The Republic of Uganda

Land Sector Strategy Plan
2013 - 2023

ECONOMIC AND FINANCIAL ANALYSIS

Ministry of Lands, Housing and Urban Development
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8. LSSP II - Investment Plan and Economic Analysis

This chapter deals with the investment plan and economic justification for the LSSP II investments. The investment plan is simply a long term budget with details provided on the various program components, their distribution over the years as well as financing modalities. Formats and structures used in LSSP I were largely maintained in LSSP II in order to facilitate comparisons between the two programs. The budget has considerable detail which is not contained in this document. This information currently remains under MLHUD's custody for operational purposes.

The economic analysis is a modified type of cost benefit analysis based on data, projections and conjecturing on the possible level of impact the land sector would have on the national economy. Currently, contribution of the land sector to the national economy is estimated to be at least 20%, with scope for further growth as the underlying land-related economic activities gain momentum.

8.1 LSSP II Investment Plan - Budgeting and Costing

8.1.1 LSSP II Budget Structure and Format

World Bank and Asian Development Bank costing tool - COSTAB 32 - was used to generate the LSSP II budget. Since this software is primarily designed for projects, several editorial modifications were made on the output tables so as to conform with the requirements of a longer term strategic program. The structure of the budget closely follows that of the LSSP I - with necessary modifications to correspond to today's realities. This approach will enable future comparisons and investigations of the successive 10-year programs over long stretches of time.

The proposed budget is an aggregate one and needs to be disaggregated before implementation through annual Government allocations via the ongoing MTEF and multi-year funding arrangements under donor funded projects.

The planning framework for the LSSP II is based on a range of factors:

- The ceiling on public expenditure set out in the MTEF over the period 20012/13-2022/23;
- Public Sector limits placed on the number of established posts and the availability of qualified staff for a restructured MLHUD and service delivery systems based on GIS these positions and the scope for out-sourcing activities; and
- The revenue potential of services provided at central and local government level.

The following bullet points summarize the overall costing approach for LSSP II.

- All costs were estimated in constant 2012 currency units (US$ and UGSh)
- An exchange rate of US$ = UGSh 2650 was assumed in all computations.
- Both quantitative and qualitative information supplied by MLHUD authorities were utilized in assembling the LSSP II budget.
- Where feasible unit costs and quantities were used for costing purposes.
- Where unit costs and quantity related data were unavailable - discretionary and approximate lump-sum costing was adopted.
- Price and physical contingencies were excluded.
- Such contingencies will be factored in when the budget is being disaggregated for implementation through detailed business plans and/or specific investment projects.
- The budget structure respects the current division of responsibility within MLHUD and outside. However, modifications will be necessary to harmonize and align the proposed line items with the various vote functions.

Basic Budget Parameters: Emphasis was placed on reinforcing basic LA functions, in view of revamping the land market in Uganda.

Exclusions: The Budget targets principally the Ministry of Lands, Housing and Urban Development with few other external areas of assistance. Department of Urban Development and Division of Housing were excluded, since investments coordinated by these two departments are being funded under separate programs.

Funding Modalities and Mechanisms: A Sector Wide Approach to Planning (SWAp) is being advocated in the National Development Plan (NDP) which seeks to build a sector wide legal, institutional and financial framework for the implementation of land sector reforms at central and local government levels.

Indeed, Uganda has been among the first sub-Saharan countries to introduce SWAps. There are mature SWAps in the water, agriculture, environment and natural resources, education and judiciary sectors and a number of harmonization and alignment efforts have been successful in the forestry and lands and wetlands sub-sectors. Uganda is a pilot country of the TerrAfrica initiative (jointly supported by the World Bank, NEPAD and other donors), which provides a collective approach to Sustainable Land Management (SLM), potentially helping to improve the efficiency of existing coordination frameworks relevant to SLM. Therefore, clearly a SWAp is not a new topic for Uganda, and SWAp will prove highly pertinent for LSSP II implementation. Some background information is being provided in **Annex A** to inform discussions and implementation effort.

LSSP II Components and Investment Costs: LSSP II is provisionally estimated to cost US$ 339.86 M to be implemented through the five essential components listed below and some 19 sub-programs (or sub-components) which have been individually estimated.

Component A: Central Government Land Institutions
Component B: Policy and Legal Review
Component C: Land Information
Component D: Decentralized Land Administration
Component E: Cross Cutting Interventions

8.1.2 Summary Program Costs

The Summary Program Costs of the LSSP-II are shown in Table 1 below. This table contains the estimates compiled by the LSSP II design team following consultations with officials in the MLHUD, other key ministries and relevant sources.

Table 1: Summary Program Cost of the LSSP-II

Uganda					
Land Sector Strategic Plan					
Components Program Cost Summary		**(US$ Million)**			**% Total**
	Local	**Foreign**	**Total**		**Costs**
A. Central Government Land Institutions					
Physical Planning	12.06	24.05	36.11		11
Surveys and Mapping	8.52	14.27	22.79		7
Land Registration and Administration	2.26	3.41	5.67		2
Uganda Land Commission	25.65	3.11	28.77		8
Land Tenure Reform Coordination	6.75	10.48	17.23		5
MLHUD Headquarters in Kampala	50.20	11.31	61.50		18
Subtotal	105.45	66.62	172.07		51
B. Policy and Legal Review					
National Land Policy	0.44	0.68	1.12		-
National Land Use Policy	0.43	0.68	1.11		-
Other Policy and Thematic Studies	0.11	0.25	0.35		-
Subtotal	0.97	1.61	2.58		1
C. Land Information					
Expansion and Reinforcement of LIS	11.97	12.55	24.52		7
Valuation	0.37	0.73	1.10		-
Systematic Land Demarcation	14.04	21.06	35.10		10
Customary Land Registration	20.60	31.40	52.00		15
Demarcation of International Boundaries	0.62	0.96	1.58		-
Demarcation of Administrative Boundaries	1.41	2.11	3.52		1
Subtotal	49.01	68.81	117.82		35
D. Decentralized Land Administration					
DLOs and DLBs	17.39	1.10	18.49		5
Other County Structures	10.75	1.25	12.00		4

Subtotal	28.15	2.35	30.49		9
E. Cross Cutting Interventions	-				
Overall Training and Capacity Building	-	7.90	7.90		2
Support to the Land Market	-	9.00	9.00		3
Subtotal	-	16.90	16.90		5
Total PROGRAM COSTS	**183.58**	**156.29**	**339.86**		**100**

8.1.3 Phasing of LSSP II and Sources of Funding

As was the case with LSSP I, the new program is designed in two phases. The first phase is for 5 years from 2013/14 to 2017/18, and the second phase runs from 2018/19 to 2022/23. Funding is almost equally apportioned. The first phase is heavy in basic ground work and has US$ 173.64 M allocation while phase II has expanded implementation support for US$ 166.22 M, for a total of US$ 339.86 M. It is expected that 70% of the program's funding needs would be provided by development partners) please see table below) with a major part (about 60%) to be supplied by the World Bank.

