



Global Programme Responsible Land Policy Good Practice

UGANDA: INVESTMENT COMPLIANCE MONITORING TOOL – MONITORING COMPLIANCE WITH LOCAL AND INTERNATIONALLY ESTABLISHED STANDARDS FOR RESPONSIBLE INVESTMENTS IN LAND

Programme

THE GLOBAL PROGRAMME RESPONSIBLE LAND POLICY (GPRLP) IS PART OF THE SPECIAL INITIATIVE 'ONE WORLD, NO HUNGER' OF THE GERMAN FEDERAL MINISTRY FOR ECONOMIC COOPERATION AND DEVELOPMENT (BMZ), WHICH AIMS TO REDUCE EXTREME POVERTY AND HUNGER.



The programme is implemented by the *Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH* in countries across Africa and Asia. Its main objective is to secure access to land as a major prerequisite for poverty and hunger reduction in rural areas, especially for women, marginalized groups and indigenous peoples.

THE GLOBAL PROGRAMME IS IMPLEMENTED ALONG THREE FIELDS OF ACTION:

- Improving procedures to secure land ownership and user rights for the rural population
- Strengthening civil society
- Improving the framework conditions for responsible agricultural investments

The Ugandan module of the GP “*Responsible Land Policy in Uganda*” (RELAPU) aims to improve access to land in Central Uganda, West Nile, Lango and Teso by supporting key stakeholders to implement internationally recognized principles and guidelines. RELAPU includes the European Union (EU) co-financed component “*Responsible Governance of Investments in Land*” (RGIL), which intends to ensure that investments are fair, productive and contribute to sustainable land management. To make investments more responsible, the project developed the *Investment Compliance Monitoring Tool (ICMT)*. It provides an opportunity for government representatives, regulatory authorities, investors, land users affected by investments in land and civil society organizations (CSOs) to measure and assess compliance based on the international *Principles for Responsible Investment in Agriculture and Food systems (CFS-RAI)*.

Starting point

COMMERCIAL INVESTMENTS IN AGRICULTURE AND FORESTRY are exerting increasing pressure on land in Uganda. These investments may lead to loss of access to land, conflict and forced evictions, thereby restricting or even preventing inclusive and sustainable development pathways. The government has made various commitments to support sound land governance, but significant implementation challenges have yet to be overcome. Local government officials are ill-equipped to enforce land rights and regulations, and support structures are lacking.

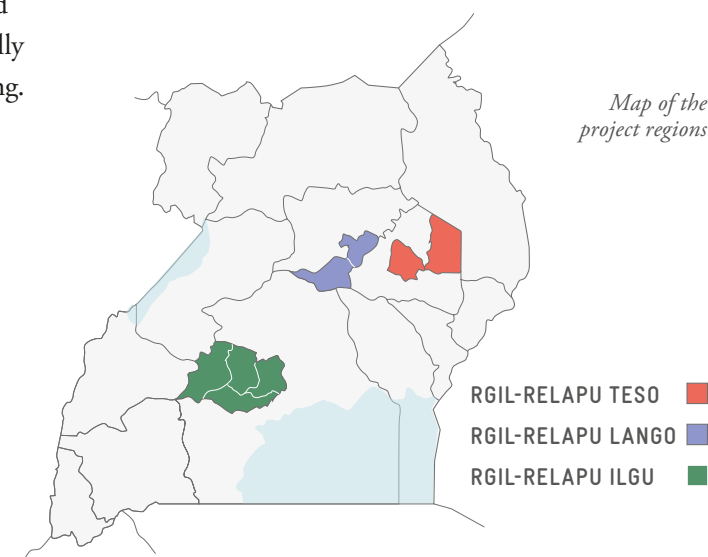
In 1991, the government of Uganda established the *Uganda Investment Authority* (UIA) to actively attract investors in order to boost the agriculture sector. The UIA is a statutory agency mandated to initiate and support measures that enhance the quality of investment in Uganda, and it advises the government on appropriate policies conducive to investment promotion and growth. In theory, its focus is on domestic and international investors. However, most Ugandan investors do not meet the UIA's definition of what is considered to be an investor (in terms of asset value, turnover, export share, etc.).

