

# From nursery to sawmil

3<sup>th</sup> July 2015 No.37

## MUBENDE GROWERS FOR **GROUP CERTIFICATION**



n the 12/6/2015, UTGA Mubende Cluster members met at Pride Hotel in Mubende town. All the Members who attended the meeting unanimously agreed to join and embrace the FSC group certification pilot for the cluster. This is important for the future of UTGA as a body corporate. It was a result of a lot of consultations and discussions on how to realise true value from members' wood.

Members agreed that development of any meaningful business

approach would require to derive a resource that is borne out best practices and which is a result of sustainable forestry management. One way to ensure this collective benefit would be when the Growers in the cluster embrace group certification in which they would follow acceptable standards. These will include carrying out the best practices in commercial forestry, provide proper health and safety gear & environment, managing stakeholders and encouraging the Growers to engage their neighbours to promote good working

relationships with the forest adjacent communities. Group certification would enable the growers to enjoy collective benefits in the form of reduction in fire risks, good will of the people around the plantations, scaled down costs yet prospects of premium value tagged to products coming out of certified plantations in the long run. Other advantages will include enhancing on the overall total performance of the plantations in the clusters. This will come about because we shall pro-

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### NURSERY SENSITISATION MEETING

**Uganda Timber Growers Association (UTGA) is organising** a Sensitization meeting for all tree nursery operators, scheduled for Wednesday, 15th July, 2015 at Global Woods Ag. Kikonda, Kyankwanzi District.

### **CONTRACTORS SENSITISATION MEETING**

In a bid to strengthen the contractors, Uganda Timber Growers Association (UTGA) is organising a Sensitization meeting for all contractors in August. Exact date, venue and time will be communicated in due course.

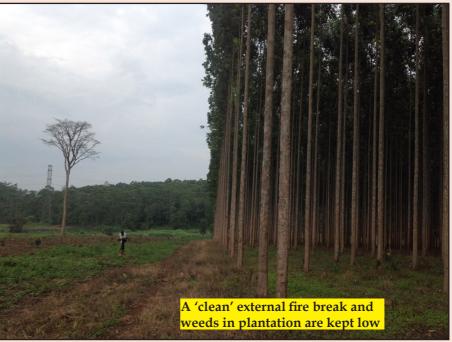
## Mubende for FSC

mote FSC principles in every sub cluster. The members will be on the look out and help each other to ensure that all members in the sub cluster do comply to the expected standards. Under the scheme, the Growers will become M & E partners. It is expected that general output will improve, knowledge sharing about best practices will be encouraged, challenges will be identified and solutions sought amongst members, more access to information about commercial forestry will easily be disseminated and use of joint contractors will become a reality. In the long run, the total operating cost of each Grower will be reduced yet joint marketing of all members products will be made more possible through the use of centrallised and collective harvesting, extraction, transport and marketing modalities. Fortunately, all the members who turned up for the meeting agreed to join the FSC pilot currently running in the cluster. A few questions were raised by stake holders and this indicated that UTGA still has the duty of creating more awareness on the workings of FSC to all the members. Plans for training about the working, benefit and value of FSC have been set out.

### Message for other members and other growers

UTGA is supporting and monitoring the implementation of all steps, procedures and processes to have a successful FSC pilot in Mubende that this will then be replicated in all the other clusters. The Forest Stewardship Council (FSC) is an independent nongovernmental organization that promotes environmentally sound, socially beneficial, and economi-

## DRY SEASON: Guard Against Forest Fires



etween December, 2014 & Mid March, 2015, UTGA/ SPGS received reports of forest fires with over 2000 hectares of different ages and species affected across the country. This period is the longer dry spell and even if some of the affected trees are reported to be recovering, a large chunk was totally lost. The major causes were reported to be bush fires ignited by grazers adjacent to the affected plantations. Other fires were caused by farmers preparing their fields for sowing while some cases were reported to be a result of carelessness and others due to malicious damage.

