

# Promise Tracker

**New special report.** The Promise Tracker is *Daily Monitor's* weekly special report that will track the promises made by leaders of all categories as well as public agencies to the people. The aim is to cause accountability, show status and analyse whether it was a realistic, unrealistic or empty promise.

## Mbale Industrial Park yet to see light of day five years later



**Delayed.** Part of the industrial park in Doko Village in Bukasakye Sub-county. Some of the affected residents claim they have not been compensated in order to vacate their land. PHOTO BY FRED WAMBEDE

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### THE PROMISE:

In the run up to the 2016 general election, the ruling National Resistance Movement (NRM) released its manifesto for the period 2016-2020 in which it reiterated its commitment to creating conditions that would catalyse investment in the industrial sector.

The party identified investment in the creation of business and industrial parks as one of the ways through which this would be achieved.

"Industrial parks will be developed with infrastructure: roads, railways, water, Internet and power. Support technological innovation by increasing the innovation fund. Support to the Kiira vehicle project will continue until a car is put on the road," reads the manifesto in part.

However, the promise to create industrial parks in diverse parts of the country was not new. It dates back to the middle of the 2000s when the Uganda Investment Authority (UIA), on the prompting of President Museveni, announced that it would be setting up industrial parks in different towns across the country.

Pursuant to that announcement, the President penned a February 8, 2007 letter to the Planning Commission of the Ministry of Finance, Planning and Economic Development in which he advised it to provide resources to help UIA invest in infrastructure such as roads and ex-

## 758

**Compensation disputes.** Seven hundred fifty eight of the 864 families that had been resident on the land were compensated, leaving 106 unpaid. Unpaid families have continued to occupy the land and refused to heed appeals to leave as UIA finalises processing of their pay.

tension of water and electricity to the gazetted industrial and business parks.

The roads were meant to be constructed under a special arrangement that saw UIA sign a Memorandum of Understanding with the Uganda National Roads Authority (UNRA), while National Water and Sewerage Corporation (NWSC) and power distribution firm, Umeme, would extend the utility supply lines.

Mr Museveni argued that this was very much in line with Point No.5 of the NRM's 10-point programme, which laid emphasis on the "building of an integrated, independent and self-sustaining economy".

The initial plan had been to develop the industrial and business parks in 20 different towns, but another three were added. Among those 23 that were to benefit from the announcement was Mbale Town, the regional and economic capital of Bugisu and the Elgon region.

Others that had also been lined up to benefit included: Arua, Lira, Gulu, Soroti, Mo-

roto, Tororo, Iganga, Jinja, Masaka, Luwero-Nakaseke, Nakasongola, Mbarara, Bushenyi, Kabale, Kasese, Fort-Portal, Hoima, Rakai and Mubende towns.

The plan was not about decongesting Kampala alone. It was about zonal industrialisation, creation of employment opportunities and helping with value addition.

The bigger picture entailed helping to stimulate economic growth from about 6.5 per cent per annum as of 2005 to about 8.2 per cent and also helping in the realisation of the aspiration of transforming Ugandan from a peasant to a modern prosperous country as spelt out in the Uganda Vision 2040.

Mr Museveni instructed the Ministry to get at least 500 acres of land and parcel them out into five acre plots of land ready for allocation to any investor.

The parks would then be provided with access roads, provided with running water and connected to the electricity grid.

He also directed that allocation of land should be based on compatibility. Food processing plants, for example, were not to be put in the same parks as garments manufacturing or chemical industries.

He also insisted on regional distribution of industries based on either a region's agricultural produce or availability of raw materials that an industrialist might require.

The Mbale Industrial Park is located in Doko, Makumbo and Masanda villages in Bukasakya

Sub-county, on the Mbale-Tororo highway in Mbale District. The actual size of the land is difficult to tell. While local authorities believe that it is within the region of 800 acres, figures from UIA seem to suggest that it is 619 acres.

Similarly, there are conflicting figures surrounding the cost at which the money came. While there are those who say it was acquired at Shs3.1 billion, others say it had cost Shs4.5 billion. The only certainty about this land is the month of acquisition, which is April, 2008.

UIA is said to have obtained a land title for the said land and carried industrial cadastral and topographic surveys ahead of the planned allocation of land to an estimated 30 entrepreneurs who had been expected to create at least 12,000 jobs within the first year alone.

### Industries

Industries in Mbale were meant to concentrate on: Grain milling, especially wheat, fruit processing, dairy and coffee processing.

Prior to his death in October 2015, the late State minister for Industry, Dr James Shinyabulo-Mutende, had revealed that some Ugandans and investors from Italy and America could not wait to open up projects in the said park.

Following the acquisition of the land, President Museveni was in the second week of June 2012 in Mbale where he laid a foundation stone to mark the official opening of the park.

