

BUSITEMA  UNIVERSITY

FACULTY OF NATURAL RESOURCES AND ENVIRONMENTAL SCIENCES

ECONOMIC VALUATION OF CENTRAL FOREST RESERVES.

**A CASE OF KYAHI CENTRAL FOREST RESERVE IN KAKIKA DIVISION,
MBARARA DISTRICT**

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**A RESEARCH REPORT SUBMITTED TO THE FACULTY OF NATURAL
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SCIENCE IN NATURAL RESOURCE ECONOMICS OF BUSITEMA UNIVERSITY.**

MAY 2019

DECLARATION

I **MUSWABU AYUBU**, declare that this research report submitted to the Faculty of Natural Resources and Environmental Sciences is my original work and to the best of my knowledge, it has not been submitted by any other person to any institution for any academic qualification.

SIGNATURE.......... DATE.....^{3rd}.....06...../.....2019.....

MUSWABU AYUBU

APPROVAL

This is to certify that this research report titled “Economic Valuation of Central Forest Reserves. A Case of Kyahi Central Forest Reserve in Kakiika Division, Mbarara District” is the original work for **MUSWABU AYUBU**. It has been done under my supervision.

Signature.....

MR. KAKUNGULU MOSES

DATE.....12.....56.....2019.....

DEDICATION

This research work is dedicated to my beloved father Mr. Ayubu Ssemamba, my beloved mother Mrs. Naira Ayubu (Hajjat), Tugabirwe Sumaiya, my brother, all my sisters and friends for having been there for me in all situations of my academic struggle and enabling me to accomplish this mile of my academics.

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Table of Contents

DECLARATION	ii
APPROVAL	iii
DEDICATION	iv
ACKNOWLEDGEMENT	v
LIST OF FIGURES	ix
LIST OF TABLES	x
LIST OF ACRONYMS/ABBREVIATIONS	xi
ABSTRACT	xii
CHAPTER ONE	1
INTRODUCTION	1
1.1 Introduction.....	1
1.2 Background of the study.....	1
1.3 Problem statement.....	8
1.4 Research objectives.....	8
1.4.1 General objective.....	8
1.4.2 Specific objectives.....	8
1.5 Research questions.....	9
1.6 Conceptual Framework.....	9
1.7 Significance of the study.....	10
1.8 Justification of the study.....	10
1.9 Scope of the study.....	10
1.9.1 Geographical scope.....	10
1.9.2 Content scope.....	11
1.9.3 Time scope.....	11
1.10 Operational definition of key terms and concepts.....	11
CHAPTER TWO:	12
LITERATURE REVIEW	12
2.1 Introduction.....	12
2.2 Theoretical literature review.....	12
2.3 Empirical literature review.....	14
2.3.1 Activities carried out from the forest.....	14
2.4 Benefits got from forests.....	18

2.5 Willingness to pay for the forest resources	21
CHAPTER THREE	24
RESEARCH METHODOLOGY	24
3.1 Introduction.....	24
3.2 Study area.....	24
3.3 Research design	24
3.4 Study population	24
3.5 Sample size and Sample Procedure	25
3.5.1 Sampling Procedure	25
3.5.2 Sampling Size determination	25
3.6 Data types and collection methods.....	25
3.6.1 Data types.....	25
3.6.2 Data collection methods.....	25
3.6.2.1 Observation.....	26
3.6.2.2 Questionnaires.....	26
3.7 Validity and reliability of data collection instruments	26
3.7.1 Validity of data collection instruments	26
3.7.2 Reliability of data collection instruments	26
3.8 Ethical considerations	27
3.9 Data management and analysis	27
3.10 Limitations and delimitations of the study.....	27
PRESENTATION AND DISCUSSION OF FINDINGS	28
4.1 Introduction.....	28
4.2 Socio-Demographic characteristics of the respondents	28
4.2.1 Age of the respondents.....	28
4.2.2. Gender of the respondents.....	29
4.2.3 Marital status of the respondents	29
4.2.4 Education level of the respondents	30
4.2.5 Employment status of the respondents.....	31
4.2.6. Household size of the respondents.....	32
4.2.7 Length of stay of the respondents in the area.....	32
4.2.8. Distance from homesteads to the forest reserve.....	33
4.3 Main activities carried out from the forest reserve	34

4.4 Size of the forest land cultivated.....	35
4.5 Main threats to the existence of Kyahi Central Forest Reserve.....	36
4.6 Goods and services obtained from Kyahi Central Forest Reserve.....	37
4.8 Quantities resources obtained from the forest.....	38
4.8 Perception about the size of Kyahi forest reserve.....	39
4.9 Reasons for increased size of Kyahi forest reserve.....	40
4.10 Perceptions about the contribution of Kyahi forest reserve to household livelihood	41
4.11 The monthly willingness to pay for goods and services from Kyahi forest reserve	41
CHAPTER FIVE	43
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS.....	43
5.1 Introduction.....	43
5.2 Summary of the findings.....	43
5.2 Conclusions.....	44
5.4 Recommendations.....	45
5.5 Areas for further study.....	46
REFERENCES.....	47
APPENDICES.....	49
Appendix 1: QUESTIONNAIRE.....	49
Appendix 2: Field photos taken during data collection	53

