Ministry of Finance, Plannning and Economic Development

NATIONAL CLIMATE FINANCE STRATEGY

2025-2030

GOVERNMENT OF UGANDA

MOFPED#DoingMore

IN PARTNERSHIP WITH

Ministry of Water and Environement

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List of Abbreviations

aBi	Agricultural Business Initiative
ADB	African Development Bank
AFOLU	Agriculture, Forestry and Other Land Use
CDM	Clean Development Mechanism
CEDAW	Convention on the Elimination of All Forms of Discrimination Against Women
CFU	Climate Finance Unit
CPAs	Carbon Project Activities
CTF	Clean Technology Fund
DFI	Development Finance Institution
EAC	East African Community
EACFDLM	East Africa Climate Finance Directors' Level Meeting
FY	Financial Year
GCF	Green Climate Fund
GEF	Global Environment Facility
GGGI	Global Green Growth Institute
GoU	Government of Uganda
GROW	Generating Growth Opportunities and Productivity for Women Enterprises
IEA	International Energy Agency
LDCs	Least Developed Countries
MDBs	Multilateral Development Banks
MEMD	Ministry of Energy and Mineral Development
MoFPED	Ministry of Finance, Planning and Economic Development
MWE	Ministry of Water and Environment
MSMEs	Micro, Small and Medium Enterprises
NBSAP	National Biodiversity Strategy and Action Plan
NDA	National Designated Authority
NCFS	National Climate Finance Strategy
NDCs	Nationally Determined Contributions

NEF	National Environment Fund
NPA	National Planning Authority
NSSF	National Social Security Fund
PPP	Public-Private Partnership
PPCR	Pilot Program for Climate Resilience
PWDs	Persons with Disabilities
SREP	Scaling Up Renewable Energy Program
SMEs	Small and Medium Enterprises
UBF	Uganda Biodiversity Fund
UDB	Uganda Development Bank
UGGDS	Uganda Green Growth Development Strategy
UNDP	United Nations Development Programme
UWEP	Uganda Women Entrepreneurship Programme
VCM	Voluntary Carbon Market

Foreword

Climate change is one of the defining challenges of our time, with profound impacts on our environment, economy, and society. For the Government of Uganda, confronting climate change is not only an environmental imperative—it is also a strategic enabler of inclusive growth, sustainable development, and national resilience. Investing in climate solutions is central to unlocking the full potential of our economy and improving the lives of all Ugandans.

Uganda's commitment to addressing climate change is demonstrated by our Nationally Determined Contributions (NDCs) under the Paris Agreement, through which we have pledged to reduce greenhouse gas emissions by 24.7% by 2030. Achieving this ambition will require an estimated USD 28.1 billion in financing for both mitigation and adaptation efforts—mobilized from domestic and international, public and private sources. The NDC 3.0 recently completed will further sharpen Uganda's priorities and investment needs.

To guide this process, the Ministry of Finance, Planning and Economic Development has developed the National Climate Finance Strategy (2024–2030). This Strategy offers a coordinated, transparent, and results-oriented framework for mobilizing, accessing, and reporting on climate finance. It aligns closely with Uganda's national development goals—including Vision 2040, the Fourth National Development Plan (NDP IV), the Sustainable Development Goals (SDGs), and the Tenfold Growth Strategy. By scaling climate-resilient investments in key sectors such as agriculture, energy, industry, and infrastructure, this Strategy serves as a catalytic tool to drive the structural transformation required to achieve tenfold growth and long-term climate resilience.

The Strategy outlines priority investment areas, guiding principles, institutional arrangements, and implementation pathways to unlock climate finance at scale and improve transparency in its tracking, allocation, and reporting. Cognizant of the complex nature of climate change, this strategy is the result of comprehensive consultations and indeed a collaborative effort, bringing together diverse stakeholders and insights to deliver a nationally owned, gender-responsive policy instrument that is grounded in the realities of our development context.

The Government of Uganda is therefore confident that this Strategy will serve as a cardinal instrument to enhance the coordination, transparency, and impact of climate finance. We call upon all stakeholders to join us in translating this Strategy into action—so that Uganda can not only meet its climate obligations but also deliver on its bold vision for rapid, inclusive, and sustainable economic growth.

For God and My Country

Henry Musasizi - MP
MINISTER OF STATE FOR FINANCE, PLANNING AND ECONOMIC DEVELOPMENT (GENERAL DUTIES}/ ALSO HOLDING PORTFOLIO FOR THE HON. MINISTER OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT

1. Executive Summary

Over the past decade, Uganda has made notable strides in integrating climate change and environmental concerns into its national development agenda. As a signatory of the UNFCCC, and having ratified both the Kyoto Protocol and the Paris Agreement, Uganda is party to several Multilateral Environmental Agreements. In 2015, Uganda submitted its first Intended Nationally Determined Contributions (NDCs), which were ratified in 2016. An updated NDC was submitted in 2022, further strengthening Uganda's commitments to both mitigation and adaptation.

Meeting the updated NDC climate finance need of USD 28.1 billion by 2030 will remain elusive without a clear strategy to unlock both conventional and innovative climate finance at scale and speed. The National Climate Finance Strategy (NCFS) aims to position Uganda to rapidly mobilise and scale up climate finance, leveraging a mix of domestic and international public and private sources to meet both NDC and global commitments. The private sector's role is crucial, offering significant potential for climate finance mobilisation and expanding Uganda's capacity for impactful climate action.

Although climate change disproportionately affects women, men, youth, persons with disabilities, older persons, and other marginalized groups, gender and equity considerations, including roles, needs, and constraints, are often overlooked in climate action planning and implementation.

The NCFS provides guidance to enhance stakeholder coordination, promote good governance, ensure accountability, promote gender equality and equity and establish legal and political ownership at both national and sub-national levels. This will direct resources towards building resilience through a low-carbon development pathway. The strategy does not replace existing policies but complements Uganda's policy framework, including Vision 2040, the National Development Plan, and the National Investment Policy, fostering greater coordination and complementarity among climate financing initiatives.

As Uganda pursues its Vision 2040 goals, aiming for a ten-fold economic expansion by 2030 and middle-income status by 2040, mobilising climate finance becomes critical. Developing a pipeline of investable projects, increasing private sector involvement, and boosting foreign investment are essential steps to achieving these targets.

As countries transition to middle-income status, increased economic activity presents further opportunities to attract climate-aligned investment. Uganda seeks to leverage international partnerships and become a hub for knowledge sharing, collaboration, and best practices in mobilising climate finance.

2. Introduction

2.2 Context and Rationale

2.2.1 International Context

In 2015 at the 21st COP, 196 countries including Uganda adopted the Paris Agreement, establishing a new global framework to address climate change. This agreement aims to limit the increase in global temperatures to below 2°C, with a further target of 1.5°C above pre-industrial levels. Uganda plays an active role in international climate negotiations under the United Nations Framework on Climate Change (UNFCCC) and is a leading proponent of Least Developed Countries' (LDCs) interests. Uganda is committed to contributing to and benefiting from global processes and financing mechanisms designed to support climate action (UNFCCC, 2024). This includes its important role as a 'pioneer' country for the Taskforce on Access to Climate Finance originally convened by the UK COP26 Presidency.

Uganda also participates in other global initiatives and with partnerships aimed at enhancing climate action. These include the Commonwealth Climate Finance Access Hub and the NDC Partnership (NDC Partnership, 2024). Uganda also subscribes to Global Green Growth Institute (GGGI) support to help it develop and implement its green growth strategies and priorities (GGGI, 2024).

To strengthen international engagement and align with global frameworks such as the 1979 Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), Uganda prioritises integrating gender equality and equity into its climate agenda, recognising the disproportionate impact of climate change on vulnerable groups including women, youth, older persons and persons with disabilities (Dazé & Hunter, 2022; FAO, 2024). This approach aligns with the 2030 Agenda and the Paris Agreement, which call for gender-responsive and equitable climate action (UNFCCC, 2016)

The Paris Agreement, preamble, pages 2-3

"Acknowledging that climate change is a common concern of humankind, Parties should, when taking action to address climate change, respect, promote and consider their respective obligations on human rights, the right to health, the rights of Indigenous peoples, local communities, migrants, children, persons with disabilities and people in vulnerable situations and the right to development, as well as gender equality, empowerment of women and intergenerational equity," Uganda is adopting gender-sensitive policies in international climate mechanisms to ensure fair access to climate finance and resilience-building opportunities for vulnerable groups. By integrating inclusive approaches, such as implementing the Public Finance Management Act of 2015, which promotes gender-responsive planning and budgeting, Uganda aims to position itself as a leader in transformative climate action. These efforts enhance equity in climate policies and attract additional funding to advance gender and social inclusion (UNDP, 2021).

2.2.2 Regional Context

The Government of Uganda has taken deliberate steps to strengthen regional collaboration on climate finance, including by initiating semi-annual Technical Dialogues among East African countries. The third such dialogue was held in Uganda in September 2024. This 2nd East Africa Climate Finance Directors' Level Meeting (EACFDLM) (GGGI, 2023), highlighted the region´s acute vulnerability to climate change, which disproportionately affects women, youth and marginalised communities. These regional capacity-building initiatives enable Uganda to exchange knowledge and share gender- and socially inclusive strategies, such as increasing women´s and youth participation in climate finance decision-making with its neighbours, enhancing its readiness for climate finance. As a member of the African Development Bank, Uganda is well-positioned to promote gender inclusivity and encourage regional and cross-boundary projects that expand access to renewable energy and climate-resilient livelihoods for marginalised communities. This supports programmatic approaches that can maximise the impact of climate action and empower vulnerable groups, often most affected by climate change (Dazé, 2020), to lead and benefit from sustainable solutions across borders.

2.2.3 National Context

Over the past decade, Uganda has made significant progress to embed climate change and environmental concerns into its national development agenda priorities. Uganda is a signatory of the UNFCCC, has ratified the Kyoto Protocol and the Paris Agreement, and is party to several Multilateral Environmental Agreements (see *Figure 1 Timeline of Uganda's climate-related policy and strategy development*) Uganda submitted its first Intended Nationally Determined Contributions (NDCs) in October 2015, which became its NDC upon ratification in September 2016. Uganda submitted an updated NDC with a gender action plan in September 2022, strengthening the country's commitment to gender-responsive mitigation and adaptation. Uganda's NDC helps to frame the ambition of Uganda's national policies and frameworks alongside its Vision 2040.

Vision 2040 sets targets to develop and implement adaptation and mitigation strategies that are nationally appropriate and build the country's resilience to climate change impacts, focusing on ensuring the inclusion of vulnerable populations, including women, youth, older persons, persons with disabilities (PWDs), refugees and marginalised communities in resilience-building efforts.

Vision 2040 aligns with the EAC Vision 2050, African Agenda 2063, and the UN Sustainable Development Goals. Through Vision 2040, the government has committed to developing legal, policy and institutional frameworks that strengthen coordination systems at both the national and local levels, promote gender equality and equity in access to opportunities and resources, as well as building the capacity of local governance and decision-making bodies. Through Vision 2040, the government commits to reducing gender inequalities and supporting vulnerable groups as essential to accelerating and sustaining socio-economic transformation (Uganda Vision 2040, 2013).

Vision 2040 also commits to unlock climate finance through strengthened engagement with development partners, improved ability to leverage of international arrangements, and enhanced access to global climate change funding mechanisms. This includes aligning with donor gender equality and social inclusion policies and integrating gender- and equity-responsive budgeting to ensure fair resource allocation.

List of Recognised Vulnerable Populations in Uganda

- Disadvantaged women (poor and landless)
- Disadvantaged youth
- Female-headed households, Widows and widowers
- Child-headed households
- Persons with disabilities (PWDs)
- The older persons
- Orphans & other vulnerable children (OVCs)
- Ethnic minorities
- People in rural areas and disadvantaged regions
- Refugees
- Persons living with or affected by HIV/AIDS

Adopted from the 2015/16 EOC report on the state of equal opportunities in Uganda (EOC & UN Women, 2017)

Some key donor gender and social inclusion policies include the Gender Integration Guidance Note for Climate Investment Fund (CIF) Projects, the Green Climate Fund (GCF) Gender Policy, the Global Environment Facility (GEF) Policy on Gender Equality, and the updated Adaptation Fund Gender Policy and Gender Action Plan.

The third National Development Plan (NDPIII) 2020/21 – 2024/25 aims to operationalise the Uganda Vision 2040 through building a resilient economy along a low carbon development pathway. In addition to the updated NDC, other policy and strategic frameworks relevant to efforts to mobilising climate finance include the National Biodiversity Strategy and Action Plan (NBSAP), and the Uganda Green Growth Development Strategy (UGGDS).

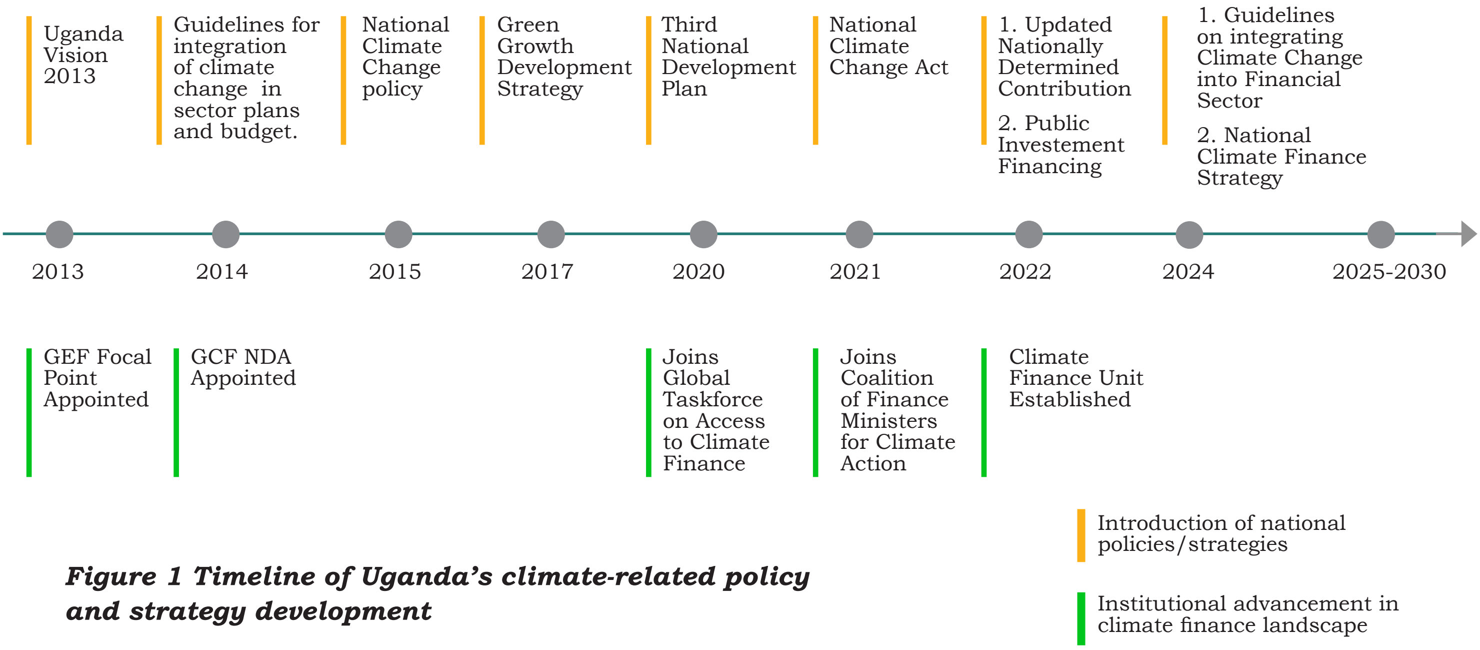


Figure 1 Timeline of Uganda's climate-related policy and strategy development

The UGGDS is a multi-sectoral strategy to guide inclusive, low-emissions economic growth by facilitating effective and efficient use of natural, human, and financial capital, ensuring that natural assets continue to provide for present and future generations. One of the guiding principles of the UGGDS is social inclusion and just transitions that address inequalities and imbalances. It focuses on five catalytic investment areas empirically proven to have the highest green economy potential and economy-wide multiplier effect. These are: sustainable agriculture, natural capital management, green cities, green transport, and sustainable energy (Uganda National Planning Authority, 2017).

As the country races towards achieving a ten-fold expansion of its economy by 2030 and aims to realise higher middle income status by 2040, the need to implement deliberate strategies to access climate financing mechanisms and mobilise climate finance nationally and internationally, is becoming inevitable. This includes adopting gender-sensitive and socially inclusive approaches to ensure equitable access, participation and benefit-sharing for all vulnerable groups. On the demand side, there is a need to develop a pipeline of investable projects that prioritise gender-responsive solutions and inclusive development goals, fostering greater private sector involvement and increasing foreign investment flows that address the needs of vulnerable populations

This Strategy is designed to provide decision-makers with a framework to guide efforts to systematically prioritise, plan, and implement actions that will help Ugandan stakeholders to tackle climate and nature-related priorities, safeguard development gains, and achieve sustainable economic growth. By integrating gender equality and equity principles, it ensures inclusive and equitable participation in planning, decision-making, and implementation. By improving conditions for mobilising finance for mitigation and adaptation activities, this Strategy also aims to limit the loss, damage, and negative economic impacts of climate change by increasing Uganda's resilience to impacts, and ability to recover quickly when climate change impacts occur. Resilience-building efforts should prioritise those most affected by climate change, including rural women, the urban poor, the disadvantaged youth, persons with disabilities, and the marginalised communities.

Furthermore, as countries shift into middle-income status, their enhanced economic activity provides further opportunity to attract climate-aligned investment from a growing number of public and private climate finance providers and actors. Uganda can create an equitable foundation for sustainable development by ensuring inclusivity in these investments, positioning itself as a regional hub for gender-responsive and socially inclusive climate finance innovations. Uganda aims to continue its leverage of international partnerships and become a hub for learning about international climate partnerships, innovative collaboration, and best practices for mobilising climate finance.


Climate Action. Image by Enrique from Pixabay

2.3 Progress in Climate Finance Mobilisation and Deployment.

Success mobilising resources from the global climate funds

Uganda has made significant progress in mobilising financial resources from key global climate funds. Adaptation projects have been prioritised covering agriculture forestry and other land uses (AFOLU), energy, and waste, with a dedicated focus on increasing the climate resilience of vulnerable communities. Despite broad stakeholder recognition of the importance of gender equality and equity mainstreaming and the gender balance in climate adaptation efforts, a significant gap persists between commitments and implementation, particularly in addressing deeply entrenched social norms (Acosta et al., 2021; Fölscher & Njungi, 2021; GGGI, 2021).

From 2000-2021, the Ugandan Development Bank (UDB) estimated that a total of 2,303 climate change related projects were initiated in Uganda, mobilising estimated climate finance commitments of around USD 4.785 billion from international sources (UDB, 2024)[1]. However, previous assessments reveal that while over half of donor-funded adaptation projects report gender co-targets, 43% of adaptation finance fails to address gender equality. Most projects remain gender-sensitive rather than gender-responsive, lacking comprehensive gender analysis to inform their overall goals and targets(CARE, 2020). To progress efforts further, Uganda has prioritised work to build system to tag public budget allocations and track international commitments and disbursements. Uganda could leverage this opportunity to enhance the budget tagging system by incorporating gender equality and equity indicators, enabling double tagging to track how much climate finance benefits the most vulnerable groups and communities. While this is being finalised (see section below) it is estimated that a substantial portion of mobilised financing supported initiatives such as the AfDb Kampala Road Rehabilitation Project (USD 288m) (KCCA, 2024)and the GCF Forest Investment Programme (USD 178m) (GCF, 2024). To date, successes mobilizing global climate change funds include:

Green Climate Fund (GCF).

A key objective of the GCF is to facilitate countries' direct access to GCF resources, in line with country-owned proposals. Gender mainstreaming is a core principle and requirement in the GCF funding decisions, ensuring climate finance actively promotes gender equality and social inclusion (GCF & UN Women, 2017). To date Uganda has received USD 100.8m from the Green Climate Fund (GCF) to support more than 13 projects. Of this about USD 4.6m was Readiness support, which aims to support the development of

[1] The OECD puts the global allocation of Official Development Assistance (ODA) to climate finance at 32.9% (OECD, 2024)

enabling environments and capacity to underpin climate change action. Many of these GCF projects are implemented in association with the United Nations Development Programme (UNDP). The Ministry of Finance, Planning and Economic Development (MoFPED) serves as Uganda's National Designated Authority (NDA) to the GCF and serves as the interface between Uganda and the fund. The Ministry of Water and Environment (MoWE) is accredited for direct access (GCF, 2024).

Global Environment Facility (GEF).

The Ugandan government has worked closely with the GEF to secure USD 11.5 m in the 8th replenishment period for the Facility. Projects have focused on low-carbon and climate-resilient livestock value chains, energy for rural transformation, building climate resilience in the water and sanitation sectors, and reducing the climate vulnerability of rural communities (GEF, 2024). Gender and social inclusion are core criteria and requirements across all GEF investments (GEF, 2014; GEF IEO, 2018).

Climate Investment Funds (CIF).

The CIF's investments in Uganda derive from the Scaling up Renewable Energy Program (SREP), the Clean Technology Fund (CTF), the Pilot Program for Climate Resilience (PPCR), and the Forest Investment Program (FIP). In total the CIF has approved USD 30.3m for projects in Uganda which are expected to leverage a further USD 87m of co-financing from Multilateral Development Banks (MDBs) (57%) and the private sector (43%) (CIF, 2024). CIF prioritises gender equality across its programmes, recognising the unique perspectives women bring to climate finance and decision-making. It ensures gender considerations are integrated into project design and implementation for more effective and inclusive climate action (CIF, 2022; Wong-Perez et al., 2023).

Adaptation Fund (AF).

Three AF projects are underway in Uganda with a value of around USD7m. They are focused on enhancing communities' resilience to climate change through catchment-based integrated management of water and related resources, enhancing community adaptation to climate change through climate-resilient flood early warning, catchment management and wash technologies, and a technical assistance grant for the development of an Environmental and Social Policy (ESP) and a gender policy (Adaptation Fund, 2024). Gender mainstreaming is a core requirement of Adaptation Fund financing. It emphasises an intersectional approach to addressing gender-related vulnerabilities throughout the project cycle. This ensures equitable participation and benefits for women and other vulnerable groups in climate adaptation initiatives (Adaptation Fund, 2022).

