



# **NFA PERFORMANCE FOR FINANCIAL YEAR 2017/18**

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**A PRESENTATION MADE TO THE JOINT  
GOVERNMENT OF UGANDA/DEVELOPMENT  
PARTNERS' WATER AND ENVIRONMENT SECTOR  
REVIEW (JSR), 18<sup>TH</sup> – 20<sup>TH</sup> SEPTEMBER 2018,  
SPEKE RESORT MUNYONYO, KAMPALA**

**BY**

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# OUTLINE OF THE PRESENTATION

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- **INTRODUCTION**
- **PHYSICAL PERFORMANCE**
- **FINANCIAL PERFORMANCE**
- **TRENDS**
- **CHALLENGES**
- **RECOMMENDATIONS**

# INTRODUCTION

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## Strategic Objectives:

1. **Improved Management of the CFRs:** Restore the physical and ecological integrity of the 1.26million hectares of CFRs (Open boundaries, restore degraded CFRs, protect);
2. **Expand and promote partnership arrangements:** Private sector investments in 150,000ha of CFRs land.
3. **Supply quality forest products and services:** Develop 2500ha of plantations each year.
4. **Enhanced organizational sustainability:** Build staff capacity, Mobilize financing for forest investments and Improve Corporate Governance.

# IMPROVED MANAGEMENT OF CFRs.

PLANNED ACTIVITY	BUDGET (UGX)	ACHIEVED	AMOUNT SPENT	REMARKS
Boundary re-survey and demarcate 500km with concrete pillars (Km)	434,275,500	446 km in Mabira, Nandagi, Namanaga & Namawanyi CFRs=360)]; Kagombe (30); Aringa river(7), Mbale-Luwero (20.1), Kijwiga-Kiboga(8), 1.3km Navugulu-Mpigi (1.3), Omier in Nebbi (19.58).	154,227,800	89.2% achieved. Additional support from MWE/ WB Kalagala offset.
Restore 2,236 Ha of degraded CFRs	697,880,000	2160 Ha in Bugoma (200), Mabira (500) , Zirimiti (100), Luwafu (100), Jubiya (440), Mt. Kei (440), Lamwo (10), Lwala (20),10-Mt. Moroto(10), Kadam (25), Timu (40), Kakonwa (50), Bukaibale (20), Lwamunda (25), Towa (10), Akur (2), Nile bank and Namavundu (2.8) , Kisindi (6,5), Siiba Kabalye(1.5) and Masindi(01) at Range office, Gangu (20), Navugulu (10) and Nawandagi (26), Natyonko & Kafumbe (45) and Matiri (55.2).	178,700,000	96.6% achieved. UGX 4Billion with the supplementary budget from GoU.
Free 13,400Ha from encroachment	853,929,000	8,557 Ha freed from encroachment in Lakeshore, Budongo, Muzizi, Achwa, west Nile, Karamoja and Kyoga Ranges.	469,394,860	Due to limited budget 64% was achieved



## ...continued IMPROVED MANAGEMENT OF CFRs.

PLANNED ACTIVITY	BUDGET	ACHIEVED	AMOUNT SPENT	REMARKS
Establish 1,167 Ha Plantations	691,610,000	Overall 3,563.5ha established (815ha by NFA and 2,748.5ha by Private licensees) in Opit, Abera, Lendu, Awang, Usi, Rwoho, Mafuga and Mwenge, Mbarara and South Busoga Plantations	1,079,336,411	69.8% was achieved.
Weed 7,256 Ha of plantation area.	500,000,000	945 Ha. weeded in Rwoho, Mafuga, Mwenge, Mbarara, South Busoga, Opit, Abera, Lendu, Awang and Usi. In addition, 682ha of tree seed stands were maintained.	146,260,000	13.02% achieved
Thin and prune 2,906Ha of Plantations	399,536,000	534 Ha. thinned and pruned (332ha thinned; 250ha-Lendu, 82ha-Mwenge) and (202ha pruned; 60ha-West Nile, 28ha-Luvunya and 114ha in Mbarara Plantations).	41,032,200	18.4% achieved
Employee Costs	7,831,210,584	Payment to 329 NFA staff	6,898,995,903	88%. Gratuity

