



## KAMWENGE DISTRICT

## INVESTMENT PROFILE



 **SUSTAINABLE DEVELOPMENT GOALS**



*Empowered lives.  
Resilient nations.*

# KAMWENGE DISTRICT



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

# SNAPSHOT ON KAMWENGE

Geography	
Location	Western Uganda
Neighbours	Kyenjojo, Kyegegwa, Kiruhura, Ibanda, Rubirizi District, Kasese, Kabarole
District area	3,439.4 Km <sup>2</sup>
Arable land area	2300 Km <sup>2</sup>
Socio-Economic Characteristics	
Population (2016 projection)	414,454
Refugees and Asylum seekers (April 2017)	62,250
Languages	Rutooro, Rukiga, Rutagwenda
Main Economic Activity	Agriculture
Major tradeable	Bananas, Maize, Cassava, Sweet potatoes
Infrastructure and strategic positioning	
Transport network	Road network, Railway line (for revamping)
Communication:	MTN, Airtel, Africel, UTL, the internet
Website	<a href="http://www.kamwenge.go.ug">www.kamwenge.go.ug</a>

## GEOGRAPHY

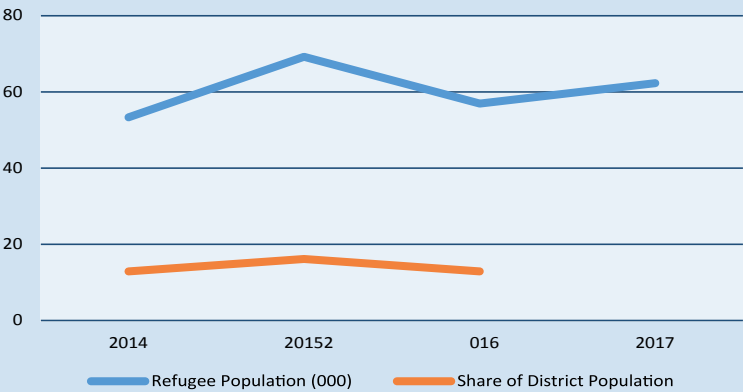
- ➔ Kamwenge District lies in Western Uganda. It is bordered by Kasese district in the west, Kabarole in the north west and extreme north, Kyenjojo and Kyegegwa in north and north east, Kiruhura in the east, Ibanda in the east and south east and Rubirizi in south west.
- ➔ The district covers a land area of approximately 2,439.4 km<sup>2</sup>. It is located approximately 305 Km from Kampala by road.
- ➔ Kamwenge is made up of two counties and one municipal council: 1. Kitagwenda County 2. Kibaale County and 3. Kamwenge Town Council.
- ➔ Kamwenge District is part of the Kingdom of Tooro, one of the ancient traditional monarchies in Uganda.

# DEMOGRAPHY

- The predominant ethnic group in the district are Bakiga, followed by Bafumbira. Other tribes include the indigenous Batoro; Batagwenda, Banyarwanda and several other tribes. The languages spoken include: Rutooro, Rukiga, Rutagwenda, Rufunmbira and Runyarwanda. The tribe are known to peacefully coexist.
- As at 2016, Kamwenge had an estimated population of 442,600, of which 56,938 (13 percent) were refugees. By May 2017, the district hosted 62,250 refugees.
- Refugees in the district mainly come from the Democratic Republic of Congo (DRC). Others migrated from Burundi, Rwanda and Tanzania. They are hosted in the Rwamwanja settlement

areas where they are allocated plots of land to build homes and to farm. They are also encouraged to interact freely, set up shops and other retail businesses. They speak Kiswahili and English and therefore communicate easily with the local community. They also speak French and Lingala.

- Kamwenge promotes the government's exemplary refugee settlement model that allows refugees to interact freely and set up investments, which provides an opportunity to harness their potential to accelerate local economic development. Generally, the refugee and host communities enjoy a cordial relationship, which offers a favourable environment for doing business.



# MAIN ECONOMIC ACTIVITY

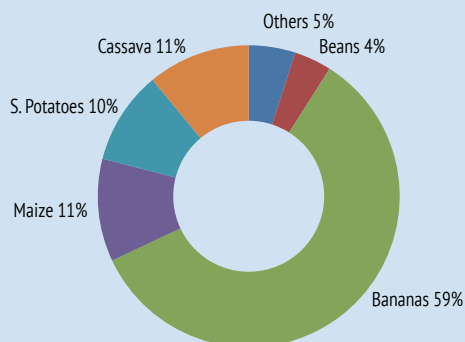
- ➔ Agriculture is the main economic activity and source of livelihood in the district. Bananas dominate the grown and traded crops, followed by Maize, Cassava and Sweet potatoes. Other crops, Sorghum, Millet, Groundnuts, Beans, Tea, Coffee, Cotton, Tomatoes, Cabbage, Onions, and Pineapples are grown on smaller scale mainly for subsistence.
- ➔ Fishing is another important occupation from which the people earn income. With the total production volume of 191,265 Metric Tonnes of major crops, Kamwenge has a strong base for agro processing.
- ➔ Rural trading centres with potential to grow into commercial centres have continued to emerge which is attributed to increased rural road network. Similarly, the extension of electricity in rural areas has increased small scale informal sector activities like welding, carpentry, vehicle repair workshops and other related occupations.