"If we can have 30 more industries here and they employ our people, we will have over 30,000 jobs for our unemployed youth and also get foreign exchange. We want this park to have industries to process your coffee grown in the mountains... Our children looking for jobs will find them here," he said during the ground breaking.

However, more than five years since that event and giving an insight into what the opening of the park was likely to bring to the town and the region, the park has never gotten operational.

Development of the park ran into a wall after compensation disputes arose. 758 of the 864 families that had been resident on the land were compensated, leaving 106 unpaid. Unpaid families have continued to occupy the land and refused to heed appeals to leave as UIA finalises processing of their pay.

Some of those who were actually compensated have since turned around to claim that what they were paid is too little to allow them acquire alternative pieces of land.

Some of those who occupy the land were not registered by the Government Chief Valuer and are not eligible for compensation, but they too have refused to quit. Mr Museveni, was one of those who appealed to the encroachers to quit.

"Those still occupying the land should leave in good faith. This land belonged to Bugisu Cooperative Union (BCU) and government paid BCU for it. You may have encroached on it without knowing but we will let you harvest your crops so that we can expand the industries here," he said during the ground breaking, but his calls have never been heeded.

## IMPACT

Though it is the biggest producers of Arabica coffee, grain and cereals such as wheat, maize and sorghum and other crops such as bananas, the Elgon region has no value addition facilities worth writing home about. Apart from the coffee processing carried out by Bugisu Growers Cooperative Union (BCCU) and the grain processing carried out by Elgon Millers, value addition remains largely unexplored.

Despite the existing of an industrial area in the industrial division of the town, the

town has no major industries. The biggest industrial player here is Uganda Clays Limited, which runs a building and roofing materials' making unit on the Mbale-Tirinyi highway. The sum total of this is that unemployment has been running high.

The opening and industrialisation of the industrial park was therefore meant to address the unemployment question and also help in the areas of value addition and increase of household incomes among farming communities. All these have not been achieved.

## VOICES



"The industrial park is a good government project which should be embraced. We are praying that it is established because it will bear good fruits. It will provide us with jobs and empower farming and business communities and boost industrial development,"  
BERNARD MUJASI, MBALE DISTRICT CHAIRMAN.

"Mbale Municipality is one of the most competitive and attractive business centres in eastern Uganda due to its closest proximity to Kenya, but industrial growth has been coming at a very slow pace. We, however, believe that everything will change once the industrial park becomes operational. Government needs to speed up the compensation process,"  
MUTWALIBI ZANDYA, MBALE MAYOR



"It is not good that UIA has taken so long to resolve the compensation issue surrounding the park. The delay has not been good, but once it takes off, it will mark a turning point in the history and life of Mbale as a town. It will boost investment initiatives and attract investments,"  
JAMES KUTOSI, PUBLIC RELATIONS OFFICER, MBALE MUNICIPALITY.



"The park should enable the town to rediscover itself, especially following the massive collapse of industries like the African Textile Mill (ATM), Mbale Soap Works and Sudaplast Shoe Factory, not to mention the former Dalry Corporation and Uganda Stationery Industries plants. Things must be sped up,"  
YASIN WABOMBA, DEPUTY SPEAKER MBALE DISTRICT COUNCIL.



Pending. Part of the land where the Mbale Industrial Park will be established. PHOTO BY EDDY MUMBERE

## MONITOR'S POSITION

While it is true that some of the delays in the commencement of the project have been caused by encroachment on the land, the biggest problem here is that UIA and the government did not pay out fair and adequate compensation to the landowners in a timely manner, which seems to have become a chronic problem around several major projects such as the Entebbe Express highway, the Mbale-Lwakhakha and the Kampala Northern bypass. The scenario would therefore suggest gross inefficiencies in planning on the part of UIA, the

Planning Unit of the Ministry of Finance and Economic Planning and the government.

Had planning units in those departments been efficient, they would have embarked on planning for the Mbale Industrial Park, making designs for it and acquiring the land immediately after Mr Museveni penned the 2007 letter in which he directed them to open up industrial parks in the 23 different towns. Government agencies charged with such responsibilities must be assisted to up their planning game.

## OFFICIAL EXPLANATION

The Executive Director of the Uganda Investment Authority (UIA), Ms Jolly Kaguhangire, said UIA is working on ensuring that it pays the 106 families that have never been compensated for their land before the end of this month.

She said top on her agenda at UIA is to ensure that industrial parks are functional.

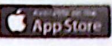
"Functional industrial parks covering four regions of the country will be developed by the end of four years, beginning with the completion of Kampala Industrial Business Park (KIBP) Namanve, Nakasongola and others," she said.

Ms Kaguhangire who was recently on a tour of UIA industrial and business parks in the districts of Moroto, Napak, Soroti and Mbale in eastern Uganda and held a meeting with Mbale District leaders led by district chairman, Mr Bernard Mujasi, urged them to embark on public awareness campaigns to ensure that residents appreciate the benefits of industrialisation.

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