



Inclusive Green Economy as a Focal Sector of Bilateral Cooperation with Uganda

**18 October 2018
DEVCO Environment Week
Brussels**

Uganda 11th EDF NIP focal sectors post-MTR

11 th EDF NIP focal sectors post-MTR - Amounts in million Euro	NIP	Already Committed*	To be committed	AAP 2018	Blending foreseen AAP 2018	Remainders
Inclusive Green Economy	360	258.5	101.5	60	60	41.5
Good governance	148	99.5	48.5	12	0	36.5
CSO	25.0	25	0	0	0	0
Support Measures	25.0	12.1	12.9	0	0	12.9
Total	558	395.1	162.9	72	60	90.9



Alignment with national policy

- Second National Development Plan (**NDP II**);
- Uganda's commitments under the **UN Paris Agreement on Climate Change**;
- **Achieving Uganda's Development Ambition – The Economic Impact of Green Growth: An Agenda for Action** - July 2016;
- **Uganda Green Growth Development Strategy (UGGDS)** - November 2017.

Our approach

A holistic economic model that secures growth and decent jobs while at the same time improving human well-being and preserving Uganda's natural capital for future generations.



AAP 2018: Promoting Inclusive Green Economy in Uganda

Overall objective: to support the country's transition towards an **inclusive, green and competitive low carbon economy** in line with the UGGDS and other national directives towards an environmentally friendly economic growth model.

Specific objectives

1. Access to Energy: to improve quality of life of remote households and to support private businesses;
2. Access to finance: to contribute to develop green businesses and eco-entrepreneurship;
3. Planned Inclusive Green Cities: to contribute to sustainable working patterns in several Ugandan urban areas;



Focus of EU support

- **Empowering innovative and locally-led start-up**, MSMEs and larger companies committed to advancing an eco-inclusive agenda;
- **Addressing the bottlenecks** that hamper value addition in selected value chains;
- Making **business environment and legal framework** more conducive to eco-inclusive initiatives;
- **Favouring partnerships** between European and Ugandan private sectors (economic diplomacy);



Building on past /current actions

- 2017** - Promotion of Mini-Grids in Northern Uganda (EUR 3 mln)
- 2017** - Construction of Muzizi Hydro Power Plant (EUR 20.5 mln)
- 2014** - Teko Wa Project (EUR 4.06 mln)
- 2016** - Switch Africa Green phase 2, EUR 20 mln for 7 countries
- 2016** - EU-Africa Renewable Energy Cooperation Programme, funded through GPGC, (EUR 26 mln multi-country)
- 2014** - Scaling up rural electrification using innovative solar photovoltaic distribution models (EUR 4.29 mln)
- 2014** - Sustainable Energy for all (SE4ALL) initiative
- 2012** - Global Climate Change Alliance (EUR 8 mln)



Synergy with other instruments/priorities

- Jobs and Growth Compact (JGC)
- External Investment Plan (EIP)
- Humanitarian-Development Nexus
- European Economic Diplomacy (EED)

Challenges

- Potential resistance to the mind shift required by the green growth model;
- Translate the holistic approach into an institutional setup agreeable to all stakeholders;
- Maintain attractiveness for private sector investments;

Conclusions

- Uganda is a front-runner in the African transition to a green low-carbon economy;
- The EU should encourage and support this green growth model;
- The "green economy" approach will enable:
 - Growth and job creation;
 - Effective response to current strain on natural resources;