

EDITORIAL

Welcome to the fifth issue of the Institute for National Transformation (INT) online newsletter. This newsletter will show you the impact of the COVID- 19 pandemic on the food chain and manufacturing sectors in Uganda, and will also show the opportunities the pandemic has presented for our country.

We would love to hear from you. Kindly send your contributions to the July 2020 newsletter. Articles will be assessed on rolling basis, and should be 500- 1500 words in length, including spaces. The deadline for submission of articles for the July 2020 newsletter is Tuesday, 21st June, 2020. Your feedback and suggestions are highly appreciated.

Please send all your submissions to intuganda@gmail.com. Title of Email: Newsletter Article Submission.

Raymond D. Muwanguzi INT/ Communications Coordinator

THE FOOD CHAIN IN UGANDA DURING THIS COVID- 19 PANDEMIC



During a webinar on June 6th, Mr. Joshua Ogwal, a partner at Ligomarc Advocates, summarized the deliberations that happened during a workshop of the CASTLE think tank on the food chain in Uganda. Some of the things Mr. Ogwal mentioned included restriction of movement of food products for 21 days or more; market standard operating procedures; strengthening of agricultural production; mobilization through farmer groups; reestablishment of cooperatives; and training.

Mr. Ogwal then went ahead

and stated recommendations for the country's food chain in effort to improve it. He mentioned using technology, farmer registration, and leveraging ICT to link the local farmers; coordinated market access and storage to reduce the cost of storage; formalizing saccos in rural areas; streamlining government initiatives; re-investment in the milk industry; etc.



JOSHUA OGWAL

After Mr. Ogwal's presentation, the panel was open for discussants to contribute. One discussant, Dr. Immaculate Naluyima, a small holder farmer and private veterinarian, talked about how important it was to start agricultural education right from primary level. She explained how she was involved in a school where she was making

the theoretical agriculture practical for the pupils. Dr. Naluyima also expressed the country's need to embrace online marketing during this lockdown season, and also expressed her desire to see farmers get easy access to loans from banks.

Another discussant, Dr. Josephine Mukumbya, a group chief executive officer of Agri-Business Initiative, communicated how the COVID-19 pandemic had presented the country opportunities. She mentioned how "the pandemic is opening up the road for e-commerce, improved traceability through digitalization, and has pointed out to the support (logistical) we might not usually look at" which links us to markets. Some other opportunities Dr. Mukumbya stated were in deliverance of stimuli; in cascading more through mobile farmer apps which have good traceability, accountability, and more transparency; in the financial service development; etc.

Ben Twinomugisha, one of the discussants and the chairman Livestock Development Forum, pointed out how much of the effort on programming, on government institutions, and financing focus more on the crop sector than the livestock sector because of

probably little or less lobbying from the livestock sector. He also suggested a bottom up approach, meaning "government has to plan to engage farmers, to engage morality in players, and to engage stake holders in their own capacity to see where they can plug in... rather than think and act for farmers we should sit with and act with them."

The guest speaker, Hon. Vincent Sempijja, could not be available for the meeting. However, in his stead he left an able representative from the same ministry, Dr. Patience Rwamigisa, a commissioner Agricultural Extension and Skills Management at the Ministry of Agriculture, Animal Industry, and Fishery. Dr. Rwamigisa mentioned that "The food sector has to be organized along agricultural value chains." He also stated that production systems have to change; "Getting some implements at community level that are labor saving is critical." He talked about how the agricultural risks are very high and therefore they have to be mitigated. He further went ahead and explained how you need a lot of public sector investments in agriculture for the private sector to make profit.

The Moderator, Mr. Gabriel Iguma, assigned Mr. Mike Kwatampora, an information technologist, the responsibility of wrapping up the webinar. Mr. Kwatampora mentioned his contradicting thoughts on middle men being needed, "One of the hopes that I personally have as an outcome from this conversation... is how to deal with middle men and cartels in the market space, because they utterly and completely frustrate us as farmers." He then thanked all the panelists and the moderator, and concluded with a word of prayer.

