotton, gunny bags, tetron suiting material, Chinaware, nylon raw material, beef-by product and canned fruit. In each of these there has been appreciable economic profit.

The Corporation is also giving a good example of an African run Corporation engaging into larger scale import - export transactions. During its first year of operation 1965/66 the Corporation handled the following commodities:

		<u>Quantity</u>	<u>Value £.</u>
<u>Export:</u>	Coffee	875 tons	304,875
	Tea	1,000 "	382,945
	Sisal	187 "	16,269
	Cotton	8,623 bales	306,361
		Total value	<u>£1,010,450</u>
<u>Import:</u>	Rice	4,100 tons	368,391
	Textile:Second-hand clothes	510,739 pieces	107,541
	Khaki Drill	2,110,588 yds	250,919
	Nylon Raw-material	-	334,033
	Khangas	100,500 scores	189,627
	Ready to wear	850 pieces	4,400
	Miscellaneous		350
		Total Value	<u>£1,255,261</u>
<u>Local Distribution:</u>	Sugar	1,132,750 bags	£7,582,080
	Textile Nylon		85,000
	Beef By Product		20,810
	Miscellaneous		1,100
		Total Value	<u>£7,688,990</u>

This table indicates that the Corporation handled business worth about £10,000,000 in the year. Such an amount to be realized in a year is a sign of success especially when one reckons that

the Corporation started with an initial Capital of £10,000. It may be stated here that though the figures for 1967 were not available at the time I was in Nairobi, it was known that a net profit of over £150,000 was being made for the year.

The significance of this success is not only that the Corporation is making profit but it should serve as a good example to the African potential businessmen. The Government too, should be encouraged to initiate such Corporations in different lines for these earn revenue for the country and they form ideal training ground for African entrepreneur.

The training of entrepreneur does not end at home. The Corporation has so far imported from and exported to U.S.A., United Kingdom, France, Czechoslovakia, Australia, Canada, India, Pakistan, United Arab Republic, China, Japan, and Hailand. Representatives of the Corporation have been able to make business contacts in these foreign Capitals. These contacts coupled with seeing how business is run in other countries should be the best training for the K.N.T.C. officers. Through this kind of "on the job training", it should be possible for K.N.T.C. to accumulate a number of young skilled entrepreneurs who eventually would take up their own ventures. It seems highly recommendable that a deliberate policy of having a surplus of officers so that at any time some of them could be advised to leave the Corporation and to start business on their own. Indeed such people would have to be given state support at least for the first initial stages by extending credit, free consultative services and any other necessary economic and advisory assistance.

THE UGANDA NATIONAL TRADING CORPORATION (U.N.T.C.).

Uganda National Trading Corporation (U.N.T.C.) succeeded the African Business Promotion Company by the act of the Parliament in 1966. According to the National Trading Act the Corporation was purposely founded for the following functions.

- a) to engage in commerce and trade;
- b) to organize and effect exports and imports of all such goods and commodities as the Board may, with prior approval of the Minister, from time to time determine, and the purchase, sale and transport of the general trade in such goods and commodities in Uganda or else where;
- c) to promote or aid in promotion of, subject to proper and adequate safeguards to be determined by the Board any person being a citizen of Uganda in trade and business.
- d) to do all such other things as are incidental or conducive to the attainment of the above objects or any of them.

These goals like those of the Kenya National Trading Corporation can be summed up in saying that the main object of the Corporation is to try to break the existing monopoly exercised mainly by Asians and Europeans in the import - export business and wholesale trade and thereby to enable African businessmen to play their role in the commercial and industrial sectors of the Country.

As mentioned earlier the Uganda National Trading Corporation did not start from scratch as did the Kenya National Trading Corporation. U.N.T.C. succeeded the already existing African Business Promotion and because of its more expanded activities the Corporation was granted an additional working capital of £35,000. Most of the Officers of the A.B.P. continued to work for N.T.C. similarly all the credit, assets and liabilities of the A.B.P. were transferred to N.T.C.

Like the Kenya National Trading Corporation the Uganda National Trading Corporation's chief functions are to reduce the number of middlemen between the manufacturer or the importer and the African wholesaler or retailer. In effort for this goal to be achieved the Corporation does some import and export of certain goods for which it has a monopoly. It also established a number of loan and credit schemes which selected African entrepreneurs can obtain to enable them to take part in Commercial Activities.

The Corporation has so far a monopoly to distribute rice, salt, ghee, onions and soucepans. With effect from March 8, 1968 the list has expanded to include imported beer and spirits, wines, cement, UGIL Shirts, fishnets, soap, cotton seed oil, groundnut oil,

steel windows and hoes. The list is likely to expand even more as time goes.

The Corporation also serves as the Chief Clearing house for the government. During the second half of 1967 Uganda Government appointed the N.T.C. to handle and to distribute consumer goods imported from Russia and China as part of a £1 million grant. Goods from Russia included cars, oil products, ferrous rolled metal, textiles, newsprint, tyres and tubes, domestic appliances, soaps, washing products and etc. Imports from China by a similar agreement included textiles, light industrial products, metal, foodstuffs, chemicals, machinery, instruments, arts and crafts. In return for these imports, Uganda, through the National Trading Corporation, exported to the two countries, coffee and cotton.

Handling of imported as well as locally manufactured goods has necessitated the acquisition and or construction of depots for storage and distribution center purposes. The Corporation already has depots in Kampala, Mbale and Gulu. Planned additional depots will be at Tororo, Soroti, Arua, Hoima, Kasese and Jinja. And given the necessary funds the aim is that have a depot in each major district towns.

In its activities of importing and exporting of goods the Corporation has direct positive effect on the African entrepreneur. In the first place the African is able to get goods at a reasonable price and therefore he has better chances of making some profit. Secondly the building of depots in each district should reduce transport expenses in which case the African businessman for the first time should be in a position to compete with his Asian and European counterpart.

It is planned that by the end of 1968 (this year) the Corporation will be operating 12 depots. In each of these depots there will be field officers, showrooms and stores. Once these depots are complete it will be possible for the Corporation to supply thousands of rural African traders with the goods which they need locally at fair and proper wholesale prices.

Under this arrangement the long time of unnecessary and expensive middlemen should be reduced to fair minimum. Currently the African retailer purchases his supplies from his wealthier Asian Competitor. In all cases the prices are rather inflated. The African semi-wholesaler gets the supplies at a price that leaves very little margin for profit. By the time he sells his stock to his fellow African mini-retailer the later has little chance of making a profit. If he puts the price a little higher the customers will soon find out that at an Asian shop nearly the prices are lower and they will flock to the later's shop leaving the African

retailer with no customers. Even if the Asian shop happens to be in five mile distance, it will be worth the trouble for the African customers to walk the distance for a better price. This is one of the chief explanations as to how most Africans fail to maintain their shops.

Should the N.T.C. scheme get off the ground, since it is understood that the corporation charges for handling could be covered within a 5% profit margin, the African in rural area should be able to purchase his supplies at even lower prices than what the Asian pays. In this way the African entrepreneur would be more competitive and thereby able to make a sufficiently encouraging profit to expand his business.

African Wholesale Companies:

The other line of strategic importance with regards the building up of business skills and arousing entrepreneurial outlook among the African folks is the Corporation's policy of initiating and encouraging the establishment of African Wholesale companies. It is the Corporation's policy to help the formation of wholesale companies at least one in each district. These companies consist of groups of African traders in the area. The wholesale companies are not part of N.T.C. But once one is established it becomes the agent and main distributing center of the goods which are under the monopoly of the Corporation. The wholesale companies in turn are supposed to sell to African retailers at a reasonable price.

The establishment of wholesale companies is another very important training ground. Each company is a separate entity. It has its directors, shareholders and a whole organization comparable to any other company. The mere fact that individuals as well as groups of small businessmen have to get together to form a larger company is a commendable step towards acquiring commercial skills. These men and women get into the habit of buying shares which is one of the best ways of saving and directing funds to profitable investment activities. Moreover there is a feeling of responsibility among the share-holders. Such a feeling should encourage members to work harder for the success of their company. What is even more the member traders form the nucleurs of their own wholesale company. If only each of them would know that by selling goods purchased from his company means making double profit, one for his own small shop and secondly on the wholesale company shareholder's profits. And indeed the chain goes further that if these companies make profit, the National Corporation would make profits too and therefore be able to expand its aid to more African entrepreneurs.

Among other services, the N.T.C. aids the formation of wholesale companies by giving free legal consultations and the drafting of constitutions. In absence of the Corporation these potential wholesale company owners would have been forced to pay high fees to various private law firms. Indeed as we shall see later the corporation provides technicians for doing preliminary economic calculations and occasionally field auditors are also made available to African traders on request.

Sub-distributors:

In addition to encouraging and initiating wholesale companies, N.T.C. appoints sub-distributors among individual traders and companies. There are over 36 of these sub-distributors. (See appendix 2). The Corporation distributes commodities for which it has a monopoly to the sub-distributors in such a way that some of the companies take all the commodities while others take one or two of the commodities. The reason for this seems to be that where there is a large and well established wholesale company it can take all the commodities. On the other hand in an area where there are several equally small companies each is given one or two commodities. A good example of this is seen in that Karamoja African wholesale company Ltd, which has monopoly distribution of salt, ghee, rice and onions while the Gulu wholesale Traders Ltd. distributes only ghee.

