

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TF0A5722
Printed On: 03/19/2023

Reporting Period: 10/17/2017 to 06/30/2021
Report Type: Completion Report
Status: Approved

Assignment: TF0A5722

Uganda- Additional FCPF Readiness Grant FCPFR - Forest Carbon Partnership Facility

Task Team Leader: 00000239598 - Nigel Ross Hughes
Approving Manager: 00000066054 - Iain G. Shuker

Summary Information	
TF Status	LCLS
Recipient Country	Liberia
Executed By	Recipient
Managing Unit	9270 - SAFE2
Grant Start Date / End Date	10/17/2017 - 06/30/2021
Original Grant Amount	3,750,000.00
Grant Amount	3,502.669.36
Outstanding Commitments	0.00
Cumulative Disbursements	3,502.669.36
Donor	TF602001 - MULTIPLE DONORS

This GRM report includes the following sections: Overview, Components, Outcome, Execution, Program (FCPFR), Completion, Disbursements, Procurement Plan, Procurement Actuals.

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TF0A5722
Printed On: 03/19/2023

Reporting Period: 10/17/2017 to 06/30/2021
Report Type: Completion Report
Status: Approved

OVERVIEW

Overall Assessments

Grant Objectives:

The Project Development Objective is to design a socially and environmentally viable national strategy for reducing emissions from deforestation and forest degradation as compared to a reference level.

Overall progress from 10/17/2017 to 06/30/2021 with regard to Achieving Grant Objectives:

Comment:

Overall assessment of the achievement of the grant development objective is assessed as Satisfactory. Uganda did prepare its national REDD+ strategy and launched it; the national FREL was prepared and submitted to the UNFCCC as well.

Uganda has not been successful in gaining access to REDD+ carbon finance but the REDD+ Readiness activities did position the country well to access investments into integrated landscape management from IDA of the World Bank (US\$148.2 million in loan and grant resources under the *Investing in Forests and Protected Areas for Climate-Smart Development* Project, P170466); as per decision communicated to the country team in February 2023, from the Climate Investment Funds (US\$2.5 million in grant resources under the Forest Investment Program); and from bilateral donors contributing to the program through the Uganda country specific Multi-Donor Trust Fund (equivalent of US\$13 million from Sida, equivalent of US\$2 million from Ireland, and additional potential contribution from KFW - all grants).

Overall progress from 10/17/2017 to 06/30/2021 with regard to Implementation of Grant Financed Activities:

Comment:

Key planned outputs of the Additional Funding grant were delivered - including support to the national coordination structures, integration of gender roles and participation in the implementation of national REDD+ Strategy and implementation frameworks, raising awareness of the indigenous peoples on REDD+, preparation of two sub-national ER Programs, in the Albertine Rift and the Lake Kyoga Water Management zones (although this has not achieved the level of fully fleshed out Program Documents but concluded with development of program identification notes - this was due to the severe restrictions on travel and meetings from March 2020 until the closing of the grant, due to the novel coronavirus disease (COVID-19) pandemic. The National FREL was updated, and a biennial update report on Uganda's REDD+ FREL was submitted to the UNFCCC in October 2019 (and has undergone technical assessment by UNFCCC in 2021).

Between May and July 2018 Uganda underwent a self-assessment of its REDD+ readiness and submitted its R-Package to the FMT, for presentation to the October 2018 FCPF PC meeting.

Following approval of its R-Package by the FCPF PC in October 2018, the Government of Uganda has taken into consideration PC recommendations as follows:

-- Address issues of land tenure, including in relationship to benefit sharing, and continue engaging with other bodies responsible for land resources: Uganda's Benefit Sharing Arrangements (BSA) identifies tenure of land and forests a critical issue underpinning future sharing of carbon benefits and recommends putting in place a legal definition of carbon rights.

