



THE REPUBLIC OF UGANDA



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Sensitization of Private Agricultural Investors

on responsible land investment

3

Responsible Land Policy in Uganda (RELAPU)





1. Background

The German Federal Ministry of Economic Cooperation and Development (BMZ) created the Special Initiative “*One world, No hunger*” aimed to eradicate extreme hunger and poverty. Special focus is on Action Area 6 “*Promotion of responsible land use and improvement of access to land*”. Responsible land use as well as fair and secure land rights is a precondition for sustainable rural development. In order to promote secure tenure rights and equitable access to land as a means for eradicating hunger and poverty the international community passed the *Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries, Forests in the Context of national food security* (VGGT) to underline its commitment for sustainable land use. The Global Programme on Responsible Land Policy is presently implemented in 6 country: Peru, Laos, Benin, Madagascar, Ethiopia and Uganda.

The RELAPU project presently works with

65

investors.

12

are closely supported as

“core” investors and agreed to work with RELAPU in the field of action.

1.1 RELAPU project

The aim of the Project on “Responsible Land Policy in Uganda (RELAPU)” is to Improve “Access to land as a key prerequisite for poverty and hunger reduction in rural areas for certain population groups, especially women and marginalized groups, in Central and East Uganda”. The approach of the project is to secure fair land use and land tenure rights



for sustainable development and food security. RELAPU is working on three Fields of Action:

- 1) Improve the institutional framework and procedures to secure tenure rights in Central and Eastern Uganda;
- 2) Increase the engagement of the civil society in the formalization and implementation of a responsible land policy.
- 3) Raise Awareness of private agriculture investors and financial institutions about responsible land policy along internationally agreed guidelines and the National Land Policy (NLP).



*RELAPU Targets:
6 private investors in
Central and Eastern
Uganda adhere to
the principles of
international guidelines.*

*Indicator C 1:
In Central and Eastern
Uganda 10 multi-
stakeholder dialogues
between civil society
groups (NGOs,
farmers' associations),
traditional authorities,
private investors and
representatives of the
state on the state of
implementation of
international guidelines
for agricultural investors
and financial institutions
and the National Land
Policy are held.*

investors exist in all districts. Investors were identified with support of the sub-county leadership using snowball sampling. This process led to the identification of 135 investors in the 5 target districts.

A valuation exercise was carried out to find out which investors were interested in working with RELAPU on responsible agricultural investments. Of the 135 identified investors during the baseline study only 65 turned up and participated in focus group discussions of the valuation exercise. During the focus group discussions, all the 65 investors agreed to work with RELAPU.

The summary findings of the baseline study and valuation exercise are presented below:

1.2 Findings from the Baseline study

To better understand the reality on the ground, a baseline study was undertaken prior to the beginning of activities.

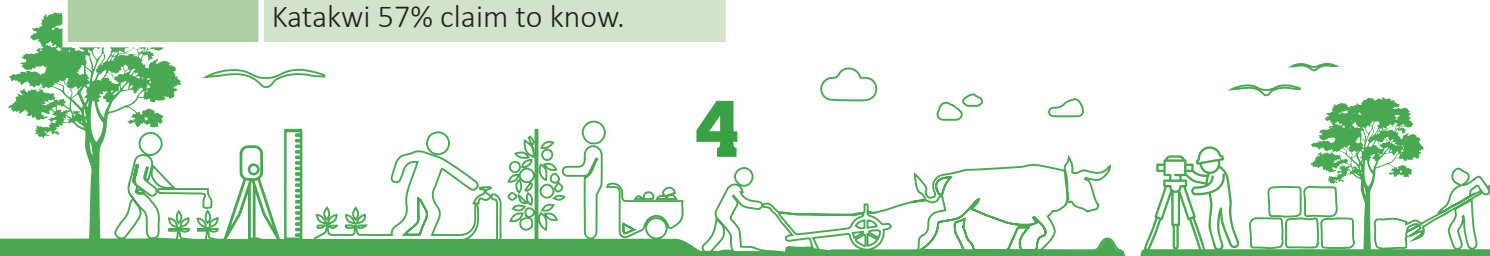
The June 2017 baseline study process targeted national stakeholders to gain a better understanding about the land-based investments in Uganda and specifically, in the RELAPU Project districts of; Mubende, Kasanda and Mityana (in Central) region and Soroti and Katakwi in (Eastern Uganda). Findings show that national



