

STRENGTHENING UGANDA'S AGRICULTURAL TRADE TO ACHIEVE INCLUSIVE ECONOMIC GROWTH



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PROFILE Sophie Brenda Namonye is a Climate Change Officer at the Ministry of Water and Environment of Uganda, specializing in carbon markets, mitigation, and adaptation strategies. She holds a Bachelors in Environmental Science, Technology, and Management, Kyambogo University. She has a deep-seated passion for addressing climate related issues, inspired by firsthand experiences with the impacts of climate change. Throughout her career, Sophie has contributed to climate action initiatives, beginning with volunteer work in Green Futures Initiative, a youth group where she advocated for climate action and carried out climate education in schools and communities across Central Uganda, enlightening over 20,000 individuals in diverse communities on climate change. Sophie is committed to enabling the ordinary people to adapt to climate change and to have climate resilient communities and she believes that this can be achieved by them understanding the crisis first. Sophie believes that transformative achievements are attainable through a shift in mindset and is engaged in the Careers Network to help young people achieve their God given potential by helping them develop a growth mindset.

Executive Summary

Uganda has developed a strong legal and policy framework for climate action, including the National Climate Change Act (2021), the National Climate Change Policy (2015), and the integration of climate priorities into NDP III and the upcoming NDP IV. Despite this progress, implementation remains weak. The country is ranked 13th most vulnerable and 160th in readiness globally (ND-GAIN, 2021), and climate shocks already cost an estimated 3–5% of GDP annually.

Government assessments reveal only moderate compliance with climate budgeting targets 54% in FY2023/24 and 62% in FY2024/25. Key challenges include weak institutional coordination, inadequate technical capacity, and limited accountability mechanisms, which prevent climate change from being fully mainstreamed into sectoral planning and budgeting. To address these barriers, this brief recommends: institutionalising sector-specific mainstreaming toolkits with mandatory use, enforcing annual climate progress reporting as required by the Climate Change Act, 2021, and introducing independent climate audits.

Introduction

Uganda faces growing climate threats such as floods, recurrent droughts, landslides, and erratic rainfall, which are already undermining food security, livelihoods, and macroeconomic stability. The Ministry of Finance, Planning and Economic x

reduce GDP by 3–5% annually. Despite adopting progressive climate policies and laws, the gap between policy ambition and implementation remains wide.

Government reviews consistently show weak alignment between climate priorities and budgets, limited tracking of climate-related spending, and inadequate monitoring of actions. Closing this gap is important to building resilience and supporting the country's growth.

Uganda has the right policies on paper but faces major implementation challenges. The National Climate Change Policy (2015) set the direction for integrating climate risks across sectors, while the Climate Change Act (2021) assigned legal obligations for mainstreaming and reporting. The Third National Development Plan (NDP III) embedded climate action across sectors, and the recently launched NDP IV places even greater emphasis on resilience and low-carbon growth. Uganda has also updated its NDC commitments and introduced Climate Budget Tagging (CBT).

However, implementation has been inconsistent. Many sectors and districts lack practical tools and technical capacity, resulting in fragmented actions. While CBT has helped identify spending, accountability for results remains weak, with most entities reporting expenditures rather than outcomes. Monitoring, reporting, and verification (MRV) systems are underdeveloped, undermining Uganda's ability to demonstrate progress domestically and internationally. These gaps limit

the effectiveness of Uganda's otherwise solid policy and legal frameworks.

The main barriers can be summarised as:

- (i) budgetary and resource constraints, with climate interventions underfunded and poorly aligned;
- (ii) limited technical capacity among sector teams, leading to weak integration of climate priorities in planning; and
- (iii) inadequate monitoring and accountability mechanisms, including the absence of systematic audits or performance reviews of climate actions.

Policy Options

- Uganda has established a fairly comprehensive climate governance framework that lays the groundwork for mainstreaming climate action. The National Climate Change Policy (2015) set the vision for integrating climate risks into all sectors and levels of government. The Climate Change Act (2021) gave these obligations legal backing, assigning clear responsibilities to ministries, agencies, and local governments to plan, budget, and report on climate actions. Climate priorities have been embedded in the Third National Development Plan (NDP III) and are expected to be even more central in NDP IV, which positions resilience and low-carbon growth as core development objectives. The country's updated Nationally Determined Contribution (NDC) further commits Uganda to adaptation and mitigation actions across key sectors including agriculture, water, energy, forestry, transport, and health. In public finance, the rollout of Climate Budget Tagging (CBT) provides a mechanism to identify climate-related expenditures in the budget system. These frameworks demonstrate that Uganda has a strong policy foundation and political commitment to addressing climate change.
- Climate change is still widely perceived as an environmental issue rather than a cross-cutting development risk, which limits ownership by non-environment sectors such as finance, infrastructure, and health.
- Mainstreaming tools are not applied consistently across ministries, departments, and districts. While some sectors have begun integrating climate actions, others lack user-friendly guidance, technical skills, or incentives to follow through.

- The Climate Budget Tagging initiative has improved visibility of climate spending but does not adequately measure outcomes. As a result, resources may be recorded without clear evidence of whether they are reducing vulnerability or supporting Uganda's NDC targets.
- Another important gap lies in accountability and enforcement. The Climate Change Act (2021) requires annual progress reporting to the Climate Change Department, yet compliance is weak and reporting is often fragmented or incomplete. Monitoring, Reporting, and Verification (MRV) systems remain underdeveloped, undermining Uganda's ability to track results, learn from implementation, and credibly report progress at both national and international levels. Limited technical and financial capacity at the sectoral and local government levels further compounds these challenges, creating a cycle where climate commitments exist on paper but struggle to be realised in practice.

The above shortcomings emphasize the need for practical operational tools, stronger enforcement mechanisms, and clearer lines of accountability to bridge the gap between Uganda's climate policy frameworks and the realities of implementation.

Policy Recommendations

- Institutionalize sector-specific mainstreaming toolkits. The Climate Change Department, together with the National Planning Authority and Ministry of Local Government, should design and enforce sector-tailored toolkits with simplified checklists, indicators, and MRV templates. Compliance should be tied to the approval of ministerial and district plans.
- Enforce annual climate progress reporting. The Climate Change Department should issue binding templates and link reporting compliance to budget releases, in line with the Climate Change Act (2021). Reports should feed into national tracking systems and Uganda's Biennial Transparency Reports.
- Introduce independent climate audits. The Office of the Auditor General, working with the Climate Change Department, should institutionalise annual audits of climate-related programmes. These audits should evaluate both financial compliance and programme outcomes, strengthening transparency, accountability, and credibility with citizens and development partners.

Conclusion

Uganda has the policy instruments, legal frameworks, and political commitment to enhance climate resilience. Yet weak implementation undermines progress. Stronger enforcement, clearer accountability, and better coordination are essential. The NDP IV implementation period provides a critical opportunity to institutionalise climate governance across planning and budgeting. Acting now will secure a more resilient and sustainable future for Uganda.

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