



# KOBOKO DISTRICT

# INVESTMENT PROFILE



Empowered lives.  
Resilient nations.

# KOBOKO DISTRICT



| Figure 1: Map of Uganda showing the location of Koboko District

# SNAPSHOT ON KOBOKKO

Geography	
Location	Northern Region
Neighbours	South Sudan, DRC, Yumbe, Maracha
District area	820.8 km <sup>2</sup>
Socio-Economic Characteristics	
Population (2017 projection)	229,200
Languages	Lingala, Bantu, English and Kiswahili
Main Economic Activity	Agriculture
Major tradeable	Sweet potatoes, Cassava, Maize, bananas, sorghum, beans, Tobacco
Market target	71 million
Infrastructure and strategic positioning	
Transport network	Road
Communication:	MTN, Airtel, Africel, UTL, the internet
Website	<a href="http://www.koboko.go.ug">www.koboko.go.ug</a>

## GEOGRAPHY

- ➔ Koboko is one of the Districts in the North-Western Region. The district is uniquely positioned at the meeting point of Uganda, Democratic Republic of Congo (DRC) and South Sudan, with the central place called “Salia Musala.” It is bordered by South Sudan in the North, DRC in the West, Yumbe District in the East, and Maracha District in the South.
- ➔ Koboko town is positioned 574 km from Kampala, 3km from the DRC boarder and 16kms from the South Sudan Border.
- ➔ The district has a total land area of 820.8 km<sup>2</sup>.

# DEMOGRAPHY

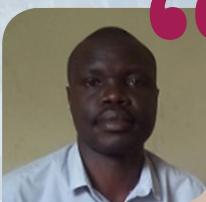
➔ In 2014, the population in Koboko was estimated at 206,495 persons with 50.3 percent of women. It is projected to reach 229,200 in 2017. This population includes refugees from DRC and South Sudan.

➔ The Koboko Town is cosmopolitan, many tribes from Sudan and DRC blend with the Koboko tribes mainly the Kakwa dialect and speak many languages including Lingala, Bantu, English and Kiswahili. People interact easily and communicate in the same languages across the region where the three countries Uganda, DRC and South Sudan meet. The people are a very hospitable.



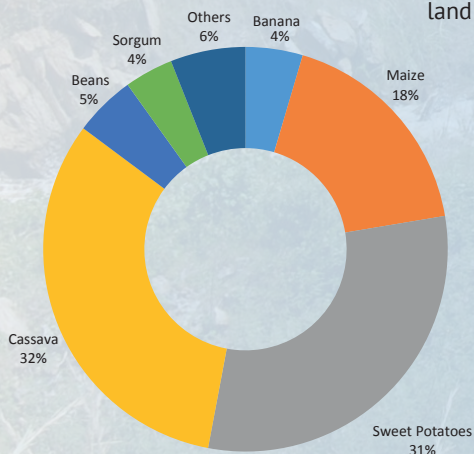
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*The ease of communication makes the trading environment conducive.*



Mr. Alonga Simon Loyuma, Acting Deputy Chief Administrative Officer, Koboko District

➔ Many refugee households have Ugandan relatives who once sought refuge in South Sudan during the 1970s. With these strong ties, refugees settle directly on the main land instead of settlement areas.



| *Major food crops produced in Koboko*



# MAIN ECONOMIC ACTIVITY

- ➔ The livelihood of people in the district is dependent on agriculture which employs over 80% of the total population. Fertile soils and suitable climate combine to support the cultivation of a number of crops in most parts of the District.
- ➔ The dominant food crops are Sweet potatoes, Cassava and Maize, bananas, sorghum and beans.
- ➔ Households also engaged in Tobacco production mainly in the fertile highlands.
- ➔ Production potential for major food crops is estimated at 42,000 Metric Tones.
- ➔ The population is engaged in various businesses, notably general merchandise, transport services, petty trade and agri-business. With the recent opening of the Yei-Juba road and improved security, business has flourished in the District and has attracted many traders in the region.

