BUSITEMA UNIVERSITY

FACULTY OF NATURAL RESOURCES AND ENVIRONMENTAL SCIENCES

IMPACTS OF SURFACE GOLD MINING ON LAND USE SYSTEMS AND LIVELIHOODS OF THE PEOPLE OF BUSIA DISTRICT.

A CASE STUDY OF BUTEBA, BUSITEMA AND SIKUDA SUB COUNTIES.

BY

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A RESEARCH REPORT SUBMITTED TO THE FACULTY OF NATURAL RESOURCES AND ENVIRONMENTAL SCIENCES IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF A DEGREE OF A BACHELOR OF SCIENCE IN NATURAL RESOURCE ECONOMICS OF BUSITEMA UNIVERSITY.

JUNE, 2016

DECLARATION

I OBUKUI PIUS IMERI do hereby declare that this research report is my own work and has never been submitted to any university or institution of higher learning for any academic award and where other peoples' research was used, the authors were dully acknowledged.

Signature..... Date.....1st July, 2016.....

OBUKUI PIUS IMERI

DEDICATION

I dedicate this research report to my father Mr.Imeri Bisansio and my mother Mrs. Apadet Esther Dorine who have struggled to raise and educate me and to all my siblings.

ACKNOWLEDGEMENT

Though I did this research report single handedly, I was socially and financially supported by a number of individuals and parties that I feel indebted to mention.

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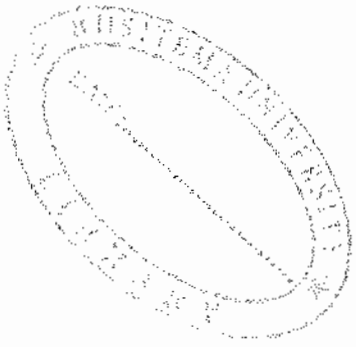

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LIST OF ACRONYMS

ASGM: Artisanal and Small Scale gold mining

BMC: Busitema Mining Company

CBO: Community Based Organization

DGSM: Department of Geological Survey and Mines

EWAD: Environmental Women and Development

GDP: Gross Domestic Product

GVA: Gross Value Added

IBI: International Business Institute

MFPED: Ministry of Finance, Planning and Economic Development

MSDTA: Mineral Sector Development Technical Assistance

NEMA: National Environment Management Authority

NFA: National Forestry Authority

NGO: Non Government Organization

NRM: National Resistance Movement

SMMRP: Sustainable Management of Mineral Resources Project

SPSS: Statistical package for social sciences

UBOS: Uganda Bureau of Statistics

UNEP: United Nations Environmental Programme

URA: Uganda Revenue Authority

WGC: World Gold Council

ABSTRACT

The impacts of surface gold mining on land use systems and livelihoods of the people of Buteba, Busitema and Sikuda sub counties in Busia district was the case study. Gold mining activities spur a myriad of benefits to the communities around yet with great impacts to people's lives and to the environment. The study objectives included: -to establish the economic contribution of gold mining to the livelihoods, establish the social and environmental impacts of gold mining around the area and to suggest possible measures to influence government intervention for sustainable development of the area.

The study was cross sectional where by both qualitative and quantitative approaches were used to collect data. To efficiently conduct the study, the researcher targeted 60 respondents located in the 3 sub counties to make a more scientific justifiable sampling frame. Simple random sampling and purposive sampling techniques were used.

The data collected through interviews and self administered questionnaires was coded using EXCEL, then taken to STATA 11 and SPSS 16 for analysis which facilitated the formation of frequency tables, graphs and pie charts.

The researcher found out that most livelihoods living in these communities derive their livelihood from agriculture, the study also indicated that surface gold mining contributes to incomes; people have been able to put up shops and also pay school fees for children at school.

Conclusively it's evident that surface mining has had some negative impacts on the livelihoods of the people and the environment through deaths recorded, accidents, diseases, environmental challenges like soil erosion, tree cutting (deforestation) etc. Other complications realized are as a result of use of mercury during the process of amalgamation to produce the gold though this is long term.

The researcher therefore recommends that for a further improvement in the livelihoods of these communities, government should come give a hand in terms of improved mining methods which also put in consideration environmental conservation for sustainability; this should also follow stake holder analysis and public sensitization.

CHAPTER ONE: INTRODUCTION

1.1 General Introduction

This chapter introduces the study topic, background, problem statement, objectives, and research questions of the study, conceptual framework, justification and scope of the study.

1.2 Background of the study

Throughout history, gold has been mined and refined to meet the needs of people and economies globally. Its chemical and physical properties have caused it to be one of the most sought after minerals on the planet. It has been the focus of many epic historical conflicts, and the cause of much controversy. Because of its scarcity and distinct qualities, gold has a very high monetary value and has often been used as currency. The scarcity of gold is due to the extraordinary geological processes required to produce it and the difficulty in extracting and refining gold ore. These processes are often time consuming, destructive to the landscape, and harmful to the natural habitat surrounding the mining area. As a result mining gold ore is expensive and controversial in many parts of the world. An excellent example of the tremendous efforts and struggles associate with mining is the California Gold Rush in the Sierra Nevada.

Uganda was known to produce cobalt, columbium (niobium) and tantalum, gold, iron ore, steel, tin, and tungsten. Uganda also produced such industrial minerals as gypsum, kaolin and other clays, lime, salt, talc, and vermiculite, and such building materials as cement, limestone, and pozzolanic materials.

Uganda's gross domestic product (GDP) increased by 5.9% in 2004 after rising by 4.7% in 2003. The GDP was $44.7 billion based on purchasing power parity, and the per capita GDP based on purchasing power parity was about $1,700. In 2003, construction accounted for 10% of the GDP; manufacturing, 9%; water and electricity, 1%; and mining and quarrying, 1% (Uganda Bureau of Statistics, 2004, International Monetary Fund, 2005).

In July 2004, the Parliament of Uganda authorized the Government to borrow $42.3 million from the African Development Fund, the Nordic Development Fund, and the World Bank Group to finance the Sustainable Management of Mineral Resources Project, which would assist Uganda in increasing production and tax revenues from its mining sector (Mutumba, 2004).

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