# EXPAND AND PROMOTE PARTNERSHIP ARRANGEMENTS

PLANNED ACTIVITY	BUDGET (UGX)	ACHIEVED	AMOUNT COLLECTED (UGX)	REMARKS
Issue and renew Licenses in CFRs	17,238,000,000	<ul style="list-style-type: none"> <li>19 licensed namely: 3 Telecom. licenses - Eaton Towers Uganda Ltd in Bukaleba, Irimbi and Lusiba.</li> <li>9 Research Licenses were issued (5 to Female and 4 to Male researchers.</li> <li>2 tree harvesting licenses in Mafuga and Loro CFRs; 5 tree planting licenses to different private tree farmers (2-Female and 3-Male tree farmers).</li> </ul>	8,679,750,675	50.35% achieved excluding receivables for compensations suspension of harvesting Natural Forests
Licensed 6,625m <sup>3</sup> for harvesting	3,934,907,203	3,083m <sup>3</sup> South Busoga 415.68, Mwenge-1643.65m <sup>3</sup> , N/Rwenzori-182m <sup>3</sup> , Opit-842.13m <sup>3</sup>	660,580,943	46.54% achieved.
Establish 7500ha by Private licensees  Promote investments in CFRs	826,080,550	<ul style="list-style-type: none"> <li>2,748.5ha by Private licensees</li> <li>81,000ha were offered to over 1239 beneficiaries for investment in small to medium commercial forestry development, restoration planting and biomass plantation establishment and Commercial Plantations Development and bee keeping.</li> </ul>	2,224,095,550	<ul style="list-style-type: none"> <li>37% achieved</li> <li>Eucalyptus, Prunus, Maesopsis (Musizi) bamboo, plantations. Maesopsis, Mahogany, Prunus Africana, M for restoration degraded areas.</li> </ul>

# SUPPLY FOREST AND NON-FOREST PRODUCTS AND SERVICES

PLANNED ACTIVITY	BUDGET	ACHIEVED	AMOUNT SPENT	REMARKS
Sale and distribute 7,450Kg tree seeds.	1,320,100,000	6,302 Kgs assorted tree seed species (Sold and raised seedlings for own planting).	400,035,000	84.6 % achieved
Procure 11,084kg of assorted tree seed species under Community tree Planting Program (CTPP).		5,180kg assorted tree seed species were procured/collected for distribution under CTPP.		
Raise 29,998,550 tree and fruit seedlings.	400,035,000	20,923,958, out of which 9,810,457 was sold and NFA own planting.	2,232,546,532	70% achieved.
Raise 21,375,000 assorted tree seedlings.		11,113,503 distributed under the Community Tree Planting Program (CTPP).		



# HARVESTING IN ABERA CFR IN GULU DISTRICT; THROUGH PRIVATE CONTRACTING



•Crop was not thinned . But recovery was fair



# ECOTOURISM AND OTHER INVESTMENTS IN DEVELOPMENT IN CFRs

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- **Ecotourism:** In NFA nature based ecotourism sites, 29,666 tourists were received (1800 received at Budongo of which 758men and 1042 women, in Kalinzu 264 of which 143 were women and 121men, in Mpanga 154 and Mabira 411. 3,380 tourist participated in chimpanzee tracking and habituation and 233 in birding watching.
- 5 Ecotourism sites were licensed in Budongo, Muko, Mabira, Kalagala and Nile Bank, Kitubulu CFRs. 5 pending licensing in Lutoboka and Kyewaga. 53 best evaluated investors in ecotourism were given offer letters to invest in West Bugwe, Mbale, Kalinzu, Budongo and Fort Portal CFRs.
- **Other Investments:** 51,000ha were offered to 1239 beneficiaries for investment in small to medium commercial forestry development, restoration planting and biomass plantation establishment and Commercial Plantations Development and bee keeping.

