

Economies of scale: Benefits and losses to IPLCs amidst the Oil and Gas and Agro-commodities expansion with reference to the Bugoma landscape



Policy recommendations

1. **Strategic land use plan at the landscape level in the Albertine Graben.** Land use planning will allow for sustainable and optimal appropriate planning. Planning should also aim at strengthening the tenure rights of Indigenous Peoples and Local Communities (IPLCs) of the available land to allow for biodiversity conservation, tourism, agriculture, commercial forestry, and industrial activities. The land use planning can then be integrated through a bottom approach that includes households and communities.
2. **Strengthen commodity market structure and value chains.** Support the development of a strong market structure and governance for agricultural production. These value chain systems will support the already established enterprises such as sugar cane while also streamlining maize, rice, and other enterprises with potential for growth in future. Indeed, the streamlined value chains may attract increased participation from IPLCs, and investors from the outside.
3. **Build the technical capacity of cooperatives and local governments engaged in economic production activities of agriculture and natural resources.** Technical capacity building for cooperatives, and local governments need to be a key component intervention. There is need for capacity to practice good agriculture practices that meet the market demand and standards, need to include sustainable agricultural practices such as climate smart agriculture to ensure that the soil fertility is maintained and improved, water is sustainably used, and external polluting elements are minimised on the farm.
4. **Need to invest in policy instruments for sustainability for the agricultural system, and environment and natural resources.** Long-term contractual arrangements for biodiversity conservation in the wildlife corridor, carbon sequestration, and watershed management undertaken in partnership with the oil and gas companies, the sugar companies and communities will ensure that the sustainable landscape design developed is consultative and participatory, can be financed at landscape level, and works for everyone especially the users and providers of ecosystem services.

Key findings of the Research

- 1 The oil and gas industry is the major industrial sector and the main factor in all future economic planning in the landscape. The Government has provided information on the current and future direct revenue, jobs and indirect industries and employment. However, agricultural land use and commercial forestry are the main factors influencing the economic opportunities available to IPLCs. Therefore, good agricultural practices particularly for subsistence farmers seeking to become commercial is a large opportunity.
- 2 There is a clear strain on ecosystems particularly forests and wetlands due to land use expansion for agriculture, forest depletion for fuel wood, and wetland conversion for rice production, and other land uses. The oil and gas industry and sugarcane production are likely to exacerbate the land use conversion. Commercial forestry thus far is largely concentrated in Hoima and Kikuube districts with supply of wood in the market currently relying on pine and eucalyptus from commercial forest farms.
- 3 Many economic opportunities for IPLCs are constrained by the poor governance of food value, and low technical capacity at local government and for community-based organisations, as well as the IPLCs themselves. This drives communities and immigrants into further encroachment of wetlands and forests, where the monitoring is limited.

The research approach

The overall objective of the research was to assess economies of scale; benefits versus losses to IPLCs amidst the oil and gas and agro-commodities sectors expansion in the Bugoma Forest landscape.

The specific objectives of this research were to:

- i. describe economic activities, provide baseline information on economies, players and explain the issues therein within the landscape.
- ii. and provide a situational analysis with markets and value chain for now and for future inferences.

The research approach adopted was a participatory exploratory and descriptive evaluation design. The information generated was compiled through literature review, field observations, and discussions with key informants comprising district natural resources and agricultural production staff.

The researcher conducted field observations of the value chains of agricultural and forestry commodities and held informal conversations with actors along the value chains of crop and forestry commodities.

The report relies on descriptive analysis of the scale of economic opportunities and challenges for Indigenous Peoples and local communities (IPLCs) in four Albertine Graben districts of Buliisa, Hoima, Kikuube and Masindi.

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