Successful partnerships with bilateral donors and International Finance Institutions

Uganda has established close partnerships with bilateral donors and international development finance institutions (DFIs). The majority of the USD 4.74 bn in climate finance committed between 2001-2021 came from bilateral donors. 64.7% (circa USD3.6 bn) of this amount was provided as grants and 35% as debt. The total was almost balanced between adaptation (52%) and mitigation projects (48%). Among Uganda's bilateral partnerships, the UK Government-funded Climate Finance Accelerator funds a GBP 12.5m technical assistance programme aiming to connect project developers, finance providers, and policymakers to enable a collaborative approach to unlocking financing for climate projects (ICF, 2024). Uganda has also worked with DFIs such as the European Investment Bank, which has provided Uganda with early-stage project preparation support from its City Climate Finance Gap Fund (EIB, 2024) and with the World Bank.

However, assessments of climate adaptation finance in Uganda reveal while many projects are gender-sensitive and target women and children, gaps remain in implementation (CARE, 2020). Most lack robust gender analysis and adequate funding to address systemic inequalities, such as discriminatory norms, limited resource access, unequal labour roles, and women´s restricted decision-making power. To optimise impact, Uganda must strengthen gender-responsive project design, base funding decisions on thorough gender analysis, and invest in Programmes that address structural barriers to gender equality.

Active member of the global and regional climate finance initiatives.

Uganda is actively engaged with global climate finance initiatives aimed at building political and technical support for mobilising climate finance. Uganda is a pioneer member of the Global Taskforce on Access to Climate Finance, a joint initiative established by the UK COP26 Presidency alongside Fiji. The Taskforce convenes key climate-vulnerable developing countries, bilateral and multilateral climate finance providers, dedicated climate funds, and other relevant organisations who are committed to piloting new approaches to improve access to and use of climate finance. Uganda is also exercising leadership regionally and the MoFPED established the East African Climate Finance meetings in February 2023, hosting the inaugural series in Kampala. Underscoring Uganda's prioritisation of the climate finance agenda, the Climate Finance Unit (CFU) within MoFPED was established in 2023 and is supported through a three-year partnership between the UK, MoFPED, and the Global Green Growth Institute (Taskforce on Access to Climate Finance Secretariat, 2023). Uganda is committed to working strategically across partnerships to improve the quality and quantity of climate finance invested from a range of sources to achieve a more prosperous, climate resilient future.

Creation of the Climate Finance Unit (CFU).

Uganda has focused on institutionalising climate finance by optimising the role of the Ministry of Finance, Planning and Economic Development (MoFPED) to prioritise climate finance and unlock private sector finance in supporting the NDCs and NDP implementation. Uganda has leveraged membership to the Coalition of Finance Ministers for Climate Action to further galvanise the role of the MoFPED in climate finance for greater climate action impact.

Actions have included the establishment of the CFU within MoFPED, which aims to establish the institutional frameworks, coordination mechanisms, and tracking tools needed to manage and mobilise domestic and international climate finance, particularly for vulnerable groups, including women, ethnic communities and persons with disabilities in support of Uganda's development prospects climate plans and priorities. The CFU will apply gender-responsive budgeting and the gender and equity appraisals of climate proposals to ensure climate finance addresses inequalities and strengthens resilience for vulnerable populations. The CFU is mandated to mobilise resources for climate investments through coordinating climate finance efforts and leading key initiatives; a full summary of its mandate and roles is provided in (Taskforce on Access to Climate Finance Secretariat, 2023). Launched a Climate Finance Facility to accelerate private sector investment in climate-resilient and carbon-neutral projects

The Climate Finance Facility has been created within the Ugandan Development Bank (UDB) to mobilise capital from domestic and external sources and private and public entities. The Bank will lead, arrange, and structure concessional loans and equity transactions to facilitate private sector investments green innovations, technologies, and markets. The provision of financial instruments designed to reduce costs and risks that private actors cannot cover aims to generate a pipeline of deal syndications and attract co-investments in diverse sectors and activities. With an initial commitment of USD 13.6m[2], the facility's capitalisation is expected to grow with partner support (UDB, 2024). The Facility has also introduced targeted special programmes such as, Kazi Loans, Women Prosper Loans, and Youth Step-Up Loans, to provide SMEs, women, and youth with affordable financing and business support to strengthen their resilience to shocks.

Advancements in Developing the Green Taxonomy.

The CFU has completed the first draft of a Green Taxonomy to ensure investment is directed towards climate-related activities. The strategy aims to align investments with national climate change priorities, promote green investments, and clarify what constitutes a green investment to prevent "greenwashing." To ensure effective implementation of the Green Taxonomy, the CFU must also develop comprehensive implementation guidelines, embed green taxonomy criteria into policies and regulations, and strengthen regulatory compliance with the taxonomy through the roll-out of standards and measures such as Green Building Codes and Energy Efficiency Strategies. The green taxonomy should incorporate gender equality and equity to address the specific vulnerabilities of women, youth, people with disabilities and marginalised communities. These groups often face barriers to accessing climate finance and green jobs, limiting their role in the green economy (Patel et al., 2023; UNDP, 2019). Integrating

[2] UGX 50bn, rate used 1 UGX = USD 0.000271591 (30.09.2024)

gender-responsive criteria such as applying the Gender and Equity Climate Checklist, tracking and scoring gender-responsive actions, and prioritising women- and youth-led green enterprises, will promote inclusivity. Climate investments should also address socio-norm barriers, including limited land rights, restricted decision-making power, limited access to finance (FAO, 2024; UN Women, 2016). Aligning green investments with gender equality and equity budgeting will strengthen Uganda's climate finance system, making it more inclusive, transparent, and effective.

Enhanced tracking, monitoring, evaluation and reporting on climate finance.

Comprehensive data on the impact of these programmes remains limited. The new tagging system will provide a robust evidence base for monitoring the flow and impact of climate finance. To ensure greater transparency and accountability to social-economic transformation, Uganda´s enhanced tracking system needs to monitor climate finance allocations for gender equality and equity by collecting gender-sex and age disaggregated data on.

Systematic tracking of gender and climate trends supports evidence-based decision-making, aligns with gender-responsive climate goals, and establishes a foundation for adequate funding of gender-responsive interventions (CABRI, 2022). This evidence-driven approach will improve Uganda's capacity to evaluate and prioritise funding, ensuring resources reach those most impacted by climate change. This would help identify financing gaps and target to mobilise financing from diverse to implement future gender-responsive climate projects.

Climate Change Budget Tagging (created Tags/Codes – need to finalise, upscale, train).

The CFU developed a climate change budget tagging mechanism and is gradually piloting it for the FY23/24 budget. From 2025 sectoral Ministries will be trained and build capacity to use the tagging methodology to inform a reliable estimate of government resources allocated toward climate action (CFU, Senior Climate Finance Officer, 2024). As tagging is still in its early stages, embedding gender equality would enable the government to track gender gaps in climate finance, realign resources effectively, and increase gender commitment and accountability in the NDC. This would enhance the impact of climate finance and support government compliance with Article 7.5 of the Paris Agreement, which calls for a transparent, science-based approach that considers vulnerable groups and communities (CABRI, 2022; Patel et al., 2021).

Climate Finance Dashboard

The Climate Finance Dashboard presents cumulative data on the pledges, deposits, loans and project approvals and expenditures for climate finance. Government departments will require training to implement the Dashboard.

2.4 Uganda's Climate Finance Needs and Trends

2.4.1 Climate Finance Needs

Climate change poses a substantial barrier to Uganda's efforts to achieve its sustainable and socio-economic development. If left unaddressed, the country could face annual losses of USD 3.2–5.9 billion, with critical sectors bearing the brunt. This will have a negative impact, particularly on people who face discrimination based on their gender, race, age, wealth, disabilities and socio-economic factors (Bueno Rubial et al., 2024). Over the period from 2010 to 2050, the cumulative cost of climate change impacts is projected to reach between USD 273 and 437 billion, while the total funding required to address these impacts is estimated at USD 3.9 billion, or around USD 258 million annually (MoWE, 2015) (MoWE, 2022).

Uganda's updated NDC sets out its financial demands for implementing climate adaptation and mitigation measures from 2022 to 2030, amounting to approximately USD 28.1 billion (CFU, 2024). Adaptation costs are estimated at USD 17.7 billion, of which 14% are unconditional and will be funded domestically, while the remaining 86% is conditional on international support. For mitigation costs, which are estimated at USD 10.3 billion, 15% are unconditional, and 85% are conditional (MoWE, 2022). This funding will be split across the five priority sectors highlighted in the NDC, namely AFOLU, Energy, Transport, Waste, and Industrial Processes and Product Use. Uganda's NDC does not provide a breakdown of climate finance needs nor explicitly offer details on how the climate finance flow will reach the most vulnerable groups for each of the five key sectors.

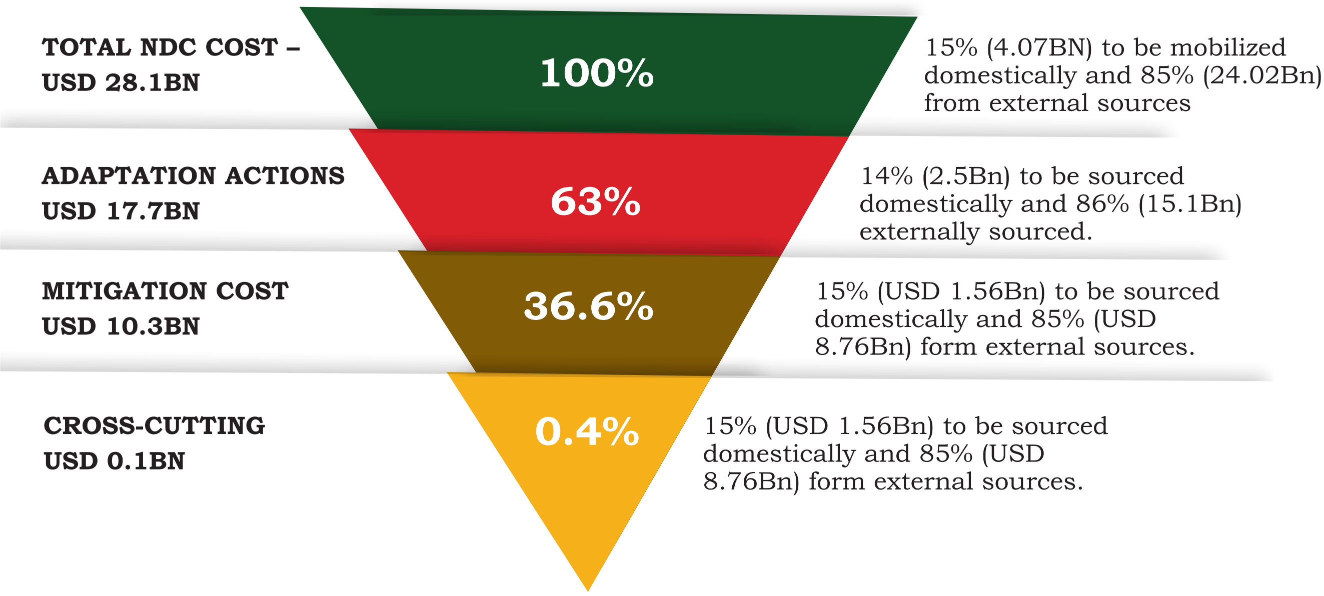


Figure 2: Uganda's climate finance needs (CFU, Interview with CFU, 2024)

While public sector funding from development partners and climate funds will play a crucial role in reaching conditional targets, scaling up climate investment will depend on actively involving the private sector and attracting significant private capital through mechanisms such as equity, loans, and project financing across all climate-related sectors (Climate Analytics Africa, 2024). This will also depend on how well the communities are mobilised and the voices of the most vulnerable populations included. Uganda recognises that success unlocking these investments will rest on how it uses national resources, supplemented by international public flows, to set policy signals and incentives, and facilitate partnerships that are aligned with and effectively serve Uganda's objectives. Uganda´s climate finance strategy will ensure equitable access to climate funds through tailored economic empowerment initiatives, including gender-responsive climate-smart agriculture grants, enhanced financial inclusion programs, and entrepreneurship support for women, youth, and marginalised communities. Uganda will prioritise gender-responsive budgeting to ensure gender analysis and institutional gender-climate budget tagging directly inform climate financial needs. Uganda will integrate international climate finance principles into the public finance management framework, ensuring that mobilisation, allocation, spending, and reporting on climate finances are gender-responsive and institutionalised across all spending sectors. The approach will include setting clear gender-disaggregated targets across all climate finance streams, ensuring at least 30% of climate investments benefit women-led initiatives, applying the gender equality and equity project checklist tool, establishing accountability frameworks with performance-based indicators, and increasing financing for women-led climate resilience initiatives. Uganda will promote gender-inclusive climate governance by involving women, youth, and marginalised communities in climate finance decision-making, oversight, and implementation.

2.4.2 Climate Finance Gaps and Trends

The lack of effective budget tagging has made it difficult to quantify climate finance in Uganda accurately to date. However, evidence (as outlined below) indicates a significant funding gap. The following sections provide a breakdown of funding from domestic public spending, international climate finance, and the private sector

2.4.2.1 Domestic Public Spending

Public spending is crucial to support Uganda's efforts to meet its climate targets, accounting for an estimated 15% of the financial needs outlined in the updated NDC (World Bank, 2024). The National Budget Framework Paper for 2023/2024 puts allocations to the Natural Resources, Environment, Climate Change, Land and Water Management Programme at USD 148.5 million[3], of which USD 75.8 m is domestic funding (UDB, 2024). As outlined in the Public Finance Management Act (2015), ensuring the equitable distribution of resources is crucial and mandatory for all public spending (MoFPED, 2022). The Gender and Equity Budgeting tool ensures that climate action addresses the needs of vulnerable groups and communities at every stage, from planning to implementation and oversight.

The Resource Mobilisation Plan for the updated NDC estimated Uganda's annual public domestic expenditure on priority NDC Adaptation and Mitigation actions. The estimated annual public domestic climate change-relevant expenditure was USD 56.989 Million, with an Outturn Expenditure of USD 28.494 Million in 2020 (Republic of Uganda, 2022). This puts the estimated actual annual public domestic expenditure for Adaptation Actions at USD 17.01 Million and USD 11.4 Million for Mitigation Actions[4], a fraction of the USD 12.4 bn allocated in the domestic budget for that year (CEPA, 2020).The fact that Uganda's updated NDC does not clarify estimated annual domestic public spending targets for climate adaptation and mitigation means that it is challenging to estimate the current domestic funding gap. Although the updated NDC includes gender analysis and commits to mainstreaming gender in implementation (MWE, 2022), it lacks specific funding estimates for gender and equity. It highlights inequalities in agriculture, energy, and waste, such as limited land rights, exclusion from decision-making, and poor access to adaptation technologies, but offers no concrete actions to address them. Without targeted financing, addressing climate challenges faced by vulnerable groups remains difficult, increasing social and economic costs (FAO, 2024).

2.4.2.2 National-level Mechanisms

There are a number of national-level mechanisms that contribute to mobilising and channelling climate finance including the National Environment Fund (NEF); the Wildlife Fund; the Bwindi and Mgahinga Conservation Trust; the Agricultural Business Initiative (aBi) Trust; the Road Fund; the Uganda Energy Credit Capitalisation Company; the Agricultural Credit Facility; the Yield Uganda fund; the Uganda Biodiversity Fund and ECOTRUST (ACODE, 2020).

2.4.2.3 International Development Community

The National Budget Framework Paper for 2023/2024 puts allocations to the Natural Resources, Environment, Climate Change, Land and Water Management Programme at USD 148.6 m[5], of which USD 75.8 m is from external

[3] Rate used 1 UGX = 0.000271591 USD as of 30.09.2024
[4] The nominal GDP of 2020, USD 37.37 Billion was used. The year 2020 was selected because it has been used as a baseline year for several sectoral targets in the updated NDC.
[5] UGX 547bn

sources (UDB, 2024). International mechanisms include the GCF (USD 100.6 m across 13 projects), the GEF (USD 287 m across 40 national and regional projects), the Least Developed Countries Fund, and the Adaptation Fund (USD 7.75 m spent on enhancing flood and landslide resilience in three communities), along with grants and concessional loans. These investments have been directed toward both mitigation and adaptation projects, including ecosystem conservation, renewable energy funding, and enhancing resilience in agriculture, water, and sanitation sectors (Climate Analytics Africa, 2024).

Most international donors recognise gender equality and equity as essential in climate finance. However, a 2020 study on Uganda's adaptation funding found that 43% of adaptation finance lacks gender integration, with many projects missing a gender analysis (CARE, 2020). As a result, climate action often overlooks the most vulnerable.

Researchers shows that climate adaptation efforts often reduce gender to a focus on men and women, ignoring the needs of youth, ethnic communities, and persons with disabilities (Acosta et al., 2019, 2020; Ampaire et al., 2017). Many projects fail to address the structural inequalities, including women's land rights, participation in decision-making, labour constraints, unpaid care work and access to adaptation technologies(UNDP, 2019; Wong-Perez et al., 2023). These gaps undermine climate interventions, particularly in agriculture and water management, where considering gender is crucial for strengthening resilience (FAO, 2024; UNDP, 2019).

Despite these gender gaps, Uganda continues to receive significant international climate finance. In 2021, 2022, and 2023, Uganda secured USD 447.4 million, USD 423.9 million, and USD 272.6 million, respectively, in climate finance (Ministry of FInance, Planning and Economic Development , 2024) as shown in Figure 3 Externally mobilised Climate Finance (USD Millions) 2021-2023. The reasons for the decrease in climate finance in 2023 have been attributed to financial constraints from development partners that emanate from global challenges such as the Covid-19 pandemic and the Ukrainian war (CPI, 2023). In addition, it was also noted that there are several private initiatives which are underway which are difficult to quantify (CPI, 2023). Finally, the general global climate finance trend has seen a shift in 2023 in climate financing from adaptation projects to mitigation projects while Uganda's climate finance is mainly towards adaptation project(MoFPED, 2024). Nonetheless, maintaining a focus on adaptation is essential for building resilience against climate impacts that disproportionately affect vulnerable groups. Climate finance projections for the 2024 to 2025 financial year cumulatively is USD 500million (Ministry of FInance, Planning and Economic Development , 2024). Ensuring that this funding incorporates gender-transformative climate finance approaches will be crucial to enhancing climate resilience for vulnerable communities.

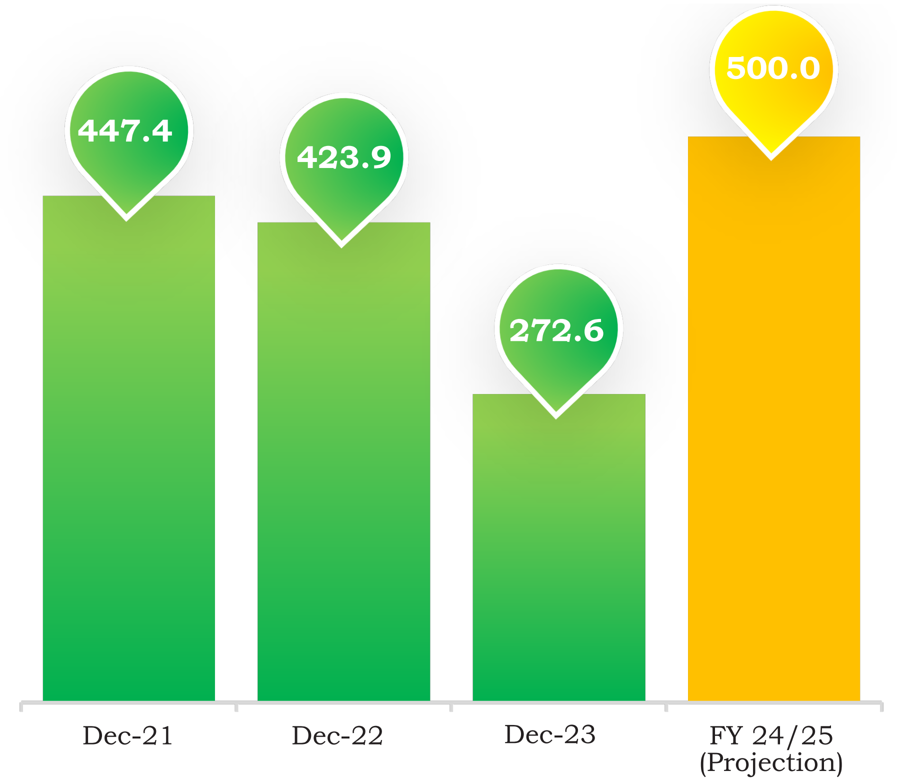


Figure 3 Externally mobilised Climate Finance (USD Millions) 2021-2023

2.4.2.4 Private Sector

Contributions to climate funding from the private sector remain limited, representing just 3.4%, or USD 26.5 million annually (World Bank, 2024). This encompasses foreign direct investment (FDI), revenues from domestic private investments, and funds raised locally through group savings, individual savings, and institutional savings such as pension funds—specifically the National Social Security Fund (NSSF3). Additional funding is mobilised through commercial bank-managed funds, savings and credit cooperatives, capital markets, insurance companies, and corporate organisations. Some private financing is also raised through development banks and similar organisations offering grants for public investment, innovations in sustainable development and/or concessional grants (MoFPED, 2023).

Private sector contributions to climate finance in Uganda include flows through both the regulated and voluntary carbon markets. Historically, the regulated market has operated under the Clean Development Mechanism (CDM) of the Kyoto Protocol, while the voluntary market has functioned independently; both markets are now set to transition under Article 6 of the Paris Agreement (MoFPED, 2023).

Uganda's CDM portfolio consists of 189 registered activities, which include 19 standalone projects and nine Programmes of Activities (PoAs) encompassing 170 Carbon Project

Activities (CPAs). Additionally, the country has 101 active initiatives within the Voluntary Carbon Market (VCM), which currently generates most of its carbon credits. These VCM projects are primarily focused on energy efficiency, particularly through improved cookstove initiatives, alongside biogas and forestry projects, which were not covered under the CDM framework (Eastern Africa Alliance On Carbon Markets and Climate Finance, 2022). However, the lack of gender-disaggregated data in gender impacts in carbon markets highlights the need for more inclusive approaches to ensure that women, youth, and vulnerable groups benefit equally (ADB, 2023). While improved cookstove initiatives reduce time burdens on women spent collecting firewood and minimising exposure to harmful indoor air pollution (IEA, 2023; MEMD, 2023). However, empowering women and other vulnerable groups, such as people with disabilities, through access to finance and markets is vital for ensuring equality of opportunities in carbon markets.

