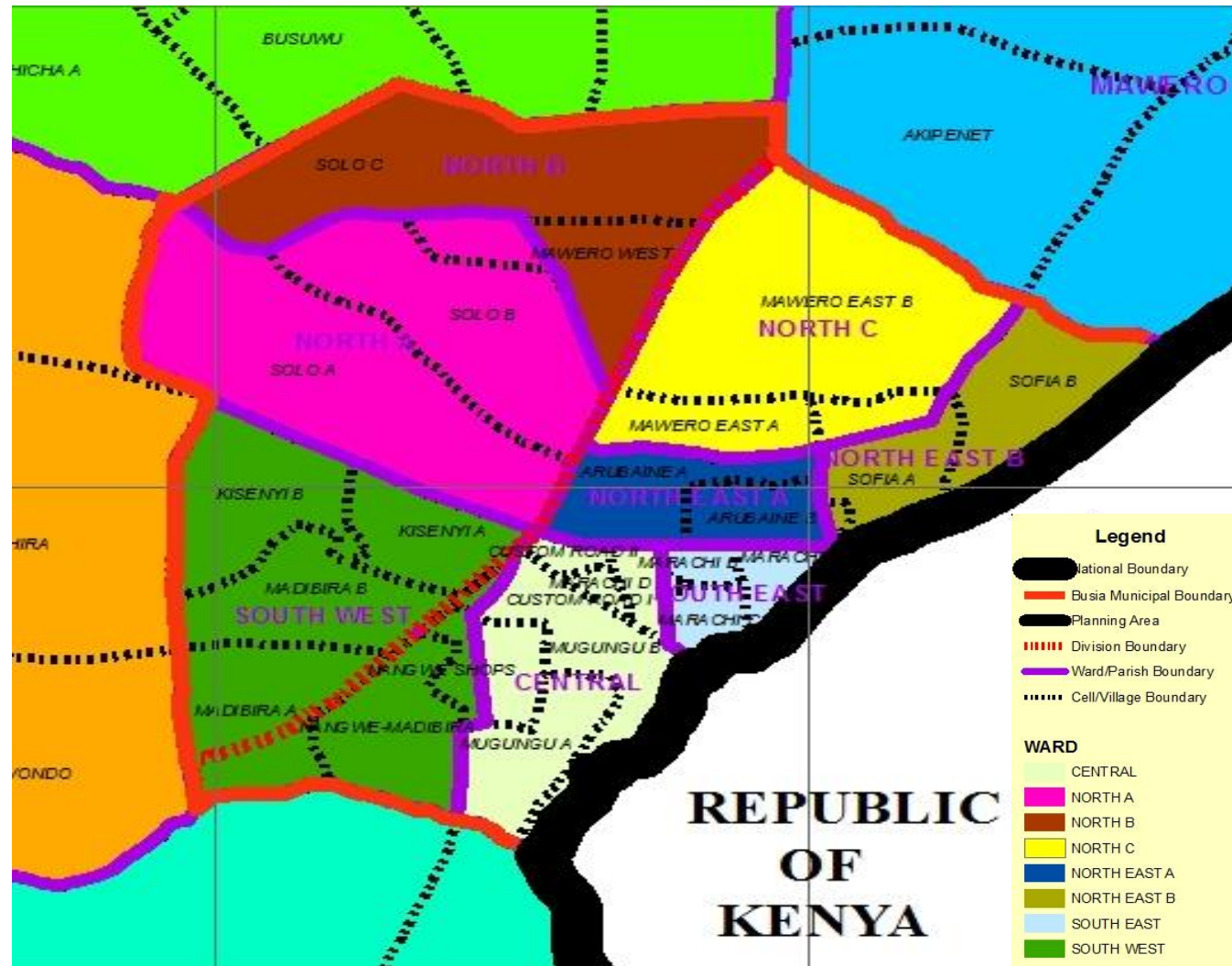






# Administrative boundaries



# Forward by the Mayor

Investment is generally known to be a key player to local economic growth and development because of its linkages to capital and technology flows coupled with management expertise and jobs creation for the local population. This Investment Profile highlights opportunities available in Busia Municipality and underscores the importance attached to attracting Investments (local and foreign) to the Municipality for Local Economic Development (LED).

