



**global witness**

**Review of Uganda's R-PP submitted to the 9th FCPF Participants Committee Meeting**

**Provisions on Enforcement and Non-carbon Monitoring  
June 2011**

This assessment examines the Readiness-Preparation Proposal (R-PP) submitted by Uganda due to be considered at the FCPF's 9th Participants Committee meeting in Oslo, Norway (20-22 June 2011).<sup>1</sup>

This assessment focuses on how the documents address illegality, corruption and law enforcement issues and what type of system is proposed to monitor and assess governance and social and environmental impacts (non-carbon monitoring).

Our evaluation is largely based on the standards established by the FCPF for assessing R-PPs.<sup>2</sup>

**Summary of findings**

- In the R-PP the government of Uganda recognises the importance of understanding and tackling the role of weak law enforcement, illegality and corruption as indirect drivers of deforestation and forest degradation. Although current activities to address these issues are assessed, further activities are not yet planned and will rely on the outcomes of the study described in table 25 and on page 76 of the R-PP.
- The R-PP acknowledges the importance of the monitoring of social, environmental and governance safeguards, which is an improvement on the previous draft of the R-PP (submitted in March 2011), but is still very weak on substance and does not develop a sufficiently detailed proposal.
- There appears to be policy confusion around agricultural encroachment into forested land. Although the R-PP cites this issue as a driver of deforestation and forest degradation and

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<sup>1</sup> R-PP document available on the FCPF website at: <http://www.forestcarbonpartnership.org/fcp/node/257>

<sup>2</sup> FCPF Program Document FMT 2009-1-Rev.4, "Review and Assessment of Readiness Preparation Proposals, Draft – March 9, 2010"

states a strategy to tackle this through evictions, there also appears to be presidential opposition to this policy.

- There is a concern that many of the potential solutions to tackle the drivers of deforestation and forest degradation do not take into account or seek to address the economic aspects of the trade in illegal charcoal, firewood and timber, including the provision of economic alternatives for those engaged in these activities.

Uganda, R-PP May 2011
<b>1. Does the R-PP adequately address weak law enforcement, illegality and corruption as drivers of deforestation and forest degradation?</b>
<p><b>Comments:</b></p> <p>Component 2a of the R-PP provides an extensive analysis of the situation of forests in Uganda, describing in detail the main drivers of deforestation and forest degradation. The R-PP explains the extent to which 4 of these drivers are affected by weak law enforcement, illegality and corruption:</p> <ul style="list-style-type: none"> <li>• Agricultural Expansion into Forested Land: Roughly 300,000 illegal settlements were impinging on forest reserves in 2008 (p. 62).</li> <li>• Unsustainable Cutting of Trees for Charcoal: The majority of such activity is illegal and there is currently weak regulation of the charcoal industry. Furthermore, the existing regulation is confusing and prone to abuse by both producers and government officials (p. 66).</li> <li>• Unsustainable Cutting of Trees for Firewood: There is currently weak enforcement of laws governing firewood harvesting especially from private forests. In addition, firewood is considered to be a minor forest product and therefore harvesting of it is not stringently regulated (p. 67).</li> <li>• Unsustainable Harvesting of Timber: Illegal timber extraction is a major driver of deforestation and forest degradation in central forest reserves and is often a precursor for harvesting for firewood and charcoal (p. 68). The high operating costs for legal harvesting timber lead to many pit sawyers operating illegally or on private land (p. 69). Unclear legislation does not sufficiently control harvesting from private forests and over regulation of the timber markets creates avenues for bribery and corruption (p. 70). Despite a ban on timber exports, Kenya and Southern Sudan are key market destinations for Ugandan hardwoods (p. 69). The scale of the problem is uncertain as records of timber volumes cut, both legally and illegally, are incomplete (p. 68). Finally, timber concessions have fuelled the mistrust of forest officials and have led to the escalation of illegal logging and conflict with forest officers (p. 70).</li> </ul> <p>The R-PP also provides for an assessment of institutional capacity and general forest governance within Uganda and acknowledges the following:</p> <ul style="list-style-type: none"> <li>• Previous efforts to achieve sustainable forest management through controlling rates of deforestation and forest degradation have not been successful due to factors including the weak enforcement of laws and policies (p. 72).</li> </ul>

- Poor standards of governance in public administration are a major concern across the forestry sector (p. 72).
- While existing policies and legislation provide an adequate basis for REDD+, weaknesses exist stemming from weak implementation or policy, weak law enforcement and mismanagement of institutional mandates (p. 74).
- Effective legal enforcement is going to be crucial for the success of REDD+ (p. 76).
- The review of the 2002 National Forest Plan shows mediocre performance of the sector due to inadequate law enforcement and institutional inadequacies (p. 79).

