

### THE REPUBLIC OF UGANDA

### PROGRESS IN IMPLEMENTING THE STANDARD OPERATING PROCEDURES BY THE TRADE INDUSTRY AND COOPERATIVES SECTOR DURING THE CORONAVIRUS/COVID-19 PANDEMIC

**AS AT 21<sup>st</sup> APRIL 2020** 1 Appreciation to Government.

### STATUS OF COVID-19 IN THE REGION:

In East Africa;

COUNTRY	STATUS	DEATH	RECOVERIES
Kenya	281	14	69
Tanzania	254	10	11
Rwanda	147	0	80
Burundi	5	1	4
South Sudan	4	0	0
Uganda	56	0	80

As the world grapples with the Virus, public health must be the first level of concern e.g. hygiene, fitness and nutrition. Government as a whole has been key in promulgating this message and protecting the people. The restrictions we are seeing on the movement of people, goods and services e.g. transport, closure of airport, closure of schools, offices, social gatherings are all meant to protect the lives of the people against COVID-19.

Situation under Trade

Importation of goods

China is the world's largest exporter of goods; 20% of our trade both in raw material and imported

## Trading across borders and certainty of supplies of raw materials and consumer goods/ essential commodities

All entry/exit points have remained open for inward and outward movement of cargo. The Sub Committee on Trade and Transport (**COVID-19 NATIONAL TASKFORCE**),

The following SOPs have been implemented:-

That the operational hours for Motorcycles/ Boda Bodas and bicycles be extended from 2:00 p.m. to 5:00 p.m. to enable ample time for delivery of cargo and raw materials essential for continued production;

- That designated stops will be identified along the cargo routes where testing of truck drivers will be effected; with the support from the respective District Taskforces on COVID-19. The designated stops will be formally communicated to the truck drivers;
- All cargo owners to be informed to arrange standby alternative drivers in case the drivers of any of the trucks tests positive for COVID-19.
- The security enforcement agencies in the respective Districts will ensure compliance to SOPs and Ministry of Health guidelines at the designated stops;
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- That all the trucks will be sealed to enable tracking by Uganda Revenue Authority (URA);
- Boarder agencies are in place to enable expeditious clearance following Ministry of Health Guidelines. This will ensure a stable supply of raw materials and essential commodities.
- International Trade Flows: International trade continues to flow unhindered, but with a decline as would be expected in the circumstances. Our exports declined from US\$ 383.62 million in January 2020 to US\$ 352.91 million in February 2020. Imports have declined from US\$ 711.99 million in January 2020 to US\$701.34 million in February 2020 and US\$ 593.79 million in March 2020. Essential supplies are coming in, and border Agencies remain available to facilitate faster clearance of both exports and imports. Similar, domestic production for a number of products such as hand sanitizers, face masks is being stepped up.
  - Movement of Cargo Trucks: truck drivers and crew appear to be the main new threat of spreading COVID-19. Hitherto, three passengers have been allowed to move as part of the truck crew. In an effort to stem the threat from this route and following guidance by H.E the President during his address on 19<sup>th</sup> April 2020, we have consulted
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key stakeholders in the industry and agreed that passengers in the truck must not exceed two – the truck driver and one other person. Trucks will be electronically monitored and the crew must adhere to the Public Health Guidelines in place, and not mix with the locals along the transit routes. There will be designated stop points for international cargo trucks. The National Taskforce will discuss the proposal of a maximum of two passengers in cargo trucks, who should clearly identify themselves and be linked to either the truck or the cargo in transit.

- Cargo trucks are excluded from the curfew, and all RDCs, the District Taskforces, and security personnel need to abide by that.
- **Regional Aspects**: cargo trucks carrying exports to Rwanda are being allowed to enter through Mirama Hills, but there are reports of denial of entry to Ugandan trucks transiting to Burundi. Initially, Burundi had closed its border, but following a series of engagements they opened it. We will be engaging Rwanda at political level to allow Ugandan trucks transit to Burundi, after all we are allowing theirs to transit through here.