# OUTPUT PERFORMANCE TRENDS

Indicator	2013/14	2014/15	2015/16	2016/17	2017/18	REMARK
Boundary re-survey opening & marking with concrete pillars.	285	360	281	393	446	Priority - a total of 1,765km (16%) compared to 11,000km of CFRs boundaries (NFA BP; 2015-2020).
Area of degraded forest restored through planting.	569	393	448	351	2160	Priority- a total of 3,921ha compared to required restoration of approx.100,000ha.
Plantation establishment.	3,516	748	1,176	636	3,563.50	Priority- a total of 9,639.5ha compared to 55,000ha
Tree and Fruit seedlings production.	13,344,869	14,843,215	19,384,630	15,404,483	20,923,958	Priority-Supply of 37,000,000 seedlings due to increasing demand.

# REVENUE AND EXPENDITURE PERFORMANCE FOR FY 2017/18

DESCRIPTION	BUDGET	ACTUAL	%GE
a) Forest Products	3,934,907,203	660,580,943	17
b) Land Use Fees	5,345,264,534	3,768,643,906	71
c) Seeds and Seedlings	4,818,150,000	1,333,626,000	28
d) Eco-tourism	1,440,695,600	1,042,309,936	72
e) Other Products and Services	54,000,000	34,299,586	64
f) Sundry Income	1,645,273,664	1,840,290,304	112
g) Receivables Recovered	0	517,243,557	
<b>Total AIA (NTR)</b>	<b>17,238,291,000</b>	<b>9,196,994,232</b>	<b>53%</b>
a) Government Subvention	12,269,999,516	10,660,306,009	80
<b>TOTAL REVENUE</b>	<b>29,507,999,516</b>	<b>19,857,300,241</b>	<b>64</b>
<b>EXPENDITURE</b>			
a) Employee Costs	7,831,210,584	6,898,995,903	88
b) Goods And Services Consumed	19,349,538,316	10,591,325,149	55
c) Consumption of Property, Plant & Equipment	1,453,425,000	317,808,750	22
d) Other Operating Expenses	23,000,000	4,900,000	21
e) Domestic Arrears Paid	850,825,616	835,313,914	98
f) Total Expenditure	29,507,999,516	18,648,343,716	63
g) Surplus For The Year		1,208,956,525	