## *Involvement of refugees in the local economy*

- ➔ More than 70% of the refugees are involved in economic activity, largely in agriculture.
- ➔ Others are engaged in retail business and providing casual labour. Refugees in the district have gained stability in economic activity, having settled in the area for long.



Mr. Bada Fred, District Planner,  
Koboko District

“

*Some refugees are economically well and running businesses across the borders.*

# WHY INVEST IN KOBOKO DISTRICT?

## Infrastructure

➔ **Road Transport:** The district has great potential as an investment location which Government is committed to unlock through prioritized and strategic infrastructure development.

➔ There are two major roads from Koboko to the neighbouring districts and one of them touches the borders with DRC on one end and South Sudan on the other.

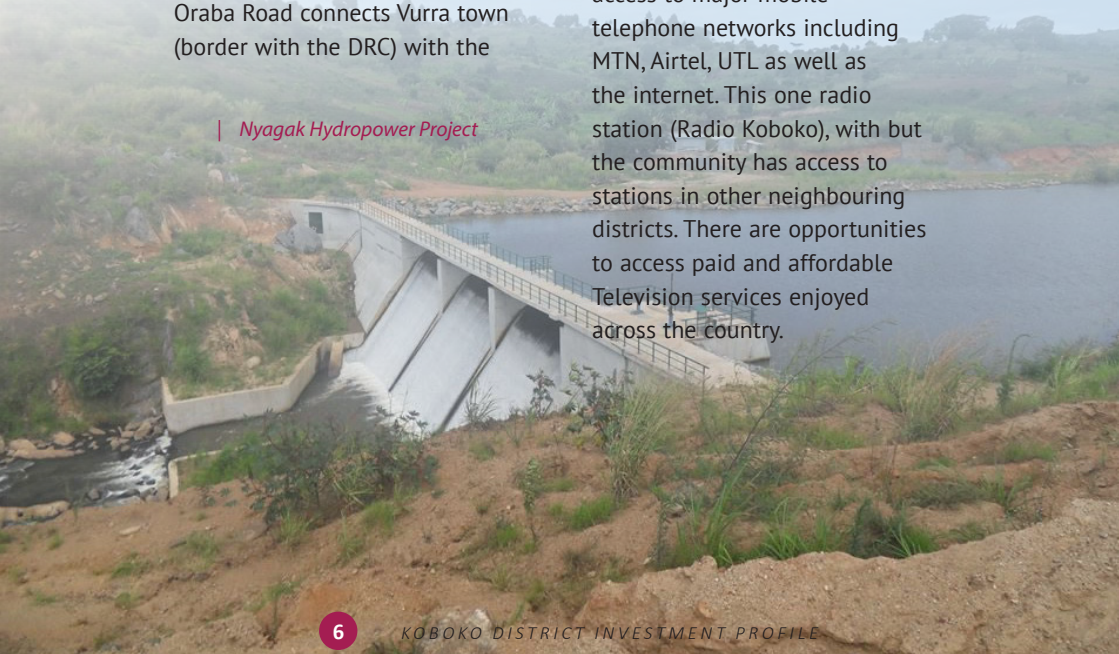
➔ Other roads include: Koboko–Yumbe–Moyo Road about 60km north of Arua Town (gravel surfaced); Vurra–Arua–Koboko–Oraba Road connects Vurra town (border with the DRC) with the

towns northwards, of Arua, Koboko, and Oraba (border with South Sudan). These two roads are earmarked to be tarmacked within the Vision 2040 Planning framework.

➔ **Energy:** The district benefits from 1.5 MW of thermo electricity serving up to 2,800 customers including in neighboring districts of Arua, Paidha, Yumbe and Nebbi. WENERECO is in the process of constructing a 3.5 MW hydro power plant on Nyagak River in Paidha to boost the current supply.

