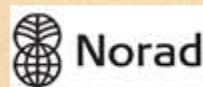




**Presentation by the Ministry of Energy and Mineral Development during the National dissemination and policy engagement workshop on identification of practical incentives for advancing sustainable Biomass Energy Production within Central Forest Reserves and Forest Landscapes in Uganda.**

Organized by Environmental Alert in partnership with financial support from Norad within the framework of the project titled, *'Increasing access to sustainable and renewable energy alternatives in the Albertine Graben'* that is implemented by WWF-Uganda Country Office."





# CONTEXT

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- Biomass energy sub sector is largely informal;
- Low financial appeal and low national profile;
- Profitability /Return on Investment are perceived to be low compared to other economic sectors;
- Lack of data and research;
- Nexus between biomass and other critical sectors (Water, Food, Environment and Climate Change) not well understood.





## Context contéd

- New terrain to financial institutions in Uganda; no loan/financial products/no experience;
- Governed by framework laws, generic and not specific to biomass (NEAC, Forest and Tree Planting Act, Land Act, etc.);
- Long and complex value chain with many actors and overlapping mandates (MWE, DLGs, Urban authorities, MEMD) Who is the champion???
- Dis advantaged sub sector calling for affirmative action.



# Requirements for Financing and Incentives

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- Production of sustainable biomass energy feedstock;
- Modern equipment for harvesting, charcoal conversion, transport and storage;
- Other segments of the biomass value chain;
- From the energy perspective, most efforts have been going into the demand-side interventions while biomass supply remains a docket of MWE and NFA.



## Opportunities for financing and incentivesation/policy recommendations

- Renewable resource whose conditions for growth and accumulation are very good in Uganda;
- Increasing subsidies/support from government, development partners in form of provision of land, seedlings and technical support;
- Support from climate financing (NAMAs, CDM projects) – Green Charcoal Project, NDC Support and Biogas NAMA Project;
- Creation of Uganda Energy Credit Capitalization Energy (UECCC), UDC/UDB for provision of concessionary financing;
- Tax holidays for investors in biomass stock production, dedicated energy farms and forestry.