



UGANDA COUNTRY EXPERIENCES IN CLIMATE FINANCE (NEEDS & PRIORITIES)

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DATE AND VENUE :
19th- 21st – 02 - 2020
Verde Hotel, Zanzibar - Tanzania

Country Experiences And Challenges In Accessing Climate Finance

- Currently the country has no specific code for climate change nor a dedicated fund to effectively monitor, report and verify climate related inflows and outflows.
- Progressively, the World Bank supported Climate Budget tagging is envisaged to code specific domestic public expenditures.
- Uganda largest providers of climate finance are bilateral donors. Germany continues to top the list of climate finance providers. Multilateral providers also significantly contributing i.e. AfDB, GCF, World Bank and GEF. **For examples, recent estimates by EMLI in 2019 have quantified GEF support (GEF Trust Fund, LDCF, SGP and CBIT) to Uganda to USD 127 million.** Furthermore, the country has good experience with the **Climate Investment Funds –Scaling-up Renewable Energy (SREP), Forest Investment Program (FIP) and Pilot Program for Climate Resilience (PPCR).**
- Public climate finance has not been fully quantified, however estimates by ODI & ACODE in 2013 revealed less than 1 % of the budget with high relevance in the agriculture, water and environment sectors.
- The World Bank and MoFPED is conducting a study to quantify climate related spending in key sectors under the Climate Budget Tagging process.

CHALLENGES

- a) Lack of relevant climate finance mechanisms and tools necessary for effective mobilization & provision
- b) Limited institutional capacity for management of climate finance & MRV of support
- c) Limited incentives to leverage private sector finance
- d) low capacity in proposal development
- e) Lack of pipeline of bankable concepts

Country Priority Needs In Financing Climate Actions

- The needs are expressed in policies and strategies such as NCCP, The Green growth development strategy for Uganda, the NDC and sectoral policies
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- **For Adaptation to climate change**, financing is required for implementation of resilient options in Agricultural, water, roads and energy infrastructure, forestry and wetlands ecosystem, disaster management, NDC adaptation options,
- Implementation of SPCR- five investment priorities
- Development and implementation of the NAP process

- **For Mitigation**; Funding needs are; in Energy sectors, agriculture, waste, transport, wetlands and forestry ecosystems. Implementation of mitigation options identified in NDC, NAMAs

OTHER SYSTEMS DEVELOPMENT

- CC Mitigation and Adaptation Bankable project Proposals Developed and submitted to potential funders
- Enhancement of GHG Inventory Management System ie developing country sector emission factors
- Long Term Strategy (LTS) for Climate Action Developed and Implemented by MDAs and Local Governments
- National MRV developed and operationalized (mitigation, adaptation and finance)
- Support to sectors for establishment of sectoral Mini-GHG inventory systems

Meeting Reporting obligations

- 1) NDC- 5 yr report
- 2) National Communications
- 3) BUR

Country Experiences In Strengthening National Institutions That Have Mobilized And Accessed Climate Finance To Date

- ✓ So far the country has successfully nominated supported MWE for accreditation as NIE. MMWE is currently accredited government entity by both GCF and AF
- ✓ Plans are underway to nominate other national institutions such as Uganda Development Bank and KCCA

National, Regional Investment Plans, Programmes, Policies, And Strategies For Climate Finance In Place Or Underway

- ✓ No dedicated national strategy on climate finance,
- ✓ NPA through the Accountability Sector has commenced the development of ***Green Growth Financing and Resource Mobilization Strategy***.
- ✓ Under the National Environment Act (2019), Payment for Ecosystem Services is provided for financing ecosystems based climate solutions
- ✓ Under the NDC Partnership Plan, the country intends to **develop procedures and institutional arrangements for carbon financing**
- ✓ Under the Climate Change Bill, climate change financing is provided for and Parliament will provide guidance since the Bill has been gazatted for printing

Proposed Priority Investments Underway Or Still Needed

- ✓ SREP Uganda Investment Plan costed at USD 441 million (30 MW Geothermal development, Decentralized Renewables and Wind assessment + pilot wind farms)
- ✓ SPCR costed at USD 379 million
- ✓ Pipeline proposal development

Proposals On How National Needs Could Be Addressed As A Region Or In A Regional Plan

- ❖ Alignment of the regional plan to National Climate Change Strategies and National Development Plans and NDCs
- ❖ Energy, agriculture and water must be priority options for the strategy resources mobilization
- ❖ Funding for Regional Transboundary programs