#### 2nd dry season

Dry July is here and even if it is a shorter spell, in commercial forestry nothing is taken for granted because just one forest fire resulting

from a slight mistake can destroy an investment of many years in a few hours hence; forest fire prevention must be taken seriously. The golden rule in forest fire prevention is "BE PREPARED" in regard to forest fire control and the best advice is to "SPOT FIRES EARLY, HIT THEM FAST & KEEP THEM SMALL". It is necessary to take precautions such as preparing and maintaining internal and external fire lines (which MUST be clean by now), avoiding piling dry debris within the plantation, keeping weeds low, having some fire beaters on the site, access to a water source with adequate supply, trained & vigilant fire patrol team and fostering a good working relationship with the neighbors. Fires are a menace and hence the need to protect plantation forestry investments from this threat.

cally prosperous management of the world's forests. FSC was created in 1993 to help consumers and businesses identify products from well-managed forests. FSC sets standards by which forests are certified, offering credible verification to people who are

buying wood and wood products. Currently more than 175 million hectares and 25,000 companies are certified to FSC standards worldwide

For more information visit www. fsc.org



# Field Excursion For Growers T Janda Timber Growers Association (UTGA) orIn Victoria Cluster

ganda Timber Growers
Association (UTGA) organised a Cluster Meeting
for its members growing trees in
the Victoria Cluster on Thursday
18th June, 2015 at Isaac Kapalaga's plantation in Nandagi CFR,
in Mukono district and at Green

Resources Masese Pole Treatment Plant in Jinja district.

Growers in the Victoria cluster include those operating in Rakai, Mpigi, Wakiso, Mukono, Buikwe,

Jinja, Iganga, Kamuli, Mayuge, Luuka, Mbale, Soroti and Serere districts.

The theme of the meeting was "Production of quality eucalyptus

treated poles."

The participants were taken through what it takes to produce quality eucalyptus treated poles, identifying suitable site for *Eucalyptus grandis* or Eucalyptus clones, guided on how to identify available markets for quality poles and the fundamentals of managing established plantations to the SPGS/UTGA recommended standards.

The forum also provided Growers with the opportunity of sharing information and networking amongst each other in addition to interfacing



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## **Field Excursion Victoria**

with knowledge workers of Busoga Forestry Company, NFA Lakeshore range field staff, local government leaders. It was also a platform to market UTGA to planters who were not yet members.

The Victoria Cluster Head Mr. Seth Mugisha chaired a cluster meeting at which five Members were elected to lead their fellow growers as Sub Cluster Heads in their operating localities as follows:-

- 1. Mr. Muhamed Ssekyewa for Greater Masaka
- 2. Mr. Edward Kigongo for Mpigi
- 3. Ms. Sylivia Ayebale for Mukono
- 4. Mrs. Teddy Nsamba for Great Busoga
- 5. Mr. Erongot Paul for Eastern Uganda

The Members also discussed the possibilities of forming a legal body to promote business in the cluster and the prospects of joining the UTGA FSC group certification scheme.

### SC launches new global brand

orest Stewardship Council® (FSC) has launched its new global brand: Forests For All Forever. In the past 20 years, FSC has become a well-trusted and established brand in sectors and markets around the world. With its new

branding, FSC plans to extend its reach by targeting consumers directly.

"The success of FSC has always

depended on consumer awareness and demand for FSC-certified products, and we have relied on our partners and certificate holders to spread the message of FSC on our behalf. However, it became clear that we needed to provide our partners with tools that could inspire their customers to choose FSC - an identity that would connect with consumers and be memorable in the retail space," said Kim Carstensen, Director General of FSC.

The new strapline - Forests For All Forever - reaffirms the FSC vision of saving the world's forests for future generations, while the visual identity, which includes the animals and

people who live and interact in forests, reinforces the all-encompassing approach FSC takes to sustainable forest management.