The R-PP does not provide any information on the identity of those involved in corruption. In terms of describing the main players involved in illegality, the R-PP describes those demographics involved in both the legal and illegal aspects of the industry. For example, in terms of those responsible for the unsustainable cutting of trees for charcoal, the R-PP describes the main players in the charcoal trade, both legal and illegal, as young men who have limited basic education and skills (p. 65).

Within component 2b, the R-PP provides for five objectives to group the various strategies for dealing with direct and indirect drivers of deforestation:

- Develop and elaborate on actions for addressing the direct drivers and underlying causes of deforestation and forest degradation.
- Develop practices for sustainable forest management and conservation.
- Define and pilot test processes for stakeholder engagement in REDD+ implementation.
- Facilitate the development of tools and methodologies for assessing and monitoring the contribution of REDD+ to sustainable forest management.
- Strengthen national and institutional capacities for REDD+ participation (p. 86).

The R-PP also sets out the following activities to tackle the drivers of deforestation and forest degradation:

- Agricultural Expansion into Forested Land: The main remedy is the eviction of agricultural encroachers. A less successful solution is the clear demarcation of forest boundaries. However, there is an institutional inability to protect forests from crimes due to weak institutional capacity (p. 64). There is no current process underway to improve institutional capacity.
- Unsustainable Cutting of Trees for Charcoal: The Green Police have been established to enforce environmental laws but they are not yet operational (p. 66).
- Unsustainable Cutting of Trees for Firewood: No current activities ongoing to address the weak enforcement of laws governing firewood harvesting.

- Unsustainable Harvesting of Timber: The National Forest Authority (NFA) and URA (Uganda Revenue Authority) track timber by conducting operations on timber outlets to capture 'illegal' timber. However, these operations are outside the mandate of the NRA and this role will be taken over by the Green Police once they commence operations. The NFA has also worked with civil society organisations to curb illegal timber harvesting (p. 70).

Table 25 (p. 87) of the R-PP illustrates how the proposed strategies will address and tackle weak law enforcement, illegality and corruption. The table acknowledges the need, amongst other things to strengthen enforcement and compliance; improve regulation on the timber trade; and, strengthen law enforcement capacity and measures. However, the R-PP does not specifically indicate where and how capacity will be strengthened. It merely states that a review will be undertaken to identify reforms for strengthening policy, legal and institutional framework for REDD+ implementation (p. 76/90). This review will also look at solutions to identify ways to address the low performance in law enforcement and determine the required number and capacity of law enforcement officers to curb corruption (p. 76).

Global Witness is concerned the R-PP fails to make reference to strengthening regional cooperation with neighbouring countries in tackling illegality, weak law enforcement and corruption. The R-PP states that Kenya and Southern Sudan are key market destinations for Ugandan hardwoods (p. 69). Uganda is a signatory to several international agreements, including the Lusaka Agreement on Co-operative Enforcement Operations Directed at Illegal Trade in Wild Fauna and Flora (the Lusaka Agreement), which obliges Uganda to have regard to cross-border trade in forest resources. However the R-PP makes no reference to the Lusaka Agreement or to the need for regional cooperation on tackling the illegal cross border trade.

A key component of ensuring that the potential for corruption is minimised is through ensuring the transparency of decision making and the transparency of financial flows. The R-PP states that since 1997, forest sector reforms have developed frameworks for citizen participation in decision-making in the management of key resources with the aim of enhancing integrity, transparency and accountability. Furthermore, the 2001 National Forest Policy, the 2002 National Forest Plan and the 2003 National Forest and Tree Planning Act (NFTP) promote public participation and the NFTP requires the Minister to consult before making major decision on the forest reserves (p. 79). The R-PP also confirms that R-PP implementation will maintain transparency in decision-making processes at work planning, budgeting, reporting and monitoring, ensuring that stakeholders get involved in decision making as appropriate and are kept informed of progress and future plans. The REDD+ Steering Committee will be crucial in this regards (p. 97).

