

# Land Acquisition for Water and Environment Sector Projects in Uganda: What Can We Learn?

#### **Overview**

Land in Uganda belongs to the citizens and is owned based on various land tenure systems: Customary, Freehold, Mailo and Leasehold (Land Act Cap 227). The Central Government (CG) or Local Governments (LGs) may acquire land in the public interest in accordance with prevailing land policies and regulations.

Despite the existing land policies, government is continuously faced with land acquisition challenges. These have led to considerable delays resulting in untimely completion of Water and Environment Sector (WES) projects.

This policy brief explores the issues of land acquisition for WES projects in Uganda, focusing on projects implemented by the Ministry of Water and Environment (MWE) reported on, in the Budget Monitoring and Accountability Unit (BMAU) reports of FY 2013/14 and the midyear monitoring of FY 2014/15.

### **Key Issues**

- 1. Some Project Affected Persons want their land rented in contradiction to WES policy that requires permanent acquisition of land for WES projects.
- 2. Low budget allocations at the CG and no budget at LGs for land acquisition.
- 3. There are different approaches to land acquisition within the WES sector.
- 4. Property rates are not regularly updated by District Land Boards.
- 5. Delay in issuing valuation reports by the Chief Government Valuer.

### Introduction

Implementation of WES projects requires land for the construction/installation of water supply and sanitation systems such as boreholes, pump stations, reservoir tanks, public sanitation facilities, public water kiosks, and valley tanks. The site locations are determined by factors such as availability of water in a given area, and the system design. For example, high altitudes are preferred for reservoir tanks to allow flow of water by gravity which minimizes pumping costs.

The government and beneficiary community have the responsibility to acquire land for the construction of the different water supply systems, and to compensate Project Affected Persons (PAPs).

Land compensation is the most contentious issue in the land acquisition process as land values and compensation rates differ from region to region. The function of the District Land Board (DLB) is to compile and maintain a list of rates of compensation payable in respect of crops, buildings of non permanents nature and any other property that may be prescribed. The compensation rates are supposed to be reviewed every year.

Due to inadequate sensitization, PAPs are not aware of the compensation rates, and DLBs rarely review the rates. As a result, huge sums of money are requested by PAPs and the DLB rates are rejected with claims that they are too low.

## **BMAU Briefing Paper (7/15)**

### **Land acquisition approaches**

There is scanty literature available on the procedures to acquire land for WES projects in Uganda. Whereas policies and regulations require compensation of PAPs, the question of who effects the compensation remains hanging. Most projects do not incorporate land acquisition and compensation costs in their planning.

The two common practices to land acquisition and compensation in WES are:

#### Purchase of land by the Central Government (CG)

The CG through MWE acquires land from the community and compensates the PAPs. This is done for projects that are centrally implemented. For example the MWE acquired and paid for land during the construction of Lirima Gravity Flow Scheme in Manafwa district, Singila Water Supply System in Nebbi district, Katiirwe and Kasikizi valley tanks in Kyenjojo district.

In FY 2013/14 the MWE approved budget for land acquisition was Ug shs 900 million. Ug shs 650 million (72.2%) was released and all was absorbed (*IFMS*.)

#### 2. Land acquisition by the community

Under the Water and Sanitation Development Facility (WSDF) framework in the Urban Water Supply, the beneficiary communities through their Local Governments (LGs) are required to acquire land for infrastructural developments; including lease offers, and to resolve all disputes pertaining to land acquisition.

During the design stage, feasible land sites are identified. The most important site is the water source which determines locations of other components. Land owners where sites for ground water investigations have been identified are met by a team of local leaders and the Water and Sanitation Committee (WSC). This is to seek permission for water investigations including drilling. The WSC is a community group formed to mobilize and represent the interest of the project to the wider community.

Once drilling is successful, the local authority (sub-county) is informed of the number, size and

locations for all other land requirements for a water system. The local authority is required to secure land for all the water system components.

This approach is constrained by limited funds. Sub-counties do not normally budget for land acquisition. Thus when faced with the need to acquire land for water projects, sub-counties struggle to raise funds for land compensation thereby causing delays in project implementation.

#### **Good practices in land acquisition**

- Early and active involvement of community members through sensitization. This has led to some communities spearheading land negotiation processes making land acquisition easier. During the construction of Rwenkobwa Water Supply and Sanitation System in Kijongo sub-county, Ibanda district in FY 2014/15, the WSDF-SW mobilized the community in advance and sensitized them about the water project and the issue of acquiring land. A Water and Sanitation Committee (WSC) was formed to further reinforce the mobilization and sensitization process. Through the WSC and the sub-county leadership, each household contributed Ug shs 20,000 towards the purchase of land for the project.
- Involvement of district political leaders in the land acquisition process. For example in Hoima district, the district chairperson fully participated in the land acquisition process for Kinogozi Water Supply System. His efforts led to one of the community members offering land for the reservoir tank free of charge.
- Partnering with existing cultural structures plays a key role in soliciting for support from the communities. In FY 2013/14, Buganda kingdom offered land at no cost for the construction of a reservoir tank for Nkoni Water Supply System in Kkingo sub-county, Lwengo district.