There is, however, one major defect in the sub-distributor scheme. The Corporation requires that the sub-distributors pay cash down before they can take goods. This requirement puts heavy limitation on the African traders. Most African traders cannot afford to purchase enough stock. Those who try take very small supplies and even after the whole stock is sold there is little profit. What is even worse is that often the African turns to the Asian for cash to pay for the goods. Since the Asian can get overdraft or loans from banks, he gives the money to the African to buy and sell the goods on condition that the later acts as an agent. In this way the African, supposedly the owner of a shop, earns only a monthly commission and the Asian earns the whole profit.

Credit Schemes:

Since 1964 when the African Business Promotion was founded five credit schemes have been utilised to help the African businessmen. And a total of about £1,060,000.00 was guaranteed of which £1,041,000.00 was actually issued. This fairly large sum of money was loaned to African traders under the following schemes: Credit guarantee, bills discounting, hire-purchase, confirming and bank loan guarantee.

Credit guarantee:

This scheme is a device to help the African trader to acquire sufficient stock and also to make the selected traders creditworthy under the N.T.C. guarantee. Under this scheme, on approved application*, an African trader or small group of African businessmen, is given a guarantee of a certain amount of money. Having signed the agreement the trader is issued by N.T.C. with a letter of introduction to the nearest wholesaler of his choice. The letter states the maximum sum of money for which if he takes supplies, the N.T.C. would automatically give a guarantee of 30 to 60 days. The Corporation charges only a 1% commission.

Once the retailer or small wholesale African company receives the stock he is supposed to sell them as fast as possible, pay back the money to the company from which he got the goods and take more supplies if he wishes. If he fails to pay in time the wholesale company charges the N.T.C. The Corporation pays the wholesaler and it takes steps to see that the money is recovered. So far complete defaults or written off bad debts have been a very small percentage. This however, does not leave out the truth that a very high percentage fail to pay in time and although the money is recovered in the end either through small installments or sale of securities the fact remains that there is inconvenience caused by failure to pay at the expected time. A good indication of this financial inconvenience is that of the Shs. 144,154.65 issued to 50 **defaulting companies** Shs. 28,406.95 has been received and Shs. 115,747.70 is the balance which is being recovered at a slower rate. The Officer in charge of credit section was confident that most of the money would be recovered. On the other hand even taking the current amount of default which is about 6% of the total amount issued on the credit guarantee scheme the situation looks encouraging.

The question now arises as to what causes the African traders to fail to pay back the loans in time; and what are the real as well as possible effects? The causes for failure are basically of three main characteristics: inflated prices, dead-stock or slow moving goods; and unfair competition.

The African retailer or small wholesaler company takes his credit guarantee to an Asian wholesale company. The Asian company, on the pretext that the goods are to be supplied on credit, sells them at a very much higher or exaggerated price. The African has no other alternative but to take the goods. His hopes are that he can put the price even higher and therefore be able to pay back the loan in time and ~~also~~ to earn some profit. Soon the trader finds himself

* Requirements to qualify for credit guarantee are discussed fully in a separate section ahead.

in sheer frustration. The prices he is charging are too high for the people in his neighbourhood to afford.

Worse still, often there are many Asian shops in the same area and these are not happy to see an African intruder in their business. Since the Asian is able to get supplies at a lower wholesale price, the retailer can afford to charge a much lower price than the African. As soon as the customers realize the differences in prices they buy where the price is lower. The African trader begins to lose business. He is on dilemma because lowering the price means losses while keeping his initial prices means insufficient demand. Thus unfair and ruthless competition virtually slams the door against the African in retail and wholesale business.

Coupled with inflated prices and unfair competition is the problem of dead-stock. Practically every African trader I interviewed said that often the Asian wholesale companies issue goods which the company know were not highly demanded. Once such goods are taken no matter how hard the trader works he cannot dispose of ^{them} within 30 or 60 days. For this reason he cannot pay in time. The wholesale Company which issued the goods makes its claim to N.T.C. which according to agreement has to pay cash.

This has far reaching effects. In the first place N.T.C. spends its meagre capital in paying off the credit guarantee. So that in the final analysis the Corporation is turning into an agent for the existing Asian and European wholesale companies. These companies make good profits but N.T.C. incurs losses. In consequence the Corporation cannot extend credit to as many traders as required.

It seems that the Credit guarantee scheme is rather defective and a revision is necessary. Instead of guaranteeing credits the Corporation should select a small number of goods imported or manufactured locally. The Corporation should then be given exclusive rights for distribution in the whole country. The approved African wholesale Companies would then be supplied with the goods on credit.

Assuming that the Corporation would select goods which are quick to sell and which are highly demanded by Africans, and since the Corporation would charge a proper wholesale price, (not-inflated) the traders would have better chances of disposing the goods much faster and therefore able to pay back the loan in time. Even in cases of inevitable delays the Corporation would not incur the same losses as it does at present for it would be a one channel process. Moreover it would be possible for the Corporation to get goods on credit from the manufactures, supply them on credit to the African wholesale distributors at a low price who in turn would dispose of the goods to African retailers. Having purchased the goods at low prices the retailers would also charge a relatively lower price. This would draw

in many African customers. With high effective demand the retailers would be able to make profit with which they would expand their purchases from the wholesalers. The more the retailers buy the more the wholesalers would demand from N.T.C. and the more the Corporation would be able to expand its credit facilities to African traders.

It must be observed also that on the assumption that the wholesales would sell the goods to retailers at a low price the latter would also sell the goods to their customers at a lower price. This would mean that more Africans would be able to afford the goods whereas at the present lots of would be customers go without the goods simply because they cannot afford to buy them. Once the goods' prices are within the means of the majority of the population, this will simply expanded effective demand, increase in profits for the retailers, the wholesalers and indeed the National Trading Corporation.

Bills Discounting Scheme:

A second and very important credit scheme is known as Bills Discounting. This scheme is a device to help African traders who are interested in offering tenders for supplying materials to hospitals, schools and colleges, prisons and other institutions. Usually payment from such institutions take very long to be received. African trader can afford to buy goods or foodstuffs to supply, say, a hospital for the first month. His funds are limited. When payment is delayed and he cannot get overdraft from any bank, he fails to continue supplying to the institution. And immediately his tender is taken up by another company which is often an Asian company.

With the Bills - discounting scheme N.T.C. pays 90% of any account to the African traders who produce certified delivery notes or invoices. The institutions which buy the supplies pay direct to the Corporation. When the money is received N.T.C. deducts 1.25% of the remaining 10% for commission and the trader takes home the remaining 8.75%.

In this way tendering becomes almost a cash down business. The African trader has the crucial requirement for operational capital and he can maintain continuous supplies to the satisfaction of his customer as well as the sources of his supplies. Practically every trader I interviewed in Uganda was appreciateve of the scheme and they all wished to see it expanded to other lines such as building and construction, a line which is much more paying and which is so far tightly monopolized by the Asians and Europeans.

Confirming Scheme:

Confirming Scheme is a device to encourage and to aid the few African traders who are entering in import business. Most of these Africans are not known beyond their capital, in this case, Kampala. Foreign exporters in London, New York, Tokyo, Moscow, Paris or Peking would hesitate to accept an order from the unknown Africans. Moreover Africans are so new to the trade that very few of them understand the intricacies of foreign trade. They cannot afford to pay the necessary agencies in foreign capitals and they do not have sufficient securities to guarantee payment on delivery.

To reduce these deficiencies, the African importer passes his orders through N.T.C. The Corporation makes contacts with its foreign agencies for the particular goods. The order is made and the Corporation guarantees payment on delivery. Once the goods arrive, they are issued to the trader on 60 day credit terms. Here again the trader is able to sell the imported goods without having to pay cash down. The Corporation charges 2% commission and some interest is also paid to the bank which provides the initial capital.

The number of Africans helped under this scheme is so far very small. Only 7 individuals and companies have made use of these facilities since 1964. A Total of £7250 was guaranteed, £5471 actually issued and £554 or 10% of the issued money as being slowly recovered in it is not a written off bad debt but it was not paid in time as required.

The Confirming scheme should lead to profitable trade. If the African traders are well advised and they import fast selling goods they should be able to charge competitive prices and make good profit without exhausting their meagre capital. Indeed it should be the duty of the N.T.C. officers to make local demand studies for various products and to advise the African importers as to what would be profitable or not.

Hire-Purchase Guarantee:

Under the Hire-Purchase Guarantee N.T.C. helps African businessmen to acquire trucks or lorries which are essential for the progress of their business. The Corporation acts as a guarantor in the hire-purchase agreement and finance companies extend credits. The trader buys the vehicle at a lower rate of interest and he is allowed to pay in easy instalments. Before the trader can be given the guarantee, however, he has to produce at least 25% of the value of the vehicle in cash or trade in another vehicle.

The Corporation has so far guaranteed credits amounting to £94,915 or Shs 1,898,301/- and of this £7,485 or about 8% is under default. Defaults in this case is often a result of accidents when a Vehicle is involved in collision or poor handling. In each case the owner's expenses begin to rise at a higher rate than the profits and he fails to pay his instalments. When this happens the company which financed the purchase of the vehicle claims its payment from N.T.C. The Corporation pays and it then tries to recover the money through legal means or by selling, on auction, the trader's securities. It was noted earlier that the rate of default is about 8%. This, however, is not total loss to the Corporation for most of the money will be recovered. Moreover, considering the poor roads in some sections of the country and the general standard of education attained by the drivers, the present rate of default is to be expected. The fact remains that these delays in payments discourage the Corporation from expanding its credit facilities to more African businessmen.