Additionally, the private sector is investing in clean technologies in Uganda. In 2016/17, the private sector invested over 70% of the total financing for Uganda's renewable energy sector, which was estimated at $3.1 billion (NORAD, 2018). There is evidence that this total figure has increased over the implementation timeline of the Global Energy Transfer Feed-in Tariff (GET-FiT) programme (2013-present), which has promoted an enabling environment for private investment in renewable energy through improvements in the Renewable Energy Feed-In Tariff system and its application (KfW, 2024). However, there is little data on whether climate funds support women's access to renewable energy jobs, business opportunities, or off-grid solutions. A gender analysis of Uganda´s updated NDC reveals a male-dominated energy sector, with women mostly in informal, small-scale biomass roles like briquette-making, limiting their access to higher-level positions and opportunities in sectors like solar energy (UNDP, 2019). Addressing technical, financial, and social barriers to women-led clean energy initiatives is key to improving equitable access to climate finance(ADB, 2023; Patel et al., 2023; Wong-Perez et al., 2023).

Although there are examples of private sector inflows into climate finance such as the carbon markets and clean technologies, their participation is still relatively low. Reasons for this have been attributed to Uganda's small and illiquid capital markets, and to the cost of capital and short-term credit rates which create cost barriers that impede access climate finance, especially by micro, small and medium enterprises (MSMEs), owned by women, youth, and vulnerable groups. Women-led businesses face greater barriers due to limited collateral and financial exclusion (Patel et al., 2023; Wong-Perez et al., 2023). Strengthening gender-responsive financial mechanisms, such as tailored loan products such as The Generating Growth Opportunities and Productivity for Women Enterprises (GROW) programme, the Uganda Women Entrepreneurship Programme

(UWEP), the Parish Development Model targeting the most vulnerable communities and investment incentives for women-owned green enterprises such as the UDB Climate Finance Facility special Programms can help overcome these barriers and improve women´s to climate finance.

2.4.2.5 Climate Finance Gap

Uganda's updated NDC states a total financial demand of USD 28.1 billion for the implementation of its actions over a period of eight years (2022-2030) (CFU, 2024). Until Uganda's budget tagging system is fully implemented, it is only possible to estimate the scale of the climate finance gap by referring to the above information. Moreover, tracking whether climate finance aligns with gender equality and equity budgeting remains challenging. Yet, these elements are essential to ensure that women, youth, persons with disabilities, and marginalised communities benefit from climate investments (MoFPED, 2022).

The estimated USD 400–500 million annual financing gap inclusive of domestic, international, and private finance, not only affects Uganda's ability to meet its NDC targets but also limits investments in gender-responsive climate solutions. Insufficient funding reduces support for women-led adaptation initiatives, gender equality and equity initiatives such as gender-sensitive renewable energy projects, and climate resilience programs for marginalised communities. Without targeted efforts to close this gap, gender disparities in climate finance allocation may persist, limiting the effectiveness of Uganda's climate action strategies.


An aerial view of a traditional Manyatta settlement in Karamoja, Uganda

2.5 The Role of Climate Finance - Domestic vs International

2.5.1 The Global Policy Context

Even within the UNFCCC there is no internationally agreed definition of "climate finance"[6]. The UNFCCC Standing Committee on Finance defines it as 'financial resources and instruments that support actions to address climate change: reducing emissions, increasing greenhouse gas sinks, reducing vulnerability of human and ecological systems, and increasing resilience of human and ecological systems. There is a consensus that climate finance can originate from domestic and international, public and private sources. The upcoming publication of Uganda's Green Taxonomy will provide clarification on the country's definition of "*climate finance*"

Implementing climate action requires a shift away from business-as-usual approaches inclined to using natural resources to produce food and energy which have resulted in damaging emissions and pollution, resource depletion and environmental degradation. In rich countries and emerging economies, new, less harmful approaches to producing food and fuel for economic development have been developed with investments of climate finance to fund research and develop new technologies and business models, pilot and test options, build markets, and develop partnerships and capacity. Even when tried and tested innovations are available in low and low-middle income countries, prohibitive costs and/or unfamiliarity can act as barriers to mobilization. Risk – real and perceived is the most important barrier to mobilising climate finance, and where investors can manage risks and balance costs and returns, investment will follow. Financial institutions often consider women entrepreneurs, youth-run businesses, and vulnerable communities to be high-risk borrowers, limiting their access to climate finance. Although both adaptation and mitigation require funding, climate finance will only be effective if financial instruments are accessible and inclusive.

Despite existing gender frameworks, only 1–3% of global climate finance between 2017 and 2018 supported gender equality and equity (FAO, 2024; Soanes et al., 2021), highlighting a gap between policy and implementation (CABRI, 2022). Addressing gender and social inequalities is essential for equitable and effective climate action.

[6] The scope of the National Climate Finance Strategy does not focus on the finance related to climate-related disaster emergency response. This area is covered under the National Disaster Risk Finance Strategy that is currently being developed.

2.5.2 Different Actors have Distinctive Roles and Use Diverse Instruments

Domestic and international providers of climate finance (with vast majority of the finance coming from international concessional sources) have a distinctive role in tackling risks and barriers to mobilising climate finance. In the context of Sub-Saharan developing countries, Climate Policy Initiative reports that in 2021/22 (Climate Policy Initiative, 2023) international sources made up 92% of total climate finance flows. This statistic speaks to the role of international public finance in addressing underserved sectors such as AFOLU, which produces food and supports the livelihoods of hundreds of millions of poor people, particularly women and youth, who often face systemic barriers, including limited access to credit, lack of land ownership (which restricts collateral for loans), and exclusion from formal financial systems (UNDP, 2019). It also speaks to the role of international climate finance grants in supporting the adaptation needs of poor and vulnerable countries whose public budgets are already stretched and often heavily indebted.

In this context, domestic climate finance plays an essential role tackling the most urgent needs and providing basic services. Domestic finance is also critical in setting clear policy signals by, for example, demonstrating national commitments to prioritising gender-responsive climate action and integration of gender equality and equity-responsive budgeting. International public climate finance should complement domestic public efforts by supporting the development of institutional and human capacity, as well as well-functioning enabling environments and access to markets for all, including women and vulnerable populations. Multilateral and development finance institutions (DFIs) and climate funds such as the GCF, play critical roles as intermediaries using their broad suite of financial instruments, and deep experience working with local actors in sectors ranging from energy, transport, industry, and agriculture, buildings, and infrastructure.

There is heavy competition to access limited international public climate finance resources, so it is important that Uganda prioritise which instruments and sources to target, and when, to tackle specific costs and barriers that the private sector will not bear and which it cannot afford to close on its own.

Both international and domestic sources of climate finance may be delivered as grants, equity, and debt via a range of innovative instruments that can be structured to address specific **viability gaps that unaddressed, impede investment**. These viability gaps are illustrated in figure 4 International climate finance can powerfully complement domestic approaches and instruments alongside suggestions of the kinds of instruments that are regularly mobilised to close them. On the left side of the figure, a range of financial instruments and incentives are available to **lower costs** and make investments affordable and therefore viable. All lie within the remit of the MoFPED to deliver directly (e.g. tax breaks) or indirectly through policy signals and instruments. If national resources are insufficient, public international finance can cover, or offset costs by providing e.g., investment grants, grants to pay for credit lines, foregone taxes etc, and concessional loans.

On the right side of Figure 2, a range of public policy and financial instruments are also illustrated to **provide income streams and revenue floors.** International public investment can similarly, be called on to help governments cover the costs of providing adequate price signals to unlock investment. The following section considers some of these with particular regard to Uganda.

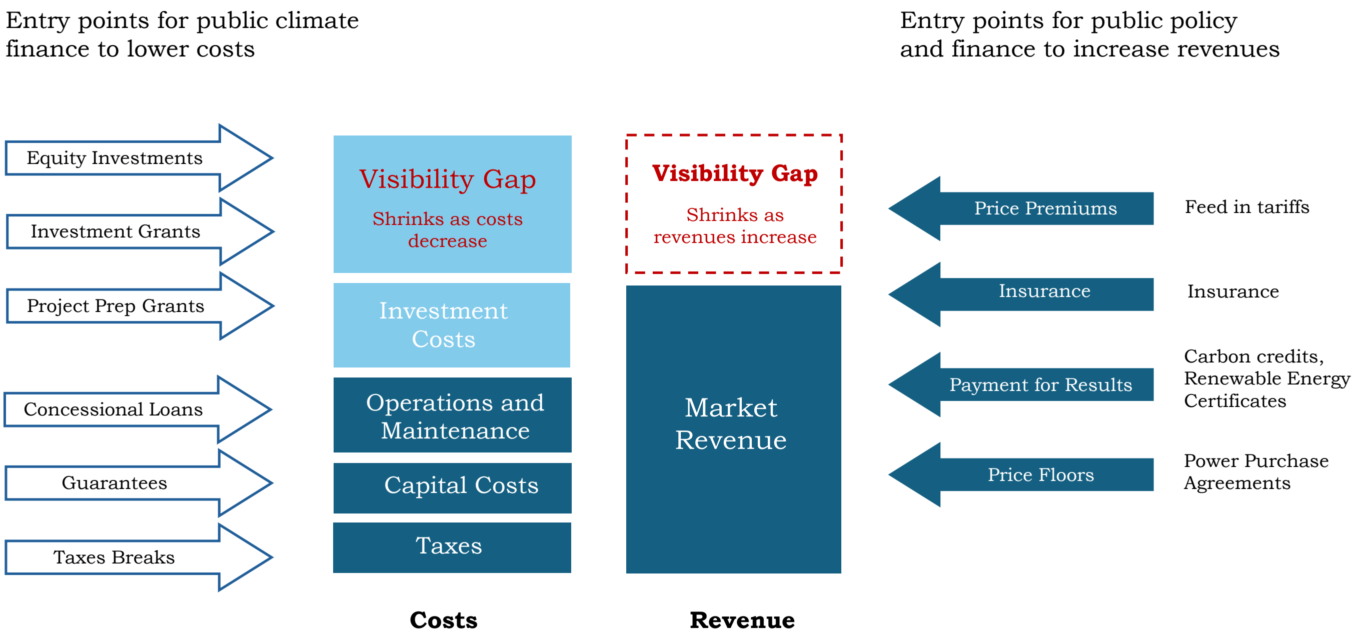


Figure 4 International climate finance can powerfully complement domestic approaches and instruments.

2.6 Exploring the Design and Launch of New Climate-Related Financing Instruments.

While Uganda has access to various financial instruments, not all are appropriate for supporting its climate and nature objectives. Selecting the right instruments requires a thorough evaluation of Uganda's macroeconomic environment, fiscal sustainability, and impacts on local livelihoods while ensuring alignment with the country's priority areas outlined in its NDCs and National Development Plans (NDPs). This section draws from key strategic documents, reports, and earlier analyses to highlight the critical factors that influence the suitability of each financial mechanism. The analysis establishes a set of criteria tailored specifically to assess the appropriateness of each instrument for Uganda's unique context in Appendix 0 and details those instruments identified as most relevant. The criteria include appropriateness for Uganda's development and climate objectives, the enabling environment including the fiscal sustainability to support the instrument and availability of frameworks, expediency and costs associated with the establishment of the instrument and relevant timelines for development and implementation of the instrument.

Accordingly, based on the assessment and key information from stakeholder engagement a list of recommended climate financing instruments for Uganda has been identified in Box 1 – Recommended Potential Financing Instruments with a high-level explanation as to their selection in addition to the analysis in Appendix 0. It is important to recognise that, due to the diversity in initiatives in which climate finance investment is needed, there is likely a need for a diverse range of financing instruments. For example, infrastructure projects like renewable energy may require long-term debt or concessional loans, while private sector-driven projects may have opportunities to be financed through equity investments.

Box 1 – Recommended Potential Financing Instruments

1. **Debt and debt-like instruments**: negotiating Debt-for-nature swaps, assuming more concessional debt, and developing and issuing green bonds have good potential to help address Uganda's immediate climate funding requirements in the short and medium term, as the country has shown it is able to service debt and has sufficient liquidity. The design of a green bond could draw on the many established examples of other green and sustainability-linked bonds. Introducing a green bond as an initial innovative instrument would also test market appetite, before developing and implementing even more novel mechanisms. Concessional debt may be available in the climate finance facility. For debt-for-nature swaps, a partner (South Korea) has already been identified, making the instrument significantly more feasible, although careful consideration must be made as to the design of these instruments.

2. Venture Capital and Equity: these represent an underutilised funding source with considerable potential for financing smaller ventures related to climate and nature initiatives. Measures to build on Uganda's already growing venture capital space in the short and medium term may include implementing policies to encourage and enhance the availability of venture capital. This encompasses educational initiatives for the private sector and potential incentives to direct funding towards these specific projects. Challenges, including the limited private sector engagement of funds capitalised by DFIs, and the potential lack of investable projects, are key considerations.

3. Public-private partnerships (PPPs): these can allow the Ugandan government to use private sector capital and expertise, reducing strain on public finance. PPPs may be implemented alongside grant funding to mobilise private finance for activities that offer commercially attractive projects (such as clean energy and water). PPPs may be promoted by demonstrating strong and stable tax revenues directly related to infrastructure as they provide surety of revenue for investors. The commercial viability of potential PPPs will have significant bearing on their applicability.

4. Carbon Markets: these offer an opportunity to harness international markets to mobilise funds dedicated to climate programmes. Existing frameworks for the Voluntary Carbon Market and the ongoing development of an Article 6 framework for Uganda can facilitate seamless access to these markets, allowing for efficient enhancement and utilisation. Challenges for carbon markets may include the relatively small potential market size, and a lack of service providers resulting in high transaction costs for SMEs engaging in the market.

2.7 NDC Priority Sectors, Associated Market Failures and Solutions.

Five priority sectors are identified in Uganda's NDC: AFOLU, energy, transport, waste, industrial processes, and product use. The NDC highlights that to reach these targets, Uganda will require a total of USD 28.1 bn in financing up to 2030; this is split across USD 17.7 bn required for adaptation actions and USD 10.3 required for mitigation. The NDC does not disaggregate the climate financing requirements of each of the target sectors (MoWE, 2022). Table 1 below covers these five sectors, highlighting business-as-usual (BAU) and NDC target emissions for the year 2030 and a breakdown of the key emissions challenges faced by the sectors and specific NDC target policies. Further details on each of these priority sectors may be found in 0 B.

Table 1 The five priority sectors of Uganda's NDC, their projections, challenges, and areas for climate finance mobilisation

	Challenges in responding to climate change	**Priority areas for climate finance mobilisation**
 **Agriculture, Forestry and Other Land Use (AFOLU)** **BAU projection for 2030**: 122.2 MTCO2E **NDC target for 2030**: 91.8 MTCO2E	• Low technological adoption rates • Inconsistent policies • Inadequate extension services • Limited access to appropriate finance	• Extension services • Climate information and early warning systems • Climate Smart Agriculture • Crop and livestock diversification (inc climate resilient varieties) • Value chain addition, post-harvest handling, market access, and microfinance • Rangeland management • Small-scale water infrastructure • Forest restoration • Biodiversity and watershed conservation • Agroforestry • Efficient biomass energy production and utilisation technologies • Develop an enabling environment for forestry management.

	Challenges in responding to climate change	**Priority areas for climate finance mobilisation**
Energy **BAU projection for 2030**: 12.4 MTCO2E **NDC target for 2030**: 10.1 MTCO2E	• High Energy poverty rates • Reliance on biomass • Rising energy use due to urbanisation and increased industrialisation	• Efficiency of biomass (charcoal) use in the traditional energy sector • Promote renewable energy and other sources. • Increasing efficiency in the modern energy sector, primarily electricity • Careful management of water resources for hydropower • Enabling infrastructure for electricity sector development • Achieve at least 3,200 Mega Watts renewable electricity generation capacity by 2030.
Transport **BAU projection for 2030**: 9.6 MTCO2E **NDC target for 2030**: 6.8 MTCO2E	• Dominance of road transport • A high proportion of older vehicles • Limited public transport options • Expected increase in private car ownership due to the emergence of the middle class.	• Updating transport codes and regulations and ensuring compliance. • Improve regulation of road vehicles to improve fuel efficiency • Promotion of cleaner fuels • Development of non-motorised transport • Increase efficiency in the operation of public transport
Waste **BAU projection for 2030**: 3.19 MTCO2E **NDC target for 2030**: 2.09 MTCO2E	• Reliance on landfill disposal of waste • Increasing volume and complexity of waste due to increased industrialisation.	• Improvement of the waste infrastructure of planned green cities • Introduce biogas digesters in schools.
Industrial processes and product use **BAU projection for 2030:** 1.0 MTCO2E **NDC target for 2030:** 0.86 MTCO2E	• Industry growth has been prioritised in the national development strategy • Strong mineral resources, the extraction of which is emissions intensive.	• Substitute clinker in cement production with less carbon-intensive alternatives • Implement circular economic management of refrigerants

2.8 Key Barriers and Opportunities in Moblising Climate Finance.

2.8.1 Barriers

Capacity gaps in developing gender-responsive climate-related projects, programmes, and financial proposals.

Uganda recognises that limited skills within the public sector for developing robust, fully costed gender-responsive climate-related projects, programs and financial proposals can make it difficult to mobilise resources. The country is committed to addressing this by enhancing capacity through targeted training and development initiatives. These efforts aim to strengthen the ability to secure funding and drive effective, gender-responsive climate action. Technical assistance grants, peer-to-peer learning, project preparation grants and readiness support could be targeted to help cover costs of closing capacity gaps.

Limited access by private sector to affordable finance or capital markets.

A key barrier to climate finance is the inability to access affordable finance through capital markets. Uganda has a very small capital market with only ten listed companies on the Uganda Securities Exchange (USE). Risks associated with limited liquidity may discourage the creation of a secondary green (or sustainable) bond market and there is only **limited experience Uganda with the design and issuance of new climate-related financing instruments** that could foster capital in-flows. Uganda is taking steps to address its limited experience and has undertaken comprehensive market analysis that provides insights to inform ongoing work to develop innovative gender -responsive financing options tailored to the country's conditions. In the immediate future, the Government is considering using concessional finance to help lower the costs of climate related projects. Targeted, low-cost lending could overcome significant barriers for SMEs to accessing climate finance due to the high cost of capital (interest rates and collateral requirements), short credit lending periods and complex application processes. Climate Finance Facility could offer tools using a blended finance approach to specifically mobilise SMEs, including women-led and youth-led enterprises by lowering the cost of capital including by offering below market interest rates or longer tenors.

As Uganda acquires skill and experience issuing new instruments, it will be important to match this with predictable policy environments. It is noted that Uganda's historically unpredictable tax regime scores low on the World Bank's ease of doing business index, which is a deterrent to foreign (climate) investment. Reducing policy uncertainty will help foreign and domestic investors to manage their costs and returns, and could incentivise foreign investment in the capital market.

Lack of standardised tools to support the private sector in mobilising climate finance and developing bankable climate projects.

Uganda acknowledges the lack of standardised tools to support the private sector in mobilising climate finance and developing bankable climate projects. To address this, the country is working on a green taxonomy that will cover key NDC sectors. This taxonomy will provide clear guidelines for identifying gender-responsive climate-related investments, helping the private sector design gender-responsive climate-related projects and attract investments. The Ugandan Stock Exchange (USE) does not currently have any green (or sustainable bond) listing requirements. Additionally, although USE is a member of the Sustainable Stock Exchange, it does not hold ESG listing or disclosure requirements nor any incentives for ESG risk reporting. The development of the listing/disclosure requirements provides credibility in the standardisation and verification process of those bonds/investments as "green" or "sustainable" to minimise greenwashing and are attractive standards for investors; provision of incentives a Finally, Uganda has an ESG industry framework for the banking sector to monitor and evaluate ESG risks which will help promote awareness and incentivise climate investment. However, the exposure of financial institutions to globally accepted ESG standards remains nascent, largely due to limited demand and exposure to these requirements until recently. Technical assistance grants and peer-to-peer learning could be used to build the capacity of financial sector actors by equipping them with ESG skills, offering access to institutionalised guidelines, and promoting knowledge sharing through exposure to best practices in ESG due diligence from comparable banking institutions in the region.

Lack of expertise within the public sector to track, manage, and report on gender-responsive climate finance.

Uganda recognises the need to strengthen expertise within the public sector to effectively track, manage, and report on the impact of international and climate finance. To address this, the government is working to introduce climate budget tagging, which will be integrated into each line ministry to ensure more accurate, and transparent financial tracking. Additionally, efforts are underway to develop a Climate Finance Dashboard, which will centralise data and improve reporting. These initiatives will significantly enhance Uganda's ability to track the financing gap, evaluate the mix of financing instruments available, manage climate finance investments, and demonstrate impact. Budget tagging and the development of a dashboard will be more impactful if gender equality and equity are embedded, enabling better tracking of how climate finance benefits vulnerable groups.

Weak coordination among stakeholders involved in the mobilisation and utilisation of climate finance, including poor coordination between providers

and implementors/users of climate finance.

Uganda faces challenges with weak coordination among stakeholders, particularly between finance providers and implementers or users. To address this, the CFU has been established to strengthen Uganda's capacity to efficiently plan for and coordinate the climate finance landscape. By enhancing collaboration and communication between all stakeholders, the Unit aims to foster timely decision making, streamline efforts, reduce duplication, and ensure that resources are effectively targeted and utilised to leverage ongoing initiatives to implement national climate goals and progress in NDC implementation.

Limited knowledge of the gender-climate nexus and insufficient expertise in integrating gender into climate initiatives.

Uganda faces institutional capacity challenges in integrating gender into climate action, due to limited technical understanding of gender equality and low awareness at both national and sub-national levels. To address this, the government needs to invest in gender capacity-building for focal points across all Ministries, Departments, and Agencies (MDAs) and use the Gender and Equity Climate Checklist to enhance awareness and strengthen gender mainstreaming among stakeholders.

2.8.2 Opportunties

Capitalise on Uganda's successful experience with voluntary carbon credits and further operationalise its participation in global carbon markets.

Uganda is committed to advancing its role in global carbon markets by leveraging its successful experience with voluntary carbon credits. There are a total of 92 registered VCM activities in Uganda, issuing a total of 16.7 m credits as of 2023 (Eastern Africa Alliance On Carbon Markets and Climate Finance, 2022). To strengthen its position, Uganda is exploring the opportunity of developing a National Carbon Trading Framework, streamlining certification and attracting private investment. Expanding carbon credit projects in areas like agroforestry and renewable energy is a priority, alongside capacity building for local communities. Uganda is committed to boosting investor confidence by securing third-party certification and improving transparency with technologies like blockchain. Uganda is also committed to mainstreaming gender equality and equity to ensure fair participation and access for women and youth who face barriers to benefiting from carbon markets. To strengthen the position of women and youth, Uganda will equip them with the skills to engage in carbon finance. Additionally, the government will implement an Inclusive certification process that allows women and smallholder farmers to participate in carbon credit projects.