MANUFCTURING INDUSTRY IN UGANDA

On the 13th of June, The Center for Advanced Strategic Leadership (CASTLE), a think tank for INT alumni, held a webinar to carry out a deep analysis on a sector in Uganda that is being affected by the COVID-19 pandemic. Mr. Christopher Kaweesa, the CASTLE representative and the founder and managing director of Dag and Bragan Limited, gave a summary of the deliberations agreed upon during a workshop held by the CASTLE think tank on the Manufacturing sector.



CHRIS KAWEESA

Mr. Kaweesa stated that the high costs of infrastructure, limited availability of technical and managerial skills, lack of financial sources, limited government support, small entrepreneurial class, were part of the challenges faced by the sector. He also spoke about the impact the COVID- 19 pandemic has on the manufacturing sector. such as delays, raw material shortages, increased costs, and reduced orders, forcing countries worldwide to look for domestic solutions.

There about five were recommendations that Mr. Kaweesa suggested: electricity affordability; incentivizing microfinance Saccos and institutions to support manufacturers; smaller incorporating in the education sector specific training for managers and technicians suitable for the future and equipping the current public with skills to strategize, plan, implement, and regulate the manufacturing sector; publicizing and promoting mining sector opportunities and mineral sites; and policies thatsupportthemanufacturing sector such as imputing low taxes on products that can be manufactured locally.



JOHN KAKUNGULU WALUGEMBE

After Mr. Kaweesa's presentation, the discussants were free to share their thoughts. Mr. John Kakungulu Walugembe, the executive director of the Federation of **Small and Medium Enterprises** in Uganda, recommended that Uganda needs to pursue a small and medium enterprise industrialization focused strategy by adding value to our primary agricultural products and seek to leverage its comparative and competitive advantage.

The discussant, next Dr. Dick Kamugisha, the deputy director at the executive Uganda Industrial Research "Since Institute, said. agriculture is the back bone of our economy, it all starts with agriculture. Moving from subsistence to commercial farming is the start for

industrialization in Uganda." He stated that "strategies for building an integrated and a more self-sustained economy starts by boosting agricultural production by allocating funds in the budget towards the agricultural sector. This then leads to agro processing which then leads to industrialization in the long run."



ISAAC PAUL MUSASIZI

Musasizi, Mr. Isaac Paul another discussant and also the chief executive officer of Kiira Motors Corporation, mentioned that there need to focus our effort on import substitution, by locally producing some of the things like nuts and bolts, car seats and vehicle carpets from banana fibers to promote employment of the local labor force. There is need to have multi-sectorial interventions to integrate ICT, health care, transportation where actual demand is in order to fuel industrialization. There is also need to think about quality management systems in terms

of regulation and standards for competing both locally and internationally.



SAMUEL EDEM MAITUM

The director Credit Uganda Development Bank, Mr. Samuel Edem Maitum, agreed with other speakers that given the agrarian nature of Uganda, we should be focusing on import substitution by taking advantage of forward and backward linkages into our import substitution industries. He stressed that there is need for more research development and into improving the manufacturing sector, improving education development bγ building technical skills, and boosting agricultural capacity to be absorbed by the number of industries that will be coming up. Mr. Maitum also mentioned that there is need to improve on the quality of the products being produced to support exporting the products to the regional market.



HON. AMELIA KYAMBADDE

The special guest, minister of Trade, Industry, Cooperatives, Hon. Amelia Kyambadde, graced the webinar with her presence expounded on the and opportunities from the COVID-19 pandemic. She stated that the economy has survived due to favorable policies that have cushioned the economy, like BUBU. Despite the low imports and all the products exports, available in Supermarkets are locally produced. Ugandans have been able to manufacture new products into the market like protective gear, salt, sanitizers and masks. The Minister mentioned Hon. that there is need to create a strong linkage between the public, the private sector and the academia to encourage growth and innovation. "There is need to focus on formalizing SMEs by streamlining the agencies like URSB to simplify access to their facilities and broaden their scope in the entire country. There is need

to develop infrastructure to reduce production costs and consolidate synergies between sectors, trade, agriculture, finance, and MDA's to fight corruption," said the minister. She concluded by saying there is need for the Small and Medium enterprise owners to have access to incentives, budget provisions and affordable services by UNBS.

The webinar was concluded by Dr. James Magara, the board chairman of CASTLE, who acknowledged the contributions of the panelists and went ahead to close in prayer.

