MESSAGE ON INTERNATIONAL LABOUR DAY

By the UN Resident Coordinator and Designated Official for Security,
Ms. Rosa Malango

Venue: State House, Entebbe
Date: 1 May 2020

Your Excellency the President of the Republic of Uganda,
Your Excellency the Vice President of the Republic of Uganda,
Right Honourable Speaker of Parliament of the Republic of Uganda,
Your Lordship the Chief Justice of the Republic of Uganda,
Right Honourable Deputy Speaker of Parliament of the Republic of Uganda,
Right Honourable Prime Minister of the Republic of Uganda,
Honourable Ministers, Distinguished Guests,
Ladies and Gentlemen,

On behalf of the United Nations in Uganda, I am delighted to be here today during the Presidential Address to the Nation in commemoration of International Labour Day. Let me begin by expressing our solidarity with the Government and People of Uganda for all the early actions and efforts to curb the spread of the deadly COVID-19. Your Excellency, we commend you for your personal leadership and commitment to preventing the spread and responding to COVID-19 in Uganda which has inspired the frontline workers helping to keep us safe and alive.
This year we are commemorating International Labour as we face the COVID-19 pandemic, a health crisis, with far-reaching implications. The International Labour Organization (ILO) estimates that globally as many as 300 million people could become unemployed. This challenge is also an opportunity to save and create millions of jobs and enterprises while protecting vulnerable workers. In Uganda, the necessary containment measures have significantly affected employment particularly in small to medium size enterprises and in the informal sector which employs 85% of Ugandans. Up to 60 percent of informal enterprises have stopped their operations or moved below the poverty level, denying earnings to between 5 and 6 million informal workers most of whom are women and youth.

It is commendable that the spread of the infection among the communities has been effectively managed and major recoveries have been registered. Despite these successes, the potential of further spread and the socio-economic risks remain uncertain. Evidence shows that some segments of the population, especially women and youth in the informal sector, are likely to fall back into poverty. Evidence also shows that mobile money is the major means of financial transactions for micro and small enterprises, which are also most affected by the shock associated with COVID-19. However, the current tax regime on mobile money services makes this channel very expensive which makes the country lose on the potential gains of deepened use of mobile-enabled digital services. As we go forward it’s important for businesses and individuals to continue following the public health guidelines as set out by the Ministry of Health (MoH) and the World Health Organisation (WHO). Social distancing and avoidance of big crowds need to be maintained. We need to encourage virtual working arrangements and delivery of public services such as licensing, revenue clearance, property registration among others. It will be critical to use faster customs clearance modalities for medical and essential supplies known as 'Green Lanes' that have been proven to be effective in China and the European Union (EU).
Since most of those likely to be hit hardest by the crisis are those in the informal sector, there is need to identify and design a microfinancing credit facility to support micro and small enterprises. The government may make available funding for this purpose through Uganda Development Bank (UDB) or Microfinance Support Centre (MSC), but also by working with private financial services providers. Recent measures by Government to freeze eviction for non-payment of rent and deferred utility disconnections should be vigorously enforced. It is also recommended that local governments waive market fees, inspection fees and other charges of informal businesses. Evidence shows that recovery starts after about three months from the time the lockdown is fully lifted.

Before I conclude, we would like to commend Government’s efforts to distribute food to the urban poor during the lock down. We also commend Government for the measures announced by Hon. Minister for Gender, Labour and Social Development, to protect employees and scale up the fight against gender and domestic violence. In this context, our role as the United Nations remains two-fold, first support the development of national strategies and delivery of essential services, this is reflected in the UN Emergency Appeal for the Response to and the Impacts of Covid-19 in Uganda targeting 12.8 million Ugandans. The second pathway is to reinforce partnerships with the Government of Uganda, national and international NGOs, including youth and women’s organisations as well as the Uganda Red Cross Society to support the purchase of essential medical equipment, sustain access to healthcare, improve food reserves capabilities, support refugees and people displaced by natural disasters as well as mitigate the negative effects of COVID-19 on Uganda’s emerging economy. We commit to adjust our UN Cooperation Framework (2021-2025) which is aligned to the third National Development Plan (NDPIII) and reflect the new realities as a result of COVID-19. Our focus will be on supporting new approaches to domestic resource mobilization, repurposing the emerging manufacturing capacity in the country to
meet basic needs, supporting digital solutions to protect the livelihoods of the most vulnerable, recognizing new jobs on the digital realm and enhancing investments in social protection initiatives.

As I conclude, allow me to reiterate my vote of thanks to the health workers, the humanitarian personnel and security entities for enabling us to contribute to the national response. The UN has successfully maintained critical humanitarian work in close consultation with the National Task Force and local government in critical areas. With the support of MOFA, MOW, MOH, the UN flights have kept UN critical staff alive in Abiyei, Bangui, South Sudan and DRC. We use this opportunity to seek for your support on three issues, a) facilitation of the brand new WFP Global humanitarian air service out of Addis Ababa; b) expediting UN medical evacuations and last but not least, c) support the youth who are working on solutions including mechanisms to facilitate access to water in slums and remote rural areas. We look forward to having you virtually launch the 1 million SDG solutions by youth across Uganda later in May. On behalf of the UN in Uganda I reiterate our commitment to stand with Uganda to get through this and future challenges together.

Thank you.