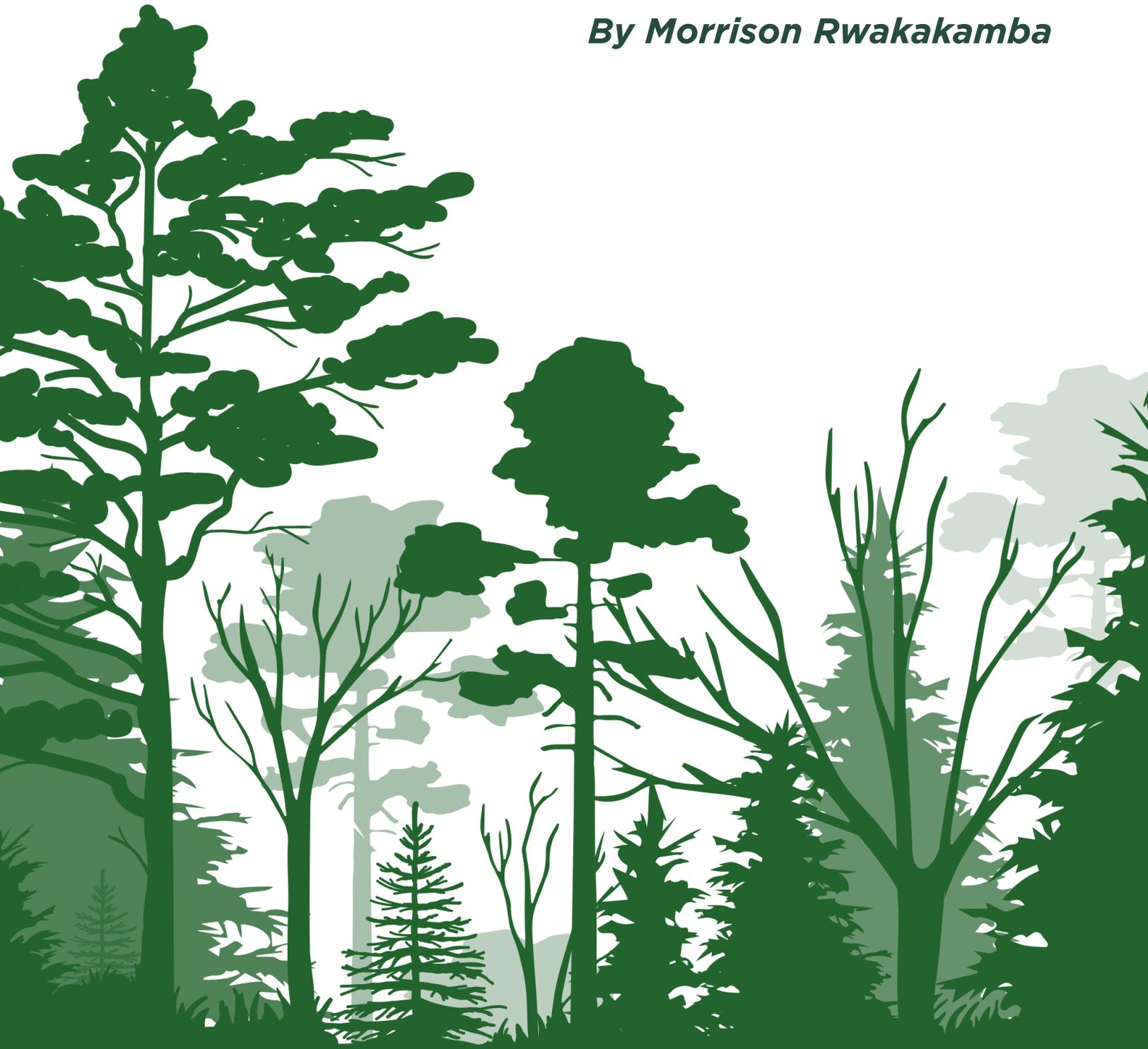


# WHAT HAPPENED TO THE UGANDA NATIONAL TREE FUND?

*By Morrison Rwakakamba*



Edward O. Wilson famously said, “***Destroying rain forest for economic gain is like burning a Renaissance painting to cook a meal.***” Beyond those fascinated by classic and legacy art, what do the foregoing words mean for us as Ugandans and the nation we love? The Uganda National Forest Plan 2012-2022 reports that, within a period of 15 years, stretching from 1990, Uganda’s forest cover had reduced by approximately 1.3 million hectares. Mathematically, this represents an average annual deforestation rate of 1.8 percent. Going deeper, this also means that in less than twenty years, Uganda lost about 25 per cent of its forest cover. If this rate of loss of forest cover is not contained, it means that in the next 40 years, Uganda will hardly have any tree left. Such is the grave state of affairs when it comes to Uganda and trees.