Explore opportunities for Ugandan companies to be listed under the ESG category, leveraging the Uganda Securities Exchange's (USE) membership in the Sustainable Stock Exchanges (SSE) initiative.

The USE is a member of the Sustainable Stock Exchange (SSE) and is in the process of developing ESG disclosure requirements for listed companies in compliance with the SSE recommendations, which support the International Financial Reporting Standards (Deloitte, 2024). The ESG disclosure provides issuers with further opportunities to attract capital from international or domestic investors by promoting and enhancing climate-related disclosures. Furthermore, membership to the SSE also provides the possibility for the USE to develop an ESG index to provide further investment opportunities for Ugandan-listed companies.

Build on Uganda's climate finance role among Least Developed Countries (LDCs).

Through active participation in the Global Task Force on Access to Climate Finance and the Coalition of Finance Ministers for Climate Action, Uganda seeks to utilise opportunities for knowledge exchange and foster collaboration with international partners. These platforms enable Uganda to develop new partnerships, access innovative climate funding, and share best practices.

Strengthen the role of the Climate Finance Unit and enhance institutional coordination across the climate finance landscape.

By enhancing its institutional coordination across the climate finance landscape, the Unit will streamline efforts, ensure cohesive execution of climate policies, and optimise gender-responsive resource allocation. Strengthening gender-responsive climate finance governance, the CFU will institutionalise the use of the gender equality and equity climate checklist for all programmes/project proposals to ensure that the gender equality and equity principles are adhered to across sectors seeking climate finance.

Leveraging its position, the Unit will facilitate collaboration among government agencies, private and financial sector stakeholders, and international partners, ensuring a more integrated and effective approach to gender-responsive climate finance mobilisation.

Conduct a stocktake of current progress and identify the approach to further operationalise the Climate Finance Facility (CFF) at the Uganda Development Bank.

UDB has committed USD 14 million towards this facility, which is designed to mobilise capital from domestic and external sources (both public and private), for low carbon and gender-responsive climate resilient investments (UDB, 2023). Due to the low credit rating of the bank, credit costs are expected to be high and so are an important consideration for concessional financing (Fitch Ratings, 2024). Uganda will undertake a review of the Climate Finance Facility at the Uganda Development Bank to assess its current progress and identify ways to enhance its operations. This evaluation will help pinpoint areas for improvement and develop strategies to maximise the impact of the Facility. The insights gained will also offer valuable lessons for similar mechanisms, supporting broader learning and improvement in climate finance initiatives.

Based on market analysis, identify and design innovative gender-responsive financial instruments to mobilise climate finance.

The market analysis has identified several innovative financial instruments in Uganda which are the most feasible to mobilise climate finance (Climatekos, 2023). The issuance of a green bond to support climate investments is a viable instrument due to Uganda's track record in servicing its public debt. Debt-for-nature swops would assist in reducing Uganda's sovereign debt and unlocking resources for climate finance, with one key potential partner already having been identified. Although Uganda already has a voluntary and existing carbon credit market, this could be effectively extended in the longer term to a secondary carbon credit market on the USE, allowing broader participation once progress on priority enabling conditions has been made. Other opportunities exist in the equity and venture capital markets due to Uganda's burgeoning venture capital market and the potential of high returns for investors. The Ugandan government has identified VC and PE as growing sectors. VC funds in Uganda primarily focus on early-stage companies in the offline and energy industries, with investments in sectors such as healthcare, agriculture, livelihoods, education, and renewable energy start-ups. Most PE/VC exits in Uganda occur through sales to other investors, as capital market exits are less common. However, caution should be exercised when assessing the expected financial contribution of VC and PE (EAVCA, 2024).

Leverage existing efforts to fast-track Uganda's progress toward eligibility for the IMF's Resilience and Sustainability Facility by addressing gaps and demonstrating readiness.

Uganda aims to leverage existing efforts to accelerate its progress toward eligibility for the IMF's Resilience and Sustainability Facility. By addressing existing gaps and showcasing its readiness, Uganda will strengthen its application.

2.9 Role of the National Climate Finance Strategy

Meeting the updated NDC climate finance need of USD 28.1 billion by 2030 will remain elusive without a clear strategy to unlock both conventional and innovative climate finance at scale and speed. This National Climate Finance Strategy (NCFS) aims to position Uganda to rapidly mobilise and scale up climate finance, leveraging a mix of domestic and international public and private sources to meet both NDC and global commitments. Within this funding landscape, the private sector's role in expanding Uganda's capacity for sustained and impactful gender-responsive climate action has been identified as a key area with significant potential for climate finance mobilisation.

The NCFS recognises that women, youth, people with disabilities, and marginalised communities face more significant barriers to accessing climate finance and seeks to address this through inclusive financing mechanisms, gender-responsive resource allocation, and strengthened stakeholder coordination.

The NCFS offers clear guidance to enhance stakeholder coordination, promote good governance, ensure accountability, and establish legal and political ownership at both national and sub-national levels, ultimately directing resources toward building resilience on a low-carbon development pathway. It will also support the integration of gender equality and equity principles by embedding gender-sensitive criteria (gender equality and equity climate checklist) into climate finance planning, encouraging the collection of gender, age, sex, disability, and geographical location-disaggregated data, and promoting access to financing for women-led green businesses and local adaptation efforts.

The NCFS plays a pivotal role in Uganda's national policy and strategic landscape by addressing the need for large-scale resource mobilisation to finance the country's climate adaptation and mitigation objectives by 2030. It does not supersede or replace existing strategies and policies; rather, it serves as a complementary enabler to Uganda's existing policy framework. By fostering increased coordination and complementarity among climate financing initiatives, the NCFS lays the groundwork for a sustainable and resilient future that leaves no one behind. Its primary goal is to mobilise the resources needed to meet the climate adaptation and mitigation targets outlined in the NDC, which are aligned with key national policies such as Vision 2040, the National Development Plan, and the National Investment Policy (*see Figure 5: NCFS positioning in the Uganda's policy landscape*).

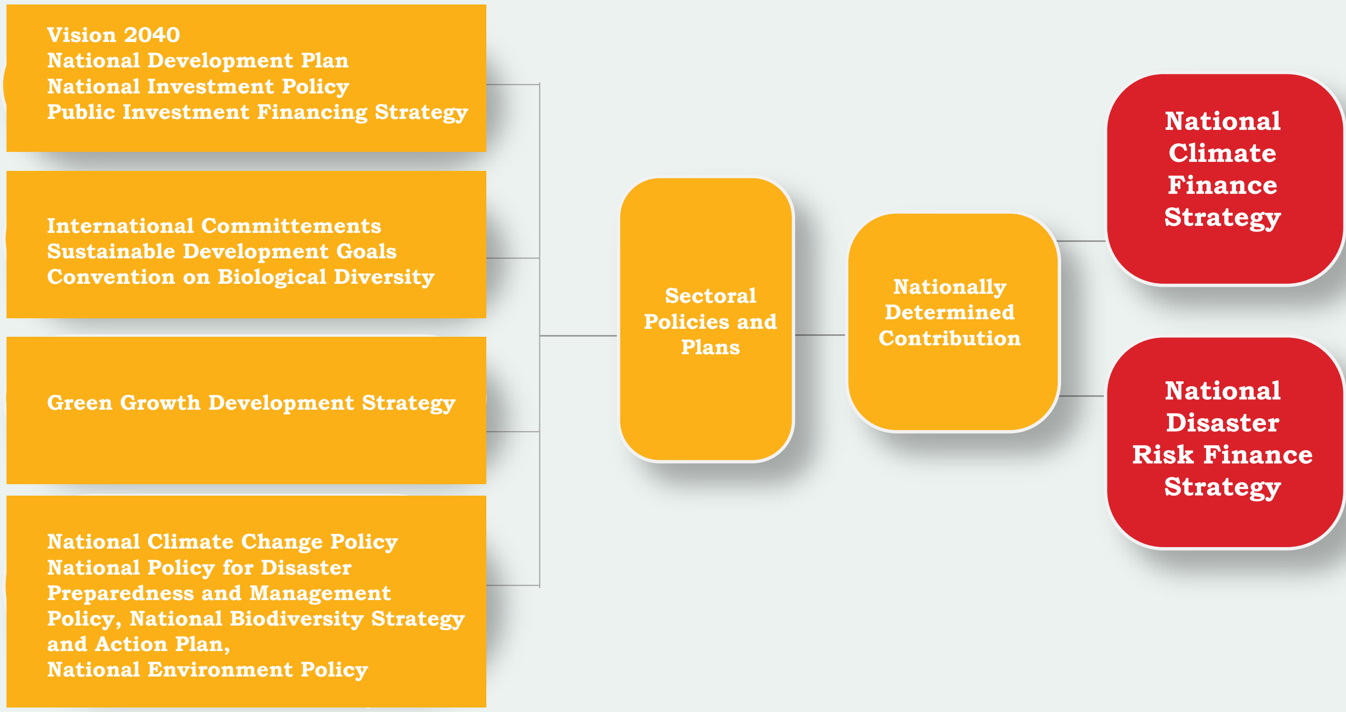


Figure 5: NCFS positioning in the Uganda's policy landscape

The NCFS was developed through a mixed methodology approach that included a review of the existing climate finance landscape and literature, and undertaking key informant discussions with stakeholders at international, national, and local levels. To ensure the quality of the framework, a technical committee was established which validated findings of the review with stakeholders. Several roundtable discussions were held with development partners, local governments, academia, civil society, the financial and insurance sectors, manufacturers, and the wider community to leverage comprehensive consultation and meaningful engagement as a key part of building a shared understanding of Uganda's climate financing needs and priorities. To ensure adherence to gender equality and equity principles, the draft NCFS underwent a rigorous review by a technical committee comprising representatives from government and non-state actors. A consultant led the process, conducting consultative exercises to identify gender gaps and propose targeted actions.

2.9.1 Theory of Change

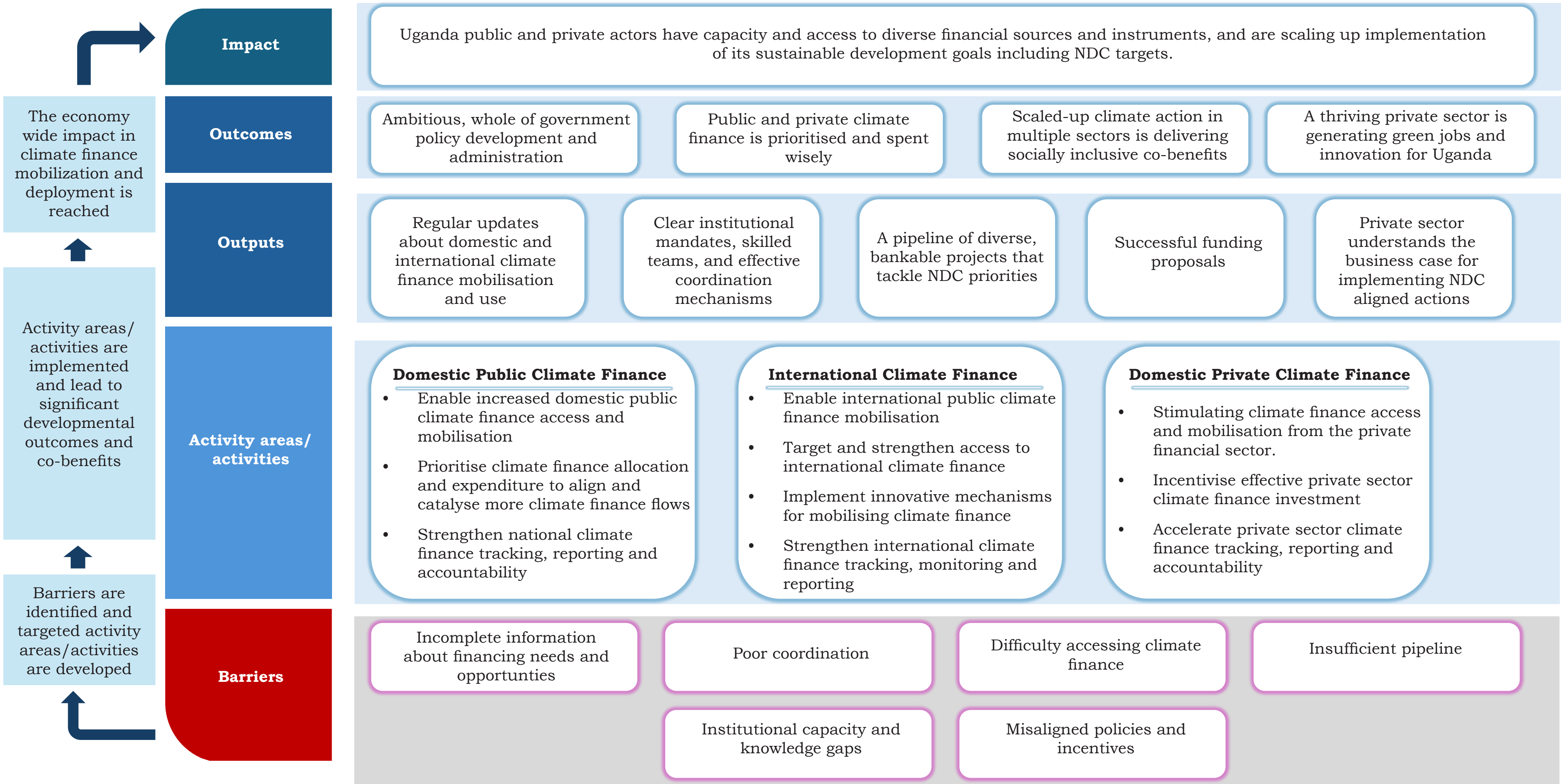
A Theory of Change (ToC) has been developed to present the key assumptions about Uganda's context, alongside information about the key risks and barriers identified through consultations. The ToC is useful to frame why the strategy is needed in the first place, and what needs to be done to achieve the desired outcomes. The ToC explicitly recognises that women, youth, persons with disabilities, and other marginalised communities face systemic barriers to participating in and benefiting from climate finance. Addressing this gender and equity gap is essential for sustainable and inclusive development.

It emphasises the causative links between barriers, activities to build capacity, including capacity-building for gender focal points, and establish policies, tools, and processes to facilitate finance flows. These activities deliver outputs and outcomes, which together, will help to achieve Uganda's strategic objectives across the whole economy.

The ToC focuses on achieving the **goal of mobilizing sufficient climate finance to support NDC goals and broader sustainable development objectives**. It identifies several strategic objectives and pathways to achieve these goals, including enabling access to international public climate finance, stimulating private sector investment, and scaling up domestic public climate finance. It highlights the need to maximize synergies between ongoing efforts and innovative gender-responsive approaches to increase climate finance flows, particularly from private and international sources.
Key enablers include strengthening institutional capacity, fostering public-private partnerships, and creating a conducive policy environment that aligns with national priorities. The ToC emphasizes the importance of establishing robust frameworks with gender+ disaggregated data for tracking and accountability to ensure transparent, equitable and efficient use of climate finance. It also outlines barriers to progress, such as poor coordination, gaps in institutional capacity, difficulties in accessing climate finance, and a lack of a strong pipeline of bankable projects.

The anticipated outcomes include a thriving private sector that generates gender-responsive green jobs and innovation, better access to diverse financial instruments for public and private actors, and scaled-up climate action that is delivering socially inclusive and equitable co-benefits. In this way, Uganda's climate finance strategy is designed to drive significant developmental outcomes while supporting its transition to a sustainable, resilient economy, inclusive, equitable, and leaves no one behind.

Figure 6: Theory of Change



Forest Cover, Kisoro. Uganda

3. Focus of the National Climate Finance Strategy

3.1 Overall Purpose and Goals

To enhance the mobilisation, coordination, use and tracking of climate finance from domestic and international, and from public and private sources to achieve Uganda's inclusive sustainable development priorities in a gender-equitable and socially inclusive manner, ensuring that women, youth, persons with disabilities, and marginalised communities have equal access to and benefit from climate investments.

3.2 Principles

Implementation of the NCFS will be governed by the following guiding principles;

- **Alignment to National Context and Development, Growth and Climate Priorities**

  The NCFS is firmly anchored in Uganda's broader development goals, aligning with Vision 2040 and the national development policies and strategies. It integrates climate finance mobilisation with national economic growth objectives, ensuring that investments not only support climate mitigation and adaptation but also contribute to Uganda's sustainable development, poverty alleviation, and economic growth efforts.

- **Environmental Sustainability**

  Promoting environmental sustainability as a core development outcome lies at the heart of Uganda's approach to climate finance mobilisation. The NCFS prioritises low-carbon, climate resilient development and the conservation of natural ecosystems. By focusing on mobilising resources for high level objectives outlined in the NDC, and more detailed activities elaborated in the forthcoming Green Taxonomy; including renewable energy, sustainable agriculture, and reforestation actions, the strategy aims to ensure that climate finance contributes to long-term ecological balance while addressing climate challenges. The strategy reinforces the operation of new frameworks such as ESG principles and the Green Taxonomy, through which Uganda is striving to operationalise environmental sustainability into financial decision-making by encouraging investments that align with the country's climate and sustainability goals.

- **Gender, Equity and social**

inclusion

The NCFS ensures that climate finance initiatives actively promote gender equity and social inclusion targets, embedding gender equality and equity-responsive budgeting. It recognises the importance of involving women, youth, and marginalised communities in climate planning and action. This principle guarantees that climate-related investments benefit all sections of society, addressing vulnerabilities and ensuring no one is left behind in Uganda's transition to a climate resilient and low-carbon future. The NCFS is also promoting women's increased access to climate finance through inclusive finance models for underrepresented groups, that overcome traditional barriers, by improving financial literacy and access to collateral.

- **Partnerships**

Strong partnerships are essential for scaling up climate finance. The NCFS encourages collaboration between public, private, and international stakeholders to pool resources, expertise, and technology. By working closely with development partners, private sector actors, and civil society, Uganda seeks to maximise the impact of climate finance and ensure the efficient use of resources.

- **Innovation**

Innovation is key to unlocking new sources of climate finance and tackling climate challenges effectively. The NCFS encourages the development of innovative gender-responsive financial instruments such as green bonds and blended finance, adjusted to match Uganda's particular requirements, to attract investment. It also promotes the adoption of new technologies that can drive climate mitigation and adaptation across various sectors.

- **Agility**

Recognising the dynamic nature of climate finance, the NCFS places emphasis on agility and adaptability. By underpinning the NCFS with principals to guide future development and implementation, Uganda will be able to respond swiftly to emerging challenges, opportunities, and risks within both the global and national climate finance landscape while maintaining integrity with its original objectives. This ensures that the country can adjust its priorities and strategies in real-time to maximise impact.

3.3 Strategic Objectives and Thematic Areas of Action

i. Systematise the collection and analysis of gender-responsive climate finance information to identify and maximise synergies of ongoing efforts to leverage and scale up climate finance mobilisation from domestic and global sources, ensuring that financing mechanisms address gender disparities and enhance social equity.
ii. Stimulate and catalyse private sector participation in the gender-responsive innovation, mobilisation and investment of climate finance.
iii. Provide a framework for prioritising and sequencing of climate investments to achieve the ambitions of the NDC and NDP, while embedding gender equality and equity considerations.
iv. Establish clear climate finance tracking and accountability mechanisms that integrate gender/age/sex/disability/geographical location-disaggregated data to meet national and global climate finance reporting and tracking obligations.
v. Clarify the roles and responsibilities and strengthen public, private and finance actors in mobilising and reporting climate finance, including targeted actions to enhance women's participation in decision-making.

Field visit to Kiira Motors Corporation in Jinja, Uganda

Figure 7: Summary of the Strategy Framework

The implementation of the NCFS will support the achievement of Uganda's NDC objectives and the broader goals outlined in Vision 2040

Goal

To enhance the mobilisation, use and tracking of climate finance for a variety of domestic and international sources to implement Uganda's Nationally Determined Contribution priorities.

Strategic Objectives of the NCFS

- Maximise synergies of ongoing efforts to leverage and scale up climate finance mobilisation from domestic and global sources.
- Stimulate and catalyse private sector participation in the innovation, mobilisation and investment of climate finance
- Provide a framework for prioritising and sequencing of climate investments to achieve the ambitions of the NDC and NDP
- Establish clear finance tracking and accountability mechanisms to meet national and global climate finance reporting and tracking obligations
- Clarify the roles and responsibilities and strengthen public, private and finance actors in mobilising and reporting climate finance

Principles

- Alignment to National Context and Priorities
- Environmental Sustainability
- Gender Equity and Social Inclusiveness
- Partnership
- Innovation
- Agility

Strategic Priorities

Domestic Public Climate Finance

- Enable increased domestic public climate finance access and mobilisation
- Prioritise climate finance allocation and expenditure to align and catalyse more climate finance flows
- Strengthen national climate finance tracking, reporting and accountability

International Climate Finance

- Enable international public climate finance mobilisation
- Target and strengthen access to international climate finance
- Implement innovative mechanisms for mobilising climate finance
- Strengthen international climate finance tracking, monitoring and reporting

Domestic Private Climate Finance

- Stimulating climate finance access and mobilisation from the private financial sector.
- Incentivise effective private sector climate finance investment
- Accelerate private sector climate finance tracking, reporting and accountability

Enablers

- Institutional Capacity Building
- Digitalisation/Technology
- Research/Innovation
- Communication of Results/Learning/Monitoring and Evaluation
- Institutional Landscape for Climate Finance Mobilisation and Deployment
- Enhanced Coordination and Strategic Partnerships

3.3.1 Domestic Public Climate Finance

The action areas prioritised in this section of the NCFS aim to enhance domestic public climate finance by improving access to and mobilisation of resources, ensuring the integration of gender-responsive allocations, and benefiting marginalised communities to effectively address climate challenges. It emphasises the prioritisation of climate finance allocation and expenditure, ensuring that funds are strategically directed to catalyse and increase overall climate finance flows, ensuring equitable access to climate finance for women, youth, and vulnerable groups, particularly in adaptation-focused sectors such as agriculture, water, and energy. Additionally, this section includes provisions that aim to strengthen national climate finance tracking, reporting, and accountability mechanisms by incorporating gender-sensitive indicators, collecting sex, age, and disability-disaggregated data, and facilitating better oversight of financial resources and their impacts

3.3.1.1 Enable Increased Domestic Public Climate Finance Access and Mobilisation

The activities prioritised in this sub-section aim to enhance access to and mobilisation of domestic public climate finance by fostering a supportive environment for climate investment. This involves establishing policies and frameworks that attract funding while also identifying and leveraging innovative sources of climate finance to complement traditional financing methods.

i. Create an **enabling environment for stimulating domestic public climate finance** access and mobilisation:

- Fast track the design and integration of Climate Change Budget Tagging in the national Programme Budgeting system to foster climate change and gender and equity-responsive budgeting.
- Develop gender-responsive regulations (Carbon Markets and extended producer responsibility) to operationalise climate finance provisions of the National Climate Change Act, 2021.
- Integrate gender-responsive climate change adaptation and mitigation in the Development Committee Guidelines and public investment appraisal and investment criteria;
- Scale up gender and equity-responsive Performance-Based Climate Resilience Grants (PBCRGs) mechanisms beyond the current 20 districts.

ii. Identify and leverage **innovative climate finance sources to supplement mainstream domestic climate finance sources:**

- Develop a gender-responsive Green

Bonds framework for sovereign issuances to facilitate green bond issuance from public and private sector players. Green bonds have been prioritised due to greater testing in the international context – and due to the ability of Uganda to service debt as detailed in Appendix A (**Page 82**).

