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MINISTRY OF WATER AND ENVIRONMENT



UGANDA NATIONAL
REDD+
PROGRAMME

BENEFIT SHARING ARRANGEMENTS FOR UGANDA



AUSTRIAN
DEVELOPMENT
COOPERATION

UN-REDD
PROGRAMME



BENEFIT SHARING ARRANGEMENTS FOR SUPPORTING THE IMPLEMENTATION OF UGANDA'S REDD+ STRATEGY AND ACTION PLAN

**REDD+ Secretariat
Forestry Sector Support Department
Ministry of Water and Environment**

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Foreword

Uganda's is ready to implement her national REDD+ Strategy. Implementation of REDD+ is envisaged to generate benefits or incentives to all stakeholders involved in REDD+ activities. In this regard, Uganda has put in place a Benefits Sharing Arrangements framework to guide sharing of REDD+ benefits in transparent and equitable manner

Benefit Sharing in REDD+ context is used to represent the wider potential stream of incentives for participation in REDD+. REDD+ incentives to national actors appear either in form of financial compensation (monetary) or non-monetary incentives. REDD+ implementation does not only generate benefits for forest stewards and carbon owners, but also involves costs and responsibilities from REDD+ actors. The description of Uganda's REDD+ 'benefits' considers the implementation, transaction and opportunity costs and monetary and non-monetary benefits of a REDD+ project. Therefore, REDD+ benefits are the net benefits after discounting these costs.

Uganda's Benefit Sharing Arrangements (BSA) framework draws from Uganda's and other similar experiences outside Uganda of participatory and collaborative nature, including Collaborative Forest Management under National Forest Authority, and Collaborative Resources Management and Revenue Sharing Arrangements under Uganda Wildlife Authority. In this regard, Uganda's BSA follows a description of models and cross-cutting considerations, that are contained in a series of steps to help structure benefit-sharing arrangements for effective incentives to improve REDD+ outcomes.

Uganda's BSA will be established in form of an autonomous national Fund (The BSA Fund) managed under the conditional grants fiscal system. The BSA Fund will have an independent steering structure and a secretariat that is managed through existing principles and practices of the fiscal transfer system from the central government to local government, service providers and beneficiaries.

The conditional grant under fiscal transfer system firmly puts the BSA under the Ministry of Finance, Planning and Economic Development with support and technical expertise from Ministry Water and Environment (MWE), and potentially other departments such as those in Ministry of Agriculture, Animal Industries and Fisheries (MAAIF) and Ministry of Energy and Mineral Development (MEMD) and a supervisory role of Ministry of Local Government (MOLG). Strengthening capacity with District Local Government is key in this (or any other) model. The Forest Sector Support Department (FSSD) will play a key role in technical coordination and reaching out to district forestry services and in working with MOLG to reach out to DLGs.

Uganda's BSA will be executed through contractually agreed upon agreements. These contracts may be between national and local governments, between communities or individual land owner and private sector entity, or between government (national and local) and community or individual land owner or private sector entity.

Finally, on behalf of the Government of Uganda we express our gratitude to staff from my Ministry and from other government Ministries, Departments and Agencies; the World Bank; the Austrian Development Cooperation; and the UN-REDD Programme and all the stakeholders who were instrumental in one way or the other in providing financial support, information, guidance and supervision to facilitate the design and development of this REDD+ Benefit Sharing Arrangements framework.

FOR GOD AND MY COUNTRY

A handwritten signature in blue ink, appearing to read "SC".

Hon. Sam Cheptoris

MINISTER OF WATER AND ENVIRONMENT

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FOR GOD AND MY COUNTRY



Alfred Okot Okidi
PERMANENT SECRETARY
MINISTRY OF WATER AND ENVIRONMENT

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Acronyms

BMCT	Bwindi Mgahinga Conservation Trust
BSA	Benefit Sharing Arrangement
CBO	Community based organization
CCA	Community Conservation Associations
CF	Community Forest
CFM	Collaborative Forest Management
CFR	Central Forest Reserve
CG	Central Government
CLA	Communal Land Associations
CSO	Civil Society Organisations
DLG	District Local Government
FCPF	Forest Carbon Partnership Facility
FGRM	Feedback and Grievance Redress Mechanism
FSSD	Forest Sector Support Department
GHG	Greenhouse Gases
GOU	Government of Uganda
GPA	Component Project Activity
IFMS	Integrated Financial Management Information System
IP	Implementing partners
IUCN	International Union for Conservation of Nature
JGI	Jane Goodall Institute
LDG	Local Development Grant
LFR	Local Forest Reserve
LG	Local Government
LGFC	Local Government Finance Commission
LGPACs	Local Governments Public Accounts Committees
MAAIF	Ministry of Agriculture, Animal Industries and Fisheries
MDA	Ministries, Departments and Agencies
MEMD	Ministry of Energy and Mineral Development
MFPED	Ministry of Finance, Planning and Economic Development
MLHUD	Ministry of Lands Housing and Urban Development
MOLG	Ministry of Local Government
MRV	Measuring, Reporting and verification
MTIC	Ministry of Trade Industry and Cooperatives
MTWH	Ministry of Tourism Wildlife and Heritage
MWE	Ministry of Water and Environment
NAADS	National Agriculture Advisory Services
NAFORRI	National Forestry Resources Research Institute
NAPA	National Adaptation Programme of Action
NARO	National Agriculture Research Organization
NDPs	National Development Plans
NEA	Notational Environment Act
NEMA	National Environment Management Authority
NFA	National Forest Authority
NFMS	National Forest Monitoring System
NFP	National Forest Plan

NFTPA	National Forestry and Tree Planting Act
NGO	Non-Governmental Organization
NP	National Park
NPA	National Planning Authority
PEM	Public Expenditure Management
PES	Payment for Environment Services
PF	Private forests
PFM	Participatory Forest Management
PPP	Public Private Partnerships
PROFOR	Programme on Forests
REDD+	Reducing Emissions from Deforestation and forest degradation, promotion of conservation of biodiversity, sustainable forest management and enhancement of forest carbon stocks
REDs	Rural Enterprise Development Services
R-PP	Readiness Preparation Proposal
SESA	Social and Environmental Safeguards
SLM	Sustainable Land Management
SPGS	Sawlog Production Grants Scheme
SWG	Sector Working Groups
UFP	Uganda Forest Policy
UGLA	Uganda Local Governments Association
UGX	Ugandan Shilling
ULC	Uganda Land Commission
ULGA	Uganda Local Government Association
UNCCD	UN Convention to Combat Desertification
UNDP	United Nations Development Programme
UNEP	United Nations environment programme
UNFCCC	United Nations Framework Convention on Climate Change
UTGA	Uganda Timber Growers Association
UWA	Uganda Wildlife Authority
VC	Village Council
WB	The World Bank
WCA	Wildlife Conservation Area
WWF	World Wide Fund of Nature

1.0 Introduction

1.1 The Concept of Benefit Sharing

Benefit sharing concept is not unique to REDD+ (CIFOR 2013). Many natural resource sectors (e.g. mining, oil, and conservation and development projects) and most governments have dealt with benefit sharing through taxation, subsidies or other binding arrangements between regulators and stakeholders.

The term benefit sharing in REDD+ context is used to represent the wider potential stream of incentives for participation in REDD+. These incentives were provided for since the 2010 Conference of the Parties to the United Nations Convention on Climate Change (UNFCCC) when the global REDD+ mechanism was established. REDD+ incentives to national actors appear either in form of financial compensation (monetary) or non-monetary incentives. Benefit sharing is premised on Carbon rights which pose a legal challenge when defining rights to carbon and therefore, entitlement of sharing REDD+ benefits.

REDD+ implementation does not only generate benefits for forest stewards and carbon owners, but also involves costs and responsibilities from REDD+ actors. The two main types of costs are; i) implementation and transaction costs, that is, the direct expenses incurred in developing a REDD+ project and implementing the necessary policies and requirements; and, ii) opportunity costs, that is, the foregone profits from the best alternative forest and land use.

The description of Uganda's REDD+ 'benefits' considers the implementation, transaction and opportunity costs and monetary and non-monetary benefits of a REDD+ project. Therefore, REDD+ benefits are the net benefits after discounting these costs.