Table 1: Summary of baseline and valuation findings

Information sought	Key findings	Information sought	Key findings
Existence of agricultural investors	A total of 135 national agricultural investors were identified; 60 in the East (Soroti and Katakwi) and 75 in Central (Mityana, Kasanda and Mubende). No international investors were found to exist in Soroti and Katakwi while a total of 4 were found in Mityana, Kasanda and Mubende districts.	Interest in working with RELAPU	All the 65 investors who participated in the valuation exercise showed interest in working with RELAPU to develop their capacities and to adhere to national and international standards on responsible land policy.
Nature of agricultural investments	Agricultural investments found in the project regions include: cash crop production, livestock, poultry, agro-forestry and agro-processing/ value addition. Most investors are practicing mixed investments and there are very few specializations.	Capacity development to adhere to standards	Investors explained that their capacity building can start with raising awareness and knowledge about existing national and international standards on responsible land policy. It could also take place through linking investors to state and non-state institutions that give incentives and support for implementation of standards. The multi-stakeholder platforms in each of the project regions will be used as one of the main avenues for capacity building of the investors.
Experience with regards to land	The majority of investors were found to be small scale investors holding land between 30 and 50 acres. (12-20 hectares) In Mityana, Kasanda and Mubende, 35% of investors are involved in land disputes against only 30% of investors in Soroti and Katakwi.		
Knowledge and adherence to national and international standards on responsible land policy	There is no knowledge of international standards on responsible land policy among investors in both project regions. There is however some knowledge of national laws and guidelines such as the 1995 Constitution, the 1998 Land Act and environmental laws among some investors. 22% of investors in Mityana, Kasanda and Mubende have some knowledge of the national standards and guidelines while in Soroti and Katakwi 57% claim to know.		

Finally, the baseline study and valuation exercise found that there is no existing network among agricultural investors in place which could be used for capacity building. Existence of this network is crucial for running capacity building among investors and successful implementation of Field of Action 3. Networking investors through regional multi-stakeholder platforms and selecting a few investors for close supervision as “core” investors, who would in-turn teach others. This is the mode that is being used to achieve the development of investors’ capacity and awareness on international and national guidelines that foster responsible agricultural investments.



2. The approach

At the onset, the agricultural investors did not have confidence that they are investors who contribute to food security and rural economic development adequately. However, the national agricultural investors believed that there was an opportunity for a close collaboration among themselves, with international investors and other relevant government agencies such as Ugandan Investment Authority (UIA), and the Ministry of Lands, Housing and Urban Development (MLHUD). They also observed that they do not have capacities to adhere to international and national guidelines.

Creating an open platform in which agricultural investors have the chance to regularly exchange their experiences is crucial for RELAPU's achievement of the indicators. Resource persons on relevant issues related to responsible agricultural investment were invited to the forum depending on the needs expressed by the investors. Through this process, information was distributed and capacities of agricultural investors developed. In order to keep a meaningful exchange alive and have sustainable impact on improvement of responsible agricultural investments it is essential to have at least one multi-stakeholder meeting per



Joseph Asutai, a core Investor from Soroti District, tells his story to 58 stakeholders at one of the Teso Regional Multi-stakeholder Platform meeting of how lack of awareness about wetlands regulations led to an intervention by the government requiring costly measures, which could have been prevented by better sensitization about wetland laws.

annum at district level and one per annum on regional level.

However, after implementing this strategy from October 2017 to March 2019, it has become clear that. Investors are eager to have more opportunities to network and exchange information and best practices with each other across district lines hence the target was increased to hold 2 regional multi-stakeholder meetings in each region per year.

Capacity-building of six core investors as responsible agribusinesses focused on four investors (including at least one woman) from Soroti and Katakwi districts and two investors

“

Joseph Asutai's experience below, is a good example of how relevant regional investor multi-stakeholder platforms are.

”



■ Sensitization of Private Agricultural Investors on responsible land investment

(including at least one woman) from Mityana, Kasanda and Mubende districts. The six core investors were selected at the Regional Multi-Stakeholder Platform Formation meetings in November - December 2017. Each of the six core investors had their farms visited and assessed. This was done in order to form an opinion of the status of the investment in regard to compliance to the international guidelines on responsible Agricultural investments and to draft improvement/plans for each Core investor. The improvement plans were guided by the need to improve compliance with national and international guidelines on responsible agricultural investments. All the improvement plans for the six core investors were implemented from March 2018 to February 2019 under the close supervision of the Uganda Agribusiness Alliance (UAA) experts. An evaluation of the implementation of the improvement plans was done prior to agreeing on new improvement plans for 2019/20.

2.1 Implementation

A local NGO, Uganda Agribusiness Alliance (UAA) has been engaged to coordinate and facilitate this Field of Action 3 through:

- I. Linkage of Fields of Action 1 and 2 with fields of action 3: Status updates on FoA 1 and 2 are shared at the district

and regional platform meetings. The updates serve the purpose of updating the investors as members of the community and also to generate discussions on any misinformation, fears and concerns they may have.