Table 2. Financing of LSSP II Program (US$ Million)

	Cost In Constant Currency Units	% of Total	Development Partners Financing	% Financing
A. Central Government Land Institutions				
Physical Planning	36.11	10.6	36.11	100.0
Surveys and Mapping	22.79	6.7	20.59	90.4
Land Registration and Administration	5.67	1.7	5.12	90.2
Uganda Land Commission	28.77	8.5	20.93	72.7
Land Tenure Reform Coordination	17.23	5.1	17.23	100.0
MLHUD Headquarters in Kampala	61.50	18.1	9.78	15.9
Subtotal	172.07	50.6	109.75	63.8
B. Policy and Legal Review				
National Land Policy	1.12	0.3	1.00	89.3
National Land Use Policy	1.11	0.3	1.00	90.1
Other Policy and Thematic Studies	0.35	0.1	0.35	100.0
Subtotal	2.58	0.8	2.35	91.1
C. Land Information				
Expansion and Reinforcement of LIS	24.52	7.2	22.13	90.3
Valuation	1.10	0.3	1.10	100.0
Systematic Land Demarcation	35.10	10.3	28.08	80.0
Customary Land Registration	52.00	15.3	50.00	96.2
Demarcation of International Boundaries	1.58	0.5	1.58	100.0
Demarcation of Administrative Boundaries	3.52	1.0	3.52	100.0
Subtotal	117.82	34.7	106.41	90.3
D. Decentralized Land Administration				
DLOs and DLBs	18.49	5.4	1.43	7.7
Other County Structures	12.00	3.5	1.66	13.8
Subtotal	30.49	9.0	3.09	10.1

E. Cross Cutting Interventions							
Overall Training and Capacity Building	7.90	2.3	7.90	100.0
Support to the Land Market	9.00	2.6	8.46	94.0
Subtotal	16.90	5.0	16.36	96.8
	339.86	100.0	237.97	70.0

8.2 Overview of the Program's Environment

8.2.1 Background

The LSSP II is intended to provide an all-encompassing framework for (a) implementing some important activities of LSSP I that are still relevant but which could not be translated into action because of lack of funding and (b) strategic objectives of the new National Land Policy (NLP) which has just been approved. Notable progress achieved under LSSP I included the foundation for a modern Land Information System (LIS), the rehabilitation and construction of land offices to modernize the environment for efficient and decentralized delivery of land services in both rural and urban areas.

This section of the report aims to provide the economic justification why government investment in the LSSP II is not just necessary to protect the land reform advances made under LSSP I, but to also to ensure that strategic objectives of the NLP are implemented including improved equitable and secure access to land to enhance food security and shared and sustained growth.

8.2.2 Economic Analysis of LSSP I

The economic rationale for LSSP I was founded on narrative and qualitative analysis. Increased fiscal revenue for the Government was foreseen and a descriptive analysis of the general types of benefits associated with land sector interventions were presented. One of the main thrusts of the LSSP I economic and financial analysis was the preparation of a scenario-based detailed budget which has helped guide the agencies concerned during the program's implementation. Consistent with the requirements of the MTEF, the budgeting process recognized two phases of funding: first phase of three years (2001-2004) and second phase of seven years (2004-2011). There was greater level of detail in the first phase budget.

Given the primordial state of affairs characterizing the land sector in 2001, LSSP I indicated that financial benefits in terms of revenue to be generated from the program's implementation would be small and not be possible to predict with any degree of confidence. The analysis added that direct benefits of this nature would be unlikely to

exceed 25 per cent of investment expenditures, even under the most optimistic forecasts. Therefore, the primary justification for the overall program would be in the indirect benefits that would accrue to the economy as a whole, implicitly recognizing the program's linkage to the macro economy.

While we concur with these assessments, we add that the above picture has somewhat changed toward the tail end of LSSP I. MLHUD has reported important collections in fiscal revenue, which exceeded public allotments in budgetary funds. Meanwhile, as predicted, evidence suggested that the program's impact on the general economy was visible and discernible, although this appraisal could not be always be verified by quantitative measurements due to lack of effective M&E.

8.2.3 LSSP II and Its Beneficiaries

Taking into consideration the progress made under LSSP I, the proposed LSSSP II will support the second 10-year period for an overall program which may perhaps have to be sustained for at least another 10 years after the new funding cycle expires in 2023. As indicated above, LSSP II will consolidate and complete the reforms started in LSSP I and build on the current momentum to strengthen the existing institutions and establish new ones where needed in order to streamline and computerize business processes for faster delivery of land administration, land management and physical planning services countrywide. LSSP II will also support the scaling up of the critical initiatives which were successfully piloted and documented under LSSP I. The most significant piloting endeavor has been the systematic demarcation effort as well as the laying of a solid foundation of the countrywide LIS funded under the previous World Bank funded PSCP.

The program will therefore strive to deliver efficient and transparent services to the benefit of both public and private entities. Since land is vested in private citizens in Uganda, the primary beneficiaries of LSSP II are indeed the private citizens and landholders who will benefit from improved systems of land administration and management which will enhance: (i) tenure security for landholders and the transferability of land; (ii) access to more efficient and transparent land administration services including surveying, registration, and valuation; and (iii) improved land information, including up-to-date maps and other spatial data that can be used to support a variety of economic activities at the micro-economic and individual level.

Key development indicators for LSSP II at the micro-level would consist of verifiable reductions in the (a) number of days taken to register land titles, deeds and mortgages; (b) number of days taken to complete a title search; (c) number of land disputes and in the backlog of land cases in courts; (d) average cost of survey and valuation services offered by the private sector; and increases in the (e) number of clients satisfied with land

administration services, (f) number of registered land transactions and associated revenue; and (g) number of localities covered by land use and physical development plans.

8.2.4 Current Land Market Trends in Uganda and Macro-Economic Linkages

In macro-economic terms Uganda has been stable which has helped economic growth and resulted in reductions in poverty levels. The objective of Ugandan government's policy is low and stable inflation, defined as a 5 per cent annual rate of increase in the consumer price index (CPI). According to IMF Uganda's real GDP growth was 4.2 percent in 2012, and the forecast for 2013 is 5.7 percent. Consumer prices increased by 14.6% in 2012. The forecast for 2013 is 6%.

Foreign Direct Investment (FDI)

The Uganda Investment Authority reports that interest from international investors is increasingly evident from investors based in India, China, and Arab countries, rather than from investors based in Europe. However, overall expressions of interest remain strong. The main sectors attracting FDI been manufacturing, finance, insurance and **real estate services,** as well as agriculture, energy/oil and telecommunication[1].

