



Ministry of Water and Environment



A REVIEW OF COLLABORATIVE FOREST MANAGEMENT IN UGANDA

FINAL REPORT

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30th April 2019

Supported by:



Acknowledgements

The Secretariat for the Review of Collaborative Forest Management in Uganda firstly would like to thank the Review Steering Group, comprised of representatives of organisations which have supported CFM over the years, and who generously gave of their time to provide helpful direction and feedback, often drawing from their own long involvement with community forestry. They are: Annet Kandole (CARE-Uganda), Concepta Mukasa (AUPWAE), Cotilda Nakyeyune (IUCN), Dianah Nalwanga (NAUTRE Uganda), Martin Asiimwe (WWF-Uganda), Pauline Nantongo (ECOTRUST), Racheal Nalule, Robert Atugonza (JGI) and Robert Akugizibwe (UNETCOFA).

The Secretariat would also like to deeply thank the many members of Collaborative Forest Management and community groups, practitioners, local government, NFA, and FSSD staff, as well as other stakeholders who acted as key informants and focal group discussants in helping to inform the review.

Our sincere thanks go to the consultants – Cornelius Kazoora and Deziderus Irumba and their teams Michael Mutamba, Premier Nkabiheebwa, Gladys Katumba and Ephrance Nakiyingi – who invested a great deal of time and effort, well beyond what they had initially agreed and committed to, in the writing of this review. We would also like to acknowledge and thank Nikola Smith of the US Forestry Service for her contribution. We sincerely hope that your hard work helps to create new opportunities for CFM in Uganda.

Finally, we extend our deep appreciation to the financial supporters of this review – USAID Uganda through the US Forestry Service International Programs – for their generous support.

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Kampala, 29th April 2019.

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List of Abbreviations and acronyms

AGM	Annual General Meeting
ACODECA	Agency for Community Development and Environmental Conservation Association
AF	Adaptation Fund
AfDB	African Development Bank
ALCB	African Local Currency Bond
AOPP	Association des Organisations Professionnelle Paysannes
BECLA	Bufundi Echuya Forest Conservation and Livelihood Improvement Association
BoU	Bank of Uganda
BSA	Benefit Sharing Arrangement
BTTEA	Butoha Twetungure Turinde Ebyobuhangwa
BUCODO	Budongo Forest Community Development Organization
BUNCA	Budongo Good Neighbours Conservation Association
CBFMs	Community Based Forest Monitors
CBO	Community Based Organization
CC	Climate Change
CCBS	Climate Community and Biodiversity Standards
CDD	Community Driven Development
CDM	Clean Development Mechanisms
CDO	Community Development Officer
CDRN	Community Development Resource Network
CEPD	Competitive and Enterprise Development Program
CER	Certified Emission Reduction
CF	Consolidated Fund
CFM	Collaborative Forest Management
CFR	Central Forest Reserve
CIFOR	Centre for International Forestry Research
CLA	Communal Land Associations
COFSDA	Conserve for future Sustainable Development Association
CSO	Civil Society Organisations
CSR	Cooperate Social Responsibility
DFID	Department for International Development
DFO	District Forest Officer
DFS	District Forest Services
DP	Development Partner
EA	Environmental Alert
EAC	East African Community
EADB	East African Development Bank
ECOTA	Eco-tourism Association

EMPAFORM	Empowering Communities for Forest Management
ENR	Environment and Natural Resources
EPFOSE	Food Security and Economic Development
EU	European Union
FAO	Food and Agriculture Organisation
FD	Forest Department
FDG	Focus Group Discussion
FEDECOVERA	Federation of Cooperatives of the Verapaces
FFI	Fauna and Flora International
FIEFOC	Farm Income Enhancement and Forestry Conservation
FIP	International Pharmaceutical Federation
FJT	Forest Justice in Tanzania
FLEGT	Forest Law Enforcement, Governance and Trade
FLRP	Forestry Landscape Restoration Programme
FMGT	Forest Management
FRMCP	Forest Resources Management and Conservation Programme
FS	Forest Supervisor
FSC	Forest Stewardship Council
FSSD	Forest Sector Support Department
FUG	Forest User Group
FY	Financial Year
GBP	Green Bond Principles
GCF	Green Climate Fund
GCP	Generation Challenge Programme
GEF	Global Environmental Facility
GIS	Geographic Information System
GoU	Government of Uganda
IBRD	International Bank for Reconstruction and Development
ICRAF	International Centre for Research in Agroforestry
ICSEA	Improved Cook Stoves for East Africa
IDA	International Development Association
IDB	Inter-American Development Bank
IFC	International Finance Corporation
IFMIS	Integrated Financial Management System
IGAD	Intergovernmental Authority for Development
IGAs	Income Generating activities
IIED	Institute for Environment and Development
INAB	Irish National Accreditation Board
IPEME	Institute for Promotion of Small and Medium Enterprises

IUCN	International Union for Conservation for Nature
JEEP	Joint Energy and Environment Project
JESE	Joint Effort to Save the Environment
JGI	Jane Goodall Institute
JSR	Joint Sector Review
KADECA	Kanaba Community Development & Echuya Forest Conservation Association
KAFACA	Karujubu Forest Adjacent Communities Association
KAFODA	Kagoto Foundation for Development Association
KASUFU	Kabende Sustainable Forest Users Group
KBA	Key Biodiversity Areas
KCFMG	Katum CFM Group
KCODA	Kabwoya Environmental Conservation Development Association
KEDA	Kapeeka Integrated Community Development Association
KICODA	Kapeeka Integrated Community Development Association
KIFECA	Kajuma Itwara Farmers and Environmental Conservation Association
KINARECA	Kiyanga Natural Resources Conservation Association
LC	Local Council
LFR	Local Forest Reserve
LG	Local Government
LVEMP	Lake Victoria Environmental Management Plan
M&E	Monitoring and Evaluation
MAAIF	Ministry of Agriculture, Animal Industry and Fisheries
MAFICO	Mabira Forest Integrated Conservation Organisation
MANRUIA	Matiri Natural Resources Users and Income Enhancement Association
MCFMG	Mar-Yen CFM Group
MCODA	Mpanga Conservation and Development Association
MDA	Ministries, Departments and Agencies
MECDA	Muko Echuya Forest Conservation Development Association
MEFCPAA	Murora Echuya Forest Conservation and Poverty Alleviation Association
MEMA	Mpenja Environment Association
MEMD	Ministry of Energy and Mineral Development
MFIs	Micro Finance Institutions
MIS	Management Information System
MJUMITA	Mtandao wa Jamiiwa Usimamizi wa Mimitu Tanzania
MLSD	Ministry of Labour and Social Development
MLUD	Ministry of Land and Urban Development
MoFPED	Ministry of Finance, Planning and Economic Development
MoU	Memorandum of Understanding
MPs	Members of Parliament

MTEF	Medium-Term Expenditure Framework
MWE	Ministry of Water and Environment
NAADs	National Agricultural Advisory Service
NBFIs	Non-Banking Financial Institutions
NCA	Natural Capital Accounting
NCMP	Nature Conservation Master Plan
NDC	Nationally Determined Contributions
NDP	National Development Plan
NEAP	National Environmental Action Plan
NECA	Nyanapo Environmental Conservation Association
NECODA	Nyakase Environmental Conservation and Development Association
NEMA	National Environment Management Authority
NFA	National Forestry Authority
NFSS	National Forestry Stewardship Standards
NFTPA	National Forestry and Tree Planting Act
NGO	Non-Governmental Organisation
NIE	National Implementing Entities
NNTG	Ndangara Nyakianja Tutungikye Group
NOBUFOCA	North Budongo Forest Communities Association
NRs	Natural Resources
NTR	Non-Tax Revenue
NTSC	National Tree Seed Centre
NUSAF	Northern Uganda Social Action Fund
OCA	Organizational Capacity Assessment
OPM	Office of Prime Minister
OWC	Operation Wealth Creation
PAF	Proposal Approval Form
PEMA	Participatory Environment Management Project
PES	Payment for Ecosystem Services
PFM	Public Finance Management
PFO	private forest owner
PIP	Public Investment Programme
POA	Programme of Activities
PPN	People partner with Nature
PPP	Public Private Partnership
PSF	Private Sector Foundation
PSFU	Private Sector Foundation of Uganda
PWD	People With Disability
RBs	Responsible Bodies

RDC	Resident District Commissioner
REA	Rural Electrification Agency
RECPA	Rwoho Environmental and Protection Association
REDD+	Reducing Emission from Deforestation and Forest Degradation
REPA	Rights Equity and Protected Areas
RM	Range Manager
SACCO	Savings and Credit Cooperative Organizations
SC	Sub-County
SCS	Sustainable Communities Strategy
SDG	Sustainable Development Goals
SFM	Sustainable Forest Management
SFRMNP	Sustainable Financing of the Rwenzori Mountains National Park
SM	Sector Manager
SMART	Specific, Measurable, Attainable, Relevant and Timely
SME	Small and Medium sized Enterprises
SNR	Strict Nature Reserve
SPGS	Saw Log Production Grant Scheme
START	Support to Agricultural Revitalization and Transformation
SWAGEN	Support for Women in Agriculture and Environment
SWR	South West Range
TA	Technical Assistance
TECG	Timu Environmental Conservation Group
TFAP	Tropical Forest Action Plan
TFCG	Tanzania Forest Conservation Group
TNC	The Nature Conservancy
TSA	Treasury Single Account
UDBL	Uganda Development Bank Limited
UETCL	Uganda Electricity Transmission Company Limited
UGX	Uganda Shilling
UIA	Uganda Investment Authority
UNCDF	United Nations Capital Development Fund
UNDP	United Nations Development Program
UNEA	United Nations Environment Assembly
UNETCOFA	Uganda Network of Collaborative Forest Associations
UNFCCC	United Nations Framework on Climate Change
UNHCR	United Nations High Commissioner for Refugees
URA	Uganda Revenue Authority
USAID	United States Agency for International Development
UTGA	Uganda Tree Growers Association

UWA	Uganda Wildlife Authority
VF	Vote Function
VSLA	Village Saving and Loan Association
WAVES	Wealth Accounting and the Valuation of Ecosystem Services
WECODA	Wambiti Environmental Conservation and Development Association
WWF UCO	World Wide Fund for Nature Uganda Country Office

Foreword

TBD,
Ministry of Water and Environment

Foreword



Mr Tom Okello,
Executive Director,
National Forestry Authority

Executive Summary

It is now over 15 years since Collaborative Forest Management (CFM) was provided for under the National Forestry and Tree Planting Act 2003. By its definition, it was supposed to be a, *“mutually beneficial arrangement in which a Forest User Group and Responsible Body share roles, responsibilities, rights and returns (benefits) in a Forest reserve or part of it”*. This report covers the first ever review of collaborative forest management (CFM) which, *“assesses the impact and process of implementing CFM to date and generates options for how CFM can be substantially strengthened going forward”*. The review assessed the local, socio-economic and forest conservation outcomes of CFM across a representative set of CFM sites in Uganda and it also assessed the effectiveness, efficiency and equitability of the CFM process. The review was structured under a generic cycle with four critical phases: (i) The design and negotiation process; (ii) Implementation; (iii) Monitoring and enforcement and (iv) Evaluation and learning. Information and data feeding into the review was gathered through a literature review, focal group discussions and meetings, structured interviews and observations.

Although the National Forestry and Tree Planting Act (2003) states that CFM can be practiced in Central Forest Reserves (CFRs), Local (government) Forest Reserves (LFRs) and in private (registered) forests, with one exception, all collaborative forest management to date has occurred in CFRs managed by NFA as the responsible body.

Over 60 CFM groups drawn from all nine NFA forest ranges were reached to establish the common patterns and unique attributes of those ranges. The CFM groups assessed comprised those whose CFM agreements were still valid and running, those whose agreements had expired and were under review, and those whose agreements were either in pipeline or had operated for several years without a signed agreement. In addition, the review sought to balance its analysis across groups mainly focussing on forest conservation and regulating access to forest resources, and those focussing on afforestation and plantation establishment, and finally those groups pursuing a combination of both activity types. Respondents were drawn from NFA staff at head office and field offices, Ministry of Water and Environment (MWE) staff, NGO and CBO representatives, the Private sector, the Forest Sector Support Department, local government staff, development partners, and above all, the beneficiaries of CFM under their respective groups, both formal and informal. Preliminary findings were shared during a half-day presentation at USAID where 15 staff participated to enrich the findings.

It emerged from the findings that there is **now nationwide interest in CFM**, driven by the increasing scarcity of forest products and services, a shortage of private land, the desire to access land within forest reserves and an emerging realization of the benefits (monetary and non-monetary) derivable from CFM. In addition, external factors too have driven the formation and participation of CFM groups, particularly those relating to bio-carbon financing in Rwoho CFR and also a drive for forest certification by WWF in Kalinzu CFR. In these latter initiatives, community participation is an in-built safeguard. It was also found that NFA has used CFM as a response measure to deal with forest encroachment.

The review team – with cooperation of NFA field staff – generated a list of over 320 groups, some of them were not yet known at NFA head office because, at the time field work was carried out for this review, they were in the process of organising themselves to formally submit their applications to NFA. In other cases, the CFM processes had been interrupted because of (NFA) staff transfers and closure of (NGO) projects under which the CFM processes were being supported. **Of all the CFM groups, only 13% had valid CFM agreements. About 7% of CFM groups had agreements which had**

expired (and a few of these were under review) **but the majority or 80% were either in one of the phases to the signing of agreement or have been operating for some time even without CFM agreement.** It was revealed by NFA that in activities which are seasonal and time-bound like tree planting in the wet season, or cattle grazing in CFRs during the dry season, it would permit groups to carry out these activities with the hope that they would eventually apply to undergo the CFM process.

Unfortunately, owing to the laxity of NFA in following up, some of these groups have continued to access and use the CFRs without formalising their rights to do so. The main concern now is that the majority of groups fall in this latter category and this situation does not leave the Responsible Bodies – especially NFA – with **control** over the activities of such groups. For example, **28 groups have operated** across the Ranges **for over 10 years without agreements**, not to mention additional ones with shorter time spans since their inception. So, **NFA should formalise all pending applications, renew and sign agreements to regularise and legitimise the access rights of these existing groups.**

In addition, it was established that although some groups have running agreements, they have **not renewed their operational license / registration as CBOs** with local governments after the initial two years (following the signing of their CFM agreements), which makes a proportion of the 13% of groups with agreements illegal on account of their failure to renew their operational licences. It should be noted that this widespread lapse has significance: In a High Court Case (*No. 761 of 1998 Kabbs Twijukye and others (plaintiffs) versus Uganda Investment Authority (defendant)*), the farmers were able to secure compensation for their trees in Namanve CFR because they had formalised access rights through a forest **permit** under the Forest Act, 1964 and **had not violated any conditions** of their permits. They had been evicted by government to pave way for industrial land allocations to investors by the Uganda Investment Authority. Correspondingly delay or absence of agreements in many CFRs has worked against CFM group interests because without agreements groups have **no locus standi** (a right or capacity to bring an action or to appear in court) to defend their rights, nor long-term security to benefit from their (tree and other) investments, nor ability to access other services like credit, technology and training from third parties. In fact, some errant NFA staff members have used this gap to silence the ‘voices’ of groups. NGOs which have supported some these groups have an obligation to ensure that they ensure that they secure CFM agreements from NFA before the expiry of their support.

Out of all the Ranges, the Lakeshore Range has registered the highest number (56%) of CFM groups especially in the recent past, because of several factors including, the presence of a **CFM supervisor** at the Range to follow up with CFM groups, the closeness of these Groups to the urban and peri-urban **market** for selling their forest produce (timber, poles, firewood), and the mobilisation of these forest adjacent communities by local government technical staff and politicians. Most of these groups are very young and require systematic mentoring not least because a good number of them are **comprised of former encroachers**. Adopting CFM as an alternative strategy (as opposed to out-right eviction and enforced exclusion of the adjacent communities) for regaining sustainable management and reforestation of CFRs was the only feasible solution at hand. A key enabling factor was the **commitment** of both NFA and local government staff to mobilise communities, even at a time when resources and logistics were not forthcoming.

Other Ranges that have a good number of CFM groups are the Budongo and South-West Ranges. In addition, there are 22 CFRs with four or more CFM groups, with the leading ones being Mabira (14), Kasyoha-Kitomi (11), Lwamunda (10) and Malabigambo, Kalinzu, Kakonwa and Budongo, each with 9

groups. Echuya CFR is now fully surrounded by 4 CFM groups, which also have an association for eco-tourism development under their umbrella organisation ECOTA. Matiri CFR on the other hand is fully managed by one CFM group. These CFM group numbers in each CFR create a **critical mass** for bringing the CFRs into long-term sustainable forest management, so long as supporting technical guidance is also consistently provided. Clusters of CFM groups also makes support cost-effective from the point of view of their funders/supporters in providing common services like training and extension and sharing information.

The formation of CFM groups in the north of the country on the other hand is relatively new, following the return of peace after the long disruption, internal conflict and displacement caused by the Kony war. Groups in this region are more amenable to **natural forest regeneration** than is the case in the south of the country where communities prefer introduced species for afforestation and reforestation. In addition, the region is under great pressure from intruders wanting to harvest woodlands for the export market and charcoal. The recent ongoing provision of **customary land titles** in the Karamoja region and the implications for communities engaging in CFM will have to be better understood and adaptively managed, not least because there are legitimate and widespread sentiments that too much of Karamoja has been under some form of **protected status** since independence. For example, it was found that there are plans to build a seed school under NUSAF ³¹ in Timu CFR where the indigenous Ik community are also resident. The proposal for coffee growing in this reserve is known to NFA and has been a subject of engagement between NFA, Office of the Prime Minister and Kaabong Local Government.

From its inception in 2003 up until 2008, NFA was instrumental in championing and leading most of local CFM initiatives, but thereafter, NGOs like Nature Uganda, CARE International, IUCN, JGI, JESSE, Fauna and Flora International, WWF, Environmental Alert took centre stage. NFA's institutional development and capacity was substantially disrupted capacity in 2008 with the mass resignation of both the senior management and some NFA board members over the Mabira and Kalangala CFR degazettement for sugar cane and palm oil growing respectively. Since that time, collective responsibility for sustainable forest management has never been the same at NFA. This disruption has negatively affected the pace and up scaling of CFM. For the foreseeable future, the central role of NGOs in CFM processes will likely remain, but the review team recommends that NFA takes full control over CFM as the lead agency for CFRs by requiring NGOs share their work plans that include activities in CFRs and with CFM groups. This will open up a space for joint planning, monitoring and a coordinated approach at CFR and range level.

In addition to NGO Initiatives, the private sector, foundations, bilateral and multi-lateral organisations have directly and indirectly supported CFM. Echuya and Kasyoha-Kitomi CFRs stand out as having received funding from **multiple initiatives**, the majority implemented by Nature Uganda, for over 15 years. Other CFRs that have received multiple sources of funding are Budongo, Malabigambo, Mabira and Matiri. A major weakness across NFA's ranges has been the recurrent practice of project support to CFM groups ending **without a clear exit strategy**. The recurrent assumption that NFA would readily take over from projects that were closing was unfounded, more so, given that its organisational structure did not provide for a presence of a CFM supervisor in Ranges or CFRs. Owing to declining and constrained funding, NFA has long not been able to maintain the continuity of project activities started by NGOs or other CFM supporters. However, the track-record of NGOs in mobilising and

¹ Northern Uganda Social Action Fund (Phase 3)

leveraging financial and technical support for CFM groups over the last ten years when NFA has, for one reason or another, not been in a position to provide the requisite support for CFM, is widely acknowledged and appreciated. It is for this reason that the team recommends that NFA institutionalizes a platform with active supporters of CFM for learning and building a coordinated approach to CFM engagement in the country.

The uptake of CFM by local government has been dismal, with many allowing their Local Forest Reserves (LFRs) to become degraded, encroached or being lined up for degazettement to pave way for settlement and urbanization. Only Tororo was found with an active CFM group. Kisoro District local government tried to support the gazettement of a community forest reserve but conflicts over land rights emerged during the WWF supported study for implementing CFM, and the Courts of Law are yet to hand down judgement in the case between Kisoro District local government and claimants to the LFR natural forest land. **Failure by local governments to carry out inventories and register private natural forests under District Land Boards and even survey their own LFRs is a great barrier to initiating alternative management regimes including CFM and to providing much needed incentives to private natural forest owners to conserve their forests. The lack of incentives available to encourage private natural forest owners to come forward and have their forests registered across all districts for over 15 years since the enactment of the NFTP (2003) is a subject worth studying, and more so, taking strong remedial action. This is because private land has registered an 80% loss in forest cover since 1990 compared to the protected area estate which has lost slightly over 30% of its forest cover in the same period. There is no way the government will meet its targets under National Development Plan 2 or its Nationally Determined Contributions (NDC) without enrolling and incentivizing the support of private forestland owners.** In as much as a duly registered private natural forest owner can be a Responsible Body to enter into CFM, there is no such a case to date.

It was also found that originally, the nine CFM steps in the CFM Guidelines leading to the signing of a CFM agreement were developed to last about **two years** mainly because of the prevailing **lack of trust** between the Responsible Body (NFA) and forest user groups at the time. It will no longer be tenable to maintain such a bureaucratic process because of the high demand and the urgency to formalise and regulate the access of groups to CFRs. Besides, with lessons to date, active champions of CFM process argue that the process can be shortened without compromising the content of the CFM Guidelines. In fact, in some cases NGOs draft CFM agreements for groups for NFA to sign, a practice that overcomes capacity gaps in the legal unit at NFA. The recent NFTP Regulations of 2016 confirm that by the time a group now **officially** applies for CFM, using the 3rd schedule, it should have a clear understanding of its **historic** use of the forest, members, and the objectives it wants to pursue under CFM. This now makes it much easier for the Responsible Body to follow up with each CFM group than was the case in the past. If NFA succeeds in recruiting an additional nine CFM supervisors under its new structure and provides them with enough training on the use of CFM Guidelines, the bureaucracy and costs associated with CFM processes should come down substantially. Many CFM groups are no longer interested in very expensive CFM launches or CFM signing ceremonies (as has been the case in the past), but rather, are interested in the **formalization** of their CFM agreement to gain **access rights and certainty of tenure over their forest-based investments. For example, 5 groups in Mpanga sector contributed UGX 3 million for a combined signing ceremony.** But NFA likes these ceremonies as part of its public relations and publicity, and the concern by groups is that they should not be made to bear

the heavy costs associated with these events when they have more pressing needs ahead to sustain their investments in CFM.

Besides the required additional recruitment, NFA will have to invest in logistics for staff and to re-orient its range and other managers to inculcate a **positive attitude towards CFM**. Presently, the attitude towards CFM is divided, with some staff genuinely in favour and others not, with the latter apprehensive of losing control of CFRs under CFM. **The 4Rs (Rights, Responsibilities, Relations and Returns) framework in the Guidelines is still valid** and accepted in principle by Responsible Bodies and CFM groups. However, there is also consensus that monitoring performance on the 4Rs would have been beneficial to both parties if an institutionalized system had been consistently implemented. **The lack of performance monitoring is a key gap in the CFM experience to date, a factor that has resulted in disjointed reporting and the poor visibility of CFM (and its performance) in sector reviews.** Addressing this gap should be a priority going forward.

Overall, the fulfilment of the 4Rs has varied by CFM site depending on individual and group interests and capacities in each CFM arrangement. Despite these variations, the general pattern is that of a 'win-win' between the responsible body and forest user groups. However, there are some challenges: First, many CFM group leaders have held on to their positions for many years, creating conditions for splinter groups to emerge in some locations; second in other groups, entry fees and annual subscriptions have been raised by more than 10,000% reflecting the increase in the value of their forest/tree investments but creating a barrier to group entry for late comers; and, the youth have not actively participated in or benefited from CFM on account that they are interested in short-term gains. Overall however, across all groups, there is recognition that **balancing short term, medium term and long-term benefits or incentives** will be vital for maintaining individual interest in participating and supporting groups over time irrespective of gender or demographic. This is understandable because of the **long gestation period** within which communities can **derive sustainable tangible benefits from forest conservation and/or forestry investments**.

The failure to balance benefits over time has been a key weakness in many CFM initiatives. It has accounted for some members either leaving or becoming dormant soon after the groups have been formed. This was exacerbated by many groups lacking budgets and accompanying commitments to support them from NFA in their agreements. For example, starting high-quality plantations in order to benefit from bio-carbon finance in Rwoho CFR (as part of a World Bank Bio-Carbon Fund project) was taxing for all CFM groups, and some confess they would not have joined the initiative had they known its cost implications at the outset. It is for this reason that many groups countrywide have started Village and Saving Associations (VSLAs) to meet their short-term needs as they await long term benefits from CFM. Some NGOs like FFI, and Nature Uganda, WWF, and CARE have provided **seed capital** to some groups' VSLAs from which members borrow at terms and conditions agreed upon by themselves. The main lesson one draws is that **in as much as CFM has provided a useful platform for forest user groups to access forest resources, alternative livelihood strategies outside the forests are critical for the success of many CFM groups in terms of delivering short and medium-term benefits, and in the future they must be embedded in CFM support programmes or packages.**

Overall, forest reserves' available products and services and the management regimes under which they are governed **dictate** the benefits that groups can derive from these forests. With support from CARE International, NFA has formulated draft **Benefit Sharing Guidelines for CFRs in Uganda**, but they are **not yet approved** by the Board. Nevertheless, all CFM groups have dully benefited from non-

monetary benefits, but the interest over benefit sharing **broadly** is now directed towards **revenue sharing**, particularly in CFRs that have the capacity to generate monetary benefits through concessions, eco-tourism and land rent fees. To date, the **sharing of these monetary benefits by NFA has been ad-hoc, discretionary and sometimes reactionary** to community pressure. In Kasyoha-Kitomi, the review team found a CFM group demanding a private planter share the revenue from harvesting his pine plantation, and negotiations are still on-going but if not well handled, this situation could also discourage the private planter.

Groups have been discouraged over a failure by NFA to share the revenue from sales of illegal and confiscated forest produce, even when they have actively participated in recovering the contraband. Even where groups could have benefited from non-monetary benefits (for example, access to additional CFR land for tree planting), they have often not been informed as much by NFA. A recent example is the forest land allocations to private tree planters in 2017 that attracted over 10,000 applicants. **The NFA Board should approve the Benefit Sharing Guidelines to ease the structuring of benefits in CFM agreements going forward** bearing in mind that the revenue generating potential of different CFRs varies very substantially. Importantly, **NFA should ensure that it takes affirmative action in prioritizing CFM groups in future allocations of forest land** commensurate with their capacity to manage it well.

However, many groups have the potential to tap into other benefits and funding opportunities beyond those that are ordinarily stipulated in their CFM agreements if they focus on building their organizational capacity and legitimacy. In fact, some groups in Mpanga sector have also accessed Community Driven Funds (CDD) for the disabled and HIV/AIDS from their local governments. Most of these opportunities arise from local government-based special funds like the CDD Fund, Operation Wealth Creation (OWC), Skilling Uganda Programme, Women's Empowerment Fund, National Agricultural Advisory Services (NAADS) and development projects and programmes implemented in their localities. It was gratifying to find many CFM groups starting to form **profit-oriented business models and cooperatives** having realised that solely depending on CFM will not take them far in improving their livelihoods. Examples include ECOTA that brings four CFM groups in Echuya into eco-tourism development and five CFM groups in Mpanga sector forming Mpanga CFM Cooperative Society. It is in this **business enterprise area** that both NFA and NGOs need to start building their capacities, if they are to respond to CFM groups' needs. Funding now available from development banks and micro-finance Institutions is competitively accessed by strong CBOs and the private sector. In the short to medium term, this type of funding will not be accessed by the **majority** CFM groups because they lack wide-ranging capacities (i.e. basic book keeping; financial planning; budgeting/costing and proposal writing as well as viable business propositions and models). **With CFM groups now increasingly developing forest-based enterprises and value addition, building their business management competencies and capacity is urgent.**

Furthermore, **aligning CFM groups to other project-cycles is going to be critical** for supporting them. There are many potentially applicable / relevant projects covering rural development, agriculture, tourism, rural water supply, irrigation, energy and even health issues. The water and environment sector has several projects – for example, REDD+, FIEFOC 2, SPGS 3, and the Forestry Landscape Restoration Programme – to which many CFM groups' activities could be aligned, provided there is deliberate effort at the **sector level** to leverage the voluntary participation of these groups and to support them. This is where practical steps to mainstream the activities of CFM groups should begin. Lessons gained within the sector can then be used subsequently to recommend the groups to other

sectors' projects or programmes. The parties that can promote or advocate for the interests of CFM groups are NFA, local governments and NGOs, but in some districts, concern was raised about the lack of interest by NFA staff to engage in district planning and budgeting processes. This is a missed opportunity. The increasing interest of corporate bodies in forestry investments is yet another opportunity but one which is currently not well structured to integrate CFM group activities.

All the above opportunities stand to overcome the inherent limited allocation of budget to the forestry sub-sector and to CFM in particular. Conditional grants for forestry have not been given since the 2004/2005 financial year to local governments by the **line Ministry** of Water and Environment. The funding available under the community tree planting programme under NFA has not reached most CFM groups. The annual budget allocation to the CFM unit that hovers at about UGX 60 million cannot support the current scale of CFM. In fact, the budget allocations to NFA's ranges offer better opportunities for supporting CFM provided of course that the Range Managers and Supervisors have a positive attitude towards CFM. This is because the budgets for Ranges support activities directly pertinent to CFM like community mobilisation, tree nursery establishment, forest patrols, boundary opening, liaison with local governments and CFM engagement activities. **The water and environment sector and its forestry sub-sector will find it difficult to advocate for improved funding for CFM if positive signals in support of CFM do not come from themselves first.**

Institutionally, the CFM function in NFA falls under a **one-person CFM unit**, reporting to the Director of Natural Forests. But CFM has also been implemented in plantations, and thus also operates under the Directorate of Forest Plantations. It is not always automatic that field activities or information on CFM from the Ranges is shared or channelled through the CFM Unit. This is a structural problem, which NFA management hopes to address now that the new organisational structure has been approved. It was gratifying to find that the need to recruit more CFM supervisors is embraced by NFA's top management and is only awaiting implementation when a ban on public recruitment is lifted, or an adequate budget from NFA's own non-tax revenue.

The review found that in addition to NFA and local governments, NGOs still remain central to the sustainability of CFM processes because they continue to leverage financial and technical resources and are sometimes better trusted than public agencies by the donors. In future, they will need to better coordinate and share their projects with the Responsible Bodies to avoid leaving a vacuum once their projects end.

Past efforts to bridge the gap between CFM groups and the Responsible Bodies through the creation of UNETCOFA have not yielded much success because the necessary appropriate and sustained support for UNETCOFA (Uganda Network of Collaborative Forest Associations) was only really available under the EMPAFORM project which came to a close in 2009, not long after UNETFCOFA was created. **UNETCOFA now lacks both legal identity and staff.** Although there is appreciation for its role in lobbying and advocacy, improving representation of community level structures in CFM and defending their rights, the investment that would be required to re-invigorate it would need to be substantial and long term. The organizational capacity assessment that had been carried out in 2016 found that UNETCOFA'S capacity to engage with the external environment and its own internal organisational development were very low. **New demand-driven associations at CFR- and landscape-level are emerging, some supported by International NGOs. Strengthening those local area-based networks could be a strategic choice or option to pursue in the short run given that sufficient support for UNETCOFA remains elusive.**

CFM has **positively** impacted communities and at least partially restored positive attitudes by them towards NFA. There is anecdotal information² to suggest that recovery of forest cover at CFR level and in some areas at landscape level is emerging through forest regeneration, afforestation, reforestation and CFM-related improvements in regulating forest access. The backing of CFM by the NFTP (2001) has generally built the confidence of communities that they can participate securely in sustainable forest management. Group members have benefited from food harvests (through the *taungya* system), fuel wood, medicinal plants, craft materials, honey and employment contracts. In Kisoro and Rubanda District households are domesticating bamboo on private farmland because of its high-end value in crafts and in supporting agriculture, particularly the climbing beans widely grown in the region. It is imperative that the operations of CFM groups still without signed CFM agreements be formalised as soon as possible by NFA to create certainty for both parties and to trigger expanded community investments.

The (many) remaining cases of failure to enforce the provisions of the CFM agreements or occurrences of illegality can be overcome if the capacities of both NFA and forest user groups are strengthened and NFA staff are provided with a modicum of resources to address these issues. These shortcomings include speculation over CFR land, transfer of CFM group interests over land to third parties without informing NFA, collusion in illegal activities by errant CFM group members and misappropriation of groups' assets by CFM group leaders.

All stakeholders still recognise CFM as a valid policy instrument which they hope will be maintained even as the forestry policy is revised. However, CFM has not only been demand-driven as originally conceived when the initiative was initially designed, because it has been used increasingly in a more supply-driven manner to address forest encroachment – with the implication that CFM now operates in a variety of contexts. Further, CFM groups as well as their supporters have varied exposure to both good and bad practices, as well as facing different threats to their operations, implying therefore, that actions for improvement will have to be area or group specific. Financing and budgets for CFM will always differ by time and location and these impose a key limiting factor on the range of recommendations that stakeholders can take forward. It should also be noted that stakeholders can achieve improvements in CFM without additional financial resources, through changing their attitudes, stronger team work and more effective partnerships.

Looking to the future, the formalization of CFM groups that have operated in the forest reserves without any CFM agreement is the most urgent action. Following that, the Responsible Bodies need to define the potentially viable areas in forest reserves that can be devoted to or expanded for CFM. Expediting the approval of pending CFR Management plans and/or Forest Management Areas would also improve the enabling environment for CFM countrywide. The Responsible Bodies must also build a culture of participatory assessment and planning using well-structured methodologies/tools with other stakeholders such as local political leaders, district technical staff, representatives from the private sector and NGOs. Many local governments have no access to the management plans of CFRs, and many NFA field staff have never used them. Another area of investment is the establishment of a management information system (MIS) to track processes, implementation and performance of CFM.

² Unfortunately, it was not possible to quantitatively and definitively assess whether there has been an improvement in forest cover as a result of CFM activities in part because there is no monitoring record, and in part because what would have been a complex retrospective remote-sensing-based analysis was beyond the scope and resources of this review.

Without an M&E framework with basic indicators, the performance of CFM at sector level remains invisible. In order to harmonize practices among different institutions, it is recommended that NFA in close collaboration with FSSD and the Ministry of Water and Environment, develops a comprehensive programme for CFM and solicits for its funding in order to strengthen a formal partnership for CFM, develops codes of practice, establishes an M&E framework for CFM across the country, sets up a MIS for CFM and periodically makes progress summaries to feed into policy debate and joint sector reviews, and to support a capacity building programme for key CFM stakeholders.

Finally, the review team notes that no sooner had it commenced the assignment, then the government released a study report on “Review and Rationalisation of Government Agencies and Public Expenditure”. The report which is still a subject of consultation has listed NFA as one of the agencies to be mainstreamed within the current Ministry of Water and Environment structure. However, government intends to phase the agency rationalisation process to minimise disruption, and this will very likely take a minimum 3 years if it proceeds. It is too early to confirm how the structures and power relations will evolve in the restructuring process, but the review team has assumed that the Ministry, NFA and FSSD will rationally shoulder the responsibility to mainstream CFM in the institutional reform process as it unfolds.

1 Introduction

1.1 Background of the study

1. Collaborative Forest Management is defined by the Uganda National Forestry and Tree Planting Act (NFTPA) 2003 as, “...a mutually beneficial arrangement in which a Forest User Group³ and a Responsible Body⁴ share roles, responsibilities, rights and returns (benefits) in a forest reserve or part of it”. Since promulgation of NFTPA in 2003, Collaborative Forest Management as a policy instrument has never been reviewed for its forestry, forest conservation, socio-economic and institutional outcomes. In Uganda, Collaborative Forest Management (CFM) was introduced as a pilot programme between 1998 and 2004, with a limited number of groups, and two specifically – Nyangole CFM group in Tororo Central Forest Reserve (CFR) and Bumusili CFM group in Namalala CFR, being the only groups that had signed agreements with the then Forest Department before the forest sector reforms were implemented which led to the creation of the National Forestry Authority (NFA) in 2003⁵. Other groups in villages around Sango Bay, Budongo and Echuya CFRs which had applied during the Forest Department era were asked to re-organise themselves and they subsequently applied after the forest forms had occurred⁶. Moreover, during the pilot period (1998-2004), some national parks – for example, Bwindi Impenetrable (Forest) and Mt. Elgon National Parks – also piloted resource use sharing with adjacent communities and their lessons informed the design of CFM.
2. The implementation of the above CFM pilots had in part been precipitated by global events. At an international level, treaties and accords such as the Tropical Forest Action Plan (TFAP), an outgrowth of the Agenda 21 framework initiated in Rio-de-Janeiro in 1992, sought to reverse the loss of forests through the involvement of stakeholders, especially forest-adjacent communities, in forest management. Agenda 21 in the Rio-de-Janeiro Convention on Biological Diversity of 1992 had promoted the philosophy of community involvement in sustainable development in line with the principle of subsidiarity⁷. So, as the pilot CFM initiatives were commencing, and building on global events, Uganda had completed its National Environment Action Plan (NEAP) that culminated in the development of the National Environment Management Policy (1994), the National Environment Management Act (1995) and the establishment of the National Environment Management Authority under the same Act. These integrated policies and structures ostensibly created new opportunities for public participation in environmental and natural resource management. At the same time, the Uganda government was embracing a new

³ Forest User Group means a group comprising members of a local community registered in accordance with the regulations.

⁴ Responsible Body means a body designated to manage, maintain and control a forest reserve or a community forest under this Act and in the case of a private forest, the owner or a person in charge of the forest.

⁵ Agreements which were later ratified by NFA.

⁶ According to the CFM coordinator NFA, a group in Mpanga CFR was dropped and not allowed to participate in CFM because the reserve had been zoned for research.

⁷ Subsidiarity is a principle of social organization that holds that social and political issues should be dealt with at the most immediate level that is consistent with their resolution.

decentralization policy under which it was devolving powers and responsibilities from the Centre to lower-tier Local Governments. Additional developments to follow were the establishment of the Uganda Wildlife Authority (UWA) in 1996, the development of the Uganda Wildlife Policy 1996 and the passage of the Uganda Wildlife Act of 1996⁸ which also espoused the principle of revenue sharing between UWA and park adjacent communities based on 20% of park entrance fees.

3. The lessons from the CFM pilot phase informed the forest sector policy and legal reforms between 1999 and 2003 which culminated in the National Forestry Policy of 2001 with a full policy statement (No.5) on CFM, the National Forestry and Tree Planting Act with Section 35 focused on CFM, the National Guidelines for implementing CFM in Uganda of 2003, and much later on the National Forestry and Tree Planting Regulations of 2016. These forestry sector-based instruments are the legal foundation upon which the CFM review is anchored. In this review, the institutions of interest are the National Forestry Authority (NFA) and local governments (LGs), which by virtue of their mandates over Central Forest Reserves (CFRs) and Local Forest Reserves (LFRs) respectively can enter into CFM agreements with Forest User groups (FUGs). The other parties that can enter into CFM under the NFTP, 2003 but have not been studied are communities with communal forests and bodies / organisations with private forests.

1.2 National and forest sector context, trends and challenges justifying the review

4. The CFM review is premised on the current knowledge that Uganda's forest cover as a percentage of its land area has declined from 24% in 1990 to only 9% in 2015. The country's forested protected areas⁹ have registered a forest cover loss of 30.2%, while private land has seen a forest cover loss of 80.1% during this period (MWE, 2016). This situation strongly suggests that despite the advantages of the Uganda's policy environment, forestry and wildlife policy instruments mentioned above, there are substantial policy and institutional failures which need to be addressed. The above forest loss has come at a time when the impacts and risks of climate change are becoming increasingly apparent for biodiversity, ecosystem services, human life, and the performance of the economy. Significantly, 85% of Uganda's population is still rural and derives its livelihood from rain-fed agriculture and natural resource harvesting, including from forestry products and fisheries. The greater loss of forest cover on private land as compared with protected areas calls for **three strategic choices** for future forestry development and conservation in Uganda:
 - (i) Government should urgently address the drivers of deforestation and forest degradation on private land, with policy instruments that incentivize private landowners to conserve and restore natural forests;

⁸ Both the policy and law have been subsequently revised.

⁹ Central and Local Forest Reserves (under the jurisdiction of NFA and local governments respectively) and Wildlife Conservation Areas (National Parks, Wildlife Reserves, Wildlife Sanctuaries and Community Wildlife Areas) under the jurisdiction of UWA.

- (ii) Government should take active measures to avoid further deforestation and forest degradation in Protected Areas over which it has control;
 - (iii) Government should support efforts that promote affordable substitutes for some of the forest products uses – for example, liquid petroleum gas to replace use of forests for firewood and charcoal¹⁰)
5. The concerns over low levels of financing for the forestry sub-sector, the weak capacities of mandated institutions (NFA, FSSD¹¹ & DFS¹² in particular), poor forest governance, and unsustainable resource use practices have repeatedly featured in sector reviews and other fora. The country's local governments have not embraced CFM as much as NFA has. Even within NFA, over time concerns have been raised about CFM's bureaucratic and costly process. This review's documentation and analysis of CFM in Uganda now offers lessons for improving CFM at a time when the value (Figure 1.1) and interdependence of forestry with other sectors is increasingly being recognized (see Annex 1.2). Uganda has an opportunity to grow economically stronger and improve its policy making and implementation for long-term sustainable growth and prosperity by taking into account the value of existing stock of natural assets, such as forests, wetlands and land. This was the key message from the joint launch of the Natural Capital Accounting (NCA) Program in Uganda led by the World Bank in partnership with the Government of Uganda through the Ministry of Finance, Planning and Economic Development, with financial support from the Global Partnership for Wealth Accounting and the Valuation of Ecosystem Services (WAVES), 2018. A key resolution adopted at the second United Nations Environment Assembly (UNEA-2) in Nairobi in May 2016 entitled, 'Sustainable management of natural capital for sustainable development and poverty eradication', specifically noted that natural capital and natural resource valuation and accounting mechanisms can help countries to assess and appreciate the worth and full value of their natural capital and to monitor environmental degradation. While the sector investment plan acknowledges that protecting wetlands and forests has higher returns for achieving multiple benefits related to water quantity, quality and the economy in general, the allocated resources under the national budget on the other hand remain woefully inadequate /minimal¹³. Without concomitant financing to forestry, its contribution and linkages to the whole economy are unlikely to be realised. It therefore makes strong sense to review the performance of CFM over its 15-year period of implementation, to assess its contribution to the country's forest management and socio-economic development, and to investigate how it should be strengthened and improved, at **policy and operational** levels.

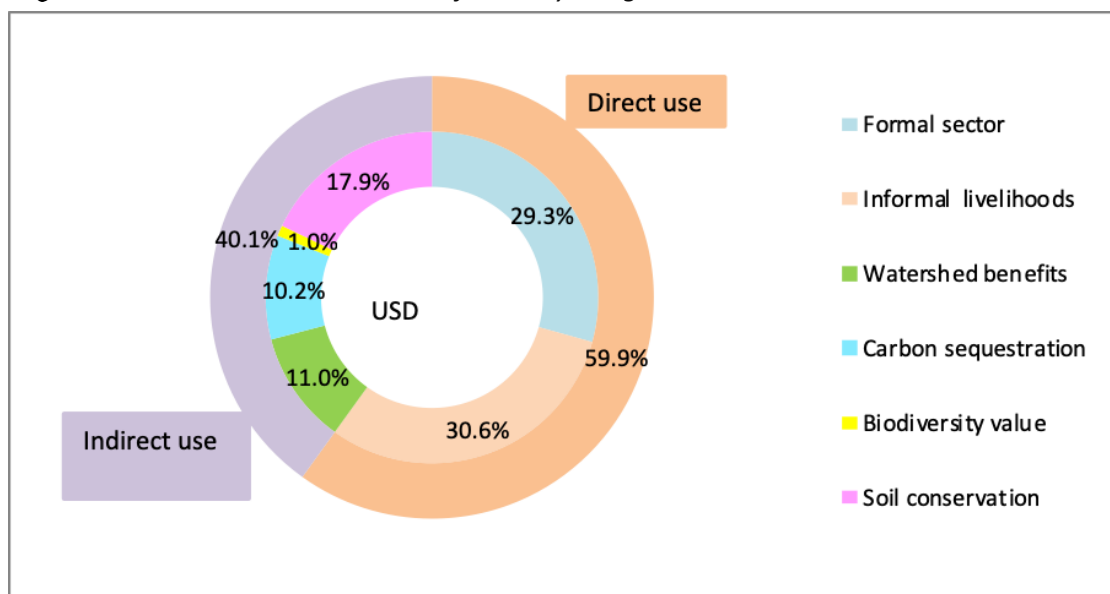
¹⁰ The National Household Survey 2016/2017 indicated that 80.8% and 15.5% of households use firewood and charcoal respectively for cooking

¹¹ The Forest Sector Support Department – responsible for policy and regulatory functions in the forest sector

¹² District Forest Services – responsible for supervising and supporting local government forest services

¹³ Final Joint Sector Review Minutes, 2018

Figure 1.1: Total Economic Value of Forestry in Uganda



Source: Glenn Bush, Simon Nampindo, Caroline Agutu and Andrew Plumptre, 2004. *The Value of Uganda's Forests: A Livelihoods and Ecosystem Approach*

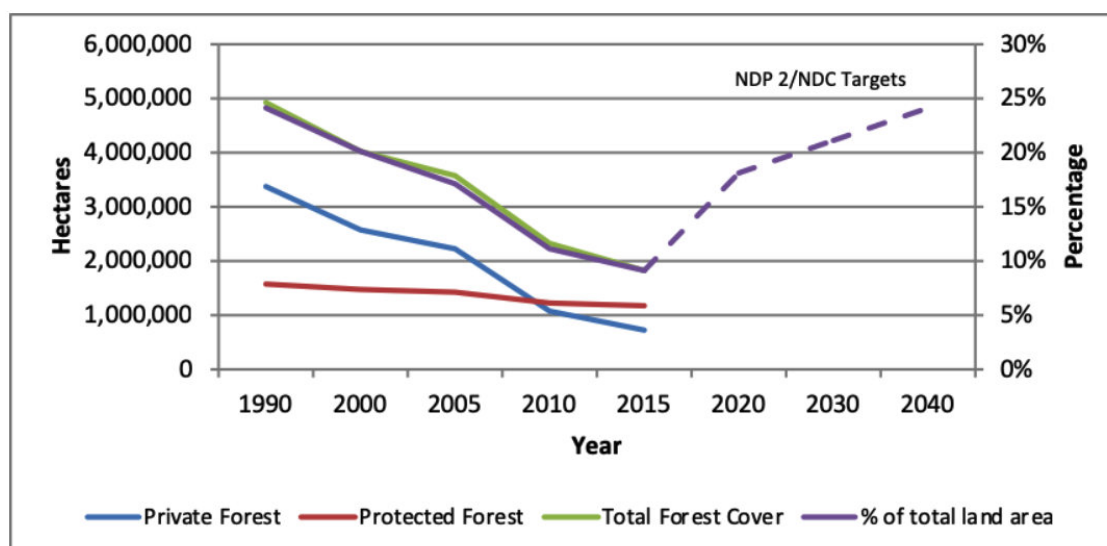
1.3 National commitments and responses to addressing challenges, including enabling CFM policy

6. Secondly, the review is justified by the **ambitious** commitments of government to achieving a paradigm shift from “business as usual” to prescribing innovative, socially acceptable and environmentally beneficial models and strategies that are also gender responsive. According to the Country Vision 2040 and the second National Development Plan, Uganda has ambitions to increase its forest cover from 14% to 18% by 2020, to 21% by 2030 and 24% by 2040 – in fact in a much shorter period than it was lost / cut down (see Figure 1.2). This commitment was reiterated in the government’s submission to COP21 in Paris and to the UNFCCC Secretariat¹⁴. Its Nationally Determined Contribution is to, “... reverse (the) deforestation trend by increasing forest cover to 21% by 2030, from approximately 14% in 2013, through forest protection, afforestation and sustainable biomass production measures”. Other government responses include the programme for, “Greening Uganda’s economy through tree planting and Sustainable Forest Management; the REDD+ programme; the Forest Landscape Restoration Programme, and the Uganda Green Growth Development Strategy, 2017.
7. With regard to sustainable forestry management, the Green Growth Strategy has listed two main strategic objectives to be pursued in the forthcoming years, namely: (i) Undertaking forest landscape restoration, especially on private land, through agro-forestry and afforestation actions and (ii) Supporting incentive programmes oriented towards livelihoods enhancement, environmental stewardship and landscape management for climate change adaptation, mitigation, food security and sustainable energy. In addition, the government recognises that developments in other sectors, especially infrastructure projects, can negatively impact forestry. Accordingly, the Water and Environment Sector’s ‘Undertaking 1’ from the Joint Sector Review

¹⁴ Dated 19th October 2015

of 2017 is, “... to continue mainstreaming environment and natural resources (ENR) and Climate Change (CC) into agriculture, infrastructure, lands, energy and water sectors in order to achieve reduced contribution to degradation by these 5 sectors by the end of FY 2017/18”. This commitment was re-iterated and upheld during the 2018 Joint Sector Review.

Figure 1.2: Uganda's committed to reverse loss of its forest cover in shorter period than it lost it



8. The above responses to deforestation and forest degradation require **enabling and effectively implemented forestry policy and strategies including CFM**. CFM is relevant for achieving the development aspirations of Vision 2014, NDP II and Uganda Green Growth Development Strategy because of the following main reasons:
 - (i) The livelihood and survival strategies of forest adjacent communities are directly dependent on the flow of forestry products and services and therefore CFM offers them a key pathway for their socio-economic transformation as envisioned in the previously discussed national planning frameworks.
 - (ii) CFM offers a sustainable growth model to deliver inclusive economic and social outcomes while protecting natural capital, addressing climate change, creating jobs and accelerating rural economic growth because it addresses these multi-dimensional development needs simultaneously.
 - (iii) CFM still remains a key strategy for achieving improved and more effective, equitable and accountable management of the permanent forest estate because of its **participatory approaches** that require the involvement of a broad spectrum of stakeholders, higher levels of inter-party accountability, equitable benefit sharing and requires enhanced capacity for resolving resource use conflicts.
9. The under-realisation of the uptake of CFM by forest adjacent communities, lack of financial and technical support, weak institutional linkages and coordination mechanisms, low capacity of all involved, negligence over roles and responsibilities, and ambiguities in regard to benefit sharing, are some of the barriers communities, NGOs and public sector institutions have faced. At a time when the Ministry of Water and Environment (MWE) is in the process of reviewing forestry policy in general, it is appropriate that the above challenges facing CFM are reviewed and the policy

(and law) improved so that the Responsible Bodies and Forest User groups can better take advantage of the emerging development opportunities and contribute to the achievement of national commitments.

10. Secondly, the review team notes that no sooner had it commenced the assignment, then the government released a study report on “Review and Rationalisation of Government Agencies and Public Expenditure”¹⁵. The report which is still a subject of consultation has listed the currently semi-autonomous NFA as one of the authorities to be re-absorbed back into its parent Ministry (currently the Ministry of Water and Environment) to become a department. Under current plans, the government intends to phase the agency re-rationalisation process to minimise disruption, and this could take a minimum of 3 years. It is too early to confirm how the structures and power relations will evolve in the restructuring process, but the review team has assumed that the Ministry of Water and Environment, NFA and Forest Sector Support Department (FSSD) will inherently **rationally** shoulder the responsibility to mainstream CFM in the forthcoming institutional reform processes.

¹⁵ By Ministry of Public Service, dated January 2018

2 Objectives, methodology and conceptual framework for the review

2.1 Objectives

11. The **Objectives** of the review are to assess the impact and process of implementing CFM to date and to generate options for substantively strengthening CFM going forward. Specifically, the review sets out to:
 - (i) To assess the local institutional, socio-economic and forest conservation outcomes of CFM across a representative set of CFM sites in Uganda (impact).
 - (ii) To summarily assess the effectiveness, efficiency and equitability of the CFM process (process)
 - (iii) To generate options and recommendations for how CFM's design, implementation and reach can be improved and strengthened (**options**).

2.2 Methodology

12. Accordingly, the review of CFM was structured under a generic CFM cycle with four critical phases depicted in Figure 2.1. The detailed aspects studied under each phase and the cross-cutting issues are given in Table 2.1.

Figure 2.1: The generic CFM Cycle



Table 2.1: Specific aspects reviewed under the generic CFM cycle with their cross-cutting issues

Aspects reviewed under each phase of CFM Cycle	Cross-cutting aspects also reviewed
A: Design and negotiation process	<ol style="list-style-type: none"> 1. Policy, legal and institutional roles and mandates, relationships and coordination mechanisms; 2. Financing and other incentives (monetary and non-monetary) for CFM. 3. Information flows, systems and reporting standards (vertical and horizontal) 4. Stakeholder mapping in the CFM initiatives 5. Institutional capacities for forest user groups (FUGs), local governments (local governments); NFA, FSSD, NGOs 6. Alignment of CFM to other funding programmes 7. Relationships between FUGs and the private sector accessing the same central forest reserves for different benefits 8. Gender dimensions in CFM 9. Impacts of CFM (both positive and negative) 10. Best practices from within the country and elsewhere including their potential for replication and upscaling 11. Emerging opportunities that might fund CFM such as REDD+, green climate funds, GEF Window 7 etc.
Access to and provision of information	
Awareness creation	
Drivers/motivation for CFM	
Facilitation of, and participation in CFM	
Clarity of 4Rs: Rights, Responsibilities, Returns and Relationships	
Capability assessment of FUGs, NFA, NGOs and local governments	
Assessment of financial implications for CFM implementation	
B: Implementation	
Mapping CFMs by actors, initiatives, funders etc.	
Financing and incentives for engaging in CFM among stakeholders	
Support services and extension in support of CFM	
Institutional capacity building for CFM	
Institutional landscape for CFM, roles, relationships and coordination	
Collaboration and networking	
Costs of implementation – direct and indirect.	
Clarity of roles and responsibilities	
C: Monitoring and enforcement	
Reporting, systems and indicators	
Fulfilment of roles and expectations.	
Risks, threats and challenges.	
D: Evaluation and learning	
Bio-physical indicators	
Economic and financial indicators	
Social indicators	
Empowerment and equity indicators	
Resilience and safety nets	
Forest governance	
Learning transfer and replication of best practices	
Evaluation and learning	

13. The consultants sourced and collated information and data from multiple sources including the following:
- (i) **Literature review:** The consultants conducted an extensive review of literature related to CFM in line with the objectives, themes and the key questions defined for the review. It focused on policy and legal documents, CFM processes, agreements and impacts generated as well as lessons from elsewhere in East Africa and other parts of the world.
 - (ii) **Focus group discussions:** The consultants conducted over 30 focus group discussions (FGDs), mostly with CFM groups, NFA and local government staff as well as forest adjacent community members who were not members of CFM groups. The latter category served as a 'control' for the CFM FUGs.
 - (iii) **Discussion meetings and structured interviews:** The consultants conducted discussion meetings and interviews with representatives from MWE, NFA, FSSD, local governments, NGOs, the private sector and development partners in a structured manner based on the key themes chosen from Table 2.1. The absolute number of respondents by category is given in Table 2.2.
 - (iv) **Observations:** The consultants made observations on the profile of the respondents and the activities they are implementing and collated and compared these observations with evidence that NFA and other stakeholders had provided.
 - (v) **Tabulation:** The consultants tabulated evidence on key aspects of CFM from a cross-section of respondents to be able to establish key patterns, conclusions and options for the way forward for CFM.
 - (vi) **Presentation:** The review team conducted a half-day workshop at USAID offices where initial findings were presented to a team of 15 staff who contributed additional information and advised on other aspects to investigate in order to enrich the study.

Table 2.2: Respondent Categories

Category of respondents	Number of respondents
Development partners	2
NGOs	14
Private Sector	5
NFA	46
FSSD	3
Local governments	19
CFM groups with signed agreements and still valid	26
CFM groups with expired agreements	13
CFM groups in pipeline	24

14. **Sample size and sampling criteria for field sites:** The review team targeted at least 40% of the groups with signed agreements which are distributed across NFA's ranges¹⁶ and plantation areas. It also looked out for CFM groups that held valid agreements; groups whose agreements had expired but under review and groups which had either made formal applications or had not but were nonetheless accessing CFRs (i.e. groups in pipeline) in the selected forest reserves. The selection criteria considered geographical location (e.g. central, western, northern, eastern areas of the country; the Ranges under which all CFRs are grouped; the status of forest in terms of whether it is a plantation or natural forest, degraded or encroached), as summarised in Table 2.3. The details are given in Annex 2.1. A list of people who were interviewed, as well as the attendance of people in small meetings and focused group discussions is provided in Annex 2.2.

