

THE COST BENEFIT ANALYSIS OF WETLAND RESOURCE DEGRADATION.

A CASE STUDY OF BIGAJUKA WETLAND IN HOIMA MUNICIPALITY

BY

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DECLARATION

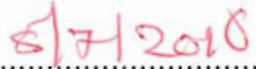
I **ALINAITWE MUGENZI MOSES** do hereby declare that this research report is my own work and has never been submitted to any other University or institution of higher learning for any academic award.

Signature.......... Date.....11/7/2016.....

APPROVAL

I hereby certify that this research report titled “The cost benefit analysis of wetland resource degradation of Bigajuka Wetland in Hoima Municipality” is the original and individual work of **ALINAITWE MUGENZI MOSES**. It has been done under my supervision and is ready for submission to the faculty of Natural Resources and Environmental Sciences of Busitema University with my approval.

Signature.....

Date.....

Ms. GIMBO REBECCA (SUPERVISOR)

DEDICATION

This research work is dedicated to my beloved parents Mr. Akugizibwe Jessy and Mrs. Agondezé Grace, brothers Johnson Asaba, George Mburara, Emmanuel Ayesigamukama and Akugizibwe Zechariah, aunts: Atuhura Sarah and Asaba Fridah, Asimwe Julius, Byaruhanga Fulgensio, my grandparents Kabonesa Joyce and Asaba Zakalia and Kato Simon, Kabahamba Juliet, Namukwaya Latifa, Katusabe Judith, Nankya Pauline and Kobusinge Desire for the love, care and unlimited support to me.

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I ALINAITWE MUGENZI MOSES

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LIST OF ABBREVIATIONS

HMC.....	Hoima Municipal Council
NFA.....	National Forestry Authority
GDP.....	Gross Domestic Product
NEMA.....	National Environmental Management Authority
IUCN.....	International Union for Conservation of Nature
WTP.....	Willingness to Pay
US\$.....	United States Dollar
MWLE.....	Ministry of Water, Lands and Environment
USMID.....	Uganda Support for Municipal Infrastructure Development

ABSTRACT

Bigajuka wetland provides a wide range of tangible and non tangible benefits to the neighbouring communities. The tangible benefits include water for domestic and commercial use and, support to crop cultivation, tree rising, provision of handicrafts among others. The non-tangible benefits include flood control, purification of water, and maintenance of the water table, microclimate moderation. The wetland also serves as a habitat for flora and fauna, has aesthetic and heritage values.

The study centred on carrying out a cost benefit analysis of wetland's resource degradation with the main objective of comparing the costs of wetland resource degradation and benefits derived from the resource conservation. Specific objectives included finding out the drivers of wetlands degradation, evaluation of the ecological services rendered by Bigajuka wetland, determining the costs of wetland degradation and recommendation of policies for wetland rehabilitation/renovation. This study was both qualitative and quantitative in nature conducted in Hoima Municipality with a sample size of 65 respondents. It involved the use of questionnaires, interviews, observations and valuation methods; market price and contingent techniques for evaluation of ecological services offered by Bigajuka wetland. Data collected was processed and analysed using excel and stata software to generate pie charts, bar graphs, frequency tables and cross tabulations at 5% level of significance. The findings of this research study were: the value of ecosystem services rendered by Bigajuka wetland was estimated at US\$ 963866.7 per year. Societies and communities in the neighbourhood of Bigajuka wetland tend to value most the direct benefits from this wetland and under price the indirect values.

CHAPTER ONE: INTRODUCTION

1.0 General Introduction

This chapter entails the background of the study, problem statement, general objective, specific objectives, research questions, significance of the study and conceptual frame work.

1.1 Background of the Study

Wetlands and the ecosystem services they provide are hugely valuable to people worldwide. The value of these wetlands and their associated ecosystem services has been estimated at US\$14 billion annually (Groot, 2006) . Yet many of these services such as the recharge of ground water, water purification or aesthetic and cultural values are not immediately obvious when one looks at a wetland. Planners and decision makers at many levels are frequently not fully aware of the connections between wetland condition and the provision of wetland services and the consequent benefits for people, benefits which often have substantial economic value. Only in few cases have decisions been informed by total economic value and benefits of both marketed and non marketed services provided by wetlands. This lack of understanding and recognition leads to ill-informed decisions on management and development which contribute to the continued rapid loss, conversion and degradation of wetlands despite the total economic value of unconverted wetlands often being greater than that of converted wetlands (Groot, 2006).

Wetlands throughout the tropics provide important goods and services to local people. They are considered to be important ecosystems, which contribute considerably to the national economy and rural livelihoods (Wetlands Inspectorate Division, 2001). However, wetlands in Uganda are under increasing threat. Factors such as population growth, economic reforms, the desire for increase in per capita income and other pressures of the development process

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