Commercial Bank Loans:

In some special and exceptional circumstances the Corporation acts as a guarantor on loans made by the Uganda Commercial Bank to African traders. The trader has first to be highly recommended by N.T.C. officials and he will be considered only if other credit facilities cannot suffice. Very few African traders have been helped in this way but it is nevertheless an indication of what the Corporation can do to expand credit and loans to African. It seems that through this system a greater number of African traders can gradually be creditworthy so that even other banks would be willing to give them loans as well as opening their doors to overdraft facilities. What is more, N.T.C would gradually reduce the burden of being exclusive source of credit to the thousands of African would be entrepreneurs.

Requirements and Qualifications for N.T.C. Credit Schemes:

The four credit facilities, credit-guarantee, hire-purchase, bills-discounting, and confirming scheme, are extended to traders who qualify and fulfil the following requirements:*

Credit-guarantee: a trader will qualify for this facility if

- a) he has been in business at least one year;
- b) must be keeping his books well and should have a simple balance sheet
- c) he must be able to show a monthly turnover of at least 35% of stock in-trade; and the value of the stock should not be less than 4,000/=

* Appendix (No. 3) for detailed requirements and qualifications.

- d) he must have tangible securities in the form of land, building/s or personal guarantee of a person of high standing. Life insurances of all the directors, in case of Corporate Companies, must also be additional security. And all the major assets such as buildings and machinery must be covered by an insurance policy.

Several points command special interest. The requirement that a trader must have been in business for at least a year is realisation that there must be some experience but also that lost of African entrepreneurs have just started getting into commerce. So that if a longer period of experience were to be required very few Africans would qualify. On the other hand a period of less than a year would be too short to guarantee a minimum efficiency.

Secondly the security requirements which include life insurance policies have a very important educational element. African traders are beginning to insure their lives and their valuable premises. This has two elements: it encourages savings and it certainly makes the lender feel much securer.

Another point of significance is that even if a trader does not have insurance or other tangible securities he still can get a credit-guarantee if he is introduced by a person of high standing in his community.

As for Hire-Purchase guarantee the applicant must convince N.T.C. officials that he is a prospective transporter of his or other people's goods. And this he does by producing a copy or copies of contracts. He is asked to outline fully all the activities on which the vehicle is to be employed. On the question of finance the applicant has to raise 35% of the cost of the vehicle before his loan can be guaranteed by the corporation. And the vehicle is not allowed to get out of the shop unless it is covered by a comprehensive insurance policy for a minimum period of 18 months.

Similar to the credit-guarantee scheme, hire-purchase guarantee demands tangible securities; the owner must have life insurance policy and the premises where the vehicle is kept must all be insured.

In case of Bills Discounting Scheme the prospective applicant must be a man of integrity. He has to show evidences that he supplies to recognizable institutions such as prisons, hospitals, schools and hospitals. And these institutions have to support the applicant in writing.

For the confirming scheme, that is where an African trader is venturing into imports from abroad, he has to raise 20% of the initial payment and also be able to finance the expenses involved in

the opening of the Letter of Credit. The goods to be imported must not include those under the monopoly of N.T.C. and not only should prices be low enough but the market for the goods must indicate sufficient local demand. As in all other cases there must be tangible securities which should include insurance policies or and an introduction or guarantee by a known person of high standing.

These requirements have significant features. They are a form training through practice. The Africans have to get into the habit of saving by insurance, he must be able to finance some cases 25% of the initial cost, and this also forces him to sacrifice in luxury consumption for accumulating the money towards the cost. The requirement to be introduced by a man of high standing in the community is an element that encourages creates a sense of integrity among the businessmen.

We have already noted that through these credit schemes a number of Africans have entered the field of retail and wholesale trade. The number of Africans who have entered the commercial field is still very small but it is nevertheless on the upwards trend. It has been observed earlier that the N.T.C. has so far extended credits under different schemes amounting to almost 23,000,000 Shillings. In its three years of operation the African Business Promotion, put more than 20 million Shs worth of business into the hands of the Africans by short term financing scheme. These schemes continued by the N.T.C. are showing substantial success. While in 1958 only about 18% of retail business was handled by the Africans it was estimated the ratio had gone up by 42% with trade volume worth some £23 million. The figure must have gone even higher at the end of 1967. These trends are encouraging particularly where we reckon that barely 10 years ago the volume of trade in the African hands was almost nil.

Other Services:

The Corporation plays another fundamental role in offering various services which could be grouped as training and commercial discipline. There is a trade supervisor in each district whose chief responsibility is to advise district businessmen on technical problems. He convenes traders' meetings, explains the policies of the Corporation and helps those who want to form joint companies or wholesale companies. The supervisor also functions as the co-ordinating officer between the traders and the headquarters. There is also a small number of field auditors employed by the Corporation. These, currently, serve only those traders who invite them. It seems these auditors would be more useful if all the traders,

especially those who utilise the Corporation's facilities were compelled to have their books audited annually.

Probably of even more fundamental importance are the Seminars which the Corporation organises. Occasionally seminars are held at District headquarters for traders. In seminars, specialists including United Nation's experts teach such subjects as: industrial law, human relations, financial management, budget control, marketing and sales techniques elementary bookkeeping and many other relevant topics. On the average the attendance is between 40 and 50 businessmen.

As a supplement to all these services, the corporation publishes a monthly bulletin in which many subjects of interest to traders are treated. Articles range from activities of the Corporation, the techniques of starting a shop, how to run a hotel, how balance sheets are prepared, how slow or fast selling lines are detected, the credit systems and the accompanying advantage of credit facilities, how customers are best handled, advertising techniques, etc. The bulletin also publishes a monthly summary of trade reports pointing out the major exports and their prices. It also shows the balance of payments situation of the country. The articles are within the language style which any trader who completed the first six years of education is able of reading and understanding and it is supplied free of charge.

Commercial Activities:

The Corporation, (U.N.T.C.) undertakes business activities for commercial interests. It is engaged in imports and export enterprises. The imports compose mainly of such consumer products as ghee, butter, salt and rice. The corporation also exports most commodities which are locally manufactured. Chief among these are: Sugar, hoes, cement, gypsum, textiles, UGIL shirts, marches, iron-sheets, Uganda batis, steel rods, and steel bars, waragi (local spirit of the vodka class) and etc.

From the import side, the following table shows the commodities, countries of origin and value:

July - December 1967		
Commodity	Country of Origin	Value in Shs.
Pure Ghee Substitute	Holland	260,080
Butter Ghee	Kenya	282,600
Kimboga Ghee	Kenya	513,165
Butter Ghee	Tanzania	141,300
Salt	Aden	350,500
Rice	Cambodia	4,440,000
Rice	India	84,040
	Total	<u>6,071,685</u>

Imports amounting to over 6 million Shillings in just about half a year is an appreciable amount especially if we consider the fact that the Corporation ^{was} established during the second half of last year (1967).

On the export side the Corporation's main market is Congo and Rwanda. Chief export commodities are locally manufactured leading among them being sugar, cement, hoes, salt and pangas. In its first three quarters' of a year operation the Corporation has exported goods at the value of over 6 million shillings¹.

Main Export to Rwanda and Congo (K) January - December 1967.

<u>Commodity</u>	<u>Shs.</u>
Sugar	1,078,005.00
Hoes	429,200.00
Cement	327,975.00
Salt	212,100.00
Pangas (big knives)	6,000.00
Total	<u>2,053,280.00</u>

This table shows only about four major commodities for which the figures were available. But the total volume of exports to Congo, Ruanda and Burundi was about Shs. 6.5. million shillings. The other goods which are not shown include gypsum, textiles, UGIL shirts, matches, iron-sheets, Uganda batis (iron-sheets), steel rods and steel bars, and Waragi.

There can be no doubt that the volume of trade between Uganda and Congo - Rwanda could have been larger if it had not been for the mercenary troubles which disrupted the Eastern Congo. Once the region returns to normal N.T.C. should expect to enlarge its exports.

These activities in the import-export enterprises have some positive influence on the African traders. In the first place these few Africans who are engaged in the trade are making appreciable profit. In the second place, and possibly the most

1. National Trading Corporation Monthly Bulletin N. 10, 1967 p.3
(During the last ten months of 1967 N.T.C. exports to Ruanda
Burundi and Congo amounted to over £323,700 or Shs 6,474,000/=)

important, is the training in the international business transactions to which these people are now being exposed. Indeed, on the training side, we have to consider the N.T.C. officials who are doing most of the transactions. These are young men most of whom have acquired University degrees or equivalent in commerce, economics and business. These young men are getting first hand experience in the skills of commercial management. One can assume that as the corporation expands its activities, more opportunities for additional number of younger officers to join the corporation would prevail. In time there should be an accumulation of men and women who have acquired industrial skills. And it is from this pool that some entrepreneurs who have the requisite know-how could branch off to open up their own enterprises.

Currently, it may be observed, the Corporation is not having its expected full influence. It seems the purchasing policies are not engineered to the maximum stimulation of the African entrepreneur. This is so mainly because the Corporation pays cash to manufactures. In turn private traders must pay cash to the Corporation before their orders can be approved. This requirement puts heavy limitation to the African participation in the business. In fact exporters are almost exclusively Asians and Europeans. The only exception is a very small, indeed negligible, number of Africans who belong to the Uganda National Traders Association. The Association takes part in the export business so the few Africans have some share in the trade. There is no doubt that if the purchasing policy had been different there could be more Africans entering into the import export business.

CONCLUSION

National Trading Corporations are some of the major post independence economic institutions in East Africa. The Corporations have influence on African entrepreneur in two main ways :- through direct financial assistance in various forms of credit and loan facilities; and through educational approach in the forms of offering periodical courses, initiating people to get into the habit of saving and learning, on the job, such commercial activities as organising wholesale companies, coming into contact with import and export problems and etc.etc.