The profiling of investment opportunities is the first step towards the investment promotion initiative intended to position Busia Municipality as preferable investment terminus for many investors. It is an expedition that binds together two or more parties with mutual interests. The parties involved include: firms/entities seeking new investment opportunities and the Municipal Authorities seeking new investors. The Municipal Council has economic and social objectives to fulfill and has to entice investors through the available investment opportunities. As a strategy for resource mobilization, Public-Private Partnerships should be encouraged if the desires and intensions of the Council are to be achieved.

Important to note is that Busia District in which Busia

Municipality is located commands the second largest economy in the Bukedi Sub region with a per capita GDP of \$270, second to Tororo. The Municipality's location at the international border is a key strength for the local economic bargain.

It is therefore a great pleasure for me to extend my invitation to potential investors to make Busia Municipality their choice. The Municipal leadership at all local levels is committed to supporting private sector led growth which includes investments. The success of already established businesses in the area is testimony to this fact and should be an incentive to other potential firms to invest in the Busia.

Amin

# Message from the Town Clerk

It is an honour to present this, the first Investment Profile (IP) for Busia Municipality, representing a new approach to investment promotion as stipulated by the Local Economic Development Policy under the Government of Uganda.

The Investment profiles are an initiative by the Municipal leadership to strengthen the strategic management that supports private sector led development. This is in line with the Government of Uganda Investment Code and Free zones Act that urges Local Governments to attract investments for local economic development.

The profiles highlight key areas where the Municipality will strive to advance and fast-track the delivery of services so as to spur investments. Focus will be on improving economic infrastructure, regulatory systems and Public-private Partnerships. They provide an insight into the local economy in summary.

Great thanks to all the Heads of Departments for your valuable input into these profiles. Special thanks go to the Senior Planner, Mr. Egessa Aggrey, for successfully coordinating the process.

The Municipal Council in a special way acknowledges the financial support extended by the Central Government of Uganda, without which it would have been difficult to accomplish this task.

We look forward to building on the lessons learned from this first Investment Profiles to ensure effective allocation of resources to the highest priorities of the people of Busia Municipality.

Joseph

# Snap shot of Busia Municipality



## Location

- Busia District, Eastern Uganda.
- Aprox. 196 km east of Kampala,
- approx. 50 Km south of [Tororo](#), and
- about 27 km north of L. Victoria.
- It is at 0°28'01.0"N, 34°05'24.0"E
- (Latitude: 0.4669; Longitude: 34.0900). Altitude: 1,198 Metres
- (3,930 ft) above sea level



## Neighborhood

- Republic of Kenya in the East, Dabani sub-county (South), SIKuda sub-county (West) and Buteba sub-county (North)



## Municipal Area

- 7.7 sq km



## Population size

- Males 25,474
- Females 29,324
- Total Population: 54,798 in



- Household size: 4.1

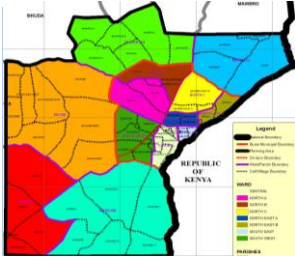


## Ethnicity

- Basamia/Bagwe - 38.0%
- Basoga - 14.7%
- Baganda - 8.0%
- Itesot - 7.0%
- Ohters – 23.3%

## Social and Economic Characteristics

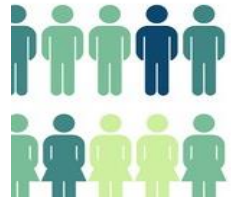
	Main Economic Activities	Trade, Manufacturing, Hotels, restaurants and eating places	Data Source
	GDP	USD 14,576,268	
	GDP per capita	USD 266	
	No. Manufacturers		
	No. Exporting firms		
	No. Cooperative Societies		Office of Planner & Commercial Officer
	No. Supermarkets	05	Office of Planner & Commercial Officer
	No. Shopping malls	01	Office of Planner & Commercial Officer
	No. Local Market Facilities	04	Office of Planner & Commercial Officer
	No. Financial Institutions	06	Office of Planner & Commercial Officer
	No. Cultural & Religious Tourism Sites	00	
	Total Length of Road Network (Kms) -Paved, Gravel, Unpaved Earth)	231.3 27.04 77.4 186.7	Municipal engineer
	No. Hotels, Guest Houses, Lodges & Inns		
	No. Recreation centers	02	
	Sports Stadiums	00	Office of MEO
	No. Health Facilities	02	
	No. Secondary Schools	12	Office of MEO
	No. Primary schools	39	Office of MEO
	Water - Area covered by NWSC in kms	35.2	
	No. Gazetted Forest Reserves	00	
	No. Wetlands	07	
	No. Community Based Organisations	03	