In terms of financial transparency, the R-PP states that the Ministry of Water and Environment shall receive manage and account for externally funded R-PP activities. Furthermore, the R-PP cites that systems for regular reporting, communication and participatory planning shall be developed so as to ensure transparency of fund allocation and utilisation (p. 96). Under *component 6: Design a Programme Monitoring and Evaluation Framework*, the R-PP acknowledges the requirement that it demonstrate that the "framework will assist in transparent management of financial and other resources" (p. 145). The R-PP fails, however, to develop this further within the component.

**Overall Assessment:**

The R-PP recognises the importance of understanding and tackling the role of weak law enforcement, illegality and corruption as indirect drivers of deforestation and forest degradation. The situation analysis is comprehensive and identifies where capacity is lacking and where regulation, compliance and enforcement need to be reformed and strengthened. However, it does not provide for a detailed assessment to identify who are the main players involved in illegality and corruption.

In terms of strategies to tackle weak law enforcement, corruption and illegality, the R-PP only provides an assessment of current activities to strengthen law enforcement and tackle corruption and illegality. Further activities will rely on the outcomes of the study described in table 25 and on page 76 of the R-PP.

The R-PP acknowledges the importance of ensuring the transparency of decision making processes and financial flows and, furthermore, illustrates the approach that Uganda takes and will continue to take in ensuring these are in place. Having said that, component 6 needs to be developed further in this regard.

Finally, despite accepting that Uganda has a number of international obligations, the R-PP does not mention the fact that Uganda is a party to the Lusaka Agreement and, moreover, does not adequately address the issue of the illegal cross-border trade in forest products. This is despite Global Witness raising this issue several times in its assessment of the March 2011 draft R-PP.

In general, this R-PP has improved on the draft R-PP produced in March 2011 and many of Global Witnesses' comments have been taken on board. However, there are some key outstanding issues, such as regional cooperation, which still need to be addressed.

**Recommendations**

Before this R-PP is approved, Global Witness would like to see that the following areas addressed:

- The outcome of the study identifying reforms for strengthening policy, legal and institutional framework for REDD+ implementation should be published and evaluated prior to R-PP approval.
- Uganda is a party to the Lusaka Agreement. This is a potentially powerful tool to assist in addressing illegal cross-border trade. The R-PP should acknowledge this and incorporate ways to better utilise the Agreement.
- Component 6 needs to be developed with regard to the transparent management of financial resources.

## 2. Does the R-PP adequately address the need to monitor social, environmental and governance safeguards?

**Comments:**

Under component 4a, the R-PP states that an objective of the monitoring system is to capture changes to forest related benefits (p. 122). The R-PP "tentatively" suggests that, for sub-

national monitoring, variables indicating deforestation and/or forest degradation threats, biodiversity value and governance are prioritised for monitoring of deforestation and degradation hot spots (p. 123). Furthermore, component 4b acknowledges that the purpose of developing a monitoring system for non-carbon benefits is to incorporate into the MRV system the monitoring of social and environmental impacts and governance. However, the R-PP admits that the benefits, impacts and governance variables to be selected for monitoring are not yet developed (p. 128). In addition, component 4a acknowledges that community forestry is lacking a supportive governance environment and, therefore, community based forest monitoring capacity is still relatively weak (p. 125).

In terms of explicit references to monitoring social and environmental safeguards; the R-PP, within component 2a, recognises the need to identify, minimise or eliminate key social and environmental risks, impacts and consequences. This will be addressed under component 2d (p. 33).

Component 2d describes the SESA process which provides a means to assess the likely positive and negative impacts of the REDD+ strategy options and implementation. The process aims to minimise, eliminate or compensate for the negative impacts while creating benefits for people and environment (p. 100).