LIST OF FIGURES

Figure 1: Age of the respondents.....	28
Figure 2: Gender of the respondents.....	29
Figure 3: Marital status of the respondents	30
Figure 4: Length of stay of the respondents in the area	33
Figure 5: Respondents distance from their homesteads to the forest reserve.....	34
Figure 6: Perception about the size of Kyahi forest reserve	40
Figure 7: A man cutting trees to for firewood	53
Figure 8: Firewood ready for sell.....	53
Figure 9: Charcoal burning.....	54
Figure 10: Timber got from trees.....	54
Figure 11: Some of the crops cultivated in the forest.....	55
Figure 12: Cattle grazing in the forest.....	55

LIST OF TABLES

Table 1: Education level of the respondents.....	31
Table 2: Employment status of the respondents.....	31
Table 3: Household size of the respondents.....	32
Table 4: Main activities carried out from the forest reserve.....	35
Table 5: Size of the forestland cultivated	36
Table 6: Main threats to the existence of Kyahi Central Forest Reserve	36
Table 7: Goods and services obtained from Kyahi Central Forest Reserve	37
Table 8: showing how often the resources are got from the forest	38
Table 9: Quantities of forest resources harvested from the forest	39
Table 10: Reasons for increased size of Kyahi forest reserve.....	40
Table 11: Perception about the contribution of Kyahi forest reserve is lost to household livelihood	41
Table 12: Monthly willingness to pay for the goods and services from Kyahi forest reserve.....	42

LIST OF ACRONYMS/ABBREVIATIONS

CFR	Central Forest Reserve
CV	Contingent Valuation
FAO	Food and Agriculture Organization
MDLG	Mbarara District Local Government
MWE	Ministry Of Water And Environment
NEMA	National Environment Management Authority
NFA	National Forestry Authority
NTFPs	Non Timber Forest Products
PFE	Permanent Forest Estate
SPSS	Statistical Package For The Social Scientists
UBOS	Uganda Bureau Of Statistics
UGX	Uganda Shillings
UNFF	United Nation Forum on Forests
UWA	Uganda Wildlife Authority
WTP	Willingness To Pay

ABSTRACT

The study is about the economic valuation of central forest reserves; A case of Kyahi central forest reserve in Kakiika division, Mbarara district. The research was conducted based on following specific objectives: To identify activities carried out from Kyahi Central Forest Reserve; to find out the benefits got from Kyahi Central Forest Reserve and to find out the peoples willing to pay for the existence of Kyahi Central Forest Reserve.

The study used a cross sectional research design with a combination of both qualitative and quantitative approaches. Data was collected using a structured questionnaire, interview guide and observation. Purposive and Simple random sampling techniques were used to select 60 households located around Kyahi central forest reserve. The data was analysed using EXCEL and SPSS.

Research findings indicate that the major activity carried out in the forest reserve was cultivation, though the main activity threatening the existence of Kyahi CFR is lumbering. Findings also indicate that the majority of the respondents have benefited from the forest by obtaining water and fuel (charcoal and firewood) respectively. Findings also indicate that activities done in the forest like grazing, charcoal burning, cultivation and cutting down trees contribute to a reduction in the forest size. Findings indicate that the majority of the respondents reported planting trees as a way of increasing the size of Kyahi forest reserve. Findings indicate that the respondents agree that once the forest is lost their livelihood will be highly affected. Furthermore, the findings showed that 40% of the respondents attached UGX. 20000 – 40000 as their monthly willingness to pay for the benefits got from the forest existence.

I recommend that there is need to develop national guidelines on the economic valuation of forest products and services, decision makers at all levels should take steps to assess and communicate the role of biodiversity and ecosystem services in economic activity, and for human well-being and the contribution of forests to national development in terms of income, provision of products, employment and environmental services should be highlighted more through valuations of forests.

CHAPTER ONE

INTRODUCTION

1.1 Introduction

This chapter presents the background to the study, problem statement, objectives, and research questions, significance, scope, and definitions of key terms and concepts of the study.

1.2 Background of the study

Forests play an important role in the livelihoods of local people in most developing countries. Forests supply these people with various products such as firewood, construction materials, medicine, fibers and a range of non-timber forest products are examples of products and services whose benefits are realized on a local/national level. On the other hand, forests provide global services as well, whose benefits transcend national boundaries and affect global welfare. The well-cited global benefits provided by forests are global-climate regulation and biodiversity provision (Moran, 1994)

In 1990, the world had 4128 million ha of forest; by 2015, this area had decreased to 3999 million ha. This is a change from 31.6 percent of global land area in 1990 to 30.6 percent in 2015. Yet deforestation, or forest conversion to other land use, is more complicated than that. Forest gains and losses occur continuously, and forest gains are particularly difficult to monitor even with high-resolution satellite imagery. Natural forest and planted forest area change dynamics differ across national circumstances and forest types.

We can describe forest area change as a process of gain (forest expansion) and loss (deforestation). Change in total forest area provides a picture of how all forest resources combined are changing. Natural forest area change is perhaps a better indicator of natural habitat and biodiversity dynamics.

There was a net loss of some 129 million ha of forest between 1990 and 2015, about the size of South Africa, representing an annual net loss rate of 0.13 percent. Yet this should be understood in context: The rate of annual net loss of forest has slowed from 0.18 percent in the 1990s to 0.08 percent over the last five-year period. Between 2010 and 2015 there was an annual loss of 7.6

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