

FACULTY OF NATURAL RESOURCES AND ENVIRONMENTAL SCIENCES

ASSESSING THE ECONOMIC BENEFITS OF LAND USE TYPES IN KAMULI DISTRICT

**A CASE STUDY OF MAIZE, RICE, GROUNDNUTS, MILLET AND COFFEE IN NAMASAGALI
SUBCOUNTY**

BY

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A research report submitted to the faculty of natural resources and environmental sciences in the partial fulfillment of the requirements for the award of the degree of bachelor science in natural resource economics of Busitema University

DECLARATION

I musabe master declare that this research has been done by my own effort .it has never been done by any another person in any university or higher institution of learning for a degree award or any other academic award.

Signature


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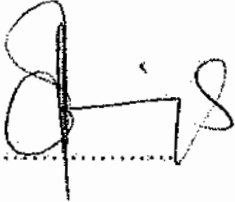
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APPROVAL


This is to acknowledge that the work titled assessment of economic benefits of land use types in kamuli district a case study of Namasagali sub County has been done under my own effort and is now ready for submission to the faculty of natural resource economics and environmental science of Busitema University.

Signature



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Date

17/06/2015

DEDICATION

I dedicate this report to all students`of natural resource economics (NRE), Busitema university Namasagali campus , my friends especially Lajara Beatrice kumago and family especially my parent who gave the emotional support and financial support, my sister katusime Annet and her husband who also supplemented to me all that I needed may the lord reward and bless you abundantly.



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LIST OF ACRONYMS

ANR	Average Net Returns
AVGR	Average Gross Returns
UBOS	Uganda bureau of statistics
ATC	Average Total Cost
USSP	Uganda Strategy Support Program
ADF	African Development Fund
FAOSTAT	Food Agricultural Organization Statistics
GOU	Government Of Uganda
UNHS	Uganda National Household Survey
UNDP	Uganda National Development Plan
HIV	Human immunodeficiency virus
Ugshs	Uganda Shillings
FAO	Food Agricultural Organization
GDP	Gross Domestic Product
NEMA	National Environment Management Authority
ULA	Uganda Land Act
NEPAD	New Partnership for African Development

ABSTRACT

Land is the basic factor of production and rural livelihoods majorly depend on land for agricultural activities the major land use types in Namasagali sub County are maize, rice, groundnuts, coffee cattle keeping and millet growing which enable most smallholder farmers earn both food and income. Land use is determined by various factors majorly the land tenure system, financial capital to invest in land, prices of the commodities, storage facilities. This study identifies factors which affect the productivity of the different land use types identified in Namasagali Sub County. Simple random and purposive sampling was applied. Qualitative data were collected using key informant interviews, and personal observation while, quantitative data were gathered using documentary review and survey. A total of 75 smallholder farmers were involved in the study. Average net returns analysis and value chain analysis was used to capture the economic benefits of land use types in the sub County. Besides, profitability of various crops produced in the study area was also determined using the mentioned methods of analysis. Results indicate that sex of the farmer, land tenure system, cultivated land size, soil suitability, storage facilities and price of the previous season significantly affect the economic benefits from the land uses in the area. Furthermore, rice was the first most profitable crop maize was the fifth most profitable crop in the area though it was the major land use in the area and rice. In addition, it was also found that there was gender disparity in involvement of planting certain crops like coffee and millet some in which very few women had owned coffee plantation and very few men grew millet oxen are the majorly used for cultivation in Namasagali. It is recommended that among other things, Farmers should construct storage facilities to avoid hastily sell off their crops at a lower price, farmers need to adopt improved methods of farming to improve on the productivity, market information is of paramount value to the farmers, Farmers should think of value addition of their crops so as they fetch a lot income. Coffee farmers involve in other activities given that it is not hectic to look after coffee there is need for the agricultural education and extension services to the farmers of Namasagali in order to be advised on what to do so as to increase the yields. Farmers should adopt aquaculture as one of the land use types since fish can be the best alternative. Farmers should adopt piggery enterprise to increase on their income and it does not need a lot land but it is highly profitable and A forestation can be a good venture since it sustains the environment and it is a long term benefiting land use type

Keywords: land use types, land tenure systems, economic benefit, average net returns, value addition and poverty reduction

1.0 CHAPTER ONE: INTRODUCTION

1.1 Background

The special foundation of this research is to discuss the extent of economic prosperity/benefits obtained from the different land use types since rural development depends on agriculture for livelihood. Land is very important for livelihood and therefore development can never be enhanced without the consideration of land resource hence necessitating the assessment of the economic benefits of some land use types in Namasagali Sub County. The chapter is comprised of the building blocks to the research among which include the background of the study, the statement of the problem, the objective of the study, justification of the study, rationale and scope of the study limitations and operational definition of key concepts and the organization of the study.

Access to land and its fertility status are of paramount importance to enhancing the welfare of rural people in rural parts of Uganda (Buyinza and Nabalegwa 2008). NEPAD (New partnership for African development 2004) asserts that the social economic development for African countries majorly depend on agriculture both directly or indirectly and almost 80% of the rural poor and in rural areas depend on agriculture for livelihood.

According to the Uganda national development (UNDP) 2010/11 - 2014/15, Agriculture has for a long time been a core sector of Uganda's economy in terms of its contribution to GDP and employment. By 2005 it employed 73 per cent 25 of the labor force (UBOS, 2005). In 2008/09, the sector accounted for 23.7 per cent of total GDP. Agricultural exports accounted for 47 per cent of total exports in 2007. Much of the industrial activity in the country is agro-based. Even though its share in total GDP has been declining, agriculture remains important because it provides the basis for growth in other sectors such as manufacturing and services. Being the largest employer, the majority of women (83 per cent) is employed in agriculture as primary producers and contributes 70-75 per cent of agricultural production. In the face of the global financial crisis, agriculture is contributing a lot of Foreign exchange revenue from regional trade and therefore improving the country's balance of payments position and in the process helps to stabilize depreciation of the shilling.

Access to land and land tenure security are the heart of all rural societies and agricultural economies. Having land, controlling and using it are critical dimensions of rural livelihoods, and determine rural wealth and rural poverty. It is also an enormous political resource, defining power relations between and among individuals, families and communities under established systems of governance. In rural societies,

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