# REASONS FOR UNDER PERFORMANCE ON FOREST PRODUCTS, SEED AND SEEDLINGS

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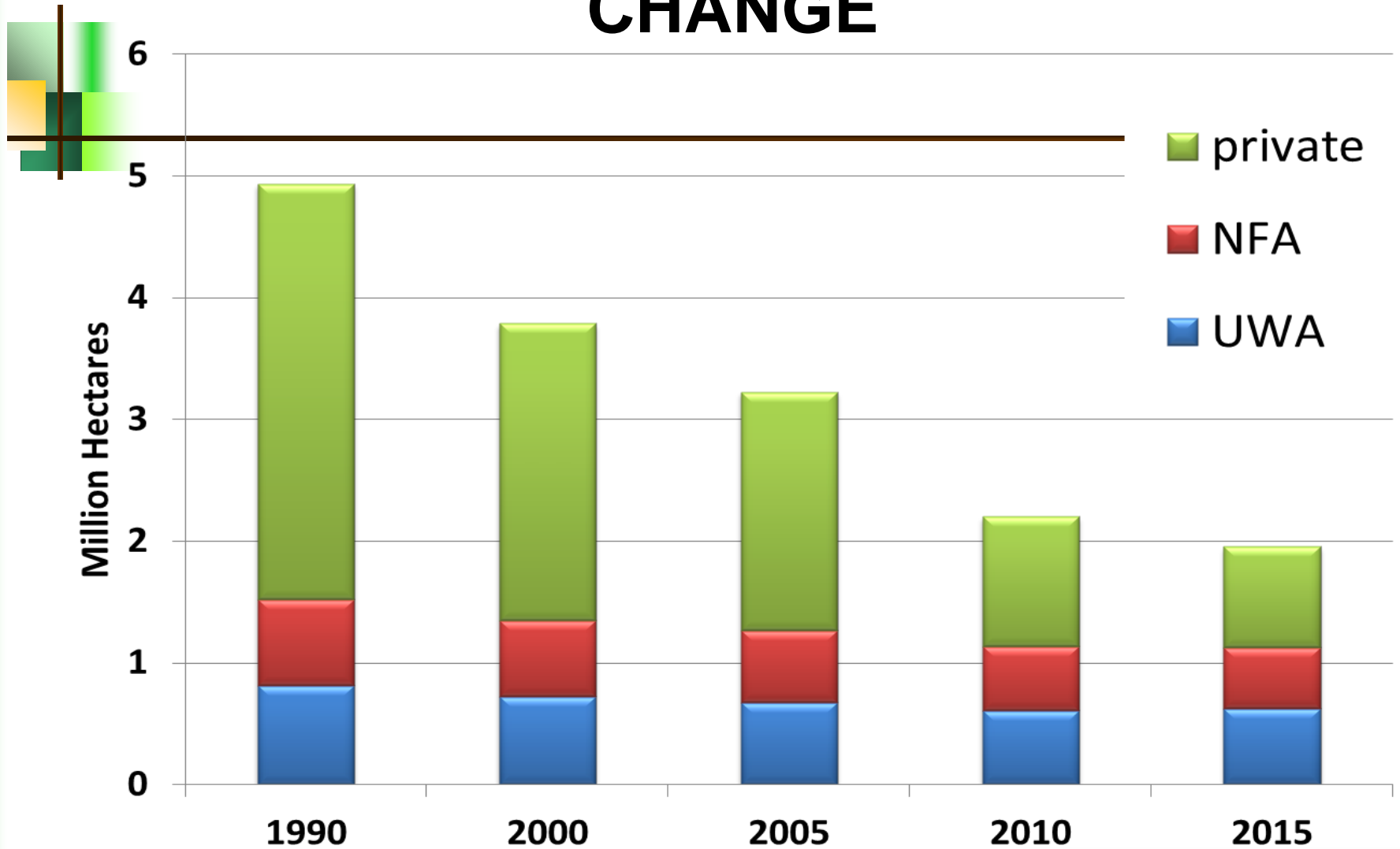
## FOREST PRODUCTS AT 17%

- Suspended mining of sand in CFRs leading to non-collection of over UGX 600m;
- Over UGX 600m from planned the carbon credits was not released, because WB audit had verified the stocks in Rwoho;
- Over 450 million was not received from UECTL and SGR awaiting for the same this FY;
- Over 800million (200m<sup>3</sup>) in Rwoho not harvested and thinning in South Busoga and Achwa Range not done due to flooding of the market with timber by private tree planters.

## SEED AND SEEDLINGS AT 28%

- Seed importation from Brazil and South Africa not done due to mismatch of release of funds and rain seasons;
- Free distribution of Community Tree Planting Program seedlings to potential buyers reduced the market from would be buyers;
- Planned sales of seedlings (Ushs 2.7 billion) were affected by delay in land allocation within CFRs.

