



KIRYANDONGO DISTRICT

INVESTMENT PROFILE



SUSTAINABLE DEVELOPMENT GOALS



Empowered lives.
Resilient nations.

KIRYANDONGO DISTRICT



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

SNAPSHOT ON KIRYANDONGO

Geography	
Location	Western Uganda
Neighbors	Nwoya, Oyam, Apac, Masindi, Buliisa
District area	3,624.1 KM2
Arable land area	1,747 KM2
Socio-Economic Characteristics	
Population (2014 Census)	266,197
Refugees and Asylum seekers (April 2017)	50,935
Languages	English, Ganda, Swahili
Main Economic Activity	Agriculture
Major tradeables	Cassava, Sweet Potatoes, Maize, Beans and Groundnuts
Infrastructure and strategic positioning	
Transport network	Road network,
Communication:	MTN, Airtel, UTL, Internet

GEOGRAPHY

- ➔ Kiryandongo district is located in the mid-western part of Uganda, with its headquarters 218 Km from Kampala. It borders Nwoya District in the North, Oyam in the North East, Apac in the East, Masindi in the South and South West and Buliisa in the North West.
- ➔ The District has a land area of 3,624.1 km² of which 1,747 km² is arable.

DEMOGRAPHY

➔ The 2014 Population and Housing Census recorded Kiryandongo population at 266,197, of which 133,701 (50.3%) are males and 132,496 (49.7%) are females. The population density stands at 74 persons per km2.

➔ The refugees in Kiryandongo belong to diverse ethnic backgrounds basically because of their origin; the Acholi, the Masaaba, Kenyan Luos, the Congolese and the South Sudanese Dinkas, Kuku, Nuer, Kakwa, Madi, and Siluk.

➔ Kiryandongo is hosting refugees who several neighbouring countries:

(i) the South Sudanese who have fled and continue to flee from the

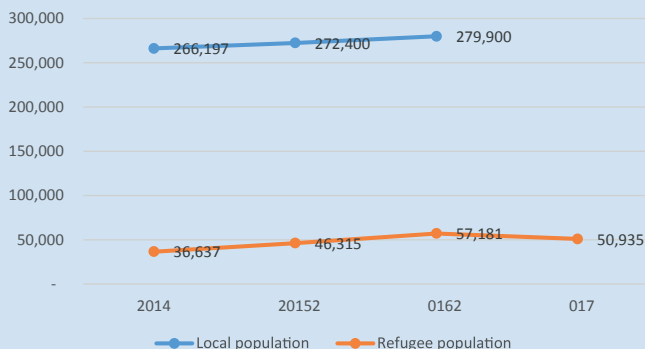
politically triggered violence in their country;

(ii) the refugees who ran from the Kenya's 2007-08 post-election violence. Other groups are:

(iii) the internally displaced persons (IDP) mainly the Acholi who were victims the Kony's LRA rebel activities during 1990s and

(iv) persons displaced by the Eastern region's Bududa land slide in 2010. This is in line with Uganda's transformational approach to refugees that allows them freedom of movement and business. It aims at making refugees in Uganda self-reliant and locally integrated with the host communities thus alleviating their restriction, lack and uncertainty.

Population trends in Kiryandongo district



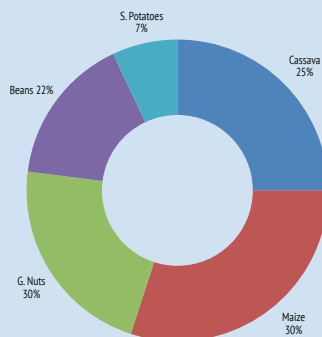
MAIN ECONOMIC ACTIVITIES

➔ The majority of the population in the district are engaged in farming. Major crops grown include Cassava, Sweet Potatoes, Maize, Beans and Groundnuts. Others are Simsim, Rice and vegetables. Cash crops including Cotton, Sunflower and Tobacco are widely grown for income generation. Other major activities carried out include livestock rearing, fishing.