The Role of the Land Sector in National Income

It is very hard to come up with an objective estimate concerning the land sector's contribution to the GDP. This difficulty is entrenched in the cross-cutting nature of land in almost all economic endeavors and activities. Commonly, three economic sectors emerge with an indisputable land dimension and content. These sectors are agriculture, construction and real estate. Bank of Uganda estimates that (please see **Annex B)** real estate activities account for 7 percent of the national income. Construction, another land-based sector, accounts for 13 percent, while agriculture - the largest land based sector - accounts for some 13 percent. Collectively and after downward adjustments, it is possible to assert that land based sectors affect and thereby account for at least one fifth of Uganda's economic activity. **This means that at least 20% of the GDP is expected to be land based and derived from land in Uganda.**

[1] Uganda National Report, For the Implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010.
http://www.un.org/wcm/webdav/site/ldc/shared/Uganda.pdf

Role of the Real Estate Activity on the Macro Economy in Uganda

Real estate (land and other properties) can influence the macro economy in a number of ways. It should b remembered that the recent global financial crisis and recession has largely been real property based. Real estate can influence inflation in three principal ways, and thereby impact critical macroeconomic balances. First, real estate is a major element of the CPI, accounting for about a tenth of the basket of goods and services that make up the index in Uganda. Any volatility in real estate markets and prices has a significant impact on the consumer price index and inflation. Second, the real estate sector is a critical sector of the economy accounting for a significant use of resources, thereby influencing wages and prices more generally. **In 2011/12 the real estate sector grew by 5.8 percent - a faster rate of expansion than the rate of 3.2 percent recorded by total GDP.** Thus developments in housing substantially affect the business cycle and by extension inflation. Third, changes in housing values influence consumption by affecting households' access to credit. Homeowners can borrow more against increases in home equity to finance home renovations, the purchase of a second house, or other goods and services. Such expenditures can accelerate the increase in house prices, reinforcing the growth in collateral values and access to borrowing, leading to a further rise in household spending. Of course, this financial accelerator can also work in reverse: a decrease in house price tends to reduce household borrowing capacity, and amplify the decline in spending.

Real estate movements also influence financial stability at the macro level. Financial institutions rely significantly on property as collateral for lending. For example, the value of real estate - related debt with the banking sector in Uganda has nearly doubled over the last two years from June 2010 to June 2012 growing by 98 percent to UGShs1.7 trillion. This debt is also the single largest loan exposure for Ugandan banks, with real estate loans making up more than 23.2 per cent of the loans of Ugandan banks, up from about 15 percent five years ago. In the last two years alone, bank loans for commercial mortgages have increased by 213 percent or UGShs. 299 billion while lending to property developers has risen by 131 percent or UGShs. 263.9 billion. This unprecedented exposure exists in the context of a Ugandan mortgage market that is buoyant, but whose driving fundamentals are not clear largely due to the lack of reliable data[2].

[2] The above text was adapted from a 2012 speech by Louis Kasekende, Deputy Governor of the Bank of Uganda, http://www.bou.or.ug/export/sites/default/bou/bou-downloads/speeches/DeputyGovernorsSpeeches/2012/Aug/Speech_by_DG_at_a_Workshop_on_Real_Estate_Prices_and_Financial_Stability_on_August_24x_2012_at_Hotel_Africana.pdf

8.2.5 Constraints to the Performances of Land Management Sector

LSSP II envisages mitigating or ideally alleviating the operating constraints that restrain and inhibit the lands sector in Uganda. Below is a summary of these constraints borrowed from various analytical studies contained in the NDP and NLP where significant space was devoted to diagnostic investigations based on the LSSP I experience. Many tangible economic benefits will be unleashed once these constraints have been lifted in whole or at least in part.

- Inadequate supply of skilled and experienced professionals including Land Surveyors, Valuation Surveyors and Land Economists.

- Inadequate capacity of the existing institutions of land management and administration at the National and Local Government levels. The decentralization system has fragmented land administration and created different centers of power. The new centers thus created lack the capacity to effectively deliver services to the Ugandans. The coordination mechanism has been severely affected by lack of standards and a central line of command and control at the national level. Poor enforcement of land use regulations remains a challenge.

- Outdated technology and obsolete equipment for survey works, mapping, physical planning, and land registration and information management result in ineffective service delivery.

- Low level of public awareness prevails on land issues, including land rights and obligations, thus creating vulnerabilities in certain segments of the population.

- Outdated information on land including cadastral maps, topographical maps, district maps. The National Atlas and other related maps have never been updated since the 1960s.

- Continuing bureaucratic impediments and red tape in accessing land titles breed corruption, delays and increase high transaction costs.

- The existing land law vests land ownership in the citizens of Uganda. In order to acquire any land for public use such as roads, open spaces and industrial parks, there has to be adequate compensation of the land owner. Generally, local Governments do not have adequate resources for this purpose. This affects the effectiveness of the Local Authorities and other Government institutions in service delivery.

- The existence of multiple tenure rights on land affects access to land by would be potential developers.

8.2.6 Constraints to the Performance of Physical Planning Sector

- Inconsistent laws: The applicable law (the Town and Country Planning Act, 1964) has provisions that are inconsistent with other laws such as the Local Government Act, 1997, the Land Act, 1998, the National Planning Authority Act, 2002, and other laws.

- Inadequate coordination: There is no clear mechanism for coordination among various institutions involved in physical planning. This problem is eminent between Urban and District Local Governments, and the Ministry responsible for physical planning and Local Government. Also, coordination among relevant MDAs is lacking.

- Inadequate human resources to formulate and implement physical development plans.

- Negative attitude and perceptions as well as lack of goodwill to implement physical development plans.

- Lack of up-to-date planning information, including topographic maps, cadastre information and land tenure maps, among others.

- Lack of national physical planning standards, guidelines and regulations.

8.3 Indicative Economic Analysis of LSSP II

8.3.1 Analytical Framework

From a micro-economic viewpoint, it would be practically impossible to individually identify, track and quantify the myriad of LSSP II explicit (tangible) and implicit (intangible) benefits which emanate from a vast array of interventions within Uganda's statutory law and customary arrangements. Therefore, it would be appropriate to consider an alternative and indicative cost benefit analysis (CBA) that would rely on a macro-economic foundation (please see **Annex C** for details on the options for such an analysis). This approach would be based upon some assumptions intended to capture the underlining macro-economic linkages between the program's investment and its incremental impact on the GDP using the experiences from other parts of the world (please see Attachment on macro-economic framework and the lessons learned from the CRCSI's study in Australia).