# Geography and Administrative Units

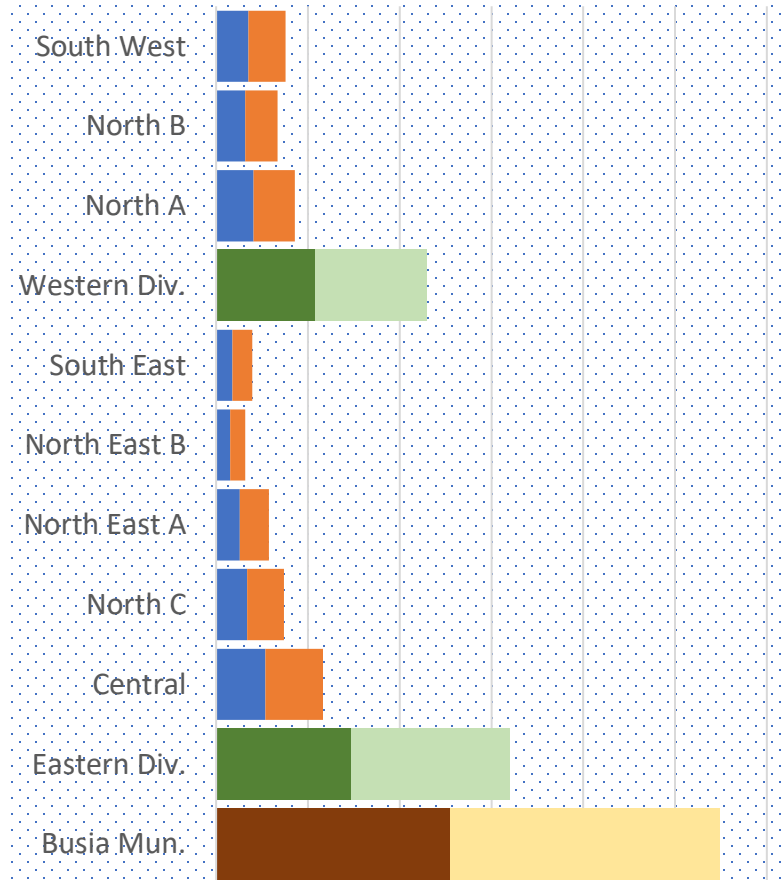
The Municipality has 34 administrative units broken down as follows:

- i) 2 Municipal Divisions (Eastern & Western Divisions);
- ii) 8 Wards (Central, North C, North East A, North East B, South East, North A, North B and South West); and
- iii) a total of 24 cells/Villages



