

KAMWENGE DISTRICT = Investment Profile



MAIN ECONOMIC ACTIVITY













[Road and Air

BRIEF DISTRICT PROFILE

Geography			
Location	Western Region		
Neighbours	Mbarara, Ibanda, Mubende, Fort Portal town		
District area	5,735.3 km²		
Arable land area	1,568.3 km²		
Socio-economic characteristics			
Population (2019 projection)	495,493		
Refugees and asylum seekers (UNHCR)	70,493		
Languages	Runyoro		
Main economic activity	Agriculture		
Major tradeable	Sorghum, maize, millet, peas, groundnuts, sunflower, sweet potatoes, beans, tea, coffee, cotton, tomatoes, cabbage, onions, pine		
Infrastructure and strategic positioning			
Transport network	226.5km total road length		
Communication:	MTN, Airtel, Africel, UTL, internet		
Website	www.kamwenge.go.ug/		



Geography

- Kamwenge District is in Western Uganda and shares a name with its district headquarters, Kamwenge. The district is part of the Kingdom of Toro, one of the ancient traditional monarchies in Uganda. The kingdom is coterminous with Toro sub-region. The districts that constitute the sub-region are Bunyagabu, Kabarole, Kamwenge, Kyegegwa, Kitagwenda and Kyenjojo.
- Kamwenge shares boundaries with Kasese in the west, Ibanda in the south-east, Rubirizi formerly under Bushenyi in the south, Kabarole in north-west, Kyenjojo in the north and Kyegegwa in the north-east. It has a total land area of approximately 2,439.4 km².

Demography

 The national population census and household survey of 2014 enumerated the population of Kamwenge District at 414,454 inhabitants. The same census enumerated the population of Kitagwenda District at 165,354. In July 2019, Kitagwenda District was carved out of Kamwenge, leaving a population of 249,100 (Source: District Planning Unit, Kamwenge)



Main economic activity

Agro-processing and commercial farming are the major economic activities and source of livelihood in the district.
 Bananas dominate the grown tradable crops followed by maize, cassava and sweet potatoes. Other crops include sorghum, millet, groundnuts, beans, tea, nuts, beans, tea, coffee, cotton, tomatoes, cabbage, onions and pineapples, which are all grown on the small-scale mainly for subsistence.



District polulation

249,100

Why invest in Kamwenge District?









Infrastructure

Real estate development | Financial infrastructure

Railway transport









Water transport

Abundant natural resources

Climate

Skilled and productive workforce







Tourism potential | Administrative support | Attractive incentive regime

Infrastructure



Roads

- The government has invested in upgrading two major roads connecting to Kamwenge, making it easily accessible from Ibanda, Mbarara and Fort PVortal. These are:
- · Mbarara Ibanda Kamwenge
- Fort-Portal to Kamwenge.

Electricity

· Reliable electricity is generated by Mpanga Power Station, an 18 MW mini hydroelectric power project.

Telecommunications

· The district enjoys good access to major mobile telephone networks including, MTN, Airtel, and Uganda Telecom (UTL). Internet connectivity, as well as the presence of local radio stations, enables quick communication. There is one radio station (Voice of Kamwenge) which operates within the district. Addiction coverage is offered by Radio Endigyito in Mbarara, Voice of Toro, and Rwenzori FM Ffurembe.

Real estate development



· 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. There is a wide network of banks concentrated in Kabarole and Ibanda Districts, in the proximity of Kamwenge.

Railway transport



According to the NDPIII (2015/16-2019/20), plans are underway to boost the economic activity of Kamwenge through planned infrastructure projects like the Standard Gauge Railway Network where Kamwenge will be directly connected to Mombasa (Kenya) and Mpondwe (DRC).

Water transport



 This can 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, and Burundi, as well as tourism.

Administrative support



- A District Investment Committee (DIC) 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: the LCV Chairman, Chief Administrative Officer, District Commercial Officer, District Planner, the Lands Officer, and five members from the private sector. The district has a one-stop centre led by the District Commercial Officer to facilitate investment start-up.
- Kamwenge district has a development plan which provides a framework for policies, growth priorities and resources. Among others, the plan provides strategies for addressing constraints.
 The district leadership under this plan is committed to the following priorities:
- · Improving communication and health infrastructure.
- Promoting and implementing universal primary education to strengthen secondary, technical and vocational education in the district. This will provide an industry-ready pool of labour for investments.
- · Providing safe water and sanitation facilities with a view of increasing water coverage in schools, public institutions, as well as for domestic and commercial use.
- · Increasing household levels of production and factor productivity in line with prosperity for all.

Abundant natural resources



- The district is endowed with numerous wetlands, tropical forests in the Kasyoha/Kitomi region, and Kibaale National Park, which it shares with Kibale and Kyenjojo Districts.
- The district also has diverse natural resources that would form a sustainable raw material base for industry like limestone, gold, tin, marble, sand, clay and stone quarries.