On average, the following is the daily clearance of trucks at the respective borders points for the period  $1^{st} - 19^{th}$  April 2020:

Border Point	Incoming trucks	Outgoing trucks
Busia	219	316
Malaba	644	614
Mutukula	50	20
Elegu	150	200

• Source: Uganda Revenue Authority

Much as these figures show continued clearance of international cargo trucks in numbers that are commendable to assure us of continued supplies and foreign exchange earnings, we note a decline in numbers compared to the daily averages for March and the previous months. For example, we note a 28% decline in the average number of inbound cargo trucks cleared daily at Malaba between April (up to 19<sup>th</sup>) and March 2020, and 29% for outbound cargo trucks. This is expected given the current global scale down of economic activities.

- Salt: Uganda does not produce adequate salt and we rely on imports from Kenya. One of the major importers of salt, Kampala Salt, who had about 55 containers on the high seas, and has since cleared the containers with so far thirty (30) already in circulation in the country. In addition, the Company is putting up a salt processing
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plant with a capacity of 192,000MT/year on Jinja Road; and are in final stages, having tested the machines in the first week of April 2020. Herbal Salt Plus Limited is producing Table Salt at a capacity of 500kg/ week. It is strategic that we give them all the necessary support at this time to enable them produce the salt from here as soon as possible.

### • Prices of essential commodities

The hike in prices which occurred at the time of the anticipated lockdown was as a result of panic buying and increasing demand especially in the Kampala Metropolitan area. However, the current statistics show that the prices of various commodities are normalizing countrywide. For example, a kilo of sugar has gone down to UGX. 3600 from UGX. 6000; a kilo of salt from UGX. 5000 back to UGX.3,000; cooking oil is down to UGX 5000 a liter from UGX 7000; a kilo of maize flour is now in the range of UGX 2200 - 3000 per kg from UGX. 6000 this is due to low demand and low purchasing power. This is in addition to the availability of other food substitutes like matooke, cassava, whose prices have remained stable – thanks to the continued free movement of cargo.

• However the price of beans has remained high, ranging from Ugx 4500 to Ugx 6000 a kilo. There is scarcity of beans

**Commented [E1]:** What did this intend to communicate? Needs a review

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because farmers are keeping them for their own consumption.

- The District Task Forces through the District Commercial Officers are continuously tracking the available quantities and prices of essential commodities in their respective districts. However as observed by H.E the President in his address to the nation on Sunday, some traders are still hoarding goods in anticipation of higher profit. This is a bad habit and the Government strongly condemns it and serious measures will be taken to curb this habit.
- The Government, through Operation Wealth Creation (OWC) will continue to supply seeds (beans, maize, peas, and other cereals) and inputs so that farmers can plant during this period of lockdown given the favorable planting conditions to ensure continued food security.
- Harassment of Foreign Business Persons: The current measures (curfew and lockdown) have curbed this act. Local communities were called up on to be more vigilant against new entrants/returnees from abroad in their villages and report them to the authorities.

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**Commented [E2]:** I don't think this is a valid reason! Farmers have always consumed beans and we have always had them on the market, though in short supply. We could look at other credible reasons – was production, for example affected by weather?

### **INDUSTRIES/ FACTORIES**

The Ministry has engaged with Uganda Manufactures Association (UMA) to ensure that factories producing essential commodities remain operational.

About 215 industries are in operation (copy attached)

In line with the Presidential Directives, and the guidelines of Ministry of Health; to reduce the risk of contracting and spreading the Virus among the factory workers and the general public. The Ministry has developed Standard Operating Procedures (SOPs) for Industries and monitors their implementation in consultation with UMA and the District Resident Commissioners (RDCs). The SOPs are;

- i. Maintain only the essential staff to operate critical production lines and supplies
- ii. Encamp the staff at the factory or a nearby place to avoid them mixing with the local communities
- iii. Observe the health hygiene practices at all times with provision of washing and sanitizing facilities
- iv. Provide protective gears to all the staff or workers
- v. Provide special transport from home to factory and observe social distancing at all times,
- vi. Provide medical personnel to check the health status by observing any COVID related symptoms of the workers when entering and leaving the factory.
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Please note, even other categories of factories are allowed to operate as long as they comply with the above SOPs.