| Banana plantation in Kamwenge District

## ***Involvement of refugees in the local economy***

- ➔ More than 80 percent of the refugees are involved in economic activities<sup>1</sup> including farming, retail business. Some provide casual labour, which offers critical mass for boosting the local economy. It is therefore evident that the refugee population is a positive addition to the district's human resource, if well harnessed



# WHY INVEST IN KAMWENGWE DISTRICT?

## *Existing Infrastructure*

- **Roads:** District rich in road network.
- The Government has invested in upgrading two major roads connecting to Kamwenge making it much easily accessible from Ibanda, Mbarara and Fortportal. These are (i) Mbarara – Ibanda – Kamwenge; and (ii) Fort-Portal to Kamwenge.
- **Electricity:** Reliable electricity is generated by Mpanga Power Station, the 18 megawatts (24,000 hp) mini hydroelectric power project.



| Fort Portal-Kamwenge Road



| Accommodation facilities in Kamwenge

- **Communication:** The district enjoys good access to major mobile telephone networks including MTN, Airtel, UTL, the internet, as well radio stations, enabling the instant/quick communication. One Radio station (Voice of Kamwenge) operates within the District while more coverage is offered by Radio Endiggyito in Mbarara, Voice of Toro, and Rwenzori FM Efurembe as the major ones.
- **Accommodation:** Kamwenge town hosts a wide range of housing including permanent commercial buildings, office buildings, permanent residential houses and apartment blocks. Many hotels offer amenities and comfortable ambience for both tourists and business people

- ➔ **Financial Infrastructure:** the district has two commercial banks namely Finance Trust and Post Bank. There are various Savings and Credit Cooperative Societies (SACCOs) as well as Farmer Cooperatives. A wide network of Banks is concentrated in Kabarole and Ibanda Districts, in the proximity of Kamwenge.

## **NDPII (2015/16-2019/20) Planned Infrastructure projects to boost economic activity**

- ➔ Through the planned Standard Gauge Railway Network, Kamwenge will be directly connected to Mombasa (Kenya) and Mpondwe (DRC).
- ➔ The oil Railway line will be upgraded.
- ➔ Water transport will be provided on Lake George connecting to Rubirizi and Kasese Districts.
- ➔ Improved transport infrastructure is expected to facilitate access to markets and raw material sources in the neighbouring districts, DRC, Rwanda and Burundi, as well as tourism.
- ➔ Kamwenge district has its own Development Plan which provides a framework for policies, growth priorities and resources. Among others, the plan provides strategies for addressing constraints. The Dis-

trict leadership under this plan is committed to the following priorities:

- » Improving communication and health infrastructure promote and implement UPE, strengthening secondary, technical and vocational education in the district.
- » Provision of safe water and sanitation facilities with a view of increasing water coverage in schools and public institutions.
- » Increase household level production and factor productivity in line with prosperity for all.
- » Increase general community awareness, intensification of community mobilization campaigns through functional Adult Literacy will be promoted.

| *Mpanga Hydro dam in Kamwenge*





- » Continued operation, maintenance and sustainability of all investments so that resources are not wasted.

## **Abundant Natural Resources**

- ➔ The district has diverse natural resources that would form sustainable raw material base for industry. These include:
  - » Limestone
  - » Gold
  - » Tin
  - » Marble
  - » Sand
  - » Clay
  - » Quarry Stone
  - » Climate; Two rainy seasons for 3-4 months (January-March and September-December).

- » The district is endowed with numerous wetlands, tropical forests in the Kasyoha/Kitomi region, and Kibaale National Park, which it shares with Kibale District and Kyenjojo District.

## **Skilled and Productive workforce**

- ➔ Kamwenge district is endowed with industrious, technically capable and affordable manpower.
- ➔ The district has reputable industrial institutions offering training in catering, Business and Accounts, office administration, and nursing.
- ➔ Young people have started finding opportunities in and are attracted back to the district after graduating from institutions in other districts. Others come back to start their own businesses and build on the existing manpower pool.



## Tourism Potential

The district is endowed with:

- ➔ National Parks/Reserves such as. Katonga Game Reserve bordering with Kyenjojo and Kiruhura Districts, Kibale National Park bordering with Kabarole and Kyenjojo and Queen Elizabeth National Park bordering with Kasese and Kiruhura
- ➔ Lakes and Rivers such as; L. George which forms border between Kamwenge and Kasese, River Mpanga from Kabarole through Kyenjojo to Kamwenge into Lake George, River Dura which forms Kamwenge and Kabarole Border, River Rushango which forms border between Kamwenge and Ibanda/Rushango Town Council and River Rwambu which forms border between Kamwenge and Ibanda at Rwenkobwa Town Council in Ishongororo.
- ➔ Rift valley escarpments in Mahyoro.