Climate



 \cdot Kamwenge has two rainy seasons from January to March and September to December.

Skilled and productive workforce



Kamwenge district has technically capable, trainable and affordable manpower. The district
has reputable vocational institutions offering training in catering, business and accounts, office administration, and nursing. Young people are finding opportunities in the district and are
attracted back home after graduating from institutions in other districts.

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 importation of significant plant and machinery costs. Below is a snapshot of selected incentives. For details, refer to the link:

https://www.ugandainvest.go.ug/wp-content/uploads/2019/12/Tax-Incentives-for-2019.pdf

Tourism potential



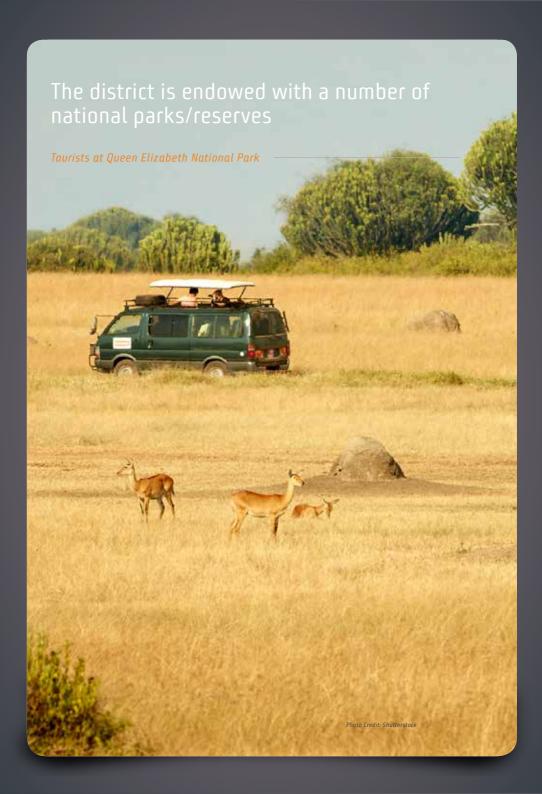
- · The district is endowed with national parks/reserves such as Katonga Game Reserve bordering with Kyenjojo and Kiruhura Districts, Kibale National Park bordering with Kabarole and Kyenjojo and Queen Elizabeth National Park bordering Kasese and Kiruhura.
- · Lakes and rivers provide opportunities for tourism development, such as Lake George which borders Kamwenge and Kasese, River Mpanga which runs from Kabarole through Kyenjojo to Kamwenge into Lake George, River Dura, River Rushango and River Rwambu.

Existing investors

- · Kamwenge Community Development Project
- · Hima Cement
- · Simba Mining Company

Viable investment opportunities in Kamwenge District

- · Water-based activities such as sport fishing, boat riding, rafting.
- Tourism lodges and other accommodation.
- · Tented camps and cottages around Mpanga Gorge.
- · A tourism promotion centre to market the tourism products in the districts.
- · Tourism transport and guide services.
- Commercial farming (agro-tourism).
- · Large-scale crop production: agriculture technologies through public-private partnerships e.g. seed multiplication to serve areas including neighboring districts.
- · Mineral exploration and production.



Specific investment project

Tomato sauce manufacturing





Tomato sauce manufacturing can be a profitable business venture if started with proper planning and preparation.

Production capacity

This business venture could produce a total of 3,000 tins (250g and 500g) per month, which translates into 36,000 tins per year, and on average, daily production of 120 tins.

Setting up

The process of tomato sauce manufacturing includes washing, crushing, concentrating, homogenizing, flavouring and packaging. High quality tomatoes should be used, 25% of soluble weights. The juice must be concentrated and later boiled to attain 30C-35C after which vinegar is added as a preservative. Afterwards, the tomato sauce is ready for packing and distribution.

Capital investment requirementCapital financing can be raised through savings (equity) or through a bank loan

Capital investment item	Total cost USD
Fixed Assets	137, 200
Land	20,000
Land concession	15,000
Site preparation	5,000
Building Works and development	40,000
Facility and equipment	49,000
Generator	300
Pulping machine	10,000
Steam jacketed kettle	1,500
Filling machine	15,000
Stainless steel vessel	6,000
Gumming machine	16,000
Crown corking machine	1,000
Furniture equipment and furnishings	5,000
Office requirements (Computer, tables, chairs, telecom equipment)	5,000
Vehicles	22,400
Preliminary expenses	2,000
Total investment	139,200

Source: Uganda Investment Authority's SME Business Ideas Handbook 2019/2020 (further details on setting up and the phased investment and viability can be accessed from the handbook).

Challenges

- Financial constraints
- · Unfavorable loan terms
- · Fragmentation of businesses
- Small-scale production
- · High cost of power and fuel
- Lack of business incubation centres
- · Large informal business sector
- · High cost of university education
- · Lack of well-developed private sector association

DISTRICT CONTACT PERSONS

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