Most factories have made arrangements to help the workforce that is not deployed by advancing them some money to purchase foods and other essential goods. We thank them for that generosity.

# Quality and standards of Supply of essential commodities (sanitizers/disinfectants, masks and other protective gears, food items).

Following the directive of H.E the President and guidance from the Ministry of Health on prevention of the spread of Corona Virus, UNBS scaled down its physical interaction with stakeholders and encouraged its clients to reach UNBS using online ICT platforms, toll free line 0800133,133, WhatsApp and other social media platforms.

1. UNBS is currently involved in the control of spread of Commented [E3]: UNBS is part of Government! COVID19 in the following ways:

a) Inspecting all foods donated to government as well as that procured to supply to the various vulnerable groups. As such, UNBS teams are based at OPM stores for inspection, delivery of samples to the Laboratories at Nakawa where teams from the chemistry and microbiology Laboratories are analyzing the samples. The results are then communicated to the stores for

appropriate actions. The current focus is on beans and maize flour being supplied by Government and donated food.

The UNBS was also co-opted on the COVID19 technical team on the 7<sup>th</sup> April 2020, and provided the SOPs for inspection of food to ensure food safety before distribution.

b) Working with industry and offering technical assistance for the manufacture and certification of sanitizers, face masks and ensuring certification of consumer goods that are being manufactured.

As of 17<sup>th</sup> April, 38 Companies producing 43 brands of hand sanitizers and disinfectants have been certified.

The following 14 companies are some of the brands which have been certified by UNBS to produce sanitizers and disinfectants.

- Saraya : ALSOFT V; SMART SAN S4; Saraya Toilet Seat Sanitizer; SARACLEAN-C, Saraya Disinfectant detergent
- 2. Hoima Sugar : Prosan Hand sanitizer
- 3. Geno Hitech : Med Gel brand
- 4. Rene Industries : Rene Instant hand sanitizer
- 5. Kenloin Industries: Immaculate brand
- 6. Premier Distilleries : B- Safe brand
- 7. Sanit Hygiene SMC : Sanit Toilet seat sanitizer spray
- 8. Armour Group : Armour Sanitiser

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**Commented [E4]:** If we have 43 certified, we either list all of them or none. Otherwise, it appears like we are fronting the 14 and not the others and we could be accused of that at some point. List all

- 9. Sheen Plus Cosmetics: Sheen brand gel and Sheen brand sanitizer
- 10. Nucleus Harvest Ltd : Charmens brand
- 11. Akhtabut : Akhtabut Handwashing detergent
- 12. Globo Chem (U) Ltd : Handsan brand; ANTBAC disinfectant; Brightex brand sodium hypochlorite solution.
- 13. Xplore Beverages Ltd : Xtra care brand
- 14. Wandaz Products : Wandaz Instant Hand Sanitizer

UNBS is offering technical assistance together with free standards to sanitizer manufacturers and as such, 110 companies producing 139 brands are pending approval for certification. Details can be found on UNBS website www.unbs.go.ug

2. On the masks: A UNBS team has been constituted to work with NYTIL and National Drug Authority (NDA) to ensure that the safety and quality of the masks being produced meet the technical requirements. Currently the work for mass production of masks for the population is on-going at NYTIL while masks for health workers is still under discussion.

3. On the safety of foods: 1,038MT of beans and 1,629 MT of maize flour have been inspected and tested at UNBS laboratories for the period 13-19<sup>th</sup> April 2020. Of these 88% of beans and 78% of maize flour were compliant to the quality

standards. This exercise involving OPM and UNBS is still ongoing based at OPM stores at Nakawa.

In order to ensure increased production of sanitizers and disinfectants locally, UNBS has reduced the period for testing and certification of these products to a maximum of seven days.

