



Terms of Reference for the ACODE/EMLI Climate Finance Mobilization Joint Consultancy

1. Introduction

It is unequivocal that climate change is occurring. The impacts of climate change are negatively impacting the achievement of long-term sustainable economic growth in Uganda. An economic assessment of the impacts of climate change in Uganda estimated climate change damage estimates in the agriculture, water, infrastructure and energy sectors collectively amount to 2-4 percent of Gross Domestic Product (GDP) between 2010 and 2050. Such impacts are not only detrimental to the realization of the growth and development but also threaten livelihoods of the population.

Cognizant of this state of affairs, the Government of Uganda developed the National Climate Change Policy (2015) to ensure harmonized and coordinated approach towards a climate- resilient and low-carbon development path for sustainable development in Uganda. Consequently, the policy tasked the Ministry of Finance, Planning and Economic Development to facilitate the introduction of relevant financial mechanisms and tools to support financial resource mobilization and investment for the implementation of the climate actions.

2. Problem statement

Noting that climate change is both a developmental and an environmental challenge in Uganda, financing needs to address climate change are additional to ordinary development financing. Approx. USD 3.9 billion (USD 258 million per annum) is required to implement climate actions listed in the policy by 2030. However, the current levels of financial mobilization are far to below the estimated annual target and most of the priority national climate actions are not being implemented due to limited finance both public and private (bilateral and multilateral).

3. Rationale

Despite the policy highlighting major means through which the additional funds could be obtained, inter alia, national budget, dedicated funding from bilateral and multilateral sources, private sector finance, carbon markets, payment for ecosystem services (PES) among others, funding needs outstrip available financial resources. Promisingly, the National Climate Change Bill 2017 makes provision for financing climate change, however, limited efforts have been put in place to institutionalize the mobilization, accessibility and deployment of financial resources for climate action.

4. Objective of the consultancy

In a bid to facilitate national efforts to address the above and other related concerns, the Advocates Coalition for Development & Environment (ACODE) and the Environmental Management for Livelihood Improvement Bwaise Facility (EMLI) intends to engage a consultant to undertake a study that seeks to explore the feasibility of establishing a National Green Climate fund.

To achieve this objective, the consultant will explore the pros and cons of collapsing the tree fund into a national green climate, assess potential funding sources, analyze institutional issues, capacities and conditions influencing establishment of the fund and undertake comparative analysis of countries where such related fund is functional.

5. Tasks

ACODE and EMLI will not only jointly contribute to the costs of the consultancy but also provide oversight, technical input and guidance throughout the process.

The specific tasks of the consultant are:

- (i) Review and analyze literature on policy, legal and institutional framework on public financing and climate finance
- (ii) Conduct stakeholder consultations with support from ACODE/EMLI to solicit views on purpose, form, eligibility and functionality
- (iii) Identify efficient options for operation of mechanism for climate finance mobilization
- (iv) Design a monitoring, reporting and verification framework for climate finance in Uganda.

6. Expected Outputs

The consultant will be expected to deliver a report not exceeding 35 pages (excluding appendices) and a 6-page briefing note on climate finance mobilization in Uganda.

8. Duration of the consultancy

It is anticipated that the consultant should be in position to deliver the outputs specified with a period not exceeding 30 working days.

9. Fees

The total consultancy fees will be agreed on.

10. Reporting

The consultant will report to the chair of the joint ACODE/EMLI task team that will be hosted by ACODE as and when necessary.

11. Experience and knowledge of the consultant

The consultant should have a minimum of a bachelor's university degree in natural sciences, agriculture, environment and natural resources, economics, ecological/environment/agricultural economics or any other closely related field and at least 5 years of research and consultancy in financing for environment, natural resources and climate change.