

PRESS RELEASE

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Investments and land conflicts in Northern Uganda – seven steps for success

Introduction:

Northern Uganda provides ample opportunities for investment in commercial agriculture, property or tourism. Investments profit not only investors but contribute to the development of the entire country. But land – on which most investments take place – is a major cause of conflict in the region. As a result of recent large-scale land acquisition for investments, there are growing concerns over the increasing magnitude of land conflicts. To profit from promising business opportunities, it is important investors are aware of the risks and develop strategies to reduce and prevent conflict. This information is for national and international investors interested in investing in land in northern Uganda. It explains why acquiring or leasing land can cause conflict and how investors should adapt their practices. We outline seven steps for a conflict-sensitive approach to ensure an investment is successful and beneficial for all.

Land conflict drivers in northern Uganda: what commercial actors should be aware of:

Investments in northern Uganda are complicated by the fact that roughly 80 per cent of land is customarily owned with no ownership documentation. This can make land acquisition a tedious process for investors: especially in cases where there is contention over ownership, with traditional/cultural leaders holding it in trust for their clan members. Saferworld's work promoting conflict-sensitive land governance in the northern region has documented cases where communities are unsure about tenure of the land on which they are settled. This has caused conflict between communities and commercial actors who acquire land through government institutions – excluding those who live and depend upon the land. Insensitive business practices are causing and exacerbating conflicts because of poor documentation and fraudulent land acquisition, violating the rights of local communities. The discovery and exploration of minerals has only increased the intensity of land conflicts as people rush to acquire land in anticipation of the benefits.

Conflict-sensitive land investments: why investors

should not ignore it

Conflicts pose serious risks to a successful investment. Property gets destroyed and both investors and local communities experience losses. The relationship between investors and local administrations or communities can be irrevocably damaged if locals feel that they have not been consulted about possible conflicts or issues which will affect them in a prospective investment. There is a risk of reduced returns on investments because of conflicts: dealing with their negative impacts is time-consuming and costly. Investors can minimise the negative and maximise the positive impacts of an investment by adopting a conflict-sensitive approach.

A conflict-sensitive approach contributes to making an investment successful and beneficial for all involved. The approach entails developing a sound understanding of the context in which the investment takes place, the risks and the impact of planned activities during the investment. Conflict sensitivity in land acquisition therefore means that investors or their agents should understand the existing conflict issues in the areas they wish to acquire land in, as well as the power relations behind them. This ensures the intended investment promotes a positive interaction which does not intensify existing divides.

In practice, a conflict-sensitive land investment strategy in northern Uganda should include the following seven steps:

1. Be aware

Investors should recognise the sensitivity of land issues in northern Uganda. They need to be aware of historic legacies of conflict and current developments which have led to increased competition over land. This includes the discovery of minerals, nature of customary land tenure, existence of wildlife, and the political dynamics around land.

2. Analyse

Investors should understand existing land conflict issues, their causes, the actors involved and the dynamics between

them which are likely to affect investments. This includes the investors' own role in this context, anticipating possible intended and unintended positive and negative impacts.

3. Engage

Involve all stakeholders in the analysis process and build lasting relationships with them. This means that investors identify who the stakeholders are and conduct a wide range of consultations with communities and individuals to determine the ownership status of the land they want to acquire or lease, including to determine whether there are any conflicting claims. This involves attaining information about traditional structures of authority and about traditional customs, such as conflict resolution mechanisms, and to engage with and respect these authorities and structures.

4. Invest conflict-sensitively

Investors should acquire information about the legal land acquisition procedures they need to follow for their investment. Since there are different procedures according to different types of investment, clarifying this point with the **Uganda Investment Authority, District Land Boards, District Land Offices and the Ministry of Lands, Housing and Urban Development can help avoid future tensions and conflicts.** It will also ensure that no land is purchased or leased with which there are conflicting claims. Investors should allow for sufficient time to adhere to official processes of land acquisition.

5. Build peace

In every investment, there are opportunities to build peace, even if this is not an explicit goal. Investors should actively look for opportunities to contribute to peace and development. They can engage with local communities in the investment process by providing information on the type of investment, planned timelines and possible – positive and detrimental – effects for the communities; and by actively seeking to contribute to a positive local development.

6. Assess

Throughout the investment process, investors should continually assess the context, the project's impacts and their relationships with stakeholders. Questions to answer on a continuous basis include: what positive and/or negative impacts does the investment have on the local/regional context? Are there new conflicts? Are there new stakeholders that need to be involved? Has the investment changed the relationship between stakeholders, and what does this mean for the investment?

7. Stay engaged

Investors should continue to build good relationships with the stakeholders of an investment even after the main transactions are complete. This will help ensure the smooth running of operations. It will also enable investors to identify possible new conflict issues early, and to address them accordingly in cooperation with stakeholders.

Following these steps in building a conflict-sensitive investment strategy can:

- Make the investment **more cost effective** because prevention is better value for money than cure.
- **Build good relations with local communities** by ensuring locals understand investments' aims to avoid suspicion and reduce the negative consequences of conflict.
- **Manage security risks** for staff, property and reputation.

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