# Demographic Profiles

## Population Distribution by Division & Ward



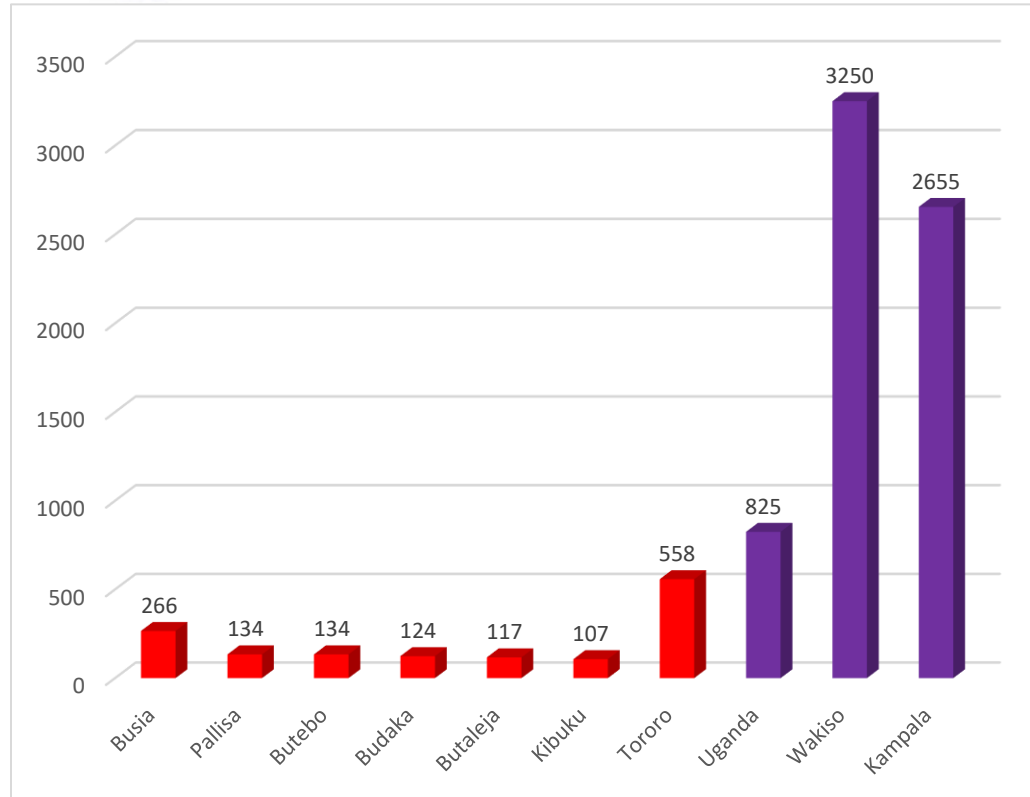
According to the UBOS Area Specific profiles (2017), the Municipality had 54,798 people of which 25,474 (46.5%) were males while 29,324 (53.5%) were females.

Eastern Division was more populated with 31,935 (58.3%) of the Municipal population. Central Ward in Eastern Division had the highest population.





## GDP RANKING FOR BUKEDI DISTRICTS

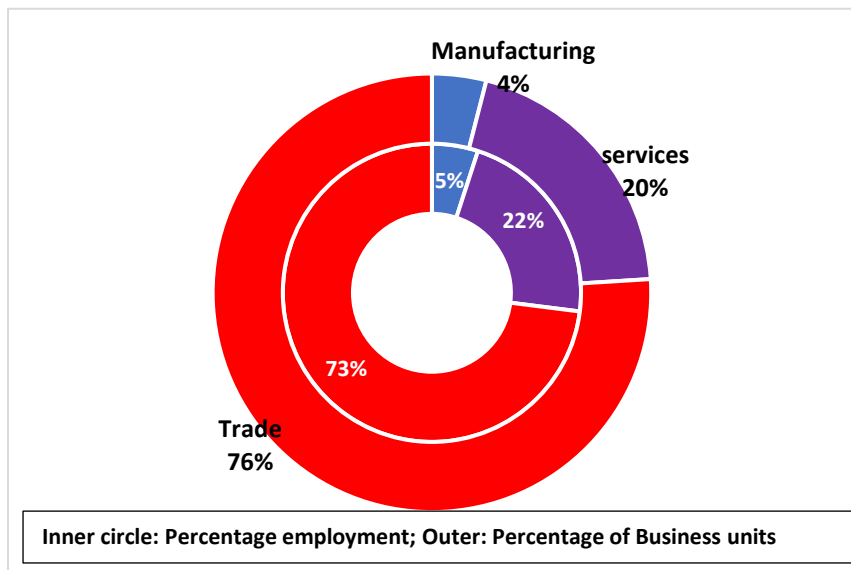


Busia district (home to Busia Municipality) has a per capita GDP of about USD. 270, just above twice the per capita GDP of most districts in the sub region, except Tororo. The higher GDP per capita for Busia than most of the sub region is explained by the existence of Busia municipality, which is a major border urban centre with a lot of economic/commercial activities. Busia's GDP is still quite low compared to the national average of USD. 825 and the richer regions such as Kampala and Wakiso where the GDP per capita is USD. 2,655 and USD 3250 respectively.

Figure 7: Percentage Sector Contributions to Business units and Employment.