Other applicants are still being supported to meet the standards. *A detailed report is attached*. Manufacturers have been directed to apply on-line for quick response and avoiding crowding.

### MANAGEMENT OF MARKETS

### **Periodical Markets:**

All markets whether weekly or otherwise were suspended. Local Authorities led by the RDC and a team comprising of DISOs, Chief Administrative Officers/ Town Clerks, District Commercial Officers and DPCs are implementing this suspension. In order to ensure effective implementation, the taskforce was directed to co-opt some essential staff at Lower Local Governments and Administrative Levels (Parish and village levels) to ensure compliance. The exception is for those selling fresh food stuff, who must observe the public health guidelines put in place by the Ministry of Health.

**Food Markets:** Local governments were directed to scale down on the number of people in the markets, and to only allow those trading in food items such as bananas, poultry, and meat remain functional but must observe the Guidelines in place. Trading in non-food products and selling of cooked food on the streets was suspended.

**Supermarkets:** The Ministry has worked with supermarket owners who have now put in place the following facilities; temperature guns, hand washing facilities, protective gear, and sanitizers. They have also been directed to ensure that clients and staff while inside the supermarkets observe social distance of four meters. Trolleys must be disinfected after every use. What has emerged is that 40% of the shelf space in supermarkets has locally manufactured products culminating

from our Buy Uganda Build Uganda (BUBU) campaign.

**Distribution Channels of Essential Commodities**: distribution of essential commodities including foods and beverages is continuing through Trucks, delivery vans, and pick-ups, boda bodas strictly for delivery of food and essential commodities are allowed. Depots/ stockiest stores and distribution chains of foods and beverages remain operational. In order to ensure sustainable supply, the Ministry through the Warehouse Receipt System Authority will keep monitoring the availability of food stocks (maize, beans, rice) compiling data on

quantities of foods available in the **27** certified grain warehouses with a combined storage capacity of **240,500 MTs** countrywide.

### **Monitoring of Cooperatives and SACCOS**

- The Annual General Meetings for Cooperatives were suspended for 32 days.
- The term of the Governing committees for Cooperatives whose term has expired *(about to expire)* was extended for the period of lockdown
- SACCOs have remained open during the lockdown period to facilitate members to access their savings through this period. The SACCOs were directed to retain only two staff *(one supervisor and teller)* to keep the offices open but who must observe the SOPs which were given by the Ministry of Health.
- Fieldwork activities for credit appraisal and collection were suspended till further notice

### Lessons learnt

- Uganda's Economy has been cushioned by the BUBU Policy which has triggered the manufacture of household products
- Adoption and massive use of e-Commerce which has controlled movement of human
- There is need to put more emphasis on agriculture for subsistence
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- Step up trade within the East African Region and embrace African Continental Free Trade Area
- Financial Institutions to offer incentives and short term loans for MSMEs
- Focus on supporting the innovators especially ICT
- The Budget is going to focus on capitalizing UDC (for *industrialization*) and UDB (for MSMEs) to support industrialization
- How hygiene is a pre-requisite in our lives
- Privately re-think our financial expenditure forfeit luxuries and focus on priorities
- It has built the patriotism spirit in us and unity

### Conclusion

Ever since the implementation of the lockdown measures, the following observations have been made;

- Generally, the prices of essential commodities have remained stable due to the lower purchasing power and scarcity of consumers a kilo sugar has gone down to UGX. 3600 up from UGX. 6000, a kilo of salt from UGX. 5000 back to Ugx.3, 000.
- 2. Essential commodities are still available in the supermarkets
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- 3. Food is available in the markets and at affordable prices
- 4. The city has been decongested as most consumers procure their commodities within the vicinity of their residences
- 5. As far as our sector is concerned, the impact on manufacturing and distribution of essential commodities has so far been maintained through markets, shops and supermarkets.

I urge all citizens to abide by the Public Health guidelines and the directives issued by H.E. the President for us to continue the good progress we are making in curbing any further spread of COVID 19. Our efforts jointly count in winning this war.