



# Information Booklet

HOW LAND ACQUISITIONS  
BREED FOOD & WATER  
INSECURITY: A CASE STUDY  
OF THE REFINERY PROJECT

January 2017



# INTRODUCTION

Since government began on the process of compulsorily acquiring land for Uganda's proposed oil refinery in Hoima district, Buseruka sub-county, Kabaale parish in 2012, questions about the food and water security of the refinery-affected persons have continually arisen. These questions point to a looming food security, water provisioning and climate resilience crisis that could be precipitated by poorly managed resettlement exercises for the oil sector and other projects. The need to address the

impacts of resettlement exercises including impacts on food security, water provisioning and biodiversity conservation becomes even more urgent because mega infrastructure including the crude oil export pipeline, finished products' pipeline, central processing facilities and others are set to be developed. These will displace more peoples who will require resettlement.

In this information sheet, we demonstrate how Uganda's oil

refinery project has impacted food security, water provisioning and climate resilience. We also look at how compulsory land acquisitions and resettlement exercises elsewhere have impacted the same. We make recommendations for government and other developers in order to secure food, water and climate resilience.

# THE REFINERY PROJECT & FOOD INSECURITY

In 2012, government began on the process of acquiring 29 sq. km of land for Uganda's proposed oil refinery and other infrastructure in Hoima district, Buseruka sub-county, Kabaale parish. Government set a cut-off date of June 2, 2012 for the assessment of properties that would be compensated. Inadvertently, the setting of a cut-off date stopped the refinery-affected people from growing food and cash crops, especially perennial crops such as cassava, bananas, sugarcane, coffee, tobacco and others. The

people maintain that government stopped them from growing crops on the premise that at any time, they would be displaced and no compensation would be paid for any development made on the affected land after June 2, 2012. Government on the other hand says it did not stop the refinery-affected people from using their land for any development. Without going into the above arguments, we can authoritatively say that setting a cut-off date of June 2, 2012 by government stopped the refinery-affected people from growing

crops and this had devastating and far-reaching effects. The cut-off date made the affected families desperate and hopeless to the extent that within a short period, the only two primary schools of Nyahaira and Kyapaloni in Kabaale had literally collapsed with majority children in the area dropping out of school either because they could not walk to distant schools or parents were no longer in position to pay fees as a result of lack of income. Remember, the cut-off date had "killed" all their sources of income. More so, families could not provide

food for their children and pupils dropped out of school over lack of food.

With the above frustration and hopelessness, and following years of waiting for compensation in vain, when government commenced on the process of cash compensation, even the families that had rejected the inadequate compensation had no option but to accept anything that was offered to them. In the end, many families are still struggling and to date, there are no clear records about the fate of those families.

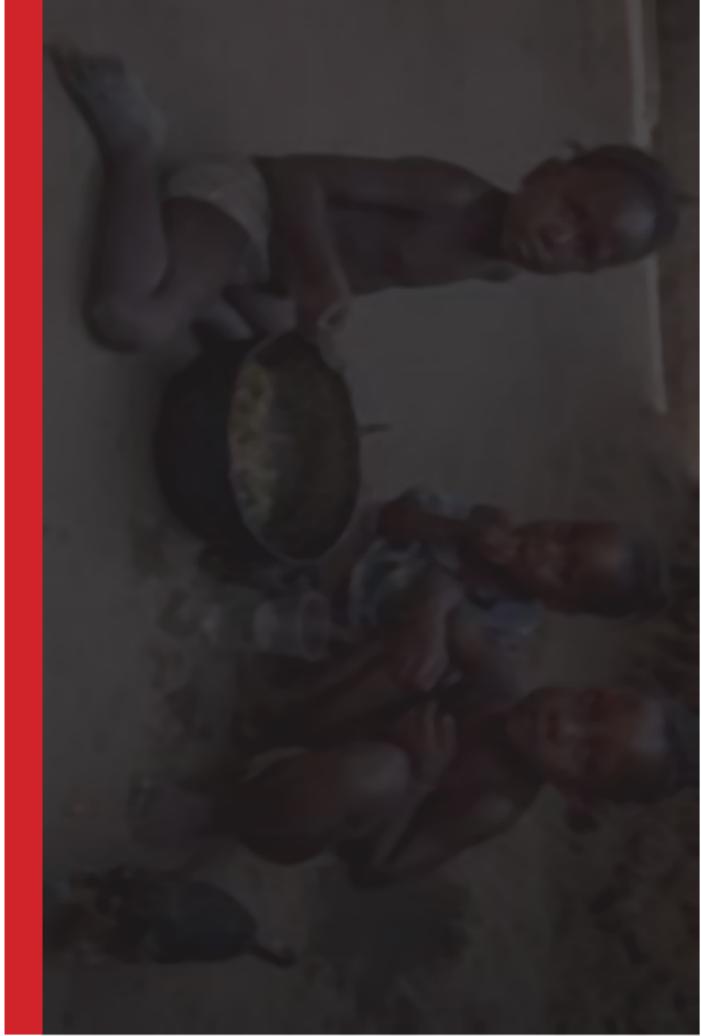
What is their food and water security situation? As has been noted by various studies including in the 2013 research article *Compensation and resettlement policies after compulsory land acquisition for hydropower development in Vietnam: Policy and practice*, significant income loss and food insecurity are often documented following compulsory land acquisition processes. However, answers as to whether the refinery-affected families which accepted low compensation are food and water secure are unclear.