The Corporations were founded by the respective governments the chief aim being to promote the participation of African businessmen into the field of commerce by providing wholesale and credit facilities. This is by all means the most strategic factor for till the end of the colonial rule and even at present African businessmen have very limited access to Commercial Bank credit facilities. In order to change this situation a number of credit schemes have been devised. In Kenya successful applicants are given credit in kind. This scheme has been successful especially in the distribution of such commodities as sugar where it is now over 90% in African hands. In Uganda there is the credit guarantee, the confirming scheme the hire-purchasing scheme, and discounting scheme. Each of these credit schemes is aimed at assisting the Africans to participate in Commercial activities. A substantial, though not large enough, number of Africans have utilised the facilities and a good number of African wholesale and retail companies have sprung up as a result. The credit guarantee scheme in Uganda needs a revision. The scheme is making the Africans act as agents for the European or Asian wholesale companies. And the benefits which accrues to the African is small. The reason being that often an African shopkeeper is given

goods by a wholesale company and for reasons explained in detail earlier, he cannot dispose of them in time. The Corporation pays and the businessman becomes one of the defaulters. In this case neither the businessman nor the National Corporation benefits. On the whole, however, there is no doubt that the credit schemes have stimulated and encouraged African entrepreneurship.

One of the key features of these National Trading Corporations is their monopoly privileges. The government decides on the type of commodities which must be distributed exclusively by the Corporation throughout the country. Such a decision is usually made by the Minister of Commerce and Industries and the Corporation does the implementation. Once the decision is made any businessmen who want to sale the goods must apply through the National Corporation. As a matter of policy only the Africans are allowed to act as agencies or subdistributors. It is through this policy that many African entrepreneur are encouraged to take part in commercial activities. The monopoly feature is aimed at enabling the Africans to get goods on more competitive terms. Both in Uganda and Kenya the list of commodities included under the monopoly distribution is growing larger and larger.

This policy of monopoly acquisition is so strategic that it requires long term planning. There should be a careful study of the types of goods which can easily be handled by African entrepreneurs. These should be acquired first. The more complicated lines of trade should be studied and put on the waiting list. At the same time the available African businessmen should be surveyed and more be trained for specific lines of trade. As soon as there is a minimum number of African businessmen who have some skill, then more complicated line of trade should be made available to them through the N.T.C's distribution monopoly. With a long term

plan and a systematic scheme of acquiring monopoly distribution of fast selling goods, all done steadily, step by step, greater number of entrepreneurs should be expected to join into Commerce and industries.

Purchasing policy is another feature which needs revision. currently the National Trading Corporations must pay cash down for any commodities they receive from manufacturing firms. This being the case the African sub-distributors must also pay cash to N.T.C. before their orders can be approved. Very few African businessmen can afford to pay the required amounts on cash terms. And to often the African turns out to be an agent of an Asian who, by law is not supposed to enjoy the same privilege.

It seems that the National Trading Corporations would do much better if they could get the supplies, from manufacturing firms, on credit terms. The distributors would make better profits and in turn the N.T.C.'s through commission charges would accumulate more capital which it w could use to expand its activities in the stimulation of African entrepreneur.

Indeed these National Trading Corporations play a significant role as commercial institutions. They are engaged in import and export enterprises in addition to the distribution of locally manufactured goods. The two coporations show over all profit and there is every reason to hope that they will gradually expand just as any other successful commercial body would do. The deeper value of such success, however is the example which the Coporations will be setting to the African entrepreneur.

On the whole if a question were to be asked whether the National Trading Corporations were achieving their goal of promoting the participation of Africans into Commercial enterprises, the answer would be, Yes. Considering the

the small capital available to the corporations and the short period since their foundation, the number of Africans who have joined commerce on the help of the Corporation is encouraging.

In a nutshell the National Trading Corporations play their role in two main ways: as catalysts and as practical training grounds in commercial skills. The role of a catalyst is played through giving financial assistance under various credit schemes. And secondly as training grounds the corporation play the vital part of organizing periodical courses, offering free consultant services, organising and promoting African wholesale companies. There is no doubt that these corporation have great potentialities for the stimulation of entrepreneurship in East Africa. What is badly needed before the Corporations can expect maximum results is planning on long and short term basis and coordination between the National Trading Corporations. Should this be done, there will be less waste, more profit and greater participation by the Africans in commercial and industrial enterprises.

TABLE 2

SMALL INDUSTRIES DEVELOPMENT

No.	Industry	Code	Organisation		Amt. of Loan Advanced £
			Single	Others	
2	Agriculture	010	2	-	2,776
6	Forestry, Hunting & Fishing	021-099	5	1	10,444
2.	Mining	122	1	1	3,750
10	Manufacturing Food Product	200 - 219	5	5	21,524
1	Knitting	232		1	1,180
1	Manufacture of Foot- Wear	241	1		2,780
5.	Tailoring	243	5		3,936
9	Carpentry	250	7	2	6,885
1	Cane Weaving	260	1.		450
2	Printing	280	2		1,012
1	Tannery	292	1		370
2	Manufacture of Chemical Pro.	312&319	1	1	1,175

FUND - PERFORMANCE RECORD

Existing	Failures	Amt. of Loan written off	Loan Repaid in full	Amount of Loan Out- Standing
		£	£	£
.	2	1,376		1,224
4	2			9,044
	2	2,921	1	170
8	2	454		11,212
1				565
1				2,158
1	4	1,557		109
5	4	1,073	1	5,184
	1	450		
	2	988		
	1			
	2	1,000	1	

TABLE 2 (Continued) :

No.	Code	Organisation		Amt. of Loan Advanced £	Existing Failures	Amt. of Loan written off £	Loan Repaid in full £	Amount of Loan Out- Standing £
		Single	Others					
4	Block Making	331	2	8,214	3	15		7,258
2	Pottery	339	1	2,186	2			1,535
2	Light Engineering	350	2	550	2			190
1	Electrical Engineer- ring	370	1	94	1			47
4	Boat Building	381	1	4,133	3		1	419
3	Repairing Motor Vehicles	384	3	3,777	2	1,487	1	1,408
5	Construction	400	2	21,887	2	4,750	1	2,487
1	Petrol Retailing	612	1	443		332		
1	Transportation	714	1	235		235		
1	Hair Dressing	845	1	250	1			27
64	-	46	18	98,051	36	16,638	6	43,387

Source : Files of the Development Division of the U.D.C. 1965 - 1966.

TABLE 3

ABP PERFORMANCE RECORD

CREDIT - GUARANTEES	January 1965	December 1965	October 1966
No. of Credit - Guarantees	14	194	324
Total Value	£10,175	£74,475	£126,800
Amount Operative	4,375	42,325	72,572
Tea Guarantees	-	110	
Default on all Guarantees	Nil	710	1,549
Less recovered from sale of assets	-	331	n.a
		179	
Credit - Guarantee Commission Received	13	117	n.a
Income to date	27	525	1,584
<u>CONFIRMING</u>			
No. of confirming approved	4	11	13
Total Value	£6,000	£11,750	£13,750
Amount operative	2,284	3,709	4,752
Commission Received	Nil	551	411
Defaults	Nil	Nil	Nil
<u>DICSOUNTING</u>			
No. of Traders Discounting operative	1	35	48
Amount operative	£ 507	£19,581	£24,839
Commission Received	3	64	n.a
Commission and Interest Received to date	29	669	2,148

T A B L E 3 (Continued)

	January 1965	December 1965	October 1966
HIRE - PURCHASE SCHEME			
No. of Guarantees on vehicles	-	-	22
Total Value	-	-	£41,898
Commission Received	-	-	2,090

Source: Files of ADP 1965 -'66 : Note the ADP. changed to N.T.C. During the second half od 1967.

APPENDIX I.

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D I S T R I B U T O R S H I P A P P O I N T M E N T
A F R I C A N T R A D E R S B Y K . N . T . C .

Note: Figures were obtained from the
K.N.T.C. (June 1967).

DISTRICT : NAIROBI

	NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SCAF ORDER
		£	£	£	£	£	£
1.	Ali Mohamed Sheik & Bros	5000	3000	10000	2300	14500	5000
2.	Muiru General Store	3000	1000	45000	6350	5808	3332
3.	Riruta Center Store	4045	1045	4000	1000	660	-
4.	Lamrogag Wholesalers	3000	5000	10000	6070	3700	7250
5.	Friends General Store	1000	-	2500	1060	1060	1250
6.	Mbuni Dry Cleaners Limited	10000	7500	2500	-	-	9000
7.	Karuri Wholesalers	9750	6650	2500	9600	17095	17645
8.	Weteta Provision Store	200	38	3000	3870	3870	7013
9.	Nandi Railway African Co-op. Society Ltd.	5000	-	12250	1353	450	465
10.	E.H.Njoka & Sons	4000	700	3000	6000	4100	-
11.	Kathiga K.G. Store	2275	9250	3000	4100	4719	3678
12.	Jmoja General Store	1290	70	3100	2210	923	861
13.	Ndunduri General Store	2100	700	1250	640	1540	745

D I S T R I B U T O R S H I P A P P O I N T M E N T

CUSTOMER'S CATEGORYA.