Given the importance of trees to Uganda’s economic development, human well-being and the environment, this puts the Country in a state of uncertainty. This is because trees and forest cover have implications for the energy sector, tourism, agriculture, food security and the lives and livelihoods of many Ugandans – and especially so the forest-dependent and forest-adjacent communities. With all this illuminating evidence and projections into a bleak future, why are we instead of plating trees destroying them? Why was the much hyped and full of promise National Tree Fund never operationalized?

In fact, a number of trees sector actors have argued that Uganda’s efforts aimed at restoring the forest cover and promoting tree planting generally, gravitate on inadequate and lack of appropriate, long term and sustainable funding. Yet in 2003, the Government of Uganda legislated for establishment of a National Tree Fund to promote tree planting and growing in Uganda. Let me ask again, why is it that after a stretched range of thirteen years this Fund has never taken off? What is going on here?

For starters, the tree fund was purposely established to promote tree planting and growing at national and local level; and to support tree planting and growing efforts of a non-commercial nature, which are of benefit to the public good. The fund was also established to promote tree planting and growing generally at the national and local level, whether within or outside the central forest reserves. One logic would be to ask why all this is not done by the National Forestry Authority? Although under Section 54 (1) (a) of the National Forestry and Tree Planting Act, NFA has mandate to promote tree planting and growing, its mandate is limited to only central forest reserves.

I recall that in April 2014, while officiating at the launch of the tree planting drive organized by the Go-Green Campaign activists, the Speaker of the Parliament of Uganda, Rt.Hon. Rebecca Kadaga was quoted to have promised that the issue of the Tree Fund was going to be raised on the floor of Parliament to have the Fund operationalized. A deliberate search through Hansard parliamentary records show no mention of this on the floor of parliament. What happened?

I strongly believe a Tree Fund is necessary and viable. As Rosenbaum and Lindsay rightly argue, a tree fund is central to meeting of the forestry sector’s special needs for long-term planning and investment. Tree Planting, growing and afforestation are generally ventures that require long term planning and investment. Short-term planning and investment based on the national budget cycle, which among other things require unspent monies at the end of each financial year to be returned to the Consolidated Fund is unsuitable for most trees and forestry activities.



One of the major justifications to have the Tree Fund operationalized is therefore to ensure long-term, predictable and sustainable financial support towards tree planting, growing and afforestation activities.

Others like Ronald Naluwairo, Amumpiire Anna and Judith Kyarisima have argued that the National Tree Fund should be operationalized because of its importance as a catalyst for easy access to existing and emerging international financing mechanisms. Increasingly, many special financing mechanisms like REDD+ are more comfortable with isolating their funds from others and placing them under independent bodies, which makes accountability, monitoring and evaluation much easier. Broadly, I believe an operational tree fund is critical to help Uganda confront deforestation and promote carbon sequestration. A tree fund would also support robust incentives that reward forest owners and farmers when they plant trees, restore grasslands, or undertake farming practices that capture carbon dioxide from the atmosphere.

**But how should such a fund be financed?** Under Section 40 (3) of the National Forestry and Tree Planting Act, it is provided that the monies of the Tree Fund shall consist of: monies appropriated by Parliament; loans obtained by Government; grants, gifts and donations; any monies required to be paid into the Fund; and monies from any other source approved by the Minister in consultation with the Minister of Finance. Indeed in 2008, when approving the operationalization of the National Tree Fund, Cabinet commendably approved that a levy of a small tax of 0.005 per cent of the market value of resources generated out of hydro-electricity and production of hydrocarbons should be paid into the Fund. It is 2016 and the Country is still waiting. What are the obtaining explanations and who is responsible for shelving Cabinet and Presidential directives? A dedicated conversation needs to happen on this issue.

A Kampala based think tank Advocates Coalition for Development and Environment (ACODE) in a policy paper titled “***Operationalization of Uganda's National Tree Fund; A process audit and call for action***” recommends pointed ideas to finance and guarantee sustainability of the National Tree Fund. For example, the paper argues that Government should provide the Fund with additional dependable sources of revenue that should include a small levy of about 1 per cent on fuel, since once burnt; fuel emits carbon dioxide which trees have to absorb. Indeed countries like Costa Rica took a similar approach to capitalize their forest fund. Second, Government should consider levying a small tax of at least 1 per cent of the oil revenues. The major justification for this tax lies in the fact that the oil production and refining activities emit a lot of carbon dioxide in the air, which the trees absorb. Also, some non-tax revenue from the NFA should be paid to the Tree Fund. And by the way what happens to all that revenue from the sale of illegal timber and charcoal? This is perhaps a starting point to capitalize the Fund. Beyond the fund, it is a duty of every citizen(s) to plant tree(s). Each tree you plant changes a life. Like the timeless Chinese proverb teaches us, “***The best time to plant a tree was 20 years ago. The second best time is now.***”

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