- Develop gender-responsive national Carbon Markets Regulations and a corresponding fiscal framework to operationalise markets and unlock carbon finance.
- Develop a gender-responsive national framework and mechanism to operationalise Debt for Nature Swaps.
- Develop ESG listing requirements and reporting regulations for companies listed on the USE.
- Integrate climate change concerns and climate risk analysis in the Public Private Partnerships Framework with a gender-responsive approach.
- Align public spending towards interventions that catalyse private sector investment in climate change investment opportunities with a gender-responsive approach.
- Develop a gender-responsive blended tool to support public private partnerships and joint ventures.

3.3.1.2 Prioritise Climate Finance Allocation and Expenditure to Align and Catalyse More Climate Finance Flows

The activities in this sub-section are focused on prioritising climate finance allocation and expenditure to catalyse increased climate finance flows. They focus on identifying and developing climate project pipelines to ensure that allocations are strategically aligned to attract additional investment. This involves assessing current and future initiatives to prioritise those with the greatest potential for mobilising funding, and deliver on gender equality and equity targets. Additionally, targeted, gender-inclusive capacity-building initiatives aim to enhance access to and mobilisation of domestic climate finance.

i. Identify **climate project pipelines and align allocations and expenditures to** catalyse more climate finance flows**:**

- Disseminate the NDC Implementation plan, gender action plan and Resource Mobilisation Plan to all government Ministries, Departments and Agencies at national and sub-national levels;
- Support NDC programme secretariats and NDC sectors to develop gender-responsive programme/sector specific NDC action plans to guide annual budgeting processes;
- Effectively integrate gender and climate change in budget

instruments such as the budget call circulars, budget strategy and budget implementation circulars.
- Mandate all votes and NDP programmes to budget for relevant gender-responsive climate change adaptation and mitigation actions.
- Create a coordination platform for regular engagements among the Ministry of Finance, Planning and Economic Development, National Planning Authority, the Ministry of Water and Environment (Climate Change Department), Ministry of Gender, Labour and Social Development, the Equal Opportunities Commission and Ministry of Local Governments.

ii. Targeted **gender-responsive institutional capacity building** in domestic climate finance access and mobilisation**:**

- Undertake a capacity needs assessment of NDC prioritised sectors and local governments to identify major climate finance access, gender capacity needs and mobilisation institutional capacity gaps;
- Coach/sensitise public institutions and local governments in effective climate change and gender and equity-responsive planning and budgeting;
- Develop tools and training packages on preparation of technically feasible and bankable climate change concepts and proposals underpinned by gender equity and social inclusion;
- Support institutions and local governments in translating climate change challenges into gender-responsive business and investment opportunities for uptake by the business community;
- Enable peer to peer learning across institutions and local governments to share gender-responsive best practices and lessons on climate finance access and mobilisation.

3.3.1.3 Strengthen National Climate Finance Tracking, Reporting and Accountability

The activities prioritised in this sub-section aim to enhance climate finance tracking, reporting, and accountability, enabling effective, equitable and efficient deployment, monitoring, and scaling of climate finance.

i. Integrate climate finance reporting in the existing national budget performance monitoring and accountability frameworks using a gender-responsive approach:

- Fast track the completion of climate change adaptation and mitigation codes in the national programme-based budgeting system;
- Develop and disseminate climate change and gender and equity-

responsive programme-based budgeting reporting formats for standardised climate finance reporting by all public institutions;
- Liaise with the office of the Prime Minister and Ministry of Local Governments to integrate climate finance performance into the Government Annual Performance Report and Local Government Annual Performance Assessment Tool respectively;
- Build capacity of government ministries, departments and agencies in climate finance tracking, reporting and accountability with a gender-responsive lens;
- Liaise with the Ministry of Water and Environment to roll out the Uganda Climate Finance Monitoring, Reporting and Verification tool using a gender responsive approach.
- Integrate gender equality and equity considerations into the CCBT system to ensure systematic tracking of gender-responsive climate finance across sectors

ii. Strengthen national climate finance tracking and accountability systems:

- Establish a regular and clear reporting mechanisms for climate finance flows such as quarterly and national State of Climate Finance Reports to ensure transparency and accountability a gender-responsive approach;
- Ensure that the State of Climate Finance Report accompanies the Report on Public Debt, Grants, Guarantees and other financial liabilities for presentation to Parliament with gender-responsive integration;
- Develop relevant gender-responsive data collection tools to collect, manage and verify climate finance data to ensure accurate and credible climate finance tracking and reporting;
- Harness digitisation and innovation opportunities to ensure robust climate finance tracking, reporting and accountability through a gender-responsive lens.

3.3.2 International Climate Finance

This section focuses on enhancing international climate finance by implementing strategies to mobilise and strengthen access to funding sources. It aims to enable the mobilisation of international public climate finance, ensuring that countries can effectively tap into these resources. Additionally, the section emphasises the need to target specific avenues for accessing international climate finance, while also implementing gender-responsive innovative mechanisms to facilitate mobilisation. Furthermore, it seeks to strengthen tracking, monitoring, and reporting processes related to international climate finance, ensuring transparency accountability and equitable allocation in the utilisation of these funds to support climate action.

3.3.2.1 Enable International Public Climate Finance Mobilisation

This sub-section prioritises action areas that focus on enabling international public climate finance mobilisation. It aims to pursue and implement necessary actions to enhance access modalities from mechanisms established under the Convention, Protocol, and the Paris Agreement, ensuring that countries can effectively tap into available resources. Additionally, it seeks to develop gender-responsive tools and mechanisms that facilitate the mobilisation and deployment of climate finance. By addressing these areas, the sub-section aims to strengthen Uganda's capacity to access international funding.

i. Pursue and implement necessary actions to **enhance access modalities from the mechanisms serving the Convention, Protocol and the Paris Agreement:**

- Continue negotiating and pushing for simplified approval and access procedures of the operating entities of the financial mechanism of the convention during the meetings of the subsidiary bodies and conference of parties;
- In line with the NDC, continue rallying for more adaptation finance while advancing mitigation with an emphasis on interventions with adaptation co-benefits and gender and equity-responsive outcomes;
- Undertake continuous national, institutional and CFU capacity building in mobilising and tracking international climate finance with a gender and equity-responsive focus;
- Strengthen partnerships with bilateral donors by leveraging opportunities provided through foreign missions.;
- Leverage the GCF readiness to improve Uganda's ability to access climate finance through GCF, ensuing adoption of a gender and equity-responsive approach in proposal designs.

ii. Develop **tools and mechanisms** to enable climate finance mobilisation and deployment:

- Develop gender-responsive tools and mechanisms to enable climate finance mobilisation and deployment:
- Establish gender-responsive criteria, including the systematic application of the gender equality and equity climate checklist for integrating climate change considerations into national policy and planning processes, including investment policies, plans, and actions;
- Create a gender-responsive climate risk assessment tool to be used during the design and implementation phases of Public-Private Partnership (PPP) projects.

3.3.2.2 Target and Strengthen Access to International Climate Finance

This sub-section prioritises actions to target and strengthen access to international climate finance. It focuses on ensuring the strategic and equitable allocation of climate funds, while complementing international resources with domestic finance to support adaptation and mitigation efforts that benefit vulnerable groups and marginalised communities disproportionately impacted by climate change. Additionally, it aims to develop a stakeholder engagement strategy that fosters collaboration with potential international climate finance sources, enhancing opportunities for effective funding.

i. Ensure **strategic and impactful allocation of climate finance**

- Align joint country programming with development partners to ensure their climate finance allocations and expenditures reflect national priorities and gender-responsive commitments;
- Prioritise climate finance for interventions that yield multiplier effects, including gender responsive and equity co-benefits rather than those with isolated benefits;
- Advocate for climate finance in the form of grants where possible to mitigate the risk of increasing the debt burden;
- Maintain a balance in climate finance allocation between enabling interventions, such as awareness creation, and tangible infrastructure investments that enhance the adaptive capacity of communities and the economy.

ii. Ensure **access to relevant international funds is complimented with domestic climate finance** in financing climate change adaptation and mitigation actions:

- Fast-track the development of the Country Climate Development Report (CCDR) to unlock the Resilient and Sustainability Facility (RSF) under the IMF, a gender-responsive approach.
- Benchmark best practices from regional peers to unlock heightened climate finance from international sources for subnational investments and establishment of functional climate finance facilities/financing vehicle, with a gender-responsive focus;
- Undertake intra-ministry coordination and streamline all requisite internal processes required to meet the eligibility criteria for international funds.

iii. Develop and implement a **stakeholder engagement strategy** with focus on potential international climate finance source representatives:

- Undertake inclusive stakeholder mapping for inclusion in the stakeholder database;
- Develop a clear and inclusive roadmap for stakeholder engagement

with a focus on investment areas of interest;
- Building partnerships with development partners that support the development of the gender-responsive financing tool.
- Harness the potential of remittances in financing climate adaptation and mitigation efforts ensuring enabling policies that encourage diaspora investment including specific remittance-linked climate finance programs.

3.3.2.3 Implement Gender-Responsive Innovative Mechanisms for Mobilising Climate Finance

This sub-section prioritises the implementation of gender-responsive innovative mechanisms to mobilise climate finance. It focuses on efforts to expand international finance sources through gender-responsive innovative instruments and operationalising regulatory frameworks, particularly fiscal policies for carbon markets. Additionally, it targets the issuance of gender-responsive Green Bonds and wildlife bonds to support gender-responsive climate projects, and the implementation of debt-for-nature or climate swaps to further enhance funding for conservation and climate action initiatives.

i. Undertake efforts to **mobilise international climate finance through deployment of innovative instruments** to widen sources.

- Support the development of Public Private sector partnerships
- Provide gender-responsive incentives for green and blue investments
- Progress the different gender responsive options on Innovative Blended Financing

ii. Operationalise **regulatory frameworks for international climate finance access especially fiscal frameworks for carbon markets.**

iii. Undertake the **issuance of Green Bonds (linked to 3.3.1.1)**

- Issuance of sovereign green bonds to catalyse the growth and further issuances of green bond in the domestic market with a gender-responsive approach.
- Preparation of a gender-responsive comprehensive framework and/or guidelines for the issuance of sovereign bonds.
- Create a green Bonds committee to oversee and guide the process of the issuance of the first sovereign Green Bond with a gender-responsive mandate
- Developing a web-based sovereign Green Bonds Investment Portal.
- Conduct round table discussions with potential investors.
- Build capacity through adoption of best practices and peer to peer

learning from countries such as Egypt that have successfully issued sovereign green bonds

iv. Operationalise **debt for nature/ climate swaps mechanisms (linked to 3.3.1.1):**

- As a potential debt-for-nature swap partner has been identified in South Korea, an impact analysis of these mechanisms should be incorporated into the national debt management framework to guide decisions regarding the financing mechanism;
- Build strategic partnerships with the Development Partners aimed at identifying debt for nature swaps opportunities;
- Undertake data collection and analysis exercises for debt for nature swaps opportunities

3.3.2.4 Strengthen International Climate Finance Tracking, Monitoring and Reporting

This sub-section prioritises strengthening international climate finance tracking, monitoring, and reporting with a gender equality and equity-responsive approach. It focuses on integrating the monitoring of international climate finance inflows and allocations with national budget processes and improving the reporting mechanisms for international climate finance flows to ensure transparency and accountability.

i. Integrate the **monitoring of international climate finance inflows for all sources and corresponding allocations** with national budget monitoring**;**

- Update the Aid Management Programme (AMP) system to track all development assistance with components of climate finance as output areas, with a gender-responsive lens;

ii. Improve **reporting on international climate finance flows**

- Develop an annual State of Climate Finance Report illustrating climate finance flows for the ending financial year, that do report on gender and equity issues;
- Undertake periodical update of the climate finance portal with climate finance inflows and new projects, with a gender-responsive approach.
- Strengthen the climate finance section of the Biennial Update Report to the UNFCCC for comprehensive and gender-responsive national climate finance reporting to the UNFCCC.

3.3.3 Domestic Private Climate Finance

This section aims to enhance domestic private climate finance by stimulating access and mobilisation from the private financial sector. It includes action areas designed to create an enabling environment that encourages private sector investment in gender-responsive climate initiatives through targeted incentives and strategies. Furthermore, the section focuses on accelerating the tracking, reporting, and accountability of private sector climate finance, ensuring transparency in the allocation and utilisation of funds, and how vulnerable groups and marginalised communities benefit.

3.3.3.1 Stimulating Climate Finance Access and Mobilisation from the Private Financial Sector

To achieve its goals on private sector capital mobilisation, government is prepared to focus its efforts on the strengthening of domestic financial institutions to scale up private gender-responsive climate finance. Domestic and regional financial institutions (public and commercial) play a central role in providing access to finance to scale up the adoption of climate investments with a successful track record. Further, government is prepared to explore new modalities to scale up the use of guarantees and equity, enhance support to close the insurance protection gap and reduce foreign exchange risks for project sponsors.
As detailed in an analytical chapter of the latest Global Financial Stability Report, rapidly boosting private climate financing is essential. The following interventions will be pursued to stimulate and optimise climate finance.

i. Adapt the **regulatory environment to enable private sectior financing**

2.3 Develop a National Green Taxonomy to guide and enable investors to quickly and easily assess and determine green and climate smart investments, while promoting gender equality and equity considerations.

2.4 Formulate policy and regulatory frameworks to incentivise private sector investment in climate friendly projects which include feed-in tariffs for renewable energy projects, tax incentives and carbon pricing, with a focus on gender equality and equity considerations.

2.5 Reduce bureaucratic hurdles and provide clear guidelines to simplify and expedite the approval process for climate projects making it easy for the private sector entities to access climate finance

ii. Adopt innovative instruments and concessional loan **mechanisms to derisk financing**

- Establish mechanisms and tools such as blended financing that de-risk climate-aligned investments to increase their viability to the private sector. Blended finance initiatives should be supported to reduce the cost of borrowing and improve access to funding which attracts technical assistance and capacity-building support, with a focus on inclusion and equity.
- Climate Finance Facility could offer tools using a blended finance approach to specifically mobilise SMMEs, including women led and youth led enterprises by lowering the cost of capital including by offering below market interest rates or longer tenors.
- Develop risk mitigation instruments such as, catastrophe bonds, insurance weather derivatives associated with natural hazards and partial guarantees to reduce the perceived risks associated with climate investments which attract financial security for the private sector.
- Explore the potential of initiating appropriate exit strategies for both domestic and international investors. This may include the domestic share market, the policy framework for Build-Operate & Transfer (BOT), equity transfers, etc.
- Draw on existing domestic levers, such as Uganda Energy Credit Capitalisation Company and Climate Finance Facility to provide incentives to the private sector to de-risk financing.
- Work closely with Development Finance Institutions to access long term concessionary finance for on-lending to private financial institutions to make climate smart investments more financially viable.

iii. **Foster Public Private Partnerships** to leverage government funding and support private sector investments in green projects to attract private investments which implement climate initiatives.

- Establish a private sector engagement platform on gender-responsive climate investment opportunities in collaboration with local/international chambers, trade sector partners and investment institutions
- Design capacity-building programs on the identification of sufficiently-matured investment opportunities, private sector investment mechanisms and blended finance options, inclusive of international best practice and to design bankable climate projects through partnerships with international donors prepared to provide targeted technical assistance
- Foster innovation for research and development

3.3.3.2 Incentivise Effective Private Sector Climate Finance Investment

This sub-section prioritises actions that incentivise effective private sector climate finance investment. It focuses on adopting fiscal mechanisms to enhance credit for private climate investments and building private sector awareness and capacity to encourage increased involvement in climate-related financing, with a gender-responsive approach.

i. **Streamline access to financial instruments that reduce costs and incentivise and enhance access to credit** for private investment in climate

- Continuously capitalise the Climate Finance Facility within the Uganda Development Bank to ensure sustained access to affordable climate credit for gender-responsive climate-relevant investments. To fully leverage this facility, it is essential to maintain a robust corporate governance structure, with effective institutional oversight. Additionally, capacity building should be prioritised, especially in helping stakeholders navigate the complexities of international climate funding processes. A multi-faceted approach to climate action is also crucial, incorporating a range of instruments such as disclosure practices, setting targets and governance frameworks, developing gender-responsive green finance products, and enhancing climate risk management strategies. Provide direct financial assistance (grants and subsidies) to businesses and organisations that are undertaking climate investments to cover upfront costs of research, development and implementation, using a gender-responsive approach.
- Avail low-cost credit through Climate Finance Facility provision of low-interest loans to domestic private sector entities to stimulate investment in gender-responsive climate action
- Implement the sustainable procurement provisions to motivate the private sector towards the production and supply of gender-responsive climate change responsive goods and services.

ii. Explore fiscal reforms that will **enhance the ease of doing business and provide investment certainty for private investors**.

- Formulate climate change and gender-responsive fiscal reforms that incentivise the private sector. The introduction of tax incentives such as tax credits, exemptions or deductions for domestic companies that invest in gender-responsive climate projects, motivate private sector engagement in climate finance and sustainable actions.
- Commit to minimum time frames for the operation of taxation regimes to promote investor certainty.

iii. Build **private sector awareness and capacity for climate investments**

- Undertake capacity building programs tailored to the needs of the domestic private sector which enhance knowledge, skills and awareness of climate finance opportunities enabling businesses to effectively access and utilise climate finance, with a focus on gender and equity.
- Provide technical assistance hubs in priority sectors to help private sector players to make more informed decisions about future strategies and their alignment with climate change, with a focus on gender equality and equity.
- Increase customer appreciation of climate sensitivity in purchasing, driving customer preferences towards demanding climate-smart goods and service.

3.3.3.3 Accelerate Private Sector Climate Finance Tracking, Reporting and Accountability

This sub-section prioritises activities that accelerate private sector climate finance tracking, reporting, and accountability, a gender-responsive approach. It focuses on promoting reporting systems for private sector climate finance and gradually developing the regulatory environment to encourage transparency in private sector reporting on climate finance flows and investments.

i. Promote **reporting systems for private sector climate finance**

- Establish a standardised reporting format for private sector climate finance disclosure and investments for regular reporting,with gender and equity considerations.
- Incentivise voluntary climate finance tracking and reporting by establishing reward mechanisms and incentives for private sector climate finance disclosure.
- Liaise with the private sector to establish private climate finance baselines to track and monitor progress against national and gender and equity budgeting targets.
- Undertake periodical targeted capacity building of private sector actors on climate change responsive investments and climate finance tracking and reporting, with a gender and equity lens.
- Build partnerships with private sector umbrella associations and organisations to ensure joint climate finance reporting and disclosure.

ii. Gradually **develop the regulatory environment to promote private sector reporting on** climate finance flows and investment

- Develop and operationalise regulations of the Climate Finance Act (2021) to ensure mandatory private sector climate finance disclosure and reporting.
- Implement regulations for reporting on carbon markets, carbon tax and

extended producer responsibility, with a focus on gender equality and equity.
- Test the feasibility of introducing climate finance, Green Taxonomy and ESG reporting requirements at the Uganda stock market.
- Align with international climate finance disclosure agreements (TCFD, TNFD) to ensure that all private financial institutions in Uganda are compliant.
- Strengthen the climate information architecture to ensure availability of reliable comparable and inclusive data to inform investment decision making.

3.3.4 Enablers

3.3.4.1 Institutional Capacity Building

Institutional capacity building fosters collaboration and ensures inclusive decision-making processes in stakeholder engagements. Promoting continuous targeted institutional capacity of public and private sectors, civil society organizations, faith-based organizations, media, among others, in climate finance access, mobilization, utilization, tracking, reporting and integration of gender equality and equity in climate action is essential towards the realization of the Strategy's goal. Developing knowledge, skills and gender-responsive tools to effectively access, manage and allocate climate finance resources through hands-on training and technical assistance is instrumental in improving equitable climate finance flows. Sturdy governance structures and institutional arrangements involve establishing clear roles, responsibilities to ensure accountability and transparency of climate finance, including clear delineation of the climate finance mandates of all relevant MoFPED departments. This must come hand in hand with the development and enhancement of the legal governance structures.

3.3.4.2 Digitalisation/Technology

Digitalization, technology and innovation enables streamlined climate finance data collection and dissemination. Leveraging technology in the form of satellite imagery, remote sensing and predictive models, facilitates comprehensive risk assessment, which promotes proper allocation of climate finance resources by enabling prioritization. It also facilitates collaboration and decision-making among state and non-state stakeholders by enhancing communication and conclusive decision processes. And, it supports innovation in financial technology as well as digital platforms for investment matching where online marketplaces connect climate projects with potential investors e.g. online carbon markets. Ensuring uptake, scaling, and performance tracking with a gender and equity-responsive approach maximizes effective impact.

3.3.4.3 Research/Innovation

Climate science is highly dynamic, and climate finance is a growing global area of focus. Research is therefore critical to provide evidence that can guide interventions at different levels. The Strategy is cognizant of this and will leverage the role of academia, think tanks and private research institutions to provide the evidence base to guide policy making and enhance resource mobilization, utilization, tracking and reporting. Research will provide lessons learnt and best practices from front runners to foster replication and scaling up. Additionally, investing in research that identifies gender gaps in climate finance and promotes inclusive climate innovation, particularly in sectors where women and marginalised communities play a critical role in climate decision-making.