One thing is clear however: since June 2, 2012 to date, all the 93 affected families with over 120 women, 465 children and other vulnerable groups who opted for relocation are still living on the affected land where they cannot grow crops of their choice. They cannot grow bananas, cassava, coffee, mangoes, oranges and avocados among others for food and income generation. Indeed, as evidence of vulnerability, government is planning to support the households with maize, rice and beans upon relocation to

Kyakaboga. These are families that used to be food independent but now, they will survive on relief food from government. This is what can happen to any affected family if land acquisition and displacement are not well handled.

It is important to note that even when they are relocated, the people still face the looming prospect of food insecurity because with the land allocated for their gardens being located a good distance from their houses, the food the people will grow will be subject to insecurity occasioned by thieves. Yet as Mr.

David Ocoku, Officer in Charge (O.C) of the oil refinery police post and Mr. Ephrahim Turyatunga, a refinery-affected person pointed out in a January 11, 2017 meeting, people are in fear and do not know whether they should plant crops as they were promised to be relocated this month (January). The squeezed setup of the houses being built by government on plots of 50X100 is also not suitable for farming by village households.



# FOOD INSECURITY & COMPULSORY LAND ACQUISITIONS ELSEWHERE: LESSONS FOR UGANDA

Food insecurity arising out of compulsory land acquisitions has been documented in developing nations other than Uganda. Vietnam is one of these countries. In the aforementioned 2013 research article *Compensation and resettlement policies after compulsory*

*land acquisition for hydropower development in Vietnam: Policy and practice*, a study of 60 households that had been displaced for a hydropower project found that annual food production and income from farming reduced as can be seen here.



"... Annual food production declined significantly after resettlement, food security is now a greater concern. The satisfaction of nutritional needs from subsistence food production dropped from 53.3 percent in the old village to 5 percent in the new settlement. Before resettlement all households produced food, with an annual average production of 5,798.7 kg per household, whereas now they produced only 93.1 kg per household annually. Not only do affected families produce less food for their own use, household expenditures on food have declined considerably."

The Food and Agricultural Organisation (FAO), in its *FAO Land Tenure Studies: Compulsory acquisition of land and compensation*, issue 10, notes that “Equitable and secure access to land, especially for the rural poor, is a crucial factor for reducing poverty and hunger, [and] for increasing agricultural productivity” yet as has been shown above, the refinery-affected persons access to secure land has been reduced. In addition, recognising

the effects of compulsory land acquisitions on food security, India imposed limits on the amount of agricultural land that can be acquired by the state and mandated that “multi-crop land is acquired only as a last resort” in its The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act 2013. India also mandated that when agricultural land is acquired, an equal area of land elsewhere has to be cultivated by the state.



The refinery resettlement area that is going to lead to loss of incomes

Government says that owing to guidelines by the Physical Development Plan for the Albertine Graben, it is setting up modern houses for the refinery-affected people. The people have severally said that these houses are unsuitable for their way of life and will reduce their ability to generate incomes. The refinery-affected

people's fears are not unfounded for a 2015 study, *Compulsory land acquisition for urban expansion: A study of farmer's protest in peri-urban Hue, Central Vietnam*, documented loss of incomes as is shown here.

