



# ADJUMANI DISTRICT

# INVESTMENT PROFILE



SUSTAINABLE DEVELOPMENT GOALS



Empowered lives.  
Resilient nations.

# ADJUMANI DISTRICT



Figure 1: Map of Uganda showing the location of Adjumani District

# SNAPSHOT ON ADJUMANI

Geography	
Location	West Nile
Neighbors	Moyo, Arua, Yumbe, Amuru
District area	3,128 Km <sup>2</sup>
Arable land area	1,455 Km <sup>2</sup>
Socio-Economic Characteristics	
Population (2014 Census)	225,251
Refugees and Asylum seekers (April 2017)	211,749
Languages	Madi, Lugbara, Acholi, Kiswahili, English
Main Economic Activity	Agriculture
Major tradeables	Fish, Sweet potatoes, Cassava, and Maize
Market target	71 million, including DRC and South Sudan
Infrastructure and strategic positioning	
Transport network	Road network, water transport on R.Nile
Communication:	MTN, Airtel, Africel, UTL, the internet

## GEOGRAPHY

- ➔ Adjumani is one of the districts in the North-Western region of Uganda. It is bordered by Moyo district in the North, Arua and Yumbe in the west, and Amuru District in the south and east.
- ➔ It has an average altitude of 1,200 metres above sea level and a total area of about 3,128 Km<sup>2</sup> of which the land area is 3,081.2Km<sup>2</sup>.

# DEMOGRAPHY

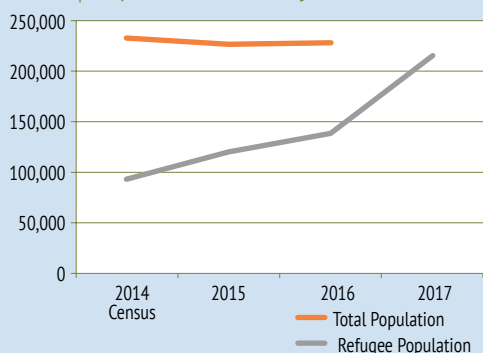
- The population of Adjumani district was 225,251 people of whom 116,953 (51.9%) were females and 108,298 (48.1%) males.
- The general situation, in the Northern region and the Nation, of the majority of the population being young, dependent persons of 18 years and below was also true in Adjumani accounting for around 63.6%. The population of potentially active income generating category as entrepreneurs and employees (that is 20 to 59 years) stands at 33%. The active age category of the population is 57.6 % female against 42.4% male.
- The women in Adjumani are socially empowered to actively engage in income generating enterprises which is a strong

factor to consider in promoting investment opportunities which engage large numbers of women and the youth.

- Adjumani is one of the major refugee hosting districts in Uganda. By 2016, the total population of the district stood at 228,000, out of whom 138,471 were refugees. Over four years the refugees and asylum seekers population has increased substantially, accounting for almost the same size as the local population. By the first quarter of 2017, the refugee population in Adjumani district alone had reached 215,312, as shown in the graphxx. The refugees in Adjumani are mainly from South Sudan and are of diverse ethnic backgrounds; Dinkas, Kuku, Nuer, Kakwa, Madi, and Siluk. They have some similar ethnicity with the locals who are Acholi, Kuku, Madi and Lugbara.

- The social characteristics are that in the refugee camps more families are headed by women (around 70 %) and 49% of the families are large (between 6 -10 people), making the refugee communities highly vulnerable.

*Population Trends in Adjumani*



- Refugees generally depend on humanitarian assistance to meet their basic needs. A large percentage of them (47%) are involved in economic activities commonly farming, retail business and working a casual labour to generate income.
- From this large number of active refugees, it may be assumed that sufficient economic scope and human capabilities exist for the refugees to exploit to gain social-economic independence.



| Adjumani Town



| A specialty lodge in Adjumani

| Adjumani refugee settlement



# MAIN ECONOMIC ACTIVITIES

- More than 70% of the Adjumani population is fully occupied in peasant farming including crop and livestock farming. The remaining population (around 30%) are mainly in salaried employment and other non-agricultural activities such as commodity trade, boda boda transport business, market vending, petty trading and services.
- Most farmers are smallholder who grow both cash and food crops. The crops grown include: Maize, Beans, Millet, Simsim, Mangoes, Avocado, Cassava, Matooke, Coffee, Tobacco, Groundnuts, Rice sweet potatoes, beans, and groundnuts. The most widely grown crops are

Sweet potatoes, Cassava, and Maize. With the total production volume of 177,175 metric tonnes of major crops<sup>1</sup>, Adjumani has a strong agricultural raw material supply base for value adding agro processing industries.