The R-PP states that the SESA process would ensure the REDD+ strategy options comply with World Bank safeguard policies covering environmental assessment; natural habitats; forests; involuntary resettlement; indigenous peoples; and, pest management (p. 100 – 101). While this process is vital for ensuring that REDD+ activities are not socially or environmentally deleterious its relevance lies in planning and implementation but provides no provisions for long term monitoring. Long term monitoring of social and environmental safeguards should be described under component 4b, however, component 4b is poorly developed. This is also the case for the monitoring of governance safeguards.

While component 4b does not adequately describe a system for monitoring of social and environmental impacts and governance, Terms of Reference for designing such a monitoring system are found in Annex 4b (p. 128). The design of the system will be undertaken by a Taskforce set up by the REDD+ Steering Committee (p. 191).

The tasks to be undertaken by the Taskforce with regard to designing the MRV system should, if correctly adhered to, provide for a well integrate carbon and non-carbon MRV system. The tasks suggested include, *inter alia*:

- Assessment of existing monitoring systems and national data gathering systems that could be used to obtain data on carbon and non-carbon benefits and impacts.
- Describing how the monitoring system will address key governance issues relevant to REDD+ implementation and the role of appropriate stakeholders.
- Determine how the system will monitor social and environmental impacts and other multiple benefits and how the system will build on existing monitoring systems.
- Provide independent monitoring and review mechanisms involving civil society, and other relevant stakeholders.

- Assess existing capabilities and determine future capacity requirements by defining roles and responsibilities of national institutions.
- Define capacity building and training needed.
- Assess the scope and role for local communities, NGOs, government agencies and the private sector in the MRV system.
- Assess systems/structures required for monitoring and review, transparency, accessibility and sharing of data both nationally and internationally (p. 191).

#### **Overall Assessment:**

The R-PP accepts the importance of monitoring social, environmental and governance safeguards, which is an improvement on the draft R-PP of March 2011 where governance monitoring was barely mentioned. However, the R-PP is very weak on substance and does not develop the issue in enough detail. Global Witness welcomes the Terms of Reference for the Taskforce to design an integrated MRV system and the outcome of the process will be eagerly anticipated as it should address key issues including, *inter alia*, the monitoring of social, environmental and governance safeguards; the role of civil society and other relevant stakeholders in monitoring; current capabilities and where capacity and training needs building; and, how existing monitoring systems can be adapted to fulfil the role.

In general, the R-PP has made a good start on developing an integrated carbon and non-carbon monitoring system. However, this process is very much in its infancy and much work still needs to be done before this requirement of the R-PP can be said to have been adequately addressed.

#### **Recommendations:**

Before this R-PP is approved, Global Witness would like to see the results of the work carried out by the Taskforce with regard to the design of the integrated MRV system. If the Taskforce undertakes all tasks suggested by the R-PP with regard to the design of the MRV system then this requirement of the R-PP will have been adequately addressed.

### **3. Other issues**

Global Witness has taken the opportunity to consult with NGOs that have in-country and on the ground experience of Uganda's situation with regard to deforestation and forest degradation. The following are concerns that have been raised, by these NGOs, and which have implications for issues which Global Witness is concerned with.

#### *Political Dimension*

As previously stated, one of the drivers of deforestation and forest degradation in Uganda is cited as agricultural encroachment into forested land (p. 62). The R-PP also states that eviction of agricultural encroachers has been the most common intervention (p. 64). There are, however, reports of people being evicted without negotiation or consultation of affected people, and without provision for resettlement.

It has also been brought to Global Witnesses' attention that there exists implicit presidential support for encroachment and, moreover, there have been presidential statements declaring that such evictions should not take place. This clearly contradicts the claims made in the R-PP and, furthermore, undermines belief in the degree to which statements made within the R-PP actually reflect ongoing processes on the ground, or that other interventions will not be undermined by Presidential decrees.

Uganda needs to ensure that any evictions are undertaken in a way that is fair and equitable, as well as ensuring the whole process has the necessary political support.

*Economic Aspects*

There is a concern that many of the potential solutions to address the drivers of deforestation and forest degradation do not take into account or seek to address the economic aspect of the trade in illegal charcoal, firewood and timber. Charcoal production is a case in point, which is popular among young people, can be undertaken informally and can provide quick cash income. It is unlikely, therefore, that enforcement efforts will deter charcoal makers from such a lucrative sector unless commercially viable alternatives are made available.

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