Table 2.3: Sampled CFM groups by Range and status of their agreement

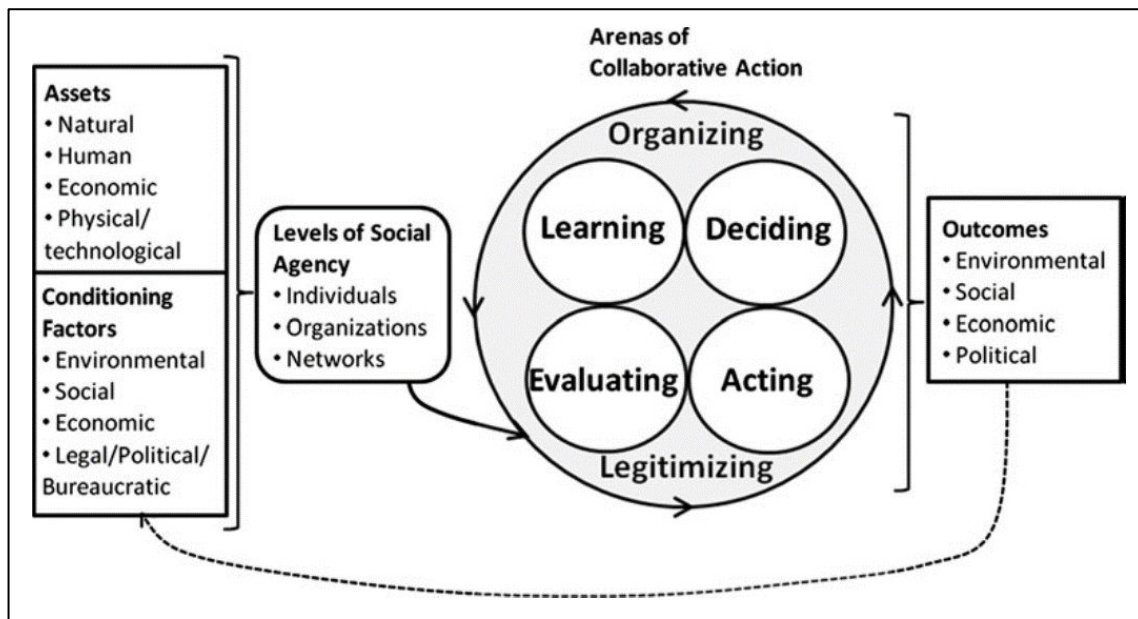
Range	CFM groups visited	Status of CFM agreement			Total CFM groups in each Range	Proportion of CFM groups visited to total in the Range
		Agreement still valid	Expired	Pipeline		
Aswa	4	3	0	1	11	36%
Budongo System	10	4	3	3	28	36%
Karamoja	4	3	0	1	4	100%
Kyoga	7	0	0	7	21	33%
Lakeshore	9	5	2	2	181	5%
Muzizi River	4	3	0	1	14	29%
Sango Bay	6	0	3	3	21	29%
South West	14	8	5	1	31	45%
West Nile	5	0	0	5	13	38%
Total	63	26	13	24	324	19%

2.3 The framework for reviewing CFM and collaborative capacities of CFM groups

15. The review team adopted the framework by Cheng A.S and Sturtevant V.E (2011) in Figure 2.2 for reviewing CFM and assessing collaborative capacities associated with CFM groups. The framework was derived from case study research and observations of 30 federal forest-related collaborative efforts. The framework focuses on six arenas of collaborative action: (1) organizing, (2) learning, (3) deciding, (4) acting, (5) evaluating, and (6) legitimizing. Within each arena capacities are expressed through three levels of social agency: (1) individuals, (2) the collaborative group itself, and (3) participating or external organizations. The framework provides a language and set of organizing principles for understanding and assessing collaborative capacity in the context of community-based public forest management. In many respects, the framework is similar to that by Ming'ate (2016). It also captures many aspects the review team have listed in Table 2.1 above and is consistent with Figure 2.1.

¹⁶ NFA has divided the country into 9 ranges, as the largest forest administrative unit, which are in turn divided into sectors and beats.

Figure 2.2: Framework for reviewing CFM and assessing collaborative capacities of CFM groups



Source: Cheng A.S and Sturtevant V.E (2011)

16. As a starting point, Beckley et al. (2008) and Chaskin (2001) provide definitional and conceptual foundations for collaborative capacity based on their work in community development. Beckley et al. (2008) define community capacity as, "...the collective ability of a group to combine various forms of capital within institutional and relational contexts to produce desired results or outcomes" (p. 60). Chaskin (2001) elaborates on the various forms of capital in his definition: "...the interaction of human capital, organizational resources, and social capital existing within a given community that can be leveraged to solve collective problems and improve or maintain the well-being of a given community" (p. 295). This emphasis on **collective capacity** and the various means to execute it is central to collaborative capacity because it provides the context, assets, agents, and means for collaborative capacity to be exhibited. Both definitions break community capacity down into four primary components, namely:
 - (i) Human, economic, natural, and social assets or capitals possessed or accessible by the community.
 - (ii) Factors that enable a community to, or prevent a community from, mobilizing and applying assets towards a set of goals. Chaskin (2001) refers to these as conditioning influences. In the context of public forest management, these include environmental, social, economic, and legal, political, and bureaucratic factors.
 - (iii) The process of 'leveraging' and 'combining' the assets within institutional and relational contexts. Beckley et al. (2008) focus on macro contexts, or 'spheres of social relations', such as markets, bureaucracies, civic associations, and communal relations, such groups bound by birth, ethnicity, or geography; Chaskin (2001) defines more specific functional contexts relating to community development, such as planning, production of goods and services, and information dissemination activities.
 - (iv) The outcomes of community capacity. The obvious outcomes in public forest management are improvements in desired biophysical conditions. For communities, family-wage jobs and community well-being are additionally important outcomes. Weber and others (2005)

refer to collaborative capacity itself as an essential outcome – the capacity of individuals and organizations to overcome differences and work to address mutual goals.

2.4 Structure of the report

17. The report is divided into 4 substantive sections, with chapters 1 and 2 on background; chapters 3 to 10 on the findings of the review; chapter 11 on emerging lessons and practices; and finally, chapter 12 on recommendations and options for the way forward.

2.5 Limitations

18. Key limitations encountered during the process of interviewing people were:
 - (i) Firstly, a recurring language barrier especially during focus group discussions with forest user groups. This was addressed through the use of interpreters in some cases, but it slowed down the flow of dialogue. Additionally, in some cases, some NFA as well as NGO staff appeared to be overly defensive of their actions. The reviewers addressed this bias by clarifying that the CFM review was not aiming to fault any party in name but rather to assess the situation of CFM to help draw recommendations for enhancing emergent good practices as well as proposing the best options for improving and strengthening CFM. In this regard, right from the start of dialogue the review team stressed that the assignment was **neither an investigation nor an audit but a learning exercise**.
 - (ii) Secondly, in as much as the review team wanted to spend more time in discussions or interviews, the time was often cut short because the respondents had other commitments.
 - (iii) Thirdly, most groups and organisations could not provide either the budgets associated with CFM activities or the breakdown of budgets into components. Many argued that CFM was only part of their activities and there was not sufficient time to provide an apportionment for various types of activities. The review team had to rely on the few examples that were provided, and as much as possible to draw some estimates from other sector review reports.
 - (iv) Fourthly, it was not practically possible to develop a structured way of consistently reporting on CFM performance within NFA, NGOs and CFM groups. Among NGOs, the reporting is often aligned with the indicators of their projects and donors, while in NFA it is aligned to sector performance outputs.

3 CFM mapping by Forest Reserve, Legal Status of Groups, Funding Initiatives and Process Facilitators

3.1 Introduction

19. This chapter sets out the vision and rationale of CFM to help the reader contextualise the review's findings. It also provides a categorisation of CFRs by their management regimes and status with regard to their management plans. Other background information provided includes mapping of:
 - (i) CFM groups by forest ranges
 - (ii) CFM groups by their status of CFM agreement
 - (iii) CFM groups by the categories of initiatives that supported them in the processes leading to the signing of the agreement and/or their implementation or both
 - (iv) CFRs by their numbers of CFM groups and a listing of those with more 4 or more groups

3.2 The Vision, rationale and foundation for CFM

20. CFM is a **contractual relationship** between a responsible body and a forest user group, and in that respect, for it to stand the test of time, it must remain beneficial to both parties. The vision and rationale that underpins the relationship is given in Box 3.1. As in other countries where participatory forest management occurs, the relationship is built around what are termed as the "4Rs" (Dubois 1998):
 - (i) Rights
 - (ii) Responsibilities
 - (iii) Returns (benefits)
 - (iv) Relationships
21. The framework has been used in Uganda as a foundation for the contracting parties:
 - (i) To undergo a process of negotiation, culminating in an agreement that is mutually enforceable
 - (ii) To guide them during the implementation of the agreement, including monitoring and evaluation
22. In addition, the practice in Uganda has been that, for successfully negotiated and signed agreements, there is a statement on the **trial period** and the **duration of the agreement**. Basically, the trial period is meant to test out whether the relationship can work before going to the end of the implementation of the agreement. Thus, it offers an opportunity to the parties for **adaptive management**, building on lessons and experiences gained to date.

Box 3.1: The Vision and rationale for CFM

The Vision of CFM is improved forest conservation and livelihoods of forest adjacent communities.

CFM is a key tool in achieving some of the purposes of the National Forestry and Tree planting Act, 2003 and helps to:

- Ensure that the **forests are conserved** and managed in a manner that meets the needs of the present generation without compromising the rights of future generation by safeguarding the forest biodiversity and environmental benefits accruing from forests;
- Promote the **improvement of livelihoods** in all strategies and actions for the development of the forest sector;
- Encourage and facilitate **public participation** in the management and conservation of forests and trees;
- Facilitate **greater public awareness** of the cultural, economic and social benefits of conserving and increasing forest cover;
- Ensure the **sustainable supply** of forest produce and services by maintaining sufficient forest area under efficient, effective and economical management; and,
- Promote **equitable sharing of forest benefits**, with special focus on disadvantaged groups, particularly women and the poorer sections of the community.

In addition, CFM is expected to:

- **Reduce conflicts** between Central/ Local Government and forest adjacent communities by establishing the terms of a fair distribution of benefits, responsibilities and decision-making authority
- **Reduce costs** and ensure fair distribution of the costs of forest management
- Enable **sharing knowledge** and skills between both the responsible body and its partners
- Create a sense of **“ownership”** and promote security of tenure of local people over forest resources

Source: (2003) Guidelines for implementing Collaborative Forest Management in Uganda

3.3 Categorisation of forestry by their management regimes

23. Uganda Forests fall under two tenure systems, namely: **protected areas** and **private land**, the former constituting close to 62% and the latter constituting the balance of 38% (FAO, 2016) of forests in Uganda today. However, the management of forests in protected areas falls under two main laws – the National Forestry and Tree Planting Act (NFTPA) of 2003 and the Uganda Wildlife Act of 1996. The NFTPA (2003) facilitated the creation of 192 Local Forest Reserves (LFRs) totalling just below 5,000 ha and managed by Local Governments and 506 Central Forest Reserves (CFRs) totalling about 1.2 million hectares (of which 504,391 remained natural forest in 2015) managed by NFA. In addition, the forests that fall under the Uganda Wildlife Act (1996) and are managed by the Uganda Wildlife Authority covered 624,678 hectares in 2015.
24. The Constitution vests the ownership of the forests in protected areas in the citizens of Uganda, held in public trust by the government. The right to manage, maintain and control CFRs is granted to NFA (NFTPA 2003, Sections 5 and 54), while LGs are granted the same rights for LFRs (NFTPA

2003, Section 5 and 9). To this end, NFA and LGs have powers to decide who can access and use the forest under CFM. However, in granting access rights to the forest reserves, NFA takes into account the management regime of forest reserve in question. The Forestry Department¹⁷ in the late 1990s conducted a biological inventory of 65 major forest reserves in the country leading to the production of the Uganda Forestry Nature Conservation Master Plan (UFNCMP) 2002. Following the inventory, forests were categorised as prime, core or secondary according to their conservation importance. As a result, a policy was instituted in 1998 to designate 20% of the forest reserve land as strict nature reserves, 30% as low impact “buffer zones,” and the remaining 50% production zones i.e. areas managed primarily for the sustainable supply of forest products, particularly tropical hardwoods. This zonation took the form of either management zones within a forest or the dedication of entire reserves to specific uses (Howard et al. 2000) - see Table 3.1.

25. In 2010, the Environmental Audit Report on forestry activities in Uganda by the Office of Auditor General, raised the concern that most CFRs had no approved management plans and recommended that NFA expeditiously prepared and approved plans to enable systematic management of CFRs. Presently only 34% of the CFRs have management plans¹⁸. **Given the past high rate of deforestation and forest degradation and efforts by NFA to encourage private sector and communities in forest regeneration, plantation/ woodlot establishment and eco-tourism in CFRs, it is imperative that NFA takes the recommendation for making, updating and approval of management plans as an urgent strategic choice.**
26. As Table 3.1 shows, most CFRs are of ecological and biodiversity importance. So, in practice, forest user groups applying for CFM to NFA find themselves in any of the following categories, namely:
 - (i) **Conservation:** communities are permitted regulated access to existing resources
 - (ii) **Plantation/woodlot establishment:** communities are allocated land to either raise plantations or woodlots in designated areas
 - (iii) **Combination** of the above

Table 3.1: Categorising Central Forest Reserves by Function

Category	No. of CFRs	Total Area (ha)	Remarks
Ecological and biodiversity Importance	353	1,074,000	Protection of steep slopes, water catchments, river banks, lakeshores and wetlands
Industrial forest plantations	108	151,200	Mainly in the dryland cattle corridor
CFRs for production of assorted forest goods and services	136	45,597	Small CFRs, especially suited for small-scale investments
Total	506	1,270,797	

Source: NFA Records

¹⁷ Now NFA

¹⁸ Water and Environment Sector performance Report 2018

27. The NFTP (2003) also recognises ownership of the forests and trees within the context of **private forests** under Sections 21, 22, 23, and 29. The Act requires that before a private forest owner (PFO) is legally recognized as a responsible body, she or he must first register her/his forest with the District Land Board. To date, there is no District Land Board that has registered a private forest. Thus, the CFM review focused on CFRs and LFRs.

3.4 CFM Mapping by Forest Range

28. NFA has grouped all its CFRs into 9 Ranges, and in some cases, a range has both reserves for nature conservation and for plantation/woodlot establishment. The Review team was able to reach all ranges. NFA's records of CFM applications since 2004 had 181 groups. However, the CFM Review Team came across 324, implying that a good number of groups are still only recorded at Range/sector/CFR levels as either potentially **viable** to go through the CFM process or that these groups **indicated interest in CFM at some point but due to one or more barriers never pursued the process to the final stage of signing the agreement.**
29. It is evident from Figure 3.1 that the Lakeshore Range has an **exceptionally** high number totalling 181 groups and equivalent to 56% of all groups nationally mainly because the job description of the CFM Supervisor in that range was specifically tailored for CFM implementation unlike for other Sector Managers and Supervisors whose job descriptions were tailored for general forest management at beat and sector levels. The other factor was the push by local politicians to use CFM and have their electorates get regularized access to forest land especially in Lwamunda Sector which they had hitherto accessed through encroachment for food production.
30. Lakeshore Range was followed by Budongo and South West Ranges, each with 24 and 22 CFM groups respectively. According to the CFM Guidelines, in order to prepare to apply for CFM, the community concerned does not have to be a **legal personality** (i.e. legally registered) at the time of applying for CFM but must become so before the signing of the agreement. At the initial application stage, a community could be any of the following:
- (i) A forest adjacent community or group of forest adjacent communities
 - (ii) A forest user group
 - (iii) A Communal Land Association
 - (iv) A Co-operative Society
 - (v) A farmers' group
 - (vi) A Non-Governmental Organization that draws its membership from the local community
31. The review team recognizes that NFA has to know that even if groups do not make it to the last phase of securing the agreement, they remain actual or potential users of the CFRs by virtue of living adjacent to or in the proximity of a CFR and they thus need to be monitored. Both Karamoja and Aswa ranges have fewer CFM groups owing to the long period of internal conflict and disruption of settlement from the Lakwena (1986-1987) and the Kony wars (1986-2009) which have continued to have lingering impacts.
32. The main finding from the CFM review is that many of the groups accessing the CFRs have not signed a CFM agreement at all, but are known to NFA, a factor that enabled the review team to document them. This is because there is a practice whereby NFA has permitted some groups CFR access for time bound or seasonal activities like tree planting in the hope that these groups will

eventually formalise their applications to undergo the full CFM process. Restricting the Review to focus only on groups that either have agreements or have made a formal application would **conceal the reality** on the ground which can be viewed as either presenting an opportunity for expanding formal CFM or constituting a threat to sustainable forest management¹⁹. Accordingly, the use and definition of a 'CFM group' in this report has been adopted by the review team to include all groups in the records at the Ranges, whether registered or not, holding a valid or expired agreement, or having formally applied or not. In this regard, the groups were categorised as follows:

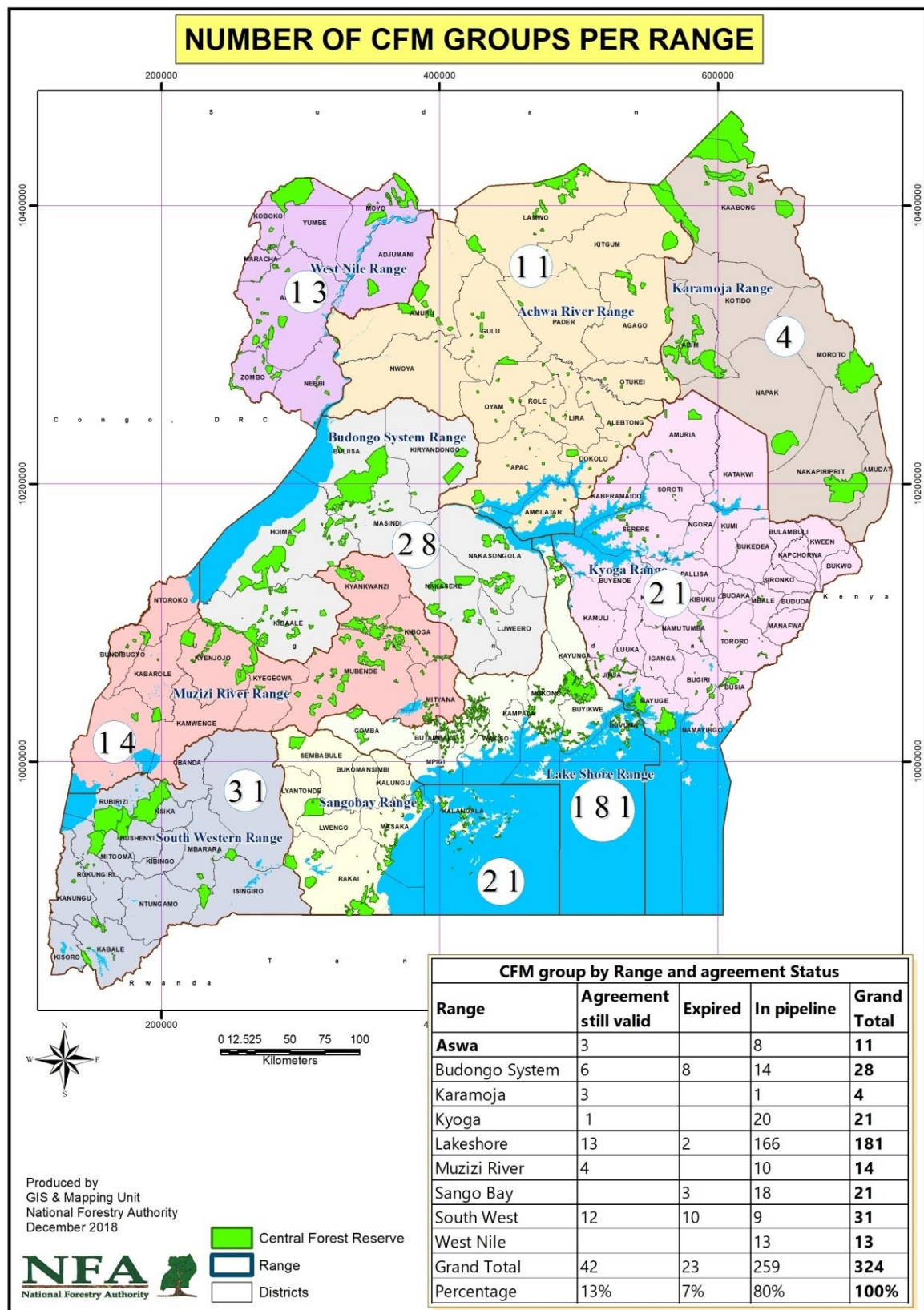
- (i) Groups with signed and still valid agreements
 - (ii) Groups still accessing a CFR but with an expired agreement hoping to renew it with NFA
 - (iii) Groups without known legal identity but accessing CFRs. Such groups have either made formal applications for CFM and are pending approval or have been permitted to carry out seasonal activities and could eventually be encouraged to formalize their activities through the CFM process. These are what the report refers to as 'groups in the pipeline'.
33. As earlier discussed, the high number of CFM groups in Lakeshore Range is attributed to the presence of the only CFM Supervisor at range level who has worked hard to popularize CFM and whose job description was specifically tailored for CFM implementation. In addition, many Members of Parliament mobilised communities to legitimise their encroachment after the former Executive Director of NFA addressed them during a leadership training in Kyankwanzi in 2016 and highlighted how CFM has been embedded in the NFTP 2003 as one of the policy instruments to promote partnerships for sustainable forest management (SFM). However, it is also true and known to NFA that the well-to-do have tried to use CFM to access land for commercial forestry establishment when they could have accessed land individually under a permit for a land-rent fee. Maintaining a clear distinction between CFM groups (as forest user groups) and private individuals or corporate entities is important to NFA for the following reasons:
- (i) The terms and conditions for accessing CFRs are structured differently²⁰
 - (ii) The technical support required by CFM groups and private investors differs
 - (iii) It eliminates or reduces elite capture under the guise of CFM

NFA leases forest (CFR) land to private individuals and corporate entities as part of a public-private partnership arrangement, partly in order to stimulate small- and medium scale forestry, and partly to generate much-needed revenue in order to cover its operating costs and the cost of managing its natural forest estate. Contrastingly, NFA gives access to forest-adjacent communities for free under CFM agreements as a public service and as a forest management strategy.

¹⁹ According to the UN 2008, Resolution 62/98, sustainable forest management is a dynamic and evolving concept and aims to maintain and enhance the economic, social and environmental value of all types of forests, for the benefit of present and future generations. It is characterized by seven elements, including: (i) extent of forest resources; (ii) forest biological diversity; (iii) forest health and vitality; (iv) productive functions of forest resources; (v) protective functions of forest resources; (vi) socio-economic functions of forests; and (vii) legal, policy and institutional framework.

²⁰ For example, CFM groups reported that unlike private planters in LFRs, they are not charged land fees

Figure 3.1: CFM groups (formal and informal) by NFA Ranges as of September 2018



3.5 Mapping by status of Agreement

34. It was established that only 42 CFM groups or 13% of the total have valid CFM agreements as shown in Figure 3.2. The variation across ranges is given in Figure 3.3. There is a concern that 259 CFM groups or 80% of all CFM groups are still going through the CFM formalisation process, and that some of them have been in this situation for more than 10 years as shown in Table 3.3. This situation has created uncertainty for the groups as to whether they will ever secure formal user rights on the one hand, and it also constitutes a potential forest conservation and management risk/liability for NFA on the other.

Figure 3.2: Proportion of CFM groups categorized by the status of their agreement

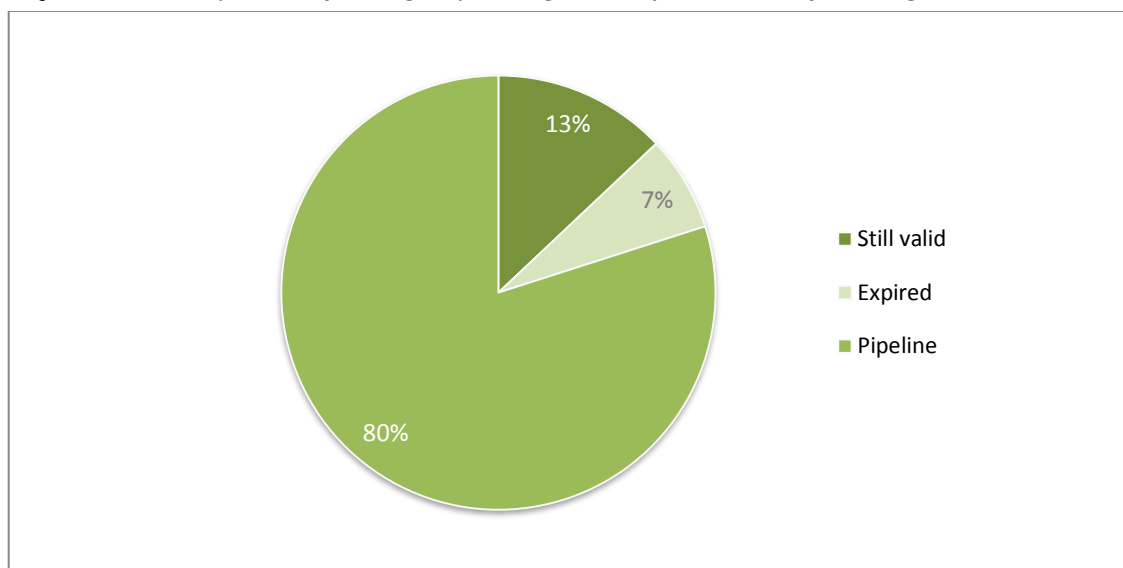


Figure 3.3: CFM Groups categorized by NFA range and the status of their agreement

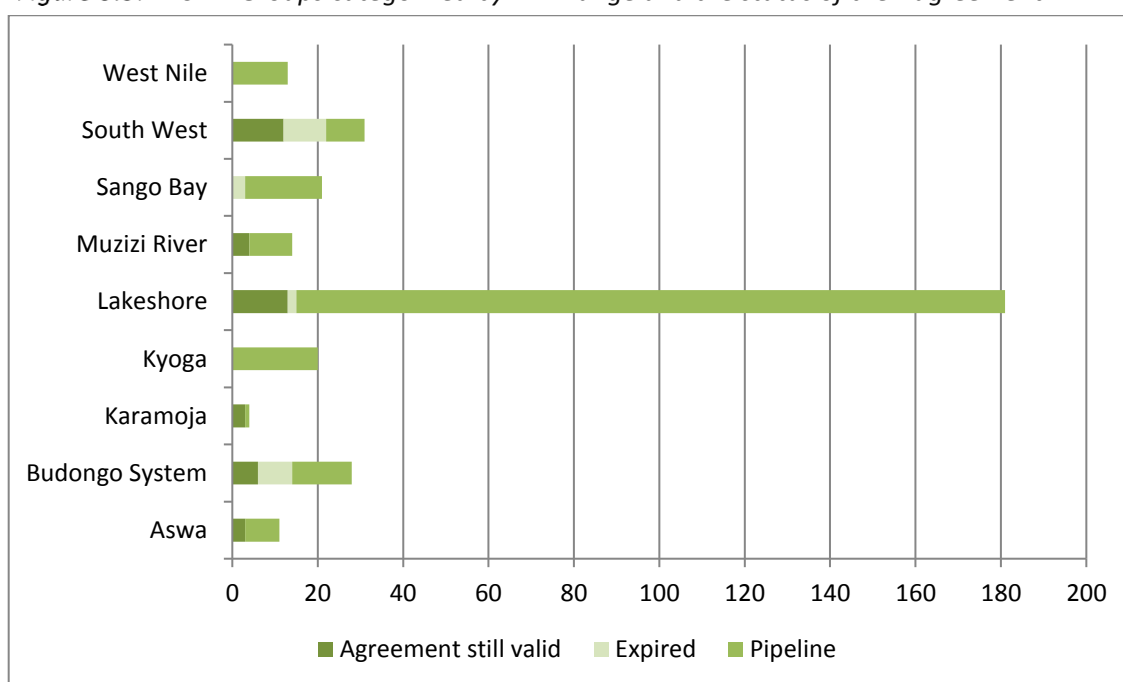
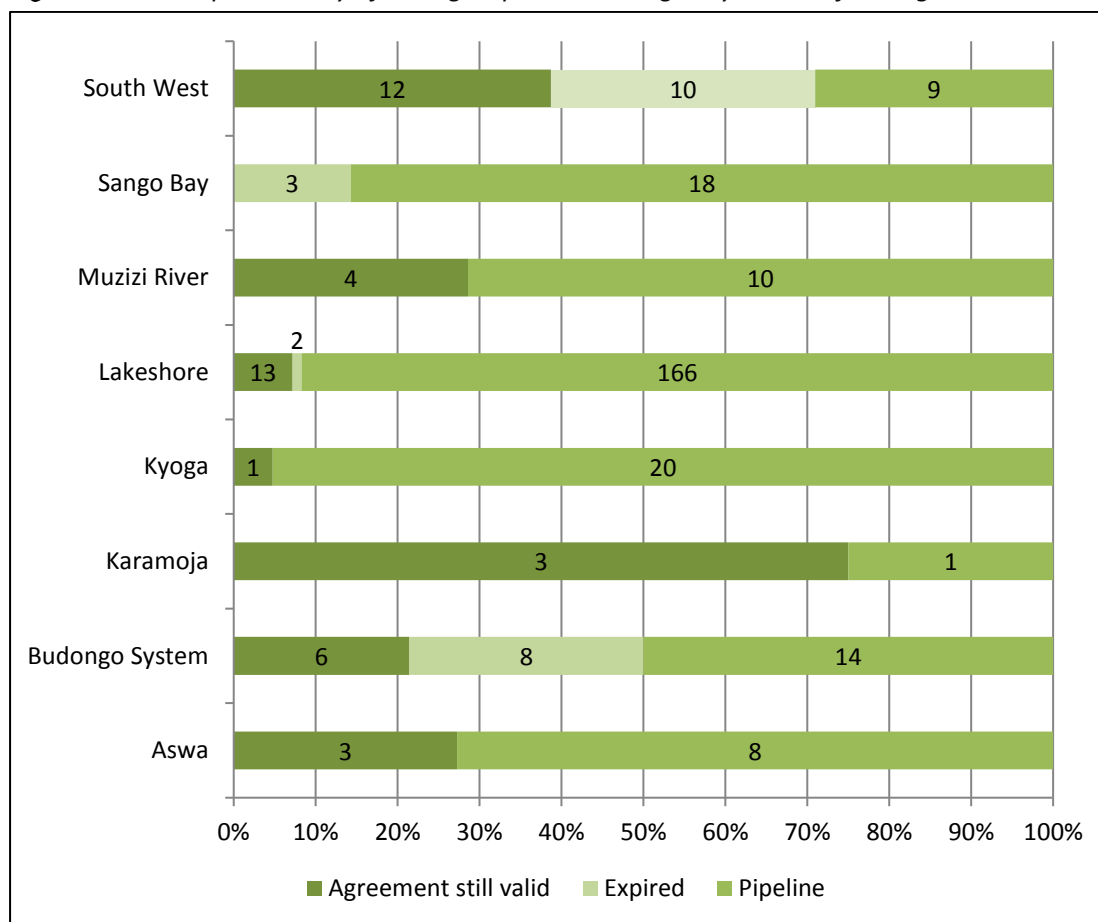


Figure 3.4: Proportionality of CFM groups at the Ranges by Status of the Agreement



35. As shown in Box 3.1, an important function of CFM is to **reduce conflicts** by establishing agreement in regard to the distribution of benefits, responsibilities and decision making in the management of forests. A dually signed agreement confirms the deal is enforceable in law. Groups therefore run a great risk of uncertainty in remaining without an agreement for a long time. A case study on conflict resolution given in Box 3.2 underscores the merits or advantages of user groups of having a legal foundation and instrument for accessing CFRs. In this example, a conflict arose between the then Forest Department and individual forest farmers before the enactment of NFTP 2003, but because the relationship between the Forest Department and farmers had been legally formalised through a forest **permit** under the previous 1964 forest legislation, the farmers were able to pursue and **obtain justice and fair compensation** within the laws of Uganda. **The key recommendation therefore is that NFA should expedite the formalisation of all pending applications and renewal or granting of CFM agreements.**

Box 3.2: Associating and gaining legal basis in order to access justice and fair compensation

In December 1996, the Minister for Natural Resources gave a resettlement order for 1,006 hectares of forestland in Namanve CFR, in eastern Kampala. The aim was to create an industrial park for use by the Uganda Investment Authority (UIA) to attract investors. This part of the reserve contained eucalyptus trees that several farmers had planted under a **permit** issued to them under the Forest Act, 1964. Inevitably, the issue of compensation came up. The farmers wanted to be compensated for trees that would have a life cycle of 16 years. On the other hand, government wanted to compensate them for only 5 years, the **initial period stipulated** in the permit. But the permit stated that **renewal** would occur if the conditions of the permit were not violated. No farmer had violated any condition set out in the permit by the time the government decided to change the land use of the CFR. The Solicitor General, as a government legal advisor, had also recommended compensation for the present value of the standing trees only. Negotiations between the farmers and UIA to reach an amicable solution failed.

In February 1997, the farmers **pooled financial resources** and formed the Uganda Wood Farmers Association, and **legally registered it** with the Registrar of Companies to enhance their collective voice. In April 1998, they learnt that UIA was processing a land title for the area. Working through their lawyer, the Association put a caveat on the land. They sued UIA in the High Court under case No. 761 of 1998. In due course, Justice Richard O. Okumu Wengi ruled in favour of the farmers, giving them compensation for the trees that would have **four rotations (16 years)** which came to a total of UGX 2 billion or equivalent to USD 1.2 million at the time. This case demonstrates that holders of derivative forest rights in CFRs are able to defend them through the **permits** by which they are identified and hold these rights. Secondly, by legally forming a registered association the farmers were in a better position to pool financial resources to secure the services of competent legal counsel than would have been the case if they had acted individually.

Source: Cornelius Kazoora in FAO, 2003

36. However, it should be noted that a formal agreement is not for use only in conflict resolution but can also be used to access other services like credit provision, training and other support from third parties. For example, in Mpanga sector, Mpanga Environmental Management Association of 11 CFM groups failed to qualify for **a loan** from Centenary bank to harvest and market their established woodlots and thereafter expand their plantation when it was established that seven out of eleven groups **lacked CFM agreements with NFA**, and the bank did not accept their trees as collateral, out of a perceived risk that the Association did not have full legal rights to (harvest) the woodlots.
37. **The review team strongly recommends that:**
 - (i) NFA should review all expired CFM agreements with a view to renewing them or providing fair reason on a case by case basis for not doing so;
 - (ii) NFA should take a decision on formalizing CFM groups that have long operated without agreements and those whose formal applications have been pending for some time.

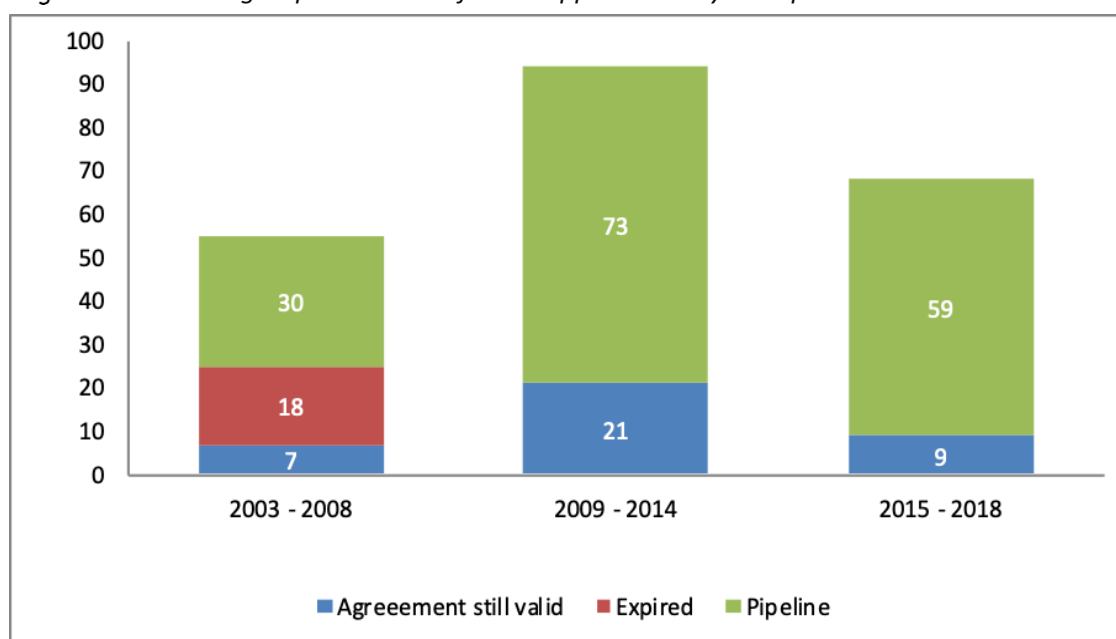
Table 3.2: CFM groups operating in CFRs for more than 10 years without agreement

Range	CFR	CFM Group	Year of Application
Budongo System	Budongo	Kyarugangara Community.	2005
	Bugoma	Butoole Parish CFM group	2006
	Budongo	Hanga, Kibuye, Siiba and Kapele CFM group	2007
	Kasongore	Katugo Community CFM group	2007
	Bugoma	Kaseeta Parish CFM group	2007
Kyoga	Amonikakinei	Amonikakinei Tree Farmers Association	2005
	West Bugwe	Fellowship for Urban and Rural Assistance (FURA CFM group)	2005
	West Bugwe	Bugwe Apiculture Development Association (BADA CFM group)	2006
	Tororo	Kasoli Aputir CFM Association	2006
	West Bugwe	West Bugwe Market and Conservation Association	2008
Lakeshore	Sango Bay	Kagera, Kimwanyi, Kyabasimba Community CFM group	2005
	Mabira	Nakalanga Biodiversity Environment group.	2005
	Bukaleba	Ndhokero United Farmers Co. Ltd	2005
	Walugogo	Afar Farmers Environmental Protection Association	2005
	South Busoga	Busoga Twisa Kirala General Enterprises	2005
	Mabira	Kalagi/Kawututu Community Development Association	2006
	Mugoye	Kasamba Development Society	2006
	Stambogo	Namwana Akedah Association	2006
	Igwe	Bukuta Agaliawamu CFM group	2006
	Tala	Kisala Tweekembe forest management group,	2006
	Mabira	Wabulongo-Kasokoso Community CFM group	2007
Sango Bay	Namalala	Nyakaziba CFM group	2007
	Kigona	Nakatoogo-Kyamayembe CFM group	2007
	Malabigambo	Mabaala, Kisakala and Kampangi CFM groups	2007
South West	Kalinzu	Karire village forest users' group	2006
	Kalinzu	Rubuzagye village forest users' group	2006
	Kalinzu	Bugongo village forest users' group	2006
	Kasyoha-Kitomi	Nyakaziba Tukwatanise Environment Association	2008
West Nile	Ozubu	Dricile United Women's Group (DUWA)	2008

3.6 Mapping of CFM groups by time period

38. Out of 217 groups that made **formal** applications to NFA for CFM, 43% or the majority fall in the period **2009-2014**, while those in the period 2003-2008 command 25% and those between 2015 and 2018 (July) command 32%²¹. It was during the period 2003-2008 that the forestry reform processes ended and NFA was established and dully staffed. However, by the end of that period some Board members, the executive director and senior staff at NFA resigned over the government's move to de-gazette Mabira CFR without following the requisite legal parliamentary process. Although more CFM groups were formed through facilitation by both NFA and some NGOs ensuing this crisis, ongoing governance issues at NFA greatly affected public and community trust.

Figure 3.5: CFM groups that made formal applications by time period



3.7 Sources of financial and technical support for CFM

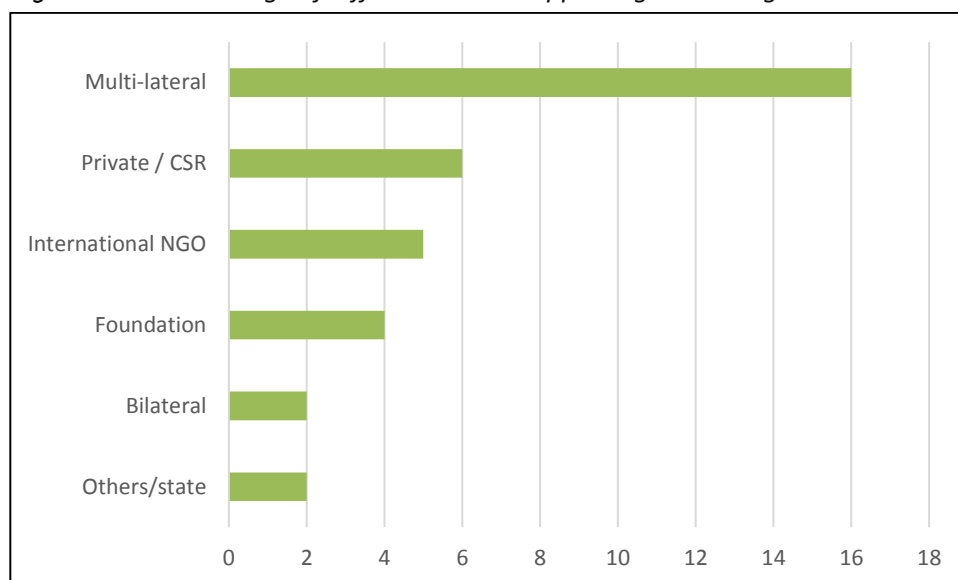
39. Over the years, CFM has been supported by a wide variety of organisations and sources of funding from private and public sources. A major group of actors supporting natural resource management in Uganda has been the multi-lateral development partners' which have directly supported 16 CFM groups at different times as part of their projects. Broadly, the support provided has included creation awareness and community mobilisation on forest conservation in general and CFM in particular, CFM group formation and facilitation of the CFM processes up to the signing of agreements, training in conservation and livelihood improvement, study tours and exchange visits, and providing seed capital to the groups' Village Savings and Credit Associations. Examples of projects include the UNDP/GEF Cross-border Biodiversity Project which supported the CFM pilots of Imaramagambo as far back as 2000-2004; Lake Victoria Environmental Management Projects 1 and 2, in Sango Bay Range; Nile Basin Initiative in Sango Bay Range; Bio-carbon funded Nile Basin Afforestation Project in Rwoho CFR (2004-ongoing), the UNDP/GEF-

²¹ It is possible that by 2020, that the percentage would also have risen comparable to the previous, 2009 – 2014 period.

funded Kidepo Critical Landscape project (2013-2016), and the EU-funded Forest Resources Management and Conservation Programme (2002-2006), among others – see Figure 3.5 and Table 3.3 International NGOs like IUCN, CARITAS, FFI, WWF, JGI and CARE have also supported CFM in a similar fashion, with some providing support to specific CFRs and CFM groups over a decade or more. Both public funders such as the Darwin Initiative²² and private foundations such as the McArthur Foundation have supported CFM indirectly through local NGOs like Nature Uganda, JESSE and others. Private firms through their own corporate social responsibility (CSR) initiatives have also supported CFM, including Uganda Breweries, Serena Hotels, Bank of Baroda, and Standard Chartered Bank.

40. The main insight is that there have been many organisations and initiatives that have funded and supported CFM, often largely on the basis of their own preferences in terms of the location and design of their projects. It should be noted that support for CFM groups was often not the sole or major focus of these initiatives. Rather, support for CFM has often been **incidental** by virtue of the groups either being located in a project area or having a comparative advantage in terms of achieving an outcome, output or activity building towards a project's goal.

Figure 3.6: The range of different actors supporting CFM in Uganda 2003-2019



41. It is further evident from Table 3.3 that the distribution of funding by source has also varied by CFR, with Echuya CFR leading in the **diversity** of funders through the facilitation of Nature Uganda, and Mpanga Sector being patronized by the private sector through CSR initiatives. In fact, Echuya CFR is reported to have absorbed over UGX 12 Billion in the last 15 years²³, implying that local NGOs have been instrumental in leveraging resources for CFM with NFA. The list of initiatives document in the table may not be exhaustive (i.e. there may be others which the review team has not documented) but they demonstrate the fact that there have been a diverse range of initiatives which have supported and continue to support CFM. This is a great opportunity for NFA to leverage resources.

²² The Darwin Initiative is solely funded by the UK government and is a sinking fund which is replenished. <https://www.gov.uk/government/groups/the-darwin-initiative>

²³ Personal communication from the Executive Director, Nature Uganda

Table 3.3: Support to CFM groups from illustrative initiatives and projects

CFM group	Initiative/project/NGO	CFR
Mugamba-Mujanjabula CFM group	Cross-border Biodiversity Project 1998-2003, Darwin Project, Nile Basin Initiative, EMPAFORM, LVEMP 1 (1996-2005) and 2 (2012-2016); FFI CARITAS - MADO CARITAS - Masaka	Malabigambo
Nkalwe CFM group	Cross-border Biodiversity Project 1998-2003 LVEMP 1 and 2 FFI Darwin Project	Kigona
Kigazi Tukwatile Wamu CFM group	Cross-border Biodiversity Project, 1998-2003 Darwin Project, Saw log Production Grant Scheme, LVEMP 1 and 2; FFI.	Malabigambo
NACOPA	EMPAFORM Private Sector Foundation Uganda Forest Resources Management and Conservation Programme	Mabira
COFSDA	EMPAFORM, Saw log Production Grant Scheme, Forest Resources Management and Conservation Programme European Union/FAO, Nature and Livelihood by McArthur, Mabira.	Mabira
MECDA BECLA MEFCPAA KADECA	Echuya Forest Conservation Project, Darwin Project, Civil society capacity to advocate for mainstreaming biodiversity (CAMB) project, TESSA project, Africa 2000 Network, Marginalized communities in Uganda (Batwa), People partner with Nature (PPN) programme.	Echuya
SWAGEN RECPA BECA	Nile Basin Afforestation Project, SPGS.	Rwoho
Timu Environment Conservation group	Kidepo Critical Landscape Project; IUCN	Timu
Morungole IKitoyari Conservation group	Kidepo Critical Landscape Project; IUCN	Morungole
Nyanapo Environment Conservation Association		Nyangea Napore
Mar-Yen CFM group	Kidepo Critical Landscape Project; Tree Talk; Environmental Alert; UNHCR; FIEFOC; Rutherlen Foundation; IUCN	Agoro-Agu

CFM group	Initiative/project/NGO	CFR
Katum CFM group		Katum
BUNCA	Forest Resources Management and Conservation Programme; Empowering and Strengthening Civil Society for Participatory Forest Management in East Africa (EMPARFOM 2005-2008); Budongo Forest Communities and Development Organization (BUCODO); ECO-TRUST Budongo Conservation Field Station	Budongo
KICODA		Budongo
NOBUFOCA		Budongo
KAFACA		Budongo
MANRUIA	Rights Equity and Protected Areas Programme II (2008-2013); Forest Resources Sector Transparency Programme (FOREST 2014-2018); CARE; JESE; Caritas, Fort Portal	Matiri
KIFECA		Itwara
KASUFU		Itwara
NNT	WWF; JGI; ECOTRUST	Kalinzu
Swazi-Nitubaasa	WWF; JGI	Kalinzu
Nyarugoote		Kalinzu
KINARECA	WWF (2013-2018)	Kalinzu
MCODA	FOREST; ACCU/CARE (2016-2017)	Mpanga
BTTEA	USAID's Prime West Project; NATURE UGANDA	Kasyoha Kitomi
NECA	USAID's Prime West Project; NATURE UGANDA	Kasyoha Kitomi
Aminkec CFM group	Saw log Production Grant Scheme	Chegere

3.8 CFM at Local Forest Reserves

42. There was no formal CFM arrangement in the local governments sampled, and neither is there knowledge at FSSD that any CFM group exists with regard to any LFR. Kisoro District tried to implement CFM but is still frustrated by a dispute over Kafuga natural forest (Box 3.3).

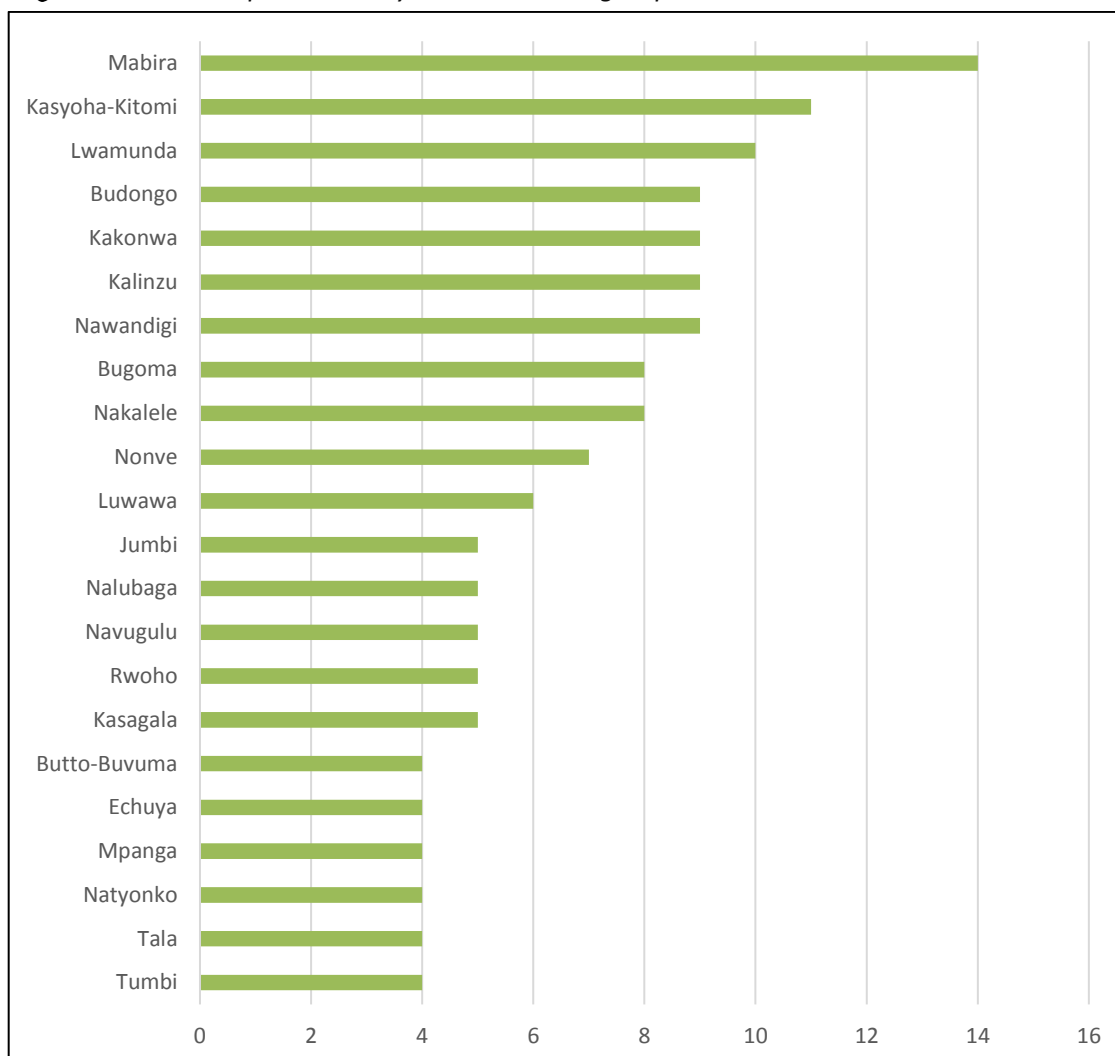
Box 3.3: Kisoro local government still faces a hurdle to declare community forest reserve

In Kisoro, there are natural forests that have an unknown gazette status as LFRs or community forest reserves. For example, Kafuga natural forest that is a buffer to Bwindi Impenetrable National Park has been used communally for a long time. Some of the community members have been harvesting trees from the forest, claiming ownership rights over the land. The Kisoro LG took them to court in 2015, but they were acquitted. The case is still under appeal. The LG has surveyed and found that the forest has an area of 65ha. The conflict over the Kafuga forest intensified in 2016 when WWF sponsored a feasibility study for the forest to be managed under CFM. The process has been halted pending a court ruling. It is the district's plan to gazette Kafuga natural forest as a community forest reserve if the case is decided in its favour.

3.9 Mapping demand at CFR level

43. Some CFRs have many more CFM groups than others, related to the relative value of each CFR as perceived by adjacent communities. So, for example 22 CFRs have more than 4 CFM groups – as shown in Figure 3.6. In some of these CFRs, the facilitating organisation has been the same – for example, Nature Uganda has facilitated CFM in both Kasyoha-Kitomi and Echuya CFRs, and NFA has supported CFM groups in Rwoho, Mpanga, Navugulu and Lwamunda CFRs. All in all, it can be concluded that the demand for CFM is high but limited by NFA's failure to respond commensurately to it. An overview of the overall distribution of CFM groups by forest range is given in Figure 3.1. Although the CFRs with multiple CFM groups vary in size, where multiple CFM groups occur this provides an opportunity for the groups to network and share experiences, lobby for area-specific by-laws to support their activities, develop codes of practice among themselves and to collaborate in joint programmes. For example, it was found that all the 4 CFM groups surrounding Echuya CFR have also formed an **umbrella association for eco-tourism**, called ECOTA. In Kalinzu CFR, the groups have formed a platform called Kalinzu Landscape Civil Society Organizations Forum to share information. In Mpanga the groups have formed a **co-operative** and in Lwamunda CFR the groups have formed an umbrella association for networking called **Mpenja Environmental Management Association**. In Rwoho CFR, the 5 CFM groups are piloting a common model in association with NFA built around **bio-carbon financing** under the Nile Afforestation Project.

Figure 3.7: CFRs patronized by 4 or more CFM groups



4 The design and negotiation process for collaborative forest management

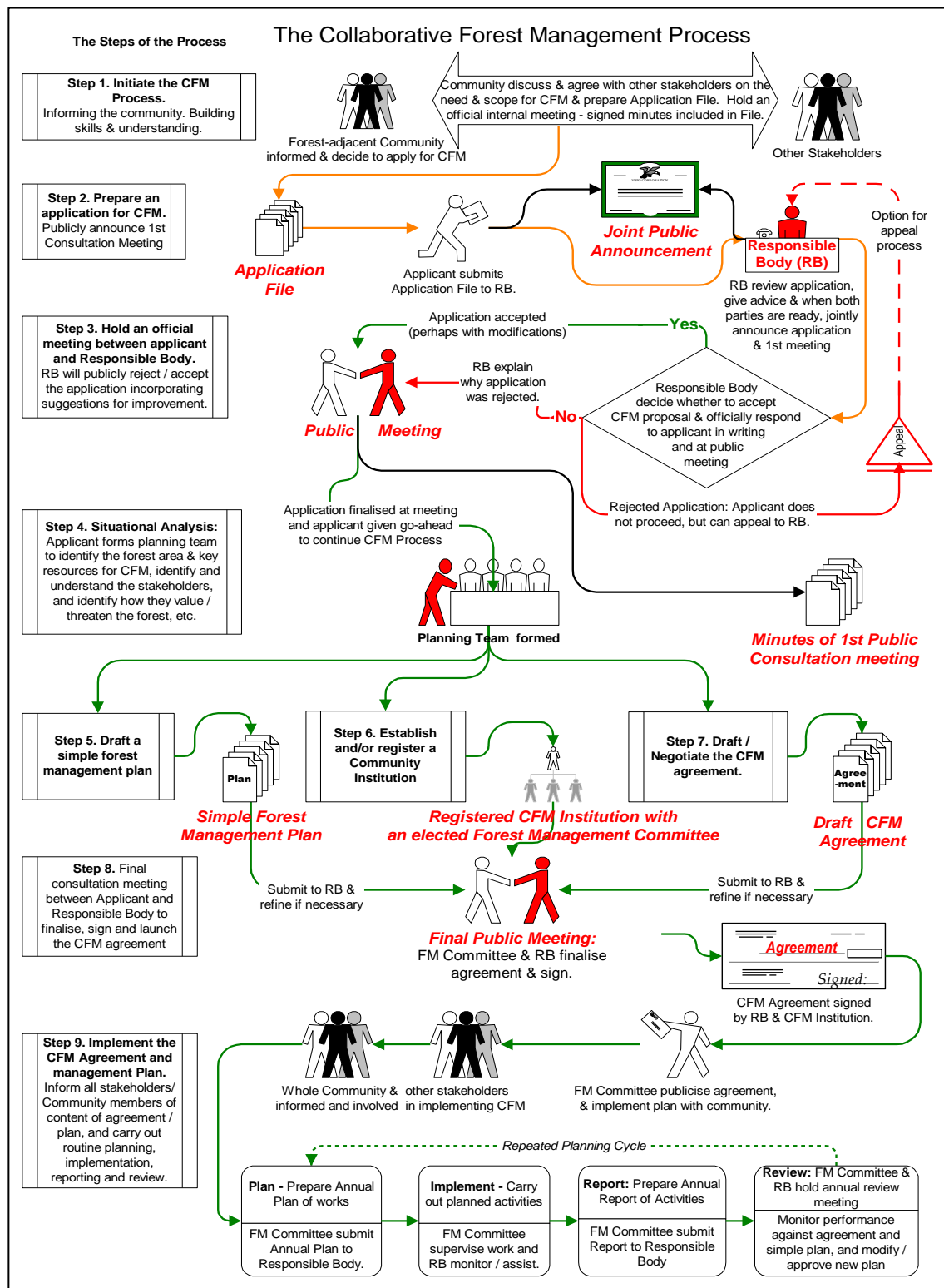
4.1 Generic CFM process in Uganda

44. This chapter provides key findings on the overall / generic CFM process in Uganda, setting out the legal foundation for CFM, the extent to which forest adjacent communities have been provided and able to access to information on CFM, and the varying motivations and interest in CFM among communities, NGOs, NFA and other stakeholders. The eligibility criteria for communities participating in CFM are discussed linked with arising issues of legitimacy. The chapter then reviews the principles underpinning CFM, and related to this, the level of inclusiveness, participation and decision making in the CFM process to date.
45. In Uganda, a nine-stage application process has been developed that has to be followed by communities applying for CFM as set out in Box 4.1. Steps 1 to 8 are part of the CFM design and negotiation process culminating in an **output**, which is a contractual **agreement** that forms the basis for its implementation in step 9. Generally, the transparency in managing the first 8 steps of the process has a strong bearing in building trust between the responsible body and CFM groups and in creating a strong foundation for implementing the CFM agreement. This transparency must also be carried on into the implementation phase.