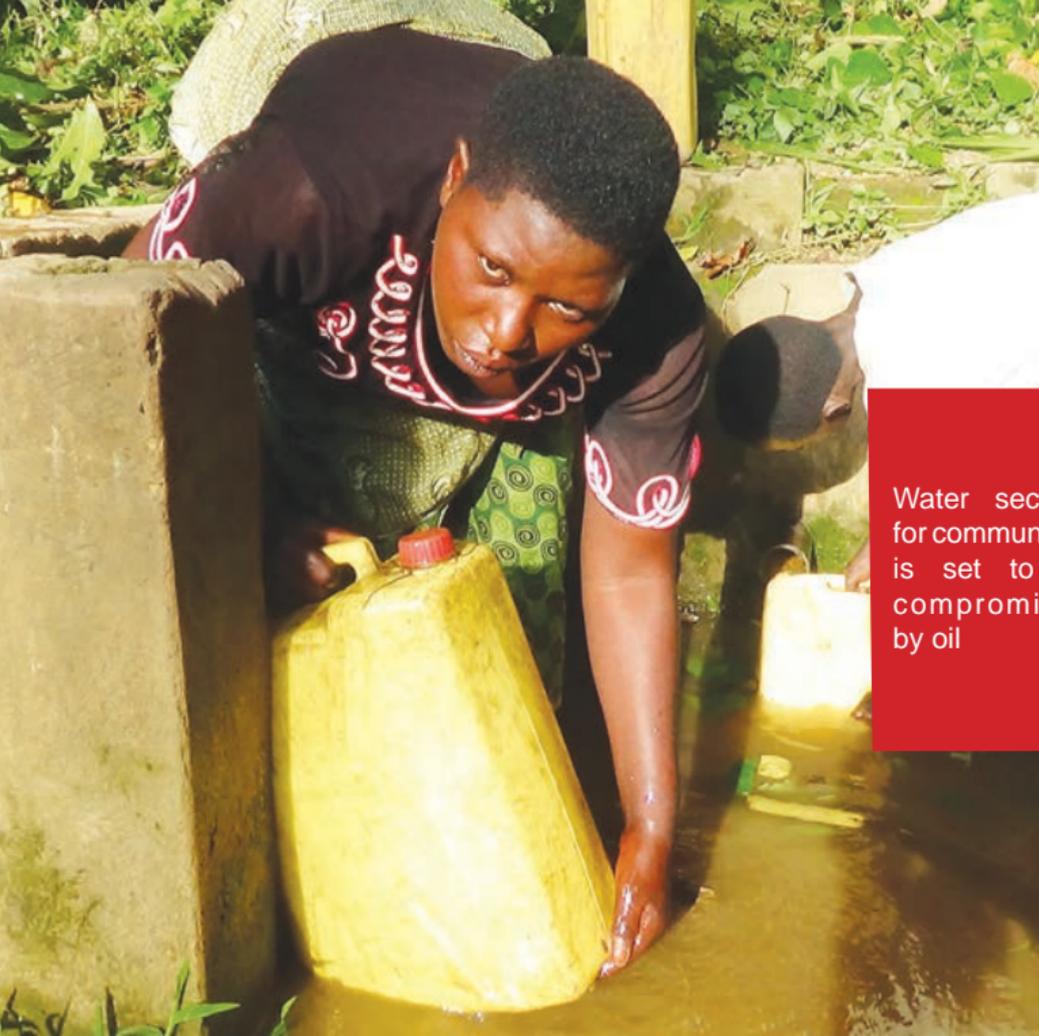


“... Unfortunately, not all farmers succeeded in finding suitable livelihoods. Those without strong adaptation mechanisms to urban growth, the impacts of land loss are more serious. Nearly 80 per cent of the elderly, widowed, and physically challenged people indicated that their income decreased considerably after land loss – either because of the decrease in rice cultivation land, or because they were not able to access new employment opportunities derived from urban growth.”

<http://www.fao.org/3/a-i0506e.pdf> (FAO Land Tenure Studies: Compulsory acquisition of land and compensation)

<http://indiacode.nic.in/acts-in-pdf/302013.pdf> (India's The right to fair compensation and transparency in land acquisition, rehabilitation and resettlement act 2013)

[https://www.iss.nl/fileadmin/ASSETS/iss/Research\\_and\\_projects/Research\\_networks/LDPI/CMCP\\_59-Phuc\\_et\\_al.pdf](https://www.iss.nl/fileadmin/ASSETS/iss/Research_and_projects/Research_networks/LDPI/CMCP_59-Phuc_et_al.pdf) (Compulsory land acquisition for urban expansion: A study of farmer's protest in peri-urban Hue, Central Vietnam)



Water security for communities is set to be compromised by oil

## THE REFINERY PROJECT & WATER INSECURITY

The refinery project is affecting water security too. For instance, communities neighbouring the refinery area are faced with the threat of water insecurity when construction of the oil refinery starts.