-- Clarify carbon rights, considering legal as well as social issues and taking into account Uganda's experiences under the Voluntary Carbon Scheme (VCS) and the Clean Development Mechanism (CDM): Uganda is embarking on revising the Forestry Policy (2001) and the recommendation to put in place a legally binding definition of carbon rights will be addressed through this policy reform and thereafter, in the revision of the Forests and Tree Planting Act (2003). This legal and regulatory process is still ongoing.

-- Strengthening coordination with other sectors and also inclusion of local governments and private sector in REDD+ processes.

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref.	TF0A5722	Reporting Period:	10/17/2017 to 06/30/2021
Printed On:	03/19/2023	Report Type:	Completion Report
		Status:	Approved

considering their importance to success of ER Programs: this is taking place as part of stakeholder engagement for preparation for the ER Programs.

-- Completing the next steps for developing a functional National Forest Monitoring System (NFMS): an MRV framework was developed, with definitions of roles and responsibilities, and the FCPF AF grant provided support for developing the necessary capacities within the mandated institutions. The Government was working with FAO, under the TA agreement - the forest inventory process focused on areas previously not covered including the Albertine (Hoima, Kabarole, Greater Bushenyi) and Northern Uganda (Karamoja). The Land Use Land Cover map (LULC) for 2017 was completed; this has served as a basis for the biennial update report on REDD+ emissions reductions that Uganda submitted to the UNFCCC in October 2019. An initial assessment of forest degradation using the pilot Break detection For Additive Seasonal Trends (BFAST) tool was completed - the BFAST tool has shown some promise in measuring forest degradation, but it is not suitable to all forest types. A number of capacity building activities for the GOU were organized on the appropriate methodologies and tools for forest monitoring.

All of the planned activities and targeted deliverables of the grant were completed.

There was extensive stakeholders' consultation and participation in the development of the REDD+ Strategy and throughout the grant implementation.

Grant follow-up and structure

Description and context of Grant:

Grant activities were organized into five components that corresponded to the components and sub-components of Uganda's Readiness Preparation Proposal (R-PP).

Component 1: Coordination and Monitoring of REDD+ Readiness Process

The objective of this component is to continue supporting national level coordination and monitoring of the REDD+ process. This support builds on structures and process involving the REDD+ Secretariat and national REDD+ coordination, supervision, stakeholder participation, and preparing Readiness Package (R-Package).

Component 2. Stakeholder Engagement and Feedback in Readiness Process

The objective of this component is to support broad stakeholder engagement with a particular focus on implementation of the Uganda REDD+ gender strategy, which includes implementation of key actions as identified in the Uganda REDD+ Gender Strategy, foster gender integration in national REDD+ processes, and integrating stakeholder engagement.

Component 3. REDD+ Strategy and Strategic Environmental and Social Assessment

The objective of this component is to continue supporting the National REDD+ Strategy process and environmental and social elements of it, and development of the Safeguards Information System for Uganda REDD+ as an integral component of the REDD+ Strategy.

Component 4. REDD+ Implementation Framework

The objective of this component is to support the development of design options for the ER Programs nested in the National REDD+ Strategy.

Component 5. National Reference Scenario and Inventory of Forest Resources

The objective of this component is to refine the National Reference Scenario / FREL by undertaking analysis to better determine forest degradation and establishing and institutionalizing the NFMS as approved by the national REDD+ structures.

Expected follow up (if any): Follow up Bank project/loan/credit/grant

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref.	TF0A5722	Reporting Period:	10/17/2017 to 06/30/2021
Printed On:	03/19/2023	Report Type:	Completion Report
		Status:	Approved

Comment on follow up:

Building on the REDD+ readiness work and preparation of the Forest Investment Program (supported by the Climate Investment Funds), the Government of Uganda had prepared an IDA-financed landscape operation (Uganda Investing in Forests and Protected Areas Project, P170466, US\$148.2 million). This project was approved by the World Bank Board in April 2020, became effective in August 2021, and was launched in March 2022.

As of the date of preparation of this report (March 2023), additional financing of US\$10 million equivalent from Sweden was mobilized for this project, and discussions are ongoing with the FIP and KFW regarding additional grant resources of around 20 million USD in total. This Additional Financing is expected to be approved by the World Bank Board in FY24.