"Forests are so much more than trees and timber - they are reservoirs for clean drinking water, protection for

> animals and endangered wildlife, and home to indigenous peoples and communities. Our Principles and Criteria have always reflected our determination to protect

forests and their inhabitants. Now, our commitment will also be expressed in our visual identity, and provide a clearer message to consumers of what it means when they buy an FSC-certified product," stated Mr. Carstensen.

"In addition, with markets opening up in Asia, Latin America and Africa, it was time go beyond outreach to producers and retailers," continued Mr. Carstensen. "Supply grows in response to demand, and those at the end of the supply chain - consumers are vital to ensuring companies seek out sustainable solutions and engage in responsible businesses practices."

## **Forestry** tit bits

**Wood-Mizer releases** HR700 wide capacity multi-head resaw



ood-Mizer's current range of resaws has received a further boost with the recent addition of the new HR700 horizontal resaw.

Wood-Mizer's comprehensive range of single and multi-head horizontal resaw units are tailored towards providing for customised resaw solutions that suit individual requirements.

The company's Orange resaw range is split between the HR110, HR115 and HR120 models and answers to the needs of the entry level through to professional sawmiller that requires resaw capacity to streamline production further and reduce operating costs.

Wood-Mizer's Green Industrial resaw range is tooled towards meeting the requirements of high production sawmill environments where industrial strength resaw capacity is required to efficiently produce large volumes of precisely resawn material.

Wood-Mizer's Green industrial resaw range provides for both single and multi-head resaw options.

Adapted from Forestry South Africa

# Market Intelligence for UTGA Growers

arket Intelligence (MI) is the collection of information relevant to an organisation's markets, gathered and analyzed specifically for the purpose of accurate and confident decision-making in determining strategy in areas such as market opportunity, penetration strategy, and market development.

For UTGA, Market Intelligence covers both the market information and competitor analysis roles. It covers the broader discipline of researching, analyzing and formulating data and information from the entire competitive timber environment. It caters for Business Intelligence which is used for measuring our market share and hence guides us in setting up realistic growth targets. Working together with other units in the organization it is handling the issue of acquisition of investors for the Mubende Cluster. If successful, that will act as a pilot for proliferation of the approach to the other clusters in other parts of the country. That will aid our company's comparison of innovation trends and the discovery of other opportunities through innovative differentiation.

Specifically, the following are some of the importance of Market and Competitive Intelligence for UTGA;

- UTGA is a new player in the market. The trees of Members are still growing and its just a few early planters that have engaged in 2nd commercil thinning. Its important to minimise mistakes as we enter the markets. There is need for constant information sharing and networking in order to reduce wastage. There is need to fully understand bwood buyer behaviour; measuring and determining the quality of wood. This helps to reduce direct and indirect costs in the process.
- MI has helped us to identify new opportunities. For example UTGA has been collecting information on all current players in the market place. UTGA presently has and will soon avail to its Members existing market openings. MI will enable UTGA to inform about different prices that are offered by the various buyers .Such information will form the basis of our advice to the members on market opportunities.
- MI will enable UTGA to get early warning of competitor moves. This will be useful to because it aids in designing alternative counter measures. Currently there are some wood buyers that are using rudimental methods of measuring volume of wood. Utga has advised its members to seek for technical advice before they can sell so to avoid cheating.
- Minimizing Investment Risk. (MI) has led us to identify the weaknesses that exist amongst the practices of our current members when it comes to plantation management. In order thwart rejection at factory gate, UTGA promotes best silvicultural practices, prunning and thinning to ensure that the logs are not straight and that most of them have less than a required minimum top diameter of 16cms. We have used such information to sensitize our members to carry out good plantation management so that such risks can be avoided right from the start of the value chain up to when wood is sold. We are continuously detecting any possible threats to the future value and devising mitigation measures in advance to all our members. We are monitoring developments in the external environment so that we can reduce risk to the business as much as possible.
- MI will continue to guide in selecting better markets and position-

### PAYMENT OF ANNUAL FEES

The Secretariat is very grateful to all the members who have paid their Annual Subscription fees for 2014 and arrears. This is to kindly remind all those who have not yet paid to do so. Payments for arrears can be received in installments. Payments to meet the financial liabilities for the current year plus those who have arrears can be made at the:

#### 1. Office

A receipt is availed immediately.

