

MOYO DISTRICT Investment Profile



MINISTRY OF LOCAL GOVERNMENT
MOYO DISTRICT



ACCESSIBILITY



MAIN ECONOMIC ACTIVITY



Agriculture



trade

BRIEF DISTRICT PROFILE

Geography	
Location	West Nile Subregion
Neighbours	Yumbe district, South Sudan
District area	2,059 km ²
Arable land area	1,867 km ²
Socio-economic characteristics	
Population (estimate as of 2019)	137,489
Refugees and asylum seekers (2019)	None (the refugee camps were carved out of Moyo to Obongi District)
Languages	Madi, Kakwa, English
Main economic activity	Agriculture
Major tradeable	Cassava, maize, sunflower simsim, sorghum, soya beans
Infrastructure and strategic positioning	
Transport	Major road transport
Communication	MTN, Airtel



PHOTO CREDIT: <https://www.westnileweb.com>

Geography

- Moyo District is in the Northern Region of Uganda. The Nile River forms its southern and eastern border, South Sudan forms its northern border, and Yumbe district its western border.
- In total the district covers an area of 2,059km², of which 192km² is rivers and swamps, 172km² is gazetted forest and game reserves. Approximately 78.9% of the district's land is arable or suitable for cattle grazing and the district has a population of 115 persons per square kilometre. The distance from the district headquarters to Kampala via Arua and Gulu is 640 and 480 kilometres respectively.

Demography

- Moyo is mainly a transit point for refugees and asylum seekers from South Sudan, who get settled in Adjumani and Yumbe refugee camps.
- According to the 2014 Census, Moyo had a total population of 137,489, of which 67,937 (49.4%) were males, and 69,552 (50.6%) were female with a population density of 80 persons per square kilometer.
- The main ethnic communities in the district include the Madi, Gimara, Pajulu and Kakwas. They are found in Uganda as well as South Sudan.
- After the refugees are registered in a reception centre, refugee households are allocated plots of land to build homes and work on farms. They are also encouraged to interact freely, set up shops and other retail businesses.

Main economic activity

- Approximately 80 percent of households in Moyo District depend on subsistence agriculture as their main economic activity. Only 9.7% of the population is dependent on earned incomes and 0.4% on property income. The major crops grown include sweet potatoes, sorghum, cassava,

simsim, groundnut, finger millet, maize, cowpeas and beans. Fishing is another economic activity in the district. The Nile River is the main source of fish within the district.

- Moyo Savings and Credit Cooperative Society Limited is largest SACCO with a membership of 8,640 and a share

capital of UGX 369,420,000, a saving portfolio of UGX 5,194,018,087 and a loan portfolio of UGX 4,900,644,804.

It is the only SACCO which supports the business community of the entire district.



Photo Credit: Shutterstock

Why invest in Moyo District?



Strategic location | Enabling environment | Abundant natural resources | Peace and security



Administrative support | Attractive incentive regimes | Energy infrastructure | Transport infrastructure

Transport Infrastructure



- There are two major roads in Moyo connecting to its neighbouring districts. One of the roads, a gravel surface road measuring approximately 110 km, starts from Koboko town, and continues in the northeastern direction, through Yumbe town, ending in Moyo town. The second road starts at Atiak and passes through Adjumani town and from Moyo to Afoji at the border with South Sudan. The 100km road was tarmac but currently is in disrepair. The government has plans to upgrade both roads under the Vision 2040 development framework. The feeder road network in Moyo district has a total distance of 166.5km, which are all in good condition.

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. For the current incentive structure, refer to the link:

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

Abundant Natural Resources



- Moyo District has high natural resource potential such as fertile soils, forest reserves, wildlife, water resources, wetlands and a favourable climate. Its fertile land is viable for agriculture. Moyo has an abundant supply of critical production raw materials such as rock containing lime. Other minerals existing in the rocky landscapes are marble, gold, and hard stone. Fisheries, agricultural crops, spring water sources and tourist attractions are also abundantly available.

Administrative Support



- The local government structures integrate the political structure under the District Chairman and the technical structure under the Chief Administrative Officer (CAO) to effectively provide the necessary services. Different departments assist investors in the local government with the issues at hand.