Given that improved land administration and management and the resulting information accumulation will impact the macro economy, it is hypothesized that LSSP II investments will likewise exert an incremental and positive effect on the GDP to a certain degree, which would allow us to offer an indicative analysis. In this connection we note that the GDP in Uganda was about US$ 16.81 billion in 2011. For the sake of analysis, it is assumed that LSSP II will start in 2013 with a GDP level of about US$ 18 billion and continue growing at a constant average conservative rate of 5% per annum over the next 20 years.

Uganda's Vital Economic Statistics	**Yr 2011**
GDP, US$ billion	16.81
Population, total million	34.51
GDP growth	6.6

http://data.worldbank.org/country/uganda

The key assumption that will drive the analysis is that the LSSP II investment package will impact the Ugandan GDP at a modest incremental rate of 0.4 to 1.5 % per annum (the benchmark in the case of Australia was a cumulative 0.6% to 1.2% of GDP), and try to estimate the corresponding economic efficiency parameters consisting of ERR, C/B ratio and the NPV.

8.3.2 Assumptions Underlying the Indicative Economic Analysis

LSSP II Program's Overall Investment Cost: LSSP II investment cost will be US$ 339.86 with funding from various sources.

Program life: LSSP II implementation period for the investment) will be 10 years and investment funds will be evenly distributed over these years as per the budget provisions.

Planning horizon: Total horizon over which the economic analysis is conducted is 20 years; of which 10 five will be for implementation, and 10 for the operational period.

Recurrent Cost: Following the investment period of 10 years, the Government is assumed to incur US$ 6 M annually in maintenance costs, which corresponds to the recurrent budget

GDP in Base Year**:** Uganda's GDP in the base year of 2013 is US$ 18 billion.

Annual GDP Growth Rate**:** 5% (conservative estimate)

Benefits attributed to the Program: It is assumed that in the base case scenario LSSP II benefits will accrue (start to emerge) as of year 6, and continue through till year 20. Benefits will initially manifest themselves at a rate of 0.1% of GDP, and stabilize at 0.4% of GDP over the 20 year period.

Counterfactual Scenario (Possible Losses to be Incurred Without the LSSP II): The without program scenario would normally involve a reduction in the GDP in the absence of sustained efforts in the lands sector in Uganda in both land administration and management. But this effect is being ignored for the sake of performing a more conservative analysis.

Opportunity Costs of Capital (OCC): 8 %

8.3.3 Results of the Indicative Analysis

The base case scenario is crafted on a low level of expected impact of the program investment on the GDP (0.4% per annum or alternatively stated: four parts in one thousand) and a delayed manifestation of this benefit until the 6th year. These assumptions suffice to generate an acceptable ERR of 23% for LSSP II, with C/B of 2.6 and NPV at a positive value of US$ 390 million. We would normally expect a much higher value and resulting impact from a rather ambitions land sector related information and service delivery mechanism emanating from the program's implementation. This recognition constitutes the sensitivity analysis around the assumed level of the impact. If annual incremental impact of the project on the GDP is raised to 1%, we would improve the IRR to 30%, the C/B ratio to 4.18 and NPV to US$ 947. M. The highly optimistic case of 1.5 % program impact on the GDP would generate an IRR of 42%.

Efficiency Parameter	**Assumed LSSP II Impact on GDP at 0.4%**	**Assumed Project Impact on GDP at 1%**	**Assumed Project Impact on GDP at 1.5%**
ERR	23%	30%	42%
C&B Ratio	2.60	4.18	7.84
NPV	389.94	947.41	1474.26

The figures discussed above suggest a very high rate of return on the investment of US$ 339.86 M compared to many long-term and large-scale investment efforts in national development.

Policy makers are usually wary of cost overruns with any program's implementation. Therefore, a second sensitivity analysis was conducted to investigate the effect of rising costs on the program's efficiency. The below table shows that the LSSP II investment would still yield an acceptable return of 11% even when we double the investment costs to from US$ 340 million to US$ 680 million.

Parameter	Base Case	Costs Up 25%	Costs Up 50%	Costs Up 100%
IRR	23%	19%	16%	11%
C&B Ratio	2.73	1.97	1.64	1.23
NPV	354.81	294.00	233.19	103.30

Detailed analytical sheets are found in **Annex D and Annex E**.

8.3.4 Anticipated Fiscal Impact

Under LSSP I important progress was achieved in the collection fiscal receipts via stamp duty tax and fee income. As the systematic demarcation effort is expanded, as planned under LSSP II, a greater number of land parcels and properties will be brought in the formal sector's domain and deepen the tax revenue base which in turn will result in even greater tax collections. The last four years data is provided below. In order to maintain and exceed the fiscal collections momentum experienced from 2008 to 2010, LSSP II must make bold efforts to bring more and more properties in the registries, and this is precisely what is being planned under the proposed program.

Taxable Revenue in the Mailo and Leasehold Registry (UGSh)

Year	2008/09	2009/10	2010/11	2011/12
Mailo Registry	36,508,799,000	35,000,899,908	37,709,899,908	28,282,424,931
Leasehold Registry	53,700,211,560	55,808,000,000	51,722,202,966	44,791,652,224
Total Revenue	90,209,010,560	90,808,899,908	89,432,102,874	73,074,077,155

Source: MLHUD, 2012

Non-Taxable Revenue in the Mailo and Leasehold Registry (UGSh)

Year	2008/09	2009/10	2010/11	2011/12
Mailo Registry	7,800,000,000	7,200,000,000	8,000,000,000	6,000,000,000
Leasehold Registry	3,010,560,000	3,080,500,000	2,065,800,000	1,549,350,000
Total Revenue	10,810,560,000	10,280,500,000	10,065,800,000	7,549,350,000

Source: MLHUD, 2012

Taxable Revenue in the Mailo and Leasehold Registry (Million US$)

Year	**2008/09**	**2009/10**	**2010/11**	**2011/12**
Mailo Registry	18.66	18.45	16.37	11.56
Leasehold Registry	27.45	29.42	22.45	18.31
Total Revenue	46.11	47.88	38.82	29.86

Source: MLHUD, 2012

Non-Taxable Revenue in the Mailo and Leasehold Registry (Million US$)

Year	2008/09	2009/10	2010/11	2011/12
Mailo Registry	3.99	3.80	3.47	2.45
Leasehold Registry	1.54	1.62	0.90	0.63
Total Revenue	5.53	5.42	4.37	3.09

Source: MLHUD, 2012

Foreign Exchange Rates (UGSh per US$)

Year	**2008/09**	**2009/10**	**2010/11**	**2011/12**
Exchange Rate	1,956.19	1,896.64	2,303.93	2,446.91

Source: Exchange rates from Bank of Uganda

ANNEX A: The New Aid Architecture

The increased attention on institutional harmonization, often referred to as Harmonization, Alignment and Coordination (HAC), coincides with intensifying discussions on the effectiveness of aid. Since the early 1990's aid modalities and their effectiveness have been repeatedly scrutinized. A number of challenges have been identified that jeopardize the impact of aid and hence of development as such.