Box 4.1: Steps for collaborative forest management in Uganda

- Step 1:** Initiating the process
- Step 2:** Preparing an application for CFM
- Step 3:** Meeting between applicant and responsible body
- Step 4:** Participatory situation analysis
- Step 5:** Initial Negotiation and drafting a CFM plan
- Step 6:** Institutional formation and development
- Step 7:** Continuation of Negotiations
- Step 8:** Review of the plan and agreement by stakeholders
- Step 9:** Implementation of the CFM agreement and plan

Figure 4.1: Flow chart of the CFM process



46. The CFM guidelines do not provide any guidance on timelines for the completion of the CFM application process. However, foresters who were involved in the forestry reform process between 1999 and 2003 say that the duration of the process was supposed to last 2 years. This was confirmed from an examination of the first pilot agreements which were signed by the then Forest Department and Namatala and Nyangole CFM groups in 2000 after a two-year process. At

that time, the degree of mistrust between NFA and communities was high and the lobbying and advocacy for CFM was being advanced by international and national NGOs. Nevertheless, the original CFM Guidelines are still in use and the review team used them as a benchmark against which to review the design of CFM agreements, the negotiation practices of actors and the rules they have followed. Figure 4.1 provides a detailed flow chart of the 9 CFM steps with additional explanation.

4.2 Key instruments guiding CFM and degree of dissemination among potential parties

47. In Uganda CFM has been reviewed in the broader context of forest governance in the country. According to CIFOR, forest governance is “...how decisions that affect forests and the people who depend on them are made: Who is responsible, how do they exercise their authority and how are they accountable? It encompasses decision-making processes and institutions at local, national, regional and global levels...”
48. Forest governance comprises all the social and economic systems that affect the way people interact with forests, including bureaucracies, laws, policies, traditional norms and culture, patterns of land tenure and markets. Good forest governance means decisions are fair, transparent and just, rights are respected; laws and rules are enforced equitably; decision makers are accountable; and decisions are made based on the analysis of what is good for people and forests in general and not personal interest. The main objective of good forest governance is to ensure forest sustainability, and fair decision making and benefit distribution. It is now broadly understood that good governance in the forest sector, guided by key policy and legal instruments is vital for achieving sustainable forest management and a fair deal between a responsible body and forest user group.
49. Findings from the CFM review indicate that NFA staff in their respective ranges are equipped with copies of the Uganda Forestry Policy of 2001, the National Forestry and Tree Planting Act of 2003, the National Forestry and Tree Planting Regulations of 2016, the National CFM Guidelines, and CFR Forest Management Plans where they exist. Much as NFA staff have access to these reference sources, they frequently do not understand how they relate to and/or should be used for implementing CFM. Additionally, NFA staff are not sufficiently aware of the importance for CFM of instruments such as the NGO Registration Act (2006) that are not specifically/directly related to the forestry sector. This has contributed to the failure of NFA staff to regularly follow up on the registration and legal compliance status of the CFM groups that have signed agreements with NFA. **The review revealed that 57% of the CFM groups with signed agreements had not renewed their registration status with the respective district local governments and thus NFA has been dealing with technically illegal groups.**
50. Most CFM groups did not have copies of the key CFM guiding instruments and worse still some groups like North Budongo Forest Communities Association (NOBUFOCA) did not have copies of their own agreements on file. Ultimately this compromises the level of understanding of CFM groups and their compliance with their CFM agreements. **There is a need therefore to orient all CFM groups, NFA and local government staff on these agreements beyond just providing all parties with copies, and also to ensure that they have access to other supporting instruments such as the NGO Registration Act. NFA should ensure that all CFM groups have copies of their agreements on file and they actively use them in guiding and monitoring their CFM activities.**

51. In addition, NFA should require that CFM groups provide proof of their legal compliance with the NGO Registration Act in the form of a copy of their NGO operational certificate which should be periodically updated when there is change²⁴ or renewal of an operational license.

4.3 Provision and access to information and awareness creation about CFM

52. One of the principles of CFM in Uganda is sufficient provision and access to transparent communication about CFM especially for marginalised stakeholders. The CFM guidelines require that information is put in a format understandable to all stakeholders including women, youth and other disadvantaged groups.
53. NFA and NGOs have tried to provide information regarding CFM through different channels like meetings, forest related trainings, radio talk shows and routine field activities. However, there is no structured way for the provision of information and awareness creation about CFM for the public. NFA lacks a communication strategy in support of the implementation of CFM. In many cases, the provision of information and awareness creation about CFM has been *ad-hoc* and conducted through meetings that were initially planned with different agenda such as meetings with forest encroachers intended to initiate boundary re-demarcation and opening. The mood and context for disseminating information to forest user groups and encroachers differs. The mode of information provision is often more in response and intended to resolve recurring challenges like forest encroachment and high levels of illegal forest activities. Often community members are led to overly high expectations of CFM as a result of undeliverable promises by NFA staff engaging with these issues. This is in part due to the fact that 80% of NFA staff have never been trained in CFM, implying that they neither have an adequate understanding of CFM nor reliable information to pass on to local communities and other stakeholders about CFM. Table 4.1 below provides a clear indication of the low proportion of NFA staff that have been trained in CFM across a sample of forest sectors in NFA's ranges. **A key recommendation therefore is that all staff in NFA are trained in CFM and that they have ongoing coaching, for example provided by the NFA Partnerships Officer who is responsible for CFM.**

²⁴ For example, change can happen when a group formed under company law limited by guarantee changes to a group limited by shares or becomes a cooperative.

Table 4.1: The proportion of staff trained in CFM across a cross-selection of NFA sectors

Sector	Kasyoha Kitomi	West Bugwe	Kasana Kasambya	MarachaMR	Itwara	Kagadi	Teso	Jinja	Budongo	Hill Reserves	Katugo Plantations	Pakwach	Mount Kei	Ochezoka	TOTAL
No of staff	6	7	4	2	3	5	4	7	8	3	6	4	3	4	66
No of staff trained in CFM	6	2	2	2	0	0	0	0	0	0	0	0	0	0	12

54. In ranges where CFM has been supported by NGOs access to information by communities and awareness creation about CFM was found to be higher compared to those ranges without NGO support. Community mobilisation and awareness creation was found to be integral to many NGOs' method of work. In addition, it was observed that NGOs may often have staff present in the locations where they implement projects and in comparison, NFA staff are often stretched and do not have adequate access to transport to be a sufficient presence on the ground in many CFRs.
55. It is improbable that NFA will address the issue of limited staffing in the short and medium term. **As a way forward, NFA should partner with other organisations facilitating CFM (NGOs, CBOs and LGs) which have a presence in under-staffed CFR locations in order to disseminate well packaged / produced information on CFM.**

4.4 The extent to which CFM is understood by different stakeholders

56. The review found that most NFA staff understand CFM more as a means to bring on board local communities to support NFA in the control of illegal activities and/or to reduce the costs of forest management. With regard to NGOs, the review has revealed that they do understand the general principles of CFM, but they too frequently do not have adequate capacity to technically support the CFM as independent facilitators throughout all the phases of the CFM process. In most instances they rely on the services of consultants or the few NFA staff who sufficiently understand the CFM process, especially CFM agreement negotiations. **It is questionable as to whether NFA should be spearheading the negotiation process since it is also one of the two contractual parties. This conflict of interest compromises the principle of neutrality and consensus building especially in a situation where there are power imbalances that usually favour NFA over the community.**
57. The review findings indicate that **CFM groups supported by NGOs have project-based outcomes and these projects frequently do not have clear exit strategies to ensure the continuity of CFM initiatives that have been begun.** The focus of projects has been on achieving signed CFM Agreements as project outputs without a clear sustainability strategy thereafter. While the thinking of NGOs has been that NFA would take over these CFM groups after the closure of their

projects, NGOs have tended to create a culture of providing hand-outs to the local community without sufficiently building the groups' capacity and skills that would sustain them beyond project closure. This has partly contributed to the poor subsequent performance of CFM groups after projects have closed. However, it should be noted that exceptions to this tendency certainly exist, and some NGOs have continued to successfully support the development of CFM groups long after their agreements have been signed.

58. **It is recommended that NFA should institutionalize the ethical standards of conflict of interest: in order to promote neutrality and consensus, staff from NGOs or other knowledgeable parties should facilitate the negotiations between the community and the responsible body (NFA or local government), and not NFA. There is need for a continuous capacity building program for NGOs and NFA/local governments on CFM. Importantly, NFA should require as a practice that all NGOs intending to support CFM groups should share with it the project documents and work plans to enable NFA timely identify scope for joint planning, implementation, monitoring and learning.**

4.5 Attitudes, perceptions and commitment towards CFM as a strategy for sustainable forest management

59. Positive attitudes of all the parties in a CFM arrangement are an essential prerequisite for a sustainable and successful relationship. In Uganda, most studies on attitudes and perceptions on CFM have been site specific and, in most cases, no follow up studies have documented whether those attitudes have changed over time.
60. In 1998 before the CFM was legitimised under the NFTP, it was found, for example, that local communities in Budongo had negative attitudes towards forest management practices because of the strict rules on forest resource utilisation. (Obua, Banana and Turyahabwe, 1998). Budongo is one of the reserves where several community groups have been participating in CFM for a relatively long time.
61. In a separate study (after implementation of CFM) in the reserve, Turyahabwe et al. 2013 found that 50% of the respondents' explicitly reported dissatisfaction with the CFM arrangements, complaining that CFM had not delivered the benefits promised in the signed agreements. Local people were still not consulted or involved in making key management decisions and there was inequality in the sharing of CFM benefits amongst members of the local community.
62. No doubt the attitudes and perceptions of community groups and members participating in CFM are bound to change over time, influenced by several factors, some directly under the control of NFA, others less so. **It is recommended that NFA, and/or its partners, occasionally carry out surveys on how stakeholders' perceptions and attitudes on CFM are changing and use the resulting information to take corrective actions as part of a continual improvement process for how CFM is implemented.**
63. NFA staff ability to initiate, negotiate and sign CFM agreements is a sign of a positive attitude and commitment towards CFM. It was found that frequently, the reason for NFA staff starting CFM groups was the need to control illegal activities such as encroachment, illegal harvesting of forest resources and reducing the costs of forest management. However, the review team found that most of the signed agreements were funded by NGOs.

64. The commitment of NFA to CFM was further measured based on the level of budget allocation to CFM development which NFA field staff said was zero every year. There was a cross-section of NFA staff who felt that it was not worth investing in CFM because it is a costly process and yet it does not bring in financial returns to NFA; instead, it often promotes illegal activities. Some of the illegal activities include CFM members conspiring with third parties to encroach on forest land, and CFM members selling their CFM forest land allocations to non-CFM members. These attitudes and perceptions can be improved if communities, NFA/local governments and other stakeholders are empowered with sufficient knowledge on CFM, CFM is properly facilitated, and the rules are improved and enforced.
65. The review team noted that there has been growing interest among CFM group members to sell or transfer their interests in CFM agreements to third parties for a range of reasons – including their declining interest in CFM, delayed benefits from CFM, poor group governance and a desire to tap into better emerging opportunities. NFA requires all CFM groups to communicate in writing when changes in members' interests happen. In a few cases, CFM groups have communicated such changes to NFA. The current proto-type CFM agreement in the National Forestry and Tree Planting Regulations 2016 does not contain any provision on how to allow for change in CFM interests among members. It only provides for a community to contract a third party under a separate contract for the implementation of activities in the management plan. **In order to mitigate conflicts between parties unknown to NFA, the review team recommends that NFA requires all CFM groups to communicate in writing seeking approval before members in groups transfer or sell their interests.**
66. At community level perceptions on CFM varied depending on the extent to which the objectives and expectations of their CFM agreement had been achieved since its signing. The attitudes of CFM groups involved in tree planting are different from those solely managing natural forests. The review findings indicate that some of the groups involved in tree growing view CFM as an arrangement that has made it possible for them to invest, plant, own trees and improve their economic wellbeing. The review identified the Ndagara, Aminkec, Nyakiyanja and Rwoho CFM groups as being appreciative of their CFM agreements that have allowed people to improve their livelihoods through tree growing. There are also groups whose focus towards the allocated land has been more on growing food crops than trees. For example, around Itwara CFR some CFM groups have utilized only 50% of the land allocated to them for tree planting while the remaining 50% has been under food crops since 2012. A similar situation exists with Malabigambo with Kigazi CFM group. To note therefore, these latter cases may exhibit positive attitudes towards CFM, but these groups are **not compliant with their CFM agreements**. The main implication, therefore, is that the interpretation of perceptions and attitudes of communities to CFM over time by NFA or any other stakeholder will have to be analysed in the context of their agreements and the management plans of the CFRs to which they have been granted user rights.
67. Generally, some communities still perceive CFM as a formal way of transferring forest control and ownership to them. Others consider it as an arrangement by NFA to sweet talk the community into protecting the forest without any form of benefits. This thinking has arisen because NFA has not been able to fulfil its commitment to provide substantive benefits such as timber and access to charcoal as spelt out in the CFM agreements (see Box 4.2). This was particularly so in areas where CFM groups have been allocated areas of natural forest. In this respect the communities felt that NFA is concerned only with using the CFM groups to protect

the forests but is not concerned about improvements to their livelihoods through CFM. **NFA should have avoided listing timber and charcoal as part of the benefits that groups would get if it had not developed a clear policy on such benefits.** The local community do not regard firewood, forest-sourced herbal medicines and craft materials as substantive benefits secured through CFM because they formally had access to these non-timber forest products (NTFPs) before their CFM agreements – legally or otherwise. In Echuya CFR, groups have been made to participate in forest regeneration and reforestation by NFA without articulating how they would share from the planted trees. Neither were they paid for labour. Now they look back and feel they were cheated. According to NFA, it could not satisfy the clauses for timber and charcoal under the CFM agreements because they needed to follow the Public Procurement and Disposal of Assets Law which had come into force requiring competitive bidding, which CFM groups could not manage.

Box 4.2: Perceptions of CFM from North Budongo Forest Communities Association

‘In the 1990s we abandoned our involvement in illegal timber activities and embraced CFM in anticipation that we would benefit from the forest legally and improve our lives. Our agreement has been in place for over 10 years. Some of our members have passed on while some of us have grown old. We have protected the forest from illegal activities, but our living conditions are worse than when we were participating in illegal activities because NFA has not fulfilled their commitment of giving us access to timber trees as stipulated in the CFM Agreement. We are now a laughing stock of those who chose not to join CFM. And because of that some of our members have abandoned CFM.’

68. With regard to tree planting, the review findings indicate that NFA has also not shown full commitment to the CFM process. This was reflected in the recent allocations of land for tree planting where the 5 percent of CFR land reserved for community tree planting was not respected or considered in most forest reserves. The review also discovered that NFA has not been very supportive towards CFM groups in the provision of tree seedlings. Instead the seedlings from the tree nurseries established to support community tree planting programmes have been allocated to the well-to-do such as MPs, private planters and government technocrats. For example, in Kyoga and West Nile ranges this came out as one of the most disappointing experiences for local communities.

4.6 Motivation/ drivers for participation in CFM by NFA and communities

⇒ **Supply driven - to solve NFA's forest management failures and community encroachment**

69. It became apparent during focal discussion groups (FDGs) that in some locations NFA had expeditiously led the CFM process. It was discovered that some communities now in CFM arrangements were formerly encroachers in the CFRs to which they are adjacent. Because of mass degradation and destruction of the CFRs, NFA intervened to rescue the CFRs which meant that these community members would lose what they had established (illegal tree and crop plantations). These communities had therefore agreed to participate in CFM as a means for safeguarding their interests in the CFRs they had encroached upon.

70. For example, in Mpanga CFR, over 400 ha of formerly degraded natural forest have been recovered as a result of a mutual understanding between NFA and former CFR encroachers. As part of this process the former encroachers were given a 10-metre strip on the forest boundary on which they planted trees and contributed to the increase in forest cover, in anticipation of the income they would get when they sell their trees. This was a trade-off choice as NFA would have found it difficult to involve hostile communities that had encroached on the forest in natural regeneration, without a '*quid pro quo*' as a means for bringing these communities onside. A similar case of supply-led CFM to deal with encroachment was applied by NFA with Nyangole community next to Tororo CFR. This arrangement therefore has been quite effective for initiating the restoration of ecological integrity across a range of CFRs and has also incentivized community members to participate in CFM.
71. It was further reported during FDGs that community members who did not join when CFM groups were initially begun, now wanted to join. There are on-going attempts by NFA field staff to satisfy this increased demand for participation in CFM from communities. However, the growing demand for participation in CFM has manifested itself as a potentially significant risk for NFA in maintaining and managing the existing CFM success story because community members may first actively participate in forest degradation so that they can leverage formalised access to CFRs from NFA – should they learn of this precedent from other communities. The implication is that NFA will have to step up its monitoring and enforcement to prevent some communities from gaming CFM.
72. In some instances, local government has played a pivotal role in bringing about CFM in CFRs. The consistent effort by local government policy and technical staff from Mpigi, Butambala and Gomba Districts to support NFA in mobilizing communities for CFM must also be highly commended. This suggests that there is a need for forums at a local government level where NFA staff, local government officials and community representatives can discuss their expectations of increased community participation - as has been successfully done in Mpanga.

⇒ **Demand driven – communities choosing to regulate their own resource use**

73. Collective action is central to sustainable forest management. Why and how people act together to sustain the forest and improve livelihoods are important questions that were investigated during this review. It emerged that one of the factors that draws and motivates communities into participating in CFM is the demand for forest products in the CFR which they live adjacent to. In Echuya CFR, communities depend on the CFR for their livelihood including for income generation. But importantly, Echuya CFR remains the water reservoir for downstream agricultural activities in Kabale, Rubanda and Kisoro districts. Non-CFM members around Echuya CFR recognized how they benefit from products and services provided by the forest such as firewood, grass for thatching, bamboo, ropes, herbs, water and they were motivated to modify their resource and land use practices and to invest time and effort in improving their agricultural production since overdependence on Echuya's products would not be sustainable in the long run. In fact, some households were domesticating bamboo which they used to harvest from Echuya. They use it for building, crafts and stalks in support of climbing beans (a cash crop) in agriculture.
74. With the help of Nature Uganda, which raised the awareness of the communities adjacent to Echuya CFR on the NTFPA (2003), so that they understood how CFM could help to regulate sustainable access to forest products from the reserve, the communities formed four groups that

completely surround the CFR, each with a constitution and a management plan on how resources would be accessed. Echuya CFR is one of the pilot sites for CFM by the then Forest Department, which Nature Uganda took on. Nature Uganda supported the formulation of the CFR's management plan despite the frustration that it took close to ten years before it was approved by NFA. Similarly, IUCN too has been supporting NFA in the development of the management plan of Agoro Agu forest landscape. The Batwa community in Echuya CFR are allowed to harvest one head-lot of bamboo daily, a decision all community members agreed to and highly respect. The Batwa were evicted from Bwindi when it was made a National Park and most of them have never been permanently settled. The harvesting of bamboo is considered still sustainable for them since not necessarily all of them harvest it daily. However, the Batwa would have wanted to access more resources than they were permitted to harvest. Resources of particular interest to Batwa but which are not considered in the CFM arrangement include wild yam, honey from stingless bees and fish²⁵.

75. The review established that community awareness creation by NFA has played a significant role in motivating the participation of community members in forest conservation in order to mitigate the increasing scarcity of forest products. In Karamoja region, people through a growing awareness came to appreciate and recognize how the CFM concept, with application of their indigenous knowledge can help to restore the ecological integrity of Timu CFR if all their activities are implemented. Allocation of CFR land without charge was also one of the major factors creating community interest for participating in CFM across all ranges. This is evidenced by a statement from one of the FUGs:

*'CFM brought us the opportunity to get free land where we can cultivate our crops during the early (growth) stages of the planted trees, we also do not pay any form of **ground rent**, yet we earn from this land'*

76. However, because the review found practices of individual members selling or transferring their interests in CFM, NFA would have to ensure that this practice is only valid with its prior knowledge and approval to prevent third parties from speculating on CFR land under the guise of CFM – an ongoing and recurrent issue.

⇒ **Externally driven – international and third-party related initiatives**

77. CFM has also been initiated as a result of the requirements of projects funded by international partners and others with a broader focus and set of objectives. For example, the World Bank supported Bio-carbon project in Bugamba CFR and Rwoho CFR required social and environment safeguards to be established which led to the creation of CFM groups. An initiative by WWF-Uganda to achieve FSC certification in Kalinzu CFR required demonstration of community participation, although in this example, CFM groups had already been long established in contrast to the CFM groups in Bugamba and Rwoho CFRs. Nevertheless, in this latter case, the external interest complemented that of the existing CFM groups to some extent. In the case of Rwoho CFR, community members had not anticipated that it would take them a long time to benefit from funds generated by the Carbon offset they were generating, following an independent technical verification and audit. Looking back in regard to the time taken for communities to start

²⁵ Agrippinah Namara (2017). Assessing challenges and opportunities of participation of forest dependent ethnic minority groups and local communities in FIP design and implementation

earning revenue on the basis of their performance, some members admit that they would not have participated because the cost of their investment was high and a drain on their savings. They did not have good understanding of the different returns on investment from forestry products and services. Their expectations of the returns they would receive from the Bio-Carbon funds seemed inflated and this disappointment remains a recurrent agenda item during the meetings between NFA and the 5 CFM groups in Rwoho CFR.

78. Although NFA has consistently communicated to them that the bigger portion of their benefits (or revenue) will come from well-maintained plantations, it also demonstrates the need for future design of CFM packages or models to **build-in short- and medium-term tangible** benefits as communities wait to benefit from the long-term benefits (i.e. tree harvesting) too.

⇒ **Empowering communities to secure user rights to forest resources**

79. NGOs whose mandate is to improve forest governance and empower communities to participate in the management of forest resources have a natural interest in facilitating communities to participate in CFM. Such NGOs include Nature Uganda, Ecotrust, World Wide Fund for Nature (WWF), Fauna and Flora International (FFI), the Jane Goodall Institute (JGI), the International Union for the Conservation of Nature (IUCN), Environmental Alert, and Care International, among others. Forest adjacent communities lack the requisite skills to sustainably utilize forest resources due to the fact that customary use practices tend to no longer be sustainable because of population growth, and because these communities are poor and marginalized. This compromises their power to successfully demand forest use rights and to actively participate in the governance of forest resources. NGOs have played a critical role in empowering communities to participate in forest governance through CFM: for example, WWF has supported 5 CFM groups around Kalinzu and Towa CFRs, Nature Uganda has supported all the CFM groups around Kasyoha-Kitomi and Echuya CFRs, while Care international has been a key player in supporting several CFM arrangements in Matiri, Itwara, Mubuku, Kihaimira CFRs. Environmental Alert and IUCN have jointly supported Katum CFM group in Agoro Agu CFR in northern Uganda. FFI has supported several groups in Kyotera district. No doubt, NGOs will remain key players in CFM. **It is recommended that among themselves, they should consider forming a self-sustaining²⁶ platform for information sharing and learning as well as for advocacy and better coordination.**

4.7 Motivation and drivers for participation in CFM by local governments

80. The Forestry and Tree Planting Act 2003 provides for District Forest Services under the District staffs with the mandate to manage Local Forest Reserves and to provide advisory services for the management of forests on private land. Some districts like Kisoro with support from WWF made attempts to initiate CFM in Kafuga Local Forest Reserve but the initiative did not get far because of land ownership conflicts that marred the process. Tororo District is another district promoting a community participation model in growing trees in four Local Forest Reserves. A total of fifteen private individuals are participating in tree growing in these Local Forest Reserves under individual agreements signed between the district and the Individuals allocated land. The District Forest Officer (DFO) is facilitated by Tororo District to reach out and create awareness about collaborative and community-based forestry with the local community. In the 2016/17 financial

²⁶ For example, they could all make a financial contribution for this activity / platform in a cost sharing arrangement.

year, for example, Tororo District allocated a budget of UGX 70 million for forest activities. In these districts there is strong political will to promote participation of the local community in the governance of natural resources. The review also revealed that some District Forest Officers also head the natural resources departments and being budget holders, they are able to budget and allocate more financial resources for forestry than in those districts where the situation is different.

81. Across the country local governments in-effect host the CFRs where NFA implements CFM arrangements. The role of the local governments is to register the CFM CBOs, a step which legalizes community groups (CBOs) and thus their CFM agreements with the NFA. The motivation of the local governments in participating in NFA-led CFM processes is as a courtesy and only when they are invited. For CFM to succeed at local government level, its significance and role must be first appreciated by political and technical leaders, and thereafter, CFM activities can be mainstreamed in their local government development plans.
82. A major focus of local government is to collect revenue, including from forests, although frequently local governments make what is often a (very) limited effort to plough back or invest in the management of forest resources in their district. From the perspective of most districts, there has been little inclination to initiate CFM in their Local Forest Reserves because of limited financial resources. It needs to go on record also that Ministry of Water and Environment as a line Ministry for decentralised forest management ceased providing conditional grants to local governments for forestry in 2004/2005 at a time when the NFTP (2003) had just been enacted. Decentralising forestry management without commensurate financial resources (or budgets) was bound to be a challenge.
83. There are also several land ownership conflicts in some Local Forest Reserves. For example, in Masindi District, district officials revealed that the ownership of Kirebe LFR is claimed by the King of Bunyoro, thus making it difficult for the district to initiate any programs around and in the Reserve. Such conflicts create an environment that is not conducive for CFM.

4.8 Private sector interest

84. The opportunity afforded by the private sector's interest in making a return on investment has not been fully taken advantage in CFM, especially in natural forests. Instead, the private sector comes in to support secondary value chains especially for forest-based enterprises like bee keeping. For example, in Matiri CFR Kabarole Bee-keepers Association is building the skills of communities in apiary management to enable production of quality bee products such as honey, bee venom and propolis – all of which can be marketed internationally. However, there are additional windows of opportunity, such as corporate social responsibility initiatives, that the private sector, for example, sugar, tea, telecom, energy, banks and oil companies, may and do participate in. In the recent past, NFA received several requests from some companies interested in natural forest regeneration and tree planting as part of their CSR interest rather than as commercial investments. NFA should seize the opportunity to establish formal partnerships with these companies as part of building broader support for CFM.

4.9 Development partners' interest

85. Development partners are working towards implementation of the Sustainable Development Goals (SDGs) by 2030 and have directed their support to some SDGs that are directly enhanced by forestry conservation e.g. SDGs 6 (clean water and sanitation), 7 (Affordable and clean energy), 13 (Climate action) and 15 (life on land). CFM thus becomes an attractive arrangement for inclusiveness and participation of vulnerable groups. The most significant development partners include, USAID²⁷, the World Bank, DANIDA²⁸, EU²⁹, NORAD³⁰, GEF³¹, UNDP³², DFID³³ and a number of Foundations like McArthur Foundation and the UK government funded Darwin Initiative. However, in as much as the development partners have supported forestry and communities, it has not been solely under a CFM-focused and designed programme. NFA, NGOs and other agencies benefitting from their funding may not necessarily have used CFM as flagship for funding, a factor that partly limits donors' knowledge on opportunities and challenges in CFM as a policy instrument.

4.10 Legitimacy and eligibility criteria for CFM

86. Eligibility to participate in CFM is defined by a group's geographical location – i.e. whether it is adjacent to either a CFR or LFR. Proximity is also defined in terms of frontline villages and parishes that administratively border CFRs/LFRs. Secondly, the group should be defined as a forest user group with clear objectives that relate to the sustainable use and/or conservation of a particular forest reserve.
87. The objectives of a prospective CFM group should not contradict the management objectives stipulated in a CFR's forest management plan to which they want to gain user rights. The group should be a registered organisation with their sub-county or district and hold a valid registration certificate. The group should also have a recommendation from the local council authorities i.e. LC-I, LC-III and/or LC-V³⁴ to ascertain that the group is bona fide and from the appropriate area before it submits its application to NFA.
88. However, 14 percent of the sampled groups had their agreements signed before registering with their district / sub-county local governments, such as was the case for NOBUFOCA and Nyangole CFMs³⁵ respectively. The findings also have revealed that 36 percent of the fourteen sampled groups do not have valid registration certificates as they have not renewed their status with their district or sub-county. A further 21 percent are not aware as to whether their registration status remains valid or not. This implies that NFA is working with some technically illegal CFM groups. Additionally, the CFRs linked to the CFM agreements should have valid management plans to

²⁷ United States Agency for International Development

²⁸ Danish International Development Agency

²⁹ European Union

³⁰ Norwegian Agency for Development

³¹ Global Environment Facility

³² United Nations Development Program

³³ Department for International Development (UK)

³⁴ Uganda's administrative system at local government level has five 'Local Council' (LC) Levels – LC-I (the lowest at sub-parish level) through to LC-V (at the district level).

³⁵ However, for these two cases, it was established that CFM was initiated by the Forest Department and signing without registration was "normal" at the time.

guide the siting/location of CFM sites. However, the review's findings revealed that many forest reserves in Uganda do not have valid forest management plans. In the Budongo Systems range for example, the management plan for Bugoma CFR and CFRs in the Kagadi Sector have expired while still in draft form, yet CFM agreements have nevertheless still been signed. While this was a pragmatic step from the standpoint of enabling CFM to happen, it is crucial that NFA hastens the process of developing and finalizing forest management plans to inform the continuation of CFM.

4.11 Principles underpinning CFM and their relevancy

89. There are a number of principles underpinning CFM set out in the CFM guidelines and the review team assessed their ongoing applicability / relevance.

⇒ **A process approach based on learning by doing**

90. CFM provides learning opportunities for both parties to the agreement and in this regard, it is appropriate that the process shouldn't be rushed in order to allow for sufficient trust building, developing lasting relations with both parties and providing an orientation into the future for monitoring impact. However, this principle has been misinterpreted to mean that the CFM development process can last for any length of period - sometimes more than 10 years.
91. There are successful CFM processes which were started, and agreements signed within the same year: a case in point is RECPA CFM agreement around Rwoho CFR. **In order to build trust among the community, the CFM process up to the time of signing should NOT exceed one year all factors constant. Further learning should take place during the implementation phase.**

⇒ **Meaningful participation and shared analysis**

92. Since CFM involves different parties and various points of view, the process should be participatory for all parties involved. The parties should be given a sufficient opportunity to discuss, agree or disagree until they arrive at a win-win position. And as previously noted, and in line with this, the principle of neutrality should be applied in relation to the mediation of the negotiation process.
93. Prior to the formulation and approval of NFTP Regulations of 2016, many CFM processes were conducted with minimal involvement of both political and technical staff at local government level. Some district leaders were not happy that they had been made to witness signing of CFM agreements without adequate involvement and orientation. The NFTP Regulations have addressed this gap by requiring that a formal application by any CFM group must be endorsed by district officials with necessary attachments. **NFA should respect this procedure for all applications and desist from entertaining applications routed through Members of Parliament.**

⇒ **Appropriate representation and responsibilities**

94. The people around any negotiating table should represent their key stakeholders and should have the power and authority to make key decisions that will not be unduly over turned by their constituencies. Gender equitability should be emphasized to enable equal representation and fair allocation of responsibilities. In Kalinzu, for example, UWA staff were not represented when the KINARECA Agreement was being negotiated. The resultant CFM agreement that was signed between the local community (KINARECA and NFA) was overturned by the Uganda Wildlife

Authority who claimed that the Forest area covered by the CFM Agreement was a strict nature reserve under Queen Elizabeth Conservation Area and therefore the negotiated CFM activities such as tree planting were not compatible with the planned management of the area under UWA.

⇒ **A supportive legal and policy framework**

95. There is considerable agreement that CFM is largely sufficiently supported by the existing policy and legal framework. However, the detailed provisions of the negotiated agreement and the prescriptions of the management plan should be subjected to critical analysis and compliance assessment in relation to the existing laws and policies beyond those of forestry such as the Local government Act (1997), the NGO Registration Act (1989), the Land Act (1998) and the Wildlife Act (1996).

⇒ **Building capacity for improvement**

96. Since CFM is a process of learning by doing, capacity building for improvement is a key component of the process. Findings from the review indicate that there has been limited capacity building for key stakeholders to proficiently support the CFM process, particularly after the signing of the CFM agreement. Local Governments have not been a targeted category of stakeholder for CFM by NFA although some staff have been occasionally co-opted to participate in some activities like training and participatory resource mapping under CFM processes. Districts like Gomba, Butambala and Mpigi, now realise that CFM could have been a source of revenue. In line with the sustainability principle, capacity building for improvement at every stage of the CFM process should be emphasized including building robust community institutions. Some of the key trainings NFA and local government staff have conducted for CFM groups include community dynamics and institutional development, budgeting, leadership and monitoring. This will enable NFA staff to support the communities in building their institutions. The CFM groups need to be trained in communication, report writing and conflict management in order for them to govern their institutions effectively.

⇒ **Long term perspective and ownership**

97. CFM should not be an end in itself but should provide a vehicle for sustainable use and improved livelihoods. The review has revealed that many CFM agreements were developed out of excitement by different stakeholders including NGOs, NFA and forest-adjacent communities. However, these agreements were not accompanied by meaningful **ownership of the contents**. This excitement was short lived and accompanied by extravagant spending for CFM launches, hand-outs, allowances to communities, and the CFM agreement signing ceremonies without taking into account the long-term implications of the agreement. As a result, some of the CFM agreements collapsed soon after signing. **Accordingly, with or without donor funding, the key parties should ensure that the CFM process is built on the strong pillars of ownership and sustainability.**

⇒ **Transparent communication that reaches marginalized stakeholders**

98. Government holds in trust public forests on behalf of all of Uganda's citizens including marginalized groups of people. The inclusivity of this constitutional provision has been applied at some CFM sites, for example, where the marginalized Batwa have been specifically included in CFM. At some sites however, the communication methods used for the CFM process have not promoted the interests of marginalized groups especially the less able, illiterate poor and youth.

Instead, the process has tended to favour the relatively well educated and wealthy by community standards. As such tailored communication targeting the vulnerable / marginalised in communities should be employed to bring them on board easily.

4.12 Inclusiveness, participation and decision making in CFM design and negotiations

⇒ Organized and empowered CFM members

99. Communities have created CFM groups to comply with NFTPAs provision that resource users must be constituted into groups.
100. It was encouraging to find that in the process of working to meet the standards for signing the agreement, CFM groups must have a constitution that defines not only the group's objectives, but also its decision-making procedures and its leadership succession procedures. In order to promote inclusive participation, it was found that community governance structures draw from forest user groups and also representation of special interest groups such as women, youth and disabled. This provides opportunities for every member of a CFM group to participate in its governance. In Kalinzu CFR, the Ndangara Nyakiyanja Tutungikye Group (NNTG) has provided for the representation of special interest groups on their umbrella committee to ensure that their voices are heard. The NNTG CFM group has over 60% of the plots in their Eucalyptus plantation owned by women.
101. In Echuya CFR, the Batwa are also represented on the resource use committees and are empowered to access bamboo for their own livelihoods. The review also found that CFM members are able to question the forestry staff and government leaders on unclear activities taking place in the CFR. Around Kibego and Itwara CFRs, Kajuma Itwara Farmers and Environmental Conservation Association (KIFECA), Kabende Sustainable Forest Users Group (KASUFU) and Kibego CFM groups were able to task the NFA and Kyenjojo District forestry staff to explain the identity of people who were cutting timber in those forests. It later transpired that these people were illegal timber cutters compelling NFA and district staff with the support of the CFM group members and the police to conduct joint patrols in order to stop the illegal activities. Through the advocacy of the CFM groups, it was resolved that Kyenjojo District Local Government would display the names of all licensed timber dealers and their respective areas of operation up to sub-county level to help identify and apprehend illegal timber cutters.
102. Timely and effective decision-making is a key indicator of empowered CFM groups. More than ever before, communities convene meetings as and when they want. Notably, quarterly meetings, sub-committees (sub-group meetings) and annual general meetings (AGMs) are embedded either in CFM groups' constitutions, practices or both. A majority of CFM groups require a two-thirds attendance to constitute a quorum but in examining meeting records, it appeared that CFM groups are not very stringent in their adherence to this requirement. Because of this, in such situations, decisions that bind the rest of the members are reached by a minority. It was not apparent as to why many groups thought it appropriate that these decisions should qualify as binding.
103. Further, during the review it was common to see a few CFM group members as being considerably more knowledgeable about their group's decision-making relative to the majority, borne out by the fact that some groups would not meet third parties without the presence of "certain individuals" or "leaders". This was found to greatly account for the very low or invisible

broader voice of these groups. The main arising limitation or challenge from this situation was that these groups were dominated by persons with seemingly ulterior or individualistic motives who were using the group's identity to achieve their own objectives which were not necessarily in the group's interests or those of NFA.

104. The weak power of CFM groups becomes apparent when NFA staff members with professional integrity are transferred to forest areas with governance issues, and they discover forest and CFM group governance problems. For example, 200 acres of natural forest in Kalinzu CFR were found to have been cut when a NFA staff member colluded with individuals from outside the CFR's CFM groups. The Nyarugoote CFM group did not feel secure or confident enough to report the illegal activities at a time when the corrupt NFA staff member was still there. While exceptions do occur (see below), there is a general pattern that CFM groups are powerless or much less powerful than NFA, and therefore are not always able to act as they might otherwise wish. Many groups stated that in as much as CFM ostensibly gave them **control**, it is NFA which has **authority** to decide about forest governance and management outcomes (including in some instances influencing their own CFM group's governance). In Mabira, a member had to confess thus:

"When we knew we have 'control' without authority, we play it safe"

⇒ **NFA Accountable to CFM groups**

105. Contrastingly, in some cases, CFM groups' (or leaders') voices have been documented to be very powerful and compelling NFA staff and government leaders to be held accountable as was the case with the LC1 chairperson of Kigazi CFM group who took his concern on illegal encroachment of Malabigambo CFR where the group was also operating to the President of Uganda. In Matiri and Itwara CFRs, CFM members acting as community-based monitors whistle-blew to civil society that the forest surveillance team established by NFA's Executive Director to curb illegal forest use was instead escalating it, and this led to the disbandment of the surveillance team by NFA's Board. NFA also acted on community reports regarding the involvement of some NFA staff in illegal activities and either suspended or terminated their employment – for example in Budongo System range, South Western Range and Muzizi River Range respectively. In some cases, however, NFA and other responsible government officials do not respond to community voices or reports. This is further supported by CARE International's reports on the ICT platform³⁶ where the response level to reported cases by the responsible bodies, including NFA, was below 50% for a period of four years from 2014 to 2018.

⇒ **Spaces of engagement and decision making on forest governance**

106. Formal and informal spaces provide an opportunity for CFM groups to engage office holders. At community level the key spaces or opportunities created by CFM were identified as monthly, quarterly and annual meetings during which CFM members would engage their leaders as well as invited NFA staff and local government leaders on forestry issues. In Kyenjojo, Kyegegwa and Mubende districts, CFM groups have an opportunity to engage duty bearers through the Inter-district Forum on Forestry and Environment where they are represented. In this forum, for

³⁶ An 'information and communications technology' platform was set up via mobile phones to enable community-based monitors to report forest governance issues and forest crimes for follow-up by NFA and others.

example, it was agreed that encroachers in Kaweeri CFR be evicted and CFM initiated. This forum also supported the eviction of encroachers from Matiri CFR to enable CFM to be initiated. Other spaces where CFM groups have been active are the Regional Forest Governance fora which have been supported by the Advocates Coalition for Development and Environment (ACODE) with funding from CARE International. These platforms are likely to become dormant following the winding up of the Forest Resources Sector Transparency (FOREST) programme that was providing financial support, and which ran from 2013-2017.

107. The review identified emerging networks that will also provide spaces for CFM groups to engage more on CFM issues. These include ECOTA in Echuya (facilitated by Nature Uganda) and the Kalinzu Landscape CSO Forum (facilitated by WWF-Uganda).
108. The Uganda Network of Collaborative Forest Associations (UNETCOFA) was formed in September 2006 for and by Community Based Organizations (CBOs) participating in Collaborative Forest Management. The formation was a strategy to 'join the dots' of various CBOs implementing, negotiating or intending to start CFM process to enhance joint learning, information sharing and to form a critical mass for lobbying and advocating for policies in relation to CFM that address the forest management and livelihood interests of forest-adjacent and forest-dependent communities. However, since the closure of the EMPAFORM project in 2009, it is apparent that **UNETCOFA has not been active as a space through which CFM groups** can engage at national level. Secondly, CFM issues have not stood out in deliberations of the ENR-CSO network³⁷ and therefore do not feature in the annual ENR-CSO position paper³⁸. Despite this however, CFM has now begun to create an element of power balance with NFA which some NFA staff do not want to go against for fear of conflict or loss of employment because some groups have demonstrated that they can channel their concerns to higher authorities. This underpins the importance of building community awareness about the rights and roles of the CFM groups. When combined CFM group and NFA staff FDGs were conducted, it emerged that CFM groups appreciate that existing power imbalances between them and NFA staff are not attributable to individual NFA staff members but to NFA in general, because of the institution's failure to rein-in senior staff (who give orders from above that contradict or breach the CFM agreements). Furthermore, the spaces for engagement, and especially networks, for CFM are still weak and remain non-existent in some regions of Uganda. **Support for newly emergent networks and strengthening extant ones will be required in order to amplify the voices of CFM groups in support of improved forest governance.**

4.13 Promoting cross-cutting issues in CFM

109. Cross-cutting issues related to CFM include gender equality and HIV/AIDS. Broadly, it is apparent that there have been limited efforts to mainstream cross-cutting issues such as gender and HIV/AIDS in the CFM process, partly because the facilitators especially at CFR-level led generally by NFA staff have lacked adequate skills and knowledge. Field work revealed that compared to HIV/AIDS, there has been more focus on gender in terms of increasing women's representation

³⁷ Environment and Natural Resources Civil Society Associations that coordinate and debate environmental issues in Uganda

³⁸ The ENR-CSO position paper comprises of issues from civil society organizations which are presented during the Joint Sector Review of the Ministry of Water and Environment for consideration during planning and budgeting.

in CFM group structures, membership in CFM CBOs and in the allocation of land for tree growing. In some groups, for example with KIFECA and Nyangole CFM groups, both women and men were given equal opportunities when it came to forestland allocation for CFM activities. Around Kalinzu CFR, the Ndangara and Nyakiyanja CFM groups stand out as a group which has initiated women and youth committees that focus on their needs and interests. Generally, youth were largely left out in most of the CFM processes mainly because CFM does not provide for the quick gains which tend to be of most interest to them. It was discovered that in some groups CFM leaders could barely be able to provide information on how many women, youth and persons with disabilities (PWD)s were in their groups. Overall, it generally seems that inadequate attention is given in CFM to ensuring that all members of society at a community level have the opportunity to give their views and opinions and to participate in decision-making. **It is therefore very important that CFM process facilitators promote cross cutting issues – such as the participation and needs of women, youth, and persons living with disability – right from the outset of the CFM process.**

110. **All CFM process facilitators should undergo training on the key cross-cutting issues specific to their CFM sites. Where necessary specific committees such as those for the youth, women and the elderly should be put in place in the CFM group to cater for their needs and interests. The registers of CFM groups should have provisions for recording the participation of men, women, youth, and PWDs. This will guide their planning and monitoring of participation in CFM activities.**

5 Implementation of CFM agreements and compliance by NFA and CFM groups

5.1 Introduction

111. This chapter discusses the experience to date of how CFM agreements have been implemented and the extent to which both parties – NFA and CFM groups – have complied with the agreements. The degree of ongoing information sharing, and CFM group member awareness of their group’s CFM agreement’s content, is discussed. The chapter proceeds to review the extent to which the parties to CFM agreements have delivered on the ‘4R’ framework – Rights, Responsibilities, Relationships and Returns. This leads into a review of benefit sharing practices within CFM groups, followed by an assessment of benefit sharing between NFA and CFM groups to date, and the contribution of the private sector. The chapter then examines some key issues in relation to the legal standing of CFM groups and the feasibility of CFM activities where CFR management plans have yet to be approved, as well as a key challenge to date for many CFM groups which is their low level of access to support / extension services. The issue of emerging barriers to other forest adjacent communities gaining access to CFM in certain circumstances is then examined before the chapter goes on to assess the emerging winners and losers in CFM. Finally, an analysis of the cost-effectiveness of managing allocated areas under CFM is provided.

5.2 Degree of continued information sharing and member education on agreement content

112. Broadly CFM groups go through nine mandatory CFM stages before a CFM agreement is signed. During this period, members are educated on each of the stages aimed at providing a thorough understanding of the process and content of the agreement. This is done through awareness meetings, a resource mapping exercise, a situation analysis, and community level workshops and negotiation sessions. NFA, as the responsible body, and civil society organizations, as the preferable facilitators or mediators, are critical players in a community mobilization, awareness creation and negotiations of CFM agreements.

113. However, the findings have revealed that after the agreements are signed there is a limited attempt to provide continuous education to the CFM members about their agreements. Generally, there is much greater focus on the process that leads up to the signing of the agreements than on the implementation of these agreements. It was found that in over 70% of the CFM groups some members including the executive committee members were not familiar with the clauses within their signed agreements, and some were not even aware of their entitlements, while others didn’t have copies of their signed agreements. For example, NOBUFOCA and Kabwoya CFM group in Masindi and Hoima districts respectively did not have copies of their agreements. Moreover, NFA staff especially the forest supervisors who would be providing guidance to the CFM groups have never seen the copies of the CFM agreements for CFM groups in their beats. Secondly 80% of NFA staff in the sampled ranges lack the requisite capacity for supporting CFM as they have never been trained in CFM and largely rely on the knowledge of a few staff in their respective ranges. Examples can be drawn from Budongo System Range where only two staff have been trained in CFM and yet there are 15 signed CFM agreements.

114. It is therefore imperative that NFA as the interested party for CFM deliberately develops a program for continuous education for all the groups that have signed their agreements to give thorough internalization of these agreements. Alternatively, a civil society-based initiative, in partnership with NFA, could also help initiate this awareness-raising and education initiative with CFM groups.
115. All CFM groups with signed agreements should be provided with a copy of their agreement, and if possible, in user/pocket friendly formats translated into their respective local language. NFA should ensure that CFM is mainstreamed across all the activities within each range, through job descriptions of its staff and budgets so that sufficient attention is given to CFM activities rather than just considering CFM as a separate forest management practice overseen by a CFM and partnership officer at the headquarters. Staff should be educated on CFM such that they can in turn be in position to educate the CFM groups from an informed perspective.

5.3 Delivering on Rights, Responsibilities, Relationships and Returns

116. Rights, Responsibilities, Relationships and Returns ('4Rs') provide a basis for the establishment of benchmarks at the beginning of the CFM process and for negotiating CFM agreements and plans. Analysis of the '4Rs' thus provides a monitoring tool that can be used to measure the success of CFM arrangements. The review findings indicate the extent to which the 4Rs have been delivered upon by both NFA and CFM groups differs from site to site depending on the type of forest³⁹ and the level of commitment amongst the contracting parties.

⇒ The '4Rs': Rights

117. Collaborative Forest Management operates on the premise that communities hold tenure rights to defined areas of forest land. Tenure is generally defined as a "bundle of rights" (see FAO 2011) and it can take many forms. The major rights form the basis of this discussion. It is generally hypothesized that the stronger each of the rights in the "bundle", the more effective CFM is likely to be in achieving its intended objectives. Strong rights are those that are embedded in a country's constitution or statutory law. Weak rights are those that are contained in lower levels of the regulatory framework, such as ministerial directions, rules and regulations. Strong rights cannot be revoked easily or modified by arbitrary bureaucratic discretion.
118. The first right CFM groups have is **a defined right of access to a specific forest reserve**, and across the country, all groups appreciated that this right has enabled them to broaden and diversify their livelihoods. The groups officially get this right under the agreement, and it is therefore understandable why groups without agreements are very weary of this situation. Government, through NFA **retains the right of ownership** under the public trust doctrine. In addition, CFM has given groups **defined rights to withdrawal**, that is, the right to harvest resources in a regulated manner e.g. harvest of firewood, craft materials, bamboo and herbal medicine, etc. Importantly,

³⁹ The type of forest can be a plantation, a woodland, a well-stocked or degraded natural forest

CFM gives groups a **defined right of management**⁴⁰ of the forest reserve under which they are able to regulate internal use patterns and transform the resource by making improvements to how it is managed like protecting it from destruction/illegality, allowing or promoting forest regeneration, reforestation and fire control. This right thus, in theory allows the groups to exercise an **exclusion right**, that is, a right to exclude non-group members for example. Many groups are not effective in enforcing this right because the NFTP, 2003 allows forest adjacent communities to also harvest forest on a subsistence basis. There is precedence to suggest that CFM groups may also have a **right to compensation** in event that their CFM agreement is revoked – as occurred in a slightly different context in Namanve CFR - see Box 3.2.

⇒ **The '4Rs': Responsibilities:**

119. A key responsibility of CFM groups is to protect the forest area they have been allocated from illegal activities. NFA in the same regard is charged with providing technical advice to CFM groups on forestry. Prior to the advent of CFM, local communities extracted forest resources and yet perceived limited responsibility for protecting the forest from destruction. It was found that local communities as a result of CFM have assumed greater responsibility towards forest protection as set out in their agreements. In many CFM sites, such as Budongo, Kasyoha-Kitomi and Wambabya CFRs, CFM groups have taken on the responsibility of protecting the forestry boundary by planting it with trees, and this has therefore contributed to reduced levels of encroachment and reduced NFA boundary maintenance costs. It should be noted however, that the CFM groups expect to harvest these trees, and that they will need to be replanted. Assuming that they are, this arrangement is mutually beneficial for both CFM groups and NFA.
120. Furthermore, CFM groups are involved in conducting forest monitoring visits, reporting and/or arresting those involved in illegal forest activities using the forest protection committees which are part of the community structure. Although CFM groups sometimes make arrests, their main role is to report suspicious or illegal activities to the authorities who have powers of arrest. In some cases, the local community has been able to expose and report corrupt NFA staff involved in illegal timber and charcoal deals. In this respect, NFA has taken disciplinary action against errant staff by terminating their contracts – as previously discussed. However, from a general perspective, the response levels of NFA staff to reported cases of illegality remains very low. CFM members also complain about a lack of **incentives** to motivate community forest protection teams. One such incentive is the provision of tree nurseries and support for tree farming for CFM groups. Technically NFA has offered technical advice in the establishment of tree nurseries and tree growing. However, it was noted that the local community in some cases has used the land allocated to them for growing food crops instead which is contrary to their responsibility as stipulated in their CFM agreement. Box 5.1 provides a summary of fulfilled roles and responsibilities of overall, although of course the record varies by site. It should be observed that

⁴⁰ Cronkleton, Pulhin and Saigal (2012, p. 93) suggested that management “should be understood as a collection of decisions, practices, and concepts that involve decision-making beyond immediate resource use and with future intent. Management rights are closely tied to exclusion rights (e.g. the right to keep others out). Taking advantage of management rights entails investments for future resource use. But to assure that the investments are worthwhile and that the rights holder captures the future benefits, the manager needs the authority and ability to exclude outsiders and others who would not comply with management rules”.

successes or failures are specific to groups and /or locations, and the information in Box 5.1 conveys the desire on the part of all stakeholders to make CFM successful.

⇒ **The '4Rs': Relationships**

121. The review findings indicate that prior to CFM the relationship between local communities and NFA staff was marred by resource use conflicts some of which resulted in the death of NFA staff and members of local communities. For example, in Masaka, two NFA staff were lynched on 15th January 2009 during an encounter with illegal timber cutters; in 2005, rowdy members of the local community overran Nyakafunjo forest station in Budongo Sector and injured NFA staff and patrolmen with bows and arrows. This latter event followed a patrol which had confiscated illegal timber cut by community members. Prior to this event in Budongo, in the 1990s a forest guard is said to have been poisoned due to his vigilance against the illegal mahogany timber trade around the Nyakyanika area. Since this period, the review has recorded improved relationships between NFA staff and the local community as a result of CFM: for example, both parties generally are able to meet and deliberate on issues concerning forest conservation and community livelihoods. There is improved mutual trust and confidence between NFA and the local community as reflected in the cases that have been reported to NFA by the local community members. Cases of assault of NFA staff in CFM areas are very rare and the incidences of illegal activities, though still common, are less destructive and repetitive than in areas without CFM.

⇒ **The '4Rs': Returns (benefits)**

122. CFM agreements stipulate benefits for both parties arising from CFM activities. Key benefits stipulated for CFM groups include, access to forestry resources like timber in well stocked forests, firewood, craft materials and herbal medicines. The key benefit to NFA is improved forest conservation. It was found that CFM groups have accessed benefits like free firewood, herbal medicine and land for tree growing. However, local communities generally feel that NFA has not fully lived up to its commitment of providing access to forest resources which have significant economic returns such as timber and charcoal as provided for in their agreements.

Box 5.1: *The extent to which roles have been fulfilled and responsibilities met by NFA and CFM groups*

CFM GROUPS	
<p>FULFILLED ROLES AND RESPONSIBILITIES</p> <ul style="list-style-type: none"> - Joint patrols with NFA/Local government - Sensitization of communities about conservation - Establishment of environmentally friendly projects e.g. bee keeping - Boundary planting - Fire fighting - Registering resource users from whom NFA levies a tax - Tree planting - Establishment of fire lines around their plantations - Community mobilization - Whistle blowing on illegal activities - Respected the natural forests - Provided effective linkage between NFA staff and their communities - Related well with NGOs 	<p>GAPS AND WEAKNESSES</p> <ul style="list-style-type: none"> - In some areas, not all boundary space was covered because some members have not yet planted - Writing reports on performance to NFA & local government is not done - Some members have participated in illegal tree cutting - Failed to fully plant their allocated areas - Failed to plant on time - Preferred crops to trees in their allocated plots - Sold their interests on allocated land to other people - To some extent failed to put out fires due to a lack of equipment - Failed to develop meaningful tourism products - To some extent, failed to cooperate and relate with NFA - Accepted handouts from NGOs instead of focusing on building their skills - Failed to pay membership dues
NFA	
<p>FULFILLED ROLES AND RESPONSIBILITIES</p> <ul style="list-style-type: none"> - Joint patrols - Supervision well done in some areas such as Mpanga - Initiated several CFM processes - Capacity building especially before signing of agreement - Linked some groups to other partners - Provided inputs such as seedlings - Supported implementation of the CFM projects - Coordinated forest protection management activities - Helped to connect CFM groups through exchange visits - Provided some financial support to boost planting - Gave land to CFM groups to plant trees - Collaboration on forest activities 	<p>GAPS AND WEAKNESSES</p> <ul style="list-style-type: none"> - Did not plan and budget for implementation of CFM agreements - Failed to build capacity of staff supporting CFM in a uniform manner - Failed to respond adequately to illegal activities reported by CFM groups - Did not pay for all forest maintenance contracts offered to CFM groups - Did not pay people for patrol activities - Some inputs e.g. Field gear for patrol were not provided as promised - Benefit sharing guidelines are neither clear nor finalised - Failed to finalize CFM agreement development processes as well as the renewal of CFM agreements - Failed to respond to written reports submitted by CFM groups - Failed to sensitize communities to participate in CFM activities beyond the signing of agreements - Failed to set aside land for CFM during the recent land allocations to private tree farmers - To some extent, failed to provide consistent technical advice - Limited / no supervision of CFM groups - Failed to link CFM groups to other partners - Failed in demarcation of boundaries

According to the local community the current returns from CFM are not commensurate with their current responsibilities of protecting the forest especially in relatively well stocked natural forests like Mabira, Itwara and Sango Bay CFRs. While fuel wood is a key resource, CFM groups do not value it as a benefit arising from CFM because before they started participating in CFM, they had been collecting it from the forests.

123. Compared to natural forests, CFM groups around plantation areas have benefited from the land allocated to them for tree growing deriving income from, for example, carbon payments in Rwoho CFR, sales from poles, firewood and timber from planted trees. The income derived may be small, but what is important to such poor CFM groups is that there are many streams of income coming through at different times to meet household expenditures as they await important lump sum incomes from tree harvests. Additionally, CFM has helped promote additional benefits for the community such as tree growing on private land, bee keeping and the formation of cooperatives all of which has helped to reduce pressure on CFRs. Generally, CFM has contributed to improvements in the conservation of natural forests and increased the area under tree plantation, for example in Rwoho, Kalinzu and Tororo CFRs. Tree planting by CFM groups along forest boundaries and grassland patches by CFM groups in Kalinzu, Budongo and Itwara CFRs has reduced the pressure on the natural forest for timber and firewood thus contributing to forest conservation.

5.4 Practice of sharing conservation and livelihood benefits among CFM groups

124. The approaches used by facilitators to introduce CFM, and to help them register their groups varied. In some groups, their formation and the formulation of their constitution to govern the CFM group followed an awareness creation process that focussed especially on expected roles and responsibilities and rights. This is the approach set out in the CFM Guidelines 2003. In most cases, the objectives of these groups as per their constitution are heavily oriented towards forest activities. Although the CFM Guidelines provide for the formation of cooperative societies, the review team found that it is only in the recent past that CFM groups are also planning to form cooperatives as additional institutions to especially advance their profit-oriented objectives. CFM groups that have formed cooperative societies include KIFECA, MANRUIA, KICODA and NNTG around Itwara, Matiri, Budongo and Kalinzu CFRs respectively. In other groups, CFM was introduced by facilitators as an **add-on** development to an already existing local community structure or CBO, which inevitably had other objectives.
125. These two differing approaches have a bearing on the practice of benefit sharing. In the first case benefits are forest focused, but groups can use their legal entity to access benefits beyond forestry activities. In the second scenario, forestry benefits are but part of the total package of benefits that provide the incentive for members to remain in the group, the other benefits being derived from other livelihood and income generating activities (IGAs).
126. However, before describing the practice of benefit sharing, it is necessary to lay out the benefits that CFM groups expected to get or signed up to get or sometimes have even received by virtue of being in their CFM group. It should be borne in mind that the benefits possible are partly related to the relative resource endowment of each CFR and partly related to the CFR's or Forest

Area's⁴¹ Management Plans. The team chose to group benefits into two broad categories, namely, monetary and non-monetary benefits.