DISTRICT NAIROBI

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF FLOUR ORDER	WHEAT	VALUE OF SOAP ORDER
	£	£	£	£	£		£
14. Muthetheiru Provision Store	2000	500	2900	5175	1796		468
15. Simba Trading Co.	5000	2000	1000	5510	2270		381
16. Pilot Wholesale Store	3000	5000	10,000	2250	1850		1500
17. Kenda African Whole & Retail	1310	400	6000	1230	419		-
18. Kariuki Grocery Store	9750	500	8800	13650	7582		2678
19. Mamboleo Trade Services	1250	100	2500	2625	1390		3695
20. Masii Store	375	500	3000	7825	16700		4788
21. Lagum Distributors Ltd.	5400	8743	15000	3388	1098		1998
22. Dagoretti Country Store	13045	30245	10000	2500	1310		227
23. Lema General Store	2500	85	3200	1600	3860		993
24. General Provision Store	2750	500	2500	6150	7840		3241
25. Mahandara Estate G. Store	2500	900	4000	7100	3700		1238
26. Sofhia Provision Store	1000	322	4000	3340	6250		415

D I S T R I B U T O R S H I P A P P O I N T M E N T

DISTRICT : NAIROBI

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
27. Mwangiru General Store	50400	2150	5000	7350	9545	1730
28. D.N. Macharia Provision Store	2500	150	5000	1997	510	-
29. Ruga General Store	3000	1300	15000	5560	5050	-
30. Gikanga General Store			15000	4328	8778	1737
31. Kaigwa General Store	4600	11816	3000	5226	566	-
32. Nairobi Investment	250	150	11250	3580	565	-

DISTRIBUTORSHIP APPOINTMENT

DISTRICT, NAIROBI

N A M E O F T R A D E R	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT WHEAT FLOUR	VALUE OF SOAP ORDER
	£	£	£	£	£	£
1. Masii Provision Store	1250	250	1400	456	94	-
2. Mugori Provision Store	2000	400	1750	1335	855	1101
3. Muthithu General Store	1000	1250	1500	1600	375	4145
4. Nzina Trading Co. Ltd.	7000	3500	1500	7900	2115	-
5. Gewathi Variety Store	600	750	600	2650	2025	2495
6. Peter N. Mwangi Store	1000	8800	2200	5035	5364	3950
7. Bete Trading Stores	2500	1250	1000	770	400	1132
8. Kenya Provision & Green Grocer Store	1500	50	1500	2147	1166	1169
9. Mew Mzuri Store	1500	500	800	-	-	-
10. Garrison Kamau & Company	388	350	2250	1350	500	-
11. WWamunyu Commercial Store	4250	1750	2000	8350	5650	3215
12. Mikame General Store	2500	875	1500	4110	1250	-
13. Nairobi Traders Cooperative Society	400	1750	1500	1553	2000	-
14. Wagathanji Provision Store	2550	50	1750	510	300	1200
15. Peter Makau	1052	299	1950	1100	218	214

DISTRIBUTORS' APPOINTMENT

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
15. Peter Nakau	1052	299	1950	1100	218	214
16. Masii Produce Store	1000	300	1832	1030	250	1000
17. Nganga Gakumo & Sons	2083	917	2250	1550	635	1400
18. Mukangu General Supply Store	2675	1375	1600	5450	5419	8450
19. Karegwa Provision Store	1182	155	800	3860	5660	2500
20. Kenya City Supply Store	1000	-	1181	250	3465	500
21. Nakaa Provision Store	1000	250	1000	3150	1556	-
22. Waitaka Bros	5000	1750	2000	1000	680	554
23. Kamirungi Provision Store	1250	400	800	1600	353	459
24. Mwangi General Store	3000	1250	1250	672	383	-
25. New Pumwani Provision Store	1000	500	750	2160	1450	2750
26. Mumo General Store	10000	8500	2000	3810	3260	197
27. Kanyawa General Traders	1000	180	1400	7542	1743	1833
28. Mwaikamba Provision Store	500	100	800	143	500	-
29. Kahuhu Store	3150	116	1435	1253	1308	-
30. Makueri General Store	1500	650	1000	1132	1162	445

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : MATRON.

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
31. Mario Simani	1237	238	900	6551	5000	-
32. Jericho Store	4020	2500	1750	1700	1187	2500
33. Peter N. Oloo	300	455	500	6250	486	646
34. Gem Provision Store	1000	250	1250	479	522	-
35. Yunis Ali	1000	600	750	5400	5400	-
36. Margaret Manjira Simani	250	200	500	1610	1365	-
37. Mukuini Provision Store	1500	100	1200	1995	450	-
38. A.M. Iyombela	2500	50	1500	1715	1300	500

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : NAIROBI

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MATCH - SOAP ORDER	VALUE OF TEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
1. Kagai Ltd.	2000	250	-	2600	3325	10212
2. Nabuku Commercial Store	1500	3900		1632	3015	2030
3. Teresia Njeri	700	250	300	2850	5455	13215
4. Narina Othayo Provision Store	750	300	250	14200	1215	1121
5. New Nyandarua General Store	1000	250	350	241	500	-
6. The New Migumo Trading Co.	500	150	200	2260	4820	1535
7. Muti Wholesalers Ltd.	1250	225	120	548	738	716
8. Malinda General Store	2050	1600	400	163	500	100
9. Muirinei Provision Store	400	100	-	2700	200	-
10. M. Gikonyo	5000	1500				5490
11. Nambaa & Bros Wholesaler	2500	-	-	8378	375	-
12. John Mwangi	2000	1000	400	704	919	49
13. Joseph Hginyo	750	450	200	1540	2615	-

DISTRIBUTORSHIP

NAME OF TRADERS	CAPITAL	ASSETS
	£	£
14. Kenya African Window Shopping Center	60	-

APPOINTMENT

TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
£	£	£	£
234	610	310	-

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : RIFT VALLEY
PROVINCE.

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
1. Kibunja Agencies Ltd.	5000	5000	10,000	189	187	233
2. Kibunju Agencies Ltd.	5000	5000	10,000	189	187	402
3. Larkipia Wholesale Co. Ltd.	10,000	4775	5000	591	702	925
4. Mahiga Service Store	4700	7500	7500	500	100	583
5. Gilgil New Traders	1300	3600	7500	774	296	-
6. Pata African Trading Enterprise	1250	2775	7500	500	100	250
7. Nehemiah A. Suge	1000	8825	6618	450	-	300
8. P. Kariuki Gathuli	-	4250	4000	450	200	300
9. Maghagbani and Co.	3000	2180	4000	"	-	-
10. Londiani Trading Co.	1000	3000	4000	200	100	1000
11. Jonah Kamau Macharia	3250	2130	5000	400	150	200
12. Kibowan Komer	500	45000	4000	2066	1845	1500
13. Naivasha Afro-Mercantile Co.	500	2000	2500	400	200	600
14. Ernest Irangi	3000	1800	3000	49	320	130

DISTRIBUTORSHIP APPOINTMENT

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DISTRICT : RIFT VALLEY PROVINCE

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
1. Elijah Kimemia Wangulu	500	-	2250	-	-	-
2. Ramadhani Bin. Sururu	1500	150	1440	450	550	1225
3. Mwangi Muhoro General Store	1045	350	750	3275	510	1993
4. Oka Stores	2350	1150	750	-	-	-
5. Haji Isza Adam & Sons	2500	-	750	150	150	1000
6. Ngecha General Store	1000	-	600	631	504	302
7. James N. Kamau	50	75	500	640	300	500
8. Samuel Kihuga	4500	4000	900	-	-	-
9. D.K. Bett	5500	2800	2465	290	690	-
10. Kahama Bakery	1150	750	1500	1061	1234	-
11. N. Njoroge Store	3600	2850	800	-	-	-
12. P.K. Waruinge	-	8885	1500	109	725	100
13. Rwathia General Store	1000	-	750	-	-	1000
14. Center General Store	2500	700	2250	1640	350	-

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : RIFT VALLEY PROVINCE

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER.
	£	£	£	£	£	£
15. Thomsons Falls Trading Co.	1500	1000	1200	450	500	450
16. Jogoo General Stores	1400	3500	2500	440	300	350
17. Goodwill Trust Ltd.	2000	100	7000	620	1335	107
18. Shrikisha Company	7500	6159	4750	327	1107	1000
19. Kajlado Stores	15000	5000	6250	1449	1196	-
20. Turbo Grocers	5000	2875	13500	-	-	-
21. Kigera Produce Store	2500	5600	5000	98	701	-
22. Londiani Store (Agencies?)	2500	-	3000	793	400	258
23. Karangae Ole Kesier	200	20	4000	84	265	-
24. Kipsigis Co-operative Society	22750	7795	27500	325	1050	7575
25. Kitete-Young Grocers	2500	500	500	823	1044	985
26. Trans. Nzoia Wholesalers	5000	1250	6000	-	-	500

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : RIFT VALLEY PROVINCE

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
1. J.K.A Yatorr	150	159	250	105	1020	785
2. Joseph K. Cherop	2825	2570	225	865	505	50
3. Peter Mwaura	1390	120	450	428	165	250
4. Kamau Nganga	750	300	225	-	-	300
5. H.W. Kibinge	1640	1390	400	34	83	-
6. Furah Store	900	3125	200	50	50	50
7. Wanandi Trading Co.	45	150	19	22	63	250
8. Morrison and Sons	450	100	250	740	270	-
9. John Ndegwa	-	1500	-	-	-	-
10. Njenga Njoroge	100	250	200	-	500	250
11. Masai Store Ltd.	10,000	4900	1500	1700	500	-
12. Alice Kahaki & Company	1250	2500	1500	1020	1920	-
13. Andrew Kagombe	1250	2250	1050	429	157	820
14. Alex N. Oloo	400	100	600	250	250	300
15. Kanyamwi Trading Co. Ltd.	2500	400	2000	-	-	-