Frequently cited challenges include: the unpredictability of aid flows in terms of timing of disbursement and volume; the establishment of structures for implementation, reporting and monitoring which are parallel to existing recipient government structures; the multiplicity of donor financial reporting and accounting systems; the frequency of donor missions, which overburden the recipient government's administration and increase transaction costs.

A new "aid architecture" has been emerging, aiming to overcome these challenges. On a global level this framework is based on the Millennium Declaration (2000) and the Millennium Development Goals (MDGs), which are a set of prioritized, precise and time-bound development goals.

On a national level the framework is based on Poverty Reduction Strategy Papers (PRSPs) and subsequent National Development Plans. The Paris Declaration of Aid Effectiveness (2005) sets a framework of reference points for the international development community. More recently Joint Assistance Strategies are complementing the Paris Declaration on partner country level. They aim to provide transparent and reliable donor support to the partner country over a certain period of time (see Bibliography for further information).

1. Sector-wide approaches

Within this new development framework, assistance at the sector level has gone through different phases, towards more alignment, harmonization and ownership. Sector-wide approaches (SWAps) have become a preferred approach for financial and technical support. SWAps are more than just a new way of channeling aid. They constitute a vehicle for institutional harmonization and thus for reform processes.

All significant funding, whether internal (partner government contributions) or external (donors contributions), supports a sector policy in a SWAp. Further, the expenditure program is under government leadership and the SWAp adopts approaches for planning, financing, reporting
and monitoring across the entire sector. It is generally accompanied by progressing towards relying on partner government procedures to disburse and account for all funds.

Most SWAps, even the advanced ones, are in the middle of a process of broadening support from different sources of funding. The nature of the sector, the composition of

stake-holders and the political, social and economic framework conditions in the respective country determine the
structure and shape of the SWAp and the pace of its progress.

2. Program-based approaches

More recently the concept of Program-based approaches (PBAs) has been introduced. A PBA can be understood as the extension of the SWAp concept. It refers to a generic approach based on comprehensive and coordinated planning, in a given thematic area, under the aegis of a national Poverty Reduction Strategy Paper. PBAs support locally designed and steered programs of development, i.e. the program of a partner government or nongovernmental organization. Thus the PBA concept offers a higher degree of institutional flexibility by focusing on a policy program and objectives, which can be multi-sectoral, sectoral or sub-sectoral.

The number of SWAps and PBAs is constantly growing worldwide, but with a stronger presence in Africa and Asia. Although education and health have so far been 'traditional' sectors for SWAp/PBA development, the attention is now moving to sectors like agriculture, land, environment and natural resources, water as well as to areas like governance, decentralization and even rural development.

3. Support and financing systems

The overarching vision of the new aid architecture is to provide all or the major part of development aid through 'sector budget support' and 'general budget support' programs. Management, implementation and monitoring of development aid in future will rely on the recipient government's
administration and financial management systems. Development partners are increasingly engaging in policy dialogue based on agreed policies and sector strategic plans. The box below highlights four ways of providing aid which are commonly used under SWAps or PBAs.

General budget support – Assistance is provided in support to the government budget and can be used to increase spending, reduce borrowing or reduce taxes. Funding is disbursed into the government accounts (on budget) and managed according to the national public financial management procedures.

Sector budget support – This type of support is provided with sector conditions usually requiring agreement between the recipient government and development partners on the sector's policy. Funds are earmarked for financing an agreed expenditure plan for the sector and disbursed and accounted for through government systems, at times with additional sector specific reporting.

Sector earmarked support or basket funding – Earmarked support is a variation of the above and used when specific earmarking within the sector's program and expenditure

plan is required because the donor(s) limit(s) aid to specific expenditure categories within the sector. Basket funds are either administered by government institutions through special accounts or by independent financial management agents (e.g. private auditing companies).

Project aid – This type of support provides a specific earmarking of expenditures to a set of agreed activities. Project aid can use government or parallel (sometimes donor managed) project-specific financial management systems.

It must be highlighted that there is no blueprint on how to best promote and finance SWAps/PBAs. Applying a "one size fits all" approach carries the risk of creating a technocratic and supply-driven process and of ignoring the final beneficiaries and the envisaged objectives of institutional harmonization processes.

Stakeholders in institutional harmonization processes need to avoid focusing on one approach only. A flexible and demand-oriented approach that considers the individual characteristics of the situation will have a better chance of success [3] .

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[3] How to Establish an Effective Land Sector, UNHABITAT, http://issuu.com/unhabitat/docs/2540_alt

Annex B: GDP by Economic Activity at Constant Prices

	2007/08, 2008/09, 2009/10, 2010/11, 2011/12					Share of GDP in 2011/12
	Values (Billions of shillings)					
Total GDP at market prices	**18,145**	**19,461**	**20,601**	**21,978**	**22,681**	
Agriculture, forestry and fishing	**2,862**	**2,945**	**3,015**	**3,037**	**3,129**	**13%**
Cash crops	253	2 77	274	256	298	
Food crops	1,567	1,608	1,650	1,662	1,679	
Livestock	252	259	267	2 75	283	
Forestry	492	523	538	553	573	
Fishing	299	2 78	285	290	296	
Industry	**4,555**	**4,819**	**5,130**	**5,534**	**5,596**	
Mining & quarrying	61	63	73	87	94	
Manufacturing	1,209	1,330	1,418	1,531	1,504	
Formal	893	1,000	1,061	1,158	1,107	
Informal	316	330	357	373	397	
Electricity supply	169	187	214	237	246	
Water supply	335	354	369	384	401	
Construction	2,782	2,884	3,055	3,295	3,351	**15%**
Services	**9,057**	**9,857**	**10,667**	**11,564**	**11,926**	
Wholesale & retail trade; repairs	2,504	2,74 8	2,768	2,884	2,865	
Hotels & restaurants	831	868	980	9 74	1,175	
Transport & communications	1,285	1,469	1,726	1,968	2,143	
Road, rail & water transport	595	672	767	828	845	
Air transport and support services	125	120	121	125	130	
Posts and telecommunication	565	676	837	1,015	1,167	
Financial services	389	488	632	781	689	
Real estate activities	1,296	1,369	1,4 4 7	1,530	1,618	**7%**
Other business services	289	324	373	405	412	
Public administration & defense	646	682	791	883	935	
Education	1,14 1	1,190	1,175	1,292	1,217	
Health	264	256	257	2 72	217	
Other personal & community services	412	462	517	576	655	
Adjustments	**1,670**	**1,840**	**1,790**	**1,843**	**2,030**	
FISIM	-173	-220	-373	-479	-423	
Taxes on products	1,843	2,060	2,162	2,322	2,453	

Source: Bank of Uganda, Monetary Policy Report, June 2012

http://www.bou.or.ug/export/sites/default/bou/bou-downloads/publications/Monetary_Policy_Reports/2012/Jun/Monetary_Policy_Report_June_2012.pdf

ANNEX C: Notes on Cost Benefit Analysis

Cost Benefit Analysis (CBA) Methodology for Land Administration and Management: Basically there are two analytical approaches one could take to evaluate the investment decisions for land sector interventions and related projects. These are (a) cost benefit analysis (CBA) and (b) cost effectiveness analysis. The latter analytical approach is premised on a detailed analysis of costs and hence more appropriate for local and micro-economic applications, while the CBA could be adapted for applications in both micro- and macro-economic settings.