127. These benefits are solely derived from **within** the forest boundaries or directly linked to them or by virtue the CFM's group access to the forest resources that they have been allocated⁴². They exclude the benefits CFM group members receive from **outside** the forest as part of other non-forest-linked livelihood activities, and which constitute a **package** for their **continued patronage of their group**. They greatly differ by location. Even within the same CFM group members' interests in the stream of benefits differ and therefore cannot be generalised. From a pragmatic point of view, it is imperative that groups have a package of benefits to partake of in order to remain active members in their groups.

128. The following practices are used to **structure** benefit sharing.

- Establishment of specific resource user sub-groups within the main CFM groups is very common and widespread, and groups become smaller or grow as members decide. They are used for benefit sharing by participating members in the sub-group's activity. Taking a case of Minziro CFM and Munjanjabula CFM group, where the group has mainly had a strong **intra-forest**-related activity focus with originally nine user sub-groups for tree growing, (plantations), boundary planting, fishing, the collection of firewood and harvesting of natural poles, and engagement in tourism, crafts, and livestock grazing. Recently, it introduced two other sub-groups for a tree nursery and a village savings and loans association (VSLA). Some of the plantation was established collectively and the resulting benefits equitably distributed among members of the sub-group. For trees specifically planted by households, the resulting benefits directly belonged to them. This arrangement reflects variations in people's willingness to provide labour and other resources - especially financing - by activity. Overall, the practice of allocating benefits commensurate with the active participation of a member is well established in groups. The emerging challenge is that some groups have, over time and sometimes in recognition of the increase in value of their investments, increased their membership and subscription fees for participating in their group and this certainly is becoming a membership barrier for those who were initially sceptical about the potential benefits from CFM and did not join at the outset of group formation, but now would like to.
- CFM groups that have broader objectives (e.g. MANRUIA, KIFECA, MEFCPAA and KADECA in Matiri, Itwara and Echuya CFRs) also carry out **extra-forest** (livelihood) activities like soil and water conservation, poultry keeping, pig-keeping, coffee, onion and/or potato growing and marketing. The Echuya groups also practice affirmative action for special groups, for example, PWDs, and for hunter-gatherers – the Abatwa and Abahira. It is not surprising to find that most of their deliberations and personal investments (e.g. contributing to the buying of potatoes for resale at profit) dominate the agenda of their meetings. This does not mean however, that they do not actively participate in 'intra'-forest activities. It only reflects their desire to maximize their well-being from a multi-

⁴¹ Forest area management plans incorporate plans for multiple CFRs in a particular forest area.

⁴² Types of forest-derived benefits and benefit sharing practices are summarized in Annex 5.1

pronged livelihood strategy – more so given that the flow of benefits fluctuates by season and source.

- Interestingly, for the same designated CFR area for a group, one can also find different land_uses with both individual and collective sharing of benefits. Taking MCODA and Aminkec groups in Mpanga and Chegere CFRs as an example, the plantations were established jointly and sharing of benefits is going to be equitably carried out among members. On the other hand, the benefits from crop growing and sale under the *taungya*⁴³ system in the same plantation are by participating households only who are members of the CFM group.

129. There are both **positive** and **negative** outcomes from the benefit sharing arrangements which need mention:

The positive outcomes:

- ✓ **Affirmative action for special groups** e.g. allowing the Abatwa to harvest bamboo on a more regular basis (daily) than other members in KADECA CFM group of Echuya CFR, which also could equally qualify as a (small) **compensatory benefit** for the foregone benefits they used to get from the forest, given that many of the Batwa have no land.
- ✓ **Benefits beyond CFM groups to the wider community** were found in some locations e.g. community access to COFSDA's community hall (Mabira CFR), membership of the NNTG Savings and Credit Cooperative Organization (SACCO) is open to non-CFM members (Kalinzu CFR), and the provision of seedlings to non-members by most CFM groups.
- ✓ **Domesticating CFR resources on private land** is a practice that will reduce both pressure and dependency on CFRs e.g. bamboo adoption by BECLA CFM group of Echuya CFR and providing seedlings to non-members by many other groups country wide.
- ✓ Ensuring traceability of beneficiaries and equitable benefit sharing was found in Aminkec group (Apac CFR) – see Annex 5.2.

The negative outcomes:

- ✗ While *taungya* was intended to help in the control of weeds in the plantations and help the groups benefit from food production, some groups focussed more on their food security needs by over pruning of trees to control shade. This retarded the growth rates of trees and compromised the mutually agreed objectives of the CFM agreements. Examples of groups who practiced *taungya* predominantly to meet **food security** needs of members or to mitigate household land scarcity were found in BUNCA CFM group in Budongo CFR and Kigazi CFM group in Malabigambo CFR.
- ✗ **Break-up of the parent CFM group** into splinter groups aspiring to secure their own agreements was also found, particularly where either sharing of benefits was considered

⁴³ The *taungya* system enables the simultaneous planting of tree seedlings and crops together, with the idea that the crops provide a useful short-term benefit for tree planters for the first 1-3 years, while the tree seedlings establish and grow into saplings. In theory the fact that the area is farmed at the tree-seedling stage means that the tree-seedlings have a higher chance of being tended to and weeded. In reality, the *taungya* system can result in the opposite situation occurring with tree seedlings either intentionally weeded out or allowed to die (particularly if they were obtained for free) in order to prolong the agricultural value of the plantation area.

unequitable or where poor governance needed to be circumvented. For example, three splinter groups comprised of the former members of Nkalwe CFM in Kigona CFR have emerged on account of poor governance. They are Zirizi, Bukaala and Nakatogo CFM groups. Similarly, Kimaka CFM group in Malabigambo CFR originated from the Kigazi CFM group because of the latter's poor governance and desire to access better benefits from a separate zone in the CFR.

- ✖ **Conflict between sub-groups** arising from inclusion of grazing and tree growing activities in the CFM agreement **without zoning** for specific activities were found – for example, in Kigazi CFM group.
- ✖ **Free-riding of some group members** - there are conflicts within groups among members planting trees jointly, because some members are perceived as investing less effort in the group's activities than others (i.e. free-riding) manifested in the form of absenteeism on agreed work days.

5.5 Practice of benefit sharing between NFA and CFM groups for monetary and non-monetary incentives

130. CFM inherently has the main objective of sustainable forest management, though it may not be achieved without other aims, such as fair benefits to both (contracting) parties and equity in benefit sharing within the community (Turyahabwe, Agea, Tweheyo and Tumwebaze 2012). Although detailed benefit sharing arrangements are not made explicit in the NFTP, 2003, section 2(d), (e) and (g) emphasizes promotion of the improvement of livelihoods through strategies and actions that contribute to poverty eradication, encouragement of public participation in the management and conservation of forests and trees, and promotion of decentralization and devolution of functions, powers and services within the forest sector. In addition, the National Forestry and Tree Planting Regulations 2016 state that a Responsible Body should develop principles for the sale of forest produce and services (section 86) and shall ensure that it takes into consideration, among other issues, that the distribution of forest benefits is fair and equitable.
131. With support from CARE International, NFA has formulated draft Benefit Sharing Guidelines for CFRs in Uganda, but they have **not yet been approved** by the Board. Accordingly, the evidence produced in the subsequent section is according to existing practices albeit differing by location, time and authorizing officer. Secondly, it has to be recognized that many groups joined CFM at a time when the **main** expectations from NFA were of a **non-monetary** nature. However, overtime, the desire to now share in **monetary benefits**, and the new dynamics this development is bringing into the debate for benefit sharing in REDD+⁴⁴ is a key finding in this review. The following main practices were established:

⁴⁴ REDD+ is an initiative and mechanism recognized and guided by the United Nations Framework Convention on Climate Change (UNFCCC) which seeks to achieve Reduced Emissions from Deforestation and forest Degradation (REDD) – through a variety of ways, including both voluntary market-based payments for sequestered carbon (dioxide as a major greenhouse gas) in conserved and regenerating natural forests as well

- **Provision of land to CFM groups** differs significantly by CFR, partly because of the restrictions set up by each CFR management plan and partly because of inconsistent and poor information flow to communities. The draft Benefit Sharing Guidelines and the Land Allocation Guidelines of 2016 for CFRs provide that NFA shall set aside 5% of all CFR land available for allocation to CFM for restoration and / or the growing of high value indigenous trees and plants for such products as timber, poles, medicinal use, bee forage, handcraft making (e.g. through rattan harvesting) and any legally accepted functional value-addition activity agreed by the parties during the development of CFM agreements. In the land allocations of 2017-18, however, NFA in most CFRs across the country did not consider the 5% allocation to the local community raising concerns as to whether NFA was committed to CFM in CFRs with zoned plantation areas⁴⁵. This is also likely to create conflict between the community and private tree growers that might lead to malicious damage to private plantations. Many groups argued that where they meet standards and eligibility requirements, they should be given preference for land allocation over the private planters.
- **Differing trial periods and agreement validity periods** was also noticed between CFM agreements even for similar activities – for example, the CFM agreement for NOBUFOCA in Budongo CFR is valid for only three years and not the usual ten years, while MPECA in Kasyoha-Kitomi CFR and Rwoburanga CFM group in Kalinzu hold agreements valid for five years only – see Table 5.1. In Rwoho CFR, agreements for five CFMs are valid for twenty years, and there is no period of validity given in the agreement for ECOTA that benefits the four CFM groups of Echuya CFR. Agreement periods not tied to the achievement of **output performance indicators by year or life-cycle of some activities** were found difficult to assess objectively across groups, and this should be an area for future improvement. Besides, a trial period of only 3 years under a CFM agreement for forest regeneration is unlikely to have generated noticeable impacts. However, irrespective of the differing CFM agreement validity periods, there was no case found where NFA refused to renew a CFM agreement due to non-compliance with its terms, despite some bad practices existing among some CFM groups – for example, a failure to plant trees in a CFR for over 10 years in preference of agricultural crops, participation in illegal timber harvesting and planting trees in areas not allocated for tree planting. The fact that NFA has not used the trial period for learning and adaptive management, has made the clause of a trial period in the CFM agreements redundant.
- **Delays in signing or renewing CFM agreements** are creating an added imbalance in benefit sharing because NFA tends to benefit from the community's forest conservation

as pilot fund-based arrangements (such as the Bio-Carbon Fund) which are phasing out. Both market and fund-based mechanisms may be substantially scaled in the future, in part pending the outcome of negotiations within the UNFCCC, leading to potentially significant revenues for countries and communities actively conserving and restoring their natural forests against an established and agreed baseline. Finally, the '+' denotes the fact that REDD & forest conservation (supported by REDD-based payments) leads to additional ecosystem and socio-cultural benefits.

⁴⁵ NFA also did not give first preference to communities and individuals adjacent to each CFR in the application process for land for tree-planting, with the result that many local communities and individuals are now resentful and actively protesting or resisting the land allocation process. This was a substantial and unfortunate oversight.

and other achievements to date while communities are held back in making further investments due to the uncertainty about whether their agreement will be signed or renewed. Delays in signing or renewing CFM agreements exposes CFM groups to the risk of losses in terms of their investments and expected benefits.

- NFA has a tendency of encouraging CFM groups to engage in afforestation and forest restoration with both high-value and fast-growing species like Eucalyptus (in Echuya CFR, ECOTA CFM group) and using only indigenous tree species for forest restoration (e.g. in Timu CFR, TEGC CFM group) without clarifying in an up-front manner on a group's entitlements when the trees mature and without paying for a CFM groups labour in the absence of this clarity. This is in **great contrast** with practices of clarifying those entitlements in many CFRs that are incentivizing groups and /or members to devote more attention to activities where the benefits accrue to the individual member (i.e. are private) rather than to the public good (e.g. patrol).
- CFM groups have in the past been inspired by emerging innovations and opportunities observed in other groups through **exchange visits** – for example, visiting groups have for example revisited their governance and management styles, forest management plans, planned to secure Communal Land Association (CLA) titles and participate in Payments for Ecosystem Services (PES) models. Given that groups have mechanisms by which they access information, knowledge and lessons on emerging good practices, including those for revenue sharing, it would be in the interests of NFA to structure the learning within and among groups based on common indicators or themes for improving reporting on CFM performance.
- **Revenue sharing practices:** A few cases of NFA sharing benefits or revenue with communities were identified although they have not been institutionalized. Where revenue sharing has occurred, it has been at the discretion of NFA managers and/or demanded by CFM groups. In Budongo, BUNCA was given some logs that had been harvested and graded by NFA in compartment B4 for sale at the reserve price. This was an example of affirmative action taken by NFA to recognize other parties such as CFM groups in sustainable forest management. NFA also recognized that the group would not be able to have raised the money to compete in the bidding process. In isolated cases, NFA staff have also rewarded informers for whistle-blowing, particularly where confiscation of exhibits has occurred and/or arrests have been made. In Echuya CFR, allowing the Batwa daily to harvest head lots of bamboo goes beyond just supporting their immediate subsistence livelihood because the Batwa sell the bamboo for cash. In Mabira, NACOPA was given UGX 8 million from the sale of trees in a CFM-managed compartment which had been planted before the signing of their CFM agreement in order to recognize the group's patrol efforts. **Discretionary decisions to benefit CFM groups should be standardised and incorporated into NFA's operational policies for revenue sharing to ensure that NFA staff have consistent guidance about sharing benefits with CFM groups at CFR level.**

Table 5.1: Variations in the trial and expiry periods of CFM agreements for selected CFM groups

CFM group	CFR	Lifespan (years)	Trial period (years)	Whether a review of the trial period was made (Yes/No)
Bufundi Echuya Forest Conservation and Livelihood Improvement Association (BECLA)	Echuya	10	2	No
Muko Echuya Forest Conservation Development Association (MECDA)	Echuya	5	2	No
Kanaba Community Development and Echuya Forest Conservation Association (KADECA)	Echuya	10	2	No
Murora Echuya Forest Conservation and Poverty Alleviation Association (MEFCPAA)	Echuya	5	2	No
Kigazi Tukwatirewamu	Malabigambo	10	2	No
Mugamba Munjanjabula	Malabigambo	10	2	No
Kisitu Environment Development Association CFM Group	Navugulu	10	2	No
North Budongo Forest Communities Association (NOBUFOCA)	Budongo	10	3	No
Rwoburunga Bahiigi Tulinde Ebyobuhangwa Group	Kalinzu	10	5	No
Mwongera Parish Environment and Conservation Association (MPECA)	Kasyoha-Kitomi	10	5	No
Rwoho Environmental Conservation and protection Association (RECPA)	Rwoho	20	5	No
Kagoto Foundation for Development Association (KAFODA)	Rwoho	20	5	No
Support for Women in Agriculture and Environmental (SWAGEN)	Rwoho	20	5	No
Kanywamaizi Development Association (KADA)	Rwoho	20	5	No
Bushwere Environmental Conservation Association (BECA)	Rwoho	20	5	No
Mar Yen	Agoro Agu	15		No
Katum CFM group	Agoro Agu	10	2	No

132. The challenges identified with benefit and revenue sharing include:

- A discretionary approach by NFA staff rather than an institutionalized or approved policy which creates a possibility for abuse and manipulation.
- Informers' safety is not always secured, and this discourages the entire group when some of their members are witch-hunted by culprits or harmed (e.g. a member of COFSDA).
- CFM group members are agitating for a share of the revenue NFA receives from private investors as ground rent and royalty fees. Revenue-sharing provisions are not embedded in the permits, concessions or agreements for private farmers (e.g. from Sawlog Production Grant Scheme planters when harvesting their timber). The lack of revenue sharing- particularly from activities within forest areas allocated to CFM groups may lead to conflict, arson and disincentives further private investment⁴⁶.
- CFRs have varied capacity to generate revenue, and even if NFA was to agree on benefit sharing arrangements for the revenue, it would need to be specific about the source of sharable revenue and the formula governing how it is to be shared.
- Given that non-tax revenue (NTR) has now started to be collected by the Uganda Revenue Authority (URA) and directed to the Consolidated Fund (CF), this implies that NFA should re-negotiate with the Ministry of Finance, Planning and Economic Development (MOFPED) on how to effect revenue sharing within the framework of Public Financial Management Act.

5.6 Practice of benefit sharing between CFM groups and Private investors

133. NFA has given permits to private investors to undertake afforestation, reforestation and eco-tourism in CFRs, sometimes within the same boundaries of the areas that CFM groups have been allocated. Inevitably, both CFM groups and private investors have to protect their interests as well as be directly accountable for the activities that occur within the area of their operations allocated to them by NFA. Practices for co-existence and ultimately optimizing benefits for each of the parties are emerging. In Mabira CFR, an NGO called Mabira Forest Integrated Conservation Organisation (MAFICO) formed in 2003 with an interest in conservation through sustainable use, secured a permit from NFA for a five-year trial period. It focused on one enterprise, eco-tourism, because it believed it would not succeed in forest conservation without addressing the needs of its members. In 2009 it received some funding from the UNDP/GEF Small Grants Programme to improve its enterprise. It became attractive to access the funding because in 2008 NFA had renewed its permit for another 25 years, after it had added-value to its eco-tourism product by establishing cottages and charging UGX 100,000 per night per person for accommodation. It had also developed a 'zip line' with technical assistance of the United States Peace Corps, and currently it charges per person UGX 60,000 to Ugandans and USD 50.00 to non-Ugandans for this experience. MAFICO takes tourists to the compartment managed by NACOB and had agreed to share revenue with the CFM group but the group has yet to do so. So, this is a partnership

⁴⁶ NFA's pricing of ground rent and harvest fees for private tree farmers would seem to need a complete overhaul as generally it charges too little, and its pricing model does not take account of the value of the tree crop. The low ground rent and harvest fees charged therefore mean that NFA is disinclined to share these revenues with CFM groups, because NFA is chronically under-financed.

between an NGO and a CBO with one taking on a promising business enterprise model (MAFICO) and the other focusing on conservation-cum-social aspects (NACOBA).

134. In Budongo, Great Lakes Company, a private company operating tourism services contributes to wages of patrol men on the assumption that they are members of one or other of the CFM groups whereas they are not. Nonetheless, this practice indicates a potential opportunity that would benefit CFM groups if they were organized to offer that service. In Echuya CFR, four CFM groups under their umbrella organisation ECOTA have secured a permit from NFA for eco-tourism development but they realise that they lack the skills and capacity to make the enterprise as profitable as a private and experienced company would. So, they are open to partnering with such a company should it start operations in Echuya CFR.

5.7 Practice of revenue sharing between NFA and local governments

135. Timber business-people who transport timber obtained from CFRs obtain a timber movement permit from the District Forest Services (DFS) at a rate of 10,000/= per lorry load which the districts complain is too small and uneconomical a fee. A report on benefit sharing arrangements for REDD+ (Indufor 2017) recognized that agencies that provide technical advice or non-monetary forest-related benefits, including monitoring and supervision, title processing in case of Community Land Associations (CLAs) and conflict resolution incur a cost without which the flow of benefits to communities would be delayed, diminished or not occur. The benefit sharing arrangements that were proposed accorded such agencies a share of the benefit under a future REDD+ scenario. The difference between this example and NFA's case is that it is assumed that Government will get a pot of money out of its REDD+ performance-based outputs over time which will need to be shared across the board by all parties in proportion to their contributions to the achievement of results. However, that would need approval at national level. On the other hand, NFA's short comings on revenue sharing in particular have been highlighted, and therefore **any step to include local governments in revenue sharing must also be anchored within existing law or approved institutional policy for benefit sharing arrangements.**

5.8 Legal compliance and alignment with CFR management plans

136. The legal instruments underpinning CFM include the Uganda Forest Policy (2001), the NFTP (2003), and the NGO Act (1989) - the latter provides for the need to register community groups before they enter into an agreement with NFA. Additionally, Central Forest Reserve management plans give guidance on where and how to implement CFM activities in a given forest reserve as regulated by the NFTP Regulations (2016) which are further supplemented by various guidelines published by NFA. It was found that CFM groups to a large extent have complied with the provisions of the Uganda Forestry Policy (2001) and the NFTP (2003).
137. Similarly, CFM groups have also complied with the NGO Registration Act and registered with their Community Development Office (CDO) at both the sub-county and district levels. The main message here is that a CFM agreement is a contractual relationship and entitles the parties to remedial legal action in the event that the other party defaults on or violates the agreement: it is a requirement therefore that both parties have a legal basis to enter into a contract with each other. However, there were cases where groups had signed CFM agreements before registering with their local government.

Table 5.2: Pipeline CFM applications without secured agreements for over 10 years

Range	CFR	CFM group	Year of Application
Budongo System	Budongo	Kyarugangara Community	2005
	Bugoma	Butoole Parish CFM Group	2006
	Budongo	Hanga, Kibuye, Siiba and Kapele CFM Group	2007
	Kasongoire	Katugo Community	2007
	Bugoma	Kaseeta Parish CFM Group	2007
Kyoga	Amonikakinei	Amonikakinei Tree Farmers Association	2005
	West Bugwe	Fellowship for Urban and Rural Assistance	2005
	West Bugwe	Bugwe Apiculture Development Association	2006
	Tororo	Kasoli Aputir CFM Association	2006
	West Bugwe	West Bugwe Market and Conservation Association	2008
Lakeshore	Sango Bay	Kagera, Kimwanyi, Kyabasimba Community CFM Group	2005
	Mabira	Nakalanga Biodiversity Environment Group	2005
	Bukaleba	Ndhokero United Farmers Co. Ltd	2005
	Walugogo	Araf Farmers Environmental Protection Association	2005
	South Busoga	Busoga TwisaKiralala General enterprises	2005
	Mabira	Kalagi/Kawututu Community Development Association	2006
	Mugoye	Kasamba Development Society	2006
	Stambogo	Namwana Akenda Association	2006
	Igwe	Bukuta Agaliawamu CFM group	2006
	Tala	Kisala Tweekembe Forest Management Group	2006
	Mabira	Wabulongo-Kasokoso Community CFM Group	2007
Sango Bay	Namalala	Nyakaziba	2007
	Kigona	Nakatoogo-Kyamayembe CFM Group	2007
	Malabigambo	Mabaala, Kisakala and Kampangi CFM Groups	2007
South West	Kalinzu	Karire village forest users' group	2006
	Kalinzu	Rubuzagye village forest users' group	2006
	Kalinzu	Bugongo village forest users' group	2006
	Kasyoha-Kitomi	Nyakaziba Tukwatanise Environment Association	2008
West Nile	Ozubu	Bugwe Apiculture Development Association	2008

138. In glaring cases, some groups had not renewed their registration with the CDO and yet they still had valid CFM agreements with NFA, which made the groups technically illegal. In addition, at the time of this review, some of the signed agreements had expired without being implemented. Worse still, 50% of the CFM agreements had been in the pipeline for a period ranging from 3 to 14 years, while simultaneously implementing some activities in what is legal a vacuum – as shown in Table 5.2 below. It was also found that Bugoma CFR, and CFRs in the greater Kibaale District, do not have approved forest management plans and yet CFM is being implemented in these CFRs. Additional inadequacies were found in forest management planning – for example, KINARECA

had signed a CFM agreement with NFA in part of Kalinzu CFR that UWA claimed it to be part of the National park and UWA had subsequently denied the CFM group access to forest resources identified in the agreement.

5.9 The degree of access to support services and extension by CFM groups

139. It is the role of NFA and the district local governments to provide support services such as information, training in technical areas, technical advice and extension as per the signed CFM agreements in order to enable CFM groups to implement the activities agreed upon in their CFM agreements and plans.
140. It was found that most CFM groups acquired their information and training during the implementation of the nine CFM stages prior to the signing of their agreements. The groups accessed further training after the signing of their agreements in specific activities as guided by their objectives. This training includes tree nursery establishment, and beekeeping. Such groups were mostly those with continued access to NGO support.
141. Some groups such as MANRUIA, NNTG and KICODA have been trained in value addition for bee products and are now able to process and pack honey for sale in supermarkets. NNTG has been able to access extension services for benefiting from the provision of carbon offsets and over 300 members are involved in tree growing. In Muzizi Range MANRUIA was trained on how to milk and market bee venom.
142. CFM groups around Echuya, Kalinzu Kasyoha-Kitomi CFRs have accessed extension services from NGOs and this has contributed to the level of skills that these groups possess. However, in some cases the support from NGOs has been in the form of donations such as tree seedlings and cook-stoves, which does not contribute to skill development for group members. Moreover, while both NGOs and NFA have supported groups to grow trees under CFM arrangements, they have not adequately supported the groups to add value and to access better markets for their tree products. Members from KICODA and BUNCA in Budongo were exploited by middle men when they harvested and marketed their trees. Some members reported selling off their trees at give-away prices because they lacked market information about true market prices. Unless groups are supported and better linked to markets, they are liable to either being disappointed with their resulting profits or even make losses from their investments and this will surely demotivate them. Organised cooperative marketing occurs in a very limited way, and CFM groups need to borrow lessons from the Uganda Tree Growers' Association which links its members to better markets – for example, for thinning, timber, resin, poles and other products, and/or negotiates fair contracts for members.
143. In addition, NGOs and NFA staff have raised the expectations of CFM groups especially in relation to the opportunity of benefitting from the carbon offset market: some CFM groups, such as those around Rwoho and Kalinzu (NNTG) have accessed this benefit with the support of third parties (the World Bank's Bio-Carbon fund, and Ecotrust's 'Trees for Global Benefits' scheme under Plan Vivo⁴⁷), but this is more an exception than a common occurrence. Other groups that have not had this opportunity have felt side-lined and the reasons for such carbon-related benefits not having materialized have not been explained to them.

⁴⁷ For more information see: <http://www.planvivo.org/project-network/trees-for-global-benefits-uganda>

144. While CFM groups supported by NGOs have benefited from ongoing capacity-building support, those without NGO support have not had access to adequate training and information after the signing of their agreements. There have long been recurrent and substantial budget limitations for CFM activities at NFA, and in addition the majority of NFA staff do not have the requisite knowledge and skills in value chain and enterprise development training to be able to adequately or even partially support CFM groups. The main concern with past capacity building to CFM groups is that it addressed short term operational issues and was not anchored in a strategic capacity building program to help the groups move from one stage to the next more typical of an organisational life cycle. For this reason, most groups' development remains at a nascent stage and that becomes a barrier to their accessing more advanced services such as access to credit which requires an enhanced organisational capacity.
145. **NFA and its NGO partners should commission a capacity assessment for CFM groups and an assessment of their own ability to adequately support their continued development and sustainability. They should develop a strategy that will guide the development of training and capacity building, and the provision of technical advice and extension services, technology for value addition, and access to information and markets for CFM groups. NFA should also link the CFM groups to the available local government programs for extension services. In fact, in most CFM agreements, NFA committed itself to this role.**

5.10 Proficiently addressing issues of gender, youth and disability empowerment

146. Men and women often have different roles in managing forests, different knowledge about them, different access to forests and different ways of using forest resources. Forestry tends to be perceived as male dominated although women are heavily involved in gathering fuelwood, medicinal plants and other non-timber forests products, and in collecting food for family consumption (FAO, 2015). FAO⁴⁸ further recognizes that gender differences exist in rights and access to natural resources, including land and trees.
147. Furthermore, the participation of women, men and youth in forest resources management and CFM in particular is affected by the social cultural norms that govern different communities. Socio-cultural norms often make it difficult for women to participate in local forest governance as key stakeholders on an equal footing to men (Amanda et al. 2017). For example, youth and women rarely take centre stage in discussions and decision-making on issues affecting the community. This is inherent in various social cultural contexts where only men are considered to be the elders, leaders and decision makers. These gender stereotypes influence the extent to which men, women and youth participate and benefit from CFM. Neglecting youth and women's role in forest decision-making can jeopardize CFM outcomes, as women's specific livelihood needs and preferences can be overlooked.
148. The review team however noted progress in efforts to promote gender in CFM in terms of women's representation in CFM group committees, the composition of CFM CBOs in general, the allocation of resources especially land for tree growing, and the inclusion of minorities such as the Batwa. Over 90% of the treasurer dockets on CFM committees are given to women because women are more trusted than men when it comes issues of handling group finances. Across sites

⁴⁸ The United Nations Food and Agricultural Organisation which has a large forestry mandate.

the review found that women head user groups such as craft making and firewood and are active in beekeeping. Review findings indicate that in KIFECA and Ndangara Nyakiyanja CFM groups, over 50% of land for tree growing was allocated to women who own the trees independently and not by virtue of them being married to their husbands. As earlier discussed, around Kalinzu CFR, the Ndangara and Nyakiyanja CFM group stands out as one of the sites with women and youth committees that cater for their needs and interests.

149. Efforts promoting the inclusion of minorities in terms of bringing on board the various categories of groups were observed in Echuya CFR where the Batwa were given special consideration to access bamboo as previously discussed. Masindi district has a diversity of 55 tribes⁴⁹ with many of them living adjacent Budongo Central Forest Reserve. During the CFM Process in Budongo there were efforts to balance representation from the various ethnic groupings in the CFM committees in order to cater for the various ethnic groups in the CFM sites. Some of the efforts included representation of different identity groups during the negotiations and inclusion on the village CFM and resource user committees

150. The review particularly noted gender gaps in the following areas:

- Although there are clearly ongoing albeit uneven and insufficient efforts to empower women, there is limited consciousness about promoting gender equitability in the CFM process among process facilitators. Furthermore, the CFM guidelines are not explicit on how women's empowerment can be effectively supported and promoted.
- There is limited diversity of views, opinions and decision-making because of limited involvement of youth and women in CFM discussions. This stems from limited participation in the various stages of the CFM process.
- Women and youth are still regarded as being incapable by men of taking up leadership positions and are therefore rarely elected as chairpersons of CFM groups apart from one CFM group in West Bugwe where the chairperson is a female.
- While the constitutions of CFM groups provide for a third of the total number of members on the CFM committees to be women, the women are rarely elected in executive positions and usually remain as members of the committees with few decision-making powers.
- Although the youth in Uganda are estimated to be over 30% of the total population in Uganda with the majority living in the rural areas; the study found that their participation in and leadership of CFM groups is still inadequate, and usually confined to a slot for them on the CFM committees. The review further noted that the older men monopolize leadership positions and are unwilling to relinquish them to the youth or indeed to women.
- The review did not come across clear records on the participation of men, women, youth and people living with disability at CFM sites. Committees were more informed of the total membership but were particularly unsure of the number of men, women, youth and elderly in the groups.
- Further analysis on why there is a persistent trend of similar issues at the various CFM sites pointed to the fact that CFM facilitators, especially at CFM sites facilitated purely by

⁴⁹ https://en.wikipedia.org/wiki/Masindi_District

NFA, lacked adequate skills and knowledge on gender and other cross-cutting issues and how they can be integrated in the activities, growth and development of CFM groups.

151. Inadequate and uneven participation of different members in society has implications on the success of CFM in terms of improving community development and the sustainable management of forest and biodiversity resources. The review found that inadequate involvement of the youth contributed to an increase in illegal activities in CFM areas. Around Bugoma CFR, the youth in CFM areas were involved in illegal timber and charcoal production activities and in direct conflict with a few older people in the CFM groups who disapproved of these activities. Around Wairagaza in Kyangwali Sub-county, the youth predominantly supported Bunyoro Kitara Kingdom in its mission to convert a part of the Bugoma CFR which is a CFM area into a sugarcane plantation. The focus of the youth was on the immediate benefits that felling timber trees and making charcoal would provide.
152. **It is therefore very important that CFM process facilitators engage with all parts of society, and particularly women and youth, right from initiation of the CFM process. Gender and other cross-cutting issues should be assessed and thought through carefully during the situation analysis stage and incorporated in the negotiations and implementation of CFM agreements and plans. It is important that a brief guide on gender as well as youth be included in the CFM guidelines.**
153. **All CFM process facilitators should undergo training in gender, youth and cross-cutting issues specific to CFM sites. Where necessary specific committees for the women, youth, persons living with disability and the elderly should be strongly encouraged with each CFM group to better address for their needs and interests. CFM groups should amend their registers to keep records of the number of male, female, youth, PWD, and elderly members. This will guide their planning and monitoring of a deeper cross-section of each community's participation in CFM activities.**

5.11 Barriers to other forest adjacent communities participating in CFM

⇒ Not all households have an inherent interest or incentive to participate in CFM

154. Many households that were not members of CFM groups were found to have a preference of working on their own land not least because they find it easier to marshal household labour faster than is the case with group work in CFM. Some have no incentives to join CFM groups since after all, they still access CFRs for subsistence reasons only and have done so before CFM began. The main message here is that demand for CFM differs by not only location but also by households in a community. The presence of CFM groups in any locality should therefore not necessarily lead NFA into assuming that the CFM group has control over all the households in that community. In a sample Google map search of Mabira, Echuya, Kasyoha-Kitomi CFRs undertaken with NFA staff, it was evident that there are pockets of encroachment for charcoal burning and cultivation within a radius of 2 km from the boundary of several CFM groups around the above CFRs.

⇒ Governance shortcomings within CFM groups

155. CFM groups were found to suffer from the embezzlement of funds, failure to hold meetings and elections, elite capture, and dominance of CFM group leaders in the attendance of external meetings and workshops. Groups also lacked a structured way to sensitize their own members

as well as community members on what they had learnt or accessed when they had been provided with training and capacity-building experiences because of competing commitments or because of a lack of ability, resources and coaching to do so. In some CFM groups, members acknowledged that they had never paid their membership and annual subscription fee implying that the cost of registration with local government as a CBO had to be made by other group members or a third party – a tendency that weakened their sense of ownership and participation in the CFM group.

⇒ **Governance shortcomings from NFA**

156. The frequent negative press about NFA in particular on the occurrence of illegality, encroachment, acquisition of illegal land titles and historical claims to land ownership in CFRs and LFRs, particularly involving some cultural institutions, and the powerful and rich, has raised doubts among local communities about the security of their rights and their participation in CFM. Despite sometimes getting assurances from high authorities that these impunities would be addressed, government leaders have often acted at best inconsistently in doing so.
157. Two examples illustrate this issue – the first from Sango Bay with the oldest CFM pilot site, and the second in Aswa Range where there is emerging interest in CFM. In the case of Sango Bay, the LC 1 Chairperson and also Chairperson of Kigazi-Tukwatirewamu CFM group posed a question to the President during the 2016 election campaign as to whether government had sold off the Malabigambo CFR to investors due to the heavily guarded timber harvesting that was taking place, and whether by implication, their rights were being violated under their “agreement”⁵⁰. The President assured the public at the rally that CFRs must be protected and promised to send and indeed sent the Minister of State for Environment to apprehend the culprits. The confiscated timber was given to schools for furniture and the responsible NFA staff member was transferred. However, illegal activities by actors not from the community continues. In the second case, the Bunyoro Kingdom is claiming ownership of the land in several CFRs, having acquired a land title in Bugoma CFR covering over 5,000 hectares of forest managed by a CFM group in Kyangwali Sub-County. Currently NFA is still in court with the Kingdom over this title. The same kingdom is said to be claiming ownership of Mpanga CFR in Hoima district for an area over 100 hectares which had been previously allocated to MCODA for tree planting under their CFM agreement.

⇒ **Errant behaviour of both CFM group members and NFA staff**

158. This problem was found to arise because CFM group leaders and members and NFA staff fail the test of managing conflicts of interest. NFA has in most cases has opted to transfer errant staff when they are found to be engaging in illegal or irregular activities as the only disciplinary measure, a practice that actually spreads illegality to other CFRs but also casts doubt on the attitude and commitment of NFA to CFM. In CFM groups, there was little or no evidence to show that errant members were fined as widely stated in their agreements or indeed their membership was terminated as a last resort.

⇒ **Financial barriers**

⁵⁰ At that time of writing this report, the agreement has expired but was being reviewed, although its renewal has yet to be secured.

Forest user groups were found to have different rates for membership and annual subscription fees. In many CFM groups, payment has been a one-off event often when registering as a CBO with local government. Surprisingly in some cases, other parties like NGOs have met this cost on behalf of the groups. Over time some groups have raised their membership fee by over 10,000% - such as in Rwoho CFR due to the increase in value of their plantations. In this case, as much as the allocated land for the CFM groups at Rwoho CFR for plantations is not fully utilized yet by existing members, the increase in annual subscription is a barrier to those now realizing that they should have joined the groups at the outset and paid their share of the registration fee. It is also very likely that high membership fees will likely increasingly occur in CFM groups with plantations as compared to groups engaging in natural forest management and conservation.

Table 5.3: Membership entry fees for different CFM groups in relation to their main activity

Range	CFR	CFM group	Type of activity			Signed date	Membership fee (UGX)		Change	
			C	P	B		At start	Now	Absolute	%age
South-west	Rwoho	SWAGEN				2012	5,000	600,000	595,000	11900%
	Rwoho	BECA				2012	60,000	500,000	440,000	733%
	Rwoho	RECPA				2007	5,000	500,000	495,000	9900%
Lakeshore	Mabira	NACOB				2006	10,000	10,000	0	0%
	Mabira	COFSDA				2006	3,000	10,000	7,000	233%
	Navugulu	Kisitu Environment Development Association				2018	20,000	50,000	30,000	150%
	Lufuka	Lufuka Tukolerewamu Development Association				2018	50,000	50,000	0	0%
Sango Bay	Mala-bigambo	Kigazi Tukwatirewamu				2005	5,000	8,000	3,000	60%
	Mala-bigambo	Mugamba Munjanjabula				2005	2,000	2,000	0	0%
	Nkalwe	KIGONA				2005	5,000	10,000	5,000	100%
South west	Echuya	MECDA				2007	2,000	1,000	-1,000	-50%
	Echuya	MEFCPAA				2007	2,000	5,000	3,000	150%
	Echuya	BECLA				2006	2,000	3,000	1,000	50%
	Echuya	KADECA				2007	1,000	1,000	0	0%
Aswa	Agoro-Agu	Mar-Yen				2017	3,000	10,000	7,000	233%

C = Conservation; **P** = Plantations; **B** = Both conservation and plantations

Table 5.4: Underlying reasons for winning or losing under CFM

	Win	Activity	Loss	Activity
CFM groups	- CFM groups benefit from capacity building and sensitization by NFA		- NFA employs other casual labourers from other places whenever it has contracts instead of CFM group members	
	- CFM groups now have wood lots		- On confiscation of illegal forest products, NFA takes it all	
	- CFM groups benefit from increased networking with CSOs and local governments		- Along the way of implementing CFM regulations, the CFM groups have created conflicts of interest with their fellow community members, yet they do not benefit a lot from CFM	
	- CFM groups have benefited from trainings and knowledge on planting trees which they have been able to transfer to their private lands		- Implementing CFM without a CFM agreement makes groups uncertain about the future and yet they are already planting	
	- CFM group members have strengthened their relationships with each other through regular meetings		- Groups have planted trees on behalf of NFA at zero cost (e.g. in Echuya CFR) without clarity on future entitlements	
	- CFM groups have acquired land for tree planting in CFRs which had previously never happened, have planted trees and have already earned income from thinning		- CFM groups do joint patrols and other agreed upon activities such as firefighting even without safety gear, a threat to our health and life.	
	- CFM groups have an increased sense of responsibility towards forest protection and conservation		- CFM groups have not accessed the trees for timber and charcoal as stipulated in some CFM agreements around Budongo and Bugoma CFRs	
	- CFM groups have benefited from practicing the <i>Taungya</i> system of planting, which has allowed them to improve food security		- NFA has made CFM groups pay revenue from trees planted along CFR boundaries and yet they have saved NFA the cost of boundary maintenance	
	- CFM groups have benefited from the creation of more jobs and improved livelihoods through CFM activities		- CFM groups have lost profits from sales of their trees because the trees are bought cheaply; NFA has not connected us to better markets	
	- Through CFM, CFM groups have been able to be linked to other organizations which have trained us on different helpful activities and practices for both inside and outside CFR such as water harvesting			

	Win	Activity	Loss	Activity
	- CFM groups have secured agreements with NFA, giving them security of access			
NFA	- CFM members have managed and conserved the forest since 2005 at zero cost		- NFA has lost some power / control over parts of CFRs to the CFM groups	
	- CFR boundaries are maintained for free by CFM groups		- NFA ceded some CFR land when it was given to CFM groups	
	- NFA collects funds from grazers and even earns revenue from the sale of its boundary trees that are maintained and protected by CFM members (this was observed in Mabira CFR and Malabigambo CFR respectively)		- NFA is losing natural forest as communities encroach in CFRs by expanding their boundary plots for Eucalyptus tree growing	
	- CFM groups help fight forest fires with NFA		- Some community members connive in illegal activities	
	- NFA labour costs are reduced because NFA uses CFM groups to carry out forest maintenance activities (e.g. patrolling)			
	- CFM groups help to guard against illegalities in CFRs especially through whistle blowing			
	- There is an increased bond between the community and NFA staff			
	- There are improved community relationships			
	- CFM groups help to restore forests in CFRs			

Key:

Both conservation & Plantation



Plantation



Conservation

5.12 Emerging winners and losers in CFM and the underlying reasons

159. CFM groups and NFA staff were asked to assess their relationship to date based on their experiences of having participated in CFM. They were asked to choose one of four positions as follows:

- (i) Win-win for both NFA and CFM groups
- (ii) Win for NFA, and loss for CFM groups
- (iii) Win for CFM groups and loss for NFA
- (iv) Loss for both NFA and CFM groups

160. It emerged that majority of the CFM groups engaged in both plantation and forest conservation view CFM as a **win-win** result. It also came out clearly that a **relatively** large proportion of CFM groups feel that CFM has been a win situation for NFA and a loss on their part. It should however be noted that not all members in a particular group were in consensus with the options shown in Figure 5.1 below and differences were observed at group level within the same CFRs. It is however important to establish the underlying reasons in people's assessment of the relative benefits of CFM given in the subsequent table (Table 5.4).

5.13 The affordability of managing forest areas allocated under CFM for CFM groups

161. The review team found substantial variations in the sizes of forest area allocated to CFM groups. Even though the main activities that CFM groups engage in vary by CFR (i.e. either forest conservation, forestry plantation or a combination of both) together with variations in forest management plan restrictions and the socio-economic setting, the review team found the following derived from Table 5.5 and observations from the ground:

- (i) The boundaries managed by each group (and individuals in groups in case of woodlots and plantations) vary. For example, the average acreage for 5 CFM groups in Lakeshore Range is 34.4 hectares (85 acres) and per capita average is 0.18 ha (0.45 acres) and those of Bugamba plantations are 15.7ha (39 acres) and 0.22 ha (0.55 acres) respectively. The Lakeshore groups are ready to harvest woodlots after 5 years but the Bugamba groups have not completed plantation establishment because of the need to meet standards, which is an extra cost.
- (ii) In Echuya CFR, the average acreage for each of the CFM groups is 30.4 ha (75 acres) while the per capita is 0.16 ha (0.4 acres). On the other hand, in Karamoja, the equivalents are 5,420 ha (13,393 acres) and 74.9 ha (185 acres) respectively. However, the costs of monitoring in both places are high but due to different factors. In the former, it is due to hilly and difficult terrain, while in the latter it is due to a big congruence and area to be covered relative to size and capacity of members.
- (iii) In Agoro Agu, Mar Yen CFM group which has been allocated 10,727 ha (26,508 acres) began their operations in one parish but expanded to 6 parishes when the number of group members increased to the current 462. It was discovered that two new groups want to form to manage part of the original acreage allocated to Mar Yen CFM group – motivated by the promise of funding from a different donor from IUCN-Uganda and Environmental Alert that supported Mar Yen CFM group initially. The argument of community members

around Agoro Agu CFR interested to benefit from the new donor, is that the current acreage for the Mar Yen CFM group is too big to render cost-effective management.

162. The main lessons are that:

- (i) NFA will have to more careful in future to make informed decisions on what area groups can afford to manage taking into account their capacity and resources, as well as the acreage, physical terrain (environment) and the type of activities the group is applying for. NFA could adopt a policy of gradually increasing the area of forest managed by a CFM group over time in relation to their ability and desire to take on greater levels of responsibility but after a group has been evaluated and found deserving/ justifying the additional area.
- (ii) Without carrying out an organisational capacity assessment of CFM groups and their environmental factors (physical, political etc.), NFA may unfairly give a lot of responsibility to groups, for example, patrol, fire protection, reforestation when they not be able to afford the basic tools or have the necessary know-how to execute the responsibility.
- (iii) NGOs supporting CFM may also make similar assumptions as NFA which should be avoided.

163. The above concerns are real because the CFM guidelines are weak or silent on two critical aspects specifically:

- (i) The need for carrying out an organisational capacity assessment for each CFM group in relation to what they plan to do over the duration of implementing their CFM agreement⁵¹.
- (ii) The financial implications for CFM groups in implementing the activities agreed upon in the agreement.

⁵¹ The guidelines only provided for institutional formation and development (with the assumption that there were resources to sustain this organizational development)

Table 5.5: Variations in forest area allocation for CFM groups

Range	CFR	CFM group	Area (ha)	Total members	Per capita area (ha)
Lakeshore	Lufuka	Lufuka Tukolerewamu Development Association	14.2	164	0.08
	Navugulu	Kisitu Environment Development Association	60.7	315	0.19
	Navugulu	Bulugu Baliturabirako Development Association	52.6	159	0.33
	Lwamunda	Kavule Environment Association	20.2	150	0.13
	Nawandigi	Nkinga Development Association	24.3	150	0.16
Karamoja	Timu	TECG	4755.5	56	84.92
	Morungole	Morungole IKitoyari Conservation group	6095.8	70	87.08
	Nyangia Napore	Nyanapo	10521.8	90	116.91
	Lwala	Lowala Nyakokito	307.2	30	10.24
Aswa	Agoro-Agu	MCFMG	10727.4	462	23.22
	Lalak	KCFMG	895.2	107	8.36
South West	Echuya	MECDA	30.8	146	0.21
	Echuya	MEFCPAA	30.4	169	0.18
	Echuya	BECLA	30.4	625	0.05
	Echuya	KADECA	30.4	166	0.18
South-western	Kalinzu CFR	Rwoburunga Bahiigi Tulinde Ebyobuhangwa group	381.6	245	1.56
	Kalinzu CFR	Ndangara-Nyakiyanja Parishes Tutungikye group	497.8	300	1.66
Bugamba	Rwoho	KADA	9.2	68	0.13
	Rwoho	SWAGEN	14.5	71	0.21
	Rwoho	BECA	8.9	48	0.19
	Rwoho	RECPA	30.2	80	0.38
Budongo Systems	Budongo	NOBUFOCA	615.9	56	11.00
	Budongo	KICODA	310.8	204	1.52
	Budongo	KAFACA	680.7	32	21.27
	Budongo	BUNCA	1947.3	308	6.32
	Bugoma	KICODA	1087.8	183	5.94
	Bugoma	KEDA	1882.2	40	47.06
Muzizi River	Matiri	MANRUIA	2197.8	324	6.78

6 The capacity of CFM groups to implement, monitor and report on CFM

6.1 Introduction

164. A key outcome of CFM is strong and empowered CFM groups that can continue to serve their members and become change agents for rural development. Key aspects relevant to the attainment of this outcome are the focus of this chapter. They include:

- (i) Governance aspects
- (ii) Financing aspects
- (iii) Processes for planning, implementation, reporting and monitoring
- (iv) Systems for reporting on CFM
- (v) Capacity to defend CFM groups' interests against NFA
- (vi) Conflict management and resolution mechanisms
- (vii) Practices for value addition to forestry SMEs

6.2 Governance aspects

165. Governance is actualized by the governance programming framework which hinges on the following theory of change:

*If **citizens are empowered**, if **power-holders are effective, accountable and responsive**, if **spaces for negotiation are expanded, effective and inclusive**, then sustainable and equitable development can be achieved. Change needs to take place and be sustained in all three domains to achieve this impact.*

166. This theory of change aims at achieving three domains of change namely:

- Marginalised citizens are empowered
- Public authorities and other power-holders are effective and accountable to marginalised citizens
- Spaces for negotiation between power-holders and marginalised citizens are expanded, inclusive and effective.

167. Each of the above domains of change has several dimensions that act as indicators for the desired change as give below. in the context of CFM, the CFM groups represent citizens, NFA represents the public authorities and the institutional arrangements, fora and platforms resulting from the CFM process are some of the spaces for negotiations between NFA and communities.

168. Communities participate in CFM through groups as a fulfilment of the NFTP (2003) provision that states that resource users must be constituted in groups. It was encouraging to find as part of complying with the criteria required for signing the agreement, a CFM group must have a constitution that defines not only a group's objectives, but also the decision-making procedures and leadership succession procedures.

6.3 Domains and dimensions of change

169. In the following sections, the review team present the findings with regards to three dimensions of change: Organized and empowered CFM members; NFA Accountable to CFM groups and Spaces of engagement and decision making on forest governance.

⇒ Organized and empowered CFM members

170. In order to promote inclusive participation and empowerment of marginalized groups, it was found that community governance structures are comprised of user groups which also have representation from special interest groups such as women, youth and people with disabilities. This provides opportunities for every member of the group to participate. In Kalinzu CFR, the NNTG CFM group has provided for representation of special interest groups on their umbrella committee to ensure that their voices are heard. In Echuya, the Batwa are also represented on the resource use committees and are empowered to access bamboo as a special dispensation for their own livelihoods. The NNTG has allocated over 60% of the plots in their Eucalyptus plantation to women.

171. The review also found that CFM members are able to question NFA & district forestry staff and government leaders on activities taking place in the CFR that they suspect may be irregular or illegal. Around Kibego and Itwara CFRs, KIFECA, KASUFU and Kibego CFM groups were able to put task the NFA and Kyenjojo District forestry staff to explain the identity of people who were cutting timber in those forests. It later transpired that these were illegal timber cutters which compelled the NFA and district staff with the support of CFM members and the police to conduct joint patrols in order to stop the illegality. Through the demands of the CFM groups, it was resolved that Kyenjojo District Local Government display information on all licensed timber dealers up to sub-county level and their respective areas of operation to help isolate illegal timber cutters.

172. Timely and appropriate decision making is a key indicator of actively participating and empowered CFM groups. More than ever before, communities convene meetings as and when they want, but it stood out that quarterly meetings, sub-committee (sub-group) meetings and AGM which are platforms for decision making are embedded either in their constitution, practice or both. The majority of meetings require a two-thirds attendance to constitute a quorum but when reviewing the records of attendance, it was found that groups do not apply this requirement stringently. As a result, in such situations, decisions that bind the rest of the members are reached by the few.

173. For many groups, it was not clear what makes the decisions taken at meetings where a quorum is not reached qualify as binding. Related to this, it was common to see a few members considerably more knowledgeable about the group's decisions than their fellow members. This was borne out by the fact that some groups would not meet third parties without "certain individuals" or "leaders" being present. This was found to greatly account for the very low or invisible broader voice of the group.

174. The reliance by a CFM group on a minority of people in the group taking decisions and/or representing the group's interests raises a concern that this minority can include people with ulterior or individualistic (and frequently illegal) motives who use their group's identity to achieve their own objectives, which may neither be in group's interests nor those of NFA.

175. These weaknesses become apparent when NFA staff with professional integrity are transferred to these areas where such groups exist, only to find problems. In Kalinzu CFR 200 acres of natural forest were found to have been cut when an NFA staff colluded with other individuals outside the CFM groups. The Nyarugoote CFM group did not feel sufficiently confident and secure to be able to report the issue at a time when the corrupt NFA staff were still stationed at the CFR.
176. The general pattern is that CFM groups are sometimes powerless and certainly often-times less powerful than the staff of NFA. It was repeatedly found that in as much as CFM ostensibly gives CFM groups control, NFA and its staff continue to retain ultimate authority, and in some instances could influence a group's governance confronting their authority to subdue the powers of the CFM groups. In Mabira, a member had to confess thus:

"When we knew we had control without authority, we started playing it safe"

⇒ **NFA Accountable to CFM groups**

177. In some cases, CFM groups' (or their leaders') voices were found to have been very powerful compelling NFA staff and government leaders to respond, as was the case for the LC1 Chairperson adjacent to Kigazi CFR who took his concern to the presidency. In Matiri and Itwara CFRs, CFM members acting as community-based monitors whistle blew to civil society that the surveillance team established by NFA's Executive Director to curb illegality was escalating it, and this led to the disbandment of the surveillance team by the NFA Board in 2016. In 2017, NFA also acted on community reports regarding the involvement of some staff in illegal activities and either suspended or expelled these staff in the Budongo system ranges as well as other Ranges.
178. In some cases, however, NFA and other responsible government officials have ignored community voices and reports. This is further supported by CARE International's reports on the ICT platform where the response levels to reported cases by the responsible bodies, NFA included, was below 50% for a period of 4 years from 2014 to 2018.

⇒ **Spaces of engagement and decision making on forest governance**

179. Formal and informal spaces provide an opportunity for CFM groups an opportunity to engage power holders. At community level the key spaces created by CFM were identified as the monthly, quarterly and annual meetings during which CFM members would engage their leaders as well as invited NFA staff and local government leaders on forestry issues. In Kyenjojo, Kyegegwa and Mubende districts, CFM groups have an opportunity to engage duty bearers through the Inter-district Forum on Forestry and Environment where they are represented.
180. In the inter-district forum, for example, it was agreed that encroachers in Kaweeri CFR should be evicted and CFM initiated. Similarly, the forum also supported the eviction of encroachers from Matiri CFR to allow for CFM to be developed. Other spaces where CFM groups are represented are the Regional Forest Governance Forums which were supported by ACODE with funding from CARE International. The review identified emerging networks that will also provide spaces for CFM groups to engage more on CFM issues. These include ECOTA in Echuya, and the Kalinzu

Landscape CSO Forum⁵². However, it is apparent that UNETCOFA has not been the active space/platform that it was initially envisaged it would be for CFM groups to engage at the national level. Moreover, CFM issues have not been well represented or promoted in the ENR-CSO Network⁵³ and therefore do not feature on the annual ENR-CSO position paper⁵⁴.

181. Overall, CFM has helped to redress the power imbalance between communities and NFA which some NFA staff respect because it has helped to improve relations. That's why awareness on the rights of the groups should be re-emphasized. Secondly, during combined CFM group and NFA staff FGDs, it emerged that CFM groups appreciate that existing power imbalances between them and NFA staff are not attributed to individual NFA staff but to NFA in general, because of the failure of the institution to pursue effective disciplinary processes for senior staff when required.
182. Furthermore, the spaces for engagement that are provided by CFM networks are still weak and in some regions of Uganda non-existent, requiring that they be initiated in a demand-driven and grassroots manner and / or strengthened in order to amplify the voices of CFM groups in relation to forest governance and management issues.
183. The requirement for CFM groups to form and legally register a CBO has led CFM group members to appreciate that the benefits associated with belonging to a group are greater than if they were to participate in CFM as unaffiliated individuals. The benefits include the ability to engage in collective negotiation, collective marketing and collectively holding NFA to account when needed. Importantly as groups they can talk about economies of scale in landscape reforestation, afforestation and forestry regeneration efforts, extensive plantation and woodlot establishment and diversifying into profit-oriented activities through the formation of co-operatives. Equally some of the structures grow beyond the scale of villages to encompass, parishes, sub counties.
184. Some CFM groups have succeeded in constructing permanent offices for themselves and other infrastructure such as community halls which benefit members and non-members as well – for example, COFSDA, Mugamba Mujjanjabura and Nkalwe.
185. Groups with charismatic and visionary leaders have performed well because these leaders go the extra mile to invest their time and resources to keep the group together and informed about emerging opportunities like in Mugamba Mujjanjabura in Malabigambo CFR. In Ndangara Nyakiyanja the chairperson of the group stepped aside from his position as a local government counsellor to serve the interests of the CFM group instead. In Aminkec CFR, the leaders have been transparent and equitable towards members despite not having an agreement with NFA.
186. Recognizing the different needs of members, there are cases where the CFM leadership has delegated some functions to specific user groups who report back to the umbrella committees on their specific activities like bee keeping, tree planting, and forest protection. In some other situations sub-committees have been formed at village level and these report to the main committees. Examples of CFM groups with this arrangement include MANRUIA whose

⁵² Kalinzu Landscape CSO Forum is a forum comprised representatives from all 4 CFM groups around Kalinzu Central Forest Reserve.