DISTRIBUTORSHIP APPOINTMENT

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
Kibunya Agencies Ltd.	5000	5000	10000	189	187	233
2. Kibunja Agencies Ltd.	5000	5000	10,000	189	187	402
3. Larkipia Wholesale Co. Ltd.	10000	4775	5000	591	702	925
4. Mahiga Service Store	4700	7500	7500	500	100	583
5. Gigil New Traders	1300	3600	7500	774	296	-
6. Pata African Trading Enterprises	1250	2775				

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : EASTERN PROVINCE

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE		VALUE OF WHEAT		VALUE OF SOAP
				FLOUR MEAL ORDER	ORDER	FLOUR ORDER	ORDER	
	£	£	£	£		£		£
1. Joel Maingi	250	7500	1500	245		-		90
2. Peter Makau	1250	5000	2300	893		196		141
3. Hitani General Shop	500	1250	1000	1500		-		-
4. United Wholesalers	2000	1950	1150	1600		1750		3625
5. Kibari Rungeye	2500	4100	1500	500		250		300
6. Mohamed & Ali	3750	750	2050	450		450		725
7. Stephen M. Kisilu	150	3750	500	340		445		1500
8. Mwanza and Bros	4000	7600	1250	500		-		500
9. William Kimulu	7500	-	1250	680		480		-
10. Maririe Traders	1350	1500	1500	-		-		-
11. Lawrence Kairanja and Bros.	4500	7500	1933	840		5140		1302
12. Salim Ahmed and Brothers	5000	2500	2000	1079		91		499
13. Karava General Store	1200	1100	1500	340		430		1000
14. N.M. Maluli	1500	1500	750	300		200		500
15. Maundu Ndetu	730	400	1500	150		350		30
16. Njeru Ngonge	2000	-	956	99		134		880

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
16. Kyambati Mareli	1000	3250	4000	5300	3000	2525
17. Massi Special House & Bros	1500	4500	5000	1910	690	260
18. Kalawa Flour Mill and General Store	1600	800	12000	600	700	1250
19. Kitemange Ndema	2500	2500	5000	-	-	-
20. Sunny Musila (Kangundo Br.)	11190	4250	5000	1500	1500	2500
21. Mutemi Mwinzi	2500	-	5000	580	230	1000
22. Kairanja Mukindira and Co.	2500	250	6000	210	280	500
23. L.M. Lili	150	1579	3000	1910	945	1190
24. John Kilu Mosa and Bros	12500	10750	8600	2620	1175	400
25. Kitui Wanch Traders and Co.	2250	-	2500	1305	540	550
26. Ukambani Distributors	500	-	3750	1000	1000	1500
27. Benson K. Kamba	6½	-	15000	1737	759	1000
28. Mbugua Njoroge and Co.	250	20	3350	1980	725	168
29. Kitango Trading Co.	1000	550	3000	500	500	-

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : EASTERN PROVINCE

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
1. Msungi Mwanzia and Co.	10000	14500	3000	1000	500	1800
2. Kitui Commercial Store	375	7500	4000	200	-	500
3. Samuel Kamuli Kingoo	2000	3600	7500	378	-	70
4. Mutia Nzomo and Bros	1300	5050	2800	4678	3152	1300
5. Shariff Mohamed Ncor	1000	6000	600	1693	1898	538
6. D.L. Mutisa	7500	13500	5000	250	-	100
7. Masii Store	1500	4000	2500	396	315	500
8. Makului Bus Transport Services Limited	7650	18280	7250	1248	565	10
9. Musau Mwamia	25000	17250	10,000	1995	662	400
10. Samuel Musila	2000	4750	17500	296	160	50
11. Kimani Kimango Bros	750	21500	6000	792	204	114
12. Musau Mwamia and Co.	1500	1750	20000	4000	1000	1000
13. Wanamuchi Aguuli	1000	4000	3500	800	448	229
14. Embu Distributors Ltd.	570	16525	3000	1045	875	1552
15. Issa Adam	900	9100	4500	77	975	790

DISTRIBUTORSHIP APPOINTMENT

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	DISTRICT : EASTERN PROVINCE	
					VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
1. Murangu Ndana	20	975	-	375	100	500
2. Miuba Kingi & Sons	-	3116	-	505	397	-
3. P.N. Ndeti and Sons		3050	-	830	253	50
4. Elijah M. Maithya	1500	300	-	700	100	500
5. Mangeli Brothers	500	512	182	-	-	500
6. James Kitonga Malika	100	230	300	1030	850	-
7. Mitau Kyendwa and Titus Kyole	1500	750	-	580	160	2825
8. Philip Mutusa Mwengi	150	2	-	-	-	-
9. Zakayo Ivuli Lole	1750	-	-	580	272	-
10. Kiliondō Mangi	3000	2000	75	794	132	150
11. Meru Traders (1961) Ltd.	1252	36	35	105	592	1085
12. Central Division Store	300	-	350	-	-	1000

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : CENTRAL PROVINCE

NAMES OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
1. Uplands Trading Co.	5250	5250	15000	2175	770	400
2. Haji A. Sheikh Ali	5000	5500	7500	3858	2037	5000
3. M.Andrea & Co.	1000	8750	4250	2000	-	3000
4. Kiambu Clothing & Grant Enterprises	250	-	3000	1500	500	750
5. Chuchu Watatu & Charles Kigwi	5000	7050	2500	1000	200	500
6. Feed & Seed Supply Co	750	-	3800	1000	300	1100
7. Nganga Kamau	1250	3750	2500	1830	990	705
8. Kagaa Transport Co.	4250	-	5500	808	1501	1302
9. Kikuyu General Store	500	-	2750	822	325	22
10. Moses & Bros.	1750	1000	2500	535	365	-
11. Uhuru General Shop	500	2500	6000	1750	1250	800
12. Premier General Shop	3500	1500	2500	742	490	-
13. New	1000	3350	3750	314	750	-

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : CENTRAL PROVINCE

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
14. Muingai Farmers & Traders Company.	1000	75	5000	-	-	-
15. J. Nduati Gahere	3600	1500	10000	643	780	-
16. Tharao General Store	3000	5000	6500	1249	1290	-
17. Ngubi Wholesalers	-	6250	9500	1162	744	1008
18. Charna Wenyaji Traders	2500	3500	2500	780	250	-
19. Kimuthia Mungai & Partners	-	1500	2500	742	539	120
20. Mwangi Kiratu & Co.	1100	1200	6000	434	390	350
21. Makwa Provision Store	-	250	5000	430	110	-
22. New Kiriti Provision Store	500	300	750	-	-	-
23. Stephen Weru Warui	5000	1000	6500	550	1220	825
24. Muriuki Muchine	1000	250	6000	229	782	1030
25. Thika Falls Wholesalers	2000	3000	5000	1640	326	-
26. Lamorgogo Wholesalers	3000	5000	1000	6070	3700	7250

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : CENTRAL PROVINCE

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
1. Magutu General Store	650	5700	400	4762	2500	4400
2. Kihara Muthiara	250	26000	-	1500	-	250
3. Mumyaka Trading Company	1500	3500	-	2425	100	550
4. Gatugithu Trading Store	850	500	-	-	-	-
5. Njoroge Njuguna	250	75	150	190	200	-
6. Goeffrey Njogu Githinji	-	15000	-	1647	964	955
7. Ngatia Ngetha	2400	1750	-	1052	280	237
8. Andrew Bukhara	400	85	500	36	10	-
9. Noah Karugakoinage	750	250	-	-	-	-
10. Onesmus N & Co.	475	1000	200	500	250	450
11. Peter Kariuki	2800	-	-	-	-	1856
12. Peter Francis Kihara	-	-	-	500	2500	500
13. David Kinami Kigere	-	1163	300	400	500	250

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : CENTRAL PROVINCE

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
1. African Mixed Dairy Farm Cooperative Society	1500	-	1000	305	316	-
2. Family General Store	500	500	-	200	500	-
3. Magoto Kimani	1250	1250	2845	-	-	-
4. Ernest Njenga & Co.	1400	1750	2100	4450	1600	2532
5. Kiambu Farmers Store	900	150	1250	206	300	-
6. Inya Trading Co.	150	3000	-	1205	1620	-
7. Mukinga Kibe	250	3000	1500	3800	550	

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : CENTRAL PROVINCE

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
1. Mwangi Mbothu	5355	6600	1750	685	122	-
2. Wahinya Kangere	-	3300	1250	823	125	150
3. Samuel Kimani	1500	3410	1000	1800	450	600
4. Waiyaki Kimuthia	600	785	750	200	50	150
5. Tinganga Cash Store	500	7270	600	6533	1000	5275
6. Nganga Kamithi	50	1900	600	500	100	750
7. Kigomo General Merchandise	900	1200	600	550	210	-
8. Wenyenji Wamatu	1750	1100	1000	3109	2599	-
9. Gatundu Provision Store	1000	300	900	279	302	153
10. Kihungi Kamau & Sons	150	75	1250	600	550	727
11. Goeffrey Mwangi Gakumo	250	45	1000	300	150	-
12. Mbogo Mwangi	250	1750	2100	200	422	238

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : CENTRAL PROVINCE

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
13. Karia General Merchandise Retailer	1020	1750	2100	200	422	238
14. Manaseh K. Kabui	500	750	500	443	375	-
15. Kiambururu General Store	300	1250	1500	200	200	2500
16. Have More Farm Produce & Agencies	250	75	1000	-	-	-
17. Karanja Kamau	700	1250	1500	1273	973	-
18. Kangena Munyaka Farmers Co.	1153	1425	750	-	-	-
19. Gathrui Farmer & Trading Company	950	1650	1300	455	400	-