Application of CBA to land sector interventions has not been easy due to a general lack of data and methodological problems related to the attribution of program benefits which establish causal relationships between outcomes and outputs. While fewer issues and problems beset the aspect of program costs, identification, quantification and monitoring of benefits have proved largely elusive. According to the conventional cost benefit analysis of land sector interventions, benefits from such endeavors are usually associated with: (a) increased security of tenure (decreased government expropriation, land grabbing and disputes), (b) increased access to credit (because of better collateral), (c) improved functioning of land markets, (d) improved land use and environment (through better farming practices), and (e) information (improved tax collection and land use planning).

Inhibitors or factors which can prevent some, or all, of the benefits from being realized consist of: (a) poor program design which does not take into account the realties and complexities on the ground, (b) no institutions capable of making loans, (c) loan transaction costs being prohibitively high, and (d) the very high cost of mapping, cadastral surveying and other miscellaneous technical services which may exert an undue pressure on both donor and national funding. The last item in the above list of inhibitors warrants particular attention since it jeopardizes project sustainability in most land administration programs in Africa, and that applies to LSSP II as well.

Various theoretical and conjectural schemes have been offered by economic researchers to understand the economic impact of land sector investments. It would be useful to offer a quick review of some existing papers dealing with the empirical modeling of such land sector interventions.

CBA Methodologies Used in Land Administration and Reform: There have been many attempts to offer a sound theoretical framework to study and quantitatively investigate land sector interventions, and apply the CBA as the basic tool of analysis. One of these was the below referenced research working paper [4] issued by the World Bank, which acknowledged that land sector related support and investments would affect not

[4] Frank Byamugisha, The Effects of Land Registration on Financial Development and Economic Growth, 1999, World Bank Policy Research Working Papers, No: 2240

only a few sectors but the economy as a whole, as opposed to other conceptual approaches which relied on an investigation of beneficial effects on only one or few economic sectors. The model has been driven by the creation of new spatial information and built on the established relationship between improved land administration and financial development and economic growth. The framework offers five key linkages: (a) land tenure security and investment incentives linkage, (b) land title, collateral, and credit linkage (c) land markets, transactions, and efficiency linkage, (d) labor mobility and efficiency linkage, and (e) land liquidity, deposit mobilization, and investment linkage.

This particular conceptual model is amenable to further extension as a macro-economic tool whereby all of the above described linkages would interact to generate an impact on the economic growth, which could be measured in terms of a changes in the GDP.

Empirical Evidence on the Value of Spatial Information[5]: A study completed in Australia in 2008 helps shed some important light on the impact of spatial information, on the whole economy. This study was a pioneering effort reporting that there were sizable aggregate economic impacts attributable to the spatial information (a proxy for LIS or the entire range of information from a land administration system), the full extent of which the national accounts (GNP and GDP calculation methods) did not capture.

The study revealed that spatial information was increasingly being used in most sectors of the economy where it was having a direct impact on productivity. In 2006-07 the accumulated impact of these direct impacts: (a) contributed to a cumulative gain of between $6.43 billion and $12.57 billion in Gross Domestic Product (GDP) - equivalent to 0.6% and 1.2% of GDP respectively, (b) increased household consumption by between $3.57 billion and $6.87 billion on a cumulative basis, (c) increased investment by between $1.73 billion and $3.69 billion on a cumulative basis, (d) had a positive impact on the trade balance − exports were between $1.26 billion and $2.30 billion higher than they would otherwise have been.

This was the world's first authoritative analysis on the economic impact of spatial information and demonstrated a higher than expected industry value. The study was commissioned by the Cooperative Research Centre for Spatial Information (CRCSI) with support from ANZLIC, Australia's Spatial Information Council. It was based on an analysis of 22 sectors of the Australian economy.

Cost of inefficient access to data was assessed to be disconcerting. Constraints on access to data were estimated to have reduced the direct productivity impacts in certain sectors by between 5% and 15%. It was estimated that this could have resulted in GDP and consumption being around 7% lower in 2006-07 (around $0.5 billion) than it might otherwise have been.

[5] The Value of Spatial Information - The impact of modern spatial information technologies on the Australian economy, March 2008, ACIL Tasman, http://www.crcsi.com.au/uploads/publications/PUBLICATION_323.pdf

Annex D: LSSP II Economic Analysis Scenarios

Scenario 1: Program impact on GDP is first witnessed in 2018 and rises up to 0.4% of GDP.

Uganda LSSP II Indicative Economic Analysis (Base Case)

Year	Costs	Calculation of Benefits			Cash Flow
	LSSP II Investments and Recurrent Cost	Uganda's GDP	Assumed % Impact of LSSP II on GDP	Estimated Impact of LSSP II on GDP	
	C_i			B_i	$= B_i - C_i$
	US$ M	US$ B	%	US$ M	US$ M
2013	24.75	18.00	0.00%	0.00	-24.75
2014	29.03	18.90	0.00%	0.00	-29.03
2015	39.85	19.85	0.00%	0.00	-39.85
2016	37.40	20.84	0.00%	0.00	-37.40
2017	29.55	21.88	0.00%	0.00	-29.55
2018	35.77	22.97	0.10%	22.97	-12.80
2019	35.95	24.12	0.20%	48.24	12.29
2020	36.54	25.33	0.30%	75.98	39.45
2021	37.85	26.59	0.40%	106.38	68.53
2022	33.17	27.92	0.40%	111.70	78.52
2023	6.00	29.32	0.40%	117.28	111.28
2024	6.00	30.79	0.40%	123.14	117.14
2025	6.00	32.33	0.40%	129.30	123.30
2026	6.00	33.94	0.40%	135.77	129.77
2027	6.00	35.64	0.40%	142.56	136.56
2028	6.00	37.42	0.40%	149.68	143.68
2029	6.00	39.29	0.40%	157.17	151.17
2030	6.00	41.26	0.40%	165.03	159.03
2031	6.00	43.32	0.40%	173.28	167.28
2032	6.00	45.49	0.40%	181.94	175.94
				IRR	23%
				C&B Ratio	2.60
				NPV	389.94

Scenario 2: Program impact on GDP is first witnessed in 2018 and rises up to 1.0 % of GDP.

