

Uganda: Continuing controversy as the government continues to grant public land to private investors

In many developing countries, governments are encouraging commercial, industrial, and agricultural investment. In many countries, government investment authorities woo potential investors who are ready to make significant capital investments by offering favourable terms, such as expedited regulatory procedures, tax-breaks, or long-term, low-cost leases or grants of government-held land.

Government authorities argue that such investment makes more productive use of land and helps improve the productivity of the national economy, thereby contributing to development. Civil-society organisations argue that such transactions often favour those who are politically well-connected, that the resulting financial benefits to public finances are not commensurate with the costs to the public, and that government may ignore laws and regulations in terms it offers investors for developing such properties.

In Uganda, the government, working through the Uganda Investment Authority and Uganda Land Commission, has repeatedly excised government land or granted leases to investors, sometimes with limited public review or comment of such transactions. The government argues it is making government more efficient and effective, releasing land that is no longer useful or productive, reducing public costs to maintain such properties while increasing economic productivity by transferring lands to those able to invest and develop it. However, in recent years the government has leased or granted to investors prime high-value real estate in central Kampala or sites of significant public interest. In some cases, legislators in Parliament have intervened to compel the government to reveal the terms of such agreements and the people involved.

This is a process of significant concern to civil-society organisations and the general public and is not unique to Uganda. Similar concerns are raised in Kenya, where public forest land in and around Nairobi was given to private investors. Issues of transparency, accountability, and inconsistent policy are raised. Even as governments fail to implement policies that guarantee the land tenure rights of the urban or rural poor, they are giving land held in public trust to investors who use the value of the land for private gain. The extent to which such gains are recaptured and benefit the economic development, through taxes or employment opportunities, is debatable.

Click on the links below to find out more about the issue in Uganda:

<http://allafrica.com/stories/200612010970.html>

<http://allafrica.com/stories/200611221039.html>

<http://www.newvision.co.ug/D/8/220/534541.html>

<http://allafrica.com/stories/200611201712.html>

You can also contact the Uganda Land Alliance (Tel. 254-41-540048, ula@africaonline.co.ug) for more information.

In Kenya, the Kenya Land Alliance has recently published “Unjust Enrichment: The Making of Land Grabbing Millionaires” detailing questionable practices in giving public land to investors. Visit their website at <http://www.kenyalandalliance.or.ke/> to find out more about the government’s role in giving land to private investors.