



REF: UTGA/GM/20/03/4

31st March 2020

The Permanent Secretary,
Prime Minister's office,
Kampala - UGANDA

The Permanent Secretary,
Ministry of Water & Environment,

The Permanent Secretary,
Ministry of Health,

The Permanent Secretary,
Ministry of Trade, Industry & Cooperatives,

The Permanent Secretary,
Ministry of Finance & Economic Planning,

The Permanent Secretary,
Ministry of Energy & minerals,

The Commissioner General,
Uganda Revenue Authority (URA),

Dear Sir,

RE: THREAT AND IMPACT OF COVID-19 OUTBREAK ON COMMERCIAL FORESTRY AND THE WOOD INDUSTRY IN UGANDA

Uganda Timber Growers Association (UTGA) is a members' organization which brings together commercial tree growers in Uganda for collective action. The Forestry Sector is a key part of Uganda's economy, providing thousands of jobs for people mainly in the rural areas and many people depend on the wood industry and use its products.

While work at forest plantations is ongoing because the planting is best done during the rainy season as it is now, UTGA has implored its members and tree growers to carry out hygiene programs at their establishments. We are taking the COVID 19 threat seriously and wish to do everything that helps to minimize the impact to our employees, the forest adjacent communities and all our business partners.

The COVID-19 virus has been spreading rapidly across the globe and Uganda now with 33 confirmed cases is facing a health threat which will result in a significant negative economic impact on Uganda's economy. Whilst we applaud government in its pro-active response to the health aspects of the crisis, we hope that the economic implication will be addressed with equal urgency.

UTGA which at all levels is a representative of private sector efforts in forestry in Uganda, wishes to inform government that it is actively engaging tree growers to follow Ministry of Health procedures and modalities to stem the spread of CORVID 19 as part of initiatives to combat the current crisis.

As the crisis is still growing unfortunately, we do not think we have full insight of the magnitude of its full impact on our sector yet we believe it is important that we communicate to you on anticipated impacts for which we are aware the Government of Uganda is carrying out appropriate interventions through regular advisories and pronouncements. Our industry would like to point to the following areas of concern:

- Reduced demand for construction and utility timber e.g. pallets and furniture wood for domestic use;
- Restrictions and disruptions in local consumer wood markets;
- The impact on the tourism sector will have spillover effects on the construction industry which is key for the hotel industry;
- A reduction in implementation of rural electrification extension and expansion which uses mostly wooden poles;
- Supply chain disruptions for inputs, agro-chemicals, tools & spare parts and other raw materials;
- Job disruptions and restructuring of operations at forest plantations and wood marts affecting employment, wages and welfare;
- Liquidity shortages that will affect the ability to meet financial and fiscal obligations.

Owing to the low risk carried by those doing forestry work, due consideration needs to be made to allow mobility of forestry operators who are mostly rural based and encamped.

UTGA will collect daily, weekly and monthly membership data on impacts and measures taken against the infestation in an effort to be able to accurately report and it remains our hope that the forest industry will receive appropriate consideration and attention in any government-led interventions during and after this crisis.

While we note that government is inundated with SOS calls for assistance, we in forestry would like to be part of the dialogue AFTER the dissipation of the CORVID 19 crisis, to restore and bring back the social economic situation to normalcy.

It remains our hope that government, specifically the Ministry of Finance will prioritize the development of Buy Uganda, Build Uganda (BUBU) guidelines that will help to facilitate local production of forest/wood products by small, medium and large-scale businesses, an issue that the President supports as an import substitution strategy.

Yours faithfully,



Dennis Kavuma
General Manager - UTGA

c.c. UTGA Board