Uganda LSSP II Indicative Economic Analysis (Optimistic Case)

Year	Costs	Calculation of Benefits			Cash Flow
	LSSP II Investments and Recurrent Cost	Uganda's GDP	Assumed % Impact of LSSP II on GDP	Estimated Impact of LSSP II on GDP	
	C_i			B_i	$= B_i - C_i$
	US$ M	US$ B	%	US$ M	US$ M
2013	24.75	18.00	0.00%	0.00	-24.75
2014	29.03	18.90	0.00%	0.00	-29.03
2015	39.85	19.85	0.00%	0.00	-39.85
2016	37.40	20.84	0.00%	0.00	-37.40
2017	29.55	21.88	0.00%	0.00	-29.55
2018	35.77	22.97	0.10%	22.97	-12.80
2019	35.95	24.12	0.20%	48.24	12.29
2020	36.54	25.33	0.30%	75.98	39.45
2021	37.85	26.59	0.40%	106.38	68.53
2022	33.17	27.92	0.50%	139.62	106.45
2023	6.00	29.32	0.60%	175.92	169.92
2024	6.00	30.79	0.70%	215.50	209.50
2025	6.00	32.33	0.80%	258.60	252.60
2026	6.00	33.94	0.90%	305.48	299.48
2027	6.00	35.64	1.00%	356.39	350.39
2028	6.00	37.42	1.00%	374.21	368.21
2029	6.00	39.29	1.00%	392.92	386.92
2030	6.00	41.26	1.00%	412.56	406.56
2031	6.00	43.32	1.00%	433.19	427.19
2032	6.00	45.49	1.00%	454.85	448.85
				IRR	30%
				C&B Ratio	4.18
				NPV	947.41

Scenario 3: Program impact on GDP is first witnessed in 2016 and rises up to 1.5 % of GDP.

Uganda LSSP II Indicative Economic Analysis (H. Optimistic Case)

Year	Costs	Calculation of Benefits			Cash Flow
	LSSP II Investments and Recurrent Cost	Uganda's GDP	Assumed % Impact of LSSP II on GDP	Estimated Impact of LSSP II on GDP	
	C_i			B_i	$= B_i - C_i$
	US$ M	US$ B	%	US$ M	US$ M
2013	24.75	18.00	0.00%	0.00	-24.75
2014	29.03	18.90	0.00%	0.00	-29.03
2015	39.85	19.85	0.00%	0.00	-39.85
2016	37.40	20.84	0.10%	20.84	-16.56
2017	29.55	21.88	0.20%	43.76	14.21
2018	35.77	22.97	0.30%	68.92	33.15
2019	35.95	24.12	0.40%	96.49	60.53
2020	36.54	25.33	0.50%	126.64	90.10
2021	37.85	26.59	0.60%	159.57	121.72
2022	33.17	27.92	0.70%	195.47	162.30
2023	6.00	29.32	0.80%	234.56	228.56
2024	6.00	30.79	0.90%	277.07	271.07
2025	6.00	32.33	1.00%	323.25	317.25
2026	6.00	33.94	1.10%	373.36	367.36
2027	6.00	35.64	1.20%	427.67	421.67
2028	6.00	37.42	1.30%	486.47	480.47
2029	6.00	39.29	1.40%	550.08	544.08
2030	6.00	41.26	1.50%	618.84	612.84
2031	6.00	43.32	1.50%	649.79	643.79
2032	6.00	45.49	1.50%	682.28	676.28
				IRR	42%
				C&B Ratio	7.84
				NPV	1474.26

Parameter	Base Case	Optimistic	Highly Optimistic
IRR	23%	30%	42%
C&B Ratio	2.60	4.18	7.84
NPV	389.94	947.41	1474.26

Annex E: Sensitivity Analysis on Base Case Scenario

Uganda LSSP II Indicative Economic Analysis (Costs Up 25%)

Year	Costs	Calculation of Benefits			Cash Flow
	LSSP II Investments and Recurrent Cost	Uganda's GDP	Assumed % Impact of LSSP II on GDP	Estimated Impact of LSSP II on GDP	
	C_i			B_i	$= B_i - C_i$
	US$ M	US$ B	%	US$ M	US$ M
1	30.94	18.00	0.00%	0.00	-30.94
2	36.29	18.90	0.00%	0.00	-36.29
3	49.81	19.85	0.00%	0.00	-49.81
4	46.75	20.84	0.00%	0.00	-46.75
5	36.94	21.88	0.00%	0.00	-36.94
6	44.72	22.97	0.10%	22.97	-21.74
7	44.94	24.12	0.20%	48.24	3.30
8	45.67	25.33	0.30%	75.98	30.31
9	47.31	26.59	0.40%	106.38	59.07
10	41.46	27.92	0.40%	111.70	70.23
11	7.50	29.32	0.40%	117.28	109.78
12	7.50	30.79	0.40%	123.14	115.64
13	7.50	32.33	0.40%	129.30	121.80
14	7.50	33.94	0.40%	135.77	128.27
15	7.50	35.64	0.40%	142.56	135.06
16	7.50	37.42	0.40%	149.68	142.18
17	7.50	39.29	0.40%	157.17	149.67
18	7.50	41.26	0.40%	165.03	157.53
19	7.50	43.32	0.40%	173.28	165.78
20	7.50	45.49	0.04%	18.19	10.69
				IRR	19%
				C&B Ratio	1.97
				NPV	294.00

Uganda LSSP II Indicative Economic Analysis (Costs Up 50%)

Year	Costs	Calculation of Benefits			Cash Flow
	LSSP II Investments and Recurrent Cost	Uganda's GDP	Assumed % Impact of LSSP II on GDP	Estimated Impact of LSSP II on GDP	
	C_i			B_i	$= B_i - C_i$
	US$ M	US$ B	%	US$ M	US$ M
1	37.12	18.00	0.00%	0.00	-37.12
2	43.55	18.90	0.00%	0.00	-43.55
3	59.78	19.85	0.00%	0.00	-59.78
4	56.10	20.84	0.00%	0.00	-56.10
5	44.33	21.88	0.00%	0.00	-44.33
6	53.66	22.97	0.10%	22.97	-30.69
7	53.93	24.12	0.20%	48.24	-5.69
8	54.81	25.33	0.30%	75.98	21.18
9	56.77	26.59	0.40%	106.38	49.61
10	49.76	27.92	0.40%	111.70	61.94
11	9.00	29.32	0.40%	117.28	108.28
12	9.00	30.79	0.40%	123.14	114.14
13	9.00	32.33	0.40%	129.30	120.30
14	9.00	33.94	0.40%	135.77	126.77
15	9.00	35.64	0.40%	142.56	133.56
16	9.00	37.42	0.40%	149.68	140.68
17	9.00	39.29	0.40%	157.17	148.17
18	9.00	41.26	0.40%	165.03	156.03
19	9.00	43.32	0.40%	173.28	164.28
20	9.00	45.49	0.04%	18.19	9.19
				IRR	16%
				C&B Ratio	1.64
				NPV	233.19