➔ Many people particularly women engage in activities as farming, road-side groceries, market vending, restaurants, hair care, and health care clinics. Men also engage in wholesale and retail merchandising, metal fabrication, carpentry work, motor vehicle repair workshops, taxi driving and boda boda (motorcycle and bicycle) for-hire transportation.

➔ A large percentage of the refugees (74%) are involved in economic activities, agriculture being the main activity at 50% and others being retail business and working as casual labourers to generate income. From this large number of enterprising refugees, it may be assumed that sufficient economic scope

Share of major agricultural commodities in Kiryandongo



| Doreen Aweko, a tailor and beneficiary of Kiryandongo Refugee Settlement Project

and human capabilities exist for the refugees to exploit to gain social-economic independence.

WHY INVEST IN KIRYANDONGO DISTRICT

Strategic Location

➔ Kiryandongo is located at the intersection of Uganda's prime productive northern and southern regions. It is a strategic transit area for bulk goods movement from the western, southern and central districts toward the northern districts and Southern Sudan and DRC. Additionally, the government and partner agencies are committed to supporting the economic development of the district as demonstrated by their underlying infrastructure developments.

Extensive Natural Resources

➔ Kiryandongo has abundant natural resources including fertile land, water resources, able to support commercial agricultural production. Kiryandongo district has a land area of 3,624.1 km² and adequate surface and sub-surface water reserves which can be harnessed and utilized for commercial agriculture and livestock.

➔ The District is generally a plateau land with an altitude of 1,295 meters above sea level. Kiryandongo is endowed with favourable climatic conditions and has a bimodal rainfall pattern; the highest rainfall is normally received in August – November and an annual average rainfall of 1,200mm. This is suitable for largescale agriculture.

➔ Mineral resources potential such as presence of nickel, platinum, chromium and iron has been studied and awaiting confirmation through further tests.

Enabling Environment

➔ Transport infrastructure

Government has heavily invested in strategic projects aiming at consolidating the infrastructural and institutional set ups necessary for attracting and retaining increased investments at national and district levels. Among these include:

Kigumba–Masindi Road connecting Kiryandongo



| *Karuma Hydro Power dam under construction*

District from Kigumba Town in Masindi District and onwards to other districts in the west and southwest. The road has been of gravel surface and the works to upgrade it to bitumen surface have started.

The Kampala-Kafu-Karuma-Gulu links Kiryandongo to Kampala and to the Northern regions. This major road is tarmac and is regularly maintained.

The other roads are classified as urban, rural community access roads and district roads. About 60% in terms of km distance, of these roads are passable by motor vehicles.

Energy Infrastructure

Kiryandongo is supplied with electricity from the main National grid. Karuma Hydro Power Project is a government investment Project located at Karuma Falls on the Victoria Nile in the Districts of Kiryadongo, Oyam and Amuru. The construction of the dam and power station officially started in August 2013, expected to be completed in 2018. The Government motivation for this massive investment is its commitment to lower the unit cost of electricity so as to make industries more cost competitive. When completed, it will produce up to 600 megawatts of electricity which will be added to the National grid.



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Karuma Hydropower Project, besides generating electricity is designed with expectation to improve the surrounding community's services such as access to clean water supply, improved education and health facilities in nearby villages, and enhanced road infrastructure. Such amenities as schools, and health facilities (two hospitals) are to be set up.

Elaboration by: Mr. Sam Kakumba, District Commercial Officer, Kiryandongo

Skilled and productive manpower

- ➔ Kiryandongo district is endowed with industrious, technically capable and affordable manpower. Reputable technical institutions are well established and offer workplace oriented training in many courses. Such institutions include; Uganda Petroleum Institute, Kigumba; Bweyale Nursing School; Kigumba Cooperative College; Kigumba Business Vocational Institute; Kiryandongo Technical Institute among others.
- ➔ In the education sector, the government has invested in

schools to enhance education in Kiryandongo District: seventy-three government aided primary schools; four government aided secondary schools; and two government tertiary institutions.

Supportive Local Government structures

- ➔ The Local Government structures integrate the political structure under the district Chairman and the technical structure under Chief Administrative Officer CAO in order to effectively provide the necessary services. Investors are assisted by the different departments in the local

government depending on the issues at hand. UIA is enhancing the existing local government investor services by promoting the one stop centre concept at the district level. In this regard, the District Commercial Officer (DCO) is the facilitator of new investors, to fulfil all required steps in investment start up.