THE MAIN CHALLENGES REGARDING INVESTMENTS IN LAND INCLUDE THE FOLLOWING:

- Most investments are made by Ugandan citizens and therefore lack comprehensive regulation and guidance by UIA.
- Limited information on district-level (e.g. in district land offices, district commercial offices) – due to a lack of transparency of land investments – make it difficult for local government to monitor and support investments.
- Most households lack formal documentation of land rights; there is often no clarity regarding land ownership or land use rights. In this context, legally correct and fair land acquisitions remain challenging.
- There is inadequate dialogue and alignment at national and local levels among government representatives, as well as between the private sector and civil society to work together.
- Investors and government officials often operate with weak capacity and poor facilitation, they lack control and support in matters related to legally sound investments that incorporate environmental and social safeguards.

Therefore, there is considerable need for monitoring of compliance with local and internationally established standards for responsible investment in land.

The first version of the ICMT was developed in mid-2021 by the RGIL project in Uganda, with input from various stakeholders and land actors. In June 2021 and again in March 2022 (version 2.0) the tool was validated in several workshops by representatives from the *Ministry of Land, Housing and Urban Development* (MLHUD), UIA, representatives of *District Local Governments* (DLGs) from Central and North-eastern Uganda, and CSO partners.



Positive changes

THE TOOL IS MOST EFFECTIVE IN INTEGRATING THE INVESTOR'S PERSPECTIVE in terms of compliance with CFS-RAI principles. Considering the limitations of data collection when it comes to capturing the investor's perspective only, the main advantages of this process include the

- ability to simultaneously raise investors' awareness and build capacity during data collection,
- offer for individual coaching and
- afterwards attainment of individual agreements for actions to improve on areas of weak compliance.

With prior consent from the investor, progress and improvements over time are documented and shared with broader audiences. Best practice and high performers can easily be identified and shared with others, with the potential for broader outreach, inspiration and replication.

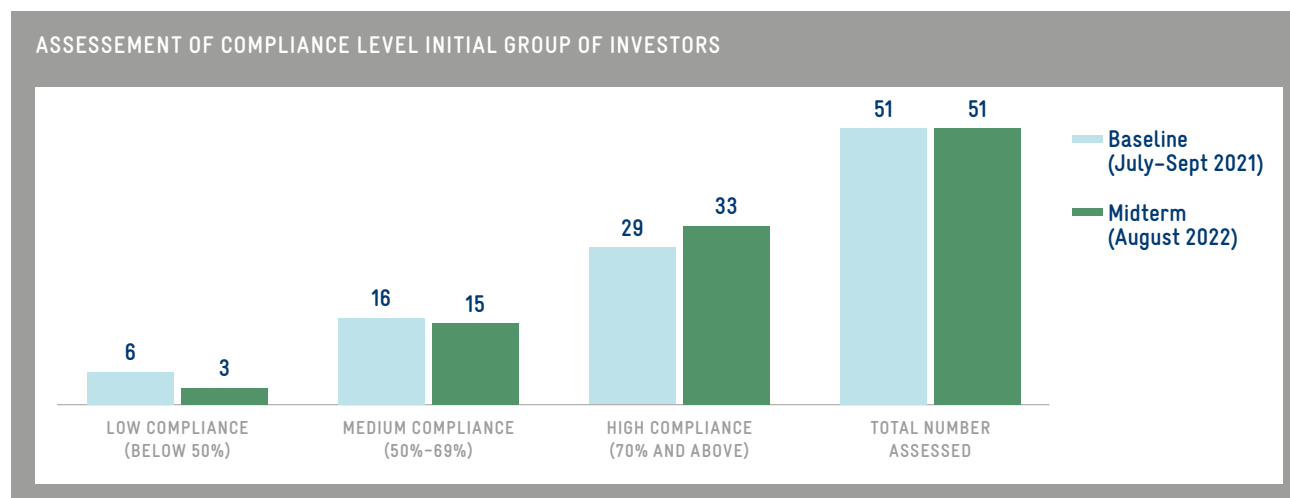
So far, 76 investors have been assessed via the ICMT, whereof 34% demonstrate a high compliance by scoring above 70% .

When looking into the initial group of 51 investors the project has supported with the ICTM, it becomes evident that the investors' level of compliance (70% and above) has increased by 4% within one year.