## **2.** By Direct Debit to the Bank Account, a receipt is written after confirmation with the bank and scanned to the Payee.

#### 3. Mobile money

Charges for withdrawing must be included in the amount sent, a receipt is written and scanned and sent to the Payee.

#### 4. Collection of payment

A call/email may be made to the secretariat for Members in and around Kampala. UTGA Staff will pick the payment from agreed location and a receipt availed immediately. Payment of the Annual fees is highly appreciated and allows for the efficient running of the Secretariat, facilitating and supporting UTGA activities. Be informed that the Association currently provides the following services directly to its Members:

- Forest Valuation, a paid for service at cost;
- Specific needs-training required and requested by Members;
- Technical forest visits to Members plantation to offer onsite advice;
- Direct lobbying on aspects that touch on commercial forestry
- Importation of specialised forest tools and equipment that may not be in Uganda.
- Importation of improved, high quality seed

# Why run to money Lenders when you have your own SACCO!



### **CHANGE OF LENDING METHOD!**

mplementing UTG-SACCO AGM resolution, the Executive Committee has changed the lending method from flat rate method to declining method. This method shall run for six months (6) starting 1st June to 31st December as a promotion. Therefore UTG-SACCO calls all members to put in their applications to enjoy the promotion as indicated here below.

### Previously a loan of UGX 5,000,000 Payable in 6 months

	Loan Principal	Interest flat rate
1.	833,333	250,000
2.	833,333	250,000
3.	833,333	250,000
4.	833,333	250,000
5.	833,333	250,000
6.	833,335	250,000
	5,000,000	1,500,000

### New method a loan of UGX 5,000,000 payable in 6 months

	Loan Principal	<b>Interest declining rate</b>
1.	833,333	250,000
2.	833,333	208,333.3
3.	833,333	166,666.6
4.	833,333	125,000
5.	833,333	83,333.4
6.	833,333	41,666.8
	5,000,000	875,000.09

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## **Market Intelligence for UTGA Growers**

ing. UTGA will advise its members who want on where to sell their wood. UTGA will help to channel supply of poles to lucrative buyers, collect information from the market about indicate daily, monthly and annual price fluctuations. UTGA will look out for private buyers who pay a little more than the current wood processors provided one supplies the required standards of wood/timber. We are considering supplying poles to government bodies like UEDCL and later engaging in pole treatment so that our members get better money from their efforts.

- Market and customer orientation promote external focus. Because our current wood/timber markets do not give us high prices, UTGA has embarked on looking for possibilities of selling wood/timber to foreign markets. This involves getting to know the buyers and all their deatils. The external focus is only possible when information is available.
- The information which UTGA gets on a daily basis is used to take day-to-day decisions as com-

pared to waiting for external consultancies that would require us to pay them huge sums of money. The resultant savings are used to meet other company obligations. Market intelligence is a key strategic weapon for identifying, penetrating, holding, and expanding markets. Without it, one is simply groping in the dark. And organisations which do not embrace it do not have long to survive and thrive. Given its importance, UTGA as an Association, should have an active role to play.

UTGA News is a digital newsletter for the Uganda Timber Growers Association. It is published semimonthly (twice a month) to briefly summarize recent forestry-related publications, projects, activities, and news.

Do you have news, content, or ideas that you want to share in upcoming newsletters? Please send us your segments on articles and opinions on your organization, partnership, project, group, field stories, successes, challenges, fact sheets, papers, books, guides, or other resources, upcoming or past events.

UTGA News is a great way to reach a wide audience of foresters, natural resource persons, practitioners, scientists and the publics across the Uganda, East Africa and across the globe. If you have friends (of forestry) or anyone you think will benefit if they receive UTGA News, please send their email

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