# Trade



Trade is the largest sector in Busia Municipality accounting for 76% of the business enterprises and 73% of the employment (figure 49). Trade activities are concentrated in areas of Albaine A, Kisenyi, Customs road 1, Customs road 2, Maracha A, Maracha B and in sub centres and municipal periphery such as Sofia A, Madibira, Nangwe, Mawero and solo.

Trade also accounts for 10% of the land use in the Municipality. The Municipal role in trade is to control/determine location of operation, licensing of the business units thus making it a regulator and controller than facilitator and enabler.



# Export Trade

## Exports through Busia border post compared to other border posts

Border Post	Exports Through Border Posts, in USD' 000.		
	Formal	Informal	Total
Malaba	1,052,028	15,774	1,067,802
<b>Busia</b>	<b>338,443</b>	<b>117,406</b>	<b>455,849</b>
Katuna	224,459	28,163	252,622
Elegu	222,665	47,457	270,122
Mutukula	59,556	48,845	108,401
Ntoroko	42,221	11,394	53,615
Mpondwe	32,023	171,745	203,768
Vvura	29,513	4,556	34,069
Oraba	28,183	348	28,531
Goli	20,796	1,674	22,470
Paidha	16,286	36,027	52,312
Bunagana	8,701	12,626	21,327
Cyanika	6,751	21,793	28,544
Miramba Hills	3,025	2,256	5,281
Ishasha river	1,901	3,290	5,191
Lwakhakha	805	5,156	5,961
Odramachaku	722	15,504	16,226
Kikagati	174	1,309	1,483
Suam river		3,327	3,327
Others	813,391	391	813,782
<b>Total</b>	<b>2,901,643</b>	<b>549,041</b>	<b>3,450,682</b>

Busia Municipal trade activities are boosted by the export and import trade through the border. Table 129 shows that in 2017, exports through all border posts totalled USD 3.45 billion of which Busia accounted for USD 456 million (13%). Of the USD 456 million, USD 117.5 million (26%) was informal trade meaning it was locally generated business. This shows the business potential of the area.

Exported items mainly include unprocessed agricultural items like sugar cane, tea, coffee, cocoa, maize grain, beans, maize flour & maize brand, vegetables, soya bean, assorted spices, fish, dairy products, poultry products, sorghum, sunflower and animal skins. Others exports include; iron and steel articles, aluminum, household plastics, shampoo, shoes and clothes.



Plate 10: Preparing grain for export to Kenya



Plate 11: Trucks of exports lining for clearing at customs

# Trade in services

The service sector accounted for 20% (figure 49) of the businesses and 22% of those employed. Services are concentrated in the areas of Custom road, Albaine, Marach and Kisenyi cells. The services mainly include: Clearing and Forwarding; financial services including foreign exchange and insurance services. Busia being a border town implies that it is a clearing town as already mentioned and therefore a transit town.

Other services include: Education, health and medical care, Social services, Information and Communication, Recreation services; Accommodation and food services, Beautification and salon services and Secretarial services.



# Manufacturing



**New grain processing industry**



**sun drying maize before export**

The manufacturing sector accounts for 5% of the employed while it contributes to 4% of the business units (figure 49). It is mainly composed of small-scale plants in agro processing especially grain milling. Others include animal feeds production, carpentry workshops, metal fabrication, brick making and leather tanning.

# Cooperatives

# Why Invest in Busia Municipality

- Strategically located, providing easy access to both local and foreign markets with good connectivity to the transport networks as well as energy and communication systems
- A market bridge linking Uganda to the Kenyan Market
- 13% of Uganda's exports and 3% of all Uganda's imports go through Busia Municipality
- A gateway to Uganda. About 1,373 passenger vehicles and 883 trucks enter Uganda from Kenya through Busia every day. All these increase the local economy demand for goods and services
- A committed Municipal leadership focused on facilitating the private investors through provision of an enabling investment climate and facilities.
- Unexploited opportunities for Agro processing and industrial production
- Availability of both skilled and unskilled labour • Stable political environment
- Uninterrupted Hydro Electricity Power and a reasonable for an Industrial park development

# Investment Opportunities



## General Trade

There is generally poor state of logistics and market infrastructure to support cargo aggregation, storage and distribution, sorting, packing/repacking, labelling and several other ancillary and miscellaneous services. This has narrowed the trade contribute to the structural transformation of cross border trade through:

- i. Poor post harvest handling technology;
- ii. high reliance on low productivity informal trade that greatly target women who are the major players in the informal small-scale cross border trade;
- iii. reduced export capability for selected sectors
- iv. Exporters' non compliance to standards for regional and international markets.