# MANAGEMENT AND FOREST AREA CHANGE

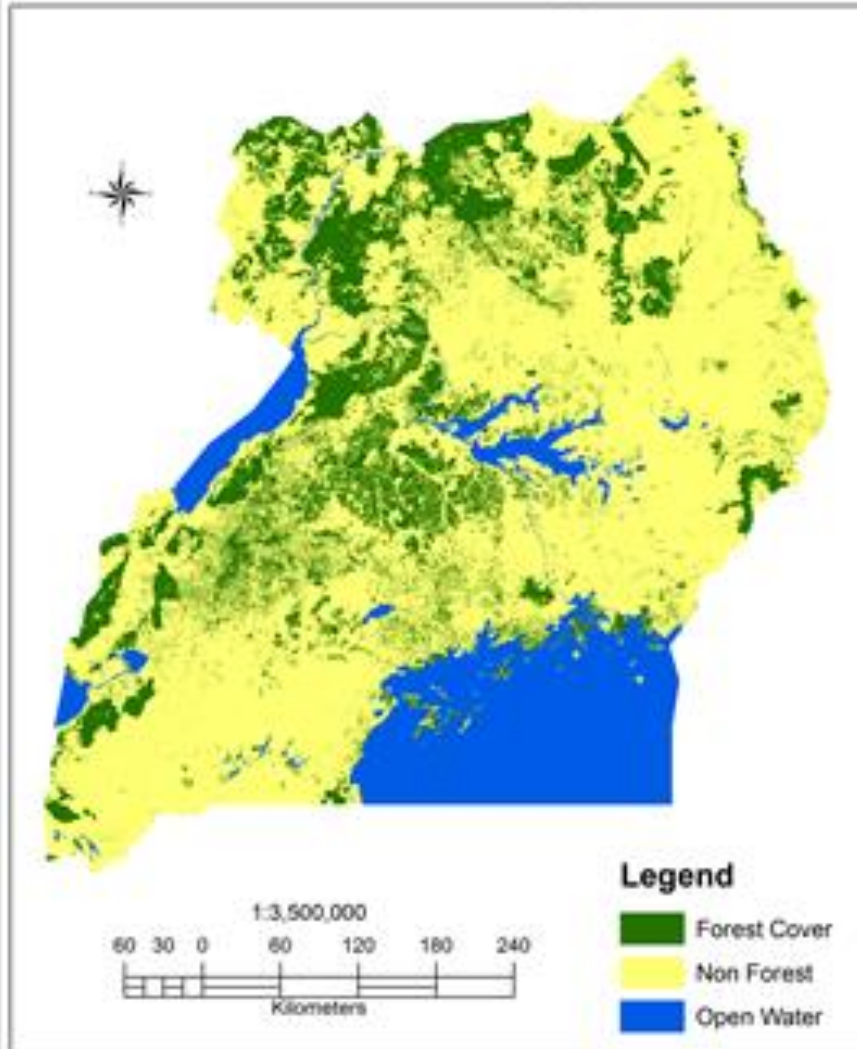


# FOREST COVER STATISTICS

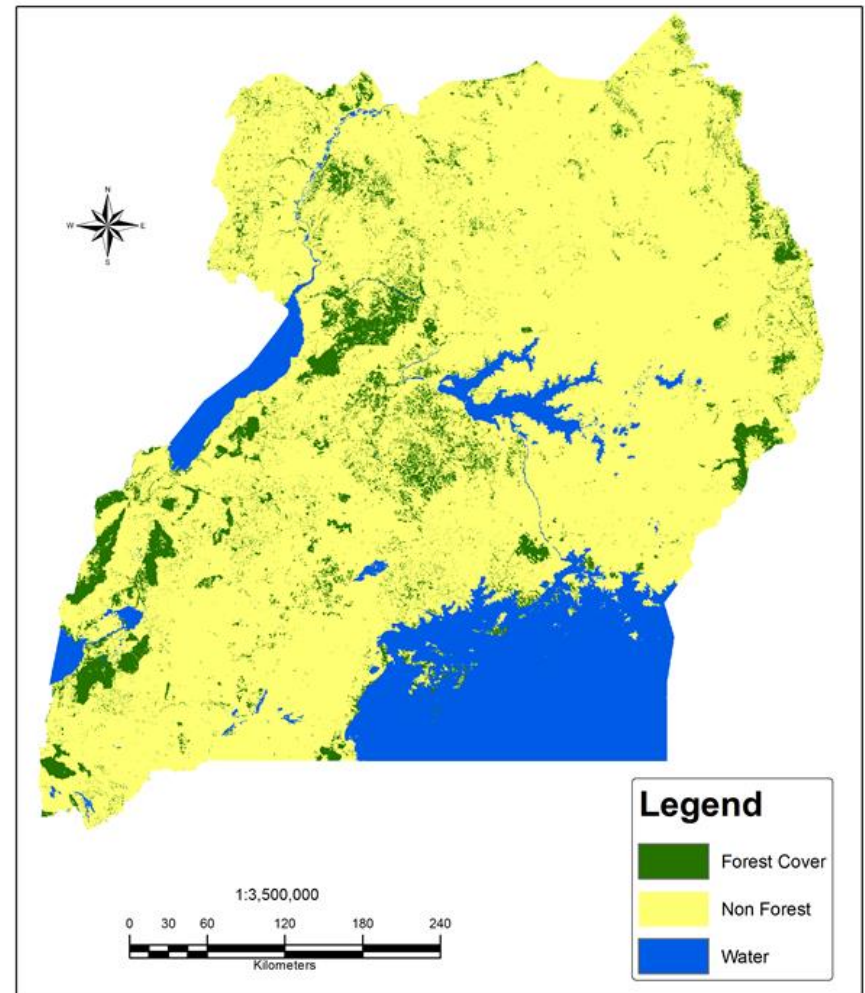
	1990	2000	2005	2010	2015
<b>Forest_All</b>	<b>4,933,271</b>	<b>3,785,167</b>	<b>3,220,546</b>	<b>2,196,631</b>	<b>1,956,664</b>
<b>Forest_UWA</b>	<b>794,881</b>	<b>720,057</b>	<b>670,372</b>	<b>600,986</b>	<b>624,578</b>
<b>Forest_NFA</b>	<b>791,240</b>	<b>626,192</b>	<b>595,841</b>	<b>531,795</b>	<b>504,391</b>
<b>Forest_PVT</b>	<b>3,347,150</b>	<b>2,438,919</b>	<b>1,954,333</b>	<b>1,063,851</b>	<b>827,695</b>
<b>Forest_PAs</b>	<b>1,586,121</b>	<b>1,346,249</b>	<b>1,266,213</b>	<b>1,132,780</b>	<b>1,128,969</b>