1.2 The Principles of Benefit Sharing

Uganda's Benefit Sharing Arrangement (BSA) is based on the following principles:

- a) Voluntary scheme: Uganda's BSA will be voluntarily applied and not imposed on stakeholders.
- b) Incentivise stakeholders: Uganda's BSA will provide incentives for voluntary participation by stakeholders.
- c) Legally binding arrangements; though voluntary, Uganda's BSA will be executed through contractually agreed upon agreements. Contracts may take any of the following forms:
 - i. Between national and local governments.
 - ii. Between communities or individual land owner and private sector entity.
 - iii. Between government (national and local) and community or individual land owner or private sector entity.

1.3 The Context of Benefit Sharing arrangements

Global climate change continues to threaten livelihoods of people worldwide. There is adequate evidence that a significant portion of the greenhouse gas emissions that contribute to global warming result from land-use and land use changes, particularly deforestation and forest degradation in tropical areas. The major factors leading to deforestation and forest degradation relate to high dependence on forest, forest lands and forest products for livelihoods especially the rural poor people and for economies of developing countries. REDD+ is a global commitment intended to provide positive incentives to help developing countries reduce emissions from deforestation and forest degradation and to support conservation, sustainable forest management, and the enhancement of forest carbon stocks. Implementation of REDD+ is envisaged to generate benefits to all stakeholders involved in REDD+ activities. To date, benefit sharing¹ debate in REDD+ raises several issues, including the definition of benefits, the identification of legitimate beneficiaries, the efficient distribution of costs and benefits, the institutional structures needed for financial transfers and the processes for decision making and implementation. It is against this background that Uganda designed mechanisms for ensuring equitable distribution of the REDD+ benefits.

The Benefit Sharing Arrangements (BSA) for Uganda's National REDD+ Strategy have been developed taking into account **best practices** of Benefit Sharing schemes within² and outside Uganda and other benefit sharing **options** which could be adopted to fit within the national and local circumstances.

To accommodate different local and national contexts, the following three elements in the design of benefit sharing processes were emphasized:

- a) **Recognize the differences and linkages between project-level BSA and national-level BSA.** The national – level context provides framework that accommodates site specific or project level mechanism of sharing REDD+ benefits. Through national BSA, such subnational schemes will be designed and applied, where appropriate. Uganda's BSA will learn from each approach and use these lessons to continuously strengthen the national BSA arrangement.
- b) **Stakeholder participation:** Participatory processes when designing REDD+ benefit sharing arrangements/schemes in Uganda are required.
- c) **Mechanisms for addressing grievances:** The BSA scheme at national and subnational level are required to ensure transparency through providing free access to information about the contracts and action plans. Both national BSA frameworks and subnational action plans for benefit sharing have; i) measures

¹ Benefit sharing arrangements are understood in a broad sense, denoting individual and collective benefits, monetary and non-monetary benefits, and dimensions of participatory REDD+ funds management, carbon rights, and REDD+ revenues distribution

² Benefits Sharing Arrangements in Uganda target access and use of resources within protected areas such as Collaborative Forest Management (under NFA), Collaborative Resources Management and Revenue Sharing Arrangements (under UWA).

for public disclosure; ii) sound feedback and grievance mechanisms which encourage inputs from local stakeholders; iii) mechanisms for third-party monitors (e.g., civil-society actors); and, v) measures for revising action plans over time in response to new information and changing circumstances.

2.0 REDD+ Benefit Sharing in Uganda's context

For Uganda REDD+ to respond to the development ambitions as laid down in Uganda's Vision 2040, the National Development Plan (NDP II) and its Nationally Determined Contributions (NDCs) to the UNFCCC, and its draft National REDD+ Strategy, it will need a nation-wide approach to REDD+ benefit sharing. Uganda's vision statement "*A Transformed Ugandan Society from a Peasant to a Modern and Prosperous Country within 30 years*" demands for transformational change in the rural sector. Uganda's REDD+ Strategic Options report suggests "*Ugandan society cannot anymore count on the traditional ways of doing farming, cut natural forests or wastefully exploit wood for energy. New, more efficient alternatives for each of those traditional livelihood modes must be developed and taken into use.*"

In Uganda, REDD+ is part of the national response to climate change. REDD+ in Uganda focused on reducing emissions from deforestation and forest degradation, enhancing the role of trees and forests in sustainable (green) development, increasing forest cover i.e. enhancing carbon stocks in forests. REDD+ is part of a bigger all-encompassing climate resilience initiative including both adaptation and mitigation. This all-encompassing approach can contribute meaningfully to the transformation proposed by Uganda's Vision 2040.

The National REDD+ Strategy presents the following drivers of deforestation and forest degradation: i) expansion of commercial and subsistence agriculture, ii) unsustainable harvesting of tree products, mainly charcoal, firewood and timber, iii) expanding human settlements including growing numbers of refugees, iv) free-grazing livestock, v) wild fires, vi) artisanal mining operations and vii) oil exploration.

The high rates of forest loss are underpinned by socio-economic factors including: i) high rates of population growth and ii) low levels of economic performance, resulting in high dependence on subsistence agriculture, natural resources and biomass energy, as well as competing economic returns from land that do not favour long term investments such as forestry. Other underlying causes include i) weak forestry governance, ii) weak policy implementation, iii) climate change effects and iv), land tenure systems.

The National REDD+ Strategy shows the need for a non-traditional and an integrated multisector approach to saving what's left of Uganda's forests. The so-called "climate-smart agriculture" approach combined with forest management would be a key element in the transformation of Uganda's rural setting.

Within a national REDD+ approach, Uganda has chosen to develop a variety of REDD+ initiatives with a typology that would encompass initiatives from local to national policy initiative. In this framework, REDD+ will be aligned to Uganda's green growth and Low Emissions Development Strategy (**Error! Reference source not found.**).

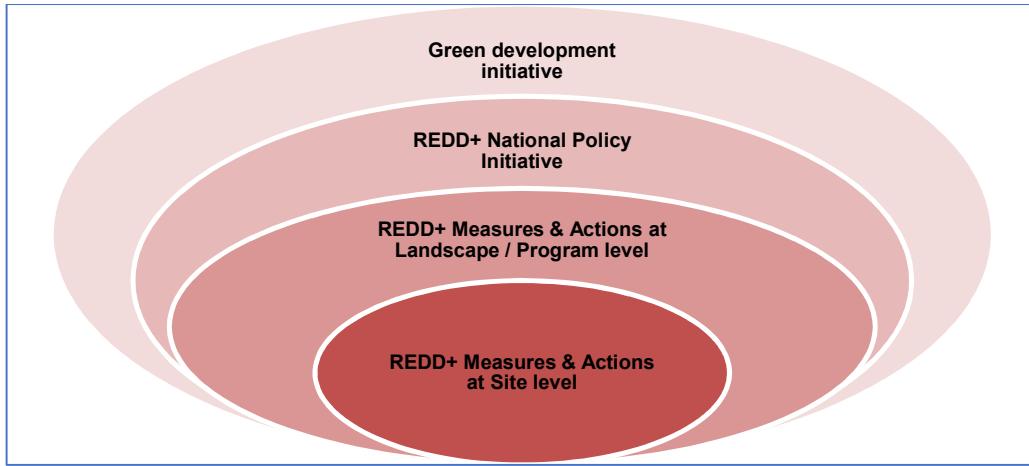


Figure 1: Proposed typology of REDD+ in Uganda

For REDD+ to be successful in Uganda, the national strategy must mobilize the financing options for the four levels of REDD+ measures presented in Figure 1. All funding and actions associated with these four typologies must be recorded in a National REDD+ Register yet to be established. The register will display the documentary procedures and models associated with the approval and validation and implementation of all actions.

Uganda has taken the option to work at national scale in opposite to a subnational scale when building its reference scenario. The reasoning for this is important³: *The diverse ecological systems in a relatively small area (24 million hectares in total) may render delineation of subnational scales an uphill task for Uganda. Furthermore, the risk of activity displacement from areas targeted by the intervention into neglected areas, convinced stakeholders to decide, for the purpose of the implementation of REDD+, the following scale: National scale.* This approach supports the logical choice for a national benefit sharing model as well as a national fund model.