- II. Capacity building of the selected core investors and runners-up as champions on international guidelines in responsible agricultural investments, to coordinate and facilitate dialogues within the multi-stakeholder platform and monitor the improvement of the 6 core agricultural investors in the 8 identified areas of responsible agricultural investments contextualized to Uganda
- III. Link the investors to state or non-state actors they express a need to discuss with and or learn from in order to grow/improve in what is expected, what opportunities exist and find a way forward to challenges experienced. Some of the actors the investors desire to interact with are the Investment Authority, Revenue Authority and the Uganda National Environment Management Authority to mention a few.





chosen by the members of the stakeholder platforms. 4 core investors were selected from Eastern Uganda while 2 other core investors were selected from Central Region. In addition, runners-up have been identified for both regions as the interest of farmers to become core investors for the RELAPU project was high.

By March 2019, in Central Region 6 dialogues (2 regional Multi-Stakeholder Platform (MSP) meetings and 4 district MSP meetings – 2 in each district) have been held. In Teso region, similarly, 6 dialogues (2 regional MSP meetings and 4 district MSP meetings – 2 in each district) have been held. Representatives of the state have been well represented, though representation by CSOs has been small but growing.

Success so far

Total of 79 agricultural investors are part of the sensitization process on the principles of large scale land based investments i.e. in both national and international guidelines. This is aimed at “up-lifting” investors from the current status of non-adherence to international and national guidelines to adopt more responsible agricultural investments.

From the initial 65 agricultural investors expected to take part in the capacity building process through participation in the multi stakeholder platforms, by March 2019 there were

79

investors working with RELAPU in this field of action. This represents a

22%

increase from the 65 investors who consented after the valuation meeting.

Outcome monitoring

By March 2019 The number of investors supported by RELAPU was 79 investors. This represents increase of 22% from the initial 65 investors who consented after the valuation meeting. This shows the high interest of investors to be supported by RELAPU.

Of the 79 investors, six investors are closely supported to undergo an intensive training in measures to improve their investments along agreed national and international principles of responsible land investments. At least two of the investors are women. The 6 investors are referred to as core investors and were



■ Sensitization of Private Agricultural Investors on responsible land investment

Capacity building efforts focus on the 6 core investors. All 6 have made presentations to their peers on what they have learned, and 3 have taken on leadership roles of mobilizing investors in their district. Capacity building training has also been done with 6 more “runner up” investors, 4 from Eastern Uganda and 2 from Central; 4 of these runners-up, 6 are women and 2 are youth.

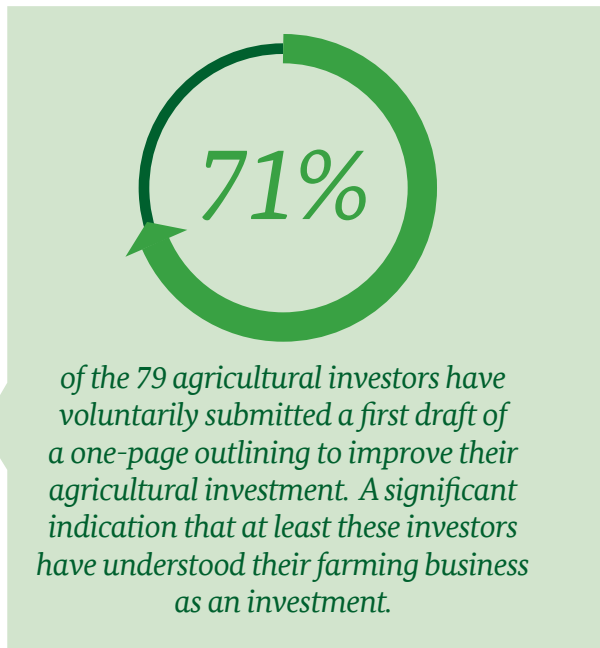
The core investors have committed to improvement plans guided by the VGGT’s that are being closely monitored. The farms of the 6 runner-up investors have been assessed and improvement plans have been prepared for them as well.

71% of the 79 agricultural investors have voluntarily submitted first drafts of a one-page outline to improve their agricultural investment; a significant indication that at least these have understood their farming business as an investment and have



been convinced that they want to further improve their investment and compliance. This includes to improve relations with community and persons around their investment, their impact on the environment, and improve their treatment of the workers they employ.

There is demonstrated improvement in the capacity of investors to question and hold their local district leaders (government) accountable. The investors raised questions related to responsible investment, land tenure, land investment and environment for government to respond to. This stimulated high levels of discussions and understanding among investors. It is also noteworthy that local district leaders are willing and able to answer even difficult and contentious questions from local investors, and see the multi-stakeholder platform meetings as a chance to improve their own access to local investors.