In addition, a separate grant-financed project *Securing Uganda's Natural Resources Base in Protected Areas* (P174337) was financed by Sida and Ireland, with the total amount of US\$4.6 million, as a COVID-19 response operation in the landscape management sector. It was approved by the World Bank and became effective in July 2021.

All of these investments build on the REDD+ Readiness work.

End Date of Last Site Visit:

Last implementation support mission for the REDD+ Readiness AF grant took place in a virtual format due to the COVID-19 restrictions between June 14 and 18, 2021.

Restructuring of Grant:

The original grant closing date was December 31, 2019. Two extensions were granted for the program: in April 2019, the Government of Uganda requested a 6-month extension of the grant - this was granted in May 2019, to June 30, 2020; A second extension, of 12 months, to June 30, 2021, was processed in June 2020 (it was requested due to inability to complete activities with existing COVID-19 restrictions). These were the only formal changes of the grant. The grant closed on June 30, 2021.

OUTCOME

Comments on outcome achieved from 10/17/2017 to 06/30/2021 Grant Outcome Indicators

1. Uganda will be REDD+ Ready (based on the assessment criteria of the Readiness package)

Baseline Value: No

Date: 10/17/2017

Progress to Date: Yes (National REDD+ Strategy prepared and endorsed by the National Climate Change Committee and launched at the national level; assessment in the R-Package, approved by the FCPF PC, is largely positive).

Date: 06/30/2021

Target Value: Yes

Date: 06/30/2021

2. A minimum of two jurisdictional Emission Reductions Programs (ER Programs) will be designed

Baseline Value: No

Date: 10/17/2017

Progress to Date: Yes (ER PINs were prepared - these were not developed into full ER Program Documents due to lack of potential identified buyers for emissions reductions and due to work restrictions during the COVID-19 pandemic)

Date: 06/30/2021

Target Value: Yes

Date: 06/30/2021

3. A NFMS will be operationalized

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TF0A5722
Printed On: 03/19/2023

Reporting Period: 10/17/2017 to 06/30/2021
Report Type: Completion Report
Status: Approved

Baseline Value: No
Date: 10/17/2017
Progress to Date: Yes (NFMS is anchored in the National Forestry Authority)
Date: 06/30/2021
Target Value: Yes
Date: 06/30/2021

4. Indigenous peoples' organizations are better engaged on REDD+

Baseline Value: No
Date: 10/17/2017
Progress to Date: Yes. A concerted effort was made to work with a coalition of indigenous people's organizations in Uganda on raising awareness on REDD+ and enhancing their capacity to engage on REDD+.
Date: 06/30/2021
Target Value: Yes
Date: 06/30/2021

COMPONENTS

Output and Implementation by Component

Component 1. Coordination and Monitoring of REDD+ Readiness Process

Status: Completed
Planned Output: National REDD+ Secretariat functional; National REDD+ coordination structures (task forces and National Technical Committee for REDD+) supported, International TA for ER Programs hired.
Actual Output: As planned.

Component 2. Stakeholder Engagement and Feedback in Readiness Process

Status: Completed.
Planned Output: Multiple multistakeholder engagements supported as part of preparation of the REDD+ strategy and overall awareness raising on REDD+. Specific engagement with Indigenous Peoples targeted; implementation of key activities in REDD+ Gender Strategy (focused on training of indigenous peoples and the National Climate Change Steering Committee) undertaken.
Actual Output: As planned.

Component 3. REDD+ Strategy and Strategic Environmental and Social Assessment

Status: Completed
Planned Output: REDD+ strategy updated; safeguards instruments updated / prepared; SIS developed and producing a first report.
Actual Output: As planned. All outputs published on <https://www.mwe.go.ug/library/redd>

Component 4. REDD+ Implementation Framework

Status: Completed
Planned Output: Design of two ER Programs
Actual Output: Initial design of ER Programs completed (to the ER PIN stage).

