

KIKUUBE DISTRICT

Investment Profile



ACCESSIBILITY



MAIN ECONOMIC ACTIVITY



Agriculture



Hospitality



Cottage Industry



Manufacturing



Trade



Transport
[Road and Air]

BRIEF DISTRICT PROFILE

Geography

Location	Western Region
Neighbours	Hoima
District area	2,097 km ²
Arable land area	90% of the land is arable

Socio-economic characteristics

Population (estimate as of 2019)	410,000
Refugees and asylum seekers (2019)	110,000
Languages	Runyoro, English, Swahili, Rukiga
Main economic activity	Agriculture
Major tradeable	Fish, maize, beans, tobacco

Infrastructure and strategic positioning

Transport network	Road network connecting to neighbouring districts
Telecommunication	MTN, Airtel, UTL



Photo Credit: Shutterstock

Demography

The district is composed of two town councils namely, Kikuube and Buhimba. Kikuube has five sub-counties namely, Kiziranfumbi, Kabwoya, Buhimba, Bugambe and Kyangwari and two town councils, Kikuube and Buhimba. The district had a population estimation of 410,000 people in 2019. There are 110,000 refugees.

Economic activities

Agriculture is the main economic activity. The people are predominantly farmers growing beans, maize, rice, cocoa, coffee and tobacco.

Kikuube District is endowed with natural water resources, which has made fishing a major economic activity.

Fishing is done on Lake Albert, which covers about 2,268.6 km². Fishing has greatly influenced the social and economic development in the sub-counties of Kabwoya and Kyangwali. Major landing sites include Bugoma and Nkondo. Lake Albert has the most diverse fish fauna in Uganda with species of commercial significance.



PHOTO CREDIT: Google Photo

Minerals

- The district has gold located on River Kafu basin near Nyakabonge Hill, hematite in Nyaituma, salt at Kibiro Hot Springs, kaolin in the south of Kihabwemi trading centre and clays that occur in most valleys in Bugambe, Kyangwali, Kiziranfumbi, Buhimba. The clays are mainly used for bricks and pottery.



Photo Credit: Shutterstock

Lake Albert has the most diverse
fish fauna in Uganda

2.268km²
is covered while fishing on Lake Albert

Why invest in Kikuube District?



Energy resources



Land resources



Attractive incentive regimes



Tourism potential

Energy resources

- Kikuube District has abundant energy resources, especially hydro, geothermal and other renewable resources.
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Land resources

- The district's land area consists of a considerable natural resource endowment that supports livelihoods. The soils support 90% of the district population, which is involved in subsistence farming. It also provides construction materials in the form of sand, clay and stones.
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Attractive incentive regimes

- Uganda's Incentive Regime provides an attractive package for both domestic and foreign investors. The regime has numerous generous incentives, particularly for medium and long-term investors whose projects entail significant machinery and plant costs. Follow the link for an updated tax incentive regime.

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

The investment opportunities in the Kikuube District include:

- Agro-processing,
- Livestock enterprises and value chain development
- An international airport
- Accommodation
- Conference and recreational facilities
- Developing tourism sites
- Construction and fabrication
- Insurance services
- Future petrochemical industry
- Waste management and treatment facilities
- ICT services and facilities
- Fisheries products value chain
- Transportation services
- Micro-financing and foreign exchange bureaus
- Real estate
- Warehousing and facilities management
- Mineral development
- Leather tanning
- Textile industry
- Green house technology

Tourism



- There is biodiversity in terms of species, richness and abundance, species of high conservation value and a varied landscape with many ecosystems. Many areas are of great scenic beauty, interspersed by an extensive system of Lake Albert and rivers. The district also has magnificent features along the Western Rift Valley in the Albertine Rift like salt pan/ gardens, hot springs in Kigorobyia and wildlife reserves in Kaiso – Tonya.
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Specific investment project

Fish processing investment



Photo Credit: Shutterstock

Fish processing is the transformation of raw fish into different products such as fillets. Uganda's main source of fish is in Lake Victoria, supported by other water bodies and artificial fishponds. This has led to increased demand for fresh fish in other areas with no waterbodies and few artificial ponds and creates demand for processed fish products. With this higher demand, Kikuube and its strategic location near Lake Albert make it a prime location for development of fish processing.

Production capacity, technology and process

The targeted scale of fish processing is expected to be 100,000 kg of fish fillet in the first year. This processing capacity is expected to double by the fifth year to 200,000 kg, which translates into 667 kg per day.

Capital investment requirement

The minimum capital for the targeted scale of investment is roughly USD250,000. It is expected to yield an estimated annual revenue from sales to the amount of \$3,400,000 over five years. There is minimal equipment needed due to the simple processing nature. Machinery will only be used for deboning and filleting while the rest of the processing is carried out manually, hence the small size of the capital investment.

Capital investment requirements

The capital expenditure is expected to be made over five years as illustrated in the table below.

Capital investment item	(USD)
Fixed Assets	148,400
Preliminary expenses	2,000
Working capital	86,889
Total Investment Cost (USD)	237,289

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).

Some existing successful enterprises in Arua

- Hoima Sugar, Ltd.
- Bugambe Tea Estates
- Tobacco Companies (Alliance, Global, UTS)

Challenges

- High cost of power and fuel
- Large informal business sector
- High cost of post-secondary and tertiary education in the neighbouring districts

Cost of doing business



- Land cost per acre: **UGX 6 – 10 million**
- Rent cost- per room, per month: **UGX 150,000 – 250,000**
- Business facility rental: **UGX 100,000 – 200,000**
- Labour cost - per semi-skilled labourer: **UGX 200,000 – 300,000**

DISTRICT CONTACT PERSONS

NAME	DESIGNATION	NUMBER	EMAIL
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