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“Much of commercial investment impacts are hidden because there is seldom a cost-benefit analysis, from the perspective of affected groups, especially women and youngsters. This means important questions are never asked: To what extent is the investment locally relevant, sustainable and beneficial in the first place to these groups? And what role do these groups have in that? The investor compliance monitoring tool is premised on answering such questions mostly when the process is inclusive.”

Ronald Bagaga, *Research and Policy Officer, Eastern and Southern Africa Small-Scale Farmers' Forum (ESAFF), Uganda.*



Positive changes

Moreover, the capacities of the district officials, e.g. the commercial officer, the land officer, in the target districts are boosted while collecting, analysing and using investment compliance data along the adapted CFS-RAI principles. The DLG teams show commitment to continue the use of the tool.

Robert Kasendwa, District Commercial Officer of the Kassanda District Local Government (DLG), provided the following feedback on the ICMT:

“To promote responsible investment in land, DLG Kassanda agreed to pioneer introduction of the Investment Compliance Monitoring Tool. It started in May 2022 with mapping of investors in the selected sub-counties of Myanzi, Kiganda, Bukuya and Kassanda in Kassanda district. In total, 28 investors were mapped, and 15 of them were piloted.”



**Robert Kasendwa, District Commercial Officer
of the Kassanda District Local Government (DLG)**

MAIN FINDINGS

- It really helped the investors to identify themselves and their compliance gaps.
- The tool helped bridging the gap between investors and the community, through a dialogue piloted by the district authorities and RGIL.
- The district is now able to identify weaknesses in investments, and it has enabled the district to take action to address these gaps.
- The tool has helped to connect investors with partners such as Uganda Investment Authorities, to further support investors.
- With the help of the tool, the district is now compiling a complete database for investors in the district.
- The tool is very user-friendly.



Approach

In order to be context-appropriate for Uganda, the ICMT has been developed by combining the 10 CFS-RAI principles (for details see: <https://www.fao.org/3/au866e/au866e.pdf>) into seven main sections clustering principles 1 and 8, 3 and 4, and 9 and 10:

SECTION 1: Contribute to food security and nutrition, promote safe and healthy agriculture and food systems (CFS-RAI principles 1 and 8)

SECTION 2: Contribute to sustainable and inclusive economic development and the eradication of poverty

SECTION 3: Promote gender equality, women’s empowerment, youth engagement and support to the disabled (CFS-RAI principles 3 and 4)

SECTION 4: Respect tenure of land, fisheries and forests, and access to water

SECTION 5: Conserve and sustainably manage natural resources, increase resilience and reduce disaster risks

SECTION 6: Respect cultural heritage and traditional knowledge, and support diversity and innovation

SECTION 7: Incorporate inclusive and transparent governance structures, processes and grievance mechanisms, assess and address impacts, and promote accountability (CFS-RAI principles 9 and 10)



The tool consists of a data collection sheet with six columns. It comprises the seven sections with the related assessment criterion (1.1, 1.2, etc.) to be read aloud to the investor. In the column Expected standards/Check List, the assessor can verify their understanding of the statements and if necessary, explain them to the investor using the information provided. Every section includes different possible answers (a), b), c), etc); each answer that applies to the investor is scored with one point. Using Section 1, Statement 1.2 as an example, if only answer a) is applicable, the investor scores one point (out of a maximum of three, which is stated in the column Max. score).

DATA COLLECTION SHEET FOR SECTION 1, STATEMENT 1.2

SECTION	STATEMENTS RELATING TO COMPLIANCE	EXPECTED STANDARDS/CHECK LIST	MAX. SCORE	INVESTOR SCORE	COMMENT
1.2	The investor enhances food utilization through: a) Access to clean water or sanitation b) Access to energy (technology) c) Knowledge sharing on nutrition and safety	a) Efforts to improve access to clean water or sanitation, such as digging wells, harvesting water, providing the community access to water sources. b) Efforts to improve rural electrification or access to energy-producing technology, e.g. solar. c) Efforts to provide education on how to prepare, provide and maintain a safe and balanced diet.	3		

Approach

The scores of every section are summed under Score (A). The scores are divided by the Max. score (B) and multiplied by the Weight (C). The result is the percentage score per section. The weights are percentage points based on the average ranking for the sections. All weighting percentages add up to a maximum of 100%.