➔ **Communication:** The district access to major mobile telephone networks including MTN, Airtel, UTL as well as the internet. This one radio station (Radio Koboko), with but the community has access to stations in other neighbouring districts. There are opportunities to access paid and affordable Television services enjoyed across the country.

| *Nyagak Hydropower Project*



## **Strategic positioning**

- ➔ Koboko is a prime investment site based on its strategic location within a large market of the population in South Sudan, North and Eastern DRC and Uganda of approximately 71 million people.

## **Abundant Natural Resources**

- ➔ The district is endowed with adequate surface and ground water resources. River Apa, Kaya at the South Sudan boarder, Kechi, Ora and Kochi are the most important rivers in the district.
- ➔ Wetlands cover a proportion of the total District area. This allows water to stay in one place long enough to maximize infiltration and thus access to water supplies for plants.
- ➔ Koboko district has a bi-modal rainfall pattern with some dry spells in June and between November and March.

## **Skilled and Productive workforce**

- ➔ Koboko district is endowed with industrious, technically capable and affordable manpower. The reputable technical institutions

in the district offer training in Kettering, Business and Accounts, office administration, and nursing and annually graduate new human resources. Women and the youth are particularly socially enabled to work hard and earn income.

## **Tourism Potential**

- ➔ Koboko is endowed with unique historical and cultural sites among which are the following:
- ➔ Saliamusala (Tripartiate point); Political landscape showing the border point of Uganda, Congo and South. It signifies a historical land mark of three sovereign states meeting at appoint.
- ➔ The ancestral village where Idi Amin Dada, was born within Congo Uganda border in Koboko. The village home reflects the journey of Idi Amin and his ancestors.
- ➔ Grave yard of the former chiefs of Kakwa called Sultans and the father of Idi Amin Dada also buried at the cemetery of the Sultans
- ➔ Mount Liru as the ancestral home of the Kakwa people; this is the ancestral hill where the



predecessors of Kakwa people lived.

- Adomila Crater Lake a natural site located in Ludara, Koboko district measuring about 0.5 km by 70 meters permanently at middle of surrounding low rigged hills. The only known Crater Lake in northern Uganda.

## Administrative support

- Uganda through its political, legal and institutional structures, its strong economic and social policies as well as the efficient local government organs provides a conducive investment environment in Koboko district.
- Investors are assisted by the different departments in the local government depending on the issues at hand.
- Uganda Investment Authority (UIA) is promoting the One Stop Centre concept at the

district level where the Chief Commercial Officer is the facilitator of new investors, to fulfil all required steps in investment start up.

- UIA has established District Investment Committee (DICs) to spearhead investment attraction, facilitation and aftercare in different sectors.

## 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/)



### 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.

# EXISTING INVESTORS (SELECTED)

- ➔ Education: Koboko Technical School with over 2,500 graduates since its inception in areas of: business, administration and finance, building, construction and the built environment, engineering and manufacturing technologies, information and communication technology (ICT), tailoring, clothing, footwear and textiles.
- ➔ Banking Sector: Stanbic Bank Uganda Ltd, Finca, Centenary Bank.



*Koboko Town Hall*





# INVESTMENT OPPORTUNITIES IN KOBOKO

➔ **Tourism:** Public Private partnership with the Local Government to develop cultural and other tourism sites.

➔ **Education services:** Koboko has only one technical institution, however, more institutions are demanded to build the capabilities of young people and give them confidence to start business enterprises, a multiplier for job creation.



*Cultural diversity in Koboko*

➔ **Natural Resources:** Investment in large scale tree planting and large scale tree nurseries are opportunities for substantial income generation, reforestation and revival of the environment and creation of jobs that can diversify sources of income for the local communities.

➔ **Accommodation:** The district has limited accommodation services. This provide an entry ground for investors in this line of business.

## KEY CONTACTS

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