The assessment of options for establishing and operationalizing a BSA recommended the REDD+ intervention to be national due to the following facts:

- a) Uganda is a unitary state where the central government controls policy, fiscal and administrative issues.
- b) Districts are mostly small geographical and administrative units and no large geographical blocks representing an agro-ecological zone.
- c) Potentially important issues of leakage at the district scale.
- d) Local Governments (LGs) still exhibit low levels of skills in financial management coupled with inadequate financial management infrastructure.
- e) In addition to being established at the national level, Uganda's BSA should:
 - i. Be voluntary for stakeholders to apply and not be imposed
 - ii. Incentivise stakeholders

³ From: Proposed Forest reference level for Uganda, Uganda MWE, January 2017

- iii. Be based on agreed contractual arrangements.
- iv. Contracts could be between national and local governments or between communities and private sector or between government (national or local) and private sector.

It was also recommended that a national scheme with performance contracts, or Payment for Environmental Services (PES) contracts will be one of the pillars for the BSA in Uganda.

3.0 Key Elements in the development of national REDD+ Benefit Sharing mechanism for Uganda

The following elements were considered most important when developing a National REDD+ BSA.

- a) How to design a benefit sharing arrangement to fit local contexts?
- b) Monetary and non-monetary benefits.
- c) The need for establishing performance based (or PES) contracts to recognise and registered REDD+ action.
- d) The potential typology of REDD+ actions and initiatives.

Each component is discussed in detail in the following sub-chapters.

Designing a national REDD+ Benefit Sharing mechanism for local contexts

The design of a national programmes that ensure legitimacy of REDD+ and that accommodates different local contexts considered the following three elements in the design of decentralized benefit sharing processes:

- a) **Recognition of the differences and linkages between project-level and national-level approaches.** Valuable lessons can be learned from project level experiences to inform national policies on REDD+ benefit sharing. Project-level approaches cannot always be applied directly at the national level. Also, some national-level approaches may not be feasible for projects. It is important to know which approaches are applicable at which levels, including the range of lessons learned that can be leveraged.
- b) **Guidance by national frameworks,** the details of REDD+ benefit sharing can be shaped at subnational levels through participatory processes.
- c) **Ensuring transparency and free access to information.** National frameworks and subnational action plans for benefit sharing should be available publicly, and feedback and grievance mechanisms should be put in place to encourage inputs from local stakeholders. Civil-society actors can help in monitoring the implementation of programmes and in revising action plans over time in response to new information and changing circumstances.

Monetary and non-monetary benefits to a range of stakeholders

Although REDD+ incentives often are considered as financial compensation, REDD+ incentives may be distributed to actors in a variety of forms. The term 'benefit sharing' rather than 'revenue sharing' is used to represent the wider potential stream of incentives in the so-called Warsaw Framework for REDD+ decided in COP 19 of UNFCCC.

Any BSA can include both monetary or non-monetary benefits (**Error! Reference source not found.**) – it is up to what is agreed in the service contract or PES agreement. The institutions, structures, systems, capacities and incentives to deliver the monetary

and non-monetary benefits are different. What is important to consider is that even if a primary stakeholder/forestry planter is incentivized by non-monetary incentives e.g. access to information, access to justice, tenure security, etc., there is always a financial cost to their provision borne by those providing them.

Table 1: Illustrative examples of benefits derived by stakeholders

Monetary	Non-monetary Direct	Non-monetary Indirect
<ul style="list-style-type: none"> • Cash • Economic flow of benefits from tourism • Tax incentives • Access to credit on preferential terms • Salaries and allowances 	<ul style="list-style-type: none"> • Capacity building, training, extension (governance, bookkeeping, nursery and plantation management, environmental management plans) • Community infrastructure like schools, clinics • Legal access to fuel wood and non-timber forest products • Rent-free land for commercial plantations • Alternative livelihoods (community nurseries, shea nuts, beekeeping, coffee, timber, fuel wood, fruit, carbon credits) • Support for acquiring communal and freehold land title • Community nurseries • Ecological restoration and monitoring of priority habitat • Land-use plan; improved land/forest-tenure • Improved market access and business networks • Sense of ownership (especially communities neighbouring or surrounding forests) • Reduced conflicts in forest management 	<ul style="list-style-type: none"> • Reforestation of degraded areas, reduced flood, drought and landslide risk • Improved resilience to seasonal variations • Health benefits, cleaner air from more efficient cook stoves • Improved water quality and quantity • Decreased human/wildlife conflict • Increased support for biodiversity conservation • Improved working relationships (including trans-boundary) • Improved working conditions for employees • Travel opportunities to share knowledge and experiences • Pride, prestige social status

In the case the funds would come from a public source in a compliance REDD+ scheme under UNFCCC, benefit payments may be in the form of cash or in kind depending on the approach chosen at a national level. Funds reaching Uganda from public sources could be provided through a national fund model. Funds could be distributed to governments, landowners or project developers again depending on the BDA. Also, in the case the funds would come from a private source as part of a compliance REDD+ scheme under UNFCCC, benefits could be channelled through the same national REDD+ fund model. Under a private fund approach, benefits could be in the form of payments for carbon credits from either an international REDD+ oversight agency or some other accreditation body. If funds were from the voluntary carbon markets, benefits would come in the form of payments for carbon credits directly to the landowner or project developer. A voluntary market does not exclude provision of non-monetary benefits.

Although healthy debate on REDD+ funding continues to date, a mix of both public and private funding may be necessary to ensure the necessary volume of carbon offsetting to reach climate change mitigation goals.

In considering a mechanism to channel funds to attain the optimal results (i.e., equity, efficiency and effectiveness), it is helpful to identify the main national actors needed for long-term, effective REDD+ governance, as well as their needs to ensure delivery of necessary services and monitoring performance.

Nationally, incentives for good forest governance should be divided primarily among 1) governments, 2) private landowners, and 3) local and indigenous communities. In addition to these three main national actor groups, benefit sharing supporting policies and regulations must also consider foreign investors, service providers and civil society participants. Such consideration of actors and their respective needs is especially relevant for the early years of national REDD+ initiatives, when national capacities and legal frameworks for forest governance must be improved quickly.

3.3. Services or Payment for Ecosystem Services (PES) contracts

At the heart of any REDD+ initiative lies a Payment for Environment Services (PES) type contract. It is the PES contract that defines the REDD+ activity, type of benefit needed and how this will be generated and delivered. The type of benefit and REDD+ performance indicators are identified and agreed on within the PES agreement that will be established in any REDD+ arrangement with Local Governments (LG), local communities and individuals. The contract can be with a LG, with a Cooperative, or with a village community. The contract defines activities and BSA-type, whether monetary or non-monetary. Conditions are indicated in contracts, whether individual or collective. Payments are provided if commitments detailed in the contracts are sustained. Groups or individuals can receive benefits and the BSA model needs to be able to administer this. Guidelines for performance contracts need to be developed.

Individual PES reward people for a certain type of land use, in other words an environmental service provided. Collective PES reward communities for preserving the ecosystems in their territory in the long term. Combining these two types of PES encourages both individuals and communities to engage in REDD+ and benefit.

On PES see also Chapter 2.3 of Baseline Report for BSA options. For BSA modalities with local communities see Table 3.2 from Chapter 3.5 Baseline BSA Report.

3.4 Land and forest policy and legal arrangements

Understanding the existing framework of land and forest policy and related legal arrangements is a critical element in the development of REDD+ benefit sharing mechanisms. The mechanism should be designed to build on any existing structures and any gaps should be identified to allow for the REDD+ benefit sharing arrangements to be integrated with the existing system.

The Uganda Forest Policy (UFP) and the National Forestry and Tree Planting Act (NFTPA) the 2016 regulations made thereunder provide an enabling legal framework

for a variety of community groups to participate in forestry and forest management, including community forests and ownership of trees on private land. The policy provides for improved management of forestry on land outside state control through raising awareness of land and tree ownership. The NFTPA and Regulations provides for declaration, management and use of community forests (CFs) and private forests (PFs). The forestry regulations do promote collaborative arrangements with private sector and communities including carbon sequestration credits. The Uganda Wildlife Act (UWA) provides for promotion of community conservation of wildlife resources and important for the management of wildlife in CFs. The Land Act and its regulations regulate the establishment of Communal Land Associations (CLAs) and communal ownership and management of land-based resources therein in accordance with the other laws. The National Environment Act (NEA) provides for protection of traditional uses of forests which are indispensable to the local communities. However, to make these effective, there are still several provisions for the ministry to operationalise (see Annex 1of BSA Options report for details).

