



# CARBON FINANCING FOR THE FOREST AND LAND USE SECTORS IN UGANDA



**Clients:** UNEP, Ministry of Water and Environment, 2023



**Sectors:** Forestry, Agriculture



**Services:** Sustainable Financing, Carbon Markets

Given the fast-evolving landscape of carbon finance, there is a need for country-level assessments to understand how to capture multiple financing sources for their forest and other land use (FOLU) sectors. A member of the Symmetry team explored current carbon finance opportunities for the FOLU sectors in Uganda and outlined a roadmap to scale up carbon financing.

## Recommendations

It was found that there is a need to strengthen the overarching policy framework to guide Uganda in dealing with forest carbon projects while accessing Results Based Payments (RBP) at the jurisdictional level and meeting NDC targets at the national level. This requires more clarity on which carbon standards are acceptable, how payments are distributed between the state, communities, and buyers, as well as the possible shape of a future registry.

Given Uganda seeks to accept projects as well as RBF at the jurisdictional level it is recommended that Uganda develops a decentralised nesting system. This also requires the establishment of several types of technical systems and supporting regulations. Most critically defining and making legal provisions for carbon rights ownership and emission reduction titling and enacting the law for enabling application of REDD+ benefit sharing arrangements.

To encourage projects, it is recommended to introduce a project authorization process, guidelines on applicable standards, as well as clarity on applicable levies and the sharing of benefits. A national transaction registry, or at a minimum, data management system, is necessary to track interventions. To reconcile overlapping claims requires, spatializing forest monitoring results by integrating more detailed information from project scales into jurisdictional approaches.

*To access the background report, contact the Ministry of Water and Environment, Uganda, or UNEP.*