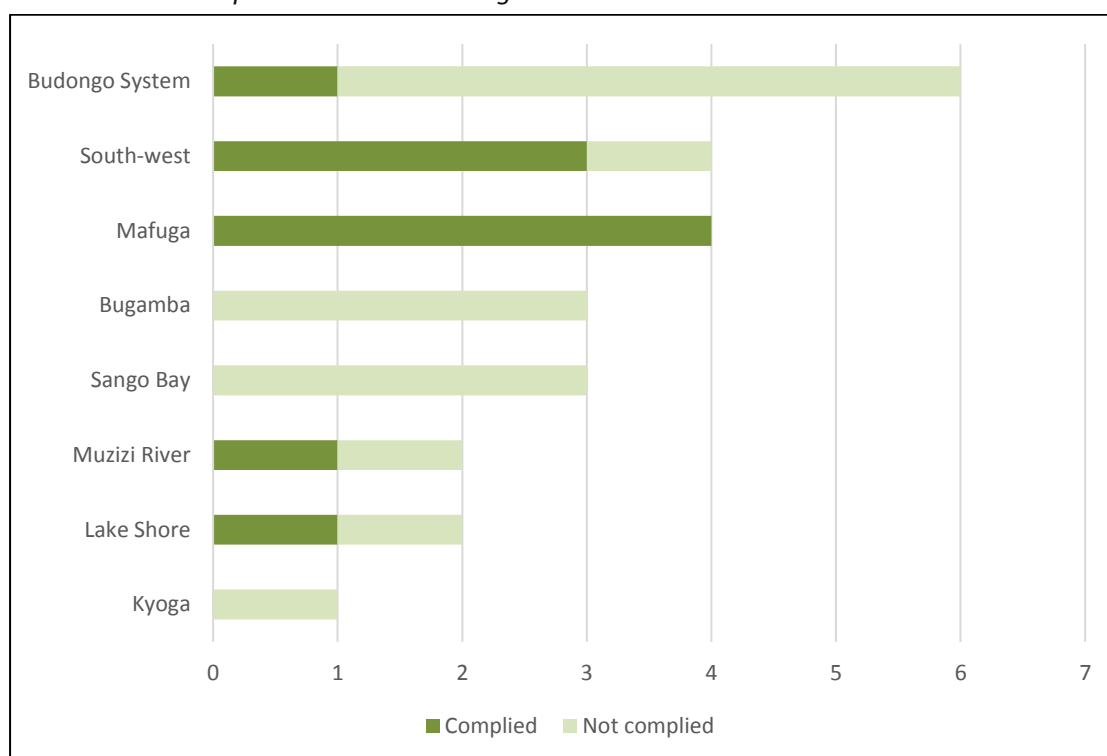
⁵³ This is a network whose membership comprised of civil society organizations working on environment and natural resources projects and programmes.

⁵⁴ The ENR-CSO position paper is comprised of proposals and/or recommendations which are made and presented by the ENR-CSO network members during the Joint Sector Review of the Ministry of Water and Environment

membership is spread across villages in 2 sub counties of Kihuura and Butunduzi; BUNCA has its members in 8 villages and each has a committee to organize and carry out their activities which reports back to the main committee.

187. Good practices of transparency and accountability where groups carry out joint planning, display their work plans and give financial reports on individual transactions executed by leadership; institutionalize the conducting of AGMs and keep records were found in Rwoho, Ndangaro Nyakiyanja, MANRUIA, KICODA CFM groups. These practices enhance access to information and information flow. Many groups were found to trust women for the finance post on the executive reflecting gender participation in delicate and sensitive responsibilities while in others if a chairperson is a male the vice is a female.
188. Some groups' leaders have gained visibility among their own members and beyond. They have been entrusted with other responsibilities like being elected a councillor e.g. Mugamba Mujjanjabura CFM group chair elected as LCIII and then one for Kigazi elected as LCI.
189. The key shortcomings that CFM groups have to address relate to better control of their own members who carry out illegal activities in the forest and avoid making decisions over activities in which they have conflict of interest.
190. It emerged during FGs that the majority of the well-established 25 CFM groups that had been operating for seven years or more do not sufficiently comply with their constitutions particularly when it comes to the governance of their groups (Figure 6.1). It was also observed that within the groups, the leaders do not attempt to engage and discuss with members on how to develop and establish a clear succession plan within their groups. For example, in Mpanga sector, one of the groups reported that their chairman had retired after a long time of serving without putting in place a succession plan and as a result they are currently disorganized because of his retirement without a replacement. This therefore calls for empowering individual group members about their constitutions and their contents.

Figure 6.1: The level of compliance during CFM leadership succession among CFM groups sampled across 8 NFA Ranges



6.4 Financing aspects (Internal and external)

191. All CFM groups have provisions under their constitutions for members to contribute to their finances through payment of entrance fees and annual subscriptions. This was often found to be one of the conditions for prospective members joining a group. The amounts payable differ significantly - from UGX 500/= only up to UGX 600,000/= for entrance fees. The general pattern is that many members pay an annual subscription once at entry, and subsequently leaders find it difficult to enforce compliance on subsequent subscription fees, stating that people are poor. It is also true that in some areas CFM members collectively minimally raise the amount required from the entrance and annual subscription fees in order to pay for registration as a CBO with their local government. In other cases, individual members opted to meet the cost of CBO registration e.g. TEC CFM group in Timu CFR. Many CFM groups that have succeeded in initially registering as a CBO with local government have subsequently not renewed their status as is mandatory after a two-year period because of a lack of funds. By law, they are not legal and technically cannot function. By and large, internal sources of revenue are still very limited, and the revenue base is narrow in many CFM groups: this is not to say that CFM groups do not have significant potential to grow as CFM groups as they develop their forest-based products and are linked with broader value chains. Examples are many as shown in Table 6.1.

Table 6.1: Income generated by CFM groups from completed contracts and/or sales

CFR	CFM group	Internal Sources of Revenue from contracts and sales	Amount of revenue (UGX)
Agoro Agu	Mar Yen	Initial seedling sales	700,000
Rwoho	All CFM groups	Carbon advance payments	50,000,000
Sango bay/ Malabigambo	Kigazi CFM Group Mugamba- Mujjanjabura	Coffee seedlings	20,000,000
		Sale of boundary trees	31,000,000
Kalinzu	Ndangara- Nyakiyanja CFM Group	Sales of Honey	18,000,000
		Tree sales	120,000,000
		Carbon payments	100,000,000 per year
		Coffee sales	1,200,000,000
Budongo	KICODA	Sales of Boundary trees	8,000,000
		Honey Sales	1,500,000
Matiri	MANRUIA	Honey sales (60litres)	600,000
		Bee venom (18gms)	900,000
		Savings (SACCO 72 members)	4,320,000
NACOB	Mabira	To plant trees by NFA	6,000,000
		Weeding and maintenance by NFA	1,500,000
COFSDA	Mabira	To plant trees along the boundary by NFA	6,000,000
RECPA	Rwoho	To mobilise the community in 2004 by NFA	1,000,000

192. Some CFM groups have developed proposals to solicit funding – for example, NACOB in Mabira CFR applied for UGX 120 million for maize growing and milling and were promised UGX 53 million from the Private Sector Foundation (PSF) under the Skilling Uganda Program. This demonstrates the significance of CFM groups not solely relying on forest-based activities but combining both forest and non-forest (forest-edge) activities to develop more diversified income-generating opportunities and to leverage funds – for example from the Private Sector Foundation – that they might not otherwise secure as easily were they solely to focus on forest-based activities.
193. Other groups have made proposals to their local government and received funding under Community Driven Development (CDD)⁵⁵ – for example, MANRUIA CFM group in Kyenjojo CFR, Nkinga CFM in Mpanga CFR, and MEMA CFM group in Gomba District. Other groups have fundraised from within their community or within their group for specific activities. Nkalwe CFM in Kigona CFR fundraised from civil society for the construction of their current office building. Each group in Mpanga CFR collected UGX 3 million from members to fund their CFM signing ceremony. Other groups have received grants to serve as seed capital for their SACCOs⁵⁶ or VSLAs⁵⁷ such as in Echuya CFR and Malabigambo CFR from Nature Uganda and Fauna and Flora International respectively.

⁵⁵ An initiative of the Government of Uganda.

⁵⁶ Savings & Credit Co-operative Society

⁵⁷ Village Savings and Loans Association – a smaller scale more informal village-level type of a SACCOs.

194. It was of particular interest to find out how the wealthier CFM groups had invested their earnings. The following examples came to light;

- (i) Construction of offices and stores – for example, Mugamba Mujjanjabura, COFSDA and Nkalwe CFM groups
- (ii) Purchase of a plot for office construction – for example, KICODA CFM group in Masindi CFR
- (iii) Expansion of their plantations and woodlots – for example, as above, CFM groups in Rwoho CFR and Aminkec CFR
- (iv) Establishment and initial capitalization of VSLAs – for example, Aminkec CFM group, Echuya CFM groups, Malabigambo and Kaiso CFM groups
- (v) Purchase of equipment and tools for hire – for example, Mugamba Mujjanjabura and NACOBBA CFM groups
- (vi) Purchase of produce for resale at a profit such as with Echuya CFM groups for onions and Irish potatoes, TEC group in Timu CFR for honey and crafts.

195. The above examples show that some CFM groups have expanded their asset base to either use it for income generation or improve service delivery to members or both.

6.5 Formal and informal partnerships

196. Good practices in building strategic alliances and partnerships are widespread at CFR level or sector level. ECOTA in Echuya with all 4 CFM groups share information, lobby for an enabling environment and have been exploring the possibility of developing eco-tourism, having received a concession from NFA for that purpose. Rwoho CFMs have agreed to cooperate and share information through their unique opportunity to partner with NFA under the Nile Afforestation Project funded through the World Bank's Bio-carbon Fund. Five CFM groups in Mpanga Sector are forming a multi-purpose cooperative, Mpanga CFM Cooperative, to advance their business interests. Similarly, the eleven CFM groups which do not yet have signed agreements in Gomba CFR are forming Mpenja Environmental Management Association (MEMA) to promote inter CFM group cooperation in the same landscape. In Mabira CFR, NACOBBA is partnering with MAFICO over eco-tourism. The CFM groups around Kalinzu have formed the Kalinzu Landscape Forum for information sharing and promotion of joint marketing of products from their enterprises such as honey.

197. Overall, CFM groups are finding it cost effective to associate and network with each other at the CFR level because they are relatively close to one another and can jointly meet and plan together reducing their transaction costs. Secondly, there is a clear bond that brings them into partnership – for example, in defending members' rights, developing collaborative business partnerships, and improving and sharing their access to information. Thirdly, these groupings or networks offer entry points for improving the efficacy of forest governance partnerships. It will become easier to establish standards and by-laws to address the interests and problems of members relevant to managing their jurisdiction. As CFM groups begin to collaborate, they are also starting to command higher levels of visibility, credibility and legitimacy with their respective local governments.

6.6 Recurring process for planning, implementation, reporting and monitoring

198. The ten-year life span of a CFM agreement, together with the nature of its contents on a group's vision, goal, objectives, and different roles and responsibilities, dictates that the group's planning, implementation, monitoring and adaptive learning become recurring processes. Without being defensive, CFM groups generally accepted that they have fallen short in this process on account of their low funding and capacity. NFA also accepted that it has neither developed a systematic approach to monitoring CFM groups countrywide, nor in reporting on their performance.
199. Therefore, the planning, implementation, monitoring and adaptive learning practices of CFM groups vary in scope and quality. Ndangara-Nyakinyanja Tutungikye group went beyond the Management plan and, with support from WWF, formulated a budgeted strategic plan (2017 – 2021) as an annex to its CFM agreement. The Strategic Plan aims to deliver on 5 key results areas: The conservation of Kalinzu CFR; the sustainable use and derivation of financial benefits from planted trees; tourism promotion; a vibrant bee keeping industry; and, the establishment of a SACCO. With 415 members in 2017, the group had raised a capital of UGX 12 million for its SACCO. The savings and loan portfolio of the group stood at UGX 164 million and UGX 30 million respectively⁵⁸. The main lesson is that the strategic plan and its 5 key results areas, has resulted in the convergence of member interests, and has had a major positive impact on the growth of the group.
200. Variations exist on the above benchmark. In Kaabong CFR, TEC CFM group has chosen to implement only two activities out of four – enrichment planting with natural forest regeneration, and apiary development – in order to balance its budget in relation to the support it receives from NFA⁵⁹. In Echuya CFR, BECLA and MECDA CFM groups plan, budget and mobilise resources among themselves for specific activities and report after their completion to share the arising benefits (e.g. onion and potato growing and marketing).
201. Aminkec CFM group in Apac annually allocates plots among its members wishing to grow food crops under the *taungya* system. Rwoho CFM groups follow the management plan agreed upon with NFA under the Nile Basin Afforestation Project.
202. Countrywide, CFM groups formally or informally share their planned activities with NFA forest supervisors and/or range managers, who in turn, either give feedback orally or in writing. Record keeping on the implementation of CFM at NFA field offices is not structured in a manner to allow for comparability across locations. Filing is poor, and not in all cases is the CFM specialist given copies of relevant reports generated within each range. CFM groups also admitted that they tended not to comply with their reporting obligations to NFA. The situation is made worse by the failure of NFA staff to follow with CFM groups with reminders. The absence of indicators to report on performance of CFM groups and their impact is an area for urgent attention in future. The key recommendation therefore is that NFA will have to take interest to monitor CFM groups for the planning, implementation, monitoring and reporting processes.

⁵⁸ According to the NNTG strategic plan, 2017 -2022, page 22

⁵⁹ They deferred activities on eco-tourism and opening up of forest boundaries

6.7 Systems for record keeping, meetings and reporting on CFM

203. Record-keeping and reporting are critical components of CFM arrangements. NFA and CFM groups are expected to keep records and report on the progress of their CFM agreement implementation. The extent to which CFM is reported on by NFA is influenced by its staffing structure and the line of reporting. The reporting hierarchy for NFA provides that forest supervisors report to their sector manager; the sector manager reports in turn to their range manager who in turn reports to the Director of Natural Forests. The same structure provides for a community partnership specialist who is charged with all CFM interventions.⁶⁰
204. Despite the presence of a structure which allows for CFM reporting, in the current hierarchy it is optional to give the community partnership specialist a copy of the report. This means that in some cases the specialist may not be updated on the progress of CFM implementation unless it is solicited for. In addition, CFM requires detailed reporting which is not captured with the current reporting template.
205. At field level, detailed information on CFM sites is lacking. The staff for example is not aware of which CFM groups still have valid registration certificates as a condition for partnering with NFA in CFM. Consequently, a number of CFM groups were found to be operating as illegal entities but still being considered ‘legal’ by NFA and implementing their activities. At the community level, the review identified several CFM groups such as MANRUIA, KICODA, Nyangole and NNTG, BECA, BCLA who prepare monthly and quarterly financial and activity reports which they share with NFA, the NGOs which provide them with support and their local governments.
206. Generally, though, there is no structured reporting and it was discovered that most CFM groups only prepare brief reports which are only read to their visitors. Overall therefore, little information is known about CFM due to inadequate reporting and records on CFM sites.
207. Except for the CFM groups / sites already mentioned above, it was found that most CFM groups do not regularly meet to plan for CFM activities and share information, neither do they hold joint meetings with NFA. This has created an information gap and contributed to dysfunctional CFM groups. Most CFM groups lack office space so group records are kept with the secretary which, in their absence, means that the group members find it hard to access the group records. Worse still is the fact that the groups have little idea of the types of record that should be kept.

⁶⁰ This title in the new NFA structure has been named “Partnership officer”.

Table 6.2: Examples of CFM groups defending their rights

CFM group	CFR	Problem encountered	Strategy and platform used	Response
Kigazi CFM	Malabigambo	- Massive illegal timber cutting	- Direct encounter with the President during campaign by the Chairman of the group	- Minister sent and NFA staff only transferred.
COFSDA	Mabira	- Attempt by government to degazette Mabira	- Joined save Mabira campaign	- Mabira CFR saved from degazettement.
Echuya's 4 CFM groups	Echuya	- NFA staff in collusion with a member of CFM forging a stamp to harvest bamboo illegally	- Used their ' <u>collective voice</u> ' under ECOTA and took possession of the forged stamp	- Reported to police but no further action was taken to investigate and hold the culprits.
SWAGEN, RECPA, BECA	Rwoho	- NFA's delay in explaining how to calculate their Certified Emissions Reduction	- Joint meetings between NFA and CFM groups.	- No training made yet but planned as per agreement.
TEC	Timu	- Invasions from Karamojong and Dodoth in search of poles and pasture	- The inclusiveness of the Ik in the TEC group has empowered them to fight back.	- Invasions are on the decline
Matiri and Itwara CFM groups	Matiri and Itwara	- Massive illegal trade by NFA's established Surveillance Team.	- Whistle blowing to civil society	- NFA disbanded the Law Surveillance Team.
Bugoma CFM groups	Bugoma	- involvement of NFA staff in Illegal timber and charcoal trade	- Whistle blowing to NFA management	- Forest Supervisors were expelled
Zoka CFM group	Zoka	- Massive illegal timber cutting by security agencies	- Whistle blowing to civil society and dialogue meetings with MWE	- Inter-ministerial committee set up to conduct investigations and stop the illegal activity

208. It is therefore strongly recommended that NFA develops a clear CFM reporting system using a template with inbuilt indicators. As a matter of principle each CFM group should have a clear and detailed reporting template for both the community and NFA staff. NFA should also establish a CFM database at National and Range levels which should be updated regularly. Regular meetings should be encouraged as information sharing and planning platforms.

6.8 The capacity of CFM groups to defend their interests

209. CFM groups in different locations have used different strategies and platforms to defend and advance their interests as summarized in the Table 6.2. The main lessons are that:

- (i) CFM groups have varied in their strategies, depending on their capacity, to follow up specific issues without or regardless of intimidation
- (ii) Providing a platform where the groups can share their experiences would go a long way in building their confidence and sustaining their efforts in defending their rights

210. According to the legal opinion within NFA, the CFM groups are also free to seek legal pro-bono services. While this is certainly an option, CFM groups complained of having had to abandon their complaints and court cases on account of the long time that these processes have taken without having reached a satisfactory conclusion.

6.9 Conflict management and resolution mechanisms

211. Conflict management covers a spectrum of proactive and reactive responses. Conflict management can be sought and achieved through a variety of means – traditional, administrative, legal or collaborative methods. Effective conflict management is achieved and supported by clear communication mechanisms and the availability of information among stakeholders involved in the conflict. In addition, building sustainable solutions for managing conflict requires sufficient stakeholder capacity to be able to participate effectively in the process (Katherine et al. 2002).

212. The CFM agreement template provides for mechanisms for conflict resolution in case of a breach of agreement between the parties. However, there is evidence that the communities lack the capacity to use the provisions in the agreement to handle conflict situations with NFA. They also do not understand that conflict resolution procedures exist within their agreements especially when NFA is in breach of the agreement. This is partly because there are no support mechanisms put in place for the community to continue to understand the provisions of their CFM agreements. While NFA has legal counsel to explain the breach of contract, the community groups lack legal support to understand the circumstances of the breach of agreement. It was found that there are glaring cases where NFA has been in breach of a CFM agreement, but the CFM group(s) concerned have remained powerless. A case in point is KINARECA where NFA erroneously allocated land to the CFM group to which they were later denied access without compensation because the land was actually part of Queen Elizabeth National Park – see Table 6.3.

Table 6.3: Illustrative conflict resolution mechanisms adopted by CFM groups

CFR	CFM/community group	Conflict with NFA	Resolution mechanism
Namatale	Bumusili CFM group	Encroachment/boundary conflict	Dialogue and later Court
Kalinzu	KINARECA	The group was denied access to 40ha of trees in part of Kalinzu / Imaramagambo forest purportedly belonging to Queen Elizabeth National Park	Community has remained helpless with a dysfunctional agreement which NFA has not cancelled
Mpanga in Hoima	MCODA	Land allocated to private tree farmers without considering the local community	Private farmers transferred to another CFR. Introduction of CFM and allocation of 100ha of land to the community
Budongo	BUNCA	NFA licensed businessmen to burn charcoal from Cynometra lops and tops in contravention of the CFM agreement	BUNCA remained helpless
Rwoho	SWAGEN, BECA, RECPA	NFA's giving contracts to non-CFM members beyond even CFM communities.	No action taken yet by the CFM members to complain to NFA
Mabira	NACOPA	Cutting of trees protected by CFM members by licensed individuals without any benefit going back to the CFM group	Members have largely withdrawn their interest in protecting the CFR and committed themselves to doing CFM-type activities on their private land.
Malabigambo	Kigazi Tukwatile Wamu	Failure to zone because of conflict between grazers and farmers	CFM members have set up policies to temporarily guide them as they await NFA's action.
Timu	TEC group	Boundary demarcation	Engaging with NFA ground staff.

However, there are some isolated cases where CFM groups like BUMUSILI CFM in Mbale have taken NFA to court. Some of the cases the review team encountered are summarized in the Table 6.3. The strategies used by groups in Table 6.3 should be read along their strategies to defend their rights described in Table 6.2.

213. There have been incidences of internal group conflicts amongst CFM group members. Internally CFM groups have used the following avenues to resolve their conflicts:

- (i) **Disciplinary committees:** CFM groups have set up disciplinary committees to deal with members who do not comply with their rules and regulations. Such members are summoned by a group's disciplinary committee which has the discretion to handle cases of non-compliance. NNTG as an example has a disciplinary committee of five people who handle internal group disputes. When these disputes fail to be resolved at this level, cases are then referred to the executive committee and the general assembly respectively.
- (ii) **Mediation:** The other conflict resolution mechanism found was the use of mediators (through the support / use of NGOs) – for example, KIFECA was supported by CARE and the Community Development Resource Network (CDRN) to resolve some internal governance conflicts within the group. The conflict was assessed, and the group was advised to conduct fresh elections to replace the leadership that was involved in the conflict where the chairperson of a sub-group of KIFECA CFM group wanted to assume leadership of the whole of KIFECA.

6.10 Practices for members' and leaders' capacity building and organizational development

214. In many groups, executive leaders have had more exposure to training and learning experiences by virtue of their positions. Such capacity building is predominantly externally driven by NGOs and projects, and it has gone a long way in broadening leaders' understanding of, for example, conservation-and-development issues; groups' formation and dynamics; basic record keeping and financial management; saving and credit practices; tree planting and forest conservation. The other members in groups have either benefited from meetings and training *in-situ* or indirectly through accessing information and skills from the more exposed leaders. Exchange visits were found to have inspired many members and leaders. However, openness in sharing information is not typical of all CFM leaders.

215. As regards organizational development, UNETCOFA had an assessment of its organizational capacity carried out in order to formulate its capacity development plan. Unfortunately, the Forest Resources Sector Transparency programme (supported by CARE) under which this organisational capacity assessment was carried out ended before UNTECOFA's capacity development plan could be implemented. However, many groups lack the opportunity to benefit from organizational development support, largely because resources for this (capacity and funds) are rarely available. Unless this shortcoming is accepted and addressed by CFM groups, NFA and supporting NGOs, it will continue to act as a barrier to their future growth and development as well as constrain their ability to attract funding.

6.11 Practices for value addition, forest-based enterprise development and marketing

216. Initiatives and practices to promote forest-based enterprise development, value addition and marketing have emerged in recent years. These have been driven by the need to generate more benefits beyond those traditionally derived from forests in order to improve community livelihoods. These practices build upon those of the traditional user groups. The key enterprises being developed across CFM sites include bee keeping, craft making and tree growing. The level to which these enterprises have been developed is still low although this varies depending on the level of support provided to the groups. Beekeeping, for example, has been taken up by a good number of CFM groups (10 of the 40 groups visited by the review team) but it was found there were a limited number practicing value addition and marketing such as MANRUIA, KICODA and NNTG in Matiri, in Budongo and Kalinzu CFRs respectively.
217. Other CFM groups involved in beekeeping are still at level of producing raw bee products while yet other groups such as KAFACA, BUNCA, NOBUFOCA CFM groups around Budongo CFR saw their beekeeping enterprises collapse, and their hives were destroyed on account of their lack of enterprise management knowledge and skills. The groups reported that the beehives were made from the wrong timber which rotted. NOBUFOCA reported that their bee hives were destroyed by termites.
218. With regard to tree-growing enterprises, the groups are still involved in the sale of round wood. The NNTG which has about 600 hectares of trees has indicated in their strategic plan the need to procure a low-cost sawmill to convert their trees into timber and also to venture into furniture making and marketing as part of value addition to enhance and broaden the incomes of their members.
219. Additionally, enterprise development has moved from traditional forest use to other enterprises such as coffee growing, pig-keeping, poultry and Irish potato growing which can bring quick returns compared to tree growing. Table 6.4 summarises some of the key enterprises some CFM groups are engaged in together with various value addition practices.
220. It is clear that the practices of value addition, enterprise development and marketing are in their infancy stages for CFM in Uganda. Both NFA and CFM groups do not have the required capacity in these areas. NFA was in the process of recruiting a Business Development Specialist, and at the time of writing this process was still ongoing. It is important to note that where the communities have made efforts to invest, their investments cannot be adequately traced from the point of clear records. For some enterprises like beekeeping, the groups have received bee hives from various organizations as donations but there has been no effort to record the associated costs of procuring the hives. The review could not trace the efforts of the community to add their own beehives to the donations to demonstrate their ownership of the enterprise beyond the donation.

Table 6.4: Enterprise development and Value addition practices in selected CFM groups

CFR	CFM group	Enterprise	Value addition	Stakeholder providing Support
Budongo	KICODA	Beekeeping	Honey processing packing, branding & wax processing	JGI
Kalinzu	NNTG	Beekeeping	Honey harvesting, processing, packing, branding, & wax processing; cough syrup making	JGI and WWF
		Coffee growing	Small scale husks removing	WWF
		Tree growing	Carbon trade	Eco-trust
Matiri	MANRUJA	Beekeeping	Honey processing Venom harvesting and marketing	Kabarole Beekeepers Association JESE and CARE
		Tree Nursery	Coffee and fruit seedlings Good quality tree seed	Kyenjojo DFS, NFA
		Craft Making	Weaving and craft-making from raw materials obtained from the forest	Self-drive from the group
Echuya	BECLA and MECDA	Trade in Irish potato	Buying Irish potatoes from farmers and re-selling them for profit.	An initiative by group members
Mabira	NACOPA	Tourism	Partnered with an NGO in eco-tourism called MAFICO to improve their tourism product	MAFICO
Mpanga	Mpanga's 5 CFMs with Agreement.	Trade in timber	Members intend to establish a group store and sale collectively as one group	An approach that members intend to follow when their trees mature.

This might explain why bee keeping for some groups around Budongo CFR collapsed before breaking even. It is thus not very clear in most instances whether the CFM groups that are still proceeding with the donation-initiated enterprises are making profits in a real sense or not. The whole area of enterprise development, value addition, and marketing and associated support services (including record keeping) is new area of work by NFA and NGOs for which they have not hired competent staff to advise and follow up on these enterprises. In some cases, it would be wise to partner with the private sector as a strategy to overcome the capacity gaps of some groups.

6.12 Salient capacity gaps

221. Broadly CFM groups are faced with governance challenges that manifest in the form of poor leadership where the leaders are not familiar with their roles and responsibilities. Further, ‘founder’ syndrome has weakened the governance of CFM groups as their leaders are not willing to relinquish power to other group members. CFM group members lack adequate knowledge about the groups’ rules and regulations, and this limits their ability to demand leadership change.
222. Apart from a few groups as earlier described⁶¹ there is a general lack of cohesion and coordination amongst groups at a landscape level. Ultimately this has weakened the groups’ ability to lobby and advocate for their entitlements. Overall, CFM groups lack information on policies and laws that govern their CFM agreements, and this explains why they are not renewing their registration status. Their lack of understanding and awareness also explains to some extent their failure to lobby and advocate for their interests.
223. There is a disconnect between CFM arrangements and livelihood improvement. Many CFM groups still consider CFM as an approach to formalize traditional resource gathering from CFRs and yet as human populations grow forest resources are becoming increasingly inadequate. Modern CFM approaches require knowledge and skills for developing alternative enterprise options and value addition and marketing aimed at improving the livelihoods of communities adjacent to the CFRs such that there is reduced pressure on forest resources. Some enterprises have been developed such as bee keeping and craft making but these largely are still at subsistence level, and there is still an element of individualism in marketing which exposes communities to exploitation by middlemen. It was found that CFM groups generally lack enterprise development, value addition and marketing skills. In addition, the groups can’t track their investment costs and the profits accruing from their enterprises due to inadequate financial management (record/book keeping) skills. Findings revealed that CFM groups with exception of a few⁶² do not have work and monitoring plans to guide CFM implementation, and instead more often their plans are unwritten and ad-hoc. This makes the groups susceptible to a loss of focus.

⁶¹ CFM groups around Kalinzu which formed the “Kalinzu Landscape Forum”

⁶² For example, MANRUA, Nyangole, NNTG and KICODA CFM groups

7 National Institutional landscape for CFM in Uganda

7.1 Introduction

224. This chapter reviews the national institutional landscape for CFM, by assessing the positioning of the CFM function within NFA as well as overall staffing and reporting relationships relevant for CFM. The systems for reporting on CFM processes, implementation and performance are then discussed. The role of other key parts of government – local governments and the Forest Sector Support Department are then examined. This then leads into an assessment of NFA's partnership strategy for CFM, and its strengths and weaknesses. The relative advantage of NGOs, local governments and private sector in facilitating and supporting CFM are reviewed together with the situation of UNETCOFA in the CFM institutional landscape. Finally emerging capacity gaps are identified and discussed.

7.2 Positioning of CFM function, staffing and reporting relationships in NFA

225. The review team used the NFA approved organization structure of July 2009⁶³ to assess the suitability of CFM function. NFA structure had four directorates, namely: Natural Forests, Plantations, Corporate Affairs and Finance and Administration with substantive directors, all reporting to the Executive Director. The CFM function falls under the Directorate of Natural Forests. This directorate is responsible for the overall management of all natural forests especially ensuring their physical integrity. The key functions include protection of forests against illegal activities, boundary demarcation and marking, management of private tree farming activities, conservation of natural forests and development of eco-tourism business. Other functions include licensing of forest produce and value addition, strengthening of partnerships with stakeholders especially forest adjacent communities, forest management planning and resource mobilization.

226. The Directorate of Natural Forests comprises seven units namely: boundary survey, land management, utilization, natural forests, ecotourism, community partnerships and law enforcement. There are 3 coordination units of natural forests, law enforcement and forest utilization that provide coordination functions, technical, administrative and management support to Range managers. These are supported by subject matter specialists. One of such specialists, reporting to the Director, Natural Forest is the Partnership and CFM Specialist, technically now an Officer in the new NFA organisation structure⁶⁴.

227. The following structural weaknesses were identified in the NFA old structure:

- (i) The positions of CFM forest supervisors at range level were not filled except at lake shore range, implying chronic staffing weakness.
- (ii) It was found that even under the Directorate of Plantations, there are CFM groups around plantations (e.g. Bugamba- Rwoho, Katugo CFRs etc.) but a similar position of CFM supervisor was not provided under that Directorate⁶⁵.

⁶³ At the time of the analysis for this report, the 2017 NFA organogram had yet to be approved by the board.

⁶⁴ Staffing in the new structure awaits lifting of the recruitment ban in public service.

⁶⁵ This concern is taken care of by bullet 7 in the job description for forest supervisors IN Box 7.1

- (iii) Thirdly, Range managers under the Directorate of Natural forests report directly to the Director, and this arrangement precludes the Partnership and CFM specialist from automatic access to information on CFM activities at Range level on a consistent basis, since it appears the officer is not reliably copied in the correspondence. The same problem arises under the Directorate of Plantations.

228. Some of the above gaps were identified by NFA around 2009, when it sought to recruit CFM supervisors, with job descriptions set out in Box 7.1. However, the positions were never filled.

Box 7.1: Job Description for the CFM supervisor

Job summary: The Collaborative Forest Management Supervisor is to promote CFM and strengthen capacity for the establishment of community-based partnerships and initiatives in and around Central Forest Reserves to bring about proper forest management in the Range.

The specific functions for CFM supervisors include the following:

- Together with the other sector and beat staff assess the feasibility for CFM in CFRs within the Range and sensitize/ create awareness in communities, local administration and politicians about the opportunity for CFM.
- Compile quarterly CFM work plan in liaison with all the other sector and beat staff and submit copies to both the Range Manager and the Community Partnerships Specialist.
- Help the community to articulate their forestry-related issues and apply for CFM with clear objectives.
- Manage and coordinate the formulation of CFM agreements and Plans
- In liaison with the Community Partnerships Specialist and Range staff, identify and link NFA with other potential local and national (NGOs) stakeholders interested in facilitating CFM
- Together with the local communities identify viable forestry-based enterprises and help the community to prepare project proposals for funding and subsequent enterprise development.
- Supervise the implementation of all CFM activities in both plantation and natural forests within the Range
- Prepare situational and monthly field reports on CFM and submit to the Range Manager with a copy to the Community Partnerships Specialist
- Reports to Range Manager

229. According to the Human Resource Manager, it is only lakeshore Range that has a CFM supervisor. However, there are proposals for a new structure, which establishes the post of partnership officer, and 10 partnership supervisors who would shoulder the responsibilities for CFM. Owing to the ban on public sector recruitment, NFA will have to wait longer to have the positions filled (ideally by social-foresters). In addition, the government's recent pronouncement in 2018 of reabsorbing NFA back into the Ministry of Water and Environment such that it becomes one or more departments will also have implications for the repositioning of CFM function, if it goes ahead. In the meantime, it will have to be the existing staff to continue with that responsibility⁶⁶.

⁶⁶ It has emerged that CFM Unit, whether under NFA or Ministry would need to either have its own Enterprise Development Specialist to help CFM groups or rely on those within the overall organization.

7.3 Systems for reporting on CFM processes, implementation and performance

230. It was established that no institutionalized system, with an in-built robust monitoring and evaluation (M&E) framework and corresponding indicators has ever been established by NFA for reporting on CFM. It is therefore not a surprise that CFM has not featured greatly during the Joint Sector Reviews between the Ministry, Development Partners and other stakeholders. Reporting on a number of CFM agreements signed and being implemented as laid down in past business plans of NFA was not adequate because it left out other aspects of CFM outcomes (institutional, forest conservation and socio-economic). Investing in a management information system (MIS) to report on CFM processes, implementation and impact by NFA will be an invaluable platform for convening the participation and learning by different stakeholders, including government agencies, LGs, development partners, NGOs and the private sector.

7.4 Positioning of CFM function in the Local Government Structure

231. The NFTP (2003) provides for District Forest Services (DFS) under the District Local Governments with the mandate to manage Local Forest Reserves (LFRs) and provide advisory services to the management of forests on private land. Section 35 of this law provides for CFM arrangements in both CFR and LFRs. These legal provisions are an opportunity for Local Governments to initiate CFM arrangements in the LFRs through district forest offices. Local governments are critical players in the CFM process not least in ensuring that the CFM groups are **legal entities** that are allowed to conduct business in an appropriate manner. Community Development Officers have been seen to lead the process of building the capacity of the groups by training them in group dynamics, the registration process as well as the renewal of the groups' registration status as mandated by the NGO Act of 2016. Local government officials especially the district and sub-county chairpersons hosting CFM groups have always signed as key witnesses to the CFM agreements.

232. Despite the enabling legal framework, the Local governments have not yielded much with regard to implementing CFM arrangements in their LFRs. Beyond just being witnesses, Local Governments have not demonstrated any interest in monitoring implementation of the CFM agreements and linking CFM groups to government development programs like the Operation for Wealth Creation (OWC) and National Agricultural Advisory Services (NAADS).

233. Local governments are critical for the sustainability of CFM processes both in Central and Local Forest Reserves; as such their participation in the CFM process should be mandatory rather than optional. Accordingly, local governments should be encouraged and supported to take interest in CFM groups as a change agent for rural development and local economic development. This should become a reality given that government has decided to remove local governments from the Public Accountability Sector with effect from 2019/2020 financial year and making them a stand-alone sector⁶⁷.

⁶⁷ Local governments have long argued that they do not get enough revenue and budget to implement their devolved functions, and their own stand-alone sector is intended to enable them access enough resources relative to their mandates, compared to previously when they were sharing the budget under the Public Accountability sector.

7.5 Role of the Forest Sector Support Department in CFM

234. Forestry Sector Support Department (FSSD), falling under the Directorate of Environment Affairs of the Ministry of Water and Environment is responsible for forestry guidance and regulation. Accordingly, its major role is to periodically review and update forestry policies and regulations with a view to creating an enabling environment for NFA and other forestry stakeholders. It is also supposed to hold NFA accountable about its performance. However, since it was established, NFA has been made to sign only two performance contracts. This implies that FSSD has not adequately supervised NFA and its performance on its functions. Improving staffing, logistics and training of the FSSD will also be critical if it has to play an active role.

7.6 NFA's partnership strategy for CFM, its strengths and weaknesses

235. In its operations, NFA coordinates and works with various sub-sector partners, both under government and forestry-oriented partners. The environment and natural resources subsector partners in the sector include the National Environmental Management Authority (NEMA), the Uganda Wildlife Authority (UWA), the Uganda National Metrological Authority (UNMA), development partners and civil society.

236. According to NFA's business plan, one of its 4 strategic objectives focuses on expanded partnership arrangements with strategies for;

- Expanding the scope of CFM to other CFRs
- Enhancing collaboration with stakeholders through MoUs and agreements
- Expanding public-private partnership for investment in CFRs
- Supporting community livelihoods and income initiatives
- Enhancing corporate social responsibility

237. NFA has expanded its coverage of CFM across CFRs and established both formal and informal arrangements with other stakeholders. The main strength of this strategy is that NFA has leveraged resources. However, its main weakness is that due to the lack of a long-term strategy for CFM, the participation of stakeholders has not been well coordinated across CFRs to match and complement the needs and participation of CFM groups.

7.7 Relative advantage of NGOs, Local Governments and private sector in CFM

238. Table 7.1 summarizes the perception of stakeholders on the relative comparative advantage of institutions in supporting NFA to implement CFM.

Table 7.1: The comparative advantages of NGOs, local governments and the private sector in supporting NFA with CFM implementation

Institution	Advantage	Weakness
NGOs	<ul style="list-style-type: none"> - Well-funded for the specific activities they implement, and hence complement NFA in resource mobilization. - They are trusted by donors more than NFA. - They diversify their community mobilisation strategies (i.e. promotion materials like T-shirts, umbrellas, radio talk shows and exchange visits). - Have networks or technical staff to call upon for some activities. - They are generally transparent and committed to fulfilling their promises to the communities. - They take a broader development perspective, incorporating both in-forest and out-of-forest (or livelihood) activities, and sometimes incorporating aspects of human-rights, policy advocacy and forest governance. 	<ul style="list-style-type: none"> - They sometimes go direct to CFM Groups without knowledge of NFA, which denies NFA information on the scope and content of their support. - The allowances or incentives they give to communities for participation at meetings and training distorts the degree of interest and commitment among CFM Group members. - They have weak exit strategies. - They shift their programme priorities according to what 'sells' or raises them funding, and even then, for very short duration projects of 1-3 years only. - They lack capacity for CFM, and often resort to using NFA staff on an individual rather than an institutional basis.
LGs	<ul style="list-style-type: none"> - Have various technical departments in support of CFM (e.g. forestry, agriculture, community development, entomology, veterinary, trade and commerce, planning, etc.). - They are close to communities and relate to them over other diverse activities for other sectors. - They have structures through the LC system and local leaders to ease mobilization and communication. 	<ul style="list-style-type: none"> - Very limited financial resources committed to forestry even where they raise revenue from forest produce. - They lack commitment to initiate CFM. - They do not respond to fire outbreaks and illegality in CFRs - They are vulnerable to political pressure and sometimes also succumb to orders from above. - They are liable to suffer from elite capture.
Private Sector	<ul style="list-style-type: none"> - They tend to be well funded. 	<ul style="list-style-type: none"> - They prefer to implement their CSR activities in parallel with communities rather than through them.

7.8 Vertical and horizontal linkages in CFM, including sub-national and CFR level networks

239. Vertically, CFM groups have related directly with NFA by virtue of their contractual relationship. It has only been constrained by a lack of structural and consistent communication, which inhibits information flow and timely identification of issues to be attended to by all the parties. Local governments raised concerns about poor sharing of planned activities by NFA and its low visibility in the local government planning and budgeting forum.
240. However, there are emerging trends towards CFR level networks and associations which will enhance communication, skills transfer and knowledge among groups. ECOTA of the Echuya CFRs consists of all four CFM groups, MEMA combines eleven groups in Gomba CFR, and Mpanga CFM cooperative brings together five signed CFM groups together around Mpanga CFR. In addition, there are other networks which had been formed by UNETCOFA but which are now weak because of a lack of capacity within UNETCOFA to fund their activities, including coordination.

7.9 Position of UNETCOFA in CFM institutional landscape, its role and impact

241. UNETCOFA is a 'loose' nationwide CSO network that brings together various community-based groups (CBOs) that live adjacent to forests with an interest in CFM with NFA. CARE International in Uganda supported the establishment of UNETCOFA in 2006 in partnership with BUCODO (now CODECA) under the EMPAFORM program in East Africa (2005-2009). The overall objective of this Program was, "Ensuring that natural forests and woodlands in East Africa are sustainably managed and conserved with increased benefits to poor men, women and children in forest-dependent communities". UNETCOFA was formed by CBOs that were participating in CFM with NFA in some CFRs and as a strategy to bring together the CBOs implementing, negotiating or intending to start CFM process to enhance joint learning and information sharing. And additional objective was to form a critical mass for lobbying and advocating for policies in relation to CFM, and to jointly pursue the environmental, economic and social benefits of sustainable forest management. According to CARE international, existing networks at that time, including the Forestry Working Group convened by Environmental Alert, the Forest Governance Learning Group convened by ACODE and the ENR Network were not representative of CFM groups countrywide.
242. However, not long after UNETCOFA been formed the EMPAFORM program, under which it had been supported, ended. That aside, it was also gathered that BUCODO which had hosted UNETCOFA, changed its objectives and subsequently formed CODECA whose objectives were not compatible with those of UNETCOFA. Eventually, CDRN volunteered to host UNETCOFA and continues to do so to the present day. UNETCOFA has no staff of its own, and secondly, it is not legally registered. The day to day aspects of UNETCOFA are assigned to a CDRN employee. But UNETCOFA does have a national steering committee composed of representatives from active NGOs. It has a constitution, strategic plan, work plan and has held AGM meetings. Currently, it operates under a memorandum of understanding with its host organisation, CDRN.
243. CDRN received funding from CARE in 2014 to build the capacity of CFM groups and it facilitated UNETCOFA to hold an Annual General Meeting in 2016 – the last it has held to date. According to UNETCOFA's Coordinator at CDRN, UNETCOFA came into existence to help mitigate some of the challenges that NFA could not take on towards supporting the various CFM groups all over

the country. They included the weak relationship between NFA and forest adjacent communities, weak coordination between CFM groups and a failure to bring out common issues relevant for policy debate and decision making centres, lack of common front on policy advocacy and lobbying, disparity between the capacity and power of NFA *vis-a-vis* that of CFM Groups, and poor visibility of CFM groups in policy discourse and, relatedly, low levels of financing.

244. UNETCOFA has shared information with other NGOs such as CARE international, JGI, Nature Uganda, WWF, and IUCN and also with NFA. It participates in other forums that are forest related and has attended meetings organized by IUCN for the Ministry of Water and Environment on REDD+ processes.
245. Internally, UNETCOFA is supposed to be funded by annual subscription and membership fees. Membership entry fees stand at UGX 20,000 while annual subscriptions are UGX 200,000 per organisation. From both field consultations and interviews at UNETCOFA, it appeared that the raising of these funds was irregular, and only really consistently occurred at the time UNETCOFA was being supported under EMPARORM, and CARE International. Even then, not all member organisations listed under UNETCOFA paid their stipulated dues, and because of leadership changes in some groups and poor communication from UNETCOFA due to poor funding, some CFM groups are not aware of UNETCOFA's existence. Externally, UNETCOFA together with the ENR-CSO group were beneficiaries of UGX 455.739 million from 2014-2016 by CARE and recently, it won a grant of UGX 90 million from Private Sector Foundation (PSF) under Skilling Uganda Program in 2017. The grant solely supports apiary enterprise development and related capacity building.
246. In summary, it was found that UNETCOFA has 46 members spread all over the country as shown in Table 7.2. Owing to its historical origin of being housed by BUCODO, it is not surprising that much of the membership base came from the Budongo System. A good number of these CFM groups have no CFM agreements yet.

Table 7.2: Membership representation in UNETCOFA by Origin and CFM agreement status in 2018

Range	Sector	No. of CFRs	No. of CFM groups	Membership			Agreement status		
				Male	Female	Total	Still valid	Expired under revision	Pipeline
Budongo System	Budongo	1	5	346	264	610		5	
Budongo System	Itwara	1	2	94	158	252	1		1
Budongo System	Kagadi	1	1	105	105	210	1		
Budongo System	Kisindi	2	3	392	201	593	1	2	
Budongo System	Itwara	1	1	30	20	50			1
Muzizi River	Matiri	1	1	150	80	230		1	
Lakeshore	Lwankima	1	3	57	78	135		2	1
Lakeshore	Mpanga	1	1	100	115	215			1
Lakeshore	Lufuka	1	1	126	35	161			1
Lakeshore	Mukono and Kalangala	2	2	60	50	110	1		1
South West	Echuya	1	4	668	438	1,106	0	4	0
South West	Kasyoha-Kitomi and Kalinzu	2	14	2,154	2082	4,794	2	6	6
Sango Bay	Masaka	2	8	365	261	626	0	3	5
TOTAL		17	46	4,647	3,887	9,092	6	23	17

Table 7.3: Coverage, support received and pending challenges of UNETCOFA sampled networks

Sub-national association/network	Membership size and coverage	Support received since formation and from who	Pending challenges faced
Mabira Community Development Network (MCDNet) (Contact John Tabula 0752-171480)	7 CBOs around 1 CFR of Mabira, covering the Districts of Mukono, Bwike and Kayunga	- EMPAFORM supported the formation of the network and short-term capacity building for advocacy	- Network is loose and has failed to get one CBO to host it because of a lack of funding and similar interest in conservation
Bushenyi Network for Collaborative Forest Association (BUNETCOFA) (Contact Venasio Sabiti 0782-411124)	9 CBOs around 1 CFR of Kasyoha-Kitomi covering 3 Districts of Rubirizi, Bushenyi and Buhweju	- EMPARORM supported the network in capacity building, advocacy and office stationery - Nature Uganda has supported holding of 3 AGMs, sensitization on CFM, and 2 radio talk shows on CFM, livelihood enterprises, tree planting and reducing over-dependency on CFRs, and importance of group formation - CDRN provided some bee-hives and related training to some of their members ⁶⁸	- Limited communication between members - Lack of resources for basic operations and office support (Secretary works as volunteer and coordination is ineffective)
Kabira Network for Collaborative Forest Network (KANETCOFA) (Contact Rogers Lubega 0772-913358)	6 CBOs around 3 CFRs of Kigona, Kigoma and Terro East CFRs	- EMPAFORM supported them in exchange visits, capacity building and introduction to alternative livelihood initiatives - FFI supported them in CFM processes generally, especially on biodiversity conservation, livelihoods and culture - NFA has been the most consistent in supporting them on CFM processes including linking them to FFI	- Being undermined in CFM principles by some NFA staff, taking orders from above - Lack resources to operate as an association with no logistics to be able to reach out to members
Kyebe-Network for Collaborative Forest Associations (KYEB-NET) (Contact Joseph Mugerwa 0751-800691)	11 CBOs around 3 CFRs of Sango Bay - Malabigambo, Terro East and West, and Namalala CFRs	- EMPAFORM built their capacity for CFM processes and income generating activities - ACODE built their capacity in forest governance and strengthening of groups - UNETCOFA supported them to participate in group work and attendance to national level advocacy meetings	- CFM groups with expired agreements not yet renewed - Newly established groups wishing to sign CFM agreements not fully supported - Lack of financing to expand out tree nursery establishment

⁶⁸ This was part of funding CDRN secured for members from PSF-U under Skilling Uganda

247. Further, by the time EMPAFORM ended in 2015, UNETCOFA had formed six area-based (Forest) networks. From the sample studied in Table 7.3, it is evident indeed that some of the networks received additional support after EMPAFORM and mainly from NGOs. But countrywide these networks were found to be weak due to a lack of funding and the spread of their leaders' time in other activities.
248. In an organisational capacity assessment carried out in 2015, it was generally found that UNETCOFA was very weak and the consultations during this review have verified that the situation has not changed much, save for a successful win of a UGX 90 million grant under the Skilling Uganda Programme.
249. As showed in the Figures 7.1 and 7.2 below, all quantitative findings from the capacity assessment found UNETCOFA with weak and inadequate capacity in all areas assessed. Out of a maximum average score of 4 for instance, members rated the capacity of the network in lobbying and advocacy with an average score of 1.0 and the capacity of the network in evidence generation and sharing with stakeholders was rated with an average score of 1. Members also rated the capacity of the network in creating and managing partnerships and networking with other CSOs with an average score of 0.7 and the capacity of network members in advocacy and lobbying was rated with an average score of 0.9. The institutional capacity of the network to coordinate and manage itself was rated with an average score of 1.5.

Figure 7.1: UNETCOFA'S capacity assessment for engaging the external environment

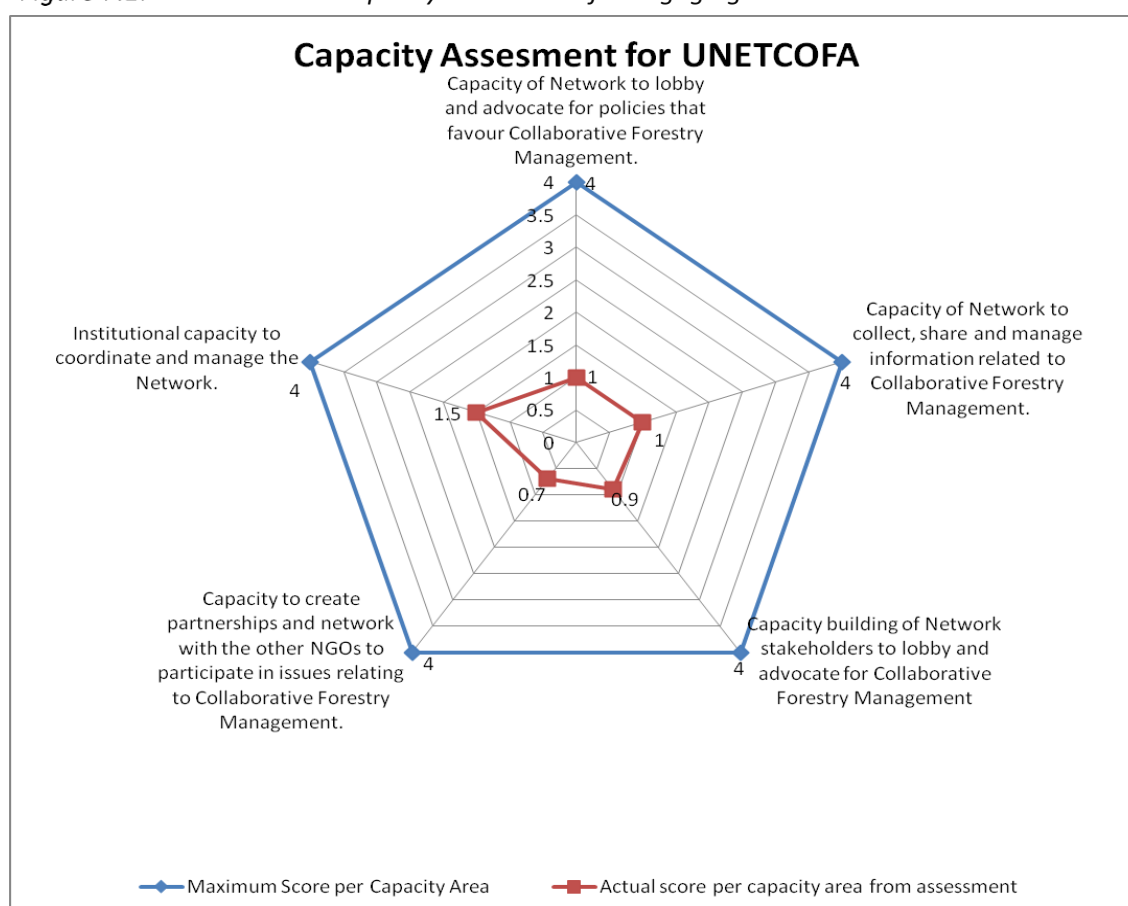
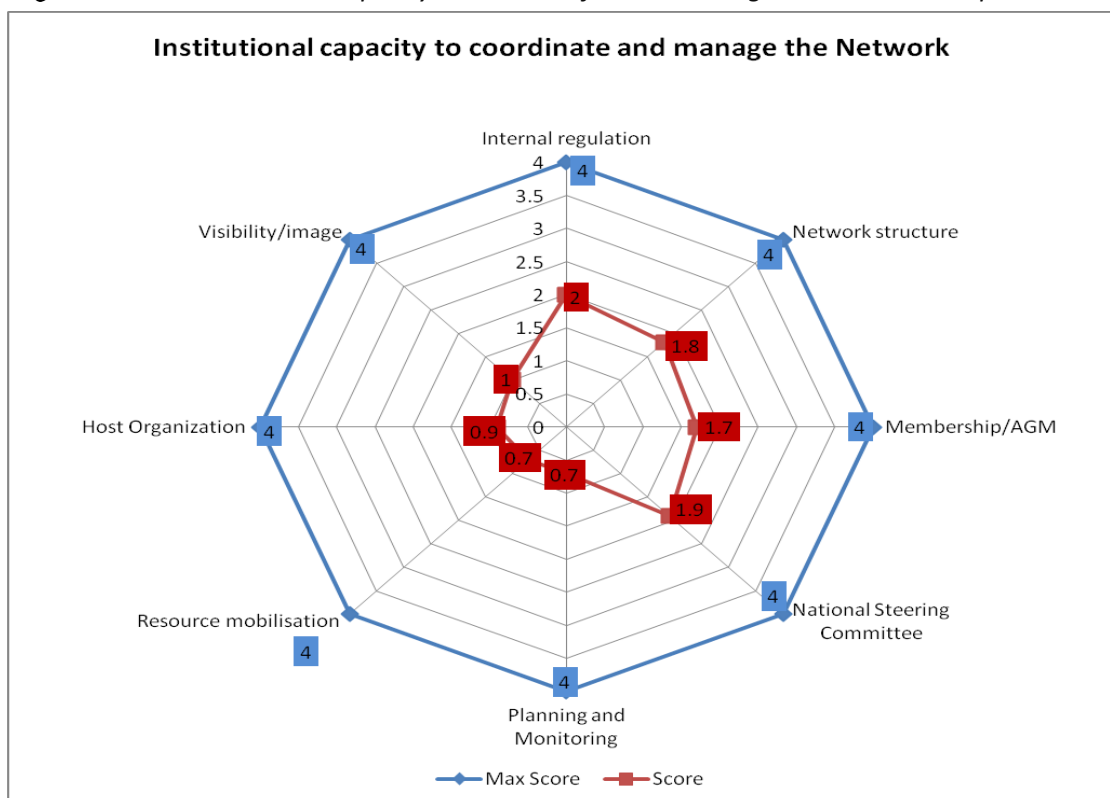


Figure 7.2: UNETCOFA's capacity assessment for internal organisational development



250. Finally, the future position of UNETCOFA has to be assessed in the context of emerging **member driven** associations of CFM groups in many locations. They in a way, differ from UNETCOFA which was **externally driven** under a regional program of EMPAFORM, together with similar (and more successful) initiatives in Tanzania (Mtandao wa Jamiwa Usimamizi wa Misitu Tanzania or **MJUMITA**) and Kenya (National Alliance for Community Forest Association-NACOFA). The main lesson one draws from the case study of MJUMITA of Tanzania which was formed at the same time as UNETCOFA was formed is that had UNETCOFA or a similar network in Uganda been well organized and active, it would have supported CFM groups in participating not only in curbing deforestation in Uganda but would also likely have obtained a reasonable level of financial sustainability. MJUMITA's⁶⁹ capacity, effectiveness and sustainability has substantively benefited from having been supported by the Tanzania Forest Conservation Group (TFCG) for many years as well as having collaborated with other NGOs (Box 7.2).

⁶⁹ It should also be noted that MJUMITA represents community groups participating in both 'Joint Forest Management' (a close analogue of 'Collaborative Forest Management' in Uganda) as well as 'community-based forest management' ('Community Forest Management' in Uganda) which occurs within Village Land Forest Reserves which are registered and belong to villages (i.e. communities), whom are ceded full forest management and benefit rights.

Box 7.2: MJUMITA of Tanzania in curbing deforestation, tapping climate financing and preparing members for equitable benefit sharing under REDD+

MJUMITA's members are present in 12 regions, 23 districts, 450 villages in Tanzania and representing around 500 user groups and/or VNRCs involved in participatory forest management countrywide. The total number of MJUMITA members is approximately 15,000 people. It operates in 6 geographical zones which are the Eastern and Coastal zone, Central Zone, Southern Highland zone, Northern zone, Southern zone and the Western zone. MJUMITA has the potential to be a powerful voice for the rural poor of Tanzania and has already had considerable success in negotiating for improved forest governance. Building on its success, the network is ready to engage proactively in advocating for greater accountability at all levels of government in relation to forest governance. It has implemented a four-year Forest Justice in Tanzania (FJT) project (2011-2014) in partnership with Tanzania Forest Conservation Group (TFCG) that aims to promote improved governance and increased accountability in Tanzania's forest sector. The initiative funded by DFID worked through four inter-related strategies, namely: Monitoring forest governance and forest condition; Enforcement promotion; Research, analysis and communication; and agreeing standards.

Further, on 6th November 2014, the Ambassador of Norway launched the project 'Making REDD work for communities and forest conservation in Tanzania' implemented as a partnership between the Tanzania Forest Conservation Group (TFCG) and the Tanzanian Community Forest Conservation Network (MJUMITA). The project aims to reduce greenhouse gas emissions from deforestation and forest degradation in Tanzania in ways that provide direct and equitable incentives to communities to conserve and manage forests sustainably. The project is being financed by the Norwegian Ministry of Foreign Affairs as part of Norway's commitment to assist Tanzania to get ready for REDD.