“We need an alternative well because we don’t think we will be allowed to collect water from the refinery area yet two spring wells serving two zones in Kigaga B village are located in the refinery area,” Mr. Robert Arinaitwe, a community leader in Rugashari zone, Kigaga B village, says.

In Kyakaboga, Buseruka-Hoima where the 93 refinery-affected households are set to be relocated, a water crisis also looms. This is because a number of drilling exercises for water in the area have been largely unsuccessful. Only insufficient amounts of water have been found. The company building the houses for the affected families uses trucks to fetch water from distant places.

It is important to note that because of receiving low compensation, some refinery-affected people reportedly found a soft landing in poorly patrolled/managed sensitive ecosystems such as riverbanks of rivers like

Wamambya and on forests margins of forests like Bugoma. If left to continue negatively impacting on these ecosystems, they will contribute to further negatively affecting climate patterns and will thus contribute to erratic rains, drought and famine.

# REFINERY PROJECT: LESSONS FOR FOOD SECURITY, WATER PROVISIONING & CLIMATE RESILIENCE

The resettlement exercise for the refinery project teaches a number of lessons. Among these are the following:

(i.) That failure to conduct environmental impact and social impact assessments to determine the effects of a project on the environment and the social set up of a community including effects on livelihoods breeds consequences. Failure to adequately appreciate and respect the economic way of life of the refinery-

affected led to the development of a modern resettlement village that we can confidently say will lead to loss of income and food security.

(ii.) That inadequate compensation facilitated by among others failure by district land boards to update compensation rates for crops and buildings of a non-permanent nature annually also results in negative impacts including on food security,

water provisioning and climate resilience. Low compensation rates means project affected persons' (PAPs) are not restored to their original or better positions where they are food and water secure. In addition, it forces vulnerable PAPs to settle in sensitive ecosystems contributing to climate change and its impacts.

(iii.) That the unconstitutional

use of cut-off dates which promote the possession of PAPs' property prior to compensation compels people to accept low compensation out of fear resulting in the effects mentioned in point ii.

(iv.) That delays in relocating people creates uncertainty which paralyzes PAPs from growing food so that they become food insecure. Also, it forces people to take low cash compensation to avoid staying in uninhabited villages with no access to social services creating the same impact as noted in point ii.

Vulnerable families that are pushed into desperate situations by cut-off dates



(v.) That failure to adequately educate PAPs on how to use their money results in them misusing it –some PAPs got new wives with compensation money- so that without enough money to buy alternative land, some settle in important ecosystems.

(vi.) That inadequate livelihood restoration programmes and resettling PAPs in special settlements such as the Kyakaboga modern village compromises their ability to generate income for food and other necessities.

## RECOMMENDATIONS

In view of the above, the following are recommended:

(a.) Social impact assessments (SIAs) determining the demographics and economic way of PAPs and the effect of resettlement on them should be made mandatory. These assessments should guide whether a project should be undertaken or not. Recommendations on how to avoid income loss for resettled persons should be made by the SIAs and these should be strictly enforced to avoid negatively impacting food security, water provisioning and climate resilience.

(b.) Use of outdated rates must be remedied by facilitating district land boards to update compensation rates for crops and buildings of a non-permanent nature

in consultation with the people. These rates must be set every financial year. This way, compensation will be fairly determined to some extent.

(c.) Use of cut-off dates must be time bound to prevent their negative impacts on communities and on food security, water provisioning and climate resilience. The date should only apply for six months after which properties must be reassessed and valued. This will prevent PAPs from living in fear so that they will grow food and cash crops for income.

(d.) Persons to be relocated and compensated must be resettled in a period of no more than six months. This way, the negative effects of delayed relocation including income loss and compelling PAPs

to take low compensation will be mitigated.

(e.) PAPs must be adequately educated and assisted to use their compensation monies well so as to prevent the negative impacts including food and water insecurity that arise when money is misused.

(f.) Finally, adequate livelihood restoration programmes must be implemented. If they are not, food insecurity will be enabled as is shown in this information sheet.





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