Energy infrastructure

- The government has focused on expanding electricity generation and supply nationwide to significantly reduce the overall unit cost and make it affordable for industrial and domestic use. Moyo district is supplied with ample voltage and stable electricity by the national grid line. The power supply will be boosted when the Karuma Dam goes into production.

Strategic Location

- Moyo District has access to a large market of the population in South Sudan, north and eastern DRC and Uganda (approximately 71 million people.)

Peace and security

- Since the end of the 1980s, the Ugandan Government's focus has been on governance, peace and security as factors that determine the success of economic policies or, more generally, as major factors influencing the level of national development. This has facilitated the growing confidence in communities in districts in northern Uganda.



PHOTO CREDIT: <http://www.infrastructure.co.ug/>

Viable investment opportunities in Kyegegwa District

Fruit and vegetable industry

The most important markets for Moyo's fruits and vegetable are in South Sudan, DRC and the central region of Uganda. The major fruits for export are mangos, followed by oranges. The main vegetables are cabbages, green peppers, onions and tomatoes. Possible investments in business opportunities under these sectors include:

- Processing of fruits and vegetables
- Production and export of dehydrated fruits
- Organic farming of fruits and vegetables
- Packaging of fruits and vegetables
- Irrigation schemes for commercial farms to ensure harvest throughout the year

Cotton and textile industry

Cotton is a raw material source for the production of various essential products that include cotton yarn, textiles, garments, edible oil, animal feeds, soap and fertilizers. Uganda's cotton is one the best in the world because of its stable length. Several investment opportunities exist in the textile sector including:

- Commercial farming of cotton with further opportunities for organic production
- Clothing and apparel industries supported by electricity from the national grid
- Tailoring and design school
- Cut cloth and contract tailoring
- Production and marketing of organic cotton
- Production of chemicals
- Joint venture partnerships or purchase of shares in the running of textile industries
- Processing cotton to yarn, textile and garments, for domestic and foreign markets
- Processing of cotton by-products like edible oil, animal feeds, soap and fertilizers

Tourism sector

Tourism has been one of the fastest growing sectors of the economy. Uganda has a great variety of natural resources, ranging from freshwater lakes, rivers, mountains and forests to protected areas endowed with unique flora and fauna. The distinctive attraction of Uganda as a tourist destination arises from the variety of its wildlife, and unspoiled scenic beauty. Investment opportunities still exist in areas of:

- Organized tours and travel business
 - Private boat charters
 - Cabin ferry services on River Nile
 - Provision of training schools for the tourism industry
 - Provision of quality hotel facilities that meet international standards
 - Hotel construction opportunities
 - Conference and incentives travel
 - Game sports
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Food and beverages sector

Uganda is East Africa's food basket. Moyo is one of the food baskets for South Sudan and other districts of West Nile which includes Yumbe, Koboko and Arua. It produces root crops, grains and legumes, as well as fruits and vegetables. The wide range of production is made possible by the favourable climate and fertile soil, providing a comparative advantage in a competitive advantage in farming and processing of foods and beverages. Possible investment opportunities are in:

- Value addition to agricultural produce locally available
- Planting and processing of cotton
- Extraction of vegetable and essential oils
- Packaging of cassava, maize and other vegetables for export
- Beverage manufacturing, e.g. mango juice and orange juice
- Commercial farming and processing of sorghum grains for breweries and distilleries of alcoholic beverages
- Establishment of fast food restaurants and international chains/brands

Investment in youth technical skills and capability enhancement

In order to open job opportunities for the youth, it will be critical to have wide access to post-secondary school education in the region. Moyo has only one technical institute. However, there is a high demand to build the capabilities of young people and give them confidence to start business enterprises, a multiplier for job creation. Such technical institutions should impart modern skills in areas of ICT and computer applications, vehicle mechanics, engineering, construction, nursing, catering, tourism and hotel management, carpentry, fashion design, pottery, moulding and arts and crafts. These investments should effectively respond to the demand for technical and employable skills employers require, by offering quality vocational skills to the youth.