The project weighting is based on inputs from validation and consultation workshops held with different stakeholders and can be adapted based on the assessors' priorities.

In the section-specific percentage, the percentage score is divided by the Weight (C) and multiplied by 100. The overall performance rating is graded using performance dashboard colours.

In addition, the ICMT includes a dashboard which provides an overview of the results of the assessment on compliance per district. It shows for instance that in seven districts the **76 investors reached an average overall score of 64%**. The lowest performance was identified mainly under section 6 concerned with preservation of traditional knowledge and support to diversity and innovation.

SUMMARY OF THE ASSESSMENT

SECTIONS	SCORE (A)	MAX. SCORE (B)	WEIGHT (C)	PERCENTAGE SCORE [(A/B) * C]%	SECTION SPECIFIC PERCENTAGE (PERCENTAGE SCORE/WEIGHT (C)*100)
SECTION 1	2	8	18	[(2/8) * 18] = 4.5%	(4.5/18*100) = 25%
SECTION 2	2	8	19	[(2/8) * 19] = 4.8%	(4.8/19*100) = 25.3%
SECTION 3	2	12	12	[(2/12) * 12] = 2%	(2/12*100) = 16%
SECTION 4	2	27	20	[(2/27) * 20] = 1.5%	(1.5/20*100) = 7.5%
SECTION 5	2	10	15	[(2/10) * 15] = 3%	(3/15*100) = 20%
SECTION 6	2	5	10	[(2/5) * 10] = 4%	(4/10*100) = 40%
SECTION 7	2	6	6	[(2/6) * 6] = 2%	(2/6*100) = 33.3%
Overall Score			100%	21.8%	

OVERALL PERFORMANCE RATING

SCORE	RATING	COLOR CODE
Up to 49%	Low Compliance	RED
50% to 69%	Medium Compliance	ORANGE
70% to 84%	High Compliance	YELLOW
85% to 100%	Very high/Excellent Compliance	GREEN

Approach

PARTICIPATION IN THE ASSESSMENT IS VOLUNTARY FOR INVESTORS.

A low performance does not have a direct consequence for them, except from being encouraged to participate in additional measures to improve compliance. However, to develop their business in a socially fair, conflict free, environmentally friendly, and sustainable manner the tool offers an opportunity for investors. This also entails the potential to improve the relationship with the communities and to prevent conflicts.

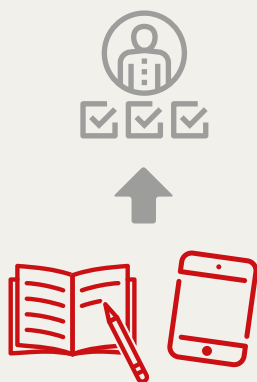
In practice, after the individual assessment with the tool an improvement plan is developed. Based on

this plan, individual coaching is offered, which is accompanied and, in the future, led by district officials. In addition, training on VGGT and CFS-RAI are provided and complemented by various aspects of responsible agricultural investment, including investor and community engagement, climate-smart agriculture and entrepreneurial skills.

Investor-community dialogues are conducted on a local level involving local authorities such as respected leaders and representatives from the village, sub-county or district level in which results of compliance performance are being discussed.

Further, the project supports grievance redress and alternative dispute resolution mechanisms which potentially can be informed by the outcomes of the assessment.

In the long run, the ICMT will be adopted by district government officials, consequences or measures on non-compliance could be directly executed by the government referring not only to the CFS-RAI but to existing national legislation. Additionally, district officials have been trained as trainer of trainers (ToTs) on responsible investments in land. In these trainings the ICMT has been incorporated as a best practice tool.



MORE TECHNICAL DETAILS

The tool can be used by different stakeholders manually as printed hardcopy, digitally as a Word or Excel document or as an online survey (e.g. KoBo Collect) on laptops, smartphones or tablets. It is to be used as a qualitative survey with the investor, documenting their self-reported assessment of the investment. After completion of the survey (approximately 60 minutes), a site visit can be conducted to jointly verify some of the statements made by the investor. Alternatively, or complementary, a DLG official, community members or a CSO partner can independently assess, or accompany the assessor with the purpose to validate the investor statements on the compliance status from their perspective. It is recommended to supplement the ICMT with other research tools to allow for verification and capturing of additional perspectives. This may include surveys in communities that are affected by the investment.

