

# POLICY DIALOGUE AND KNOWLEDGE MANAGEMENT ON LOW EMISSION DEVELOPMENT STRATEGIES IN UGANDA

## Context

Some sub-Saharan African countries have dynamically growing economies and are investing heavily in developing the associated infrastructure. These investments further fuel economic growth but are also critical to long-term emissions-intensive or low-emissions development pathways. By signing the Paris Climate Agreement and submitting Nationally Determined Contributions (NDCs), the Ugandan government committed to developing and implementing strategies to transition to a low-carbon, and sustainable economy. However, despite the commitment, climate policy goals have played only a minor role in the macroeconomic and sectoral planning in Uganda. More coherent climate, energy and economic strategies with a long-term perspective can better guide the planning and implementation of emission reduction and natural climate protection measures in various sectors in Uganda.

## Main Objective

The DIAPOL-CE project aims to support approaches to developing a resilient, low-carbon Ugandan economy. The project works on three major outputs: 1) Supporting a political dialogue format on the economic effects of low emission strategies in the energy sector. 2) Improving dialogue and technical cooperation in relation to peatlands management in Uganda and the Nile basin region. 3) Offering capacity development to financial institutions on climate-friendly technologies and solutions.

## Approach



Project title	Policy dialogue and knowledge management on low-emission development strategies (DIAPOL-CE)
Commissioned by	Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection (BMUV)
Implementing organization	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Political partner	Ministry of Energy and Mineral Development (MEMD)
Countries	Algeria, Iran, Jordan, Morocco, Nigeria, Tunisia, Gulf States, Senegal, Uganda, Rwanda
Overall term	03/2014 – 02/2023

At the national level the project organises in coordination with the political partners Ministry of Energy and Mineral Development (MEMD) and Ministry of Water and Environment (MWE) stakeholder workshops to define current needs and policy priorities. International and national experts provide technical advice on strengthening climate and energy policies. The project develops the cooperation closely with national (e.g., Ministry of Energy and Mineral Development; Ministry of Water and Environment (MWE), Uganda Institute of Banking and Financial Services; Makerere University Business School) and regional (Nile Basin Initiative (NBI)) partners in capacity development to ensure that knowledge and experiences are retained in local structures.

## Energy-Economy Modelling

In cooperation with MEMD a climate energy economy model for evidence-based policymaking was built. The model (e3.ug) allows to simulate the economic impacts of mid- and long-term climate or energy policy strategies considered by decisionmakers of the Ugandan government. It is a dynamic input-output model including three parts that allow to simulate energy, emissions, and the economy (e.3) based on historic data.

The highly participatory model-building process involved stakeholders from relevant ministries (Energy, Finance and Environment), national authorities and bureaus (Environment Manage-

ment, Planning, Statistics), as well as academia (Kyambogo University, Makerere University) and civil society (Oxfam, GGGI). Together with the stakeholders the political priorities and questions at hand were identified. Stakeholders interested in building their modelling capacities were invited to join the national expert group, where regular virtual training meetings and consultation on strategic questions for the model (e.g., identification of scenarios, selection of data) were conducted. In addition to the various trainings, explanatory videos to get acquainted with the model were published on an accessible website, where all future users and builders can review and acquire skills on how to use and extend the e3.ug model independently. The in-person training with 26 participants was further used to decide with the stakeholders from government (21 persons), academia (2 persons) and civil society (3 persons), which assumptions shall be applied for business-as-usual scenario and for the two policy scenarios: the expansion of renewable energy and electricity access (1) and improving energy efficiency (2).

The model is owned by the political partner, the Ministry of Energy and Mineral Development. It is handed over with all collected data transparently listed and the underlying assumptions clearly explained. Two policy briefs provided by an international consultant will respond to relevant questions the Ministry of Energy and Mineral Development raised, e.g., the economic effects in terms of implementing its reviewed energy policy from 2022. Two additional policy briefs are provided by the national consultants (Makerere University Business School) and have a more detailed view on the issues at hand on the national level, especially in terms of energy security and economic planning.



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## Cooperation with Nile Basin Initiative

With the support of the project, adaptation, and mitigation goals in connection to peatland protection and management of wetlands were successfully integrated in the updated NDCs. To acknowledge the engagement of Uganda, a side event to COP26 was organised virtually. Furthermore, the regional peatland dialogue was organised in Uganda in January 2022 to which 41 decision makers representing the relevant ministries from Uganda, Rwanda, Burundi, Tanzania and South Sudan came to identify prioritised action fields for restoration, protection and use of peatlands.

Following the regional Peatland Dialogues further specific policy dialogues on climate change and peatland management were held in selected Nile Basin States (Uganda, South Sudan, Tanzania). The dissemination of the results of the dialogues as well as the inclusion of peatlands especially in the target regions Akanyaru, Lake Cohoha, Sango Bay and Minziro Forest in existing hydrological models is being prepared.

## Green Banking Capacity Building

The Green Banking training was aimed at providing capacity building in financing of renewable energy and energy efficiency investments and projects for bankers and investors to improve risk assessment and their willingness to finance and invest in green energy products. 68 (20 female/48 male) participants from the Ugandan banking and energy sector have successfully participated in this 12-week online training on Green Banking. The 25 most successful participants were further selected for a face-to-face training. They will act as green banking ambassadors in their respective institutions and fast track access to Renewable Energy. Additionally, 13 Trainers from the Uganda Institute of Banking and Financial Services were trained in a five day "Train the Trainer" training. The Uganda Institute of Banking and Financial Services will continue training actors from the private and public energy and banking sector.

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