

Uganda's forests: Powering economies, sustaining the future of our generation

Saturday, March 21, was the International Day of Forests (IDF), established by the United Nations General Assembly in 2012, to observe and recognise the role of forests in our lives. This year's theme "Forests and Economies", highlights the importance of forests not only as environmental assets but also powerful economic engines.

Globally, forests support livelihoods, industries, and economies. More than \$44 trillion, over half of global GDP depends on nature, including forests. By regulating water systems, stabilising soils to support ecotourism, energy, and wood production, forests are essential drivers of economic growth.

In Uganda, forests sustain rural communities with food, medicine, and income, while offering a practical solution to one of the country's most urgent challenges; youth unemployment. With nearly half (48.8 percent) of young people aged 18 to 30 seeking work, forestry offers scalable employment opportunities for rural youth, in activities such as tree nursery management, plantation management, and in value addition activities.

For decades, the country's natural forest cover shrinks with nearly a quarter of its forest cover Between 1990 and 2005. In the early 2000s, The government undertook deliberate policy and institutional reforms aimed at increasing forest cover and reversing deforestation. A key element of this reform was the deliberate promotion of commercial forestry. Plantations have become a growing and sig-

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Conservation



nificant part of Uganda's forestry-based economy with more than \$400m invested, making forestry one of Uganda's most vibrant areas of private investment. Through initiatives such as the European Union-funded Sustainable Wood-Based Value Chains project, FAO is supporting Uganda to unlock this potential, driving investment, creating jobs, and positioning the country as a competitive player in regional and global timber markets.

Equally important is the role of forests in supporting livelihoods and food systems. Integrating trees into farming, through agroforestry, improves soil fertility, enhances crop yields, and provides additional income streams. Indigenous species such as the shea tree present untapped economic opportunities. Uganda's Nilotica shea, prized for its superior quality, feeds into a global industry

valued at more than \$2.6b. With the right investment and policy, such resources could become as economically significant as traditional cash crops.

Forests also remain central to Uganda's energy mix. With millions relying on fuelwood and charcoal for cooking, the challenge is not simply to reduce demand, but to meet it sustainably. Establishing dedicated woodlots and promoting cleaner bio-energy fuels such as briquettes and pellets can meet domestic needs while unlocking export opportunities in emerging green markets.

Yet, the cost of inaction is high. Uganda continues to lose about 122,000 hectares of natural forest annually. This loss translates into soil degradation, increased flooding, reduced agricultural productivity, and heightened vulnerability to climate shocks.

From sustaining rural livelihoods to fueling billion-dollar global industries like shea and timber, the economic case for sustainable forest management is undeniable. The question is no longer whether we can grow a forestry industry, but whether we can transform it into an engine of lasting economic prosperity. The path forward requires deliberate actions to scale up investment in wood processing and value addition, expand agroforestry and sustainable energy solutions, and enforce stronger protections against deforestation.

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