Uganda LSSP II Indicative Economic Analysis (Costs Up 100%)

Year	Costs	Calculation of Benefits			Cash Flow
	LSSP II Investments and Recurrent Cost	Uganda's GDP	Assumed % Impact of LSSP II on GDP	Estimated Impact of LSSP II on GDP	
	C_i			B_i	$= B_i - C_i$
	US$ M	US$ B	%	US$ M	US$ M
1	49.50	18.00	0.00%	0.00	-49.50
2	58.06	18.90	0.00%	0.00	-58.06
3	79.70	19.85	0.00%	0.00	-79.70
4	74.79	20.84	0.00%	0.00	-74.79
5	59.10	21.88	0.00%	0.00	-59.10
6	71.55	22.97	0.10%	22.97	-48.57
7	71.91	24.12	0.20%	48.24	-23.66
8	73.08	25.33	0.30%	75.98	2.91
9	75.69	26.59	0.40%	106.38	30.68
10	66.34	27.92	0.40%	111.70	45.35
11	12.00	29.32	0.40%	117.28	105.28
12	12.00	30.79	0.40%	123.14	111.14
13	12.00	32.33	0.40%	129.30	117.30
14	12.00	33.94	0.40%	135.77	123.77
15	12.00	35.64	0.40%	142.56	130.56
16	12.00	37.42	0.40%	149.68	137.68
17	12.00	39.29	0.40%	157.17	145.17
18	12.00	41.26	0.40%	165.03	153.03
19	12.00	43.32	0.40%	173.28	161.28
20	12.00	45.49	0.04%	18.19	6.19
				IRR	11%
				C&B Ratio	1.23
				NPV	103.30

Parameter	Base Case	Costs Up 25%	Costs Up 50%	Costs Up 100%
IRR	23%	19%	16%	11%
C&B Ratio	2.73	1.97	1.64	1.23
NPV	354.81	294.00	233.19	103.30

Annex F: Registering Property in Uganda

According to the **Doing Business of June 2012** (a World Bank led research endeavor destined to serve the information needs of the international and local private investors), Uganda ranks 124 (it was 167 in 2009) among 185 countries as far as property registration performance. This performance is assessed on the basis of (a) cost of transaction, (b) number of steps it takes to complete a transaction, and (c) the time it takes to complete a transaction. The transaction in question is a city land with a building on it (following table). The most time consuming step in 2009 was step no 5 which involved valuation taking from 5 to 7 months. Now it takes only 5 to 10 days. The performance indicators are summarized below.

- Registering property (rank) 124
- Procedures (number) 12
- Time (days) 52
- Cost (% of property value) 1.9

The record shows impressive improvement over the last four years. Uganda compares well with other countries in Sub-Saharan Africa as far as cost of property registration, which has also improved substantially in recent years. This progress can be attributed to the investment efforts under LSSP I and are not just results of coincidence or luck. However, despite relative improvements there still remains much work to be done by the land sector in Uganda.

Uganda Compared to Other Countries

Indicator	Uganda	Sub-Saharan Africa	OECD
Procedures (number)	12	6	5
Time (days)	52	65	26
Cost (% of property value)	1.9	9.4	4.5

http://www.doingbusiness.org/data/exploreeconomies/uganda/registering-property

Registering Property in Uganda

No.	Procedure	Time to Complete	Associated Costs
1	Request a search and obtain Consent form to transfer at the Registry of Titles	1 day	no cost
2	Pay Search Fee and Stamp Duty at Commercial Bank	1 - 2 days	UGX 25,000 (UGX 10,000 search fee + UGX 2,500 bank fee, UGX 10,000 Consent fee + UGX 2,500 bank fee)
3	Conduct a search at the Registry of Titles	4-7 days	(already paid at the bank)
4	Lawyer drafts sale agreement	1 day	1% - 2% property value (to conduct entire transaction)
5	Valuation of property for transfer purposes by Chief Government Valuer's Office	5-10 days	no cost
6	Obtain income tax clearance certificate and assessment form for payment of stamp duty from Uganda Revenue Authority	5-10 days	no cost
7	Payment of stamp duty at the designated commercial bank	3-5 days	1% of property price (of the government's valuation)
8	The sale contract is embossed by the Ministry of Finance	2-7 days	no cost
9	Obtain consent to transfer from Land Office	5 - 10 days	(paid in Procedure 12)
10	Present documents to the Kampala City Council	1 day	no cost
11	Payment of registration fee at a commercial bank	1 day	UGX 22,500 (UGX 20,000 in fees + 2,500 bank fee) + UGX 20,000 (registration of companies' resolutions)
12	The sale contract is lodged at the Land Office	7-15 days	(already paid at the bank)

http://www.doingbusiness.org/data/exploreeconomies/uganda#registering-property

Property related transaction costs for general types of holdings are shown in the following table.

Property Transaction Costs in Uganda			
Type of Cost	**Ugandan Schillings**	**US Dollars**	**Who Pays?**
Legal Fees	UGS1,000,000	US$543	buyer
Property Valuation	UGS500,000	US$272	buyer
Surveyor Fee	UGS300,000-UGS500,000	US$163-US$272	buyer
Transfer Fee	UGS20,000	US$11	buyer
Title Search	UGS10,000-UGS12,000	US$5-US$7	buyer
Consent to Transfer	UGS10,000	US$5	buyer
Stamp Duty	1%	1%	buyer
Agent´s Commission	5%-10%		seller
Costs paid by buyer	**2.5% - 2.7%**		
Costs paid by seller	**5% - 10%**		
ROUNDTRIP TRANSACTION COSTS	**7.5% - 12.7%**		

Source: http://www.globalpropertyguide.com/Africa/Uganda/Buying-Guide

Uganda ranks as the lowest in property transaction costs in Africa.

Round Trip Transaction Costs Uganda Compared to Continent	
Seychelles	42%
Senegal	25%
Reunion Is.	24%
Nigeria	24%
Mauritius	21%
Cape Verde	18%
Namibia	16%
Tanzania	16%
Ghana	14%
South Africa	11%
Kenya	7%
Botswana	5%
Uganda	3%

http://www.globalpropertyguide.com/Africa/Uganda/roundtrip-cost