For replication

THE ICMT HAS BEEN DEVELOPED AND TESTED IN THE TARGET REGIONS of the project in Central Uganda as well as in the Teso and Lango sub-regions. Based on the experiences so far for both Mailo and customary land, the tool can easily be applied in other regions nationwide. This must be realized in close collaboration with local and national authorities.

During the national multi-stakeholder dialogue in July 2022 key policymakers, district officials, investors and CSO partners as well as related ministries have expressed their great interest in the ICMT. This was confirmed in ToT trainings in October 2022.

Further advocacy for the tool will be a priority area of RGIL in the upcoming years.

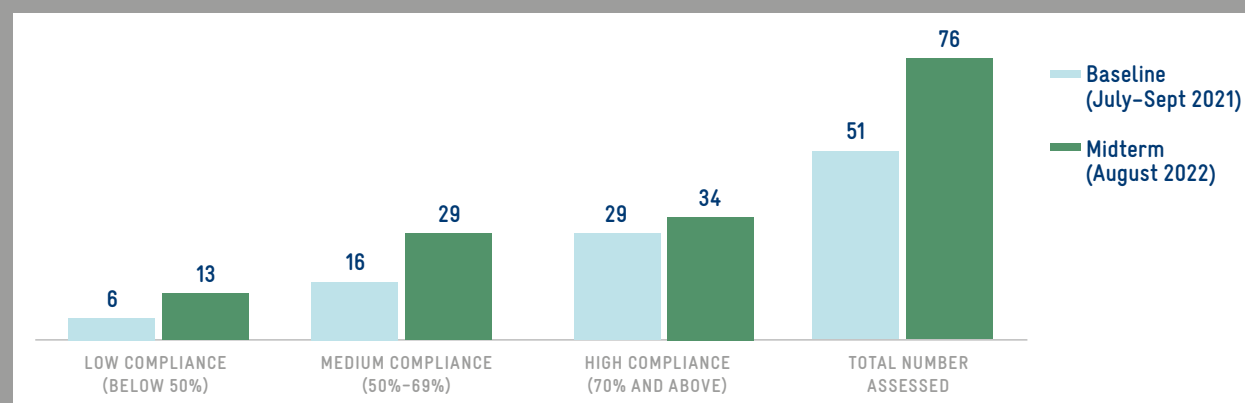
The tool is already being implemented by CSO partners. *The Eastern and Southern Africa Small-Scale Farmers' Forum* (ESAFF) uses it also outside of the RGIL project regions. Furthermore, Kassanda DLG implements the ICMT without direct support from RGIL. In using the tool, it is continuously being reviewed and will be in 2023 most probably further refined. In addition, a guidebook for the use of the ICMT is available in Lango, Luganda and Ateso.



FOR REPLICATION IN OTHER REGIONS OF UGANDA AND IN OTHER COUNTRIES, THE FOLLOWING MAJOR REQUIREMENTS MAY NEED TO BE CONSIDERED:

- Strong advocacy efforts are needed as the sustainability of the tool is increased if there is strong ownership by local and national authorities, and a strong link to national policies.
- Design the tool as user-friendly and simple as possible, with a digital as well as a paper version. Guidebooks in different local languages should be as comprehensive as possible and pocket-sized for use in fieldwork.
- To achieve positive and sustainable effects for all stakeholders, comprehensive approaches are needed for combining the ICMT with measures to secure land rights for smallholders in the target regions.
- Introduce compliance certification as implementation success is more likely if investors see added value for their businesses.

NUMBER OF INVESTORS ASSESSED BY COMPLIANCE LEVELS



Further information

The investment compliance tool and practical guidebook 2.0 in English, Ateso, Lango and Luganda is available on the websites of the CSO project partners:

Soroti Catholic Diocese Integrated Development Organization (SOCADIDO):

[➤ The Investment Compliance Monitoring Guidebook 2.0 in English, Luganda, Ateso and Lango – Socadido](#)

Eastern and Southern Africa Small-Scale Farmers' Forum (ESAFF):

[➤ ESAFF Uganda, Eastern and Southern Africa Small Scale Farmers' Forum Uganda](#)

Land and Equity Movement in Uganda (LEMU):

[➤ Practical Guidebook - Land and Equity Movement \(land-in-uganda.org\)](#)



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