

Carrefour's franchisee acquires Shoprite's 6 stores in Uganda

Majid Al Futtaim, a Carrefour franchise holder, has reached a deal to take over six stores in Uganda from South African retailer Shoprite, it said on Wednesday.

By [Elias Biryabarema](#) 16 Sep 2021



Source: Shoprite Group

{image}}

Shoprite said last month it would shut down operations in Uganda and Madagascar after currency devaluations, lower commodity prices and high inflation hit household incomes and weighed on earnings.



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Majid Al Futtaim, which is a United Arab Emirates-based mall developer that holds Carrefour franchise right in dozens of countries, said it had signed an agreement with Shoprite to take the Ugandan stores by the end of this year. It did not disclose the value of the deal.

Carrefour entered the Ugandan market in 2019 and currently operates two stores. Shoprite has been in Uganda since 2000.

Over the last several years, Uganda's retail sector has seen a steady exodus of foreign businesses, mostly from South Africa, on the back of slowing economic growth, exacerbated by the effects of Covid-19.



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Majid Al Futtaim's two Carrefour-branded stores in Uganda compete mostly with local retail chains, including Capital Shoppers, which has multiple outlets in the capital Kampala.

It has grown more rapidly in neighbouring Kenya, where it has become among the top two retailers since starting operations in 2016, thanks to the failure of home-grown chains like Nakumatt, which collapsed in 2017.

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