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

Government Investment

The Uganda Petroleum Institute Kigumba (UPIK) is a government-owned institution engaged in training, research and consultancy in the field of petroleum exploration, recovery, refinement and responsible utilization in Uganda. The institute is located in Kigumba town in Kiryandongo District, Western Uganda.

It was established in 2009 and its first student enrolment was in 2010. The institute will supply most needed technical expertise to the Uganda oil industry. It plans a total enrolment of 220 students by 2019, up from 54 in 2014. In the medium term the government is implementing actions to upgrade this institute from a vocational school to a fully-fledged International University.

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/

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 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 KIRYANDONGO

Logistics Management

➡ Bweyale Township in Kiryandongo has organically developed as a transit or stop over area for bulk goods movement from the western, southern and central districts toward the Northern districts and Southern Sudan and DRC. Kiryandongo is strategically situated with major highway junction areas, which are only 58km apart. These are: (i) Masindi – Kigumba, Kigumba – Masindi Port, and Kampala – Gulu roads junction; (ii) Another junction is at Karuma: Karuma – Pakwach – Arua, Karuma – Gulu/ Lira, and Kampala – Gulu. These junctions/highway intersections create and sustain a natural concentration of bulk movement traffic. Investment opportunities arising out this are:

(i) A logistics service aimed at organizing conducive traffic stop over facilities in the form of paid for terminals. The terminals would offer all necessary amenities for servicing, refueling, weighing, loading and offloading the bulk vehicles as well as conveniences (shops,

lodges, restaurants etc) for the operators and drivers etc.

(II) Establish a transportation cooperative, for the efficient management of the vehicles and related logistics. Instead of one owner micromanaging one or two vehicles which therefore involves many more owners crowding this activity, in the cooperative model the vehicles are managed by hired competent personnel using appropriate transportation ICT applications.

Housing and Hospitality

➡ Investment opportunities exist in setting up of middle and high end hotels, residential, and office houses and warehouses. Kigumba and Bweyale experience influx of people who come for business for a short period. There is therefore demand for good and comfortable hotels and other amenities for the higher income category of people. Investment Opportunities also exists in constructing a hotel in the Murchison Falls National Park.

➡ Moreover, many technical institutions have been

established and are enrolling students from many parts of the country and beyond. Their sustained presence in the areas around the schools is an opportunity to invest in the demanded housing facilities.

- ➔ More well-off refugees are moving into Kiryandongo because of its cosmopolitan nature and opting to self-settle instead of living in the refugee camps. They need housing to rent and acquire.

Commercial agriculture

- ➔ There is opportunity for large scale production of highly demanded commodities such as, Cassava, Sweet potatoes, Beans, Maize and Ground nuts. Sunflower, Tobacco, Cotton.



➔ **Input supply services**

There are opportunities in supplying the services needed for remunerative food production including availing arable land, provision of inputs, provision of farming advisory services and financing of agricultural production. Provision of special extension services oriented to availing and promotion of irrigation services and equipment; promotion and training in new methods of feeding livestock and preparation of long shelf life nutritious fodder.

Upgrading of the fish processing industry

Establishment of fish hatchery in the district to produce quality fish fry for catfish, Tilapia and Mirror carp and this is justified by lack of quality fries for farmers produced within the region. The farmers procure fish fries from down Country especially in Kampala, Wakiso and Mpigi District which is not cost effective. Establishment of fish feed manufacturing factory for quality feeds with standard formulation and this would encourage fish farmers and promote fish farming in the district.

SELECTED EXISTING INVESTORS

Mukwano Group

Mukwano Group is one of the leading companies in Uganda. Its agriculture operations are based in the Lango and Bunyoro subregions. The company has a commercial farm in Kiryandongo focusing on growing Sunflower, Maize and Soya bean which are raw materials for the group's industries. The company also works in partnership with outgrowers.