**Investment opportunities exist in the following:**

Developing logistics and market infrastructure along with required regulatory interventions which shall make trade and logistics from the region more efficient, reducing costs and increasing trade volumes. The infrastructure can include:

- value-addition facilities,
- storage (silos and cold warehouses),
- packaging and third-party logistics services.
- Show rooms
- Sorting facilities
- Inland container deport
- ICT facilities for BPO



# Investment Opportunities

## Dairy Industry

Market and the corresponding market share for Uganda's dairy products



Kenya commanding the biggest share of Ugandan dairy products and Busia Municipality being a gateway to Kenya means that there are big investment opportunities in this area. The opportunities include:

- Commercial production of milk to supply processing farms
- Milk processing for local and export market
- Production of cattle feeds
- Leather tanning
- Production of manure out of cattle waste
- Provision of professional veterinary services



# Manufacturing and Industry

## Storage Facilities & cold chain stores



- Development of Industrial park for light industries for processing agro based raw materials
- Investment in value addition processes especially of cereals/grains
- Production of animal/poultry/fish feeds

# Market Facilities and work spaces.



The Municipality lacks appropriate work-spaces with relevant facilities and amenities to serve the ever increasing population. There is only one modern market facility situated in the Western Division. The inadequacy in organized work spaces resulted into a number of informal markets, makeshift evening markets and kiosks which are slowly cropping up to close the service gap. This has resulted into serious breakdown in trade order.



**The New Busia Modern Market**



This presents an investment opportunity in the development of market infrastructure with corresponding social amenities

# Waste Management



Uganda exported 5,041 tons of plastic scrap to China and Kenya fetching US\$2.1 million in 2017.

Waste in the Municipality is haphazardly collected, stored, transported and indiscriminately disposed. The main type of waste generated is bio-degradable mainly generated by households. The non-biodegradable waste is mainly generated by health centres, construction sites, industries and other institutions. There is only one dumping site located at Osapiri village in Buteba Sub-county outside the Municipality.

**Investment opportunities through Public-private partnership exist in the following:**

- Recycling of Polythene and paper for various end uses e.g supermarkets
- Generation of electricity from waste
- Provision of garbage and refuse disposal facilities
- Generation of manure for agricultural purposes



# Information, Communication & Technology



Busia Municipal Council can partner with the private sector to avail land for the development of an Information Technology (IT) – Business Process Outsourcing (BPO) Park that will act as a catalyst for transforming the local economy from raw material based exports to a knowledge-based local economy.

Other Investment Opportunities are in the following areas: e-business services; Printing and publishing, media, Logistics management, ICT infrastructure and training, including extension to rural areas, Provision of Internet-related hardware and software, Broadband wireless Internet services among others.

# Education Opportunities



High Pupil/classroom ratio of 118:1 compared to the ideal ratio of 54:1, pupil stance ratio of 72:1 as opposed to the ideal ratio of 40:1 and pupil/desk ratio was 7:1 definitely presents a deficit in the formal education facilities.

Investment opportunities therefore exist in the provision of facilities and training in primary and polytechnical /vocational education.

There is also need for education and training programmes to help prepare the unemployed youth in the peri-urban suburbs and have them integrated into the urban economy to reduce on the levels of urban poverty.



# Opportunities in Health



A health worker attending to a patient at Busia HC IV

Health care in the Municipality comprises of healthcare centers, private pharmacies clinics. In 2021, the Municipality had only 9.2% of households within 5 KMs or less to the nearest public health facility. There was only one public Health Centre IV in Western Division and one public Health Centre II, in Eastern Division supported by 4 private pharmacies in Western Division. The entire Municipality has no Mortuary services, but relies on the services in Kenya.