Component 5. National Reference Scenario and Inventory of Forest Resources

Status: Completed

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TFOA5722
Printed On: 03/19/2023

Reporting Period: 10/17/2017 to 06/30/2021
Report Type: Completion Report
Status: Approved

Planned Output: FREL update and NFMS institutionalization supported.
Actual Output: As planned. NFI activities completed; LULC map for 2017 produced; forest degradation assessment completed. Biennial update submitted to UNFCCC.

Comment on planned and actual Output

Activities have been completed with good overall progress. As Uganda had not identified a potential buyer for its emissions reductions from REDD+, design of two jurisdictional ER Programs was brought only to the stage of ER PINs.

EXECUTION

Bank project related to the grant

Project ID / Name: P124296 - UG-FCPF REDD READINESS
Project Status: Completed
Global Focal Area: Climate change
Product Line: IPF - Investment Project Financing

Implementing agency and contact details

Agency: Ministry of Water and Environment / Forestry Sector Support Department
Contact: Margaret Athieno Mwebesa
Address: 10/20 Spring Road, Kampala, Uganda
Phone: +256772470023 **Email:** margathieno@gmail.com
Website: <http://www.redd-uganda.org/>

PROGRAM

Program Specific Questions

1. Describe progress in how the Grant activities are being coordinated with other REDD+-related initiatives

Initially, Uganda's REDD+ Process also received support from the national UN-REDD Programme - there was good engagement and coordination between the two programs.

2. Describe any important changes in the technical design or approach related to the Grant activities.

None.

3. Describe progress in addressing key capacity issues (implementation, technical, financial management, procurement) related to this Grant.

The REDD+ Readiness activities contributed significantly to building capacity of key stakeholders through provision of information, stakeholder engagement, etc. Under the TA agreement for the institutionalization of the National Forest Monitoring System, FAO has provided a number of trainings for the National Forestry Authority staff, including on use of BEAST

Report to Donor

Ref.	TF0A5722	Reporting Period:	10/17/2017 to 06/30/2021
Printed On:	03/19/2023	Report Type:	Completion Report
		Status:	Approved

for assessing forest degradation, SEPAL and Google Earth Engine portals. A training module on gender aspects of REDD+ was delivered to members of the REDD+ National Technical Committee and task forces. A coalition of indigenous organizations was supported with training on how to engage on REDD+.

4. Describe progress in addressing social and environmental issues (including safeguards) related to the Grant. Is the SESA conducted in accordance with the Common Approach?

A Strategic Environmental and Social Assessment (SESA) was conducted in accordance with the Common Approach. SESA was prepared in a consultative manner. The Government of Uganda also prepared other safeguards frameworks for its National REDD+ Strategy - the Environmental and Social Management Framework, the Process Framework, the Indigenous Peoples Planning Framework, and the Resettlement Policy Framework.

5. Is the ESMF prepared in accordance with the Common Approach?

ESMF was prepared in accordance with the Common Approach. The ESMF sets out the procedures for identifying, assessment, managing and mitigating the potential environmental and social impacts of REDD+ interventions. The ESMF development was informed by extensive national and subnational consultations, including with indigenous and forest-dependent communities.

6. Describe progress in stakeholder consultation, participation, disclosure of information, and the FGRM related to this Grant.

Uganda's REDD+ readiness process has been highly participatory. A Uganda REDD+ site includes all relevant information, with key documents also published on the Uganda Ministry of Water and Environment website. An appropriate FGRM for national REDD+ was identified with support from the original FCPF REDD+ Readiness grant.

COMPLETION

Overall Assessments and Lessons Learned

Main lessons learned:

REDD+ requires a truly intersectoral approach - pursuing it through a sectoral agency, even one with an overall mandate for climate change, may not fully ensure participation of all sectors by default. Making a ministry of finance or the office of the prime minister a lead agency may allow easier multisectoralism.

Extensive consultations - while required as part of the REDD+ approach - also create expectations with the government agencies, among civil society organizations, and in communities. When no follow on carbon finance transaction materializes, these expectations require good management.