Although Collaborative Forest Management (CFM) and Collaborative Resources Management as known under Uganda Wildlife Act (UWA) for centrally management of forest and wildlife protected areas (national parks and reserves) in Uganda is well embedded in policy and practice, CFM has no adequate provision for benefit sharing. Also, there is no role of local governments in the management of Central Forest Reserves (CFRs). The Forestry Act recognizes Community Forests (CF), but there hasn't been an effective registration of CFs. There are guidelines for registration, declaration and management of community forests which regulate access to the CFs through setting up community institutions for equitable governance, registration and planning for sustainable management of the CFs. The guidelines provide that CFs should develop a management plan that reflects the needs of all stakeholders in the CF including non-members.

There are also guidelines for registration and management of private natural forests which help private forest owners (PFOs) to bring their natural forest under responsibility forest management. The guidelines enable PFOs to advocate for incentives for improved management of natural forests and the accompanying flow of benefits to the stakeholders.

However, the procedure and requirement for developing Forest Management Plans (FMP) are deemed complicated and technical for community /private forest owners. The Forest Management Plans are linear on paper but cyclical in practice, hence the need to better translate and explain how regulations work out in practice.

The NFTPA allows domestic use of forest produce by local communities but still does not define tenure rights. The rights and benefits are left to be defined in individual CFM agreements merely as interests to recognize in the FMP. NFA developed guidelines for CFM that provide for public participation in forest management. However, these policy frameworks do not provide guidance on publicity of information on access to land for forest plantation establishment. The UWA provides clear terms for historic rights of individuals in Wildlife Conservation Areas (WCAs) but there are no guidelines for recognition and formalisation of these rights.

The forestry law established a National Tree Fund meant to provide a financing mechanism for promoting tree planting and growing efforts of a non-commercial nature among others, however the fund is yet to be established.

3.5. Analysis of BSA options

The undertaking of preparing Uganda's BSA analysed the strengths and weaknesses of several promising existing BSA models and projects, both national and subnational, through the application of the Options Assessment Framework analyses methodology developed by PROFOR. These analyses informed the design and development of the REDD+ BSA scheme for Uganda.

The three BSA options arising out of this analysis are:

- a) Integrating and mainstreaming REDD+ into sectoral/district plans and budgets into national multi-sectoral rural development programmes and the proposed.
- b) National Tree Fund or REDD+ Fund.
- c) Conditional Grant Fiscal Transfer System from the Central Government.

The first BSA option, which suggests integrating and mainstreaming REDD+ into sectoral and district plans, has also been proposed by the 2012 Uganda National Climate Change Policy.

There are valid experiences with Benefit Sharing in Uganda mainly at subnational level that can inform a national BSA model. However, there is no existing scheme in the natural resource sector, and specifically not in the forest and biodiversity conservation sector, that can be taken as the bases, or foundation, for developing the national REDD+ BSA scheme.

Uganda has a well-developed fiscal transfer system, often working through conditional grants. This system has everything in place for effective delivery of benefits, both monetary and non-monetary. Housed within the Ministry of Finance, Planning and Economic Development (MoFPED), it is integrated into the central and decentralised planning cycles of the country. The fiscal transfer system provides opportunity to mainstream REDD+ within existing national programmes in the rural sector.

If, on the other hand, Uganda chooses to focus REDD+ to the forest sector, principally aiming at mobilising carbon credits, then it might be an option to look at the not yet operationalised National Tree Fund. It would need to investigate if the National Tree Fund could be modified to an Autonomous National REDD+ Fund. However, there is need to deploy an integrated approach that does not only focus on reforestation, sustainable forest management and conservation, but also addresses the drivers of deforestation. These go beyond focusing only on the forest sector.

REDD+ will be an integral part of the national climate response. As part of this national climate response, Uganda will establish a National Climate Fund⁴ (NCF). Integration of REDD+ elements in the proposed National Climate Fund is an option that needs serious consideration. Uganda should therefore consider setting-up one single fund. This calls for active engagement with relevant stakeholders to ensure that the established National Climate Fund appropriately covers all REDD+ elements. The integration of REDD+ into the National Climate Fund might as well call for review and amendment of the fund's mandate (policy) if the current proposal for the NCF does not fully address REDD+.

Further, an analysis on strengths and weaknesses of the two-potential national BSA options: **Conditional grants under fiscal transfer system versus Autonomous Fund model** was carried out. Both options clearly have their merits, the principle ones being that:

- a) The Conditional grants under fiscal transfer system is a functional and well-developed delivery system centrally based within the planning cycle of government and this BSA model could soon be made operational.
- b) The Autonomous Fund Model is ring-fenced, and it provides for more inclusive planning and operational procedures and if well designed would invite full participation of civil society, private sector and traditional institutions representation.
- c) The principal disadvantages are:
 - i. The Conditional grants housed in MFPED does not give non-state actors like civil society organizations, private sector, and traditional institutions space to participate in decision making and channelling their funding
 - ii. The Autonomous Fund model doesn't have an effective system of delivery of benefits and would not encourage multisector approach to REDD+; it would need more time and investments to become operational.

In terms of overall structure, the BSA model for Uganda could be a choice between either of the two, or a combination of these two into one single BSA. The latter should be considered for further development.

There will be a need to have an investment phase (Phase 2, REDD+ input-based) to jointly build capacity and practice with local governments, CSOs, local communities and private sector. A REDD+ Phase 2 would involve testing various approaches to implement REDD+, refine their strategies, and scale-up. This could be achieved through mainstreaming REDD+ in existing programmes, but additional funding is required. A mix of both public and private funding may be necessary to ensure the necessary volume of carbon offsets for climate change mitigation goals to be met.

⁴ cf. Uganda National Climate Change Policy July 2012

4.0 National Fund Model under Conditional Grants

4.1 The Framework

Uganda's BSA is established in form of an autonomous national Fund (The BSA Fund) managed under the conditional grants fiscal system. The BSA Fund has an independent steering structure and a secretariat that is managed through existing principles and practices of the fiscal transfer system from the central government to local government, service providers and beneficiaries (Figure 2).

Uganda's autonomous BSA Fund will:

- a) Have own identity and visibility to its supporters and beneficiaries.
- b) Showcase national boldness and ambition for engaging Uganda in a green development pathway.
- c) Allow multiple funding opportunities from public, private and philanthropic sources to contribute into the fund.
- d) Provide space for different stakeholders (both government and non-government) to actively engage in the decision-making process,
- e) Be able to link benefits to performance through an M&E system.
- f) Enable accountability, traceability, ownership by all stakeholders.
- g) Ease access with minimal bureaucracy.
- h) Be ring-fenced with a specific focus by either objective or location.

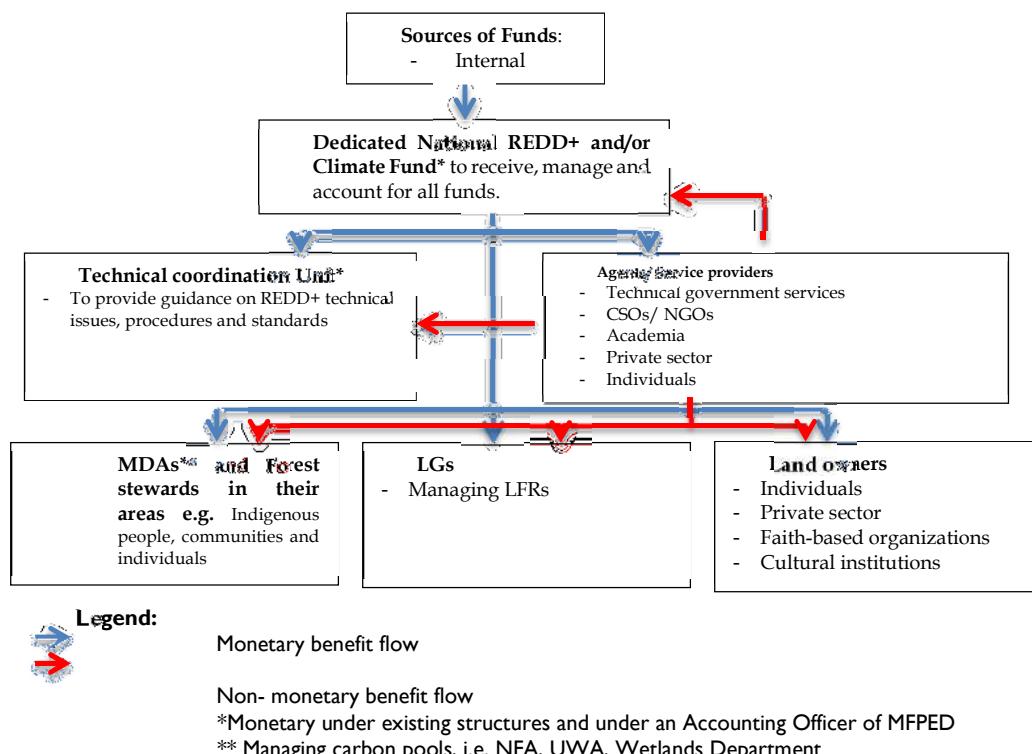


Figure 2: Structure of Uganda's BSA

4.2 The Scope of Benefit Sharing Arrangements

The BSA structure and process provides for implementation of Uganda's National REDD+ Benefit Sharing Arrangements at national and subnational level. This arrangement takes into account the following factors or national circumstances in order to ensure that BSA is relevant and applicable:

- a) **Governance system:** Uganda is a unitary state whereby the central government controls development, sector and fiscal policies which are conditions necessary for successful BSA covering both State managed and individually or privately-owned forests.
- b) **Capacity for financial management:** Local governments still exhibit low level of financial management capacity in form of skills and financial management infrastructure (financial management systems); hence, capacities for financial management at national level will be utilized as local governments capacity improves over time.
- c) **Coverage of agro-ecological zones:** REDD+ projects (i.e., emission reduction projects) are expected to take form of landscape projects covering several agro-ecological zones whose management transcends administrative boundaries of most local governments/districts.
- d) **Efficiency:** National level BSA offer opportunity for avoiding or minimizing potential leakage which would likely be encountered at local government (district) level.

4.3 Types of benefits to a range of stakeholders

4.3.1 BSA Benefits

Uganda's BSA includes both **monetary** and **non-monetary** benefits as illustrated in Error! Reference source not found..

Table 2: Examples of benefits derived by stakeholders

Monetary	Non-monetary Direct	Non-monetary Indirect
<ul style="list-style-type: none">• Cash rewards/payments• Economic flow of benefits from tourism• Access to credit on preferential terms• Salaries and allowances	<ul style="list-style-type: none">• Capacity building, training, extension (governance, bookkeeping, nursery and plantation management, environmental management plans)• Community infrastructure like schools, clinics• Legal access to fuel wood and non-timber forest products• Rent-free land for commercial plantations• Alternative livelihoods (community nurseries, shea nuts, beekeeping, coffee, timber, fuel wood, fruit, carbon credits)	<ul style="list-style-type: none">• Reforestation of degraded areas, reduced flood, drought and landslide risk• Improved resilience to seasonal variations• Health benefits, cleaner air from more efficient cook stoves• Improved water quality and quantity• Decreased human/wildlife conflict• Increased support for biodiversity conservation

Monetary	Non-monetary Direct	Non-monetary Indirect
	<ul style="list-style-type: none"> • Support for acquiring communal and freehold land title • Community nurseries • Ecological restoration and monitoring of priority habitat • Land-use plan and improved land/forest-tenure • Improved market access and business networks • Sense of ownership (especially communities neighbouring or surrounding forests) • Reduced conflicts in forest management 	<ul style="list-style-type: none"> • Improved working relationships (including trans-boundary) • Improved working conditions for employees • Travel opportunities to share knowledge and experiences • Pride, prestige social status

The different forms of benefits will be delivered concurrently even though institutions, structures, systems, capacities and incentives set up to deliver the monetary and non-monetary benefits are different. For example, even if a primary stakeholder/forestry owner is incentivized by non-monetary incentives such as access to information, access to justice, security of tenure of the forest/carbon, etc., those players providing such non-monetary incentives could consider monetary benefits as well to offset the financial cost when processing and delivering these non-monetary benefits.



4.3.2 Stakeholder categories and roles

Stakeholders in BSA arrangement for Uganda are categorized as:

- a) **Primary stakeholders** comprised of public institutions managing public forest lands (Uganda Wildlife Authority (UWA), National Forestry Authority (NFA), Local Governments (LGs), landowners and household farmers. The latter two categories of primary stakeholders are critical in BSA because of the decision-making power over land use. They take the decisions whether to invest in forestry or not. However, not all farmers or tree planters have their own or use their own land, as some lease or rent from others on set terms.
- b) **Secondary stakeholders** comprised of forest/land produce value chain players (timber, charcoal, wood fuel, agriculture produce buyers/processors, etc.). This category of stakeholders is complementary and inter-dependent in value-chain system of any forestry related enterprise. They play a significant role in influencing land use changes and forest utilization.
- c) **Tertiary Stakeholders** comprised of entities promoting or advocating for sustainable forest management. They include Non-Governmental Organizations (NGOs), Civil Society Organizations (CSOs), Faith Based Organizations, (FBOs), non-consumptive business e.g. tour operators, international community, academia, among others.

4.4 Funding and implementation procedures

4.4.1 Funding the BSA

Funding for BSA in Uganda is targeted from both **public** (e.g., bilateral grants), and **private** sources (e.g., voluntary carbon markets, international REDD+ oversight agency or accredited body). A mix of both public and private funding is recognized by the Uganda's BSA aiming at ensuring high volume of carbon offsetting in order for the country to move towards reaching reach nationally determined climate change mitigation goals.

4.4.2 Disbursements from the BSA Fund

- a) **Disbursement from public funded source:** national level benefit payments accruing from public funded source may be in the form of cash or in kind depending on the agreed approach through a national fund model. Funds received through this approach could be distributed to central or local governments, private landowners or project developers depending on the agreed modality or agreements. Likewise, the BSA model for Uganda provides option of channelling funds coming from a private source through the same national BSA fund model.
- b) **Disbursements from Private funded source:** national benefit payments accruing from a private funded source could be in the form of payments for carbon credits if the private source is either an international REDD+ oversight agency or some other accreditation body. If funds come from the voluntary carbon markets, benefits would come in the form of payments for carbon

credits directly to the landowner or project developer. A voluntary market does not exclude provision of non-monetary benefits.

Sample Model of delivering REDD+ benefits applicable to Uganda

At the heart of any REDD+ initiative lays a **Payment for Ecosystem Services (PES)** type contract. The PES contract defines the REDD+ activity, type of benefit needed and how this will be generated and delivered. The type of benefit and REDD+ performance indicators are identified and agreed on within the PES agreement that would be established in any REDD+ arrangement with Local Governments (LG), local communities and individuals. The PES type contract can be with a LG, with a Cooperative, or with a village community of individual land owners. The PES contract would define activities and BSA-type, whether monetary or non-monetary. Conditions are indicated in contract, whether individual or collective. Payments are provided if commitments detailed in the contracts are sustained. Groups or individuals can receive benefits and the BSA model needs to be able to administer this. Guidelines for performance contracts need to be developed.

Individual PES reward people for a certain type of land use because of the environmental service they have provided, while, **Collective** PES reward communities for preserving ecosystems in their territory in the long term. Combining these two types of PES encourages both individuals and communities to engage in REDD+ and benefit.

4.5 Institutional arrangements

The conditional grant under fiscal transfer system firmly puts the BSA under the Ministry of Finance, Planning and Economic Development with support and technical expertise from Ministry Water and Environment (MWE), and potentially other departments such as those in Ministry of Agriculture, Animal Industries and Fisheries (MAAIF) and Ministry of Energy and Mineral Development (MEMD), and a supervisory role of Ministry of Local Government (MOLG). Strengthening capacity with District Local Government is key in this (or any other) model. The Forest Sector Support Department (FSSD) will play a key role in technical coordination and reaching out to district forestry services and in working with MOLG to reach out to DLGs. Institutionally this model has a lot of merit, but it needs firm engagement and additional resourcing to key actors in the chain of activity. It may require something like a Presidential Investors Round Table to command inclusiveness and attract donors. There are also challenges of communication and reaching out to local communities across the country. There will be a clear need for building strong linkages with Civil Society, churches and cultural institutions and a willingness to communicate in a diversity of languages (this would already be sharing benefits).