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : RIFT VALLEY PROVINCE

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
1. J.K.A. Yatoor	150	159	250	105	1020	785
2. Joseph K. Cherop	2825	2570	225	865	505	50
3. Peter Mwaura	1390	120	450	428	165	250
4. Kamau Nganga	750	300	225	-	-	300
5. H.W. Kibinge	1640	1390	400	34	83	-
6. Furaha Store	900	3125	200	50	50	50
7. Wanandi Trading Co.	45	150	19	22	63	250
8. Morrison & Sons	450	100	250	740	270	-
9. John Ndegwa	-	1500	-	-	-	-
10. Njenga Njoroge	100	250	200	500	250	-

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : RIFT VALLEY PROVINCE

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF ORDER
	£	£	£	£	£	£
1. Edijah Kimemia Wangula	500	-	2250	-	-	-
2. Ramadhani Bin Sururu	1500	150	1440	450	550	1225
3. Oka Stores	2350	1150	750			
4. Haji Isza Adam & Sons	2500	-	750	150	150	1000
5. Mwangi Mukoro General Store	1045	350	750	3275	510	1993
6. Ngecha General Store	1000	-	600	681	504	302
7. James N. Kamau	50	75	500	640	600	500
8. Samuel Kihuga	4500	4000	900	-	-	-
9. D.K. Bett	5500	2800	2465	290	690	-
10. Kahama Bakery	1150	750	1500	1061	1234	-
11. N. Njoroge Store	3600	2850	800	-	-	-
12. P.K. Waringe	-	8885	1500	109	725	100
13. Rwathia General Store	1000	-	750	-	-	1000

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : RIFT VALLEY PROVINCE

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER.
	£	£	£	£	£	£
14. Center General Store	2500	700	2250	1640	350	-
15. Thomsons Falls Trading Co.	1500	1000	1200	450	500	450
16. Jogoo General Stores	1400	3500	2500	440	300	350
17. Goodwill Trust Co. Ltd.	2000	100	7000	620	1335	107
18. Shirikisha Co.	7500	6159	4750	1327	1107	1000
19. Kajiado Stores	15000	5000	6250	1449	1196	-
20. Turbo Grocers	5000	2875	13500	-	-	-
21. Kigera Produce Store	2500	5600	5000	98	701	-
22. Londiani Store (Agencies)Ltd.	2600	-	3000	793	400	258
23. Karangae Ole Kesier	200	20	4000	84	265	-
24. Kipsigis Cooperative Society Limited	22750	7795	27500	325	1050	7575
25. Kitete Young Grocers	2500	500	5000	823	1044	985
26. Trans Nzoia Wholesalers	5000	1250	702	-	-	500

DISTRIBUTORSHIP APPOINTMENT

DISTRICT :RIFT VALLEY PROVINCE

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE	VALUE OF WHEAT	VALUE OF SOAP
				MEAL ORDER	FLOUR ORDER	ORDER
		₡	£	₡	£	₡
1. Kibunja Agencies Ltd.	5 000	5000	10,000	189	187	233
2. Kibunja Agencies Ltd.	5000	5000	10,000	189	187	402
3. Larkipia Wholesale Co.	10000	4775	5000	591	187	925
4. Mahiga Service Store	4700	7500	7500	500	100	583
5. Giglgil New Traders	1300	3600	7500	774	296	-
6. Pata African Trading Enterprises	1250	2775	7500	500	100	250
7. Nehemiah A. Suge	1000	8825	6618	450	-	300
8. P. Kariuki Gathuti	-	4250	4000	450	200	300
9. Maghagbani & Co.	3000	2180	400	-	-	-
10. Londiani Trading Co.	1000	3000	4000	200	100	1000
11. Jonah Kamau Macharia	3250	2130	5000	400	150	200
12. Kibowan Komer	500	4500	4000	2066	1845	1500
13. Naivasha Afro-Mercantile Company	500	2000	2500	400	200	600
14. Ernest Irangi	3000	1800	3000	49	320	130

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : WESTERN
PROVINCE.

	NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE FLOUR ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
		£	£	£	£	£	£
1.	Christopher Nabangwa	1050	26	1500	-	670	675
2.	Mohamed Waziri	3000	1100	1750	175	439	489
3.	Erastus Simiyu Butula	3000	1500	1500	750	1360	4000
4.	Mohamed Salimu	500	200	750	165	500	1000
5.	Reuben Wanyonyi	600	750	750	164	273	567
6.	Reuben Lavai	1000	1580	1000	125	500	500
7.	William Ligabo	5500	50	500	330	105	421
8.	Andimi Stores	-	2500	1500	57	51	-

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : WESTERN PROVINCE

	NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
1.	Isaac Fadamulla	2500	5000	7500	-	-	500
2.	Elgon Traders	5000	7500	30000	380	1125	500
3.	Barake Luby Transport	5950	9200	6650	7080	10600	280

DISTRIBUTORSHIP APPOINTMENT

	NAME OF TRADER	CAPITAL	ASSETS	TURNOVER
		£	£	£
1.	Harrison W. Nambute	1250	1750	200
2.	Josephat Atsewa	2857	1040	300

DISTRICT : WESTERN PROVINCE

VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT-FLOUR ORDER	VALUE OF SOAP ORDER
£	£	£
200	250	-
2600	96	350

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : NYANZA

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
1. Gesima Power Mills Ltd.	4052	9428	21497	473	-	475
2. Fountain Service Store	5500	5500	12000	1500	500	1000
3. Posho Trading Corp.Ltd.	5000	5000	5000	1000	200	-
4. E.O Josiah	1500	12300	8000	300	200	500
5. Wangoma Ogwai & Co.	3000	5500	5000	2000	500	1000
6. Okwiny & Sons Ltd.	6500	7000	5000	300	-	200
7. Bondo Associated Traders Limited	3000	3000	3750	1000	582	1780
8. Silas Abong'o	400	10500	3000	1000	500	300
9. Nasu Ali	2500	2600	2500	-	-	-
10. Yala River Wholesalers	5000	5600	7500	-	-	-
11. Matara Trading Co.	1500	11500	10000	4500	4000	1000

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : NYENZA

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
12. The United Land Water Transport	10,000	20,000	10000	4500	4000	1000
13. Ngege Ways Enterprises	1,500	100	2500	1500	-	-
14. The Roya Enterprises LTD.	3,500	-	2500	1500	500	3000
15. Patroba Anyugi & Co.	250	-	2500	-	-	3800

NAME OF TRADER	CAPITAL	ASSETS
	£	£
1. Lowland African Trading Company	1000	1750
2. Omodho Olale	6440	6390
3. Onderi Masati	1150	2427
4. Odhiambo Omamba	3000	7700
5. Mogumo Tea Co.	900	750
6. Tinga Traders Unit	2500	300
7. Joseph & Dorothy Ltd.	100	350

DISTRIBUTORSHIP APPOINTMENT

DISTRICT: NYANZA

TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
£	£	£	£
1500	2500	1000	2500
1500	600	200	500
1500	500	200	500
1000	150	100	100
750	-	-	200
875	-	-	-
1000	-	-	-

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : NYANZA PROVINCE,

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
1. Kibos Wholesalers Ltd.	500	-	0 -	325	175	500
2. Fanuel W. Odede	-	-	-	-	-	-
3. Binya Wholesalers Ltd.	125	125	-	-	-	-
4. John H. Olwenyo	250	6000	400	-	-	2500
5. Yuvinalis Mocha	700	100	500	-	-	-
6. Zaphanina Aduda	400	-	350	-	-	-

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : COAST REGION

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
1. Mbololo Hill Provision & Canteen	4500	5350	3000	9685	500	2500
2. S.K. Fondo and Sons	5950	5750	3000	5475	1250	1250
3. T.M. Mohammed and Sons	7000	10200	2500	1000	500	750
4. Coast Region Distributor	1000	1550	10000	4500	200	500
5. Malindi General Store	3750	850	5000	8000	200	7500
6. Kaloleim Farmers Cooperative Society Limited	7000	3250	7500	10000	5000	2500
7. Taifa General Agencies	2500	3100	12500	25,000	-	25,000
8. A.. Dossa Jee & Sons	-	17050	15,000	8120	1870	2860
9. Al Haji Sheikh Said Bin Hamud	5000	3700	4750	254	423	284
10. Mwanake Kala & Sons	1600	56750	14000	4709	581	-

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : COAST REGION

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
11. James Kitsno	3250	1900	3000	2500	2600	1500
12. Kwale Distributors	2000	1000	4000	1975	845	500
13. Islam Ali Bros	5000	5000	7500	9000	1375	1590
14. Haji Elias & Yusufu & Sons.	5000	2000	3750	3900	1000	1770
15. Rumwe Provision Store	100	100	3000	1458	1900	8839
16. Felix R.M. Kitonga	7500	2500	6000	745	1470	337

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : COAST PROVINCE

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE FLOUR ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
1. D.M. Kioko	750	-	750	1500	750	-
2. E.L. Musumuli	10000	11300	2150	400	500	120
3. Kuria Wathome	1250	2500	1000	2502	1500	2500
4. Coast Product Develop Co.	1500	1912	2250	55,700	28875	500
5. Mwai Karani	700	1200	1900	1380	450	1500
6. Omar Saleh Baahandi	125	2063	750	130	122	50
7. Joseph M. Mwanyangu	500	2000	2000	350	550	500
8. Moka Ngure	500	750	1500	250	250	500

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : COAST PROVINCE

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
1. Musa Owiti	1000	450	375	500	400	-
2. Tudor Housing Est.	130	-	-	2500	2500	1500
3. African Ladies Distributor	500	-	-	3500	1800	-
4. Ikumi & Vora Agencies	1500	-	-	480	450	-
5. Ahmed Bin Salimu	15000	-	-	-	-	-

DISTRIBUTORSHIP APPOINTMENT

DISTRICT : COAST PROVINCE

NAME OF TRADER	CAPITAL	ASSETS	TURNOVER	VALUE OF MAIZE MEAL ORDER	VALUE OF WHEAT FLOUR ORDER	VALUE OF SOAP ORDER
	£	£	£	£	£	£
1. United African Corporation Limited	10,000	1875	-	3527	-	12836
2. Musembi & Sons	-	2100	-	2700	300	900
3. Kilimo Muachanya & Co	500	1350	-	4000	1500	4000
4. Kapa Brothers	-	-	-	4000	700	5067
5. Coast Distribution Tracing Company	900	650	-	3000	200	-
6. William Kadenge	300	500	75	2954	-	580
7. Mambo Enterprises	650	650	-	750	-	750
8. Aumasi General Agencies	-	-	-	1000	-	1000

APPENDIX 2.