There are many benefits from the REDD+ process that contribute to better forest monitoring and stronger engagement networks.

Overall outcome (and its Sustainability):

Comment:

The REDD+ Readiness support allowed for the establishment of the main REDD+ institutions and tools needed to move to the next phases including investments and the preparations for the potential results based payments: safeguard instruments, Feedback and Grievance Redress Mechanism, Measurement, Reporting and Verification System, FREL.

The grant financed activities largely achieved their objectives. The REDD+ dialog enhanced attention to the drivers of

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TF0A5722
Printed On: 03/19/2023

Reporting Period: 10/17/2017 to 06/30/2021
Report Type: Completion Report
Status: Approved

deforestation and forest degradation and increased cooperation between the forestry sector and other sectors that are at the root of deforestation and forest degradation (agriculture, energy).

Bank Performance:

Comment:

The overall Bank Performance is Satisfactory, based on quality at entry, project supervision and additional resource mobilization. Regular supervision missions were organized and documented (Aide-Memoire), Non-Objections were provided to the client under reasonable timeframes, and regular reporting was done to the Bank and donors. The Bank team provided close support and technical advice throughout implementation of the grant financed activities. Due to innovative and dynamic nature of REDD+ significant technical assistance was required on the side of the World Bank team.

Additional Assessment

Development / strengthening of institutions:

Comment:

The capacity of the Ministry of Water and Environment and of the National Forestry Authority to handle REDD+ has increased immensely thanks to the grant support. The key actors are well versed on REDD+ and have a better capacity for managing the national REDD+ process as well as engage in a more informed manner on broader issues of carbon finance.

Mobilization of other resources:

Comment:

Uganda has mobilized significant support for its REDD+ agencies - readiness funds from FCPF (two phases), Austrian Development Agency, and UN REDD. These have created capacity for attracting investments in integrated landscape management.

The created capacity has also allowed Uganda to engage with the LEAF coalition.

Knowledge exchange:

Comment:

The Uganda REDD+ team has been a part of various learning events on REDD+ supported by the FCPF and other sources. Uganda and Ghana had a bilateral exchange too.

Client's policy / program implementation:

Comment:

The REDD+ process is informing the ongoing review of the Forest Policy and the Forest Act.

Efficiency :

Comment:

Outcomes planned at the onset have been largely achieved, in a timely manner, thus efficiency is rated satisfactory.

Replicability:

Comment:

n/a

Main recommendations to stakeholders:

World Bank - Grant Reporting and Monitoring (GRM) Report

Report to Donor

Ref. TF0A5722
Printed On: 03/19/2023

Reporting Period: 10/17/2017 to 06/30/2021
Report Type: Completion Report
Status: Approved

REDD+ has been communicated globally as a mechanism which seeks to incentivize activities targeted at reducing emissions from the land-use sector. This line of communication has somewhat created high and often unrealistic expectations amongst some sections of stakeholder groups of huge financial inflow for REDD+. Especially so because the REDD+ readiness process in Uganda took over 10 years and did not result in an emissions reductions purchase agreement.

In order to ensure the effective management of these exaggerated and unrealistic expectations, deliberate efforts need to be made to emphasize the various co-benefits which will arise from REDD+ and that success of REDD+ requires continued support and commitment from all stakeholders in the land use space.

Main recommendations to Bank Management:

Novel concepts - such as REDD+ - require strong support and a lot of hands-on TA from the World Bank task teams to the governments.

DISBURSEMENTS

Disbursements Summary in USD

FY	Actual Cumulative	Actual Period
FY18	1,310,278.00	1,310,278.00
FY19	2,403,133.35	1,092,855.35
FY20	3,285,730.95	882,597.60
FY21	3,509,387.02	223,656.07
FY22	3,637,478.93	128,091.91
FY23	(116,280.57)	(116,280.57)

PROCUREMENT PLAN

None

PROCUREMENT ACTUAL

None