The Fund will be oriented to stimulate innovative and result-based finance and support to sectoral ministries, to local government, to local associations and cooperatives and private sector. It takes time and political commitment to set up such a fund before it can be fully operational. The Fund would grow based on positive results that it can create and would grow in an incremental way (at least three-five years of start-up, learning and testing).

Grants held in the fund are ring-fenced and are all within central government priority programme areas. Equalisation grants are paid to local governments based on the

degree to which an individual local government lags the national average for a particular service. The Local Government Finance Commission (LGFC) advises on all matters concerning the distribution of revenue between central and local government. The allocation to each LG out of the consolidated fund while the Local Governments Public Accounts Committees (LGPACs) examine reports of Internal Auditors and Commissions of Enquiry.

This institutional framework of the proposed Autonomous fund under condition grants will be highly participatory and provides an opportunity for effective planning and targeting of REDD+ interventions at the lowest level of government. Besides government, other key players including civil society and to some extent the private sector are engaged in the policy development process, as well as advocating for the effective financing of REDD+ activities.

In addition, this arrangement provides an opportunity for channelling public and donor funds to implement local level activities directly to LGs from donors or MoFPED, thereby minimizing financial leakage and increasing the potential for impact. Besides, the empowerment of LGs has caused increased political participation, transparent mode of information on grants from Government and Public Expenditure Management (PEM) systems which enable services to be delivered largely as intended. The system strengthens the LGs' autonomy, improves technical and managerial skills at the local level, and widens local participation in decision-making thereby increasing the efficiency and effectiveness of LGs' programmes to achieve set goals within a transparent and accountable framework.

There is much capacity within Civil Society and there is growing practice in Uganda of Government working with CSOs for service delivery, for instance, the NAADS programme. Civil Society, faith-based organisation and cultural institutions have an important role to play to facilitate effective vertical communication and be a partner to Local Government institutions and community organisation providing necessary services and capacity to implement.

4.6 Monitoring of performance

A key element of this BSA Fund Model are frameworks with robust indicators for each REDD+ Strategy Option to assess performance of the REDD+ Strategic activities and performance based, or PES, contracts, ensuring that receiving the next bunch of benefits is based on the performance of previous support and funds received. This must be accompanied by strengthening the technical skills of LG staff to effectively monitor the interventions.

For effective implementation, disbursement of funds to the Village Councils (VCs) as well as to the Private Forest Reserves (PFRs) and cooperatives would initially use the input-based approach linked to performance-based progress indicators as agreed in the PES contract. With time this will translate to impact performance-based indicators. The Fund will enter performance contracts with the different implementing partners with clear set targets. Recipients would be required to regularly provide progress reports regarding implementation to the secretariat of the fund. The secretariat and

the direct implementers (PFRs/cooperatives and VCs) would be audited by independent external auditors selected by MFPED with input from donor agencies and carbon offsetters.

The Inter-Ministerial National Steering Committee will cater for enhancing coordination and joint action among the ministries, policy formulation and oversee implementation.

4.7 Flow of monetary and non-monetary benefits

The aim of the proposed structure for REDD+ is to facilitate efficient flow of REDD+ funds from funding agencies/donors to intended beneficiaries while avoiding elite capture. The MoFPED will act as a link between the donors and government. Funds to support REDD+ interventions will be channelled from MoFPED to the beneficiaries through the proposed National REDD+ Conditional Grants Fund, which would be managed through the conditional grant mechanism. The proposed National REDD+ Conditional Grants Fund will be an agency of government established by an act of parliament for managing funds to support REDD+ interventions across the country. The proposed structure comprises a secretariat with technical staff to run the day to day activities of the fund under the supervision and guidance of the Board of Governors. The board would comprise representatives from key state agencies, Uganda Local Government Association (ULGA), CSO, private sector, among others).

The specific functions of the national REDD+ Conditional Grants Fund would be:

- a) To administer and manage REDD+ funds
- b) Provide procedures for fund disbursement to CSOs and private sector beneficiaries
- c) Solicit for and screen REDD+ activity proposals from the public (private sector, CBOs and CSOs) for funding
- d) Disburse funds to benefitting recipients
- e) Monitor evaluate and report on REDD+ related interventions
- f) Manage a national database and serve as a data centre for REDD+ related information.

To overcome challenges arising from overlapping mandates of various state agencies, there would be an Inter-Ministerial Policy committee comprising Permanent Secretaries (PS) from relevant ministries such as MWE, MAAIF, MFPED, MOLG, MEMD, MLHUD, MTIC, MTWH, and MGLSD as well as agencies i.e., NFA, NEMA, UWA, NARO and ULGA. Besides the Chairperson of the board and Executive Director of the fund would be former officials on this committee. The functions of the policy committee shall be to:

- a) Provide policy guidelines and to formulate and coordinate REDD+ related policies for the fund
- b) Liaise with the Cabinet on issues affecting REDD+

- c) Identify obstacles to the implementation of REDD+ related policies and interventions and ensure implementation of those policies and interventions.

Fund allocation down the chain of delivery, including monitoring and evaluation, needs to establish the right balance to provide the required incentives for transformational change. An indication of how resources could be allocated to different actors along the chain of delivery is:

Recipients would receive varying proportions of funds such as Ministries, Departments and Agencies (MDAs) (3%), DLGs (7%), Sub counties (10%), Private Forest Reserves-PFRs and cooperatives (10%); Village Committees (VCs) (5%) and households (65%).

The division would naturally vary from one REDD+ strategy activity to another. The proportional distribution of funds to the different actors along the chain of intervention will need to be defined for each REDD+ Strategy Option. The essence is that each of the actors in the chain of delivery has the necessary resource, and incentive, to do what has been laid out in the performance contract and that the incentives for communities, individual farmers, men and women are sufficient to trigger change and innovation.

The different recipients would receive funds directly from the REDD+ Fund except for households where funds would be channelled through the Village Committee (VC). Ministries and agencies like MWE, MAAIF, UWA and NFA would receive funds to facilitate them to coordinate, monitor and supervise REDD+ interventions at the national level. Similarly, district and sub county LGs will receive funds to supervise and monitor implementation at the local level. On the other hand, VCs will oversee the households in activity implementation. The households together with the PFRs and cooperatives would directly implement the activities. The project team proposes that to promote harmony, the PFRs and cooperatives could remit 5% of their financial benefits to the VC to finance improvement of social services within the community.

4.8 Accommodating existing and future subnational voluntary and private REDD+ initiatives

There are several existing projects and initiatives that need to be recognised and accommodated. There might be more projects in the future. These project level initiatives have much to contribute in terms of innovation and learning to a national level system.

Recognising REDD+ projects and including them in the National REDD+ Register would be a first step to formalise them. There are, however, challenges linked with including REDD+ projects into a national level REDD+ scheme as the projects most probably have followed different methodologies compared to a national scheme. A plan how to avoid double accounting would also be needed. It was observed in the BSA Baseline and Options Assessment that it is a challenge to integrate subnational initiatives into the district development planning processes and to gain full participation of relevant district and sub-county departments.

These independent subnational initiatives and the voluntary market initiatives should to the extent possible follow the same principles of fund management and transparency as the proposed National Fund under conditional grants does. All the principles in the institutional arrangements as presented for the national fund apply. However, fund management is the sole responsibility of the project holder.

5.0 Risk analysis of the National Fund Conditional grants model

To prepare for the national fund model through the conditional grants fiscal transfer system, the following enabling actions to the existing system were recommended to avoid risks⁵.

A: Resource mobilisation

- i. **It is likely that several layers of government institutions will be involved leading to high transaction costs and consequently limiting resources to invest in actual REDD+ interventions.** A REDD+ Fund secretariat will minimize transaction costs and eliminate retention of authoritative and control rights at central government level by specifically ensuring that funds flow directly to the intended beneficiaries from the secretariat. For instance, other than the District and Sub county LGs receiving funds on behalf of households, the money will flow directly from the secretariat to the VCs.
- ii. **There is a risk of a reduced financial inflows due to unwillingness of the donor community to put funds in a conditional grant which is purely managed by government considering the high corruption tendencies by government.** To instil confidence in REDD+ donor and investors, the secretariat of the fund and the direct implementers would be audited by independent external auditors selected by MoFPED but with input on selection criteria from donor agencies
- iii. **Unequitable sharing of benefits may occur if the Central Government alone determines the funding priorities with limited input from the communities, civil society and the local authorities.** During funding, the secretariat of the fund will give priority to participatory interventions/strategies that have remarkable evidence of high involvement of local beneficiaries in their development – bottom-up approach rather than imposing scheme on the local communities. Particularly, the funding criteria of selection of beneficiaries will consider that community institutions have full authority to manage the REDD+ development initiatives within their areas of jurisdiction.