# Trend of forest cover in the country

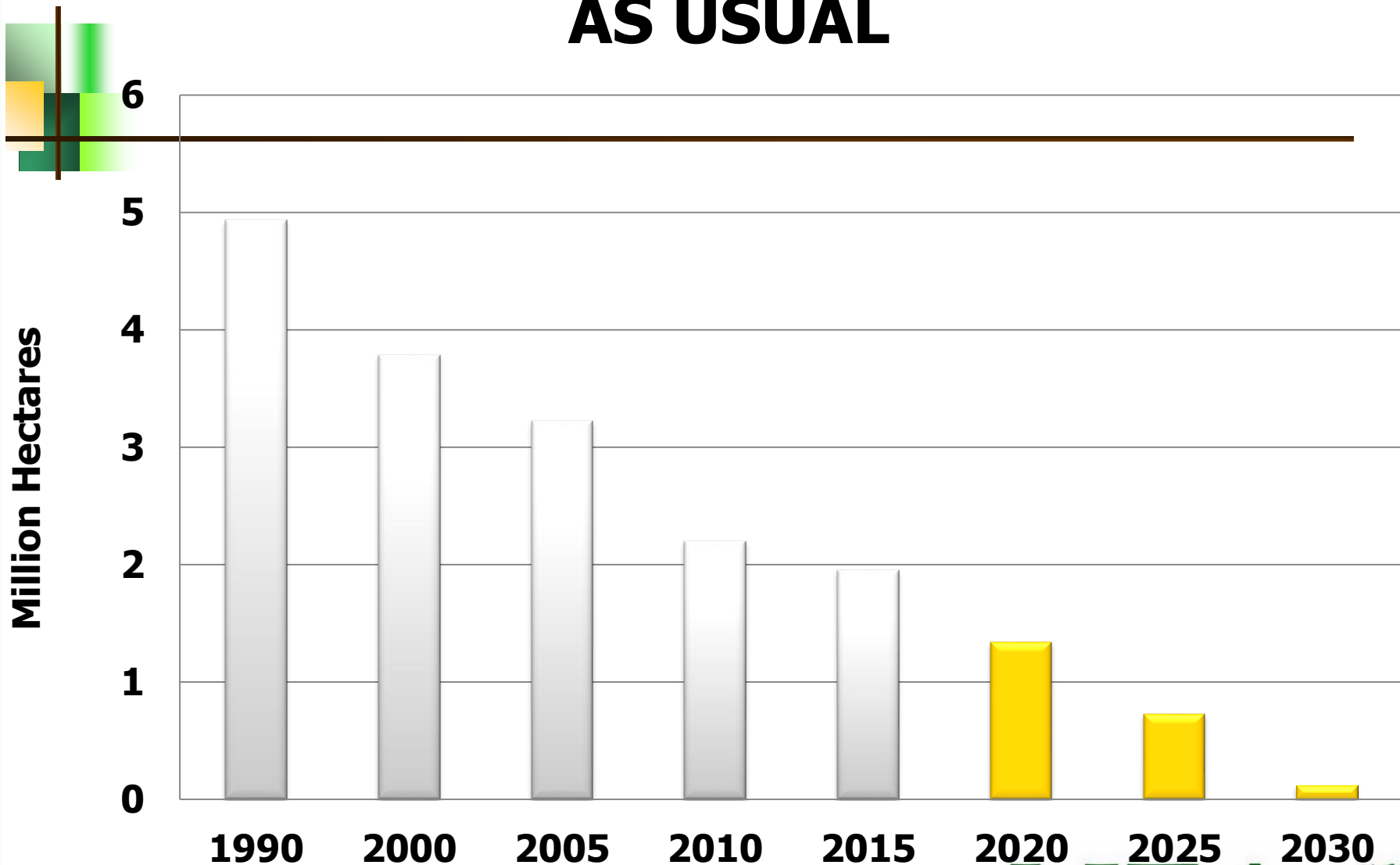
Natural Forest Cover In Uganda 1990



Natural Forest Cover in Uganda by 2015



# PREDICTING THE FUTURE – BUSINESS AS USUAL







# CHALLENGES/EMERGING ISSUES

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1. **Encroachment and Illegal timber/tree extraction** in CFRs continued to be the main threats to CFRs leading to degradation of natural forests.
2. **Unclear forest boundaries** which continue to encourage encroachment of forests and increase the cost of law enforcement and litigation.
3. **Illegal land titling of CFRs land** by ULC, Kingdom and District Land Boards, contrary to the Constitution 1995, and Section 44 of the Land Act, 1998.
4. **Meeting the NDP II target of restoring the forest cover to 18%** by 2020 and 24% by 2040.

# RECOMMENDATIONS TO ADDRESS THE CHALLENGES/ISSUES

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- **Strengthening coordination for Forest Law Enforcement** and governance - reduction of forest illegalities such as encroachment and illegal produce harvesting;
- **Re-opening and demarcation of forest boundaries** and cancel titles to address encroachment comprehensively;
- **Mobilize and lobby District leaders**, local Communities and Development Partners to support forest conservation and tree-planting efforts;
- **Enhanced participation, control & access** to promising opportunities, e.g. carbon credits, saw log grants, payment for ecosystem services on private & communal lands, etc.
- **Increased involvement** of the population (Private Sector, Local Communities, Entities and Individuals) in massive tree planting,
- ...

**END**

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**FORESTS FOR SUSTAINABLE  
DEVELOPMENT**

**THANK YOU**