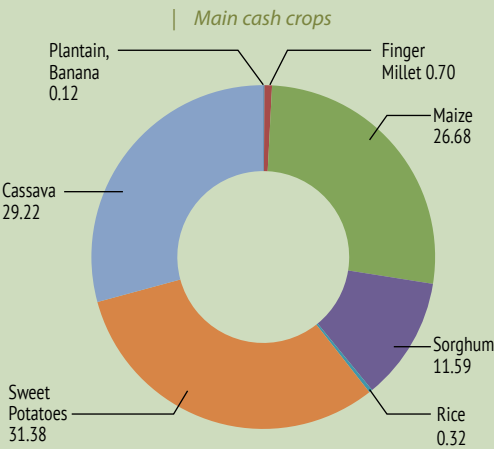
- In addition, different livestock: cattle, goats, sheep and pigs, are reared in the district. The 2008 Census of Agriculture reported the number of major livestock types shown in the table below:

| Table showing the number of Livestock by type

Type	Number
Cattle	36,441
Goat	23,819
Sheep	5,750
Pigs	3,984

Source: Ministry of Agriculture, Animal Industry and Fisheries (MAAIF), and Uganda Bureau of Statistics

- The rearing of poultry, mainly layers and broilers, though still moderate is reported to be expanding rapidly.
- Furthermore, fishing is a major income earning economic activity in Adjumani. The number of fish catch in the district in 2011 weighed 359, 000 kilograms, valued at Shs. 857 million.



1 UBOS Statistical Abstract 2016



➤ Agricultural activities in Adjumani are characterized by: being rain fed and heavily dependent on nature for soil fertility; carried out on fragmented plots of land (on average 2 acres in size); use of rudimentary methods without application of relevant scientific knowledge or modern technology which are important for improving productivity. The production system is subject to the effects of unreliable weather, pests and diseases. Agriculture modernization is an opportunity for the people of Adjumani to break out of poverty and start creating wealth.



| *Adjumani landscape*



# WHY INVEST IN ADJUMANI DISTRICT?

## **Abundant natural resources**

Adjumani has sufficient land for agricultural production. Its total area is 3,128.2 sq. km and 1,455 Sq. km. (46.5%) is arable land.

- ➔ The climate is tropical in nature with moderate rainfall and temperature ranging from 19-36oC.
- ➔ The soils are generally fertile of medium to high productivity, with Ofua sub-county having the richest soils. These natural conditions are conducive for agriculture.



*“Lucrative Investment opportunities exist here in Adjumani. We have a ready opportunity in Sugar processing. Abundant land for this project is available in Zoka Area. A huge market will be tapped in South Sudan, DRC and internally in Uganda. This investment will attract out-growers some of whom will be the refugees. It will provide employment to a large group of the surrounding communities.*

*As the Local Government is engaged in active investment promotion efforts, we invite investors to discuss with us this prime investment, and others such as Rice and Maize milling.*

**Mr. Moses M. Dalili, Deputy Chief Administrative Officer, Adjumani Local Government**

- ➔ Adjumani has ample sources of water for production. They include open water bodies comprising 2.5% of total land area with River Nile (Albert Nile) being the major feature of the district. Other prominent rivers include Itirikwa, Esia, Ayugi, Tete, Adidi and Zoka. In Adropi sub-county there are prominent seasonal streams like Assisi, Adropi, Robidire, Olijji, Ariwa, Minia, Surumu, Ura eyi that drain into river Nile. The district is also endowed with a hot spring, located at Amuru in Pakele sub-county. The groundwater resource is abundant. However, in some areas it is very difficult to drill boreholes.

## **Enabling environment**

- ➔ Adjumani has great potential as an investment location which Government is committed to unlock through prioritized and strategic infrastructure development covering transport, energy, ICT and water for production.



## Transport infrastructure

- ➔ Within the Second National Development Plan (NDPII) 2015/16 – 2019/20, Government plans to tarmac the district's one major road that starts from Atyak and passes through Adjumani and Moyo towns to Afoji, at the South Sudan border. This road is very strategic in enabling trade between three districts Gulu, Adjumani and Moyo to the Sudan boarder,

| *Laropi ferry - Routes between Moyo and Adjumani districts*



| *Uganda Electricity Distribution Company Limited (UEDCL) technicians installing electricity distribution lines*

- ➔ The district has a murram road network linking most parts of the district. These roads provide access to the rural agricultural areas. They are regularly maintained by the Local Government. Adjumani and Moyo districts are linked by ferry services across the River Nile.

## Energy infrastructure

- ➔ Government has focused on massive electricity generation and supply nationwide with the aim of significantly reducing the overall unit cost and making it readily available to investors. Adjumani was connected to the national grid in 2014.

## Local government structures and their role in investor support

- ➔ The local government structures integrate the political structure under the district Chairman and the technical structure under Chief Administrative Officer (CAO) to provide the necessary clout and expertise for effective service delivery.
- ➔ Investors are assisted by the different departments in the local government depending on the issues at hand. UIA is promoting the One Stop Centre concept at the district level where the District Commercial Officer (DCO) is the facilitator of new investors, to fulfil all required steps in investment start up.