B: Elite capture

The inadequate forestry governance creates a conducive environment for elite capture and thus failure of the vulnerable to equitably benefit from a BSA. Currently there are serious forestry governance and institutional challenges such as corruption, understaffing, inadequate equipment, poor enforcement of regulations, etc. This may breed conflict resulting into failure to attain the REDD+ goals. Government therefore needs to address these shortfalls to control elite capture and sustainably to attain the REDD+ objectives. For instance, invest in building human

⁵It is crucial to link these risks to the work on safeguards and the Feedback and Grievance Redress Mechanism (FGRM).

resources, in both numbers and skills to handle the technical coupled with managerial skills such as project management, conflict resolution, law enforcement, and handling the large amounts of funds associated with REDD+.

C: Community conflicts

Community conflicts are likely to be a risk considering the existing tenure system particularly in the central and Mid-Western parts of the country where there are prominent overlapping land rights between the landlords and bona fide tenants. Because of this kind of land tenure system, the risk of elite capture and community conflicts are eminent. REDD+ needs to design clear and equitable benefit sharing mechanisms that cater for all actors while abiding by the legalities surrounding the tenure systems.

D: Economic gaps of viability

For several REDD+ Strategy options the economic benefits/incentives from REDD+ may not offset the costs of establishing and maintaining REDD+ activities as well as the opportunity cost of using the land for other activities such as agriculture. This will diminish the possibility of performance-based finance.

Table 3 below provides a summary of the identified risks and proposed mitigation measures.

Table 3: Mitigation measures for the identified risks

Risk	Proposed mitigation measures
Elite capture	REDD+ Secretariat should develop a communication and engagement strategy to be delivered using multi-lingual and communication channels.
The homogeneity as far as tenure and carbon rights are concerned across the different tenure situation in Uganda a factor that could lead to unequitable sharing of benefits.	Government should develop carbon and tree tenure policy.
REDD+ financial benefits into the country is likely to intensify conflicts over the control of these resources between central and local government agencies.	The BSA should take it to make clarity on the sharing formula right from the beginning. It was encouraging to find many models in Uganda and elsewhere already used to this practice as it can reduce conflict.
There is a risk that REDD+ may be seen or taken as traditional forestry intervention which may not duly address the drivers of deforestation.	In this regard, we recommend an inter-ministerial committee which besides making policy recommendations on REDD+, will spearhead mainstreaming REDD+ issues into national policies, ongoing and future programmes as well as the development plans.

6.0 Operationalizing the Benefit Sharing Arrangements

6.1 Institutional arrangements for REDD+ BSA

The BSA Fund will operate under the Ministry of Finance, Planning and Economic Development (MoFPED). The Fund will receive technical support and expertise from Ministry Water and Environment (MWE) (the Forestry Sector Support Department (FSSD), relevant departments under Ministry of Agriculture, Animal Industries and Fisheries (MAAIF), Ministry of Tourism, Wildlife and Antiquities (MTWA), Ministry of Energy and Mineral Development (MEMD) and Ministry of Local Government (MoLG).

The Forest Sector Support Department (FSSD) will play a key role in technical coordination and reaching out to district forestry services and in working with MoLG to reach out to District Local Governments (DLGs).

With regards, to the DLGs, the Local Government Finance Commission (LGFC) will advise on all matters concerning the distribution of revenue between central and local government. The allocation to each Local Governments will be out of the consolidated fund while the Local Governments Public Accounts Committees (LGPACs) will examine reports of Internal Auditors and Commissions of Enquiry.

Besides government, other key players including civil society and to some extent the private sector who will be engaged in policy development process, as well as advocating for the effective financing of REDD+ activities will be engaged in the management of the BSA Fund.

This institutional arrangement aims to ensure that BSA is implemented in a cost effective and transparent manner allowing effective flow of information, knowledge and financial resources. Under this arrangement, benefits from REDD+ will be mainstreamed into the planning and implementation cycles of the National Development Plan (NDP) as well as into the District Development Plans (DDPs), preferably under a stand-alone Vote Function. This arrangement will make it possible to track income and expenditure and evaluate impact of BSA in order to fully comply with the principles of results-based payment and voluntary participation.

6.2 Policy and management requirements

- a) Integrating BSA into policy and legal frameworks: The BSA is new policy measure that will be incorporated into future or ongoing policy and legal reforms such as the National Environment Management Policy, National Environment Act, and Wildlife Act. With regards to the Wildlife policy and law, the BSA will be incorporated into the broader Revenue Sharing mechanism benefitting communities adjacent to the wildlife protected areas.
- b) Defining carbon rights: There is urgent need to legally define carbon rights or carbon tenure for Uganda. Several policy and legal instruments clearly define resource rights in relation of land tenure systems. Land tenure and tree tenure and therefore, carbon they contain, are critical for achieving benefit sharing arrangements. About 70% of the forest, mostly woodland, is on private land and therefore, privately owned while 30% comprising of Central Forest

Reserves and Local Forest Reserves (15%) and National Parks and Wildlife Reserves (15%) is held in trust by Government on behalf of all Ugandans. This implies that carbon in trees on public lands is held in trust by Government on behalf of Ugandans. Regarding Community Forests, Communities claim all land, tree and carbon tenure rights.

6.3 Operationalizing Plan

Uganda will operationalize the BSA in phased approach involving the following phases over an initial 2-year period (Table 4);

- a) Phase I: Establish BSA institutional structures and processes.
- b) Phase II: Create/strengthen policy and legal environment for BSA.
- c) Phase III: Establish functional linkage between Centre and Local Governments.
- d) Phase IV: Commence BSA operations.

Table 4: Action plan for the operationalization of the BSA

Phase	Activity	2018	2019
Phase I	Establish the BSA Secretariat		
Phase II	Create / strengthen policy and legal environment for BSA		
Phase III	Establish functional linkage with local governments		
Phase IV	Commence BSA operations		

Phase I: Establish the BSA Secretariat through:

- a) Passing an administrative instrument containing directives for the establishment of the BSA Secretariat within the MoFPED, including provisions for staffing and facilities.
- b) Developing the mandate of the BSA Secretariat and Terms of Reference for the BSA Secretariat personnel.
- c) Recruitment or designation of the head of the BSA Secretariat.
- d) Recruitment and or hire of other staff of the BSA secretariat.
- e) Training secretariat staff on the BSA including laws, regulations and procedures governing its operations.
- f) Raising awareness existence and operations of BSA Secretariat.

Phase II: Create / strengthen policy and legal environment for BSA through

- a) Assessing policy and legal requirement for regulating implementation of the BSA.
- b) Undertaking policy and legal reforms for institutionalizing BSA.

Phase III: Establish functional linkage with local governments through:

- a) Establishing BSA mechanisms at the district level.
- b) Training district officials on the operations of the BSA including laws, regulations and procedures governing its operations.
- c) Raising awareness of local government on the operations of the BSA.
- d) Raising awareness of general public and forestry stakeholders on existence and BSA mechanism.

Phase IV: Commence BSA operations

- a) Develop and disseminate BSA operational policies and procedures
- b) Develop and popularize procedures for dialogue with stakeholders on the performance of BSA.