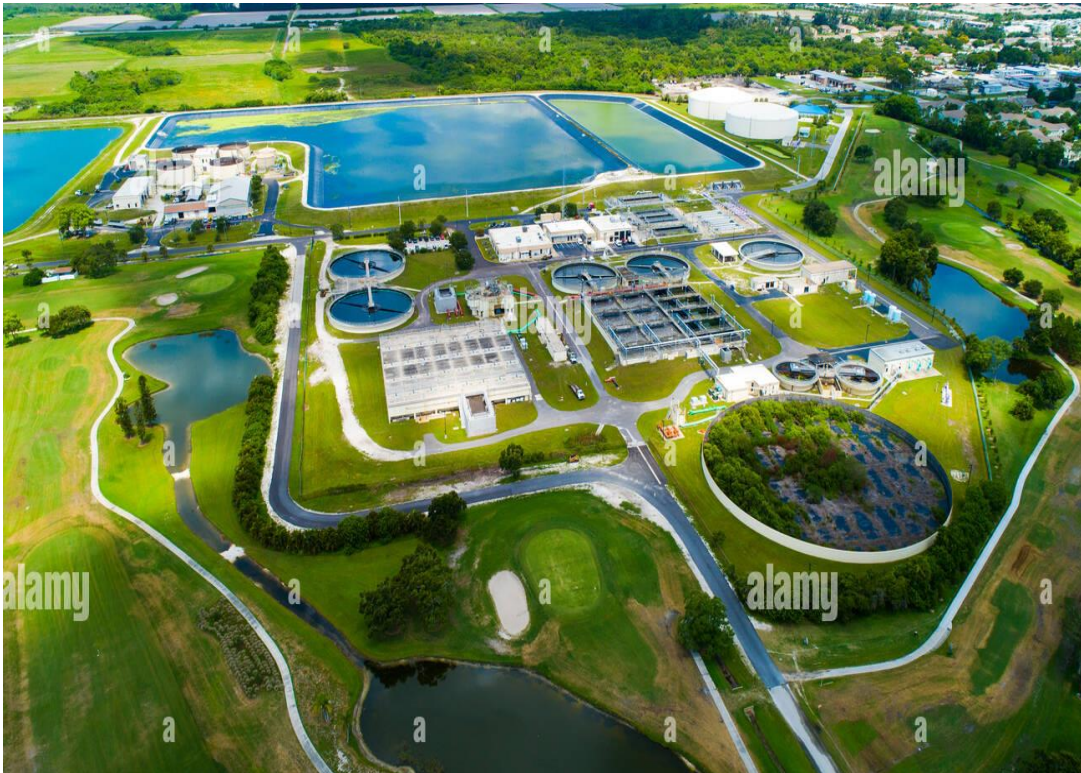
Investment opportunities therefore exists in:

- Establishing hospitals, clinics, dental facilities and other health units, modern diagnostic and testing facilities; training of medical personnel in specialized medical care and fabrication of hospital equipment and furniture.
- Establishment of modern mortuary infrastructure and services





# Investment opportunities in Water and Sanitation



Busia Municipality has no sewerage system. The population depends on the over crowded non-drainable/ non-emptiable pit latrines in densely populated urban setting (7,828 persons per sq. Km) leading to ground water contamination and high disease incidences.

Investment opportunities exist in developing a modern sewerage system and infrastructure.

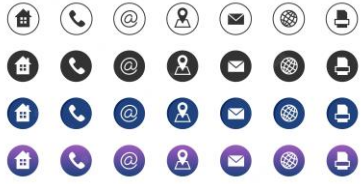


## Agriculture, Animal Industry and Fisheries



Investment opportunities exist in:

- horticultural production (Vegetables and fruits) for both local and foreign markets;
- Production of propagation materials especially trees and fruits
- Establishment of soil analysis infrastructure and services
  
- Establishment of a modern abattoir
  
- Establishment of Cold storage facilities especially for horticultural, dairy and fish products



# Key Contacts

Name	Position	Phone	Email
	Chairman LC IV/Mayor	+256	
	Deputy Mayor	+256	
	Town Clerk	+256	
	Deputy Town Clerk	+256	
	Senior Economic Planner	+256 782 963 632	egessaaggrey@yahoo.com
	Position	Phone	
	Chairman LCV	+256 704931515	
	Vice Chair person	+256 772 567944	