Its benefits to the community and the country include: Provision of employment to over 45,000 outgrowers, steady and reliable market, social economic infrastructure in form of feeder roads; farming knowledge to the farmers through extension services, corporate social responsibility in education and health.



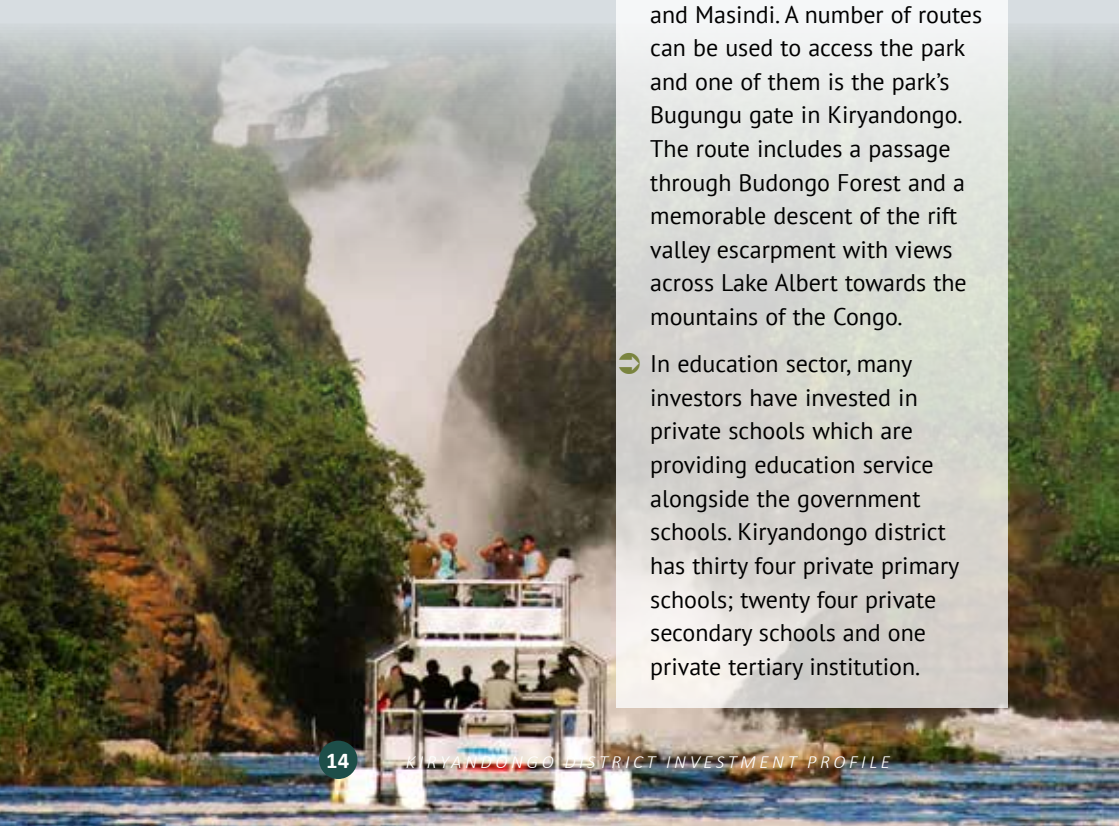
➡ Murchison Falls National Park (MFNP)

Murchison Falls National Park (MFNP) is a national park in Uganda and managed by the Uganda Wildlife Authority (UWA) an agency of the Government. It is found in north-western Uganda, spreading inland from the shores of Lake Albert, around the Victoria Nile, up to the Karuma Falls. Together with the adjacent Bugungu Wildlife Reserve and Karuma Wildlife Reserve, the park forms the Murchison Falls.



The park connects the districts of Buliisa, Nwoya, Kiryandongo, and Masindi. A number of routes can be used to access the park and one of them is the park's Bugungu gate in Kiryandongo. The route includes a passage through Budongo Forest and a memorable descent of the rift valley escarpment with views across Lake Albert towards the mountains of the Congo.

- ➡ In education sector, many investors have invested in private schools which are providing education service alongside the government schools. Kiryandongo district has thirty four private primary schools; twenty four private secondary schools and one private tertiary institution.



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