7.0 Annexes

Annex 1: Members of the National REDD+ Secretariat

Name	Designation
Margaret Athieno. Mwebesa	Assistant Commissioner Forestry & REDD+ National Focal Point
Xavier Nyindo Mugumya	National Forestry Authority Climate Change Coordinator & REDD+ Alternate National Focal Point
Alex Bataamba Muhweezi	Lead Technical Advisor
Valence Arineitwe	Senior Forest Officer
Bob Kazungu	Senior Forest Officer
Sergio Innocente	Technical Advisor (2014 - 2017)
Olive Kyampaire	Communications/Project Officer
Evelyn Atuhaire	Economist
John Begumana	NFMS/MRV Expert Uganda REDD+
Deogratius Nteza	Forest Information Systems Consultant
Antonello Salis	Country Technical Advisor
Maria Vidal	Geographical Information Systems/ Remote Sensing Expert
Edrine Mukwaya	Front Desk Officer
Joyce Kabasinguzi	Office Assistant

Annex 2: Members of the National Climate Change Advisory Committee

NAME	DESIGNATION	INSTITUTION
Moses Sonko	Economist	Ministry of Finance Planning & Economic Development
Koma Stephen	Commissioner, Inspectorate Department	Ministry of Local Government
Komujuni Pamela	Senior Disaster Management Officer	Office of the Prime Minister
Namanya B. Didacus	Geographer	Ministry of Health
Muwaya Stephen	UNCCD Focal Person & Senior Range Ecologist Directorate of Animal Resources	Ministry of Agriculture, Animal Industries and Fisheries
Rachael Rwomushana	State Attorney	Ministry of Justice & Constitutional Affairs
James Baanabe	Commissioner, Energy Department	Ministry of Energy and Mineral Development
Edith Kateme-Kasajja (Mrs)	Deputy Executive Director	National Planning Authority
Charles Mutemo	Principal Environmental Officer	Ministry of Works and Transport
Chebet Maikut	Commissioner	Climate Change Department
Sanyu Jane Mpagi	Director, Gender and Community Development	Ministry of Gender, Labor and Social Development
Denis David Kavuma	General Manager	Uganda Tree Growers Association
Margaret Lomonyang	Coordinator	Karamoja Women's Cultural Group - Indigenous groups
Ofwono Opondo	Executive Director	Uganda Media Centre
Ambrose Agona (PhD)	Director General	National Agricultural Research Organization
Sam Mwandha	Executive Director	Uganda Wildlife Authority
Vincent ByendaimiraAtenyi	Commissioner for Land Use Regulation and Compliance	Ministry of Lands, Housing and Urban Development
Onesmus Muhwezi	Team Leader, Environment, Climate and Disaster Resilience	United Nations development Programme
Tom Okurut	Executive Director	National Environmental Management Authority
Tom Obongo Okello	Executive Director	National Forestry Authority
Margaret Adata	Commissioner	Forestry Sector Support Department
Paul Mafabi	Director	Environmental Affairs
George Owyesigire	Ag. Commissioner Wildlife	Ministry of Tourism Wildlife and Antiquities
David Duli	Country Director	World Wide Fund, Country Office
Achilles Byaruhanga	Executive Director	Nature Uganda
Mr. Festus Luboyerwa	Executive Director	Uganda National Meteorological Authority

Annex 3: Members of the National Technical Committee

Name	Designation	Institution/Organisation
Dr. Justine Namaalwa Jumba	Senior Lecturer	School of Forestry, Agricultural and Environmental Sciences, MUK
Michael Mugarura	Senior Mitigation Officer	Climate Change Department
Mr. Mununzi Nathan	Senior Environmental Officer	Department of Environmental Sector Support
Collins Oloya	Commissioner	Wetlands Management Department
Mr. Peter Obubu	Principal Water Officer	Water Resources Management
Dr. Hilary Agaba	Director, NAFORRI	National Agricultural Research Organization
Pauline Nantongo	Executive Director	ECOTRUST -Uganda
Mr. Ogwal Sabino Francis	Natural Resources Manager (Biodiversity and Rangelands); NFP CBD	National Environment Management Authority, Kampala
Mr. John Diisi	Coordinator GIS/Mapping	National Forestry Authority
Mr. Emmanuel Menhya	Principal Statistician (in charge of Environment statistics	Uganda Bureau of Statistics
Mr. Semakula Godfrey	Deputy Director Land Development Division	Uganda Investment Authority, Kampala
Mr. Michael Omara Mwange	Legal Empowerment Advisor	Uganda Land Alliance
Ms. Carol Muyama	Communications Officer	Uganda Media Centre
Ms. Deborah Kasule	Senior Science Officer	Uganda National Council of Science and Technology, Kampala.
Mr. Muwembe Khalid	Director, Forecasting Services	Uganda National Meteorological Authority
Mr. Richard Kapere	Planning Coordinator/UWA CC Change Focal Officer	Uganda Wildlife Authority, Kampala
Ms. Kamala Grace	Senior Agricultural Officer/ Farmland Planning	Ministry of Agriculture, Animal Industries and Fisheries
Mr. John Tumuhimbise	Commissioner	Ministry of Energy and Mineral Development
Mr. Alex Asiimwe	Commissioner Occupational Safety	Ministry of Gender, Labor and Social Development
Dr. Paul Kagwa	Asst. Commissioner Health Services	Ministry of Health (Health Promotion and Education)
CP Taire Idhwege	Commandant Environmental Police	Ministry of Internal Affairs
Mr. Stephen Okello	Ag. Secretary National NGO Board	Ministry of Internal Affairs
Dr. Muge George	Ag. Commissioner of Prisons	Ministry of Internal Affairs
Mr. Stephen Koma	Commissioner, District Inspection	Ministry of Local Government
Mr. Geoffrey Omolo George	Deputy Secretary General/Program Manager	Uganda Local Governments Association
Mr. George Owoyesigire	Principal Wildlife Officer	Ministry of Tourism, Wildlife and Heritage
Ms. Rachael Rwomushana	State Attorney	Ministry of Justice and Constitutional Affairs
Ms. Juliet Bunuzi	Vice President	Uganda Journalist and Press Association

Annex 4: Members of SESA and Safeguards Taskforce

Name	Specialization/Expertise	Institution/Affiliation
Stephen Mugabi	Policy /legal/Institutional Assessment (Environmental Safeguards)	Ministry of Water & Environment
Robert Aguma	World Bank Safeguards	Ministry of Water & Environment
Fiona Driciru	Participatory Processes (CFM)	National Forestry Authority
Gertrude Kenyangi	Southern CSOs/IPs representative at the (CIF/FIP)	SWAGEN
Bob Kazungu	Monitoring and Evaluation	Ministry of Water & Environment
Michael Opige	Natural Resources Governance	Nature Uganda
Dr. Adonia Bintoora	CRM & Manager, Community Benefits and Wildlife Enterprises	Uganda Wildlife Authority
Alinda Violet	Policy and Advocacy	TWAWEZA
Tom Rukundo	SEA/EIA	National Forestry Authority
Doreen Ruta	Livelihoods	Private Consultant
Joel Kiwanuka	Gender/Sociology	National Forestry Authority
Michael Mugarura	Climate Change - Mitigation	Climate Change Department
Rachael Rwomushana	State Attorney	Ministry of Justice & Constitutional Affairs
Annet Kabarungi	Gender	Ministry of Gender, Labour and Social Development

Annex 5 : Policy and Strategy Development Taskforce

Muhammad Ssemambo	International climate change processes and issues	Ministry of Water & Environment
Waiswa Ayazika	Policy, Legal, Regulations and institutional frameworks	National Environment Management Authority
Stephen Khaukha	Strategic Planning/Strategy developments/Outcome mapping	Havilla / Private
Ronald Kaggwa	Incentives for environmental/natural resources management	National Planning Authority
Stephen Galima	Natural Forests Management	National Forestry Authority
Aggripinah Namara	Social and Environmental Assessments	Private/ESSIPS
Steve Nsita	Institutional Development	Havilla
Byakagaba Patrick	Policy, Legal, Regulations and institutional frameworks	Makerere University - CAES
Gerald Tenywa	Communications and outreach	New Vision
Richard Kapere	Planning including for REDD+ Processes and issues	Uganda Wildlife Authority
Barbara Nakangu	Gender and Social issues	Makerere University – Makerere Institute of Social Research
Henry Bazira	Policy analysis	Water Governance Institute

Annex 6: Members of the Monitoring, Reporting and Verification Taskforce

Joseph Mutyaba	National Forestry Authority
Edward Ssenyonjo	National Forestry Authority
Kissa Sam	National Forestry Authority
Fridah Basemera	National Forestry Authority
Judith Abel	National Forestry Authority
Justine Namaalwa	Makerere University
Grace Nangendo	Wildlife Conservation Society
Denis Mujuni	National Forestry Resources Research Institute
Lufafa Robinson	Ministry of Agriculture, Animal Industries and Fisheries
Emmanuel Menyha	Uganda Bureau of Statistics

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