Leading forest carbon offset verifier [SCS Global Services](#) (SCS) announced in October 2015 that it has completed a third-party validation and verification of the MJUMITA Community Forest Project. Through the validation and verification process, SCS confirmed that a net reduction of 1,350,000 tonnes of carbon dioxide equivalent (CO₂e) will occur over the 30-year crediting period. In order to achieve validation and verification, the MJUMITA Community Forest Project satisfied seventeen specific criteria under the [Climate Community and Biodiversity Standards](#) (CCBS), and demonstrated conformance to the [Verified Carbon Standard](#) (VCS). Going above and beyond the CCBS criteria, MJUMITA met Gold Level requirements for providing Exceptional Biodiversity Benefits, Exceptional Community Benefits, and Climate Change Adaptation Benefits. Additionally, MJUMITA was the first project to be both validated and verified to the Third Edition of the CCBS.

Source: <https://www.scsglobalservices.com/news/mjumita-community-forest-project-validated-and-verified-by-scs-under-the-climate-community-and>

7.10 Emerging capacity gaps for CFM

251. The required capacities for implementing CFM can be defined in three broad categories: Technical (attitude, knowledge and skills), Institutional (systems, logistics, infrastructure and finance) and capacity to engage with the external environment. These capacities are required across institutions now involved in one way or another with CFM processes, including NFA, FSSD, LGs and NGOs.

252. Institutionally, the review findings revealed that CFM was not well placed within NFA's structure. The structure only provided for one staff member in the CFM unit charged with the responsibility of planning and providing technical support for CFM processes across the country. In the Lake shore Range, NFA employed a CFM Coordinator to oversee implementation of CFM processes within the Range, however, this too was found to be inadequate due to the technical capacity gaps amongst the NFA staff within the Range. But the presence of the CFM Supervisor at the Range partly accounts for the recent increase in the number of CFM groups in the range, which is a commendable achievement.

Table 7.4: Salient CFM implementation capacity gaps among key institutions

Party to CFM	Salient Gaps
FSSD	<ul style="list-style-type: none"> - Lack of a management information system and indicators to monitor and report on NFA's strategic objectives, including on CFM - Limited staffing and logistical support - Poor funding within its own sector
NFA	<ul style="list-style-type: none"> - Lack of a positive attitude, and basic orientation and training on CFM and partnership building among a critical mass of staff. - Lack of a 'business' lens to CFM models and activities that it promotes. - Low involvement of forest adjacent communities in CFR / Forestry Area Management Planning. - Lack of a critical mass of staff at all ranges responsible for CFM - Lack of logistical support (motorcycles, vehicles etc.) to supervise and monitor CFM activities. - Weak capacity to engage LGs and projects to leverage resources for CFM - Weak visioning capacity for CFM within the forestry sub-sector
LGs	<ul style="list-style-type: none"> - Lack of <u>interest</u> in initiating CFM even in their LFRs. - Lack of funding from the line Ministry (of Water and Environment) in terms of conditional grants for forestry since 2004/2005
NGOs	<ul style="list-style-type: none"> - Lack of all-round knowledge on CFM basic principles, practices and procedures - Limited capacity to evaluate <u>conservation-cum-business models</u> that accommodate the interests of NFA while better incentivizing CFM Group members

253. While civil society has been instrumental in financing CFM processes, there are still sustainability gaps. This is due to the fact that the financing approach used by these CSOs is too expensive to be sustained by NFA. Examples of financing practices by CSOs that cannot be sustained by NFA include giving handouts in the form of transport refunds to community members who have come to meetings within their own villages, and funding very expensive CFM launching and agreement signing ceremonies.

8 Financing for CFM

8.1 Introduction

254. One of the omissions in the Guidelines for implementing CFM in Uganda was central issue of the financing. No doubt, some of the weaknesses with regard to CFM's design, negotiation and implementation are traceable to limited funding. The review in this chapter has thus focused on strategies of Responsible Bodies, CFM groups, and other stakeholders to finance CFM and related interventions. Accordingly, this chapter covers the following main aspects:

- (i) The evolving national legal and policy framework for public sector financing and its bearing on forestry
- (ii) CFM financing by the Responsible Bodies
- (iii) CFM financing by NGOs and the private sector
- (iv) CFM financing from innovative and non-traditional sources
- (v) CFM financing from the alignment with other life-cycles of projects and programmes
- (vi) Experiences of financing from other countries and
- (vii) Barriers to predictable and sustainable financing of CFM

8.2 National legal and policy framework for financing and its bearing on CFM

255. Right from the start, one has to recognise that forestry financing generally and CFM financing in particular is potentially spread among many public institutions with mandates to manage forests (NFA, UWA, NEMA, local government) and other line ministries such as MAAIF⁷⁰, MEMD⁷¹, MLHUD⁷². The financing of CFM has been reviewed in the broader context of financing forestry across all public and private sector players, and also by looking at the opportunities from other government programmes and sector projects for which the responsible bodies and any forest user groups are eligible to compete. Secondly, it has also been reviewed in the context of the criteria set by the providers (supply side) of finance, the responsible body and forest user groups needing it (demand side) and the national legal and policy framework for public sector financing (the enabling environment).

256. The GoU has implemented a series of macro-fiscal and macro-economic reforms over the last 25 years which continue to influence public sector financing and expenditure. During 1990 – 2010 for example, better managing government, more effectively controlling the size of the fiscal deficit and public borrowing, more tightly managing inflation and increasing domestic saving became the cornerstones of macro-economic policy. As part of this focus to improve public sector financing and expenditure, the Ministry of Finance, Planning and Economic Development (MFPED) was empowered to control fiscal aggregate⁷³ and, in particular, total government expenditure. At present, it exercises full authority over fiscal policy which means that major

⁷⁰ Ministry of Agriculture, Animal Industry and Fisheries

⁷¹ Ministry of Energy and Mineral Development

⁷² Ministry of Lands, Housing and Urban Development

⁷³ Aggregate fiscal discipline pertains to all key measures of fiscal performance: total revenue, the financial balance and the public debt, in addition to total spending.

forestry spending sectors and agencies require its authority to mobilise funding from any source other than the budget, be it domestic or foreign.

257. In 2012, the government embarked on additional reforms further consolidating the MFPED's position as the lead ministry in determining the public finance architecture of the country. These additional reforms included implementing the Treasury Single Account (TSA), upgrading the Integrated Financial Management System (IFMIS), improving the budget formulation process and strengthening budget transparency, implementation, monitoring and reporting. The past reforms together with these additional reforms were consolidated in the Public Finance Management (PFM) Act (No. 3) of 2015. The Act provides an elaborate framework for the preparation and approval of the national budget. The National Budget Framework Paper (BFP) provides the link between the government's overall policies and the national budget, which is developed following an extensive consultation process with different stakeholders. It is important to understand that the preparation and formulation of budget is based on macro-economic forecasts, national priorities and budget ceilings specified in Uganda's Medium-Term Expenditure Framework (MTEF). The main implication is that all players advocating for improved financing of CFM, particularly from the national budget must engage all the processes in the full budget cycle.
258. As far as mobilisation and utilisation of funding is concerned, the Government of Uganda's (GoU's) preference is for on-budget support or aid⁷⁴, but it also accepts project support⁷⁵, and discourages off-budget expenditure⁷⁶. Accordingly, the prioritized and approved projects from all the sectors are reflected in what is known as the Public Investment Programme (PIP). The government counter-funds these projects on terms and conditions agreed upon with its development partners.

⁷⁴ This is aid that is included in the MTEF and presented in the GoU budget estimate books. This includes aid that flows through government systems (such as general, sector and Poverty Action Fund budget support), as well as other programme aid and projects that are reported to GoU and that the MFPED considers should be included in the MTEF and the budget presented to Parliament. A second category of on-budget aid includes Technical Assistance (TA) and basket funds that support GoU activities and institutions whose budgets are included in the MTEF and official estimate books. On budget aid falls within the sector ceiling.

⁷⁵ Project Support refers to assistance that is not channelled via the government's systems. It can be on-budget (i.e. within the ceiling) or off-budget (i.e. outside the ceiling).

⁷⁶ Off-budget expenditure is aid that is not reported in the MTEF and budget estimates of GoU either because it is not reported to GoU, or because it is not related to institutions included in the MTEF and GoU official budget estimates. This might include some aid to local governments, as well as support to parastatals and NGOs, although many development partners do provide information on such aid to MFPED. Off-budget aid is not included within sector ceilings.

Box 8.1: The concept and description of a “Vote” and “Vote Function”

Starting from the 2008/09 budget cycle, the preparation of sector Budget Framework Papers (BFPs), the Ministerial Policy Statements (MPS) and Budget Estimates are centered on the notion of “Vote” and “Vote Functions (VFs)”. To date, the water and environment sector has four stand-alone votes namely:

- Vote 019 (Ministry of Water and Environment),
- Vote 150 (National Environment Management Authority, NEMA),
- Vote 157 (National Forestry Authority, NFA), and
- Vote 303 (Uganda National Meteorology Authority, UNMA).

Under Vote 019 there are seven vote Functions:

- VF - 0901 Rural Water Supply;
- VF - 0902 Urban Water Supply and Sanitation (Small Towns/RGCs);
- VF - 0903 Water for Production; VF - 0904 Water Resource Management;
- VF - 0905 Natural Resources Management;
- VF - 0906 Weather, Climate and Climate change, and
- VF - 0949 Policy, Planning and Administration + Arrears.

Under each Vote Function there are programs and specific projects perceived to achieve a given strategic objective with maximum efficiency.

A **Vote** is a Government Ministry, Department and/or Agency (MDA) within a given sector (such as water and environment), that receives funds from MFPED to implement sector programs.

A **Vote Function** is comprised of a set of programs, projects, and local government grants, with responsibilities and outputs that contribute towards the attainment of a single/specific strategic objective in a given sector.

259. Structurally, CFM financing is first reviewed under the forestry sub-sector within the overall Water and Environment Sector, under votes and vote functions described in Box 8.1 on the one hand, and on the other, outside the sector and sub-sector, to include public and private organizations, NGOs, CSOs and other sources.
260. The Water and Environment Sector has to take into account the priorities of government as it formulates its budget as well as the priorities within the sector itself. In 2015 the government made the second National Development Plan 2015/16-2019/20 (NDP II) under the theme “*Strengthening Uganda’s Competitiveness for Sustainable Wealth Creation, Employment and Inclusive Growth*”. It will contribute to the Vision 2040 theme: “*A Transformed Ugandan Society from a Peasant to a Modern and Prosperous Country within 30 years*”. The Plan prioritizes investment in five areas viewed as having the greatest multiplier effect on the economy. They are: (i) Agriculture; (ii) Tourism; (iii) Minerals, oil and gas; (iv) Infrastructure development; and (v) Human capital development. Given that agriculture, minerals, oil and gas and infrastructure are likely to have adverse effects on forests, the government would be prudent to safeguard forest functions by obligating these priority sectors to take forestry into consideration in their planning. This is elaborated further below under the practice of ‘mainstreaming’. From a forestry perspective, NDP II lists two objectives/priorities:
- (i) Restore and maintain the integrity and functionality of degraded fragile ecosystems
 - (ii) Increase afforestation, reforestation and adaptation, and mitigate deforestation for sustainable forestry.

261. In terms of strategy, the NDP II also emphasizes prioritization of interventions through value chain analyses; spatial frameworks; alignment of sector, ministry, department, agency and local government priorities and budgets with NDPII's priorities; agreeing appropriate financing modalities for the priority interventions; and, addressing the challenges of weak public sector systems. It is important for stakeholders in the forestry sub-sector to understand the strategies government adopts for its public investments and financing because ultimately, they would also have a bearing on how CFM in general and CFM groups can benefit from these strategies. For example, the requirements for a comprehensive refugee response in Uganda⁷⁷ includes strategies to avoid further depletion of forest cover, although refugee settlements are designated in a limited number of spatial areas. This can be an opportunity for close-by CFM groups to grow and supply fuelwood to refugee camps. Similarly, it would be difficult to link CFM groups participating in eco-tourism if one does not know how forestry and different forest areas fit into tourism value chains and circuits. Government promotes tourism as one of the fastest growing sectors in the country.
262. The vision of the forestry sector under the current National Forest Plan 2011/12-2021/22 is, "A sufficiently forested, ecologically stable and economically prosperous Uganda"; the Goal is, "An integrated forest sector that achieves sustainable increases in economic, social and environmental benefits from forests and trees by all the people of Uganda, especially the poor and vulnerable".
263. The three strategic objectives of the National Forest Plan are to:
- (i) Increase economic productivity and employment through forest production, processing and service industries;
 - (ii) Raise incomes for households through forest-based initiatives;
 - (iii) Restore and improve ecosystem services derived from sustainably managed forest resources.
264. Under its business plan 2016/2017 – 2020/2021⁷⁸, NFA set goals to:
- (i) Strengthen strategic partnerships for the expansion and protection of the forest estate to restore the integrity of CFRs, and enhance new investments, benefit sharing, and efficient resource utilization.
 - (ii) Enhance high quality sustainable forests and forestry with tangible ecological, social and economic benefits to all Ugandans.
265. As part of the business plan, the expansion of the scope of CFM to other CFRs was part of its strategic objective for, 'Expanded Partnership Arrangements'. Secondly, within the sector and public sector at large, many of the legal provisions within the Public Finance Management Act (PFMA) 2015 have started to be implemented and pronounced in the government's budgets. Knowing them is important because they have a bearing on how forestry financing in general is going to evolve in the coming years. The following points are worth noting:

⁷⁷ <https://opm.go.ug/comprehensive-refugee-response-framework-uganda>

⁷⁸ NFA has started the process to review the outcomes of the plan with a view of formulating a follow-up strategic and business plan.

⇒ Earmarking of revenue.

266. Government discourages earmarking of revenue for specific agencies and prefers that all agencies benefit from the Treasury Single Account (TSA) in accordance with the PFMA (2015), requiring surrendering of all revenues to the Consolidated Fund (CF) and their release normally to the TSA in the Bank of Uganda for spending institutions. This position was re-affirmed in the Budget Framework Paper for FY 2018/19 – FY 2022/33, and re-echoed during the budget speech in June 2018, thus:

“Non-Tax Revenue and Appropriation in Aid present a potential source of financing the budget. In view of this, all Non-Tax Revenue and Appropriation in Aid shall henceforth be collected by the Uganda Revenue Authority and be remitted directly to the Consolidated Fund in accordance with the 2015 Public Finance Management (PFM) Act. This will utilize URA’s more efficient tax collection systems. The allocation of these resources to Government departments will be done through the National Budget process⁷⁹”.

267. NFA has projected that it will increase non tax revenue (NTR) over the next 5 years, and it has already been trained and oriented in how the collection of NTR will be managed by the Uganda Revenue Authority. The main implication is that for NFA to advocate for an increase in its budget, it should take a full inventory of sources of forestry NTR and give it to URA to collect on its behalf with the anticipation that an increase in budget allocation from MFPED would also favour an increase for CFM.

⇒ No creation of ‘Special Funds’

268. In 2017, the President decided that there would be no further creation of ‘Special Funds’ under Ministries, Departments and Agencies (MDAs) effective FY 2018/19 onwards as this normally results in disjointed interventions and the fragmentation of resources. This position had a bearing on the feasibility study for the operationalization of the Tree Fund under Article 40 of the National Forestry and Tree Planting Act (Kazoora 2018). Basically, and in conformity with MFPED’s advice, the operationalization of the Tree Fund as a financing instrument (excluding the establishment of the entity) can only be implemented through existing structures and programmes. The study narrowed down on the Ministry of Water and Environment as the preferred option from the 5 institutional arrangements that were evaluated. (Kazoora 2018).

269. The MWE is still engaged in further consultations on the way forward for the Tree Fund, with sectoral support from the UN’s Food and Agricultural Organisation (FAO), in relation to raising capital through a mix of financing instruments that can be accessed by different stakeholders according to the nature and scale of their operations in forestry investments. If government raises capital for the Tree Fund, it would include CFM groups as eligible candidates.

⁷⁹ Budget Speech 2017/2018 paragraph 91

⇒ Mainstreaming of environment, Natural Resources and Climate Change in all sectors

270. As a practice of public sector planning and budgeting, all sectors are encouraged to mainstream what the NDP II calls “cross-cutting” issues, including environment, natural resources and climate change. According to NDP II and the recent national budget, the highest expenditure is projected to be directed to infrastructure projects. The Water and Environment Sector already recognizes the potential ecological losses from infrastructure projects as well as the dependence of many of these projects on ecosystem services provided by forestry⁸⁰. MWE’s first undertaking from the Joint Sector Review in 2017 is, “...to continue mainstreaming ENR⁸¹ and CC⁸² into agriculture, infrastructure, lands, energy and water sectors in order to achieve reduced contribution to degradation by these 5 sectors by the end of FY 2017/2018”⁸³. However, by their nature, such projects are designed and implemented over long time spans. For them to benefit CFM groups, the sector as a whole has to take the lead in continuously engaging with the infrastructure development projects and sectors to integrate forestry into their operations. For example, realizing its likely negative impacts on Mabira CFR, Uganda Electricity Transmission Company Limited (UETCL) has partnered with NFA for a biodiversity offset, and during this CFM review, it was found that the membership in SESSE CFM group, had increased from 9 members in 1994 to 120 in 2018, mainly driven by firewood and jobs that were going to be created by the establishment of the power lines in the forest compartment where UETCL operates. Similarly, NFA received UGX 400 million compensation for the loss of its estate on a 3.5 km stretch along the Masindi-Biso road by Uganda Rural Electrification Agency (REA) and used it to restore other degraded parts of Budongo CFR. With a clear CFM strategy, NFA could have shared some of the compensation with CFM groups in the CFR, if it had had a benefit sharing policy as part of supporting the activities of CFM groups in the neighbourhood. In light of such revenue being collected by URA now, NFA would have to wait longer to receive these funds through an annual release from MFPED. This will reduce NFA’s ability and flexibility in responding to emerging cases e.g. fire management, encroachment, and curbing of illegality and demand from forest user groups for CFM, unless a special arrangement is put in place for such eventualities.

8.3 CFM financing under NFA

271. A recent public expenditure review for forestry 2011 – 2016 established that overall, the Water and Environment Sector under which NFA is funded by government had registered a persistent decline of budget share from 7.40% in 2004/5 to only 2.50% in 2011, while the ENR sub-sector share declined from 2.50% to 0.67% during the same period 2011-2016. The average budget allocation to the sector was 3.90%, and out of this, forestry commanded only 12.9% (Kazoora, 2018). In the 2018/19 financial year, Water and Environment Sector was allocated 5% of the budget (or UGX 1,265.8 billion). However, according to the 2019/2020 budget allocation, both the absolute and proportional allocation to the sector will fall to UGX 764.5 billion or 3% only⁸⁴.

⁸⁰ For example, development of irrigation and hydro-power stations require watershed management

⁸¹ Environment and natural resources

⁸² Climate change

⁸³ The same undertaking was upheld for the 2018 Joint Sector Review (<https://www.mwe.go.ug/library/jtr-presentations-2018>)

⁸⁴ New Vision, 24th December 2018

272. In absolute terms, the forestry sub-sector's funding fell from UGX 58 billion in 2011/12 to UGX 12 billion in 2015/2016 mainly on account of two of its projects (FIEFOC 2 and SPGS 3) being in a re-design phase. Owing to this, forestry's share of the Water and Environment Sector fell from 19.0% to only 1.8% between 2011/12 and 2015/16. The chronic limited funding for the whole sector was reiterated by the Development Partners and government in the 2018 Joint Sector Review as evidenced in Box 8.2.

Box 8.2: Development Partners and government statement on financing for the sector, 2018

'In reference to the theme for the review, the Development Partners considered it appropriate in light of the continued degradation of natural resources amidst Climate Change and refugee management challenges. Financing for environment activities remains a big challenge indeed. While the sector investment plan acknowledges that protecting wetlands and forests has higher returns for achieving multiple benefits related to water quantity, quality and the economy in general, the allocated resources under the national budget on the other hand remain inadequate /minimal. He emphasized that the quest for more resources should be backed by efficient use of the available resources. Financing implementation of integrated catchment management plans provides an opportunity to demonstrate complementarity between the two subsectors

While public financing remains low, the sector has an opportunity to mobilise private sector through other options such as: i) payment for ecosystem/environmental services, ii) weather-based index insurance schemes to generate revenue from climate information; iii) green bonds/environmental performance bonds and iv) biodiversity offsets.

The MWE as one of the proposed National Implementing Entities (NIE) for the Green Climate Fund (GCF) and Adaptation Fund (AF) has an opportunity to design integrated projects that address both water and environment issues. The Development Partners' Representative highlighted the importance of mainstreaming environment and climate change in other sectors in order to reduce environmental degradation. Integration has a double benefit of reducing degradation while at the same time increasing funding for environmental activities.'

Source: The 10th joint government of Uganda –Development partners sector review 2018 agreed minutes

273. NFA's funding by source as provided in Figure 8.1 shows how NTR has remained generally stable even though it consistently remains at about half of its target. However, as already mentioned NFA's NTR is now going to be collected by URA and remitted to the Consolidated Fund. All in all, there has been systematic decline of funding to the sector, sub-sector and NFA.

274. The decline of NTR continued in the FY 2017/2018. Out of UGX 17.24 billion budgeted, NFA collected only UGX 9.20 billion, representing only 53.3%⁸⁵. The main reasons advanced for the poor revenue collection in that year are given below:

a) A total of UGX 1.85 billion from forest products not collected:

- (i) Due to environmental concerns related to mining of sand, NFA suspended the mining of sand in the CFRs leading to non-collection of over UGX600 million.

⁸⁵ See Sector Performance Report (2018) page 15 -

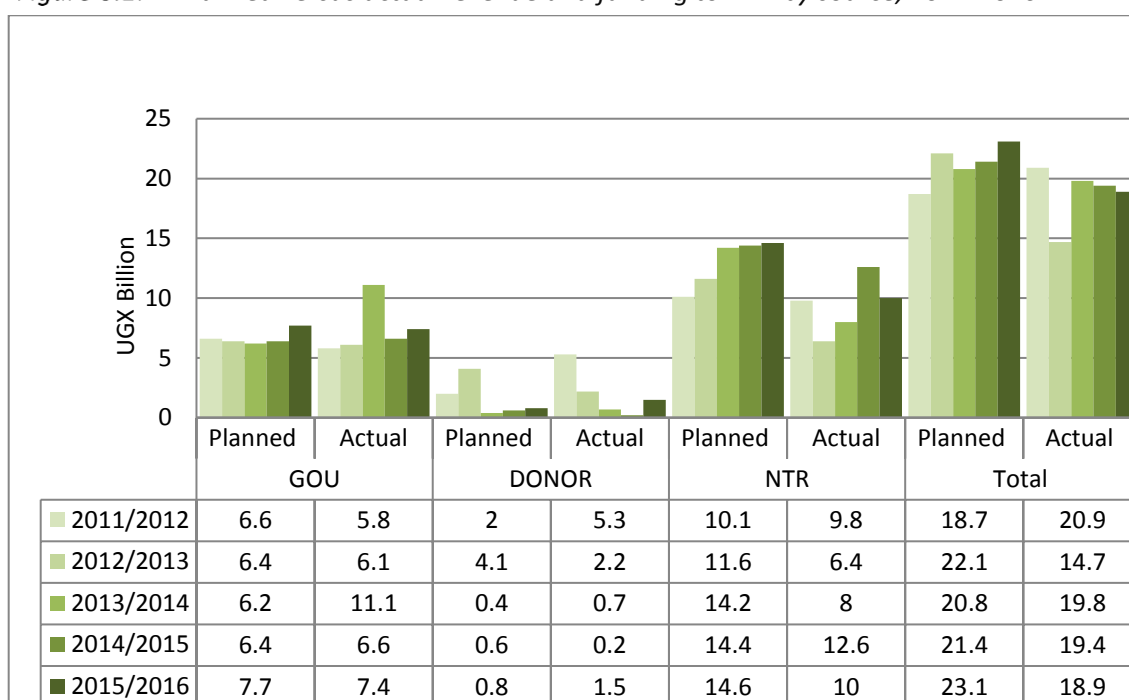
http://www.mwe.go.ug/sites/default/files/library/SPR%202018%20%20FINAL_0.pdf

- (ii) UGX 600m had been planned to be realized from the carbon credits: however, the World Bank audit team did not verify the stocks in Rwoho.
- (iii) Over UGX 450 million compensation for wayleaves was not received from UECTL and the Standard Gauge Railway, and NFA is awaiting payment in FY 2018/19.
- (iv) Over UGX 800 million (200m³ of forest stands) in Rwoho CFR was not harvested and thinning in South Busoga and Achwa range was not done due to flooding of the market by private tree planters/dealers.

b) Over UGX 2.7 billion from seed and seedlings not collected:

- (i) Seed importation from Brazil and South Africa was not done due to mismatch of release of funds and the rain seasons.
- (ii) Free distribution of Community Tree Planting Program seedlings to potential buyers reduced the market of would-be buyers.
- (iii) Planned sales of seedlings (UGX 2.7 billion) were affected by a delay in land allocation within CFRs thus affecting revenue collections by the institution.

Figure 8.1: Planned versus actual revenue and funding to NFA by source, 2011-2016



Source: NFA's Final Annual Reports

275. Operationally, NFA ranges operate and budget for expenditure under four main objectives:

- (i) Improve management of CFRs
- (ii) Expand partnership arrangement
- (iii) Supply of forest and non-forest products and services
- (iv) Management and administration

276. The analysis of the budgets for ranges for 2017/2018 shows that about 4 % of their budgets or UGX 279 million was spent on CFM relevant activities and this was 3.5 times more than was

allocated to CFM Unit. The main lesson therefore is that CFM can be better and directly supported through the budgets for ranges so that the CFM Unit budget is solely earmarked for coordination.

Table 8.1: CFM-relevant budgets by range in 2017/2018

(UGX millions)	Aswa	Budongo	Karamoja	Kyoga	Lakeshore	Sango Bay	South-west	West Nile	Total
Objective 2: Expand partnership arrangement									
Stakeholder meeting/CFM awareness creation	0	7.3	20	0	9.2	7.4	1	5.5	
Renewal of CFM agreement	0	3	0	0	0	0	0	0	
Sub-total	46	10.3	20	0	9.2	7.4	1	5.5	99.4
Objective 3: Supply of forest and non-forest products and services									
Tree seedlings raised	0	60	46	0	0	0	55	0	
CFM agreement signing /launch	15	0	0	0	0	0	0	0	
Stakeholder meeting	3	0	0	0	1	0	0	0	
Sub-total	18	60	46	0	1	0	55	0	180
Total budget relevant for CFM	64	70.3	66	0	10.2	7.4	56	5.5	279.4
Total budget for Range	332	511	173	270	311	158	310	327	2,392
CFM relevant budget as % of total	14%	2%	12%	0%	3%	5%	0%	2%	4%

277. Furthermore, CFM budget could be harmonised from multiple user departments. The key sources are:

- (i) The budget for the CFM unit for 2016/2017 which was only UGX 77 million, an increase from UGX 60 million in 2015/2016, which is very low relative to the number of CFM groups requiring support and monitoring.
- (ii) The budget for NFA's ranges for such activities as nursery bed establishment, coordination of patrols, conservation and awareness meetings, community mobilization.
- (iii) The community tree planting programme under NFA which has only benefited a few CFM groups

278. In addition, some groups had been supported under FIEFOC⁸⁶, and SPGS⁸⁷ 1, 2 and 3 but certainly, they were not the main targets of these projects.

279. Given the recent uptick in interest in CFM and its uptake by communities, it will not be feasible for NFA to meet and satisfy the demand for CFM without increasing and harmonizing its funding from several sources so as to achieve efficiency and impact. Secondly, CFM groups could also tap into other sources of funding if NFA provided them with information about these funding opportunities especially those that are located at local government level. The Review Team found that a lack of access to information on funding opportunities was a barrier to achieving better funding for CFM groups.

8.4 CFM financing by local governments

⇒ Conditional grants from the Ministry of Water and Environment

280. As accounting entities, all local governments are allocated their own budgets. In addition, they can receive conditional grants from the technical line ministries for specific activities. In that respect, the MWE makes three types of conditional grants to local governments: rural water and supply (VF 0981), urban water and sanitation (VF 0982), and natural resource management (VF 0983). Between 2011 and 2016 these three conditional grants commanded 11.4% of the budget of the Water and Environment Sector. Unfortunately, the natural resource management grant (under which forestry falls with wetlands and environment) commanded only 0.5% of the conditional funds granted, and worse still, forestry has not been part of the sector's conditional grants since FY 2004/2005 (Kazoora 2017). Without the revival of the forestry component of the natural resource management conditional grant and a substantial increase in this grant, local government are unlikely to invest in their LFRs bearing in mind that LFRs command only 5,000 ha or 0.4% of protected forests in Uganda. It should be noted also that the conditional grant fiscal transfer system has been recommended as one of the options for managing benefit sharing arrangements under REDD+⁸⁸, particularly in phase II and III of REDD+ readiness and implementation. This would be pursued along with the option of integrating and mainstreaming REDD+ into sectorial/district plans and budgets, and into national multi-sectoral development programs (for phase 2 investment based-REDD+) (Indufor, 2016). If this became a reality, it could also motivate local governments to invest in their LFRs.

281. Secondly, in the short term the other directorates of rural water and urban water supply within the Ministry of Water and Environment can support CFM groups if they appreciate the close linkage between forestry ecosystem services and their functions for delivering rural and urban

⁸⁶ Farm Income Enhancement and Forest Conservation Programme – designed to improve household incomes and food security and climate resilience through sustainable natural resources management and agricultural enterprise development. The programme is funded by the African Development Bank.

⁸⁷ Sawlog Production Grant Scheme – with a general objective to increase rural incomes through commercial tree planting by private sector actors and local communities in Uganda, and at the same time help to mitigate Climate Change effects through intensive afforestation. The scheme is funded by the European Union and implemented by FAO in partnership with the Forest Sector Support Department.

⁸⁸ And therefore, this would constitute a potential source of funding to active CFM groups.

water. This applies to other projects and programs. In West Nile Range, particularly in Nebbi District, NUSAF 3⁸⁹ identified Eluci watershed in Eluci Sub-county as one of the areas for restoration. Eluci Local Forest Reserve and some CFRs will benefit from forest restoration under this programme. Nebbi Local Government and NFA could take advantage and link in these CFM groups to benefit from this arrangement.

282. In Karamoja range it was found that under the watershed restoration project along Loloi River supported by the Office of the Prime Minister (OPM) under NUSAF 3, the Office of the Prime Minister (OPM) provided fruit trees for communities, but NFA staff facilitating CFM processes encouraged and supported CFM groups⁹⁰ to also plant indigenous trees as opposed to pine and eucalyptus, and to fence their homesteads or kraals with live fences instead of solely relying on harvested poles.

283. The main lesson is that CFM groups should continue to tap support from different institutions but in reality, the support they get is only small in relation to their needs, or it is disjointed and as such fails to generate sufficiently substantive and timely impacts. In the future, it would be better if CFM groups were involved in the project cycle of OPM-managed watershed restoration projects right from the design stage and then their activities were fully funded for the duration of the project. NFA could also play an instrumental role in connecting CFM groups to their local governments and government programmes that implement forestry-related activities. In that regard the active participation of NFA staff at range/sector level in local government planning and budgeting (including the discussions of the local government budget framework papers) would be helpful. Many local governments raised concerns about the absence of NFA in these discussions. Likewise, NFA has to be pro-active in identifying programmes designed from the centre that could equally complement its efforts in supporting CFM groups countrywide.

⇒ CFM financing using local government budgets and revenue

284. A review of local government performance reports held under the budget web of MFPED has revealed that three types of outputs typify their investments. They are:

- a) Tree planting and reforestation⁹¹
- b) Forestry regulation and inspection
- c) Training in forestry management (fuel saving technology and watershed management)

285. Of note is that in as much as there are some private natural forests that fall within the jurisdiction of local governments – for example, in Kalangala, Kibale, Kyegwegwa, Mpigi, Luwero, Hoima, and Kibale Districts, their owners do not receive any specific support from government, yet many of these forests act as important corridors for high biodiversity national parks and/or central forest reserves. Further, because of a lack of conservation incentive mechanisms directed toward private natural forest owners, most of these forests have been lost and the remainder are being

⁸⁹ Northern Uganda Social Action Fund is a Government of Uganda and World Bank funded project currently being implemented in 55 districts of Northern Uganda and coordinated by the Office of the Prime Minister. The project's objectives are to provide household income support and build the resilience of the poor and vulnerable, to enhance transparency and accountability in public service delivery, and to build institutional capacity in delivery of the project.

⁹⁰ Timu Environmental Conservation Group, Morungole IKitoyari Conservation Group and Nyanapo Environment Conservation Association (Nyangeya Napore CFR).

⁹¹ In some districts it also included agroforestry.

rapidly converted to oil palm growing, sugar cane plantation, food crops and the expansion of urban areas. Were MWE to revive conditional grants for forestry to LGs, they could serve as an important mechanism for incentivising private natural forest owners to conserve their remaining and dwindling patches of forest.

286. Although no specific conditional grant for forestry exists for local governments, as best practice, district governments have a mechanism for collecting data about the performance of the sector at that level. So far, 32 local governments out of 123 local governments have reported on different forestry management aspects including tree planting, distribution of tree seedlings, training of farmers, revenue collection, and the promotion of improved and efficient energy technologies⁹². These contributions to the forest sector have been supported by different programmes and projects undertaken or funded by government programmes, development agencies, NGOs, civil society and the private sector⁹³. Below are summaries of the achievements reported by the local governments:

- (i) 3,613,466 tree seedlings were planted with an average survival rate of 60% over a total area of 3,511 hectares (ha);
- (ii) 73 ha of local forest reserves were planted and maintained in terms of weeding, pruning and thinning;
- (iii) 14,993 farmers were trained in different aspects of forestry management;
- (iv) 13,281 farmers were monitored for compliance to forestry management guidelines;
- (v) 1113 people were trained in aspects of efficient energy technologies;
- (vi) 1,659 tree seedling inspections were conducted, and it was observed that there was poor post planting management due to lack of skills and financial resources;
- (vii) A revenue of UGX 673,659,800 was collected accruing from forest products trade, with Nwoya District contributing to half of this revenue;
- (viii) 100 km of roadside were planted with trees of assorted species
- (ix) During 173 radio talk shows, district forestry staff raised awareness on sustainable forestry management.
- (x) 53 timber harvesting licences were issued to timber traders and 444 traders were sensitised.

287. The investments by local governments would be much greater if they were receiving conditional transfers for forestry. Secondly, there would be a greater understanding about what constitutes good forestry practices if the local governments' investments in forestry gained more and

⁹² According to the Sector Performance Report, 2018.

⁹³ Contributing organisations to forestry activities at a local government level include: the United Nations High Commission for Refugees (UNHCR), United Nations Food and Agriculture Organization (FAO), and World Bank, Alliance One, World Wide Fund for Nature (WWF), the International Centre for Research in Agroforestry (ICRAF), the International Union for Conservation of Nature (IUCN), the Danish Refugee Council, the Red Cross, World Vision, Lake Victoria Environment Management Project (LVEMP) II, the Farm Income Enhancement and Forestry Conservation Project (FIEFOC), Reducing Emissions on Deforestation and Forest Degradation (REDD+), Northern Uganda Social Action Fund (NUSAF 3), CARE Uganda, the Joint Energy and Environment Project (JEEP), Cudwell, Generation Challenge Programme (GCP), Université Catholique du Gabon (UCG Environmental Protection, Food Security and Economic Development Project), the Salvation Army project, VI Agroforestry, Prometral Uganda, and National Forestry Authority.

consistent coverage in the sector's annual performance review. FSSD will have to exert its mandate to develop a standardized tool for collecting and summarizing local governments' performance on forestry so that good practices can be shared among local governments.

8.5 CFM financing by NGOs

288. Based on the Environment and Natural Resources Civil Society Organisations (ENR-CSOs)' mapping exercise conducted in 2010, there are likely to be over 100 ENR CSOs operating in the Environment and Natural Resources (ENR) sub-sector. They have also agreed to organize themselves under the Environment and Natural Resources Civil Society Organisations Network along various themes in order to improve coordination, networking and engagement with the sector. The themes are: forestry, wetlands, environment, climate change and governance. The network is hosted by Environmental Alert that links up with the Ministry of Water and Environment. A review of their expenditure patterns in Table 8.1 shows that:

- (i) Forestry has relatively dominated CSO/NGO activities;
- (ii) 2014/2015 was exceptional when they received and spent UGX 88.52 billion across all thematic areas for Environment and Natural Resources partly because of an increase in the number of CSOs that reported that year and partly because of an increase to forestry and biodiversity activities financed under REDD+, USAID Uganda Biodiversity Programme and the FAO forest restoration program.

Table 8.2: Trends in CSO expenditure by sub-sector including forestry 2011-2016 UGX billion

(UGX Billion)	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016
No. of CSO/NGOs reporting	29	35	42	48	33
Forestry	3.776895	7.5175	6.2932	39.834	7.9542
Environment	0.486135	1.9375	5.03456	19.4744	1.7676
Climate Change	1.204119	3.3325	1.5733	11.5076	1.1784
Wetlands	0.777816	1.1625	1.25864	7.0816	1.0311
Good Governance	1.234035	1.5655	1.5733	10.6224	2.7987
Total for ENR	7.479	15.5155	15.733	88.52	14.73
Forestry as % of ENR	51%	48%	40%	45%	54%

Source: <http://enr-cso.org/>

- In addition, some NGOs that have spent a relatively long period investing in specific CFR landscapes – for example, Nature Uganda in Echuya CFR has spent over UGX 12 billion in the last 15 years for both forestry conservation and livelihood interventions.
- The main limitations from NGO/CSO funding are that:
 - (i) It is tied to donors' preferences in terms of thematic areas and geographical location
 - (ii) It is usually short-term, ranging between one and three years.

8.6 Innovative and non-traditional sources of financing

289. Around Kalinzu and Kasyoha-Kitomi CFRs, some CFM groups had been supported by ECOTRUST's 'Trees for Global Benefits'⁹⁴, which is a PES model. However, this scheme is applicable only for areas of forest outside of CFRs, although the conservation outcomes can complement CFM inside CFRs. Secondly, the Uganda Biodiversity Fund has a grant of USD 300,000 from USAID for biodiversity conservation that it intends to offer to NGOs and CSOs on a competitive basis. Thirdly, in 2007, the Government of Uganda (GoU) entered into an indemnity agreement with the International Development Association (IDA) of the World Bank to support a portion of the financing of Bujagali Hydropower Project. Among other things, the GoU designated Kalagala Falls as a biodiversity offset, including preserving Mabira CFR and Nile Bank CFR. The comprehensive financing strategy is yet to be developed by MWE but it is anticipated it will include revenues generated from PES by the Uganda Electricity Transmission Company Ltd (UETCL), the private sector and corporate social responsibility.
290. In the context of CFM, it can therefore be deduced that groups in a position to potentially benefit from these innovative sources are those that are either located in the target program areas of a particular funding mechanism, and/or those that have the capacity to write credible proposals for funding, for which there is donor interest.
291. It may often be the case that innovative financing options only complement more traditional sources of finance (i.e. grant-funding) because they do not adequately meet the needs of CFM groups since they do not have sufficient capital themselves leverage this type of finance. In addition, there may be costs associated with accessing 'innovative finance' that must be borne often by a third party willing and wanting to facilitate grassroots access. For example, studies in Uganda have shown that when the average CDM⁹⁵ contract establishment costs exceed USD 500 and USD 1,000 for each hectare of *P. caribaea* and *E. grandis* woodlots respectively, it is not economically viable for one to participate in the CDM forest carbon offset programme. In any case, such costs are outside the affordability range of many CFM groups. However, if there were many CFM groups collectively organised at a landscape or association level, the transaction costs for each group for participating in the CDM project could become lower [Kiyangi et al. 2016]. Programmatic CDM is now seen as a very attractive option by African countries and project developers to reduce transaction costs, and it is already being implemented for promoting efficient energy use. Out of the eight regional CDM 'Programme of Activities' (PoAs) with high sustainability impact, one of them will benefit Uganda. This is the Improved Cook Stoves for East Africa (ICSEA) programme. It is already a registered PoA accredited under the CDM and the Gold Standard, and covers improved Cook stove technologies implemented in Uganda, Rwanda, Burundi, Kenya, South Africa and Lesotho. The main message here is that the PoA allows

⁹⁴ Trees for Global Benefits combines carbon sequestration with rural livelihood improvements through small-scale, farmer-led, agroforestry projects and ecosystem services by linking rural farmers to the international ecosystem service markets. The TGB scheme operates as a Programme of Activities (PoA), to enable scaling up through the design of new activities and the recruitment of new farming communities. In addition to farmers' direct payments for planting trees and climate mitigation, the project contributes to income stability, food security, and fuel security at community level.

⁹⁵ The Clean Development Mechanism allows Annex I (developed) countries to meet part of their emission reduction commitments under the Kyoto Protocol by buying Certified Emission Reduction units from CDM emission reduction projects in developing countries.

collective and cost-effective marketing and the model already developed for cook stoves, could be replicated for small tree farmers provided there is a trusted agent or intermediary.

8.7 Bio-carbon financing triggers formation of CFM groups and community plantation establishment in Rwoho CFR

292. Rwoho CFR has an area of 9,070 ha and is the biggest of the 10 CFRs managed under Mbarara Plantations. In 2006, three years into the implementation of the NFTP (2003), NFA entered into a Bio-Carbon Fund Emission Reductions Purchase Agreement with the International Bank for Reconstruction and Development (IBRD) in its capacity as a trustee of the Bio-Carbon Fund to implement the Uganda Nile Basin Reforestation project. The Bio-Carbon Fund was established for the purposes of (i) Providing resources to projects designed to reduce emissions through carbon sequestration in agriculture and forests (ii) Stimulating private capital flows for sustainable development to expand the reach of carbon finance and the Kyoto flexible mechanisms⁹⁶ to countries and communities which would otherwise be excluded from the benefits of emerging carbon markets (iii) Improving rural livelihoods and promoting the objectives of the United Nations Convention to Combat Desertification⁹⁷.
293. The agreement provided for the participation of community groups through allowing NFA to contract with them to undertake planting and forest management activities involving up to 20% of the project area and thus generating a corresponding amount of contracted Certified Emission Reduction (CER) units. However, the agreement also provided that the title to any emission reductions, including CERs would be retained by NFA and not transferred to any community group. By implication, communities would benefit indirectly, contingent on NFA's ability to meet the conditions for bio-carbon finance including the requisite environmental and social safeguards, and that they would be paid through NFA.
294. Accordingly, as NFA prepared to plant its area, it mobilized surrounding communities for CFM and eventually five groups were taken through the process though in a faster manner than anywhere else. They signed their CFM agreements in 2012. During the review the community group members reported that prior to their mobilization into the initiative, NFA had regarded them as observers⁹⁸. It was gathered that groups signed their agreements in less than one year. Their plantations traverse three local government Districts of Isingiro, Rwampara and Ntungamo, covering a watershed landscape⁹⁹.
295. To date the groups have successfully established 139 ha of plantations against their allocated plantable area of 179 ha. One of the practices that strengthens their group dynamic is working in

⁹⁶ Flexible mechanisms, also sometimes known as Flexibility Mechanisms or Kyoto Mechanisms, refer to Emissions Trading, the Clean Development Mechanism and Joint Implementation. These are mechanisms defined under the Kyoto Protocol intended to lower the overall costs of achieving its emissions targets.

⁹⁷ As per the agreement signed between NFA and IBRD on 30th June 2006.

⁹⁸ As reported in a focal group discussion.

⁹⁹ This watershed feeds water into the international waters of the River Nile, from which the project derives its title, the Nile Basin Reforestation Project.

groups even on private land. Further, the 5 groups have received advances against their future earnings totalling UGX 50 million.

296. In addition, one group - RECPA - has already earned USD 4,604 (UGX 17.3 million equivalent) from its certified emission reduction credits unlike KADA, a sister group, which has earned only USD 319 (UGX 1.2 million equivalent). Payment under carbon-finance depends on the plantable area and meeting specific environmental and social safeguards.
297. A second independent audit of carbon is planned in November 2018 and all the groups are very hopeful to tap carbon finance¹⁰⁰, and they will continue to receive this carbon finance during the lifespan of the agreement NFA holds with the World Bank and provided the requisite standards are met and independently verified. CFM Groups remain very motivated to complete their plantable area. Unfortunately, in as much as this is the case, the remaining unplanted suitable areas have already been allocated by NFA to private planters, some of which are receiving grants under the SPGS project. These SPGS-funded planters are not beneficiaries under the Bio-carbon Fund project.
298. The CFM members submitted that to date, the costs of plantation establishment still exceed benefits so far derived from thinning, firewood collection and earnings from seasonal crops grown under the *Taungya* system. Owing to the groups' poor record-keeping of expenses and earnings over time, this statement could not be independently verified. They wished their obligation in their agreement with NFA to establish a trust fund as part of the initiative – with management rules on how to use and distribute carbon credits with support from NFA – would be fast-tracked so that they might borrow from a bank to alleviate their liquidity crisis. NFA was expected to facilitate them in the processes of establishing a trust fund as part of implementing their agreements that provided for that trust fund. Being members in CFM groups has enabled individual members to anticipate greater benefits than from what would be possible from reliance on family or hired labour. The fact that a sawmilling company can travel as much as 350km to fetch logs in Rwoho CFR gives them confidence about being able to sell their timber at a fair price in the future (see Figure 8.2). Lack of finance remains the biggest short-term challenge. Many of them would have preferred a situation where they received an annual payment for the plantation's carbon sequestration, but payment for carbon sequestration is dependent on the frequency of external verification missions.

¹⁰⁰ The audit has been carried out and at the time of writing NFA was still responding to the points raised by the auditors before it could be confirmed how many groups would be eligible for carbon finance.

Figure 8.2: A CFM review team member admiring logs harvested from Rwoho CFR and being transported to Nile Ply Ltd in Jinja.



299. Despite the challenge of financing and constrained liquidity, the CFM groups acknowledged that NFA's position of waiving payment of annual ground rent is a significant contribution. The groups would also stand to benefit from planting contracts from NFA in other parts of the Mbarara Plantations but to date they are solely concentrating on managing their own plantations over which they have control and protecting them against fires.
300. NFA support for the formation of CFM groups in Rwoho CFR was externally driven, under the Uganda Nile Basin Reforestation project's conditions for meeting laid down environmental and social safeguards, including community participation. In addition, the initial catalytic funding by World Bank under the project to NFA worth USD 250,000 was instrumental in enabling NFA overcome the funding constraints it had at the time. NFA had wanted to support the formation of other CFM groups, in North Rwenzori CFR but became discouraged when the price of carbon fell. It also was not able to support a similar process for Kasagala CFR for a pilot project for growing trees for charcoal due to a scarcity of funding.
301. It must be observed that NFA has consistently communicated to all CFM groups in Rwoho CFR that communities should value their trees more than merely looking forward to carbon revenue. This is because carbon revenue only increases the profitability of tree growing by a small margin of about 1% to the return on investment. This increment on its own is not enough of an incentive but contributes to the overall package of benefits that communities expect to obtain from participating in the project.
302. Accordingly, the main lesson drawn from this case study is that there would have been great potential for communities to participate and benefit from carbon-related financing, if CFM

processes had been aligned with the implementation of the Nile Basin Reforestation Project. In that respect the project would have better understanding of the investment costs and the type and timing of incentives required by CFM groups. The second lesson is that if NFA was to have a clear policy on allocating land to communities as a core component of CFR management plans more forest adjacent communities would benefit without competition from well to do private planters. Thirdly, there is great potential that a trust fund would serve to alleviate the funding / liquidity challenges of CFM groups, and in fact, such a model of funding could be tied to the CFM groups by their CFRs since the practice of forming VSLAs at CFR landscape level was becoming widespread.

8.8 CFM financing by the private sector under corporate social responsibility initiatives

303. The State of Uganda's Forestry Report 2016 shows that corporate organisations spent over UGX 100 million between 2011 and 2016 in various CFRs. Such corporate organisations include Post Uganda (Kitabulu CFR), MTN (Kyewaga, Kimaka and Namatale CFRs), the British Council (Kajjansi CFR), Uganda Revenue Authority (URA) (Kwoba CFR), Federation of Uganda Employers (Nonve CFR) and Barclays Bank (Nonve CFR). Generally, corporate organisations may have their own preferences as to where they direct their corporate social responsibility funds to enhance their visibility and brand.
304. During the CFM review the team established that some of this support for forest regeneration and enrichment planting was directed to CFRs which also have CFM groups, and this support was coordinated by NFA range / sector level managers and supervisors, with the knowledge of NFA headquarters management. A case in point has been reported in Mpanga sector where Serena Hotels, Bank of Baroda, Uganda Breweries, and URA participated. But the support did not benefit CFM groups. Rather, the support was used for forest regeneration by the corporates themselves, often in partnership with NFA field staff while CFM groups were encouraged to invest in woodlot planting on the CFRs' boundaries using their own resources.
305. Consultations with companies such as Kinyara Sugar Works Ltd near Budongo CFR and tea companies around Kalinzu CFR indicated that the companies have programmes that support environmental management. For example, Kinyara Sugar Works Ltd is involved in the restoration of riverine forests within its estate as part of the Kiiha-Kacukura water catchment restoration programme funded by GIZ and Kinyara Sugar Ltd. The company had also invested in tree growing and also received support from the SPGS. Additionally, the review found that Kinyara Sugar Ltd and Tea companies had funds under their CSR programmes that included support for environmental conservation including the supply of tree seedlings to surrounding communities. According to Ankole Tea Estate, located in the environs of Kalinzu CFR, conservation of the environment is obligatory as part of the Rainforest Alliance scheme under which the company is certified.
306. These examples point to increasing interest by corporates of supporting forest regeneration, biodiversity offsets, enrichment planting and tree growing. Therefore, this interest presents an opportunity for CFM groups provided that:
 - (i) NFA intensifies its partnership-building efforts with the private sector, through round-table discussions, joint programming and above all, developing formal partnership arrangements

to balance the interests of NFA, those of corporate partners and CFM groups at community level;

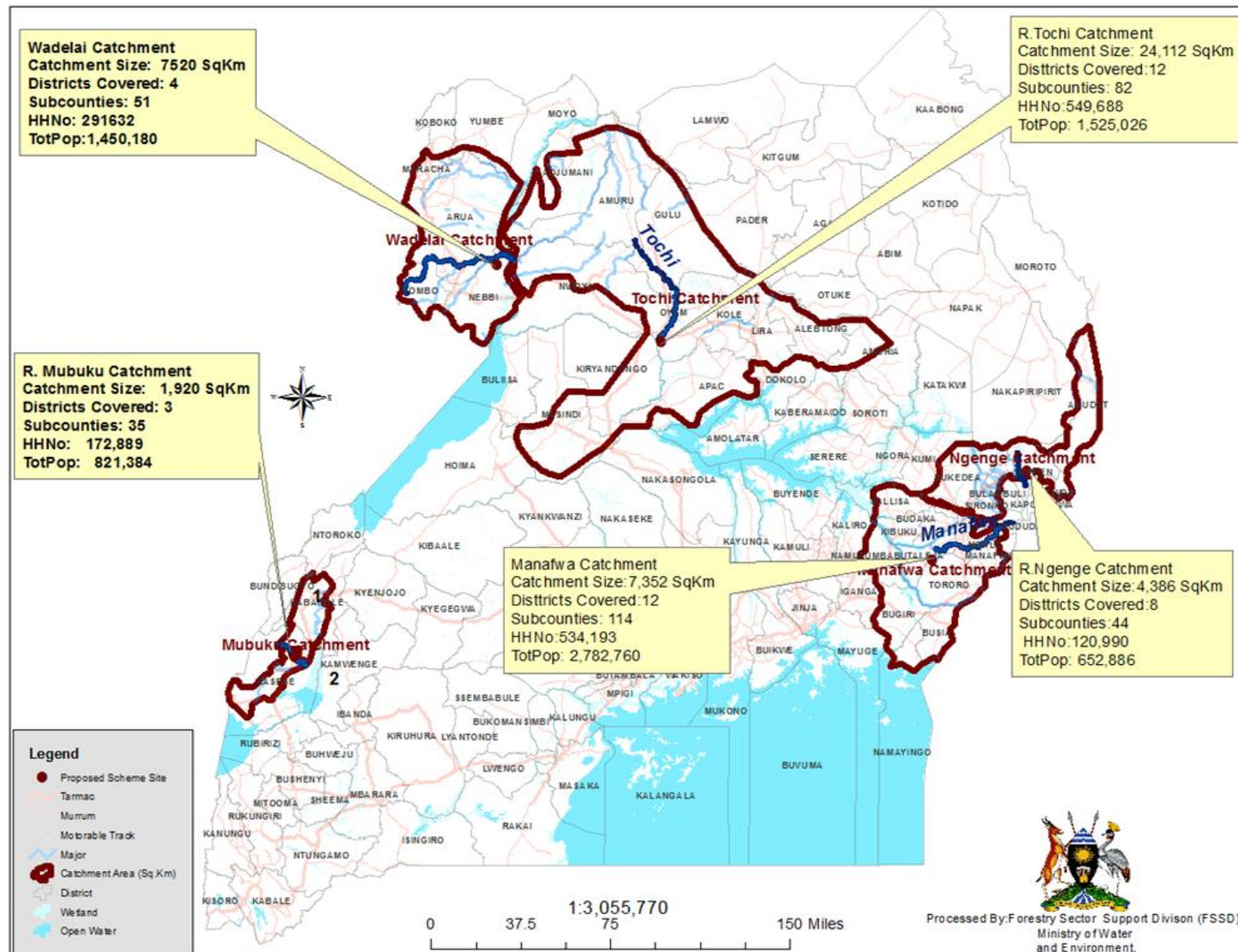
- (ii) NFA develops special products to which corporate bodies can subscribe to optimize impact, efficiency and synergies – for example:
 - **Direct support to CFM groups** for leading the implementation of the corporate organisations’ preferred activities – through either the provision of finance or key inputs – for example, seedlings.
 - **Direct support to NGOs** that support several CFM groups at a CFR or sector or even range level with deliverables agreed upon between the communities, NGO, NFA and the corporate partner.
 - **Joint investment by NFA, corporates and NGOs** at CFR level, sector or range level with provision for CFM groups to participate.
- (iii) NFA should invest in communication and publicity of the above initiatives with a view of attracting more corporate partners to come on board and/or existing partners to increase their funding.

8.9 Aligning of CFM interventions with life-cycles of projects and programmes

307. It is clear that a substantial amount of funding by different organisations has been invested in CFM and CFM groups at a varying scale, magnitude and continuity. Reporting of these expenditures is done directly between the organisations supporting CFM and their donors. Only a few CSOs countrywide report their expenditure on forestry at the Joint Sector Reviews, and even then, the activities CSOs are engaged in are not always directed to CFM or CFM groups. An exception is the UGX 12 billion reported by Nature Uganda as having been spent in and around Echuya CFR in partnership with CFM groups, local governments, academia, and other NGOs over the past 15 years to support CFM from the perspective of reconciling and balancing the intra-forest and extra-forest needs of communities.
308. Overall, because there has been no strategy by NFA to align CFM processes and groups with other initiatives, all the supporting organisations (NGOs, donors, private sector, local governments) have tended to operate independently of each other, and their initiatives have not been cross-coordinated. In virtually all the agreements between NFA and these third parties there is a provision for the participation of CFM groups which has often not been pursued, unless it is specifically the main objective of the agreement. Despite limited coherent success to date, there have been attempts which demonstrate that CFM process and groups can link and be linked to broader programs as demonstrated in table 3.2 in chapter 3. The main observation from the table is that indeed there are several funding opportunities for CFM. However, the review team found that groups supported by the listed initiatives are still poorly funded and looking forward for renewal of initiatives or start of new ones. The lack of exit strategy of these initiatives remains a substantial weakness countrywide.
309. NFA struggles to take advantage of the on-going projects and programmes within the Water and Environment Sector to advocate for a base-level of support for CFM groups in the locations where these projects and programmes are being implemented now. It could subsequently use the lessons emerging from these projects and programmes, were they to provide support for CFM, to engage other sectors or institutions for additional support for CFM activities. An illustrative

example is the Farm Income Enhancement and Forestry Conservation (FIEFOC II) Project in Figure 8.3, which will entail the development of five new small and medium scale irrigation schemes with a total of 4,038 hectares in Nebbi, Oyam, Kasese, Butaleja and Kween Districts as well as provide support for the sustainable management of the catchments for those schemes. In addition to infrastructure developments for small-scale irrigation, the project will support agribusiness development and integrated natural resources development and management. These are components many CFM groups across landscapes are involved in. In this regard, the initiative aims to increase the business capability of beneficiaries toward increasing household incomes and is comprised of: (i) Alternative livelihoods development that will support activities to promote aquaculture within the irrigation schemes, apiculture within the watershed area, and seeds/seedling production and marketing; and, (ii) Business skills development, which will include activities for capacity development, market development, and support to cooperative development focusing mainly on the youth and women. The component will also empower public and private stakeholders along commodity chains to plan, design and set up sustainable agribusinesses through the delivery of agribusiness services aimed at value-addition and the linking of producers to input and output markets supported through a value chain approach.

Figure 8.3: FIEFOC 2 as an illustrative project to integrate CFM activities in its life-cycle and locations.