3.3.4.4 Communication for Results/Learning, Monitoring, Evaluation and Learning

The implementation of this Strategy requires deliberate coordination, collaboration and communication between stakeholders from multiple and diverse sectors and disciplines towards a common objective. Effective coordination mechanisms include functional management processes that ensure integration of efforts by maintaining and establishing a smooth information and decision-making flow, both within government and to wider stakeholder groups. To guarantee that the Strategy is implemented successfully, it is crucial to leverage the national institutional and coordinating mechanisms that are currently in place. In order to ensure community engagement and locally led interventions, the national structures of decentralization will also be leveraged. One such aspect of this communications enabler is the establishment of a centralised climate finance information repository, which will allow for easily accessible, up-to-date and transparent communication to all interested actors. The strategy will also ensure that climate finance results frameworks integrate gender-disaggregated data, gender and equity impact assessments, and transparent reporting mechanisms.

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4. Key Institutional Arrangements

4.1 Institutional Landscape for Climate Finance Mobilisation and Deployment

Uganda has an advanced institutional framework in place, designed to tackle climate change effectively through clear delineation of roles, close collaboration between actors, and established coordination mechanisms (Climate Analytics Africa, 2024) (MoFPED, 2023). The institutional landscape encompasses a diverse cross-section of stakeholders, including Government entities, the financial sector, the private sector (local and international), and the international development community. This is illustrated in Figure 8 below, which provides a high-level, non-exhaustive reflection of Uganda's climate finance stakeholder ecosystem, highlighting key groups with oversight, influence, interest, and / or involvement in the country's climate finance architecture. Appendix 0 supplements this graphic with a table of key national stakeholders and their mandates (as these pertain to climate finance).

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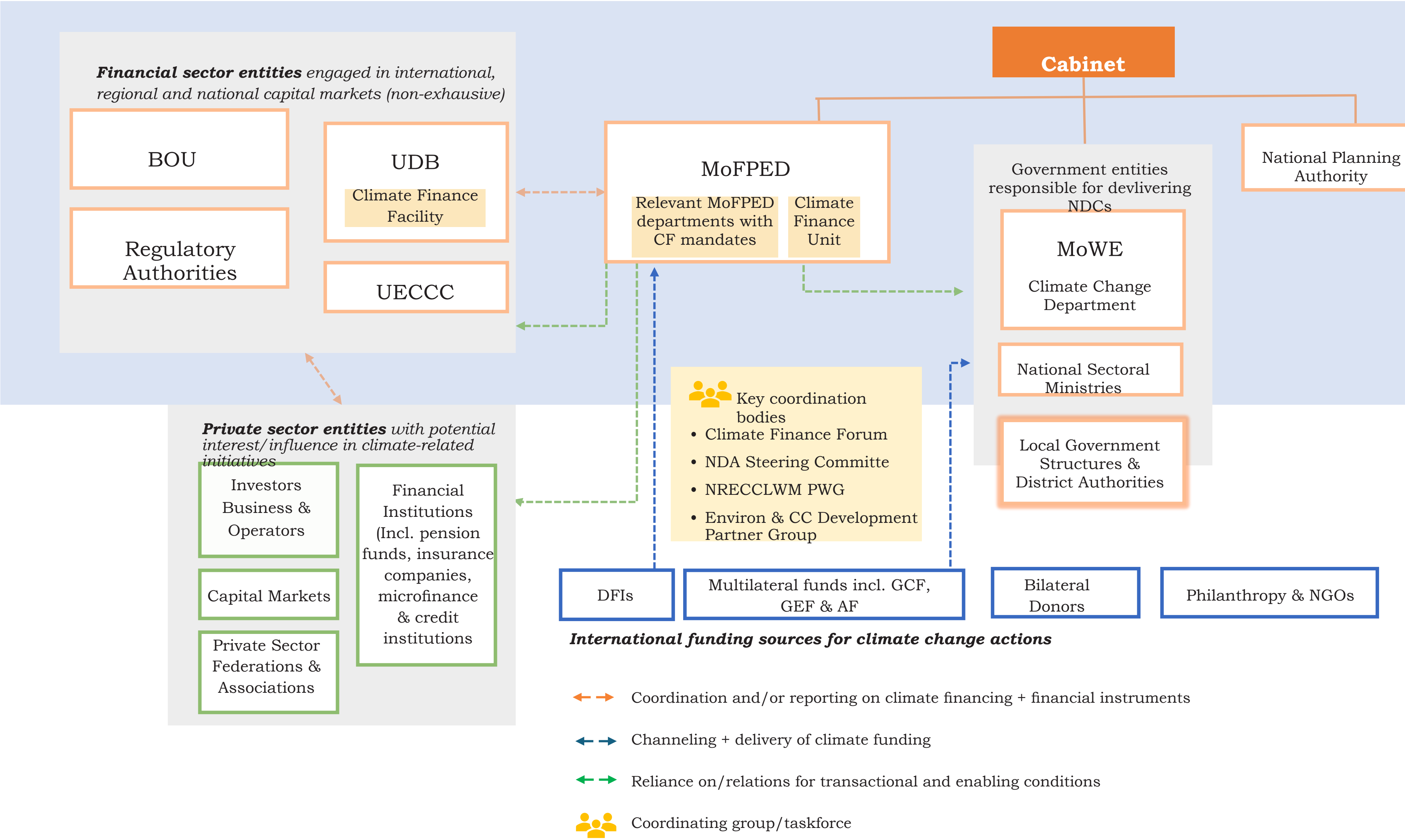
Figure 8 Illustrative representation of Uganda's climate finance institutional architecture



4.1.1 Key Climate Finance Actors

At a meta-level, Uganda's climate finance regulation, mobilisation, implementation and reporting is achieved through a collaborative arrangement between MoFPED, MoWE and NPA (Climate Analytics Africa, 2024):

- **MoWE** is the national UNFCCC focal institution and undertakes overall coordination of climate change issues in the country, through the **Climate Change Department (CCD)**.
- The **MoFPED** leads coordination and management of the various stakeholders in the financing of climate change actions in Uganda as provided in the Public Finance Management Act, 2015 and NCCA, 2021. As such, MoFPED works as a co-lead on Climate Finance with the MoWE. This is done through the MoFPED, **Climate Finance Unit** (CFU).
- The **NPA** is responsible for mainstreaming climate action into national planning and budgeting processes. This includes ensuring that Ministries, Departments and Agencies (MDAs) have effectively mainstreamed climate change in their annual work plans.
- The **Uganda Energy Credit Capitalisation Company (UECCC)** mobilises resources to facilitate investments in Uganda's Renewable Energy Sector, with a particular focus on enabling private sector participation .

Box 2 CFU Mandate and Responsibilities

The CFU leads the coordination, mobilisation, access, monitoring, evaluation and reporting of climate finance in Uganda. In delivering this mandate, the CFU is responsible for: delivering capacity building on climate finance and green growth for MDAs, civil society, academia and private sector; leading / contributing to climate finance-related reports, policies and cabinet memos; climate budgeting together with other MoFPED departments, development partners, MDAs and local governments; acting as national climate finance data custodians; and tracking and reporting on climate finance and green economy flows.

The CFU is also the National Designated Authority (NDA) secretariat for several multilateral funds including the Green Climate Fund, Global Environmental Facility, Climate Investment Fund, and the Adaptation Fund.

All the **Ministries, Departments and Agencies** (MDAs) as well as **Local Governments** are the designated Lead Agencies for climate action implementation and act as regulators for climate change in the different Programmes and Sub-Programmes of NDPs.

The **International Development Community**, including development partner organisations, multi and bilateral funds, philanthropists and NGOs, supplement Government efforts in climate change adaptation and mitigation through financial support and technical assistance programmes (described in more detail in section 2.3).

There are also various actors in the **financial and private sector** value chains in Uganda, who play distinct roles in fostering sustainable economic development by promoting financial stability and ensuring their systems, processes and priorities align with national imperatives and standards relating to climate and the environment. These groups include the Central Bank of Uganda; Uganda Development Bank; regulatory entities; commercial banks; insurance companies; pension funds; capital markets; credit institutions; microfinance institutions and community-based savings groups (SACCOs and VSLAs).

4.1.2 Coordination Bodies

To ensure climate finance efforts are aligned and cohesive, offer value for money and facilitate complementarity between initiatives across diverse funding groups and implementing entities, several coordination bodies have been established.

- The **Climate Finance Forum** is co-chaired by MoFPED and MoWE, with participation from other MDAs, development partners and the private sector. The purpose of the forum is to discuss emerging issues relating to climate finance and how these relate to progress in key NDC sectors.
- The **NDA Steering Committee** is chaired by MoFPED, with participation from a multitude of stakeholders, including other MDAs, the private sector, civil society and development partners. This participation is dependent on the current (and planned) portfolio of GCF projects, as this Committee focuses on reviewing concept submissions, providing updates to the GCF, discussing criteria and eligibility considerations for project concepts, and determining what Government co-financing is needed / available.
- The **Environment and Climate Change Development Partner Group (ECCDPG**) is chaired by (rotating) development partners, who meet quarterly to discuss current and projected investments and priority areas, which must align with national priorities and be complementary (rather than duplicative). The Group liaises closely with MoFPED, who is invited to present and participate as necessary.
- The NCCA also created a **National Climate Change Advisory Committee** to provide independent technical advice and clarify the responsibilities of District and Local Governments concerning climate change, supporting the development of Local Government plans and budgets for climate action.
- **The Natural Resources, Environment, Climate Change, Lands and Water Management (NRECCLWM) Program Working Group (PWG)** is a key decision-making body involved in climate and environment planning and budgeting.
- The **East Africa Climate Finance Directors' Level Meetings (EACFDLM)** – composed of eight countries, discusses strategies and opportunities for enhancing climate finance accessibility and fostering collaboration and knowledge sharing to accelerate access to climate finance within the East African region. This group is also involved in lobbying, especially on COP meetings.

4.2 Opportunities for Enhanced Strategic Coordination

Uganda has made significant strides in mainstreaming climate action across its institutional structures through the establishment of suitably mandated entities like CFU and CCD, as well as climate finance-focused coordination bodies and ongoing efforts to green the financial / banking sector. As Uganda looks to achieve its NDC commitments up to 2030, it is timeous to consider how this ecosystem of stakeholder groups can continue to strengthen and remain responsive to the increasing scale of climate finance that will be mobilised. This Strategy, therefore, sets out several recommendations for Uganda's evolving institutional framework, building on existing structures. These recommendations are also reflected in the relevant action areas and enablers in Chapter 3 of the Strategy.

1. **Define the climate finance mandates of all relevant MoFPED departments.** In addition to the CFU, various departments within MoFPED play an active role in climate finance decision-making, mobilisation, monitoring, gender equality and equity mainstreaming and communication. As the Ministry looks to develop its next Strategic Plan, it must clearly define the climate finance-related responsibilities, lines of reporting/communication and outputs of each department. This will allow for streamlined intra-ministerial engagement, targeted capacity building for key personnel on gender-responsive climate finance and an embedded and consistent understanding of national climate finance imperatives across the Ministry.

2. **Deepen capacity building and training of financial institutions, the local private sector and regulatory authorities**. While there is increasing momentum amongst financial sector stakeholders to embed ESG approaches and "green" offerings within their portfolios and areas of focus, there is room to improve sector-wide uptake and consistency to ensure that relevant national and global guidelines are embedded and aligned with investor requirements.

3. **Establish a centralised climate finance information repository**. As the landscape of actors involved in Uganda's climate finance ecosystem grows and evolves, it is increasingly important to ensure that information on: climate finance demand and supply, roles and mandates of decision-making bodies, and new developments (such as the introduction of innovative financing mechanisms or updated / new policies, frameworks or guidelines) is accessible and clearly communicated to MDAs, the private sector, the financial sector, NGOs and CSOs, academia and media.

4. **Strengthen and ensure alignment within and between climate finance coordination mechanisms.** While the existing multistakeholder forums and committees each play a clear and distinct role in coordinating

climate finance in Uganda, there is scope to improve the effectiveness of their operations by better defining (and differentiating) their mandates, developing clear ToRs and / or workplans that guide the focus and nature of meetings and outputs, and stipulating the role that each participating stakeholder group is expected to play in leading / contributing to discussions. In doing so, it may also be pertinent to consider whether any gaps in coordination exist, that may require the establishment of a new body – or the inclusion of sector representatives into an existing coordination mechanism, such as:

- The creation of a dedicated coordination platform for regular engagements among the MoFPED, MoWE CCD, the NPA, MoGLSD, the EOC and MoLGs.
- A private sector engagement platform on gender-responsive climate investment opportunities in collaboration with local/ international chambers, trade sector partners and investment institutions
- Improved coordination amongst financial sector actors, through an appropriate industry body.

5. Ensure gender-responsive climate finance capacity building is fully integrated into all levels of Government. Local Governments currently receive a very limited budget for environmental and gender-responsive climate action, which is compounded by issues of limited human capacity designated for climate change actions within these local institutions. It is, therefore, crucial that Government-oriented gender-responsive climate finance capacity building is suitably designed and channelled to Local Government actors. This is key to ensuring that they have the necessary know-how to not only effectively budget for gender-responsive climate action, but also the ability to advocate, secure and manage such finance from relevant sources.

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5. Implementation Roadmap

5.1 Priority Actions to be Implemented in the Short-Medium Term (2024-2026)

A number of activities were defined and prioritised by the CFU for short-medium term implementation between 2024-2026. These include:

1. Introduce and operationalise Climate Change Budget Tagging, and add a gender equality and equity lens to it.
2. Define and further strengthen roles and responsibilities within climate finance landscape.
3. Finalise, launch and operationalise a gender-responsive Green Taxonomy.
4. Disseminate the NDC Implementation and Resource Mobilisation Plan and Gender Action Plan to all government Ministries, Departments and Agencies at national and sub-national levels.
5. Support NDP (to be clarified/confirmed) programme secretariats and NDC sectors to develop programme/sector specific NDC action plans to guide annual budgeting processes.
6. Develop a pipeline of bankable gender-responsive projects based on the NDC priority sectors.
7. Design and launch one of the new climate finance instruments, that takes into consideration the gender and equity principles.
8. Conduct a stocktake of current progress and identify an inclusive approach to further operationalise the Climate Finance Facility.
9. Support and advocate for building capacities around the Green Taxonomy and ESG within the private and financial sectors, with gender mainstreaming considerations.
10. Establish a financial support program offering grants and subsidies to businesses and organisations investing in gender-responsive climate-related projects to cover upfront costs for research, development, and implementation.
11. Develop Regulations for Carbon Markets and Extended Producer Responsibility, with a focus on gender equality, equity and accountability.
12. Integrate Climate Change Adaptation and Mitigation in Development Committee Guidelines, adopting a gender and equity-responsive approach. Revise Development Committee Guidelines to incorporate climate change adaptation and mitigation considerations into public investment appraisals and investment criteria.
13. Scale up Performance-Based Climate Resilience Grants (PBCRGs) Beyond 20 Districts, with a focus on gender equality and equity.

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Appendix A: NDC Priority Sectors

Agriculture, Forestry and Other Land Use (AFOLU)

BAU projection for 2030 is 122.2 MtCO2e | NDC target for 2030 is 91.8 MtCO2e (24.9% reduction from BAU)

The AFOLU sector in Uganda faces acute challenges in responding to increased climate variability. Low technological adoption rates, inconsistent policies, inadequate extension services and limited access to appropriate finance impede effective efforts to tackle pests and diseases and improve natural resource management and food production without adding to emissions. Climate finance is needed to support Uganda's efforts to build the resilience of the AFOLU sector informed by robust policies, targeted capacity building and well-designed incentives (including access to grants and affordable loans) that encourage relevant authorities, producers, processes and other businesses across the supply chain to integrate climate considerations into their agricultural and business planning and development strategies (Improving Agricultural Productivity and Resilience to Climate Chance in Uganda: Technological and Policy Options, 2024). Uganda's NDC highlights a set of actions to reduce emissions from deforestation and forest degradation (REDD+) based on the 2017 National REDD+ Strategy and Action Plan. These cover a diverse range of sub-sectors, actors and business models, ranging from climate-smart agriculture, increasing sustainable fuelwood and commercial charcoal production, increasing production from large-scale commercial timber plantations, restoring natural forests, to increasing the fuelwood energy efficiency of households and institutions, improving livestock management, and increasing wetland coverage (MoWE, 2022). Key implementing agencies for these policies will be the Ministry of Finance, Planning and Economic Development, Ministry of Agriculture, Animal Industry and Fisheries, The Climate Finance Unit, National Environment Management Authority, and potentially the National Planning Authority.

Energy (Stationary)

BAU projection for 2030 is 12.4 MtCO2e | NDC target for 2030 is 10.1 MtCO2e (18.8% reduction from BAU)

Uganda has abundant energy sources, such as hydropower, oil and gas, geothermal energy, and solar energy. Despite this, energy poverty is very high, and the sector relies largely on biomass energy, accounting for around 88% of the energy mix. This reliance on biomass means the energy sector is a significant driver of deforestation and forest degradation, which further reduces the country's resilience to climate hazards. Additionally, the burning of biomass is highly emissions-intensive compared to other energy production methods. Given a rapidly growing population and associated urbanisation, GHG emissions from the energy sector are projected to rise due to increased demand for energy, which is still primarily coming from biomass and fossil fuels. Therefore, as Uganda strives towards being a middle-income country, climate finance is needed to develop and implement a low-carbon, climate-resilient energy transition (Twinomuhangi, Nartin Kato, & Sebbit, 2021).Technical assistance is needed to help energy authorities structure robust, data-based energy policies and fiscal incentives that reduce specific viability gaps of energy producers, off-takers and commercial customers. International climate finance may support the implementation of fiscal incentives that encourage private businesses and households to integrate climate considerations into business planning and development strategies. Uganda's NDC highlights a set of actions to reduce the emissions from the energy sector by expanding renewable energy and reducing emissions intensity, for example, by improving the energy efficiency of charcoal, industrial fuel switching, increasing households' access to clean energy, efficient lighting and clean cooking stoves (MoWE, 2022). Key implementing agencies for these policies will be the Ministry of Finance, Planning and Economic Development, The Ministry of Energy and Mineral Development, the Climate Finance Unit, the National Environment Management Authority, and the National Planning Authority.

Transport

BAU projection for 2030 is 9.6 MtCO2e | NDC target for 2030 is 6.8 MtCO2e (29% reduction from BAU)

Affordable transportation, including road, rail, air, and water, is of vital socioeconomic importance to Uganda, and it accounts for around 66% of Uganda's total energy-based emissions. Road travel is dominant, contributing over 99% of total human traffic and 95% of goods flow, and the motorised vehicle fleet has grown to 1.36 million in 2022 from 739,036 in 2012, with a high proportion of cars over 15 years old (BMAU, 2022). Meanwhile, public transport is relatively limited, primarily consisting of buses and minibuses. This reliance on road transport, coupled with the ubiquity of older vehicles, has led to a reliance on liquid, non-renewable fuels, which means high climate mitigation challenges. As Uganda's population grows and becomes wealthier, overall demand for transport, particularly private car ownership, is expected to increase; for example, vehicle ownership increased from 2/1000 people in 2008 to 22/1000 in 2016 (GIZ, 2022). Considering the socioeconomic importance of the sector, its high emissions intensity, and the probability of this increasing, significant climate finance is needed to support the development of more affordable, cleaner vehicles and to improve access to safe and reliable new modes of passenger and cargo transport (CIF, 2024). In Uganda's NCD, several mitigation policies are included, which focus on increasing the efficiency of road transport and encouraging switching to lower-carbon fuels. The NDC also includes actions to develop non-motorised transport infrastructure, improve the efficiency of public transport (including bus rapid transit), and improve the efficiency of rail services (including GKMA, metro, light rail, meter gauge, and standard gauge railway. Additionally, town planning is to be designed to reduce residential trips in urban areas such as Kampala (MoWE, 2022). Actors instrumental in these policies will be the Ministry of Works and Transport, the Ministry of Finance, Planning and Economic Development, the National Planning Authority, the Climate Finance Unit, and the National Environment Management Authority.

Waste

BAU projection for 2030 is 3.19 MtCO2e | NDC target for 2030 is 2.09 MtCO2e (34.8% reduction from BAU)

According to Uganda's NDC, the waste sector is projected to be the 4th largest contributor to Uganda's emissions by 2030, emitting 3.19 MtCO2e under business-as-usual projections. A large proportion of this waste is likely to be organic; in most developing countries, this is between 50 and 60%. When sent to landfills, as is the case in Uganda, this waste decomposes and generates significant methane emissions, a short-lived but potent climate pollutant (iiasa, 2024). Households are the primary producers of waste and wastewater, accounting for between 52 and 80% of Uganda's total waste weight. Per capita waste generation is rising in line with Uganda's economic growth and urbanisation. Additionally, the waste composition is changing, with the increased complexity of waste warranting more advanced processing methods to avoid pollution risks to air, land and water, causing serious public health risks. Emissions from the sector have been increasing since 1995 to 6,484 Gg CO2 eq in 2017, while the proportion of emissions from wastewater treatment has increased from 12% in 1995 to 22% in 2017, likely due to a growing industrial sector (MoWE, 2022). As Uganda progresses toward its goal of becoming a middle-income country, increased industrial production and household consumption will drive an increase in emissions from the waste sector. This highlights the need for climate finance to support Uganda's efforts to develop policies and incentives that encourage new business models to increase the efficiency of waste processing and leverage circular economy approaches. Uganda's NDC includes targets to create mitigation policies focused on improving the efficiency of solid waste and wastewater management in planned green cities and improving the cooking and sanitation conditions of schools through the use of bio-latrines (MoWE, 2022). Key institutional actors in these policies are likely to be the Ministry of Water and the Environment, the Ministry of Finance, Planning and Economic Development, the National Environment Management Authority, the National Planning Authority, and the Climate Finance Unit.

Industrial Processes and Product Use

BAU projection for 2030 is 1.0 MtCO2e | NDC target for 2030 is 0.86 MtCO2e (14% reduction from BAU)

Uganda's Third National Development Plan puts industrial processes, including manufacturing, as a key priority as they are important in building a resilient, integrated, and self-sufficient economy. Given the agricultural and mineral resources of the country, its young and expanding population, and its location relative to regional trading blocks, the development of a robust manufacturing sector is expected to accelerate Uganda's industrialisation agenda. Additionally, Uganda's Vision 2040 states that a strong and competitive industrial base is important to creating employment, advancing technology, and building a resilient economy (National Planning Authority, 2020). The Vision also contains specific targets to attract industries that utilise green technologies. This has also been highlighted by the NDC, which has identified the industrial sector as an opportunity to spur green growth across the economy due to its linkage with other sectors. Within the industrial sector, the bulk of emissions are from cement, lime, iron, and steel production and lubricants, refrigerants, and air conditioning. Cement is the largest contributor, emitting 2,109 ktCO2e in 2020. This figure is projected to rise by 290%, reaching 8,813 ktCO2e by 2040, driven by urbanisation and a growing demand for building materials. Cement production has, therefore, been identified in Uganda's NDC as a focus for reducing emissions in the sector, with the substitution of clinker with less carbon-intensive constituents identified as the primary policy goal. Climate finance is therefore required to support Uganda in implementing policies that promote the deployment of energy-efficient technologies that can decrease the energy demand and greenhouse gas emissions from the sector while ensuring positive contributions to economic growth (EEG, 2022). Additionally, climate finance is needed to support measures highlighted in the NDC to increase the circular economy management of refrigerants. Key implementing agencies will likely be the Ministry of Trade, Industry and Cooperatives, the Ministry of Finance, Planning and Economic Development, the National Environment Management Authority, the National Planning Authority, and the Climate Finance Unit.