# **BMAU Briefing Paper (7/15)**



A reservoir tank for Nkoni water supply system constructed on land donated by Buganda Kingdom

 Sensitization of community members on the use of road reserves for utilities. Road reserves are public land meant for the conveyance of utility lines such as laying of water distribution pipes. Distribution pipes and public water kiosks of Patongo water supply system in Agago district were laid on road reserves without community interference after sensitization.

# Land acquisition challenges delaying project implementation

- High compensation costs: PAPs request for exorbitant compensation costs. For example, during the construction of Kahama Gravity Flow scheme in Ntungamo district in FY 2013/14, the land owners requested for Ug shs 50million for the spring source, and Ug shs 30million for the sedimentation tank sites. The pieces of land required were measuring 60m x 60m. At the time of monitoring in November 2013, the MWE had engaged a government valuer to establish the value of land.
- Unwillingness by land owners to surrender land of the required size: The recommended size for a pump station is 60m x 60m. This allows proper protection of the water source. However some land owners find it hard to give away land of the above dimension.
- Other prevailing land arrangements.
   Telecommunication companies rent land

- from the community and pay land owners periodically. Subsequently some PAPs in the WES project areas are now requesting that their land is rented. However, the sector policy is that land is permanently acquired.
- Lack of a budget for compensation at sub-county level: Sub-counties do not have a budget line for the compensation of PAPs during project implementation. In the past, land owners would allow projects to commence and land compensation done at a later date. However, due to lack of a compensation budget, local governments take very long to make compensations. As a result communities have opted to demand for payment upfront. For example during the construction of Purongo Water Supply and Sanitation System, all other components were completed except the public toilet because the sub-county did not have readily available funds.
- The different approaches to land compensation in WES: The MWE compensates land owners for centrally implemented projects while LGs and communities acquire land for WSDF projects. This creates conflicting situations to land compensation in the sector.
- Delayed negotiation processes: When the land required is very big, several land owners have to be engaged in negotiations. The negotiation process for Rakai bulk water supply took long because some members in the project area were unwilling to sell their land.
- Inactive District Land Boards (DLB) and Area Land Committees (ALC): The DLB and ALC are responsible for offering guidance on the compensation rates. However, where the DLB and ALC are inactive determining the compensation rate becomes a challenge.
- Bureaucratic procedures which involve assessments, valuations and approval by the Chief Government Valuer delays access to construction sites. For example commencement of work for Lubigi sewerage treatment plant in Kampala was delayed because of such procedures.

# **BMAU Briefing Paper (7/15)**

 Absentee land owners: Some land owners are not readily available and their representatives are not willing to disclose them as was the case of Kasanje Water Supply System in Kalungu district.



Left: Production
well of Ongino water
supply system in
Kumi district. Works
had temporarily
stalled as the land
owner demanded
compensation

#### **Conclusion**

Land acquisition and compensation are key in the implementation of WES projects as all components of water supply systems have to be located on a piece of land. The CG through MWE budgets for land acquisition and compensates land owners for centrally implemented projects. Local governments on the other hand do not have budgets for land acquisition and compensation yet they are required to avail land for the construction of water supply and sanitation components.

Several projects have been delayed due to land acquisition challenges. Practices such as early involvement and sensitization of communities on land issues, involvement of political and cultural leaders has eased the land acquisition burden.

### **Recommendations**

- The Uganda Land Commission (ULC) and DLB should regulate the unit cost of land in order to combat hiking of land compensation costs.
- The MWE, WSDF and other WES project implementers should involve district political leaders, cultural leaders and the community early enough during project implementation.

- The MWE should support LGs to plan and budget for land acquisition and compensation.
- The MWE should adopt a uniform approach to land acquisition and compensation to avoid misinterpretation by the public.
- The ULC, and Ministry of Lands, Housing and Urban Development should reactivate inactive DLB and build their capacity through trainings.
- The Chief Government Valuer should issue valuation reports on a timely basis.
- The MWE and LGs should pay land owners promptly to prevent interruption of contractors' works.

#### References

- 1. The Constitution of the Republic of Uganda (1995)
- 2. The Land Act Cap 227 (1998)
- 3. The Water Act Cap 152
- 4. BMAU Annual Budget Monitoring Report FY 2013/14
- 5. BMAU Report Q2/Q3 FY 2013/14
- 6. BMAU Report Q1 FY 2013/14
- 7. MWE, Operations Manual for WSDF, April 2014
- 8. MWE, Sector Performance Report 2013

Budget Monitoring and Accountability
Unit

Ministry of Finance Planning and Economic Development

P. O. Box 8147 Kampala

www.finance.go.ug