

# Forest-based Enterprises: Opportunities for current and future expansion in Bugoma Landscape amidst developments for the benefit of Indigenous Peoples and Local Communities



## Recommendations

1. Forest Based Enterprises (FBEs) must undertake a market analysis for their different products (honey and other bee products, community tree planting, green charcoal briquettes, fruit tree growing etc.) to identify the market size, growth, trends, customer segmentation, competitor analysis as well as the business environment.
2. FBEs are recommended because they are a major vehicle for fighting poverty in Uganda (Ministry of Finance, (2000), IMF(2005), FAO (2006)) and are a major investment in forest conservation and restoration, according to a report in 2021 by World Economic Forum, on investing in forests.
3. The Uganda Timber Growers Association (UTGA) acknowledges that FBEs are important source of employment as well as a source of raw material for wood-based and non-wood based value chain and are therefore recommended.
4. The World-Wide Fund report in 2020, on forest stocks, product technologies and market value chains in the Greater Virunga and Semliki-Albertine landscapes emphasizes and recommends the role of forest value chains in industrializing the forest sector in Uganda.
5. The study recommends investing in green infrastructure (planting trees and caring for or protecting existing forests) to sink carbon, generate carbon credits, generating income while fighting climate change.

## Main findings

### 1 Threats to FBEs in Bugoma landscape

There are different forest products that are traded including foods and beverages (juices, jam, edible leaves, mushrooms, and jellies), bee-keeping products (honey, wax, and propolis), handicrafts (baskets, drums, fiddles), gums/resins, flavors/fragrances (spice and essential oil), furniture (mainly timber), wood (for firewood and charcoal) and cosmetics (oil used for making soap and toothpaste). However, there is competing land use between forestry and agriculture, seen in the growing of sugarcane (Vulli, 2021) that is now outlawed by National Environment Management Authority, in September 2022, through a notice to cancel the use of forests in the Bugoma landscape for sugar cane growing.

Government of Uganda embarked on oil and gas developments leading to establishment of Hoima International Airport, Kabaale Oil Refinery, and Kabaale Industrial Park and the road infrastructure, established against the will of IPLCs (Muriisa, 2018). Efforts by civil society and rights-based organizations have not yielded results. Thus, the environment, forests, and FBEs, in general, are encroached upon and thereby affecting their potential to provide ecosystem services and livelihoods.

## 2 Participation of women, girls and youth in forest-based enterprises.

Women, girls and youth have not fully participated in the production of FBEs and therefore not benefited from the revenue. Gender participation in FBEs is low and gender equality and social inclusion are yet to take root (Banana et al, 2012). However, gender roles and rights are only beginning to take root as they are currently centered on the collection of firewood, forest food for family use, and operations relating to tree nurseries.

## 3 Limitations to IPLCs quest for livelihood improvement through FBEs.

IPLCs are interested in engaging in forest business enterprises but the success and likelihood of progressing are low given that the IPLCs lack financial resources, technologies, and necessary skills to exploit the resources adequately. They are experiencing *price decline, unable to make profits, lack the equipment* to improve the quality of products, *some lack market, and skills to organize and expand* their enterprises. If these are improved, then FBEs can continue to be implemented to increase incomes and improve livelihoods.

## 4 Existing nature-based business opportunities in the area

Among nature-based opportunities, categories related to growing trees for carbon trade and green charcoal productions such as energy-efficient briquettes with high calorific value were seen as plausible opportunities as FBEs. But they would require substantial amounts of funding for investments. Additionally, agri-businesses should incorporate forestry as agro-forestry is known to provide diverse options and livelihoods.

## Methodology

The methods developed for this study included a literature review, to understand current research on FBEs, what has been done, and the unknown in the study area.

Key informants' interviews of officials in various government agencies, local governments of Kikuube, Hoima, and Masindi, private actors, and practitioners of FBEs were conducted.

Focus group discussions were mainly employed at the community level and helped to gather information about local-level activities, challenges, and aspirations on FBEs. They were particularly conducted in Hoima, Kikuube, and Masindi.

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