Appendix B: Evaluation of Climate Finance Instruments

Assessment Criteria

Alignment to the UGGDS and NDC. Recognising that many of the UGGDS priority areas of investment, agriculture, natural capital management, green cities, transport, and energy, will require substantial upfront capital requirements in the initial years, funding strategies may necessitate a predominant reliance on sovereign-backed debt or guarantee arrangements during this phase. This initial emphasis on debt-type instruments may subsequently shift towards taxation and other self-sustaining financial mechanisms in later years. The phased approach underscores the necessity of a nuanced financial strategy that adapts to Uganda's changing economic landscape and aligns with its developmental aspirations over the short, medium, and long term.

Expediency and affordability. Certain financial instruments rely on complex frameworks and legislation to implement and can be particularly expensive to implement. The cost of issuing some financial instruments arises from structuring and issuing costs, interest rates, and currency fluctuations. Market-based green finance can be very expensive and often requires concessional finance to be made feasible. This needs to be considered as well. Leveraging local currency and local markets provides a solution to avoiding international rate and currency risk. **Green finance instruments such as SLBs and carbon credits require existing frameworks and active local markets.**

Enabling Environment. In addition to the existing frameworks and legislation that would facilitate the ease of development and implementation of the financial instrument, the macroeconomic environment also has to accommodate the type of financial instrument and, therefore, include an analysis of Uganda's national focus.

Implications for Uganda's national fiscus as part of the enabling environment. Uganda's rising debt stock, driven by persistent net domestic financing, remains manageable according to its liquidity indicators, which show its ability to service debt. The government is also implementing a domestic revenue mobilisation strategy to ensure long-term debt sustainability. From a green development perspective, Uganda has the capacity to issue and service a sovereign green bond to raise capital. It, therefore, should be able also to service other forms of debt commitments.

Fully tested and mature. Investors are more likely to trust mature and fully tested instruments, as these will come with a track record of success (likely in other geographical/thematic contexts) and have well-understood risk profiles; this increases investor confidence and makes attracting capital more feasible. Additionally, operational processes for mature instruments will have undergone significant structuring processes, which can then be applied to the Ugandan context instead of having to be developed from scratch. Furthermore, lessons learned from other geographies can be incorporated into structures and processes developed in Uganda.

Time horizon appropriateness. It is also important to note that the instruments will have varying degrees of short-, medium and long-term appropriateness that should be included in the final assessment. The categorisation of a nation's income status often determines official development aid (ODA) and concessional financing eligibility. Uganda **has aspirations to obtain middle-income country (MIC) status by 2040** according to its Vision 2040. This introduces a complex dynamic in the realm of concessional finance and ODA in the long term, where a one-size-fits-all model has often been criticised for excluding middle-income countries that are most vulnerable. This highlights the importance of assessing the appropriateness of financial instruments across short-, medium-, and long-term horizons.

Scope of further application. This refers to the flexibility of financial instruments to be used across a broad range of investment types. Instruments like green bonds have a wider scope of application than niche instruments like biodiversity credits, which are limited to specific conservation projects. A broader scope justifies greater investment in developing an enabling environment as the instrument can mobilise finance for a wider range of projects.

Instrument	Alignment to the NDCs and development of objectives	Relative expediency and affordability	Enabling Environment	Fully tested and mature	Time horizon appropriateness	Scope of further application
Instruments for raising large sums						
Green Bonds	Able to mobilise funding quickly for upfront costs of priority sector investments and appropriate projects.	Existing SLBs offer a framework for future issuances but need significant concessionality.	Project pipeline required. Uganda can take on debt.	Yes	Short, medium and long term.	Can be extended to other projects
Debt-for-nature swaps	Expenditure can align to projects. Creates fiscal space for other additional debt.	Requires meticulous preparation, including pre-feasibility studies, strong fiscal capacity, transparency, and a credible domestic spending program.	Potential partner has been identified	Yes	Short, medium	Limited
Public Private Partnerships	Able to mobilise funding from private sector for commercially feasible projects	Requires enabling legislation and contract. Medium.	Project pipeline required.	Yes	Short, medium and long term.	PPP could be upscaled to the national level and limited to specific partnership
Derisking instruments						

Instrument	Alignment to the NDCs and development of objectives	Relative expediency and affordability	Enabling Environment	Fully tested and mature	Time horizon appropriateness	Scope of further application
Insurance	Mobilise funding for projects and include private sector and appropriate for mitigation projects	Complex and expensive to develop.	Insurance sector in place	Yes	Short, medium and long term.	High
Local disaster funds	Appropriate for financing mitigation-related projects	Can be complex and expensive to develop.	Already in progress	Yes	Short, medium and long term.	High
Parametric Insurance	Appropriate for financing mitigation-related projects	Relatively straightforward between two parties	To be developed	Yes	Medium and long term.	Limited to weather
Financial guarantees	Appropriate for commercially related projects	Relatively straightforward as between two parties.	To be developed	Yes	Short, medium and long term.	Model can be duplicated but usually based on conditions
Results-based financing instruments						
Impact investment	Funding (including private) for development projects	Costly to establish as return required	Project pipeline to be identified	Yes	Short, medium and long term.	Extend to other projects
Impact bonds	Funding (including private) for development projects	Relatively simple to establish with a bond framework	Project pipeline to be identified	Yes	Short, medium and long term.	Extend to other projects.
Result-based finance incentives	Funding (including private) for development projects	Relatively complicated to establish	Possible to attach these to projects	Yes	Short, medium, long term.	Extend to other projects
Instruments targeting SME's						

Instrument	Alignment to the NDCs and development of objectives	Relative expediency and affordability	Enabling Environment	Fully tested and mature	Time horizon appropriateness	Scope of further application
Initial finance mechanisms (seed capital)	May be linked to commercially viable projects	Relatively straightforward once funder is identified	Some progress and limited requirements to implement	Yes	Short, medium term.	Extend to other projects/ upscale
Development finance (private equity, mezzanine finance, and others)	Appropriate for long-term infrastructure projects	Can be complex to structure different levels of finance	Some progress and limited requirements to implement	Yes	Short, medium term.	Extend to other projects/ upscale
Dedicated MFI to climate initiative	Funding for appropriate projects	Costly and complicated to establish	Some progress and limited requirements to implement	Yes	Short, medium and long term.	Extend to other projects/ upscale
Crowdfunding	Funding for commercially viable projects	Due to the expectation of returns, it can be complicated and costly to establish	Some progress and limited requirements to implement	Yes	Short, medium and long term.	Extend to other projects/ upscale
Fungible offset instruments						
Voluntary carbon finance	Appropriate for financing selected carbon-offsetting projects	Existing VCM Frameworks	Already in place	Yes	Short, medium and long term.	Potential to upscale
Art 6 carbon finance	Appropriate for financing selected carbon-offsetting projects	Carbon Market frameworks under development	Still to be implemented	Yes	Short, medium and long term.	Extend to other projects/ upscale.

Instrument	Alignment to the NDCs and development of objectives	Relative expediency and affordability	Enabling Environment	Fully tested and mature	Time horizon appropriateness	Scope of further application
Biodiversity credits	Appropriate for financing selected projects	This would require developing a framework and markets. Uganda has some work on this that can be refreshed for these purposes	Still to be implemented	No	Short, medium and long term.	Some extension but also project-specific

Appendix C: Key Climate Finance Entities and Mandates

Table 2 Non-exhaustive list of key national stakeholders involved in climate finance -related efforts across the value chain [order of stakeholders is not indicative of level of authority / hierarchy.

Government Institutions	
Ministry of Finance, Planning and Economic Development	The Ministry of Finance, Planning and Economic Development (MOFPED) has the constitutionally mandated responsibility of mobilising development and climate finance, in consultation with MoWE as per the National Climate Change Act 2021. MoFPED houses Uganda's Climate Finance Unit and COP task force and is mandated to produce this National Climate Finance Strategy for Uganda (MoFPED, 2024).
Climate Finance Unit	Within MoFPED, the CFU will lead Uganda's transformational change in access to climate finance through a programmatic approach at the country level (MoFPED, 2023).
Ministry of Water and the Environment	MWE houses the Uganda Climate Change Department, which is mandated to strengthen Uganda's UNFCCC and Kyoto Protocol implementation. This includes assisting in identifying and mobilising funding sources for climate action (Ministry of Water & Environment, 2024). The CCD assesses adaptation and mitigation actions of lead agencies, individuals, and private entities to identify synergies and guide national prioritisation of climate change actions.
National Planning Authority	The National Planning Authority is mandated to produce economic development plans for the country, including Vision 2040, the National Development Plan, and the Green Growth Development Strategy—all of which focus on climate mitigation and adaptation (National Planning Authority, 2020).
Ministry of Energy and Mineral Development	Responsibilities include planning for Uganda to meet energy requirements for economic growth and development objectives in a secure, affordable, and sustainable way. This includes publishing the Uganda Energy Transition Plan (MEMD & IEA, 2023).
Ministry of Local Government	The Ministry of Local Government (MoLG) promotes locally-led climate resilience and adaptation (MoLG, 2024).
Ministry of Agriculture, Animal Industry and Fisheries	Vision is for a competitive, profitable and sustainable agriculture sector for Uganda, has developed the National Agriculture Policy, Agriculture Sector Strategic Plan, Sustainable Land Management Strategic Investment Framework, and Uganda Climate Smart Agricultural Transformation Project (MAAIF, 2024).

Government Institutions	
Uganda Revenue Authority	URA is mandated to assess, collect and account for Central Government Tax Revenue (including Non-Tax Revenues) and to provide advice to government on matters of policy relating to all revenue sources (URA, 2024)
Kampala Capital City Authority	Responsible for the Kampala Climate Change Action Strategy (KCCA, 2016).
Uganda Cleaner Production Centre	The centre aims to build capacities, foster dialogue between industry and government, and enhance investments in the transfer and development of environmentally sound technologies for resource-efficient and Cleaner Production (Uganda CPC, 2024).
Uganda Securities Exchange	The Uganda Securities Exchange (USE) is the principal stock exchange of Uganda (Uganda Securities Exchange, 2024).
National Environment Management Authority	NEMA leads the development of environmental policies, laws, and guidelines, and advises the government on managing the environment in Uganda. It supports social and economic development by promoting the sustainable use of natural resources, helping the government achieve its goals for sustainable development, as outlined in the National Vision, National Development Plan (NDP), and global commitments like the Sustainable Development Goals (SDGs) (NEMA, 2024)
Ministry of ICT and National Guidance	To provide strategic and technical leadership, overall coordination, support and advocacy on all matters of policy, laws, regulations and strategy for the ICT sector (MoICT, 2024).
National Information Technology Authority	To coordinate, promote and monitor Information Technology(IT) developments in Uganda within the context of National Social and Economic development (NITA, 2024).
Public Procurement and Disposal of Public Assets Authority	The principal regulatory body for public procurement and disposal of public assets in Uganda (PPDA, 2024)
Ministry of East African Community Affairs Uganda	The Ministry of East African Community Affairs is a Government Ministry responsible for coordinating the country's affairs with those of the region in East Africa (Home, 2024)
Ministry of Foreign Affairs	MoFA manages Uganda's foreign policy, with a mission to promote and protect Uganda's interests abroad. Its key functions include promoting peace, advancing economic interests, supporting regional integration, upholding international law, providing diplomatic services, enhancing Uganda's image, and strengthening the Ministry's capacity (MoFA, 2024).
Ministry of Lands, Housing and Urban Development	Ensure a rational, sustainable and effective use and management of land and orderly development of urban and rural areas as well as safe, planned and adequate housing for socio-economic development (Devex, 2024)
Ministry of Gender, Labour & Social Development	Mobilise and empower communities to harness their potential while protecting the rights of vulnerable population groups (MGLSD, 2024)
Ministry of Justice and Constitutional Affairs	Provide legal advice and legal services to Government, its allied institutions and to the general public and to support the machinery that provides the legal framework for good governance (MoJC, 2024).

Government Institutions	
Ministry of Science, Technology and Innovation	Provide leadership, an enabling environment and resources for scientific research and knowledge-based development for industrialisation, competitiveness and employment creation, leading to a sustainable economy (MoSTI, 2024).
Ministry of Trade, Industry and Cooperatives	To formulate policies and regulations for sustainable development of trade, industrialisation and technology, and co-operative (Ministry of Trade, Industry and Cooperatives, 2024).
Ministry of Works and Transport	Initiate, formulate and develop National Policies, Plans and Programmes for safe and efficient Public Transport Infrastructure and Services (MoWT, 2024).
Ministry of Local Governments	Responsible for coordinating and supporting local governments for sustainable, efficient and effective service delivery in a decentralized framework government.
National Meteorological Authority.	Implement programmes and projects for coordination of climate and weather-related information and acts as a focal point for Inter-governmental Panel on Climate Change (IPCC).
Private Sector Federations and Associations	
Private Sector Foundation Uganda	The Private Sector Foundation Uganda (PSFU) functions as a focal point for private sector advocacy and capacity building. It maintains a dialogue with the Government on behalf of the private sector. It serves as an implementation partner for government projects and programs focused on strengthening the private sector's role in Uganda's economic growth (PSFU, 2024).
Uganda Manufacturers Association	To provide effective representation of the interests of manufacturers to the government and to advocate for better policies, a conducive business environment, and a level playing field for all manufacturers (UMA, 2024).
Uganda National Farmers Federation	Organise and advocate for favourable policies to transform farmers into prosperous communities in Uganda (UNFFE, 2024)
Financial Institutions & Regulatory Authorities (including examples of both Government / national entities and private sector)	
Central Bank of Uganda	The Central Bank of Uganda (BoU) is Uganda's central bank, established on August 15, 1966. It is fully owned by the government but operates independently from government departments. BoU works closely with the Ministry of Finance, Planning, and Economic Development (MoFPED) and is responsible for creating and implementing monetary policy, as well as regulating and supervising financial institutions (BoU, 2024).

Uganda Development Bank	UDB is home to the Uganda Green Finance Facility and has a Green Finance Unit. It has developed a Green Finance and Investment Strategy and monitoring indicators to create a policy-enabling environment for green investments (UDB, 2024).
Microfinance Support Centre Limited	MSC offers microfinance services across Uganda, particularly semi urban and rural populations who are most vulnerable to climate change, and require access to finance to build their adaptive capacity (Climate Analytics Africa, 2024).
Uganda Bankers Association	Collaborate with the banking sector to provide capacity building on various aspects of the sector, which could include climate change impacts, adaptation and mitigation (Climate Analytics Africa, 2024).
United Bank for Africa Uganda Limited	United Bank for Africa (UBA) Uganda is a retail bank that serves individual customers, small and medium enterprises (SMEs), and large corporations. It has operations in 20 African countries, as well as in the UK, the US, France, and the United Arab Emirates. UBA's headquarters are in Lagos, Nigeria (UBA, 2024).
Uganda Investment Authority	UIA is mandated to promote, attract and retain value-adding domestic and foreign direct investments through robust marketing and investor-centric policies and services (UIA, 2024)
Insurance Regulatory Authority of Uganda	The IRA supervises and oversees the insurance sector in the country (IRA, 2023).
Uganda Retirement Benefits Regulatory Authority	URBRA is responsible for regulating and supervising the retirement benefits sector in Uganda (URBRA, 2022).
Uganda Microfinance Regulatory Authority	UMRA is responsible for regulating and supervising the tier 4 microfinance institutions in Uganda (UMRA, 2021).
Capital Markets Authority	CMA is responsible for regulating and controlling the capital markets in Uganda (CMA, 2021). The authority is responsible for developing the capital markets by removing barriers and creating incentives for long-term investments in productive enterprises. It also oversees the creation and regulation of a fair, efficient, and self-regulatory securities market, protects investor interests, and manages a compensation fund (Republic of Uganda, 1996).
Equal Opportunities Commission	Support in the implementation and alignment to the Gender equality and equity responsive considerations and budgeting.

Appendix D: Implementation Action Matrix

Implementation Matrix [Color Code: Green – Short Term FY 24/25; Blue - Medium Term FY25/26 -27/28; Grey – Long Term FY29/30]

Domestic Public Climate Finance

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
Objective 1: Enhance domestic public climate finance access and mobilization											
1.1 Promote an enabling environment for stimulating domestic public climate finance access and mobilisation										MoFPED	
	1.1.1 Fast track the finalization of integration of Climate Change Budget Tagging in the national Programme Based Budgeting system to foster predictable domestic public climate finance flows.									MoFPED	NPA, MWE, DPs
	a. Finalize and rollout the climate change budget tagging tool to all government agencies.									MoFPED	
	b. Undertake a comprehensive mapping of PIAP climate change adaptation and mitigation indicators at Programme, Local Government and Vote Level.									NPA	MWE, MoFPED

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	c. Develop a Checklist/ guideline for climate change integration in budgeting for usage by MoFPED section/ NDP programme heads									MoFPED	MWE, NPA, DPs
	d. Hold continuous and refresher engagements on the operationalization of the Climate Change Budget Tagging Tool									MoFPED	LGs, MDAs
	e. Undertake Quarterly training of Local Governments on the operationalization of the CCBT.									MoFPED	LGs, MoLGs, MWE, NPA
	f. Scale up the coverage of performance based climate resilience grants such as LoCAL.									MoFPED	MoLGs, UNCDF, MWE
	1.1.2 Develop regulations for operationalization of climate finance provisions in the National Climate Change Act.									MWE	MoFPED, DPs, MDAs, LGs
	a. Fast track the development of national guidelines and regulations for Carbon Markets.									MWE	MoFPED, MoJCA, MDAs, DPs
	b. Develop a Fiscal Framework for management of proceeds from carbon markets.									MoFPED	URA, BoU, MWE, MDAs, DPs
	c. Develop regulations for levies or fees to be paid by any project proponent.									MWE	URA, MoFPED

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	b. Develop a Fiscal Framework for management of proceeds from carbon markets.									MoFPED	URA, BoU, MWE, MDAs, DPs
	c. Develop regulations for levies or fees to be paid by any project proponent.									MWE	URA, MoFPED
	1.1.3 Develop a green bonds framework to leverage green bonds issuance in mobilizing climate finance.									MoFPED	MDAs, DPs,
	1.1.4 Integrate climate change adaptation and mitigation in the Development Committee Guidelines and appraisal criteria for all public investments.									MoFPED	MWE, NPA
1.3 Identify and leverage innovative climate finance sources to supplement mainstream domestic climate finance sources											
	1.3.1 Integrate climate change concerns and climate risk analysis in the Public Private Partnerships Framework									MoFPED	MWE, NPA, Parliament

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	1.3.2 Create an enabling environment for operationalization of Carbon Markets. Fast track the development a national carbon markets guidelines, and fiscal framework to harness carbon finance;									MoFPED	MWE, MoJCA, CSOs, DPs, Private Sector, Parliament.
	1.3.2 Create an enabling environment for operationalization of Carbon Markets. Fast track the development a national carbon markets guidelines, and fiscal framework to harness carbon finance;									MoFPED	MWE, MoJCA, CSOs, DPs, Private Sector, Parliament.

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	a. Develop and disseminate national guidelines for participation in carbon markets.									MWE	MoFPED
	b. Develop a robust fiscal framework for the management of proceeds from carbon markets.									MoFPED	URA, BOU MWE
	c. Disseminate the Carbon Markets fiscal framework to stakeholders.										
	1.3.3 Develop a concise framework to guide debt for nature swaps arrangements									MoFPED	MDAs
	a. Undertake a mapping of creditors aligned to debt for nature swaps arrangements									MoFPED	MDAs
	b. Map projects eligible for debt for nature swaps and quantify estimated debt savings from this arrangement.									MoFPED	MDAs
	1.3.4 Align public spending towards interventions that catalyze private sector investment in climate change investment opportunities.									MoFPED	Parliament, NPA, MWE, LGs, MDAs, DPs, CSOs, Academia.