Case stories of “core” Private Agricultural Investors

Experiences of 3 of the „core“ investors after 1 year’s engagement – The responsible Agricultural Investment steps taken		
<p>Okanya Peter has done mainly two things</p> <p>Soil / water management i.e. put some ridges around the plantation to reduce water run;</p> <p>Stakeholder Engagement: held one meeting with neighbours and LC1. Introduced what the farm is doing, how the farm can be secured from negative community activities such as theft, how to improve the relationship with the farms</p>	<p>Loi Kitamirike has Held meetings with neighbors and community members; ensures safety of all employees by providing protective gears; educated the local workforce and working students on the importance of improving soil fertility, controlling pests biologically and on dangers of landfill and recycling farm waste</p>	<p>Simon Peter Areu’s farm identified the LC1 chairperson of the village called Obiro to be at the lead of solving problems or complaints arising in the investment or project. This is done through involving the management team, LC! Chairperson and the neighboring communities through meetings.</p> <p>He plans to have a community meeting and undertake an Environmental Impact Assessment in 2019</p>

Improvement plans of 3 of the 6 runner-up core investors, their commitments towards responsible agricultural investments for 2019		
<p>Okiror Martin Luther, Katakwi District agrees to</p> <ol style="list-style-type: none"> 1. Develop, a mechanism for receiving complaints and concerns which may arise between the investment and stakeholders including local community members and resolving them. 2. Engage stakeholders by allowing the community to use his borehole, giving mango cuttings, free vaccination for local cattle along with his own and develop a plan to periodically update the local community on his investment and plans for improving 3. Continue with the positive environment related activities like tree planting and use cattle manure as fertilizer 4. Treat employees responsibly including having a written employment contract with all current and future permanent workers hired 	<p>Omeke Justine Didi, Katakwi District agrees to seek to have an LIP done for her property to help with resolution of boundary issues.</p> <ol style="list-style-type: none"> 2. Engage stakeholders affected by the investment through: conducting community meetings and Supporting male and female youth to undertake short term courses on agriculture, agribusiness and silviculture 3. Continue the existing activities that have a positive impact on the environment including: Planting trees, conserving natural big trees, and promoting responsible agroforestry. 4. Develop a written employment contract with all permanent workers 	<p>Ann Lutwama, Mubende District agrees to involving LCs to help parties come to resolution of disagreements. In particular, the investor will seek to have an LIP done for her property to help with resolution of boundary issues.</p> <ol style="list-style-type: none"> 2. Engage stakeholders affected by the investment by identifying the key stakeholders, developing and implementing a written Stakeholder Engagement Plan, 3. Plan to improve the situation of local people through actions such as hiring more labourers from the neighborhood, and training them to increase their skills 4. Continue the existing activities that have a positive impact on the environment e.g tree Planting trees, increase the use of mulching and continue developing ditches on the contour of the slope in order to prevent erosion <p>Intercropping vanilla with coffee</p>

Areas of improvement

- There is need for more effective participation in the multi-stakeholder meetings of representatives from the state, private and financial sector and civil society. In the central regional meeting there were 4 local district government officials, while at the Teso regional meeting there were 8 District Officials. The

investors together with UAA are employing different strategies to have participation from a wider spectrum of stakeholders.

- Some investors (mid-range farmers) perceive themselves as farmers as opposed to investors and hence continue to request for agronomic support. In response UAA and the core investors will build collaboration with





agronomic institutions in order to provide agronomic information/training as needed in order to make their investment more likely to succeed. Helping their agribusiness to be more successful is necessary if they are to be influential as “models of responsible agribusiness investment”;

- Currently the Ugandan Investment Authority (UIA) is more focused on foreign investors. However, the District Commercial Officers, who are the local representatives of UIA, have been very active in MSPs and have offered to set up trainings. It is an unfortunate reality that most UIA services beyond basic training require getting an investment license which in turn requires showing at least \$50,000 USD in the bank (this is for Ugandan owned businesses, the amount for foreign owned businesses it is twice as much.) This amount is usually prohibitive for the small to medium sized investments we work with

Way forward

Efforts under FoA3 in the future will be focused on:

- Targeting other stakeholders along the agricultural value chain and interest them to participate in the platform meetings e.g. input suppliers, CSOs working on agriculture, agricultural marketing agencies and financial institutions;
- For the Customary project component, make sure that the land of the 4 core investors is documented under FoA 1 and 2;
- The experience of the core investors will be used to sensitize communities through community meetings or radio stations as case stories of persons the respective communities can relate to in the implementation of project.







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