## Administrative support

- ➔ A District Investment Committee (DICs) is in place to spearhead investment attraction, facilitation and aftercare in different sectors. The DIC is a 10-member task force comprising five local government representatives: LCV chairman, Chief Administra-

tive Officer, District Commercial Officer, District Planner and the Lands officer while the other 5 members chosen from the private sector.

- ➔ The district has a one-stop centre led by the District Commercial Officer to facilitate investment start-up.

## Attractive Incentive regimes

- ➔ 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/)



| Kibale National Park

### **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 Depreciation 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.

### ***District Specific Direct incentives:***

- ➔ Investors assisted to access suitable land for industrial and agricultural development. The district has earmarked some land for investors across sectors.



# EXISTING INVESTORS (SELECTED)



| Grain storage facility

- Kamwenge Community Development Project.
  - » A public private partnership between Kamwenge Community Development Project, USAID.
  - » Deals in drying, cleaning, milling, packing and storage of grain. The milled maize is sold under the band 'Kamwenge Pride'
  - » Capacity to process 200,000 MT of grain annually.
- Hima Cement Uganda Limited
  - » Operates Dura Quarry for Limestone
- Simba Mining Company
  - » Operates KITAKA gold mine
- Other investors are in the Tourist accommodation business, operating more than 15 facilities.

# INVESTMENT OPPORTUNITIES

## Tourism

➔ **Cycads in the Gorge- Kanara** The cycads in Mpanga are prehistoric plants that lived at the time of the Dinosaurs (several millions back), they inhabit in Mpanga gorge in Kamwenge district and is the only natural cycad forest in the world. They are categorized as some of the most endangered species of the world by IUCN Red list and act as a source food for baboons. Their scientific name is *encephalartos whitelockii* locally called MUHULE, the forest offers spectacular views of the Lake George and mountains of the moon as you enjoy the breath of rare birds like Great blue Turaco.

## ➔ Opportunities

- » Water based activities such as sport fishing, boat riding, rafting
- » Lodges and other accommodation
- » Tented camps and cottages around Mpanga Gorge
- » Tourism Promotion Centre to promote, advertise and market tourism
- » Transport and guide services

For details, visit the district website: [http://www.kamwenge.go.ug/index.php?option=com\\_content&view=article&id=47%3Apotentials&-catid=34%3Ademo1&Itemid=1](http://www.kamwenge.go.ug/index.php?option=com_content&view=article&id=47%3Apotentials&-catid=34%3Ademo1&Itemid=1)



| Mpanga river/falls surrounded by cycads on the hills



| Hydro power plant at Mpanga, in Kamwenge district



## **Agriculture and Agribusiness**

- The Mpanga River is the eighth biggest river in Uganda. It starts in the Rwenzori Mountains, in western Uganda, and flows successively through the towns of Fort Portal (Kabarole district) and near Kamwenge (Kamwenge district) down to Lake George. The Mpanga region is mostly covered by protected areas (Rwenzori Mountains, Kibale Forest and Queen Elisabeth National Park around Lake George) and rural areas dominated by small holder subsistence farming and tea estates.

### ➤ Opportunities

- » Commercial farming (Agro-Tourism)
- » Large scale Crop production:
- » Agriculture technologies through Public Private Partnerships:
- » seed multiplication to serve areas including neighboring districts
- » Water related tourism activities like water rafting



## **Minerals sector:**

- Kamwenge is endowed with more than 5 minerals as listed above. There is space for investors in:
  - » Mineral exploration
  - » Mineral production



## Contacts

Name	Position	Phone Contact	Email address
Mr. Aggrey Natuhamya	LCV Chairman	0774985242	natuhamyaaggrey@gmail.com
Mr. Masereka Amis	Chief Administrative Officer	0772591659	amis_masereka@yahoo.com kamwengelg@yahoo.com
Mr Bakesiima Patrick	District Planner	0772985080	pbakesiima@gmail.com
Ms. Gillian Twesiigye	District Commercial Officer	0776307979	gilliantwesiigye@gmail.com



**Mrs. Jolly K. Kaguhangire**  
Executive Director, Uganda  
Investment Authority



**Mme. Rosa Malango**  
UN Resident Coordinator/  
UNDP Resident Representative



**Uganda Investment Authority**  
The Investment Centre Plot 22B  
Lumumba Avenue  
P.O.Box 7418, Kampala, Uganda  
Tel: +256-414301000  
Fax: +256-414342903  
<http://www.ugandainvest.go.ug>



*Empowered lives.  
Resilient nations.*

**United Nations Development  
Programme (UNDP)**  
Plot 11 Yusuf Lule Road  
Nakasero P.O.Box 7184  
Kampala, Uganda  
Tel: +256-417112100  
Fax: +256-414344801  
[www.undp.org](http://www.undp.org)