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	a. Align with international climate finance disclosure agreements (TCFD), TNFD) to ensure all private financial institutions in Uganda are compliant									MoFPED	BoU, UBA, DPs, PSFU, UMA,
	b. Collaborate with DFIs to access long term concessionary finance for on-lending to private financial institutions, at pace and scale to make climate smart investments more financially viable									MoFPED	MDAs, LGs, BoU, DPs, CSO, UBA
	c. Create central clearinghouse for streamlined applications by private project sponsors to decrease time required for due diligence by financial institutions.									MoFPED	MDAs, LGs, DPs, CSOs
	d. Increase awareness of all financial institutions on opportunities in climate smart investing.									MoFPED	PSFU, UMA, BoU, MDAs, LGs, DPs, CSOs

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	1.3.5 Develop a blended tool to support public private partnerships and joint ventures in unlocking capital flows towards to all sections of users.									MoFPED	Academia, DPs, MWE, CSOs, PSFU, UBA
1.1. Promote Targeted gender inclusive institutional capacity building in domestic climate finance access and mobilization through:	1.1.1 Carry out capacity needs assessment of NDC prioritized sectors and local governments to identify major climate finance access and mobilization institutional capacity gaps;									MoFPED	MWE, MoLGs, MGLSD, NPA, LGs, DPs
	a. Develop a capacity needs assessment tool									MoFPED	MWE, LGs, MoLG, DPs
	b. Map central government agencies and local governments for capacity building.									MoFPED	MWE
	c. Develop capacity needs building materials aligned to mapped climate finance windows									MoFPED	MWE
	d. Organize climate finance access and mobilization capacity building engagements at national and sub-national level.									MoFPED	MWE, LGs, MoLG, DPs

Objectives and Strategies	**Interventions and Activities**	**Targets**	**Timeline**							**Responsible**	
			24/25	**25/26**	**26/27**	**27/28**	**28/29**	**29/30**	**2030**	**Lead**	**Others**
	1.1.2 Coach/Sensitize public institutions and local governments in effective climate change responsive budgeting;									MoFPED	
	a. Develop Climate Change Budget Tagging Report Formats									MoFPED	
	b. Convene and train MoFPED NDP programme/section heads in climate change responsive budgeting.									MoFPED	
	c. Convene and train NDP programme secretariats and corresponding public agencies in climate change responsive budgeting.									MoFPED	
	d. Convene and train local governments in climate change responsive budgeting.									MoFPED	
	1.1.3 Develop tools and training packages on preparation of bankable climate change concepts and proposals through a learning by doing approach for dissemination to relevant stakeholders;									MoFPED	NPA, MWE, MDAs

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	a. Develop and rollout a simplified NDA checklist for review and assessment of concepts and proposals.									MoFPED	MWE
	b. Sensitize MDAs on the Public Investment Management System (PIMs) process and climate finance sources investment criteria									MoFPED	NPA
	1.1.4 Support institutions and local governments in translating climate change challenges into business and investment opportunities for uptake by the business community.									MoFPED	MWE, LGs, MoLG
	a. Undertake pre-feasibilities and feasibility studies of proposed NDC climate change project ideas to quantify viability.									MDAs	MoFPED
	b. Establish digital and virtual platform for continuous public-private sector engagement.									MoFPED	
	c. Integrate climate change and climate risk in the Public Private Partnership Framework.									MoFPED	PSFU, UMA, UBA, NPA

Objectives and Strategies	**Interventions and Activities**	**Targets**	**Timeline**							**Responsible**	
			24/25	**25/26**	**26/27**	**27/28**	**28/29**	**29/30**	**2030**	**Lead**	**Others**
	1.1.5 Enable peer to peer learning across institutions and local governments to share best practices and lessons on seamless climate finance access and mobilization.									MoFPED	MDAs, DPs
1.4 Optimise climate finance allocation and expenditure to catalyse more climate finance flows	1.4.1 Align all climate finance allocations and expenditures to catalyse more climate finance flows									MoFPED	MDAs, LGs, CSOs, DPs, Private Sector.
	a. Map out and sequence NDC climate actions to increase the effectiveness of mobilized climate finance.									MWE (CCD)	MoFPED, MDAs.
	1.4.2. Disseminating the NDC implementation annualized action plan and roadmap to all government ministries, departments and agencies at national and sub-national levels.									MWE	MoFPED, MDAs
	a. Undertake annual pre-budget engagements to highlight programme specific actions for prioritization in the budgeting process.									MWE	MoFPED, MDAs

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	1.4.3 Support NDP programme secretariats and NDC sectors to develop programme/sector specific NDC action plans to guide annual budgeting processes.									MWE	MoFPED, MDAs
	1.4.4 Effectively integrate climate change in budget instruments such as the budget call circulars, budget strategy and budget implementation circulars.									MoFPED	MWE
	1.2.1.4 Mandate all votes and NDP programmes to budget for relevant climate change adaptation and mitigation actions.									MWE	MoFPED, NPA
	a. Hold stakeholder engagements at national and local government levels to roll out the climate change budget tagging tool.									MoFPED	MWE
	b. Map out and disseminate PIAP climate change adaptation and mitigation outputs at vote level.									MWE	MoFPED, NPA
	c. Disseminate the Climate Change Responsive Budgeting Assessment Methodology to MDAs to increase compliance levels.									MWE.	NPA, MoFPED

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
1.5 Strengthen national climate finance tracking, reporting, and accountability	1.1.5 Enable peer to peer learning across institutions and local governments to share best practices and lessons on seamless climate finance access and mobilization.									MoFPED	MWE, OPM, NPA,
	1.5.2 Fast track the completion of climate change adaptation and mitigation codes in the national programme-based budgeting system									MoFPED	MWE, NPA, DPs
	1.5.3 Develop and disseminate climate change responsive programme-based budgeting reporting formats for standardized climate finance reporting by all public institutions.									MoFPED	
	a. Develop Reporting Formats for Central Government MDAs.									MoFPED	
	b. Develop Reporting Formats for Local Governments.									MoFPED	
	1.5.3 Liaise with the office of the prime minister and ministry of local governments to integrate climate finance performance in the Government Annual Performance Report and Local Government Annual Performance Assessment Tool respectively; and									MoFPED	MWE, OPM, MoLG, LGs

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	1.5.4 Build capacity of government ministries, departments and agencies in climate finance tracking, reporting and accountability									MoFPED	MWE, MDAs, LGs, DPs.
	a. Undertake an inventory of current reporting efforts and gaps.									MoFPED	MDAs
	b. Develop and disseminate knowledge products on climate finance tracking, reporting and accountability.									MoFPED	
	1.5.5 Liaise with the Ministry of Water and Environment to roll out the Uganda Climate Finance Monitoring, Reporting and Verification tool.									MWE	MoFPED, MDAs, LGs
	a. Designated climate finance reporting focal points across MDAs									MoFPED	MWE, MDAs.
1.6 Strengthen national climate finance tracking and accountability systems.											
	1.6.1 Establish a regular and clear reporting mechanisms for climate finance flows such as quarterly and national state of climate finance reports to ensure transparency and accountability									MoFPED	

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	1.6.2 Ensure that the State of Climate Finance Report accompanies the Report on Public Debt, Grants, Guarantees and other financial liabilities for presentation to Parliament									MoFPED	
	1.6.3 Develop relevant data collection tools to collect, manage and verify climate finance data to ensure accurate and credible climate finance tracking and reporting									MoFPED	MWE, UBOS, BoU, NPA
	i. Digitize and automate climate finance data collection and tracking.									MoFPED	MoICT, NITA
	ii. Operationalize and disseminate the MRV system particularly the Climate Finance component.									MWE	MoFPED, OPM, NPA, DP
	1.6.4 Harness digitization and innovation opportunities to ensure robust climate finance tracking, reporting and accountability									MoFPED	MWE, UBOS, LGs, DPs
1.7 Build strategic partnerships to enhance transparency and credibility of Climate Finance Reporting	1.7.1 Establish a digital platform for regular stakeholder engagements on climate finance flows									MoFPED	DPs, MICT, PSFU, MWE, Media

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	1.7.2 Formulate fiscal incentives and a reward system that motivates the private sector to voluntarily report on climate finance initiatives and investments									MoFPED	URA, BoU, NPA, PSFU
	1.7.3 Liaise with development partners and Civil Society Organizations to scale up tested climate finance tracking and reporting tools									MoFPED	DPs, CSOs, Academia,
	1.7.4 Liaise with stakeholders to establish a functional climate finance portal that guarantees public access to climate finance data to build transparency and stakeholder ownership									MoFPED	MWE, DPs, MoICT, NITA-Ug.
	1.7.5 Build international collaboration and data sharing to reduce disparities in climate finance data and reporting between Development Partners and the Government									MoFPED	DPs, CSOs, MWE
	1.7.6 undertake external/ independent verification and accreditation of climate finance information to enhance credibility of reports.									MoFPED	BoU, DPs, PSFU

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
International Climate Finance											
Objective 2: Scale up International Climate Finance Access											
3.1. Ensure access to relevant international funds such as the Resilient and Sustainability Facility (RSF) under the IMF, to compliment domestic climate finance in financing climate change adaptation and mitigation actions.										MoFPED	BoU, DPs, MWE, NPA
	3.1.1Fast-track the development of a Country Climate and Development Repot to unlock climate finance from the IMF Resilient and Sustainability Facility.									MoFPED	BoU, NPA, DPs, CSOs, MDAs
	3.1.2 Benchmark best practices from regional peers on unlocking heightened climate finance from international sources. for sub-national investments and establishment of functional climate finance facilities/financing vehicles.									MoFPED	MWE, MoLG, LGs, DPS
	i. Undertake peer learning engagements with Kenya to benchmark best practices on unlocking sub-national climate finance – FLLOCA.									MoFPED	MoLG, MWE, MoLGs, LGs, MDAs, DPs, MEACA, EAC,CSOs
	ii. Engage with regional peers on establishing functional climate finance facilities and financing vehicles.									MoFPED	BoU, UDB, MWE, NPA, MEACA, EAC

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	iii. Scale up the Local Adaptive Living Facility Performance Based Climate Resilience Grant across Local Governments									MoFPED	DPs (UNCDF), MoLGs, LGs, CSOs, MWE.
	iv. Scale up the Least Developed Countries Initiative for Effective Resilience (LIFE-AR) beyond the pilot 12 districts.									MWE	MoFPED, DPs, MoLG, LGs, UBOS.
	v. Engage MDBs such as WB and AfDB to tap into newly established Climate Finance windows.									MoFPED	BoU, DPS, MDBs, Academia, NPA
	3.1.3 Undertake intra-ministry coordination and streamline all requisite internal processes required to meet the eligibility criteria for international funds;									MoFPED	
3.2 Operationalize Debt for Nature/ climate Swap mechanisms.											
	3.2.1.Set-up a national framework that will guideee decisions regarding the financing mechanism;										

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	3.2.2 Build strategic partnerships with the Development Partners aimed at identifying debt for nature swaps opportunities										
	3.2.3 Undertake a mapping exercise for debt for nature swaps opportunities										
	3.2.4 Undertake peer to peer learning and benchmarking visits learn best practices on tapping into debt for nature/ climate swaps									MoFPED	MDAs, BoU, DPs
	3.2.5 Document lessons from Kawoolo and Busolwe Hospitals debt for nature swaps case studies to replicate the success and share learnings with relevant stakeholders.									MoFPED	MWE, MDAs
3.3 Develop and implement a stakeholder engagement strategy with focus on potential international climate finance source representatives										MoFPED	MDAs, CSOs, DPs, Academia, Media

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	3.3.1 Undertake stakeholder mapping for inclusion in the stakeholder database.									MoFPED	
	3.3.2 Develop a clear roadmap for stakeholder engagement with focus on investment area of interest;									MoFPED	
3.4 Foster Progress the different options on Innovative Blended Financing										MoFPED	BoU, UDB, DPs, CSOs, Academia
	3.4.1 Identification/preparation of climate friendly investment policies plans and actions;									MoFPED	MWE, MDAs, DPs
	3.4.2 Building partnerships with development partners that support the development of the financing tool									MoFPED	MWE, DPs, CSOs
	3.4.3 Developing a tool and initiatives that support climate risk analysis during the design and implementation of PPP projects.									MoFPED	NPA, MWE, MDAs, DPs, CSOs
	3.4.4 Secure readiness funds from climate funds strengthen national systems and fiduciary standards to unlock more climate finance.									MoFPED	MWE, DPs

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
3.5 Undertake the issuance of Green Bonds/ wildlife bonds										MoFPED	BoU, DPs, UBA, Commercial Banks, Academia
	3.5.1 Preparation of a comprehensive bonds framework and/or guidelines									MoFPED	DPs, MDAs, BoU, UBAs, CSOs, PSFU
	3.5.2 Create green Bonds committee to oversee and guide the process of the issuance of the first sovereign Green Bond									MoFPED	DPs, MDAs, Private Sector, UDB, UBA, Academia
	3.5.3 Developing a web based Green Bonds Investment Portal.									MoFPED	BoU, DPs
	3.5.4 Conduct round table discussions with potential investors.									MoFPED	MDAs, DPs, CSOs, Private Sector
	3.5.5 Build capacity through adoption of best practices and peer to peer learning from countries such as Egypt that have successfully issued green bonds.									MoFPED	MWE, DPs,
	3.6 Operationalize regulatory frameworks for international climate finance access especially fiscal frameworks for carbon markets.									MoFPED	MWE, Parliament, LGs, MoLG, DPs

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
3.7 Enhance international public climate finance mobilization	3.7.1 Pursue and implement necessary actions to enhance access modalities from the mechanisms serving the Convention, Protocol and the Paris Agreement									MoFPED	MWE, MDAs
	3.7.2 Continue negotiating and pushing for simplified approval and access procedures of the operating entities of the financial mechanism of the convention during the meetings of the subsidiary bodies and conference of parties									MoFPED	MWE, DPs, CSOs
	3.7.3 In line with the NDC, continue rallying for more adaptation finance while advancing mitigation with an emphasis on interventions with adaptation co-benefits;									MoFPED	MWE, CSOs, DPs, Private Sector, MDAs, LGs
	3.7.4 Undertake continuous national, and institutional capacity building in mobilizing and tracking climate finance.									MoFPED	MWE, MDAs, DPs, CSO, LGs, Private Sector
	3.7.5 Leverage opportunities provided by foreign missions									MoFPED	MoFA, DPs, Abroad Missions – (Embassies)
	3.7.6 Apply for readiness support to enhance its preparedness in the form of strategies, frameworks, studies among others in readiness to access the funding from the mechanisms.									MoFPED	MWE, DPs

Objectives and Strategies	**Interventions and Activities**	**Targets**	**Timeline**							**Responsible**	
			24/25	**25/26**	**26/27**	**27/28**	**28/29**	**29/30**	**2030**	**Lead**	**Others**
3.8 Undertake efforts to mobilize international climate finance through deployment of innovative instruments to widen sources										MoFPED	MDAs, DPs, CSOs, Academia, EPRC, NPA
	3.8.1 Support the development of Public Private sector partnerships on green investments									MoFPED	BoU, UBA, PSFU, DPs, CSO
	3.8.2 Provision of incentives for green and blue investments									MoFPED	URA, MDAs, Parliament, PSFU
3.9 Optimize international climate finance allocation and expenditure	3.3.1 Ensuring alignment of joint country programming with development partners to ensure that their climate finance allocation and expenditure is aligned to national priorities									MoFPED	DPs, NPA
	i. Hold continuous engagements focused on highlighting the existing funding gap of NDC climate actions.									MoFPED	MWE, DPs
	3.3.2 Promoting allocation of climate finance to interventions with multiplier effects as opposed to singular benefits;									MoFPED	DPs, CSOs, Parliament, NPA, MWE
	3.3.3 Advocating and negotiating for climate finance in form of grants where possible to avert compounding of the debt burden									MoFPED	MDAs, LGs, CSOs, MoFA, DPs

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	3.3.4 Ensuring a balance in climate finance allocation between enabling/software interventions such as awareness creation and actual infrastructure investments that build adaptive capacity of communities and the economy;									MoFPED	MWE, Parliament, MDAs, CSOs, DPs.
3.10 Strengthen international climate finance tracking, monitoring and reporting.	3.4.1 Establish a publicly accessible system to monitor international climate finance inflows for all sources and corresponding allocations									MoFPED	MWE, DPs, CSOs
	3.4.2 Update the Aid Management Programme (AMP) system to track all development assistance with components of climate finance as output areas									MoFPED	DPs
	3.4.3 Develop an annual State of Climate Finance Report illustrating climate finance flows for the ending financial year;									MoFPED	MDAs, LGs, DPs, CSOs
	3.4.4 Undertake periodical update of the climate finance portal with climate finance inflows and new projects.									MoFPED	MWE, DPs, CSOs
	3.4.5 Strengthen the climate finance section of the Biennial Update Report to the UNFCCC for comprehensive national climate finance reporting to the UNFCCC									MoFPED	MWE, CSOs, DPs

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
Domestic Private Climate Finance											
Objective 3: To enhance participation of the private sector as a key player climate finance											
2.1 Stimulate climate finance access and mobilisation from the private sector										MoFPED	UDB, BoU, PSFU, URA, IRA
	2.1.1 Continuously capitalize the climate finance facility in the Uganda Development Bank to ensure access to affordable climate credit for climate relevant investments									MoFPED	UBD, BoU
	2.1.2 Establish mechanisms and tools such as blended financing that de-risk climate aligned investments to increase their viability to the private sector.									MoFPED	BoU, UDB,
	2.1.3 Foster Public Private Partnerships to leverage government funding and support private sector investments in green projects to attract private investments which implement climate initiatives.									MoFPED	UDB, BoU, PSFU, IRA, UBA
	i. Develop financial products in liaison with the financial sector providing partial guarantees from public resources & through accessing concessional international finance.									BoU	MoFPED, URA, UBA, PSFU, IRA, Commercial Banks

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	2.1.4 Formulate policy and regulatory frameworks to incentivize private sector investment in climate friendly projects which include feed-in tariffs for renewable energy projects, tax incentives and carbon pricing									MoFPED	MEMD, MAAIF, KCCA, URA, MWE, PSFU, UMA
	i. Develop guidelines for integration of climate risk in financial sector to align its operations to climate change and increase its impact on climate action									MoFPED	BoU, UBA, Commercial Banks, PSFU, UIB
	ii. Develop a pipeline of bankable investment opportunities in climate change aligned to various financing sources and instruments									MoFPED	MWE, MEMD, UDB,MAAIF, NPA, CSOs, DPs, MTIC, UIA
	iii. Increase awareness of all financial institutions on opportunities in climate smart investing.									MoFPED	BoU, UDB, UBA, Academia, Media
	2.1.5 Develop risk mitigation instruments such as catastrophe bonds, insurance weather derivatives associated with natural hazards and partial guarantees to reduce the perceived risks associated with climate investments which attract financial security for the private sector									IRA	BoU, UIA, MoFPED, UDB, UBA, UIA, OPM, MAAIF, PSFU

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	2.1.6 Reduce bureaucratic hurdles and providing clear guidelines to simplify and expedite the approval process for climate projects making it easy for the private sector entities to access climate finance.									MoFPED	MWE, NPA, PSFU, UMA.
	i. Create central clearinghouse for streamlined applications by private project sponsors to decrease time required for due diligence by financial institutions									MoFPED	MWE, PSFU, UMA, UBA, UIA, UTA
	2.1.7 Fostering innovation for research and development:									Academia	MoFPED, NPA, DPs, MAK, MUBs, KYU,UMA, UNCST, MSTI, EPRC, CSOs
	i. Investing and supporting green innovation hubs to encourage the private sector to develop new technologies and processes that are environmentally friendly and sustainable and provide solutions for climate mitigation and adaptation which can attract private sector investment by showcasing the potential for profitable ventures.									Academia	MoFPED, MWE, EPRC, NPA, MSTI, UNCST, UCPC, MTIC, DP, CSOs

Objectives and Strategies	**Interventions and Activities**	**Targets**	**Timeline**							**Responsible**	
			24/25	**25/26**	**26/27**	**27/28**	**28/29**	**29/30**	**2030**	**Lead**	**Others**
	2.1.8 Support blended finance initiatives that provide a mix of concessional and commercial capital to reduce the cost of borrowing and increase access to funding which attracts technology assistance and capacity building support.									MoFPED	Academia, EPRC, CHAI, NPA, MSTI, UNCST,
2.2 Ensure effective private sector climate finance allocation and expenditure.											
	2.2.1Provision of direct financial assistance (grants and subsidies) to businesses and organizations that are undertaking climate investments to cover upfront costs of research, development and implementation.									MoFPED	BoU. DPs, URA, PSFU, UDB, aBi, CSOs
	2.2.2Availing low cost credit through provision of low-interest loans to domestic private sector entities to stimulate investment in climate action.									MoFPED	URA, BoU, UBA, Commercial Banks, DPs, UDB
	2.2.3 Formulate climate change responsive fiscal reforms that incentive the private sector. The introduction of tax incentives such as tax credits, exemptions or deductions for domestic companies that invest in climate projects motivate private sector engagement in climate finance and sustainable actions.									MoFPED	URA, BoU, NPA, Private Sector

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
	2.2.4 Undertake capacity building programs tailored to the needs of the domestic private sector which enhance knowledge, skills and awareness of climate finance opportunities enabling businesses to effectively access and utilize climate finance.									MoFPED	IRA, URA, DPs, MWE, NPA, BoU, CSOs, aBi, Academia, UDB, LGs, UNOC, PAU
	2.2.5 Implement the sustainable procurement provisions to motivate the private sector towards the production and supply of climate change responsive goods and services.									MoFPED	PPDA, MDAs, LGs
	a. Introduce measures to include climate considerations in public procurement to incentivize private sector providers to include climate in in their decision-making.									MoFPED	PPDA, LGs, MDAs
	2.2.6 Provide technical assistance hubs in priority sectors to help private sector players to make more informed decisions about future strategies and their alignment with climate change.									MoFPED	DPs, MWE, NPA, EPRC, CSOs, Private Sector, PSFU, UNOC, PAU

Objectives and Strategies	Interventions and Activities	Targets	Timeline							Responsible	
			24/25	25/26	26/27	27/28	28/29	29/30	2030	Lead	Others
2.3 Accelerate private sector climate finance tracking, reporting and accountability										MoFPED	
	2.3.1 Develop a National Green Taxonomy to provide standardized clarity on what constitutes a green or climate relevant investments.									MoFPED	BoU, UBA, aBi, DPs, Academia, CSOs, Commercial Banks, PSFU
	2.3.2 Establish a standardized reporting format for private sector climate finance disclosure and investments for regular reporting.									MoFPED	BoU, MWE, Academia, DPs, PSFU, Commercial Banks.
	2.3.3 Incentive voluntary climate finance tracking and reporting by establishing reward mechanisms and incentives for private sector climate finance disclosure.									MoFPED	BoU, PSFU, DPs, CSOs
	2.3.4 Liaise with the private sector to establish private climate finance baselines to track and monitor progress against national targets.									MoFPED	IRA, BoU, PSFU, UIA, UBA, MEMD, MAAIF, KCCA, KACITA, UDB, UIB, Academia

Objectives and Strategies	**Interventions and Activities**	**Targets**	**Timeline**							**Responsible**	
			24/25	**25/26**	**26/27**	**27/28**	**28/29**	**29/30**	**2030**	**Lead**	**Others**
	2.3.5 Undertake periodical targeted capacity building of private sector actors on climate change responsive investments and climate finance tracking and reporting.									MoFPED	IRA, BoU, PSFU, UIA, UBA, MEMD, MAAIF, KCCA, KACITA, UDB, UIB, Academia
	2.3.6 Develop and operationalize regulations of the Climate Finance Act (2021) to ensure mandatory private sector climate finance disclosure and reporting.									MWE	MoFPED, MDAs, LGs, DPs, CSOs
	2.3.7 Test the feasibility of introducing climate finance and ESG reporting requirements at the Uganda stock market									CMA	USE, BoU, MoFPED
	2.3.8 Build partnerships with private sector umbrella associations and organizations to ensure joint climate finance reporting and disclosure.									MoFPED	UDB, UIA, UBA, UIB, IRA, UNOC, PAU, MWE, Academia, CSOs, DPs.
	2.3.9 Align with international climate finance disclosure agreements (TCFD, TNFD) to ensure that all private financial institutions in Uganda are compliant.									MoFPED	DPs, UBA, BoU, UIB
	2.3.10 Strengthen the climate information architecture to ensure availability of reliable and comparable data to inform investment decision making.									MWE	MoFPED, DPs, UBOs, PSFU, CSOs

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