National Trading Corporation : List of the
Sub-distribution for Commodities over which
the Corporation has exclusive Monopoly to
import and distribute **

REGION AND COMPANY	Status	Commenced	Net Assets Original Present	Average Gross Stock	A,B.P. or N.T.C. Assistance	Annual Sales	
<u>EASTERN REGION</u>							
1. Karamoja : Karamoja African Whole-Sale Co.Ltd.(Moroto)	Public	1966	60,000	59,630	60,000	100,000	600,000
2. Teso : Teso African Wholesale :Soroti	Public	1965	60,000	92,500	1,350,00	10,000	1.404,000
3. Mbale : Mbale Wholesale Co. Ltd							
4. Mbale : Bugishu Wholesale Company Limited	Public	1965	50,000	6,000	200,000	30,000	2,600,000
5. Tororo : Bukedi United Traders Limited							
6. Tororo : Tororo United Traders Company Limited	Public	1964	21,000	1,86000	1,560,000	100,000	3,900,000
7. Busoga : Nkabi Wholesale Traders							
8. Busoga : Nabeta & Bros							
9. Busoga : United African Commercial Agencies Limited.							

* * Note : The shown figures are estimated and may be out of date by now. In many cases the Companies or individuals were reluctant to reveal their trade statements mainly because there were no proper accounts or balance sheets and probably for other unknown fears. The available figures, however, indicate the volume of trade handled by the Companies. For those Companies where figures are not available it may be assumed they are all just about the average of those shown.

Note also that the list is growing longer every day.

N/A. Not available

APPENDIX 2 (continued):

Northern Region ;

- | | | | |
|-----|--------|--|--------|
| 10. | Lango | : Lango Wholesale Traders Co.Ltd. | Public |
| 11. | Lango | : Opul and Sons Ltd. | |
| 12. | Kitgum | : East Acholi Wholesale Co.Ltd. | Public |
| 13. | Gulu | : Acholi Pioneer Wholesale Company Limited | |
| 14. | Gulu | : Gulu Wholesale Traders Ltd. | |
| 15. | Gulu | : George and Sons, Gulu | |
| 16. | Arua | : N.T.C. Depot. | |

1964	41,680	80,000	1,500,000	50,000	1,435,000
1965	46,000	134,000	1,138,000	20,000	1,200,000

Appendix 2 (continued):

Western Region

17. Bunyoro : Bugungu Ltd.
18. Bunyoro : Uganda Agahikaine Ltd. Public 1964
19. Toro : Uganda African Whole-
sale Co. Ltd. Public 1964
20. Toro : Bwambale & Co.Ltd. Private 1950

21. Ankole : Matovu and Sons Ltd.
22. Ankole : Muhumuza & Co.Ltd. Public 1963
23. Ankole : Ankole African Inde-
pendence Traders Co.Ltd. " 1962
24. Kigezi : African Wholesale Co,Ltd. Private 63
25. Kigezi : Kigezi Food Suppliers
Company Limited.

Buganda Region

26. Masaka : Nakayiba TradersC Co.Ltd.
27. Masaka : Bwavumpologoma Growers
Co-operative Union
Limited.

210,000	260,00	1,000,00	1,200,000	
74,500	793,000	900,000	12,000	852,000
150	268,000	1,656,000	50,000	170,000
150,440	120,000	360,000	-	1,800,000
140,000	80,000	72,000	40,000	1,800,000
170,000	225,400	1,200,000	20,000	1,380,000

Appendix 2 (continued):

REGION AND COMPANY

28. Masaka : Sabiti Lubega	Private	*
29. Masaka : Katwe Masaka (Stores)	Partnership	1954
30. Kampala: Regional Traders Co.Ltd and Impex House Ltd.		
31. Kampala : Namatovu Estates Ltd.		
32. Kampala : Mugambe and Co.Ltd.		
33. Kampala : Daudi Nyago & Co.Ltd.		
34. Kampala : K.K. Wholesale Suppliers		
35. Kampala : Batende Agencies Ltd.		
36. Kampala : Central African Commercial House		
37. Masaka : Kugumikiriza Store	Private	1955
38. Masaka : Agali Awamu Co. Ltd.	Public	1963
39. Toro : Joseph R. Mainuka (Kasese)	Private	1949
40. Bunyoro: J.W.B. Kasigwa & Sons : Masindi	Family	1950

*	80,000	960,000	Confirming	1,000,000
400	92,000	54,000	-	432,000

700	76,500	40,000	20,000	624,000
100000	200000	57,000	20,000	33,600
3,000	66000	240,000	20,000	12,00,000
N/A		150,000	72,000	24,000

APPENDIX 3.

NATIONAL TRADING CORPORATION

From : Assistant Manager To : Chief Executive Manager.
Credit, Finance & Training

AMCFT/A3

20th November, 1967.

QUALIFYING REQUIREMENTS FOR N.T.C's 4 SCHEMES

A) CREDIT-GUARANTEE SCHEME:

- (a) The applicant must. have been in business at least for not less than 1 year.
- (b) The applicant must be in possession of reasonably well kept books of accounts. Companies or Partnerships should produce the latest Balance Sheets, duly certified by qualified Accountants.
- (c) The applicant should have an average monthly turnover of at least not less than 35% of the stock-in-trade. In any case, the value of the stock should not be less than 4,000/-.
- (d) The applicant should be able to offer tangible security in the form of land, building/s or personal guarantee of a person of high standing. The Life Insurance should be additional to other securities and, in case of corporate bodies, directors must also themselves give personal guarantees. In any case, the value of securities should not be less than the amount applied for. In the case of companies, both the goods and the shop building must be covered by an insurance policy.
- (e) After being recommended for the facility, the applicant should be required to submit a Monthly Return showing the latest position in regard to :-
 - (i) Total value of goods taken from a supplier/s.
 - (ii) How much money paid to the suppliers after the first 60 days.
 - (iii) An outstanding amount in arrears(if any).

Failure to do so, should lead to immediate withdrawal of Credit Guarantee.

- (f) The suppliers should be required to notify the Corporation or its representative (in up-country) immediately the trader with the credit-guarantee defaults, rather than wait for 2 or more months as has been the case hitherto.

(B) HIRE-PURCHASE SCHEME:

- (a) The applicant should be a prospective transporter of his own goods or somebody's goods. He should also produce a copy or copies of contracts if so employed.
- (b) The applicant should supply details of costings at the time of applying. These should be closely scrutinised before acceptances.
- (c) Activities on which the vehicle is to be employed should be fully outlined.
- (d) The applicant should be in a position to raise the initial percentage of 35%.
- (e) A comprehensive insurance policy must cover the Hire Purchase Agreement period or 18 months, whichever is the shorter.
- (f) In addition to vehicle as security, other tangible securities should be offered, in the form of cash deposit in the bank, land/buildings insurance policy or personal guarantee by a person of high standing. In case of corporate bodies, directors must also themselves give personal guarantees.
- (g) The applicant should prove that she has taken out an insurance policy of his or her own (life insurance).
- (h) Unless prior arrangements are made with the financiers for deferment of payments of an instalment, National Trading Corporation is to direct financiers to effect seizure of the vehicle on default of 2 consecutive instalments.
- (i) The applicant will have to undertake to get the vehicle inspected every 6 months (by a recognised vehicle valuer) and will be required to put down fees for the inspection and valuation on being informed that his application has been accepted. If the inspection and valuation of the vehicle

reveals that the value of the vehicle is below its book-value, the Corporation may repossess the vehicle.

- (j) In case of a bus operator, the applicant should be expected to produce a letter from the Transport Licensing Board, specifying the route he will be operating on.

(C) BILLS DISCOUNTING SCHEME:

- (a) Applicant must be a well recognised businessman of high standing and integrity.
- (b) Applicant must be dealing with recognisable Government bodies or Institutes, such as schools and colleges. He must also be able to produce written documents supporting his contract.
- (c) In order to ensure that money payable to the Corporation was not paid to African businessmen after their invoices had been paid, the Management should write to heads of departments or institutions asking them to see that payment was made to the Corporation under the deed of assignment.

(D) CONFIRMING SCHEME:

- (a) The applicant must put down 20% and meet expenses involved in opening a Letter of Credit.
- (b) The scheme to be confirmed to purchase of goods not handled by the Corporation.
- (c) The prices must be competitive and the commodity saleable.
- (d) Forecasts of marketability must support the application.
- (e) The applicant should offer a tangible security in the form of land/building, insurance policy or personal guarantee of a person of high standing.

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