Packaging industry

Packaging enables a safe delivery of products to the final consumer. Packaging includes all forms of printed paper, plastic, foil and glass. The basic raw materials for the packaging industries are locally available. The packaging industry in Uganda as a whole meets less than 50 percent of the domestic requirement. Investment opportunities include the manufacture of:

- Cartons and labels
 - Flexible low value-added packaging products, i.e. bags and wrappings such as packaging of cassava flour by Obongi Cooperative Society
 - Flexible high value-added packaging products, i.e. multi-layer plastics such as packaging of Lore-Eyi gravity water flow from Metu sub-county
 - Rigid plastics, i.e. bottles, cans and plastics
 - Thin-walled plastics packaging products
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Existing investments in the district

Moyo Technical Institute

The public institution offers training in areas of automotive, building, construction, electrical installation, electrical repair and electronics, information and communication technology, tailoring, clothing, footwear and textiles.

Moyo Multipurpose Training Centre

The Catholic Church owns the Moyo Multipurpose Training Centre business. It provides accommodation, conferences and events facilities. The business is thriving, with increased demand for services. More NGOs have opened offices in Moyo to assist in the refugee programmes, and they frequently hire the facility for training and conferences.

Other existing enterprises

1. Amatura Cooperatives – processing maize, cassava and packaging
2. Lefori Multi-Purpose Cooperative – rice processing
3. Moyo Beekeeping Association



PHOTO CREDIT: UNDP Uganda

Specific investment project

Making sanitary towels



Due to increasing awareness of challenges in access for women and girls to sanitary napkins or towels for menstruation, there is increased need for production of sanitary towels. The production of sanitary towels as a business idea would also create demand for cotton which is locally produced and in abundance in Moyo. The local sourcing of the key raw material and cotton, should enable competitive production which will make them affordable to more women and girls in the low-income rural communities of the country.

Production capacity

The goal is to produce 4,000 cartons per year which translates into 134 packs per day. Each carton contains 16 packs and each pack contains eight of sanitary pads.

Setting up

The production of sanitary towels requires pulverizing machinery to soften the lint into pulp. The tabletop mini compressor produces 1,000 pieces of sanitary pulp per hour. Most of the machines required for this investment to have a maximum capacity of producing 1,000 pads per hour. This is efficient enough for production. The minimum indicative scale of investment assumes that land is leased, and a purpose-specific building structure will be installed for the production of the towels and relevant storage and office facilities established. A motor vehicle (truck) will also be acquired for purposes of transporting raw materials to the production facility and distributing the finished products to the market.

Capital investment requirements

Capital investment item	Total cost (USD)
1.0 Fixed assets	15,350
1.1 Land concession & development	6,000
1.2 Building works and development	1,050
1.3 Facilities and equipment	4,300
1.4 Furniture, equipment furnishings	1,000
1.5 Vehicle	3,000
1.6 Preliminary expenses	950
2.0 Technology cost	4,300
2.1 Pulverizing machine	1,000
2.2 table top air mini press	1,500
2.3 Sewing machine	600
2.4 Weighing machine	300
2.5 Generator (with silencer)	300
2.6 Water pump	500
2.7 Telecom equipment	100
Total (USD)	19,650

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

- Inadequate infrastructure constrains production in many sectors of the economy. The length of feeder roads network in the district is 166.5km. Only 69.1% is motorable throughout the year due to rain.
- Moyo is one of the districts with the lowest electricity consumption level as most parts lack electricity supply.
- Inadequate skilled manpower.
- Inadequate access to affordable funding and limited financial services for investment.
- Certain elements in the Madi tradition, culture and religious norms are not supportive of modern approaches in society and have limited economic growth and structural transformation.

Cost of doing business



- Average labour (casual) cost per day: **UGX 7000 – UGX 20,000**
- Cost of Land per acre: **UGX 300,000 – UGX 1,000,000**
- Rental warehouse: **UGX 500,000 – UGX 6,000,00**
- Residential property per month: **UGX 250,000 – UGX 1,000,000**
- Water: Commercial: **UGX 4,220 per m³**
Domestic **UGX 3,516 per m³**
- Electricity: Commercial – **UGX 666.1 /kWh**
Domestic – **UGX 752 /kWh**
- Average wage per day: **UGX 7,000 – UGX 17,000**

DISTRICT CONTACT PERSONS

NAME	DESIGNATION	CONTACT	
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