8.10 Integrating CFM with forest-based enterprises and livelihood improvements

310. One of the key objectives of CFM is to support sustainable forest-based livelihoods in poor rural communities. In granting access to existing forest resources, this can be achieved through supporting communities to establish forest and non-forest-based enterprises. These enterprises ideally should be part of each group's long-term goals and objectives. It was found that the groups which were already established before taking on CFM have broad livelihood improvement objectives such as VSLAs, coffee growing, and activities that pursue farming as a business. The adoption of CFM gave birth to forest-based enterprises like beekeeping, tree growing, and in some CFM groups like Nile-bank in Kyoga Range, ecotourism. Findings from the review further indicate the CFM groups that were initiated as part of the CFM process had narrower objectives much more focused on forest conservation. This was very evident at some CFM sites that were purely NFA-facilitated because NFA staff focused much more on forestry which is their mandate than on other livelihood options. As such these communities have not been able to tap into other existing opportunities to improve their livelihoods and have continued to rely on the forest for their livelihoods. The result is that their livelihoods have not benefited as much as those communities with a broader outlook and set of activities.
311. CFM groups supported by NGOs have been encouraged to adopt both forest and non-forest-based enterprises that help reduce pressure on forest resources while improving their income. Examples include beekeeping, animal husbandry, sustainable land management, water and soil conservation, mushroom growing, craft making and ecotourism. Some of the groups that have both forest and non-forest-based enterprises include KICODA at Budongo CFR, Mpanga CFM at Mpigi CFR and all the CFM groups around Echuya CFR. The groups state that they have recorded an improvement in the livelihoods of their members in terms of household income, improved shelter for some group members, and parents have been better able to pay school fees for their children up to university.
312. The review team visited an exhibition of bee-keepers organized by the Uganda National Apiculture Development Organisation (TUNADA) during fieldwork. An objective of TUNADA is to support competitive and profitable apiculture enterprises for commercializing technologies and innovation. A key observation at the exhibition is that communities are increasingly looking to broaden the range of products they can derive from trees. This is a sustainable strategy for rural communities that are already involved in multiple livelihood strategies. It was found at the exhibition, that many farmers are already in the practice of selling many products from the same tree. The example was seen of JLLIMA Holdings Co. in Gulu which markets 16 different by-products from the Shear Nut tree.

8.11 Financing from development, financial and micro-finance institutions for forest-based SMEs.

313. Development, financial and micro-finance institutions in Uganda offer financial products, including loans at varying terms. Very few CFM groups have ever sought to borrow from banks for activities related to CFM or broader objectives. The team found only one CFM group that has tried to borrow money from a bank. This group is in Mpanga sector, MEMA, and is comprised of a combination of groups including Kwezabujja Development group, Triple III Canopy, Agali Wamu Bbizi, Kikabukiki Group and Ssekulo Kalagala. They tried to access a loan from Centenary Bank

but were denied because they lacked a CFM agreement with NFA as a starting point to process their loan. In Rwoho CFR, the CFM groups want NFA to get them an arrangement to get loans from banks on the strength of their trees. A pilot initiative in Kenya is attempting to overcome this barrier as described in Box 8.3 under a Tree Fund, that will also benefit other African countries in due course.

Box 8.3: Kenya pilots accepting standing trees as collateral for small farmers

To incentivize smallholder farmers to plant billions of trees across Africa and produce sustainable charcoal, 'Partnerships for Forests' as of 2018 was supporting The Nature Conservancy to design a 'Tree Fund' and to conduct a feasibility study on sustainable charcoal production in Kenya. The Tree Fund is an innovative finance mechanism designed to incentivize forestry organisations and farmers to plant billions of trees for commercial use by providing finance at an affordable rate and for a long-time horizon. A key innovation is that the Tree Fund will take planted trees as collateral against loans. This way the Fund would be able to provide loans at a much lower interest rate than unsecured loans. In addition, Partnerships for Forests is funding a study on how to produce charcoal sustainably and economically, which includes piloting and assessment of different charcoal harvesting and conversion practices. **The Tree Fund aims to set in motion 50,000 hectares of tree planting by 2020 for project partner Komaza (a forestry business) and others, with an ambitious goal of reaching 10,000,000 hectares by 2030. The Tree Fund also aims to have sustainable charcoal production being demonstrated in each county in Kenya by 2020 and envisages all charcoal across East Africa being sustainably sourced by 2030.**

314. Uganda is far behind in piloting the model Kenya is starting with the support of The Nature Conservancy because the cost of capital is still a barrier for even regular profit-focused businesses, let alone for CFM groups which also have a social- and conservation-orientated mission linked with the public good. For example, the United Nations Capital Development Fund (UNCDF), in partnership with the Private Sector Foundation of Uganda (PSFU) and UDBL, and with support from the EU, launched the Support To Agricultural Revitalization and Transformation (START) facility in 2018 to offer access to affordable medium-term finance for agricultural value addition projects in Northern Uganda. The START facility provides business development services and seed capital in the form of concessional loans, grants and partial guarantees. The Facility's exit strategy is to leave behind a revolving fund, for financing projects with a financing requirement from Euro 10,000 (UGX 40 million) to Euro 100,000 (UGX 400 million). The CFM Review team found that there are many emerging CFM groups in Northern Uganda that could benefit from the SMART Facility. However, because of their current level of capacity and scale of operations, none of them would qualify to compete for the facility in the short run, and most would not be able to afford the current terms of interest.
315. However, there would be a great opportunity for the groups to benefit indirectly if for example, a competent private or any other organization that chooses to add value to, for example, honey, to which the CFM groups would be linked to provide raw honey, which is harvested both in CFRs and across large areas of communally owned land in northern Uganda.
316. Importantly, NFA has already provided bee-hives to CFM groups in Kaabong, Kitgum and Lamwo districts under the UNDP/GEF funded Kidepo Critical Ecosystems Project. It should go a step further to connect companies specialising in value-addition of bee-products with these CFM groups.

317. This is possible in the short-run because a private company - JLLIMA Holdings Ltd - has obtained a UNBS Certificate for adding value to Kitgum Uganda Savanna Honey and marketing it. Currently a 500g pack is priced at UGX 10,000 on the market. The implication this opportunity raises is that both NFA and NGOs that support CFM groups must inevitably build their capacities in forestry business models and/or co-opt such technical capacity to serve CFM groups in successfully getting their products onto the market.
318. The strategy to link CFM groups to private sector partners and viable enterprises that qualify for access to concessional loans and/or grants should be pursued by both NFA and NGOs, in respect of the products/services that CFM groups can provide (e.g. timber, eco-tourism, poles, medicinal herbs, bee products etc.). The Uganda Timber Growers Association (UTGA), an association of commercial tree growers, is planning to apply for the East African Development Bank's (EADB's) Biodiversity Fund in support of its downstream processing. EADB advertised a call for viable business proposals to be funded under the Biodiversity Investment Fund, targeting 6 sectors: organic agriculture, tourism, fisheries and aquaculture, forestry, renewable energy and wildlife-based enterprises¹⁰¹. However, given that as far as is known, no CFM group has ever successfully borrowed funds through a formal mechanism, it is unlikely that the offer from the EADB of "attractive loans" would be taken up by most CFM groups.
319. Other available sources of funding of similar nature are the Agricultural Credit Facility, administered by the Bank of Uganda through 23 development, financial and micro-finance institutions; the Yield Uganda Investment Fund managed by Capital Partners Ltd, and those provided by individual lenders but at commercial rates of interest.
320. As highlighted earlier in another part of this report, the review team found that UNETCOFA had also secured a UGX 90 million grant from the PSFU with which it supported some CFM groups in bee-keeping and related capacity building. But that was grant.

8.12 Green bonds in the Ugandan context

321. Commitments by the Government of Uganda to mitigate greenhouse gas emissions and adapt to the anticipated adverse consequences of climate change present an opportunity for innovative financing for natural resource conservation. As a signatory of the Paris Agreement, Uganda's Nationally Determined Contribution incorporates both adaptation and mitigation strategies.
322. Through a combination of energy, forestry, and wetland initiatives, the country could reduce emissions by 22% by 2030, while also focusing on a host of sectors to improve resilience with regard to agriculture, forestry and water (Government of Uganda, 2015). As in other countries, many of these actions meet the basic criteria of projects that are well-suited to be financed with Green Bond proceeds.
323. Green bonds have emerged as a mechanism to leverage public or private sector funds with explicit environmental goals. The green bond market multiplied more than fivefold from 2013 to 2017 and grew by 92% from 2015 to 2017 (ALCB Fund 2018). Estimates from Standard and Poors show that the global market could reach \$1 trillion by 2020 (Atkins 2015). However, the African green bond market is significantly underdeveloped, with the exception of innovations in South Africa and Nigeria. Generally speaking, projects that are best suited to this funding mechanism

¹⁰¹ New Vision of 9th November, 2018

are large with long investment horizons. In emerging economies that lack sophisticated market infrastructure and capital assets, one possibility is to issue bonds in partnership with regional or multinational development banks, which channel proceeds to projects undertaken in the country of interest. These banks can help initiate markets, absorb risk, finance new technologies, and leverage private capital. Green bond market standardization can also increase investor confidence in emerging markets. Green Bond Principles (GBPs) are a voluntary set of guidelines regarding project eligibility and evaluation, use and management of bond proceeds, and third-party verification (Duru and Nyong, 2016). Application of such standards can increase transparency and institutional accountability in socially responsible investments.

324. While Uganda's bond market is dominated by government debt, there has been some foreign participation, with the African Development Bank (AfDB) issuing a UGX 12.5 billion bond in 2013 (AfDB, 2013). In terms of green bond potential, with a B+ credit rating from Fitch, there could be opportunities for the Bank of Uganda to issue a bond in the future. In the meantime, proceeds from bonds issued by partners such as the AfDB and the International Finance Corporation (IFC) have gone toward renewable energy and forestry projects in the country, although at scales larger than CFM (Duru and Nyong, 2016).
325. Green bond market development in Kenya could spur more opportunities in the East Africa region. In 2017, the Kenya Bankers Association, Nairobi Securities Exchange and Climate Bonds Initiative in conjunction with the Dutch Development Bank (FMO) and IFC launched a three-year programme to establish green bond policy, guidelines and fiscal incentives as well as local entities to provide expertise and investment assurances (Kidney 2017). The programme's focus on green buildings under its Sustainable Finance Initiative could offer an opportunity to build market linkages with locally sourced (and certified) sustainable wood sources, benefitting local communities.
326. In summary, although Africa's Green Bond market is nascent, there is some potential to leverage growing capacity in the East Africa Region, as well as Uganda's increasing financial development. Global Credit Ratings, a South African agency, gave Kampala an "A" for its long-term debt, which could indicate potential for a municipal bond issue (Taylor 2016). Municipal Green Bonds have been oversubscribed elsewhere in Africa (e.g. Johannesburg), indicating high investor interest (ALCD Fund 2018). As the green bond market develops, it will be critical to apply internationally recognized standards such as the GBPs, and coordinate with public and private initiatives that increase the capacity of CFM to engage with green markets. The Uganda Biodiversity Fund could take up that role. It is planning to carry out for example, the mapping of key partners to collaborate with in developing a sustainable conservation financing mechanism.

8.13 Development partners' perspective on CFM financing now and in the future

327. Development Partners in the country have in the past supported afforestation, reforestation and conservation and they will continue to do so. Forestry support by donors is in response to government efforts for balanced socio-economic and inclusive development, adaptation and mitigation against climate change and broadening livelihood opportunities from other conservation-related co-benefits. Key messages from the development partners are that:
 - With an enabling environment in the country, the opportunity to increase and broaden financing for forestry would be improved, just as it would, for other sectors.

- With innovation, improved financing is feasible
- The private sector is a key partner and agent in the transformation of forestry

8.14 Barriers to CFM financing

328. The barriers to the financing of CFM can be described as falling under four categories: structural, institutional, capacity-related and attitudinal. They affect all the organisations involved in CFM and its financing. The scattered nature of forestry across various institutional mandates has promoted competition for financial resources, institutional conflicts, duplication of effort, and the spread of available resources too thinly on the ground (Indufor 2012). It is too early to tell when the government's plan to nationalize its agencies as directed by the President in November 2017 and re-emphasized in September 2018 will occur, let alone to predict whether it will improve financing for forestry in general, and CFM in particular.
329. Often, the names of existing government programmes have not included any reference to CFM in relation to the target groups that can compete for the resources that these programmes have to offer. Notable examples are;
- (i) The youth livelihood program under the MGLSD¹⁰²
 - (ii) Women empowerment found under the MGLSD
 - (iii) Skilling Uganda Program under the PSF
 - (iv) Operation wealth creation program
 - (v) National Agricultural Advisory Services under MAAIF
330. Accordingly, very few CFM groups have applied for these funding windows and many individuals within the groups who have accessed finance have rarely allocated it to forestry-related interventions. CFM groups will also have to overcome their institutional capacity gaps to tap into these opportunities. Many of them cannot write proposals without external support.
331. The lack of transparent eligibility criteria for accessing seedlings being raised under NFA's national community tree planting program has made it susceptible to elite capture by the well-to-do rather than the rural poor represented in so many CFM groups countrywide. This in turn will delay a shift of tree planting and /or access to some forestry resources from CFRs onto private land, thereby leading to over-dependency on CFRs. The failure to date to highlight the achievements and impacts of successful and promising CFM models within NFA performance reports and at the annual Joint Sector Review makes CFM invisible to potential supporters. With a shift towards program-based budgeting, and tasking NFA to report on the indicator of forest cover as a percentage of land area, this is going to require indicators for reporting on CFM across groups and consistently reporting on the performance of CFM, including providing evidence for policy advocacy.

¹⁰² The Ministry of Gender, Labour and Social Development

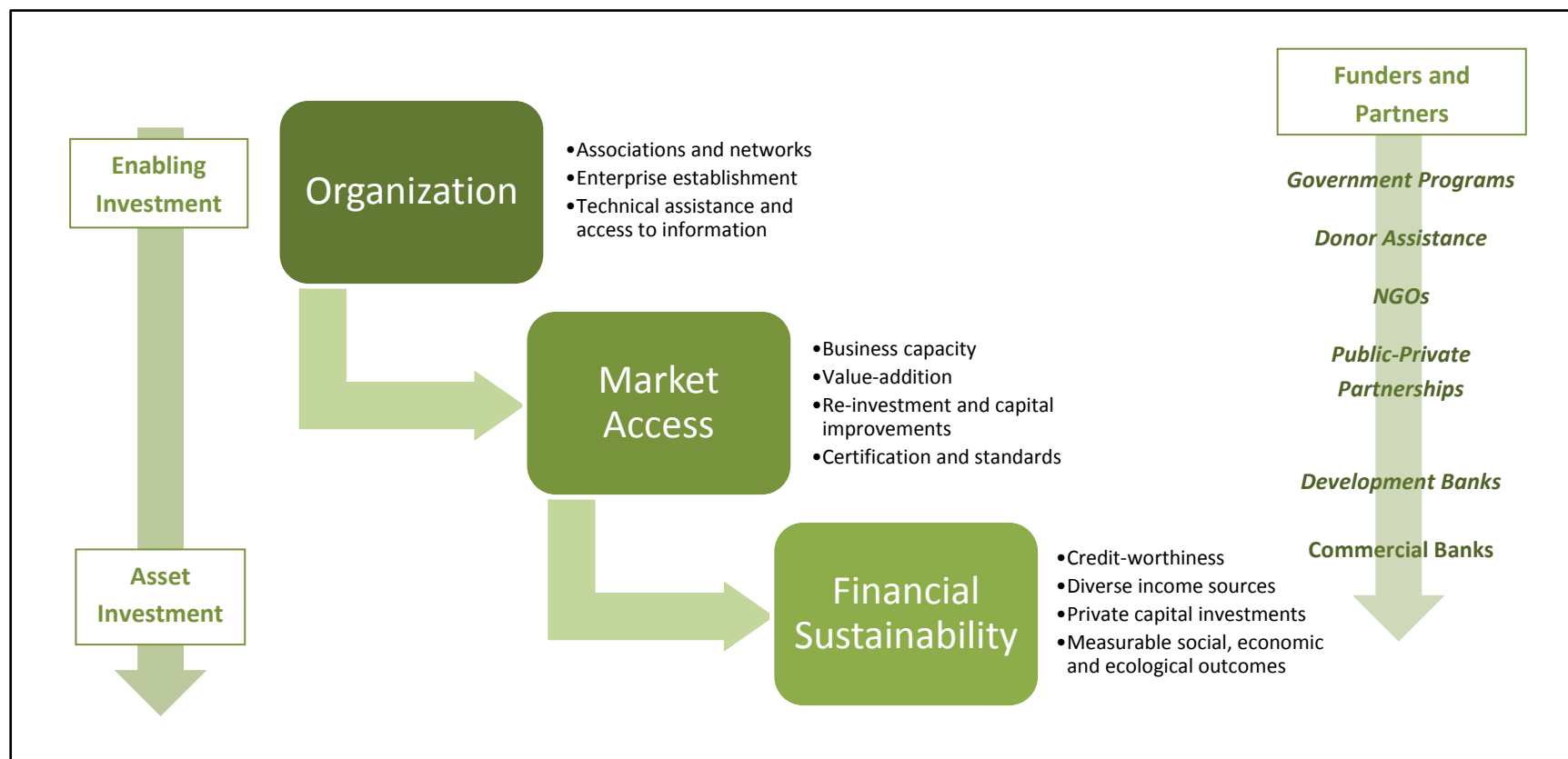
8.15 An overview of CFM-type financing models from other countries and their feasibility for Uganda

332. Financing for community-based and collaborative forest management in many parts of the world focuses on forest-related small and medium-sized enterprises (SMEs) as well as integrated support for agriculture and livelihood improvements. SMEs are critical for achieving sustainable land use in forest landscapes while attaining socio-economic impact. They have a substantial multiplier effect for local economies and play a significant role in poverty alleviation. SMEs provide 80 per cent of all formal jobs in low income countries, particularly in Sub-Saharan Africa (de Kok et al. 2013). SMEs that are geared towards sustainable forest management help maintain or restore ecosystem services on which food production depends, including water storage, pollination, nutrient cycling and climate regulation. Increasingly, forests and agriculture are being considered together as synergistic components of sustainable development (FAO, 2016). This integrated approach is in direct alignment with Uganda's Green Growth Development Strategy as espoused in the Uganda Vision 2040 and the National Development Plan II.
333. Sources of finance for community forestry tend to correspond to the nature of the forest user group seeking funds. In early phases, forest communities are often supported by governments, donors and philanthropists working through NGOs or state-run institutions.

Box 8.4: Defining success in community forest enterprises

The Forest Connect Alliance defines successful **community forest enterprises** as “entities undertaking commercial exchanges based on sustainably managed forest or tree products or services, overseen by credible representative bodies suited to act as rights holders and which have legitimacy within self-defining ‘communities’ in terms of people and area, that general and redistribute profits within those communities.” (Macqueen, 2013).

Figure 8.4: Phases of development for community forestry financing



334. The private sector can also be involved at this stage through impact investing or corporate social responsibility, which is not primarily profit-seeking. While frequently driven by social or environmental goals, this support is most effective if guided by an exit strategy from the outset with a focus on capacity-building and sustainability. This initial financing phase, sometimes referred to as an **enabling investment**, facilitates cooperative institution-building, business models, market linkages and new technology with an explicit focus on future self-sufficiency.
335. As Community Forestry Groups (CFGs)¹⁰³ and their business practices mature, they can gain access to additional sources of finance from banks and government funds designed to support enterprises. This **asset investment** phase can assist CFGs with capital improvements, achieve economies of scale, pursue value-added production, increase processing efficiency and strengthen their position in supply chains. It should be noted that CFG members are also enabling and asset investors through in-kind contributions of labour, expertise and management of their cooperatives, which is critical to the viability of a group over time. The following figure illustrates phases of CFG financing and business development to ensure the sustainability of groups over time. Components of this roadmap are described below.

8.16 Components of Success: Target Areas for Enabling Investments

336. Reviews of locally-controlled forestry and related enterprises in Africa, Asia and Latin America reveal common components of success that allow communities to achieve financial independence and resiliency over time.

⇒ Organization, networks and market access

337. Locally-driven formation of organizations, which can later merge into cooperatives, associations and even federations across CFGs and regions, has multiple benefits. These include:
- (i) **Service provision:** access to information; technical assistance for forest management; supply of inputs (for example, seedlings) at lower cost; cooperative use of capital for processing and value-addition; linkage to markets; negotiation of better sale prices; and access to financial and business service providers.
 - (ii) **Advocacy:** unified voice to advocate for improved policies beneficial to their members and CFG. Aggregation can be supported by multiple donor types, from international institutions (e.g. FAO's Forest and Farm Facility) to national governments to local-level NGOs. Some CFGs in Uganda are self-organizing and form their own associations (see Annex 9.1). In other cases, NGOs like Natural Enterprises Development Limited or WWF provide support to enterprises to aggregate and establish business plans.
338. These efforts can be scaled up and leveraged through the development of national or regional associations. Within Mali, for example, forest-farmer organizations have invested considerable time and energy in strengthening local producer associations. The Association des Organisations Professionnelle Paysannes (AOPP) helps women engage with NTFP markets by providing training on harvest practices, developing processing techniques, and researching market information locally and nationally. AOPP also developed links between enterprise groups and formal development initiatives,

¹⁰³ This term is used in this section to refer to both collaborative forest management (communities holding collaborative forest management agreements with third party forest landholders) and community-based forest management (communities managing forest owned by them on their own land).

as part of a carefully planned exit strategy. Since 2011, the cooperative has been able to attract private partners and equity capital to increase its profit margin over time (Elson, 2012).

339. AOPP attributes much of its success to its membership in the Forest Connect Alliance, which is co-managed by the International Institute for Environment and Development (IIED) and FAO.
340. The central aim of Forest Connect has been to link SMEs to national forest programmes (empowering them to be heard by policy makers), emerging markets (by enhancing market linkages between supply and demand), service providers (by strengthening their capacity to provide training and finance) and to other SMEs (by supporting existing associations) (Wagner et al., 2011).
341. Forest Connect is currently working with the Uganda Wildlife Authority (UWA) and the Wildlife Conservation Society (WCS) to address illegal wildlife trade in Murchison Falls and Queen Elizabeth National Park. The alliance facilitated a multi-year grant award to Village Enterprise, a community-based NGO, to implement a livelihood program to reduce human-wildlife conflict and increase wildlife crime reporting.
342. Although Forest Connect's work in Uganda currently focuses on the illegal wildlife trade, its partnership with UWA could be leveraged to build a collaboration with NFA in support of CFG, with benefits for both communities and wildlife.

Box 8.5: Progressing from enabling to asset investment: Success in Guatemala supported by USAID

Guatemala's Federation of Cooperatives of the Verapaces (FEDECOVERA), an autonomous alliance of forestry and agricultural associations, initially leveraged donor funds to increase its capacity and later leverage private capital for longer term sustainability. FEDECOVERA acts as an aggregator and is a key player through the value chains it supports (including wood and cash crops). It provides technical training and extension services to standardize quality so that entire value chains can be certified and sold in high-value export markets.

FEDECOVERA received support from USAID in 1998 to manage a fund of USD 1.5 million, including professional training in credit management. It also receives grant support for its provision of technical and social services from the Ministry of Agriculture, Livestock and Nutrition, among other institutions. FEDECOVERA'S priority is to ensure that members have enough working capital to buy raw materials for its processing industries, including value-added technologies and machinery to improve product quality. This capacity support enabled FEDECOVERA to become a shareholder of Banrural, one of Guatemala's largest commercial state-owned banks, increasing its ability to leverage private capital (Hou-Jones et al., 2018).

⇒ **Administrative and business management capacity**

343. As noted in Chapters 5 and 6, NFA and many CFM groups lack critical capacity. NFA has had mixed success in formalizing group registration, agreements and reporting guidelines, and does not always fulfil its responsibilities, particularly with regard to benefit sharing and monitoring. Likewise, some CFM groups do not abide by their tree planting responsibilities, sustain their membership fees, or align with CFR management plans. The following best practices and lessons learned can help address these challenges.
344. Critical competencies for CFG sustainability include administrative, financial and operational skills and clearly defined roles among members. NGOs (for example, the Rainforest Alliance in Latin

America) provide technical assistance in bookkeeping, business planning, legal compliance and monitoring. Autonomous organizational structure, roles and finances can increase transparency and investor confidence in CFG operations (Macqueen et al., 2015).

345. One member organization of the Aburo Forest Management and Utilisation Cooperative in Ethiopia, for example, established an “Audit Committee” and an “Elders Committee” independent from the “Executive Committee” to ensure that the financial returns and social impacts of their business are performing as intended (*Ibid.*). Clear separation between operations and oversight mechanisms will contribute to CFG effectiveness and attract financing.
346. Public programmes can also strengthen the business environment for SMEs. In Mozambique, for example, the national government created the Balcão de Atendimento Único, a service desk or “one stop shop” for SME registration. Mozambique’s Institute for Promotion of Small and Medium Enterprises (IPEME) is a national public entity that identifies emerging and existing SMEs, provides training for the development of business plans and financial reporting, and facilitates access to finance (Hou-Jones et al., 2018). Business development services can encourage associations to re-invest their resources into capital improvements, improved processing, storage and packaging to strengthen their capacity and market access. Technical assistance that provides and manages product certification also opens doors to new market opportunities and help groups remain viable despite thin profit margins (Macqueen, 2015).
347. As described in Chapter 6, SACCOS and VSLAs have helped some CFM groups gain access to local markets for their SMEs, but they are largely donor or NGO-driven and small in scale. Increasing business capacity and financial management can enable associations to improve their credit-worthiness and access more sustainable sources of capital. Organizations like SCOPEinsight have worked with locally controlled forest projects around the world to assess governance, operations and financial management. This information is used to strengthen capacity as well as decrease investor risk. SCOPEinsight currently works in Uganda with the Young Farmers Association, among others. Several commercial banks including Bank of Uganda have departments that monitor and supervise non-banking financial institutions (NBFIs), including Microfinance Deposit Taking Institutions (MDIs) and credit only NGOs, SACCOs and MFIs. The Bank of Uganda created the Credit Reference Bureau in 2008, which issues financial cards to borrowers to incentivize repayment, avoid over-indebtedness, and reduce lending rates. Data from organizations such as these can help individual borrowers and associations establish a credit history and gain access to more favourable financing products.

⇒ **Public and donor assistance as a catalyst for growth**

348. Public programmes and international donor assistance have helped launch SMEs in the forest sector and facilitated their ability to access sustainable sources of finance. This support has been most effective when grants and incentives are geared towards capacity-building and institutional development.
349. The Government of Guatemala established a Smallholder Forestry Incentives Program in 2011 known as PINEP¹⁰⁴ targeted to smallholders without legal ownership of land. Funds are delivered through the National Forestry Institute (INAB, a government entity that administers forest policy) for administration, supervision, and provision of technical support. The incentive supports productive

¹⁰⁴ For its acronym in Spanish

activities in agroforestry systems that not only provide an alternative for employment generation, but also contribute to the restoration of strategic zones for water production and food security. According to law for communal forestry, the PINPEP was assigned between 0.5% and 1% of the State's budget¹⁰⁵.

350. INAB in turn provides technical services and inputs (seedlings) as well as a portion of the PINEP incentive payment to cooperatives and municipalities. Producers are given bank accounts to receive payments with Crédito Hipotecario Nacional, which manages both private and public capital. This component of the program enables smallholders who previously have not held bank accounts to establish a relationship with the banking sector.
351. Gapi¹⁰⁶, a development finance institution founded in Mozambique in 1990, is a successful public financing mechanism that manages funds from international development partners. Gapi has achieved more success than other similar public institutions because it is governed as a joint stock company through a public-private partnership.
352. In 2013, the state-owned 30 percent of Gapi's shares, the private sector owned 55 percent and civil society owned 15 percent (Hou-Jones et al., 2018). This multi-stakeholder governance structure increases transparency and responsiveness. Gapi targets the needs of smallholders by creating community savings-and-credit associations, supporting institutional development, and helping enterprises enter the formal market.

⇒ **Building bridges to private sector financing**

353. Governments, donors and NGOs can be instrumental in facilitating access to private sector funds for community forestry groups. In early stages, these entities can serve as guarantors and work with banks to design products specifically for SMEs. FIDOSA, a Guatemalan bank, developed a financing mechanism for small rural enterprises through a partnership with the Inter-American Development Bank (IDB) and the Rainforest Alliance, with additional support from USAID. IDB and the Grupo Financiera del Occidente (to which FIDOSA belongs) provided an initial amount of USD 10 million in reimbursable funds to create the mechanism, and the Rainforest Alliance provided technical assistance and capacity building. Several types of credit lines were developed to finance working capital needs for annual operations as well as acquisition of infrastructure and value-added processing equipment. Standing timber was permitted as collateral, with fixed interest rates over a longer time horizon appropriate for forestry operations. This competitive product was offered at nearly half the price of other banks and managed to reduce interest rates from 18 percent to 11 percent (Hou-Jones et al., 2018, Hodgdon and Loewenthal, 2015).

¹⁰⁵ Forest Investment Program Guatemala, 2017

¹⁰⁶ See: <http://gapi.co.mz/>

Box 8.6: Inter-sectoral linkages: framing Uganda's forests as critical contributors to agriculture and sustainable economic growth

Forests and agriculture are increasingly considered as synergistic components of sustainable development (FAO, 2016). A growing body of literature demonstrates the importance of conserving and restoring forest cover to increase food security and provide critical business inputs (Macqueen, 2015). Framing forests as critical components of Uganda's natural capital base will help increase the visibility of CFM in diverse sectors.

Uganda's Minister of Water and Environment, the Honourable Sam Cheptoris, acknowledged these linkages in his Foreword to Uganda's Forest Investment Program:

"The total economic value of forests to the national economy has been estimated at UGX 593 billion, equivalent to 5.2% of GDP. The indirect benefits of forests are also high, valued at UGX 60.8 billion for watershed protection and UGX 56.4 billion for carbon sequestration, among others. Forestry supports 94% of household energy for cooking as well as generating tourism revenue, taxes, employment and household income, and supporting the growth of other sectors such as real estate, construction, energy generation and cottage forest-based enterprises. About 61% of Uganda's tourism income is generated by the forest-based national parks under the management of the Uganda Wildlife Authority. Forests also represent key cultural and livelihood assets for forest-dependent communities."

Taking these economic assessments, a step further to include forest's contributions to water security, erosion control, nutrient cycling and pollination of food crops, can ensure that forestry and CFM are relevant to agriculture and business financing initiatives.

Kenya's Water Tower Climate Change Resilience Program, a USAID-funded initiative conducted in partnership with the U.S. Forest Service and the Kenya Forestry Research Institute, has developed financial estimates of the provisioning, regulating, supporting and cultural services provided by Kenya's Cherangany, Mt. Elgon and Mau Complex watersheds. The study addresses values that are not typically included in national accounts. The total economic value attributed to insect pollination for crop production, for example, is estimated at KES 930 million (USD 9.3 million) in 2015 (Langat et al., In Press). These assessments are powerful tools to make a case for forest management and conservation in the context of sustainable development.

354. USAID has also been instrumental in supporting the African Agricultural Capital Fund, providing a 50% guarantee that reduces risk for other equity and philanthropic investors. USAID provides additional funding for a technical assistance facility that helps small companies increase capacity and become investible (Elson, 2012). Providing assistance at these two scales helps ensure that small businesses can access private sector funds leveraged by donor institutions.
355. As earlier discussed in this chapter, Uganda has similar programs in place with a focus on agriculture. The United Nations Capital Development Fund (UNCDF), in partnership with Private Sector Foundation Uganda (PSFU) and Uganda Development Bank Limited (UDBL), and with support from the European Union, launched the Support to Agricultural Revitalization and Transformation (START) Facility in May of 2018. The Facility is intended to offer access to affordable medium-term finance for agricultural value-adding projects in Northern Uganda through provision of business and seed capital in the form of concessional loans, grants and partial guarantees. A primary goal of the program is to encourage projects that reduce environmental risks and ecological scarcities. Forming inter-sectoral

linkages between agricultural development and sustainable forestry could help bring CFGs to the table in these large-scale financing partnerships (see following text box 8.5).

⇒ **Measuring environmental, social and economic outcomes to attract investment**

356. An increasing number of public and private investors are targeting opportunities that generate social and environmental impacts beyond financial returns. Between 2004 and 2015 for instance, the private sector channelled USD 8.2 billion of private capital into “triple bottom line” investments (Hamrick, 2016). CFGs and related SMEs potentially have a comparative advantage over large forestry companies due to their positive social impacts. Capturing these contributions will enhance the visibility of community forestry and open doors to funding that does not have a singular focus on economic return.
357. The Cochabamba Project in Bolivia has been able to attract support from private investors and CSR foundations by emphasizing the social benefits of its work. The initiative was one of the first of its kind to implement reforestation through an association between local smallholders and ethical investors. Reforestation is completed by local farm families through small-scale forestry plantations, using primarily native tree species, and includes the establishment of on-farm ecological corridors, protective plantations and sustainable agriculture. With assistance from ArBolivia, an alternative business initiative promoting native reforestation and fair trade, the project raised nearly USD 1 million in impact investments covering seedling germination, ground preparation and tree planting. To supplement initial investments and cover operating expenses, financial revenues were generated through carbon credit sales with help from Plan Vivo, which certifies carbon benefits and livelihood improvements from afforestation and agroforestry, forest conservation, restoration and avoided deforestation. Following initial start-up costs, the project is now receiving timber revenues as an exit strategy and pathway to financial sustainability.
358. Within the Ugandan context, and as earlier discussed, ECOTRUST developed Trees for Global Benefit, a cooperative carbon offsetting scheme which combines community-led activities to increase carbon sequestration with performance-based payments for farmers based on the Plan Vivo standard. Through 2016 the program sold over USD 5.6 million in Plan Vivo Certificates (ECOTRUST, 2017). Programs such as these can help forestry-based enterprises cover initial start-up costs while they enhance their capacity as scalable and sustainable businesses.

⇒ **Leveraging payments for ecosystem services and watershed investment partnerships**

359. As illustrated by the Cochabamba Project and CFM groups adjacent to Rwoho CFR in Uganda (see Section 8.6), payments for ecosystem services (PES) offer a complementary funding source to help CFM groups maintain a diverse portfolio. In addition to carbon finance, community forest associations can benefit from multi-sector watershed investment partnerships that are based upon recognition of the water quality and supply benefits provided by natural forests. These partnerships can be convened by governments, municipalities or NGOs to target private and public sector beneficiaries.
360. The Tana River watershed in Kenya supplies 95 percent of the water for Nairobi’s four million residents, and for another million people living in the upper catchment. It also feeds one of the country’s most important agricultural areas and provides half of Kenya’s hydropower output. Since the 1970s, wetlands and forests on steep hillsides have been converted to agriculture, impacting water storage and erosion, with implications for drinking water quality and farm productivity.

361. The Nature Conservancy convened partners and investors from across sectors including donors (Global Environmental Facility), governments entities (Government of Kenya and the Water Resources Management Authority), utilities (Nairobi City Water and Sewerage Company), private corporations (Coca Cola, East Africa Breweries, Ltd.) and research institutions (International Centre for Tropical Agriculture), among others. Fund partners supported an ecosystem service valuation of the watershed to establish a business case for investment, which showed that a USD 10 million investment in water fund-led conservation interventions is likely to return USD 21.5 million in economic benefits over a 30-year timeframe (TNC, 2015).
362. Funds will be used to support water and soil conservation on farmland in the upper watershed to both increase yields and reduce soil erosion. In a CFM context, water funds could be directed to native reforestation and sustainable agriculture adjacent to CFRs, with positive outcomes for communities and downstream beneficiaries.
363. Within Uganda, WWF is implementing “Sustainable Financing of the Rwenzori Mountains National Park (SFRMNP) Project” with funding from the European Union (EU) and the French Global Environment Facility (FFEM). The project includes a feasibility study for PES in the Mubuku and Nyamwamba watersheds. The aim is to make a business case for downstream water users (private industry, hydropower and the mining sector) to invest in both conservation and livelihood improvements, with an aim of sustaining critical water inputs for their operations. The study found a measurable impact of agriculture interventions (terracing, agroforestry and mulching) on flow regulation and sediment loads, with benefits for hydropower production, irrigation and municipal water supplies (Hunink et al. 2016). Feasibility studies such as these offer a critical starting point for watershed investment partnership development.

9 Impacts of CFM implementation

9.1 Introduction

364. This chapter reviews the impacts of CFM implementation to date examining four main outcomes and then takes a candid look at the negative outcomes that were encountered as follows:

- (i) Process outcomes
- (ii) Sustainable forest management outcomes
- (iii) Institutional outcomes
- (iv) Socio-economic outcomes
- (v) Negative outcomes

9.2 Process outcomes

9.2.1 Anchoring CFM within the law and policies

365. Broadly, the NFTP 2003, building on the National Forestry Policy 2001, and supported later in 2016 with NFT Regulations provides the legal basis by which Responsible Bodies can enter into a contract with forest user groups. It is on this basis that all the CFM Agreements to date, including the prototype contract in the Regulations, are based. But in addition, the FUGs must have the capacity to enter into a contract. The findings from the review are that:

- (i) It is mainly NFA that has taken advantage of the law to involve communities and the prolonged delay by local governments in implementing CFM in their LFRs diminishes their devolved responsibility for forestry management;
- (ii) NFA has done due diligence to ensure that by the time CFM agreements are signed, the CFM groups meet other criteria enabling them to enter into agreements – for example, being legally registered with local government as CBOs or by the Ministry of Internal Affairs as NGOs or Ministry of Trade and Industry as cooperatives etc..

366. However, a few gaps and omissions were found:

- (i) CFM groups dully comply in registering as legal entities in preparation for signing their agreements with NFA. Many instances were found where registration was done once but not again; and yet renewal under the NGO Act, is supposed to be bi-annual. The implication is that immediately after the initial two years of operation, these groups become illegal, and this stands to compromise access to justice in event of a conflict between themselves and NFA. However, other CFM groups received their agreements with NFA before registering with local governments (NOBUFOCA in Budongo). Worse still, many CFM groups have been active without any legal identity for very long periods (e.g. SESSE in Mabira for over 10 years; Aminkech in Chegere CFR for 15 years). The potential liability to NFA from potential legal claims due to this ongoing compliance failure will be heavy if it is not rectified very soon. It is imperative that NFA assures the groups of their access and ownership¹⁰⁷ rights – maintained by their ongoing legal compliance – so that they have confidence to expand their operations

¹⁰⁷ Ownership over their investments like trees, bee-hives, etc. but not over the CFR which belongs to government.

- (ii) Secondly, there is a lack of clarity on the formula for revenue sharing, particularly for monetary benefits for products and services and the specific sources of that shareable revenue. This is a genuine concern because CFM groups have confiscated illegal produce which NFA has taken possession of in many locations without recognizing or incentivizing the CFM groups. Their agreements talk of benefit sharing without clarity on how the sharing is to be done.
- (iii) Thirdly, CFM groups have protected forests where eco-tourism has thrived (albeit at varying pace) yet, NFA takes all revenue without again recognizing the contribution of communities (for example, in Kalinzu and Budongo CFRs). In other cases NFA has harvested forest produce (for example, bamboo in Echuya CFR and timber in Mabira and Kalinzu CFRs) or given concessions to private companies for harvesting or investing in CFRs without mention of how these private investors would minimally relate to already existing CFM groups (for example, eco-tourism concessions in Kalinzu, Budongo, and Bugoma CFRs and timber harvesting of *Parinari excelsa* in Kalinzu and *Cynometra alexandri* in Budongo. CFM groups have seen other CFM groups in Rwoho CFR receive the additional incentive of carbon finance and have also seen groups on private land access similar incentives under PES – for example, by ECOTRUST's Trees for Global Benefits. **The opportunity of participating in emerging carbon markets as well as current and future funds-based mechanisms implies that there needs to be greater clarity on the ownership and traceability of the sequestered carbon (i.e. carbon rights) and therefore the benefits accruable for CFM groups. In addition, NFA needs to take on a greater level of pro-activism in how rights and benefits will be managed and shared in respect of bio-prospecting, bio-diversity conservation and watershed management to regulate water for electricity generation, irrigation and downstream agricultural productivity as well as for flood control.**

367. NFA has favoured private investors over CFM groups when allocating CFR land for plantations, even when CFM groups are well established in a CFR and have an interest in being allocated this forestland. It has been suggested that CFM groups could be allocated a share of the ground rent that these private tree planters / farmers pay to NFA, although NFA ground rents are low. Interest is also arising as to how CFM groups can hypothecate their plantations to banks to access credit (i.e. use their plantations as collateral). This requires a legal modality to effect. There are also lessons that NFA can take from other models in Uganda which have developed formulae for benefit sharing as summarised in Table 10.1.

Table 9.1: Models of monetary benefit sharing arrangements within and outside the forestry sector

Method of delivery	Specific examples	Revenue source	Formulae
1. Fund based	Bwindi and Mgahinga Conservation Trust	Interest earned on the Endowment Fund	60:20:20 for community projects, ecological monitoring and administration respectively
2. Market-based instrument	CDM or Bio-Carbon Fund for afforestation in Rwoho	Carbon sequestered	Based on tonnage
	ECOTRUST	PES under Trees for Global Benefits	50% of performance-based payment amounts are made at planting and after the year 1 survival count.
3. Project-based	SPGS Project	Grant for commercial forestry	50% of the establishment cost on pre-determined cost estimates and subject to satisfying standards set
4. Fee-based	Revenue sharing under UWA	Entrance fees into the National Parks	20% shared with park-adjacent communities
	Communities around Bwindi and Mgahinga	Gorilla tracking permit	USD 10 to communities in addition to revenue sharing above
	Mining	Royalties from minerals	80:17:3 for Central government, District local governments and lawful landowner
	Petroleum	Petroleum royalties	94:6 for central government and local governments, but central government has also to give 1% of its share to a gazetted cultural or traditional institution

368. The implication and way forward is for NFA to finalize benefit sharing arrangements for forest products and services and to include in its management information system for monitoring CFM the legality status of CFM groups.

9.2.2 Consensus-based decision making

369. Consensus building is a key ingredient in any negotiation process and ultimately in decisions agreed mutually upon by negotiating parties. Findings from the review indicate that at CFM sites where there was underlying consensus between CFM groups and NFA, decision making on subsequent activities has been very quick and cost-effective. For example, in Mpanga sector, in Mpigi a quick decision was made to stop encroachment and start restoring the degraded parts of the forest reserves. In Rwoho CFR, consensus between NFA and the local community (RECPA) was reached in about two weeks

only. This enabled NFA to access World Bank funding and the community to access land for tree growing in order to access carbon funds.

370. Secondly, it was found that because NGOs are well resourced, they have helped CFM groups and NFA to reach consensus in relatively short periods and to support the implementation of activities. Involvement of local governments from the outset of CFM negotiations (for example, Ryeru and Swazi CFM groups in Kalinzu CFR, Nyangole in Tororo CFR) has also helped the parties to reach consensus in short periods, even for complicated problems of encroachment (Mpanga).
371. Importantly, where NFA has taken ownership and control of CFM process and staff have a positive attitude towards it, believe in it and are committed to its success, reaching consensus with CFM Groups has been fast (for example, Mpanga sector, Karamoja Range and Aswa Range).
372. However, there are practices which need to be improved in the future to maintain the integrity of the consensus-building process, especially that of neutrality. NFA has in most areas assumed roles of both an interested party and a mediator. CFM groups have exhibited double standards in the consensus building process – for example, in applying for tree planting, some groups have had an ulterior interest in gaining access to a CFR for cultivating food crops, in transferring their interests to a third party without NFA’s consent, and in legitimizing their presence in a CFR to enable them to continue with illegal activities. These practices jeopardize the supposed agreements reached during the negotiation process and subsequently manifest in conflicts and abuse of trust between the parties.
373. In addition, there have been isolated incidences of NGOs also failing the test of neutrality – especially where they have contracted NFA staff as facilitators of the negotiation process to deliver on their outputs. Further, this neutrality is lost because community members are attracted by handouts from NGOs (for example, allowances and transport refunds) as an incentive to attend rather than participating in order to address real CFM-related issues. The challenge this has brought is that groups facilitated under such situations are rarely sustainable because they collapse soon after NGO funding comes to an end.
374. Consensus building has been slow where one of the parties has had an ulterior motive (for example, NFA using CFM as strategy for fire-fighting or addressing encroachment). In such cases, openness to discussing the broad opportunities communities can tap into is reduced.
375. So, areas of improvement are:
 - (i) Institutionalizing clear guidance on avoiding conflicts of interest for example emphasizing the use of neutral mediators in the negotiation of CFM Agreements;
 - (ii) Avoiding unnecessary delays in the negotiation process;
 - (iii) Mentoring of NFA staff in order to improve attitudes and commitment towards CFM.

9.2.3 Diverse and inclusive participation

376. Inclusive participation is a key principle of CFM. Good practices on inclusive participation were found in Mpanga sector in Mpigi CFR where membership and participation in CFM is categorised by gender including men, women and youth. This was evidenced in MEMA CFM groups which applied for community driven development funds with persons with disabilities.

377. Secondly many CFM groups have promoted diversity and inclusiveness by allowing sub-groups to focus on their particular interests – for example, bee keeping, tree planting, and potato growing, onion growing etc. In Ndangara-Nyakiyanja and KIFECA CFM Groups, women own their own plots forest reserve land for tree planting separate from men/husbands.

Table 9.2: Illustrative examples of inclusiveness in Mpanga Sector CFRs

CBO	Lufuka	Kisitu	Bulugu	Kavule	Nkinga
CFR	Lufuka	Navugulu	Navugulu	Lwamundu	Nawandigi
Area planted	35	150	130	55	60
Youth	51	62	25	21	30
Women	23	140	47	50	52
Men	82	98	83	71	60
PWDs	8	15	4	8	8
Total	164	315	159	150	150
Households	80	180	109	98	112
Villages	6	14	4	5	6
Parishes	3	5	1	2	2
Sub-Counties	1	2	1	2	
Districts	1	2	1	1	1

378. In Nyangeya-Napoli/Kaabong the CFM group is made up of 3 subgroups with each sub-group of 30 members based in 1 of 3 sub-counties. In TEC CFM (Timu CFR), representing 14 villages, the group allocates committee positions of 1 man and 3 men per village. In Lowala CFR, (Lowala CFM) 3 villages are represented in the CFM but, the two adjacent ones provide 30 members each with 15 men and 15 women while the distant village provides 20 in ratio of 1:1 by gender. All in all, CFM groups have accommodated diversity and inclusiveness.

379. However, participation of women is sometimes procedural (i.e. it cursorily occurs if deference to a requirement) rather than an embedded and meaningful norm. Youth are very invisible in some CFM groups because it seems that they prefer short-term gains and successfully involving them is still failing many CFM group leaders. Sometimes, CFM groups argue that the youth fall under the category of women and men because they are perceived to be women and men considering that many of them are already married with children.

380. Older men and women tend to dominate leadership positions and tend not to give way to others to serve as leaders even where elections have been regular. Accordingly,

- (i) A standard for women and youth participation in CFM should be introduced;
- (ii) CFM groups should also be monitored on the standard of leadership succession and organizational development;
- (iii) The Responsible Body should pilot models to incentivize youth participation particularly those that offer short term benefits – for example, nursery establishment and bee keeping.

9.3 Broad shared vision and feasible goals

381. CFM groups concentrate their goals and objectives on conservation and afforestation efforts which also form part of the objectives of their constitutions. Their vision statements and objectives tend to be in consonance with the management arrangements of CFRs. Yet in reality, one finds that the groups have many activities outside the forest that bonds them, and sometimes takes more of their time.
382. However, as previously discussed not all CFM groups solely focus on intra-forest activities, and opportunity should be given to a broader range of legal groups – such as cooperatives and associations – to participate in CFM as an additional activity.
383. Similarly, since communities have multiple livelihood strategies it is only in order that the structures or organizations in which they are constituted, including CFM groups reflect other livelihood options beyond forestry. This will have an advantage of reducing the creation of multiple CBOs in the community with the same membership.

9.4 Clear written and understandable planned and agreements

384. NFA has developed prototype agreements for CFM groups which are very short and concise to which the management plan is ostensibly a mandatory annex. Practically that should ease monitoring and comparison between places. Rwoho CFM groups follow plans dictated and agreed upon by the Bio-Carbon funded Nile Afforestation Project. Kabukwiri CFM group has a strategic plan from which it extracts annual plans. In TEC group (Timu CFR), leaders chose to address only one activity of reforestation and forest regeneration out of many to optimize their impact and efficiency in the use of scarce resources. Matiri CFM group (in Matiri CFR) shared their annual work plan with local governments (both District and sub county) and managed to trigger financing under the Community Driven Development Fund; in addition, they also received seeds to establish their own nursery.
385. The biggest limitation is that NFA has not updated forest management plans regularly and their approvals are still pending. This is aggravated by the fact that where the plans exist, they are not often used by NFA staff in the field for use in guiding CFM implementation. In addition, NFA staff at sector level do not have access to CFM agreements for their sector and are not conversant with their contents.
386. Many CFM groups never make annual plans. Communities were also found missing their CFM agreements and others who had them, took satisfaction in the signing ceremony rather than looking to use the agreement as a starting point for implementation and in fulfilling their roles and responsibilities. Whereas it is frequently the case that CFM group leaders have a basic understanding of the contents of their CFM agreement, they do not go the extra mile to inform and remind other members on the content of the agreement every time they meet. Accordingly:
- (i) NFA should invest in updating and approving its CFR management plans and putting them in the public domain;
 - (ii) Copies of CFM agreements and CFR management plans should be kept at the forest administrative level pertaining to these agreements i.e. sector level, community level;
 - (iii) CFM group leaders should regularly remind all members about the '4Rs' in the agreement and should accommodate translations of the CFM agreements into local languages;

- (iv) CFM groups should be made to institutionalize an appropriate standard of annual work-planning, with copies provided to their respective local governments and to NFA.

9.5 Relationship between CFM groups and rest of society

387. In some locations, for example in Budongo and Kalinzu CFRs, both members and non-members of CFM groups access forest resources but on a regulated basis on designated days. In other CFRs, some CFM groups have encouraged other neighbouring communities to form CFM groups – for example, COFISDA encouraged SSESE CFM group to form. And Nyangole CFM group encouraged Kasoli Apitil CFM group to form. In both cases the new groups have yet to sign their CFM agreements. In Kabukwiri CFM group, individuals interested and able to invest in afforestation have been allowed entry into the CFM group even when they are not living adjacent to CFR. The advantage this has brought is to marshal greater participation at a landscape scale faster than would be the case if these new members had not been allowed to join. The disadvantage is CFM groups can be prone to elite capture, if they allow (more well-to-do) outsiders to join them. Therefore, there seems to be a trade-off: balancing the interests of only forest-adjacent FUGs vis-à-vis generating faster impact by opening group membership up to others, sometimes implying elite capture.

9.6 Sustainable Forest management outcomes

9.6.1 Faster uptake of CFM countrywide

388. The uptake of CFM by forest adjacent communities is fast picking countrywide, driven by several factors but predominantly as a result of people's wish to broaden their livelihoods and income generating opportunities in CFRs. Some underlying reasons for this trend are the rapidly increasing rural population and competing uses of the available privately-owned land, particularly for high value agriculture. This interest also in part been fuelled from stories of success from both CFM groups and other private planters (operating under the SPGS), a factor that has worked to reduce phobia and doubt about the ownership rights of one's investment in CFRs on the one hand and the resulting benefits from forestry on the other.
389. However, despite the increasing uptake (including renewal of agreements) of CFM, the high demand in NFA's Lakeshore Range (about 30% of the total number of CFM groups) is worth noting. It should be taken advantage of while it is still high given that the escalating rate of urbanization is creating a lot of demand for building materials (poles and burnt bricks), firewood, charcoal and food, all of which, if poorly managed, drive deforestation and forest degradation.

Table 9.3: The exceptional high uptake of CFM in Lakeshore Range in the recent past

Sector	No. of CFRs	No. of CFM groups	Districts covered	Status		
				Old under review	Newly signed	Pipeline
Mpanga	14	26	3	0	5	21
Lwamunda	10	26	3	0	4	22
Lwankima	4	11	3	2	0	9
Zirimiti	6	12	1	0	0	12
Buvuma	6	9	2	0	0	9
Total	40	84	12	2	9	73

9.7 Forest conservation

390. The cases of recovery of CFRs from deforestation and forest degradation from cultivation, grazing, charcoal making, and settlement and unsustainable use were identified, but they were localized and have not cumulatively contributed to an improvement of forest cover as a percentage of land area. The natural regeneration, enrichment planting and reforestation of Mpanga Sector's riverine CFRs extending across the districts of Mpigi, Butambala and Gomba by former encroachers is an interesting case. The partnership from corporate organisations mobilized by WWF (i.e. Serena Hotel, Bank of Baroda, Uganda Breweries) explains the success attached to afforestation (by CFM groups) and conservation through regeneration (by corporates) that was dully endorsed by all the respective local governments. The commitment of NFA staff was also commendable (for details Annex 9.1).
391. Echuya CFR has seen an improvement to its integrity over the years partly because of the 4 active CFMs stewarding the whole CFR and the presence of a knowledgeable and well-resourced NGO (Nature Uganda) working in partnership with adjacent local governments over a long period (over 18 years). The emerging practices of domesticating CFR-based products like bamboo and bees need mention as helping to reduce over dependency on the CFR.
392. The extended period of encroachment in Matiri CFR has been replaced by natural regeneration, and improved forest protection by one CFM group, on account of the financial and technical support it has received from CARE and its involvement and participation in the inter-district forum for Mubende, Kyegegwa and Kyenjojo Districts.
393. The court ruling against former encroachers in Matiri Central Forest Reserve served to communicate that it was no longer tenable to continue with encroachment but rather to undertake CFM in order to participate and benefit from the sustainable management of the forest reserve - see Annex 9.2.
394. In Budongo CFR charcoal burning from iron wood (*Cynometra alexandri*) by local communities came to a halt when NFA intensified its efforts in law enforcement and then suggested CFM as an alternative strategy for sustainable forest management, which was embraced by communities who hitherto had made a lot income from accessing free forest resources. The support from the EU

through NFA under the FRMC Programme¹⁰⁸ and later ECOTRUST and now the Jane Goodall Institute (JGI) has raised the visibility and legitimacy of the group for conservation. The parallel establishment of a cooperative has given the group a business orientation to their forest enterprises e.g. bee keeping and marketing of their mature trees. The success of this group gave rise to the formation of 2 other CFM groups, that is, BUNCA and KAFACA, and the latter is now active in fighting the illegal trade in Mahogany (*Khaya spp.*). The contribution of the regionally supported EMPAFORM program, particularly on advocacy, networking and community empowerment supported by CARE in collaboration with BUCODO (later CODECA) needs acknowledged.

395. In Kalinzu CFR, the drive by WWF to certify the forest with a Forest Stewardship Council (FSC) standard led to the involvement of communities as part of meeting the certification standard, with the participation of Ndangara-Nyakiyanja Tutungikye CFM group as being particularly notable. Originally, this community had been left out of participation by the then Forest Department (now NFA) in planting the forest boundary. In defiance, the community started to plant in Kalinzu's strict nature reserve against the Nature Conservation Master Plan and Forest Management Plan. With the need to comply with the FSC standard of active community participation in forest management in order to pass the FSC audit, NFA changed the status of that CFR from strict nature reserve to a production zone. This was the first re-zoning of its kind in Uganda and from purely a biodiversity conservation standpoint, created a bad precedent, although it may have improved community participation and afforestation. The CFM group has established a plantation of 500ha, a bee keeping centre, are now establishing an eco-tourism site and also have a SACCO (see Annex 9.3). The participation of elites (district technical staff) and local leaders has brought added value to the engagement process, although to others, it might be seen as elite capture.
396. The newly emerging CFM groups in Aswa and Karamoja Ranges in woodland CFRs are encouraging and their trends need to be documented in future to capture their unique woodland and communal approach to decision making.
397. The not-so-encouraging practices after a very long time of involvement of communities in CFM were noted in Malabigambo, Kigona, Kaiso, Namala, Bugoma and Namatale CFRs. The challenges still faced are summarized below:
 - (i) Speculation over land in CFR and devoting it solely to food crop production at the expense of afforestation (Malabigambo)
 - (ii) Advocating for upholding of the illegal land title issued in Bugoma CFR in favour of Bunyoro Kitara kingdom and Hoima Sugar company (Kyangwali CFM group)
 - (iii) Illegal timber harvesting and setting of CFRs on fire to allow pasture has persisted from both CFM members and non-members (Malabigambo and Kaiso CFRs)
 - (iv) After signing the first CFM agreement in 2000 in Bumusili adjacent to Namatale CFR that catered for opening of the forest boundary and planting of medicinal plants in encroached forest areas as a mechanism forest restoration to benefit the local community in addition to forest conservation, the Bumusili CFM group turned around to protest the opening of boundary

¹⁰⁸ The Forest Resources Management and Conservation Programme which supported NFA.

and accused NFA in court of stealing their land, with support from some local government officials

9.8 Plantation and woodlot establishment

398. Like in the previous case study of Kalinzu where CFM arose out of the need to meet the FSC standard the 5 CFM groups in Rwoho with agreements arose out of a drive to comply with a bio-carbon financing requisite i.e. community involvement. The additional benefit from carbon alone over and above the long-term benefit associated with future timber harvesting has been catalytic in keeping both NFA and CFM groups afloat.
399. On the contrary, Aminkech group in Chegere CFR (Apac) despite not having an agreement for over 10 years has established 190 acres of Pine (*Pinus spp.*) and Umbrella tree (*Maesopsis eminii*) plantations achieved by only 19 members from their first allocation of land. Recently they secured an additional 68 acres with 68 members. Unlike the Kigazi CFM group (in Malabigambo CFR), this group successfully combined plantation establishment and food production under the *taungya* system. The contribution of the EU-funded SPGS Phase 1 in providing quality seedlings needs to be acknowledged, and the group is also looking forward to more seedlings under SPGS Phase 3 for their next planting.
400. The Nyangole CFM group has a 49-year lease for peri-urban woodlot establishment which it secured from the then FD (now NFA) and since then they have had 3 harvests of poles and are determined to continue. It is one of the best pilot CFM sites. The NORAD support for peri-urban project in the 1990s was also catalytic for this pilot. This group inspired Kasoli Aptil CFM group in the same reserve to plant a woodlot and again they have maintained it for 18 years without a CFM agreement although they submitted an application in 2018 - see Annex 9.4.