- Uganda Investment Authority (UIA) has further embarked on establishing District Investment Committee (DICs) to spearhead investment attraction, facilitation and aftercare in different sectors. The DIC is a 10 member task force comprising five local government representatives: The District Chairman, the CAO, the DCO, the District Planner and the Lands officer while the other 5 members are chosen from the private sector.

## Attractive Incentive regime

- Uganda's incentive package for both domestic and foreign investors provides generous terms, particularly for medium- and long-term investors whose projects entail significant plant and machinery costs. Below is a snapshot of selected incentives.

The incentive structure is currently under revision. For details, refer to [www.ugandainvest.go.ug/downloads/](http://www.ugandainvest.go.ug/downloads/)

**Category 1- Initial Allowances:** Initial capital expenditures which are deductible once from the Company's Income:

- » 75% of cost of plant and machinery for an investment located outside Kampala, Entebbe, Jinja area;
- » 100% of scientific research expenditure;
- » 100% of training expenditure;
- » 100% of mineral exploration expenditure;
- » 25% of start-up costs are deductible over four years.

### Category 2- Annual Deprecia-

**tion Allowances:** The following allowances, under declining balance method, are provided for assets as specified in 4 classes below:

- » Class 1: 45% on Computers & Data handling equipment;
- » Class 2: 35% on Automobiles, Construction and Earth moving equipment;
- » Class 3: 30% on Buses, Goods Vehicles. Tractors, Trailers, Plant & Machinery for farming, manufacturing and mining;
- » Class 4: 20% on railroad cars, Locomotives, Vessels, Office furniture, fixtures etc.

### Category 3 - Other Annual Depreciation Allowances include:

- » 5% on Industrial Buildings, Hotels & Hospitals;
  - » 20% on Farming - General farm works;
  - » 20% on Horticultural Plant and Construction of Green-houses using straight line depreciation
- ➔ In addition to the above incentives, there is a zero rate of import duty on plant and machinery as well as a uniform corporate tax rate of 30%.
- ➔ The depreciation allowances, plus the deductible initial capital allowances are provided without discretion to eligible investors in order to reduce their taxable income during the crucial early years of a project. The investor therefore keeps a high proportion of its cash flow and income for further investment.

# INVESTMENT OPPORTUNITIES IN ADJUMANI DISTRICT

## *Investment in the tourism sector*

Adjumani is known for a wide range of tourist attractions. For example, the East Madi Wildlife Reserve boasts of flora and fauna similar to Murchison Falls National Park and recently awarded as a management concession to a private operator, who plans to develop the reserve. The Reserve is under overall ownership and management of Government of Uganda through Uganda Wildlife Authority. There are also attractive unique landscapes and rock formations along R. Nile on the Adjumani side. Currently, there exist limited facilities for visitors.

## *Investment in youth technical skills and capability enhancement*

The increasing population of the younger persons occurring alongside the lack of post-secondary school institutions, is one of the factors that continue perpetuating the low skills levels and job opportunities. Tertiary institutions are demanded to build the capabilities of young people and give them confidence to start business enterprises, a multiplier for job creation. Such Technical centres should impart modern skills in professions such as: Vehicle Mechanics, Engineering, Construction, Nursing, Catering, Tourism and Hotel Management, Carpentry, Fashion Design, Pottery, Molding, Art and Craft. This investment should effectively respond to the demand for technical and employable skills that employers require, by offering quality vocational skills to the youth.





### ***Investment in agricultural services providing productivity-enhancing technologies***

There are opportunities to provide productivity enhancing technologies, advisory services and financing of agricultural production, including:

- ➔ Building irrigation systems and water reservoirs using the water resources such as River Nile, to avail water for production and mitigate the risks of crop failure during unforeseen droughts.
- ➔ Multiplication and supply of high yielding and disease free and drought resistant seeds.
- ➔ Supply of appropriate fertilizers.

### ***Investment in tree planting and tree nurseries:***

- ➔ Deforestation and environmental degradation in the whole of West Nile region has resulted from tree cutting for firewood, opening land for crop cultivation and using poor farming methods, overgrazing herds of cattle, goats and sheep. The pressure of increased population of frequent migrants from South Sudan and Eastern Congo, fleeing from civil and political conflicts in those countries has seriously contributed to this situation. Investment in large scale tree planting and large scale tree nurseries is an opportunity for substantial income generation, reforestation and revival of the environment. This will in turn create jobs that can diversify sources of income for the local communities.



# SELECTED EXISTING INVESTORS IN THE DISTRICT

## ***Health facilities:***

- Adjumani has 34 Health units categorized into two hospitals, and 32 health centres (IV, III and II). 31 of these facilities are government owned and three are private. Existing investments are also in Healthcare services such as: dispensaries, clinics and drug shops.

## ***Financial services:***

- These include; Stanbic Bank and Opportunity Bank

## ***Education services:***

- The District boasts of 65 Government owned and 12 private owned schools as reported by the district Education Office.

## ***KEY CONTACTS***

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