9.9 Combined forest conservation and plantation and woodlot establishment

401. Kabukwiri CFM group in Kalinzu CFR and the 4 CFM groups in Echuya stand out for balancing both forest conservation and plantation and woodlot establishment, although benefit entitlements differ particularly for established plantation and woodlots. In Kabukwiri, the CFM group own the trees but the CFM groups in Echuya do not. In Budongo, the groups benefited from and planted a 10-metre stretch along the forest boundary and also access resources beyond the boundary within the CFR in designated compartments. The trees belong to those who planted them, and they have successfully combined tree planting and food production in same boundary under the *taungya* system.
402. Unlike the groups above which have planted fast growing or introduced species (pine, eucalyptus), the young CFM groups in Karamoja and Aswa Ranges are carrying out reforestation and enrichment planting with indigenous species. Right from the outset, they have introduced new types of bee hives (courtesy of UNDP/GEF supported Kidepo Critical Landscape Restoration project). The approach to work is communal rather than individual.
403. The bad practices still remaining include:
- (i) Over-pruning of the planted trees so as to provide light and space for food crops (for example, BUNCA and KIFECA)
 - (ii) Maintaining the allocated area under food crops for years without allowing planted trees to survive, which is tantamount to encroachment under cover of CFM (for example, KIFECA and KASUFU CFM groups in Itwara CFR)

- (iii) Not utilizing the land at all for all the period since they were allocated it under their CFM agreement, and therefore denying it to other users. Examples were found in CFRs where *taungya* is practiced, for example in Malabigambo and Itwara (KASUFU and KIFECA CFM Groups).

9.10 Institutional outcomes

9.10.1 Governance impacts

404. Governance impacts within the CFM groups have been analysed in the context of the Governance Programming Framework which aims at achieving the following changes:

- (i) Empowering marginalized citizens.
- (ii) Public authorities and other power-holders are effective and accountable to marginalised citizens
- (iii) Spaces for negotiation between power-holders and marginalised citizens are expanded, inclusive and effective.
- (iv) Empowering citizens

405. In line with empowering citizens, CFM has enabled local communities to become aware of their rights to forests resources through the provisions of the agreement. For example, the local community is aware of what and when to access forest resources. Around Budongo and Kalinzu CFRs, the local communities access firewood on Wednesdays and Saturdays. In Echuya, CFM has enabled the Batwa who were former forest dwelling communities, now without land to access forest resources more regularly (on a daily basis) compared to other members who do it once a week. To an extent, their rights have been considered under CFM. The women too who hitherto were not significantly involved in commercial activities like tree growing have under CFM gained access rights to plots of land for tree growing. Others have grown seasonal crops to meet food security under the *taungya* system.

406. Through mobilization of citizens into a registered institution (i.e. CFM group), CFM has created an enabling environment for forest adjacent communities to participate in collective actions. For example, the communities are involved in tree growing to restore degraded forests and to establish plantations. They are also participating in the fight against activities that degrade forests such as the illegal harvesting activities orchestrated by powerful people, often from within government.

407. More than ever before, citizens through their registered institutions are able to hold the responsible bodies accountable for their actions. For example, CFM groups in the Muzizi River Range compelled NFA to disband its surveillance team recruited by top management because of its involvement in illegal activities. However, the review has found that not all citizens – and especially the youth – are fully embracing CFM. The tendency of the youth generally towards generating tangible gains in the short run implies that for NFA to maintain the incentive for whole communities to participate in CFM, it is challenged to adequately balance short term with medium term and longer-term benefits.

⇒ The extent to which NFA is effective and accountable to CFM groups

408. More than ever before NFA considers CFM groups as partners and that they should be accountable and responsive to their demands. For example, the Mpanga CFM group challenged NFA for their failure to consider allocating them land for tree growing during the land allocation in 2004/5. NFA responded by initiating CFM as a suitable avenue and thereafter allocated 100 hectares of land for

tree growing. There are also many instances where NFA has been responsive to reports on illegal activities in CFRs including illegalities spearheaded by corrupt NFA staff. However, the response levels by NFA on reported cases often are neither sufficient nor timely enough. Owing to a lack of NFA presence in many locations, it will have to consider a strategy of formally working with and through local government structures to address illegal activities more effectively and efficiently.

409. Importantly, NFA must institute tough disciplinary measures against errant staff involved in illegal activities. Transferring staff compounds the problem rather than provides a solution. In the recent land allocations to private investors in 2017/2018, NFA did not consider reserving land for the local communities for their own planting through CFM. This is a sign of disrespect of the rights of marginalized citizens.

⇒ **Expanding spaces for negotiation between power-holders (NFA) and marginalised citizens (CFM groups)**

410. The CFM negotiation process has created opportunities for space for the poor and marginalized forest adjacent communities to negotiate CFM agreements with the NFA who are the power-holders. The CFM agreements provide for more spaces for continuous engagement between the CFM groups and NFA in the form of joint meetings planning and reviews. The CFM Unit at NFA is another space available for local communities to negotiate their needs in relation to forest resources. The voices of the community and spaces for negotiation are being further expanded, with NGOs supporting various CFM groups. For example, WWF was able to support the NNTG to convince NFA to change the status of grassland in a nature reserve in Kalinzu CFR to allow for tree growing by NNTG in order to fulfil the FSC forest certification requirements on community participation.

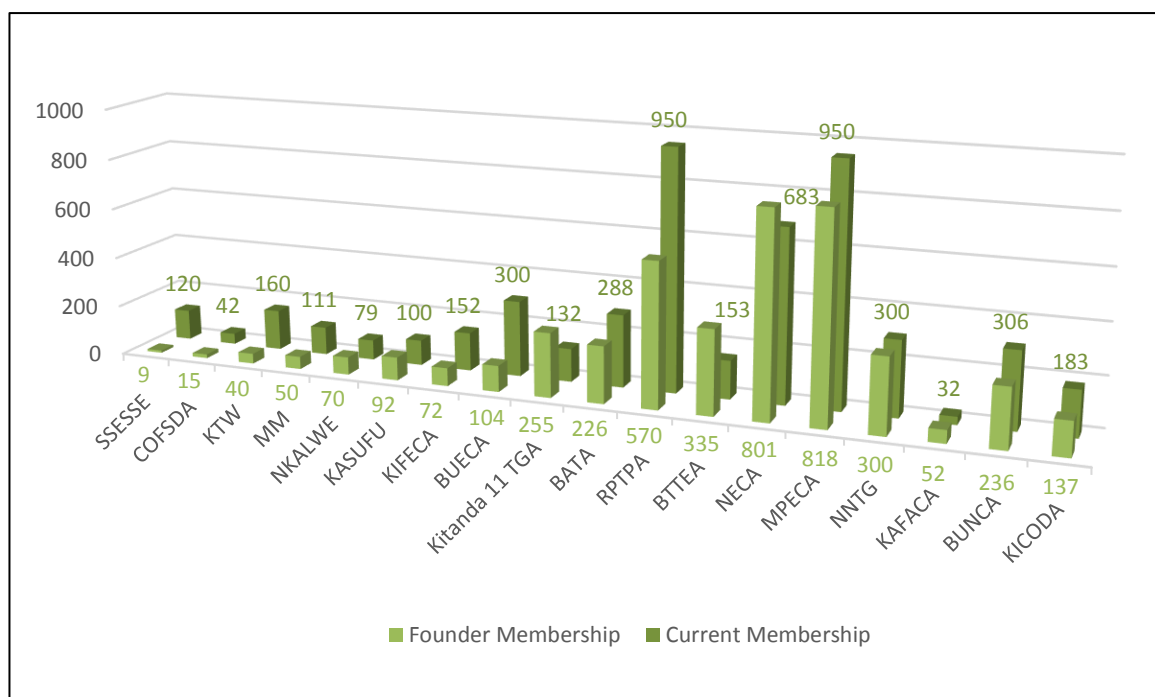
411. However, UNETCOFA which would have been a bigger space for CFM groups to negotiate has up to now remained weak. Other CFM networks are still in their infancy stages and have not yet reached a level where they can engage effectively with NFA and other power holders. But they can defend their area-based interests.

412. Furthermore, the CFM Unit that should provide a listening ear to communities on CFM issues has remained a one-person unit in Kampala and is not easily accessible to CFM communities. In addition, local communities lack adequate capacity to effectively engage NFA which comparatively is much stronger and more knowledgeable on both legal and technical issues than the negotiation teams from local communities. Thus, the negotiation and communication space is yet to be maximally developed between forest adjacent communities and the authorities.

9.11 Growth and changes in CFM groups

413. It was established during the review that 13 out of 18 CFM groups participating in both conservation and afforestation and reforestation activities as shown in Figure 9.1 have experienced a significant increment in membership growth. Only has had its size maintained and only 4 of them have experienced a decrease. Some of reasons advanced for the variations by these groups are given in Box 9.1.

Figure 9.1: Membership variation among CFM groups in both conservation and plantation activities



Box 9.1: Reasons for changes in membership among CFM groups in conservation and afforestation

The increase was because of expected jobs that were going to be created by the establishment of the power lines by UETCL (**Ssesse CFM in Mabira CFR**);

The group leadership has played a great role of encouraging community members to get involved in CFM activities hence the positive increase in membership (Maria Mutegombwa group in Malabigambo);

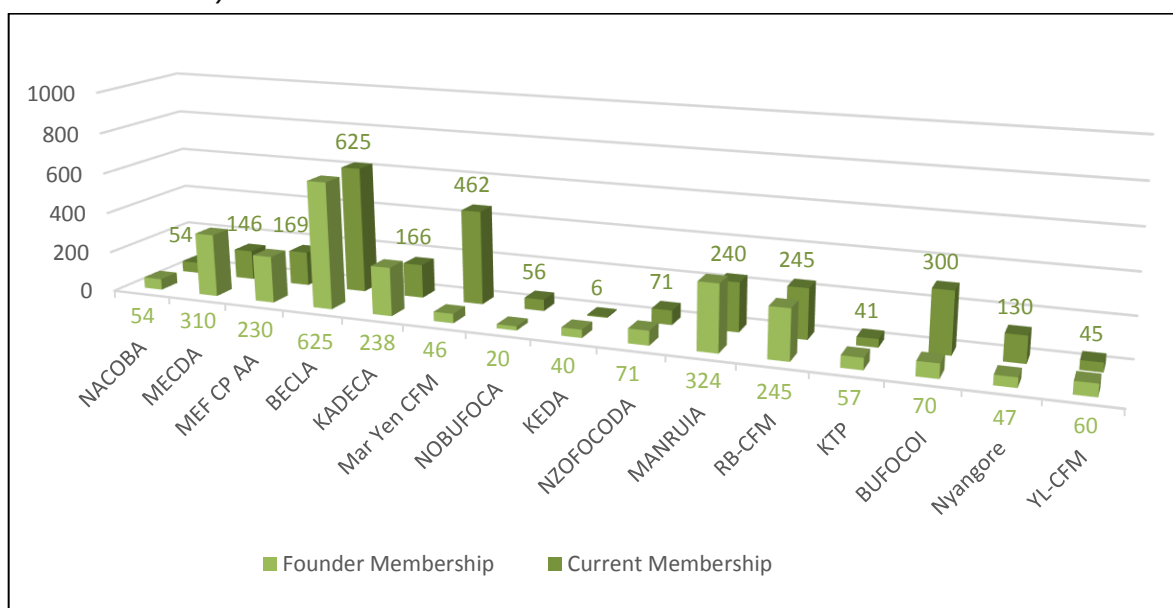
The increase in membership is largely attributed to migrants from Tanzania, people who initially were not interested but are now appreciating the benefits (**Kigazi CFM in Malabigambo CFR**);

The rest of the community members started to observe and appreciate the benefits associated with CFM and the desire to participate has grown. It was reported that, "actually people want to join, but the procedures of joining are not clear to them". Because of the high demand, there is a discussion and an attempt to expand CFM to cover all the 4 villages (**Mugamba Munjanjabula CFM group in Sango Bay CFRs**);

Despite the small increase, membership growth has largely been hindered by poor governance within the group (**Nkalwe CFM in Kigona CFR**).

414. As seen in Figure 9.2, 5 CFM groups engaged in only forest conservation activities were assessed to establish the trend in their membership size. The majority (7 of the CFM groups) have experienced a decline in membership size, 4 of them have witnessed a constant membership size and only 4 of these 14 CFM groups have seen their membership grow. Some of the reasons given by the groups for these variations are shown Box 9.2.

Figure 9.2: Membership variation for CFM groups carrying out forest conservation activities only



Box 9.2: Reasons for changes in membership among CFM groups carrying out conservation activities

The decrease in membership size is attributed to increased commitment of people on their private land activities rather than CFM activities. The domestication of forest products to private land has also contributed to this decrease in membership. However, the chairman reported that women are more in this group because, "they like being in groups" (**MECDA in Echuya CFR**).

The decrease is highly attributed to decreasing interest in CFM activities. Women are less involved because they are always in their farm fields and can't fully participate in CFM activities (**MEFCPAA in Echuya CFR**).

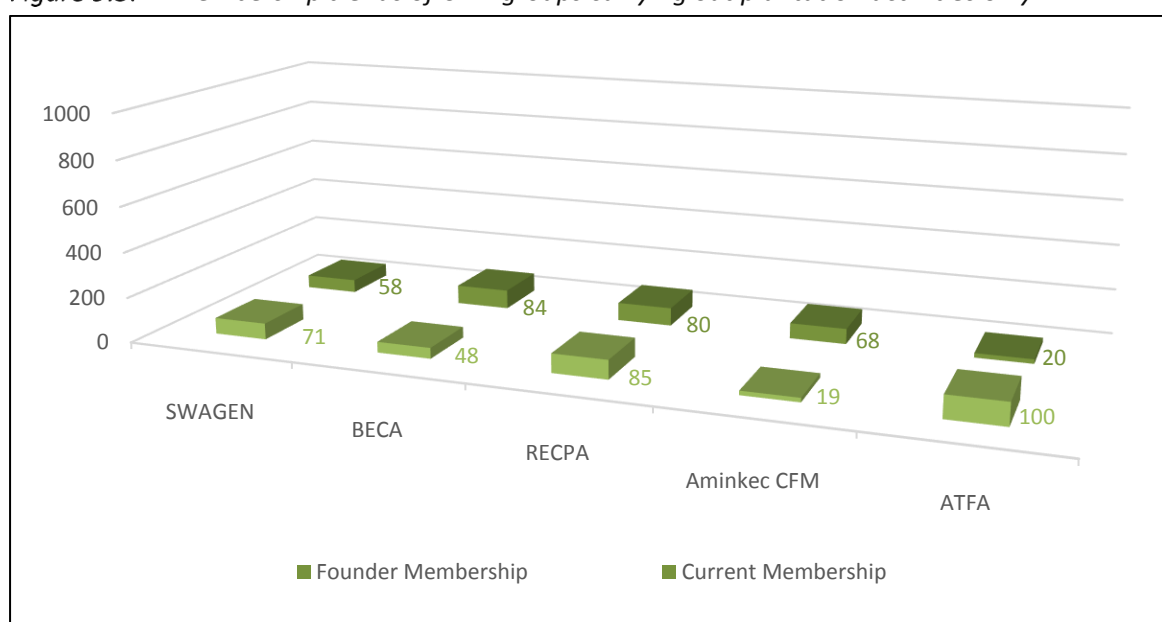
The consistency in membership is due to replacement by members by their spouses when they die. Men are more involved because they are the ones who largely use the forest compared to women (**BECLA CFM in Echuya CFR**).

The growing fall in membership is because members were used to being given money to participate in simple CFM activities such as even attending a meeting. When it was stopped or when the money incentive was no longer there, members lost morale and started disappearing slowly. It was even reported that the LC1 embezzled this money meant for incentivizing members (**KADECA in Echuya**).

When an individual exits the group, he or she is replaced with another of the same gender, hence the consistency in membership (**NACOB in Mabira CFR**).

There is massive campaign by both NFA ground staff and CFM leaders to engage all community members around Agoro Agu CFR in CFM. This has led to this observed increase in membership (**Mar-Yen CFM in Agoro-Agu CFR**).

Figure 9.3: Membership trends of CFM groups carrying out plantation activities only



Box 9.3: Reasons for changes in membership among CFM groups carrying out plantation activities

CFM is highly demanding in terms of time and costs. This has gradually reduced membership of this group (**SWAGEN in Rwoho CFR**).

This increase in group membership was actually only achieved during the early stages of the CFM process. But this is no longer the case because people can't afford the cost associated with the stage at which the original members are currently at (**BECA in Bugamba CFR**).

People were impressed and attracted by the success of the 19 initial group members who had planted 77 ha, and new members now want to take advantage of the additional allocation of 27.5 ha for the next planting (**Aminkec CFM in Aswa Range**).

415. It is evident from Figure 9.3 that of the assessed 5 CFM groups carrying out plantation activity, 3 of them have recorded a decline in membership size and 2 have experienced an increase in membership size over time. The reasons advanced for the variations in membership size for these groups are given in Box 9.3.

9.12 Emerging CFR/ Sector level networks and associations

416. Member driven networks and associations for both conservation and economic objectives have emerged – for example with MEMA, Mpanga CFM cooperative in Lakeshore, ECOTA in Echuya and Kalinzu Landscape CSO Forum. These networks are more active compared to those that have previously been **externally** driven under EMPAFORM. In addition, some CFM groups have partnered with the private sector for commercial reasons e.g. MANRUIA CFM group partnering with Kabarole Bee Keeping Association, NACOBIA partnering with MAFICO over ecotourism in Mabira, and NNTG partnering with Delta Swiss for bee keeping. However, these developments bring new demands on CFM groups including;

- (i) CFM groups have to inform NFA and seek its approval in any planned partnerships that would have a bearing on shared responsibilities and benefits from CFRs in order to avoid future conflicts;
- (ii) CFM groups must widely consult to avoid being duped into unfair deals.

9.13 Security for accessing forestry resources through CFM groups

417. CFM has given rise to forest management groups, many of which are duly registered with local governments as entities. This has brought about three changes namely:

- (i) A shift from individualistic approach of resource use to a collective approach and collective accountability;
- (ii) The emergence and acceptance of CBOs as additional forest management structures;
- (iii) A shift from informal and unregulated access to CFRs to formal and regulated access.

418. The above outcome has come with new demands for ensuring SFM, including the following;

- (i) NFA must either legitimize a CFM group's operations in a timely manner or deny them with sufficient explanation;
- (ii) NFA must keep up to date with information on the legal status of the CFM groups, given that groups are under a requirement to renew their registration every two years;
- (iii) NFA must increase its staffing and provide better logistics to be able to sufficiently support CFM groups and monitor their operations;
- (iv) NFA must develop a management information system (MIS) with in-built indicators to monitor the performance and outcomes of each CFM group's operations;
- (v) The forestry sector must increase funding to support the growing number of CFM groups;
- (vi) NFA must treat / regard CFM groups as partners rather than merely as beneficiaries, with the implication that NFA must be transparent with and accountable to them.

9.14 Improved relationships between local communities and NFA and other organisations

419. Generally, the development of CFM group as community institutions for entering into a CFM partnership with NFA has led to improved relations between communities and NFA. In some locations CFM institutions have become recognized as change agents. For example, some groups have been able to access CDD funds, and some groups like MANRUIA and NNTG are involved in HIV & AIDS and maternal health awareness creation. The presence of these groups has eased the implementation of projects by donors and NGOs, with community institutions being used as entry points – for example, the Bio-Carbon program of the World Bank in Rwoho CFR.

9.15 Socio-economic outcomes

9.15.1 Shift from conservation to development of enterprise models

420. CFM groups have broadened their activities over time and groups have become platforms for other enterprise development groups which are developing their business models and are focusing on them for commercial benefits. The advantage of these models is that they do not put pressure on NFA in regard to benefit sharing. Examples include:

- (i) The Kabukwiri Savings and Credit Society
- (ii) Numerous village savings and loans associations
- (iii) Eco-tourism development by CFM groups – for example, in Mabira, Echuya, Timu and Kalinzu CFRs.
- (iv) Collection of forest herbs for medicine and for nutritional purposes
- (v) Bee keeping and product processing
- (vi) Commercial tree nurseries

9.15.2 Food security

421. This has been particularly in respect of CFM groups that have:

- Participated in seasonal crop production under the *Taungya* system in CFRs and those that have harvested food from the forest such as mushrooms and honey;
- In other locations, CFRs have acted as safety nets for livestock especially during the dry season, for example in Malabigambo.

422. This has contributed to a reduction of food deficits among CFM members.

9.15.3 Energy security

423. Access to CFRs for firewood, woodlot establishment etc. has enabled households to access the most widely used energy type for cooking – firewood. In some sites, the communities have adopted energy saving techniques in the form of energy saving stoves leading to a reduction in firewood consumption.

9.15.4 Health Benefits

424. Very many CFM groups access forests for herbs and some of them are thinking of making this an enterprise – for example, in Luvunya CFR. CFM groups have put in place sub-committees for herbalists to oversee herb collection.

9.15.5 Employment

425. Employment benefits have occurred especially where NFA has given contracts to CFM groups for tree planting and the maintenance of forest roads. This is an activity that would be a key incentive for CFM groups if NFA was committed to hiring them, instead of other contractors.

9.15.6 Inclusive participation and respect for human rights

426. As a result of its demand driven approach, CFM has been opened to all segments of society adjacent to CFRs to access resources and to participate in social economic development. CFM indirectly recognizes the need to compensate forest adjacent communities' negative externalities they incur from the forest such as vermin, pests and diseases. In Echuya, affirmative action has been taken for the Batwa to harvest more bamboo from the forest than other members recognizing that they have never acquired land since they were evicted from the forest. In all CFM groups, people have rights to access forests for cultural values: For example, in Timu CFR, the Ik are still resident in the CFR and participating in CFM. In Rwoho CFR, the rights of communities to participate in afforestation under bio-carbon financing were recognized from the project design stage. However, the youth are

not as forth coming in participating in CFM activities as women and men because of their interest in short term gains.

9.15.7 Empowerment of individuals and CFM groups

427. CFM has acted as a platform for accessing and disseminating information not only on forestry but also on other related livelihood opportunities. The knowledge people now have on forestry, forest management and its associated benefits is now being reflected in the increased investments they are making and the demand for new investments in part created from learning from exchange visits – for example, payments for ecosystem services – specifically carbon, and communal land associations.
428. Exchange visits have also made a contribution to inspiring groups at different locations. The increased coverage of radio, TV and social media is enabling access to information which was not the case 15 years ago. In fact, some groups have used these channels to fight for their rights and to report illegal activities: for example, Friends of Zoka counteracted massive illegal cutting of timber by the army in Zoka central forest reserve.
429. The contractual relationships between NFA and CFM groups have given some community members confidence that they can raise their concerns before the President (of Uganda) – for example, CFM groups in Kigazi in Malabigambo CFR. Because NFA staff have understood that CFM groups are potentially powerful and against corruption, they would rather be transferred than work in forest administrative areas where these CFM groups exist. In essence therefore, communities are realizing that they can have power with some of the CFM members becoming accepted to lead in the politics.

9.15.8 Income and revenue generation for CFM groups from CFM-related activities

430. CFM groups have generated income from multiple sources which they would not have done if they had not constituted themselves into recognized forest user and CFM groups. Examples include:
 - (i) Income from honey sales and venom;
 - (ii) Income from seedling sales;
 - (iii) Access to carbon money by Rwoho and NNTG VFM groups;
 - (iv) Sales from woodlots and plantations grown under CFM arrangements;
 - (v) Allowances during meetings, workshops and visitors;
 - (vi) Incomes from their own savings and credit arrangements;
 - (vii) Income from collective marketing – for example, CFM groups in Echuya selling Irish potatoes;
 - (viii) Sale of forest crops transiently grown under the *Taungya* system in CFRs;
 - (ix) Wages earned from contracts as CFM groups;
 - (x) Seed capital from revolving credit given to CFM groups to broaden the activities they implement in addition to CFM – for example, Nature Uganda to groups in Echuya, FFI to groups in Sango Bay, CARE to groups in Matiri and Mpanga, JGI to groups in Budongo, WWF in Kalinzu, ECOTRUST in Kalinzu;
 - (xi) Income from eco-tourism, for example, ECOTA in Echuya;
 - (xii) Sales from crafts.

9.16 Cost savings for NFA

431. NFA has benefited from the support of CFM groups which have carried out or attracted the following interventions:

- (i) Attracting funds by NGOs in CFRs where there is CFM – for example, in Echuya CFR by Nature Uganda, Agoro Agu with IUCN and Environmental Alert, Kalinzu with WWF, Sango Bay with FFI and Nature Uganda, Budongo with JGI, Kasyoha Kitomi with Nature Uganda, Matiri and Itwara with CARE;
- (ii) Carrying out joint patrols in central forest reserves;
- (iii) Using CFM groups for afforestation and natural regeneration for trees they will not ultimately own (for example, in Echuya, TEC CFM group);
- (iv) Boundary planting for example in Budongo and Wambabya CFRs;
- (v) Access to free information from whistle blowing and informers;
- (vi) Fire fighting in, for example Echuya, Rwoho and Agoro Agu CFRs;
- (vii) Providing storage facilities for exhibits - for example, Mugamba Munjanjabula in Sango Bay.
- (viii) Removing of encroachers from forest reserves.

9.17 Negative outcomes

9.17.1 Institutional outcomes

432. The negative institutional outcomes have included the following:

- (i) The breakup of some CFM groups and the formation of splinter groups either because of bad governance or a failure to control their area of forest allocated. For example, this has occurred in Kimaka and other groups from Kigazi CFM group, and 3 groups from Nkalwe CFM group.
- (ii) The abandonment of old and sometimes more experienced CBOs and creation of new ones focussing on CFM or forestry in the same location yet with the same members in the groups. In many CFM areas new groups were formed without a critical analysis of the capacity of the existing CBOs to drive CFM in addition to their other interests.
- (iii) Conflicts between CFM groups and general community members' – for example, in Orom CFR in Kitgum District, some community members were wondering how a small group would be given a whole CFR to manage yet the reserve serves the whole community. In Budongo, timber cutters who refused to join CFM are always in conflict with CFM groups;
- (iv) Leaders overstaying their positions is not giving confidence to members within the groups or even third parties about the sustainability of CFM groups and in some cases this behaviour from group leaders acts as a barrier for youth entry;
- (v) CFM groups being used by influential people and politicians to access CFR land – for example, with KIDOMA CFM group in Bugoma CFR, Swazi CFM group in Kalinzu CFR;
- (vi) CFM members sell their rights and interests to other people who are not necessarily from their community without prior assent from NFA. This can result in conflicts and legal battles;
- (vii) UNETCOFA's one-off raising of membership and annual subscription fees from some of the CFM groups without implementing a coherent programme commensurate to the amount these

groups contributed is raising doubts about the capacity of UNETCOFA and the intentions of its champions;

- (viii) Failure of some CFM groups to respect the authority of NFA under their CFM agreement and assuming that they have both power and authority – which is not the case.

9.17.2 Social-economic negative outcomes

433. The following negative outcomes were observed:

- (i) High implementation costs being borne by CFM groups that are not commensurate with the benefits from CFM derived to date mainly because the cost implication of participating in and implementing a CFM agreement was not taken into account during the CFM agreement design and negotiation process. For example, costs include patrol activities, participation in afforestation, re-afforestation and natural forest regeneration without payment;
- (ii) The drive for short term tangible and monetary benefits from CFM is compromising the long-term benefits in some locations – for example, practicing *Taungya* in a CFR for food crops for over 15 years without planting. In such cases therefore, CFM groups “legitimize” encroachment rather than sustainable forest management;
- (iii) Some CFM groups have imposed liabilities on NFA – for example, in Musiri CFM group in Namatale CFR, and Waiyaragaza CFM group in their support of the Bunyoro Kingdom’s land claims against NFA in Bugoma CFR;
- (iv) CFM members facing insecurity and being isolated in the community because of whistle blowing – for example, in Mabira CFR.

9.17.3 Conservation negative outputs

434. The following negative outcomes were observed:

- (i) CFM groups encroaching on strict nature reserve zones for tree planting contrary to the management plan of the respective CFR: For example, Kabukwiri CFM group in Kalinzu CFR and Rwoho groups which encroached on the riverine forest areas which had been ear-marked for conservation;
- (ii) Some CFM members have connived with third parties to perpetuate illegal harvesting of timber and have warned them by phone about impending enforcement activities. This is a widespread practice. More so, when forest patrolmen are not paid on time by NFA;
- (iii) There is widespread loss of grassland eco-systems in preference for tree planting to generate medium-term benefits from the planting of fast-growing trees by CFM groups, but this could compromise the long-term flow of environmental services to the wider community;
- (iv) Poor integration of indigenous species in afforestation and re-afforestation could also compromise the long-term flow of environmental benefits.
- (v) CFM has opened up the CFRs to people with different interests at a time when the capacity of NFA to monitor compliance and enforcement has been in decline and it is no surprise that even in CFM-designated areas a lot of illegal activities continue unabated. This is the biggest risk to CFM sustainability.

10 Risks, threats, challenges and emerging developments from CFM experience to date

10.1 Introduction

435. This Chapter is organised under the following headings:

- (i) Risks and challenges to both NFA and CFM groups
- (ii) Risks, threats and challenges to NFA
- (iii) Risks, threats and challenges to CFM groups
- (iv) Risks, threats and challenges to other actors
- (v) Risks, threats and challenges from claimants of land ownership in CFRs
- (vi) Risks, threats arising from conflicts between NFA and UWA over dual management areas
- (vii) Emerging developments

10.2 Risks and challenges to both NFA and CFM groups

10.2.1 External and internal insecurity and conflicts to FUGs and NFA

436. CFRs in Karamoja Range have historically had intrusions by Turkana from Kenya and the Dinka from South Sudan in search of pasture and livestock to raid, in addition to internal intrusions from the Dodoth against the Ik. In Echuya CFR, MEFCPAA CFM in Murora Kisoro district was facing threats from Rwandese farmers in search of fertile volcanic soils. In Malabigambo CFR, Kigazi Tukwatirewamu CFM Group was in conflict with expelled Rwandese refugees from Tanzania. The members argued that whereas 90% of Sango Bay ecosystem was natural forests, it had in recent years been dominated by grazers. In Mabira CFR all CFMs and NFA staff are under fear from armed saw millers.

437. The implication is that long term sustainability of CFM in some CFRs will have to be assured by participation of other agencies like the Ministries of Defence, and Internal Affairs and Regional Cooperation as well as regional bodies like IGAD and EAC. Secondly the participation / involvement of local government in resolving inter-tribal conflicts will be a critical factor in some CFRs e.g. resolving conflict between the Ik in Timu CFR against the neighbouring Dodoth and Karamojong. Thirdly the smooth implementation of CFM can be disrupted in these areas leading to high transaction costs in its implementation.

10.2.2 Threats from non-CFM members in communities with CFM agreements

438. This risk arises from a number of factors including risk averse community members, restrictive entry for new members in already formed groups, undermining of some CFM activities by errant NFA staff from whistle blowers/informers when NFA gives lucrative contracts/permits to private individuals in CFRs where some of the CFM groups would have liked to participate in the benefits arising therefrom e.g. concessions for timber, pit sawing and permits for afforestation and reforestation. This is aggravated when there is no prior communication from NFA to CFM groups and local governments on the concessions and permits it gives.

10.2.3 Deforestation on private land

439. The massive deforestation on private land in the last 30 years has spilled over into many CFRs at a time NFA's capacity for enforcement and to finance itself is very limited. The encroachers who enter into CFRs for settlement, cultivation, grazing and charcoal burning are difficult to manage as the culprits enjoy political patronage. Absentee landlordism in privately owned forests is encouraging illegal resource extraction activities, which is also spilling over into CFM-designated areas in CFRs. This increases the costs of forest maintenance for woodlots and plantations, and the costs of patrols for natural forests. Securing the integrity of CFRs and the sustainability of CFM initiatives will to a great extent depend on the rate of afforestation and introduction of alternative livelihoods on private land adjacent to CFRs. Reforestation and afforestation initiatives are ongoing – for example, Nature Uganda has started a programme of domesticating the growing of bamboo on private land around Echuya CFR. In Masindi, NFA supported 20 members of NOBUFOCA CFM group to establish pine woodlots on their private lands. Some members have already received income through the sale of timber harvested from their trees.

10.2.4 Bush fires

440. Bush fires have become a big risk in various forests owing to prolonged droughts and change of weather patterns. Both NFA and CFM groups lack fire-fighting equipment to put out the fires. In some cases, CFM members are reluctant to help NFA staff put out the fires mostly if they are in the CFR compartments in which they have no direct interest. This was found to be the case in Mpanga and Rwoho CFRs. This is mainly attributed to poor working relations between NFA staff and CFM group members. Bush fires have been reported in many forests like Agoro Agu CFR by the Katum CFM group, Rwoho CFR, and Echuya CFR.

10.2.5 Increasing culture of demanding or expecting allowances for attendance at meetings

441. This is distorting the true needs of communities in locations where CFM processes have been supported by well-funded projects because the numbers of allowance- or supply-driven participants are usually high compared to those meetings where there is no allowance provided attended by demand-driven participants.

10.2.6 Widespread delays in the revision or finalization of CFM agreements

442. Delays in the revision or finalization of CFM agreements is creating uncertainty for communities and CFM groups and also acting as a barrier to entry for non-members. It equally informally allows access to CFRs by any group which is illegal and could result in high costs for NFA in resolving the resulting conflicts in future if this practice is not curbed.

10.2.7 Lack of NFA commitment to pay and monitor the performance of patrol men.

443. According to NFA, there are 400 patrolmen employed across the CFRs. The patrolmen are casually contracted and are not part of the established structure of NFA. NFA pays them on average UGX 90,000-100,000 per month. By 2017 NFA had allowed substantial wage arrears (of up to 3 years) to accumulate which it has now largely addressed. This had led to a situation where many patrolmen were implicated in aiding and abetting illegal activities in CFRs, creating tensions with CFM groups, because in part they had not been paid for so long. With the change leadership at NFA in 2018, it is anticipated that this situation will not arise again, although their meagre salaries need to be substantially increased to minimize the temptation to be party to illegality in the CFR they patrol.

444. In Budongo, the Great Lakes Company is a tourism business which has paid patrolmen through NFA for the last 5 years, even though they are supposed to be paid by NFA. In turn, the patrolmen have gone to the extent of charging fees to some community members wishing to access certain forest products without the knowledge of NFA, which in the long term could be counter-productive to the integrity of the CFRs. Because patrolmen are seen to be part of the NFA structure by CFM groups, and therefore closer to authority than them, the groups play it safe to balance their interests, either by colluding with them for unregulated/illegal access to CFRs or not reporting them when they are involved in illegal activities. Tendencies of protecting patrolmen are more common in situations where the patrolmen are part of the forest-adjacent community than when they originate from distant places. Risks, threats and challenges to NFA

10.2.8 Managing success stories both in the short and long term

445. Some of the notable success stories to emerge from CFM to date are specific to the problem that existed and for which CFM was initiated to solve at the outset – for example, the regeneration of degraded CFRs in Mpanga Sector by former encroachers. Often these stories are also partly attributable to the positive attitudes of NFA field staff in making a particular CFM initiative a success. However, there is a concern that these success stories can be easily lost / reversed because of a change in the local political environment or through the periodic transfer of NFA staff with a negative attitude towards CFM. NFA has tended to re-locate errant and corrupt staff as part of its disciplinary procedures and this spreads problems rather than solving or containing them and can equally be a dis-service to CFM. If positive support for local CFM initiatives is not maintained, this could lead to CFM groups being used by local and other elites for land speculation and for gaining illicit access to CFR land, as has been the case.

10.2.9 Keeping the balance of publicly secured benefits by NFA and privately secured benefits by CFM groups

446. Communities have derived direct incentives under CFM including access to land, using the allocated land to intercrop trees with food crops under the *Taungya* system and becoming better integrated with markets for environmental services, for plantations and woodlots. On the other hand, in some CFRs where CFM communities are investing NFA is also publicly investing to secure the ecological integrity of a fragile ecosystem – for example, the riverine forests in Mpanga for watershed and bio-diversity protection. Incidences have been reported where CFM groups are going beyond the allocated boundaries for CFM to extend their private benefit investments. This has happened in Rwoho and Kalinzu CFRs. In the absence of updated management plans, enforcement of the existing ones, strong supervision and monitoring capacity and adequate funding, keeping a balance between **public and private benefits** is being compromised, and steps need to be taken to address this issue.

10.2.10 Failure to contract CFM groups in local forest maintenance as an added incentive

447. One of the obligations by NFA in many CFM agreements is to link the community to other development partners. But the communities also look toward to NFA as a source of additional incentives through employment and contracts. It was found in Rwoho CFR that during the first quarter of 2013 NFA had paid UGX 141 million to 11 private contractors for the maintenance of its plantations, started along with those of the 5 CFM groups under the Nile Basin Afforestation project. The groups admitted that in as much as they may not have fully met the requirements to win the

contracts, affirmative action by NFA to build their capacity (and supervise them) would have been an added incentive and source of livelihood.

448. In other locations – for example, in Mpanga sector, NFA is contracting patrol men organized under the Mpanga Conservation Association for forest patrol and protection activities. The Association is not a CFM group. NFA is willing to enter into contracts for similar activities that it signed or negotiated for implementation by CFM groups. To NFA there are pros and cons to this, but the fact that it was taken as a choice leads one to assert that NFA found the benefits were likely outweighing the costs at that point in time. The cons are that because NFA has been in arrears with paying patrolmen, it tempts the patrol men to find alternative ways of paying themselves from forestry resources.

10.3 Risks, threats and challenges to CFM groups

10.3.1 Pursuing CFM implementation without a signed agreement

449. A recurrent issue, as previously raised in this report, is the fact that CFM groups continue to operate without signed CFM agreements – sometimes for many years – meaning that their investments in forest management technically are not secure. This creates uncertainty for the affected CFM groups which would otherwise wish to expand their activities under CFM. Equally, it is affecting the stability of membership within the groups, as their members rightly question whether it is worth their while continuing to be CFM group members.

10.3.2 Pursuing conservation and livelihood models without the ability to make them viable

450. Some conservation and livelihood models being pursued by CFM groups have not delivered the benefits that have been hoped for by the groups. Often people's willingness to participate in CFM was predicated on a conservation and livelihood model producing substantive benefits. Failing expectations are understandably leading to anxiety and frustration among CFM groups and their members and raising questions as to whether what they signed up for was feasible in the first place. The poor performance of the conservation and livelihood models can be attributed to peer pressure to initiate models from elsewhere with a sufficient assessment of their appropriateness, a lack of technical capacity within CFM groups, limited access to appropriate and affordable technology, and a lack of technical advisory services from NFA, NGOs and local governments. The following eco-tourism examples are illustrative.
451. Evidence from ecotourism models in Mpanga, Echuya, Kalinzu, and Kasyoha Kitomi CFRs operated for over 10 years are not impressive at all. In Echuya CFR, for example, the 4 CFM groups under their umbrella association, ECOTA hold a concession for ecotourism. To date their experience with ecotourism has been very disappointing and the net income they have been able to generate is negligible – see Table 10.1. The group now realises that they need to partner with a private company that can develop and market their eco-tourism product if the resulting profit share is equitable. In Kalinzu CFR, the key ecotourism site is operated and managed by NFA but is in a dilapidated state despite NFA receiving a record earnings of UGX 90 million in 2017. With new management at NFA, this situation is likely to change, with plans for a major upgrade of Kalinzu's ecotourism facilities and therefore revenue-earning potential, which can be shared with Kalinzu's CFM groups.

Table 10.1: Revenue from eco-tourism by Echuya CFM groups

Year	Income	Expenditure	Balance	Number of visitors
2013	165,000	160,000	5,000	Not recorded
2014	319,000	310,000	9000	Not recorded
2015	1,890,000	1,880,000	10,000	Not recorded
2016	880,000	800,000	80,000	7 visitors
2017	759,000	750,000	9,000	8 visitors
Total	4,013,000	3,900,000	113,000	

10.3.3 Risks, threats and challenges from non-CFM members

452. Forest conservation and protection activities by CFM groups can come at cost to them, with CFM group members are facing stigmatization from non-CFM members mostly when they report illegal activities carried out by them. This was very visible in Mabira forest: at one point a member who was allegedly identified as having reported a non-CFM member for illegally using forest resources was brutally attacked and his crops and house vandalized. In fear for his life and family, he was forced to relocate elsewhere. In Hoima, the CFM groups reported livestock keepers whose cattle destroyed 10,000 young trees of the group. Incidentally, it is alleged that the cattle belonged to one of the UPDF soldiers deployed to protect Bugoma CFR. Instead of cooperating with the CFM group to handle his animals, he threatened to deal with them if they did not stop the complaints about his livestock.

10.4 Risks, threats and challenges to other actors

453. Some CFM groups have raised their subscription and entrance fees because the value of the forestry investments has since grown, and this increment is a barrier to other community members now wishing to join – for example, in Rwoho CFR. In Mpanga, existing CFM group members have refused to admit new members.

10.5 Risks, threats and challenges from land claimants in CFRs

454. In the recent past there has been a wave of land ownership claims in CFRs by highly placed people, private companies, and cultural and religious institutions. A study conducted by the Anti-Corruption Coalition Uganda (ACCU) discovered that Fort Portal Catholic Diocese has a land title in Matiri CFR which is currently managed under a CFM agreement between MANRUIA and NFA. In Hoima, the Bunyoro Kingdom was granted a land title in Bugoma CFR covering an area of over 5,000 hectares which is also under a CFM agreement.

455. Bunyoro Kingdom has subsequently transferred the same piece of land to the Hoima Sugar Company under a 99-year lease and is also claiming ownership over several other CFR and LFRs in Bunyoro including Mpanga CFR which is also has CFM agreements operating. Other illegal land titles were identified by ACCU in a number of CFRs in Wakiso district. These and other claims pose a big threat to both NFA and CFM groups. It is important these conflicts are resolved because they have a bearing on the future success of CFM in Uganda.

10.6 Risks, threats arising from conflicts between NFA and UWA over dual management areas

456. Several CFRs such as Budongo Kalinzu and Imaramagambo are contiguous with National Parks as dual management areas. However, there has been poor coordination in planning and management of these areas between NFA and UWA which is manifested by operational conflicts between the two agencies at a site level. For example, in Budongo the Kichumbanyobo Gate of Murchison Falls National Park is placed at Budongo Forestry Boundary. Beyond this gate is Kaniyo Pabidi Eco-tourism Site which is managed by NFA. NOBUFOCA CFM site is also located close to this dual management area. The controversy has been that tourists heading to the eco-tourism site are subjected to paying park entry fees at the gate and then additional entry fees at the eco-tourism site – effectively being charged twice. In Kalinzu / Imaramagambo, NFA signed an agreement with KINARECA CFM group for the co-management of a compartment. However, after the CFM group had planted over 40 hectares of Eucalyptus plantation in the area authorized by the CFM Agreement, UWA showed up and denied the community access to this part of the forest, claiming it was under their jurisdiction. It is important that NFA and UWA resolve these conflicts to avoid undermining CFM and the investments that communities have made in forestry and forest conservation.

10.7 Emerging developments

457. The following developments are worth monitoring for they may have bearing on CFM in future:

⇒ Granting of customary land titles to Karamoja

458. On 29th August 2018, the Ministry of Land Housing and Urban Development reported that the President would hand over customary land titles to the Kaabong clans, titles which have been formalized by the local land counts, courts of law and the Ministry as binding documents¹⁰⁹. Under the Land Act, customary land can be owned communally by a clan, or as a tribe.

459. The titles which have been processed under the World Bank supported Competitive and Enterprise Development Project (CEDP) will enable more than 100 clans and sub-clans to assert their rights against land claims. It emerged during a FGD in Karenga with Morungole CFM group that people had held a **negative** attitude towards the government over the land question as summarized below:

“In Karamoja Region, we have been treated unfairly, because unlike people in other mountainous and hilly areas in Uganda, we were not allowed to settle in such areas from colonial times. Then in the plains, we were told to leave them for conservation. Before Wildlife Act 1996, the whole of Karamoja was a protected area with one national park (Kidepo Valley NP), and 3 big game reserves (Matheniko, Bokora Corridor and Pian-Upe). Outside these four areas, the rest were controlled hunting areas under the then Game Department which became part of UWA in addition to Uganda National Parks. But later, Parliament abolished Controlled Hunting Areas countrywide except in Karamoja with a change of name from Controlled Hunting Areas to Communal Wildlife Areas, with two in Karamoja, Amudat CWA and Karenga CWA managed under UWA. In addition, other spaces were declared as either CFRs or LFRs.”

Member of Nyanapo CFM group, Kaarenga District

¹⁰⁹ Daily Monitor 07/08/2018

460. However, the **certainty** that the land titles are going to bring has to be monitored for its implications on sustainable forest management and CFM in particular, given that the Ik - now members of Timu Environment Conservation group (TECG) - are resident in Timu CFR. Importantly, district officials in Kaabong stated that NUSAF 3 had invested UGX 800 million to construct a seed school at Kamion sub-county which itself is in Timu CFR. The TECG and NFA have already started enrichment planting with indigenous species both within the forest woodland and people's gardens within the CFR - see Figure 10.1 & 10.2. Accordingly, NFA will have to monitor the likely positive and negative impacts of the granting of customary land titles and to build-in flexibility in the implementation of the CFM agreement signed in 2017.

461. Similarly, it will have to monitor the likely impacts in other areas of northern Uganda where land ownership is communal and where more such titles will be given. Furthermore, given that there are clans as well as families with private natural forest countrywide, it would be in the interest of reducing pressure on CFRs if NFA engages the CEPD to extend the same incentive of free titling to such forest owners. Deforestation outside protected areas has been identified during the CFM review as the greatest challenge to both NFA and CFM groups' investments.

⇒ **Advocating for declaration of CFRs as National Parks**

462. In Kisoro, the district council passed a resolution on 31st May 2018 for the gazettelement of Echuya CFR as a NP to be managed by UWA partly to benefit from the growing tourism revenue and partly to curb the degradation occurring under NFA's management. Rubanda District is also in favour of the move. Likewise, in Kyotera, Kigazi CFM group was also advocating that Malabigambo CFR be turned into a NP to benefit the surrounding communities from the fast-growing tourism sector. The sector is one of the priorities under NDP II. This development is corroborated with information gained from the District that UWA had just carried out a reconnaissance in the district. This development rhymes with the President's directive in November 2017, to study the rationalization of agencies to minimize government expenditure (see below). Practically, NFA would have to ensure that CFM groups do not lose out on their interests and benefits for which they invested in the past.

⇒ **Re-organisation of government agencies, including NFA**

463. Government had listed NFA as one of the agencies to be scrapped and its functions relocated back into its parent Ministry of Water and Environment. No doubt, if this directive is implemented, this is going to create some transitional challenges and uncertainty and could slow down the impressive trend with which CFM was picking up in the recent past.

⇒ **Improvement in ICT infrastructure development and access to mobile telephones**

464. The above has brought about both opportunities and threats for CFM. The opportunities are that it has eased communication, access to information, monitoring and financial inclusion among others. The challenge is that the same infrastructure and mobile telephones have been used by those involved in illegal activities to monitor enforcement agencies.

Figure 10.1: *Timu CFR under maize cultivation*



Figure 10.2: *Indigenous Markhamia for enrichment planting in Timu CFR*



11 Key lessons and emerging good practices

11.1 Introduction

466. This chapter is providing lessons and emerging good practices under the following headings:

- (i) Taking a long-term integrated planning approach at landscape level
- (ii) Balancing financing for forestry and other livelihoods to promise diverse income flows and other benefits
- (iii) ICT-based Community-based monitoring improves access to information for curbing illegal activities
- (iv) Partnerships among NFA, CFM groups, NGOs and the Private Sector overcomes capacity constraints

11.2 Taking a long-term integrated planning approach

467. This was found to be the case with Ndangara-Nyakiyanja Tutungikye group in Kalinzu CFR covering the landscape in Rubirizi District overlooking Queen Elizabeth National Park. The group went beyond the CFR's management plan, and as an Annex to its agreement and formulated a strategic plan, 2017 – 2021, with a budget to deliver on 5 key results areas: (i) The conservation of Kalinzu CFR; (ii) The sustainable use and financial benefits from planting trees; (iii) Tourism promotion; (iv) A vibrant bee keeping industry and the establishment of a SACCO. In 2017, with its 415 members, the group had raised capital of UGX 12 million from its members for the SACCO. The savings and loans portfolios of the group stood at UGX 164 million and UGX 30 million respectively¹¹⁰. The main lesson is that the strategic plan, and its five key results areas has become a convergence of interest for members, and instrumental for the growth of the group. The group's chairperson resigned his appointment as a local government councillor to concentrate on the affairs of the group. The group has formed a landscape learning group, and recently, the president promised to identify investors in paper manufacturing for Rubirizi District (where the group is located) owing to many other groups now active in afforestation and reforestation. In the meantime, the group is planning for downstream processing and value addition of its forest products. But they will need technical guidance on what appropriate technology to use in relation to their resource base. However, the fact that NFA had to give part of a strict nature reserve to this group against the standard set down in the Kalinzu CFR management plan set a bad precedent and similar occurrences should be avoided in the future by NFA.

468. The span of CFM agreements over several years, and their predictable structure setting out the vision, goal, objectives, roles and responsibilities, provide the basis for planning, implementation, monitoring and adaptive learning become recurring processes. However, CFM groups generally accepted that they had fallen short of these practices on account of low funding and capacity. NFA also accepted that it has neither developed a systematic approach to monitoring CFM groups countrywide, nor to reporting on their performance. Supporting groups to take a longer-term approach is going to enable groups phase their scarce resources but importantly, to avoid building high expectations in the short run.

¹¹⁰ According to the NNTG strategic plan, 2017 -2022, page 22

11.3 Balancing financing for forestry and other livelihoods promises diverse income flows and other benefits

469. The review team found that a multi-pronged financing and support strategy suits most CFM groups' interests because they depend on several different survival strategies over time and by seasons. Solely depending on forest investments, some of which have a long gestation period before offering tangible benefits, has for long been a challenge for private investment in forestry at the community level. A diversified model of support for CFM groups has been found in many places and it has worked particularly well when funding has flowed consistently over a long period like at Echuya CFR with support mainly mobilised by Nature Uganda (see Table 11.1)¹¹¹. The ecological recovery of the reserve has in fact motivated the Kisoro Local Government to pass a resolution for gazettement of the reserve as a national park to improve tourism and local economic development. No doubt this will alter the flow of benefits to communities if the resolution is approved. It will also compel NFA, Nature Uganda and the local governments of Kisoro and Rubanda to renegotiate how to maintain the participation of the 4 CFM groups around the CFR.
470. Incorporating the interests of communities which have contributed to the recovery of the ecosystem over many years would be quite justified. Based on the fact that the Ranges receive higher budget allocations than the CFM Unit which cover activities in which CFM groups are involved, it would be strategic and more cost-effective for NFA to channel the greater part of its support for CFM through range budgets. Information was also provided by NFA that as soon as the government ban on recruitment is lifted, it will employ 9 additional CFM Supervisors at range level. However, soliciting for support for activities outside of CFRs that are complementary to CFM is going to be better championed by NGOs and possibly local governments as well as possibly the CFM groups themselves, because NFA is unlikely to be able to raise enough funding to sufficiently support activities both inside and outside CFRs.

¹¹¹ However, part of the budgets for some projects also supported CFM groups in Kashoha-Kitomi was Nature Uganda has had consistent presence for more than ten years.

Table 11.1: List of illustrative projects implemented in the last ten years around Echuya CFR

Project/Grants	Donor	Location	Duration	Amount
1.Participatory Environmental Management (PEMA)	DANIDA through WWF	Kasyoha-Kitomi CFR	2008-2011	UGX 1.5 billion
2.Darwin Project	Darwin Initiative	Ecosystem service in Echuya and Kalagala areas	2008-2017	UGX 447 million
3.Echuya Forest Conservation Project	DANIDA through DOF	Echuya CFR	2011-2015	UGX 2.2 billion
4.Civil society capacity to advocate for mainstreaming biodiversity (CAMB) project	CISU through DOF	Echuya CFR	2017-2018	UGX 16 million
5.People partner with Nature (PPN) programme	CISU through DOF	Echuya & Kasyoha-Kitomi CFR	2015-2018	UGX 11.6 billion
6.TESSA project	Birdlife	Echuya CFR	2017-2018	UGX 29 million
7. Marginalized communities in Uganda (Batwa)	FAO	South Western Uganda	2016-2017	UGX 46 million

11.4 ICT-based community-based monitoring improves access to information for curbing illegal activities

471. In a bid to promote the use of Information Communication and Technology (ICT) in curbing corruption and illegalities in the forest sector the Anti-Corruption Coalition Uganda (ACCU) in partnership with Joint Efforts to Save the Environment (JESE) is implementing the Forest Community Based Monitoring (FCBM) platform. Under this initiative, ICT-based community monitoring is supported by community-based monitoring structures, and citizens participate through monitoring and reporting of any suspicious forest activity observed within their vicinity as well as providing practical solutions. The ICT-FCBM is being piloted in 26 sub-counties in the districts of Kibaale, Hoima, Kyenjojo, Mubende, Kyegegwa and Kabarole with 190 volunteer Community Based Forest Monitors (CBFMs). The monitors report any suspicious activity that they observe by sending an SMS to a central number, what it is then forwarded to a respective NFA duty bearer in the area reported for action. The mobile phone application provides evidence in form of images and location where suspected illegal activity is being carried out. The information is collected on the server, analysed, and plotted on Google maps, shared with duty bearers through direct access on a website for action. Preliminary results indicate that the public is participating, their competence and confidence to report is being built, and there is an increase in arrests and the impounding of illegally acquired forest products.
472. The above practice can benefit CFM countrywide provided it is institutionalized in a Responsible Body or any other party, and data is provided on continuous basis. Many of these good practices end with their projects, and this has been found to be the main weakness of project-led interventions.

⇒ **Partnerships between CFM groups, NGOs and the private sector to overcome capacity constraints**

473. Many CFM groups are engaged in multiple livelihood strategies both within CFRs and outside them and spreading their effort and investment across both arenas has resulted in at least some albeit largely thinly distributed benefits, as well as often frustrations. However, for CFM groups that have come to realise that they need capacity development support and have had the good fortune of having been able to partner with an NGO and even sometimes the private sector, they have been able to make some progress, and in certain cases, substantial progress. For example, NACOBAs stated eco-tourism in 1990s with initial support from the EU funded Forestry Resources Conservation Programme but up to 2002, it had not realized much gain partly because of a lack of capacity to market / promote and add-value to eco-tourism. In 2002, some community members around Mabira formed an NGO called Mabira Forest Integrated Conservation Organisation (MAFICO) with the objective of conserving the forest through sustainable use.
474. MAFICO saw eco-tourism as the only way to conserve the forest while at the same time equally benefiting from it. UNDP gave it some financial support in 2009 and in 2013, and they applied to NFA and secured a permit to promote an eco-tourism enterprise initially for a five-year trial period. MAFICO avoided the route that had been taken by other groups in Mabira CFR – one of taking on several activities simultaneously within the forest. In 2018, MAFICO re-applied for a license which NFA granted, this time covering 25 years. To win NFA's approval, MAFICO had developed three 'zip lines' and built cottages. MAFICO intends to share its benefits with NACOBAs because it uses the latter's compartment sometimes to take tourists walking in. In Kisoro, ECOTA too is interested in partnering with Garuga, a private investor that has been given a concession for eco-tourism in Echuya. This is because ECOTA lacks the technical and financial capacity to run a viable eco-tourism enterprise. However, the review team recommends that groups intending to enter into partnerships with other parties should inform NFA and seek its approval first to avoid future conflicts. As a safeguard, NFA should ensure that there is an explicit statement in the agreements that parties failing to use the allocated CFR areas in conformity with the CFM agreement should surrender it back to NFA in writing and be accountable for any illegal activities/transactions.
475. Ndangara-Nyakianja Tutungikye Group is engaged in multiple activities including those beyond the forest boundary including coffee growing, planting trees for carbon, beekeeping, processing and marketing, SACCOs. The group developed a strategic encompassing all CFM activities and other activities beyond forestry. The group has been able to partner with Rubirizi District Local government, NGOs (Eco-trust and WWF) for effective implementation of the strategic plan. The group is considering a partnership with NFA, UWA and a private sector entity to develop an eco-tourism site in Kabukwiri.

12 Options for CFM going forward and key recommendations

12.1 Introduction

476. The options and key recommendations presented in this Chapter for CFM going forward should be placed in a broader context recognising that:

- (i) All stakeholders still recognise CFM as a valid policy instrument which they hope will be maintained even as the forestry policy is revised;
- (ii) CFM has been implemented either in a demand-driven manner (i.e. in search of forestry goods and services) or in a supply-led way (i.e. to address illegal resource harvesting and encroachment on CFRs) or both. The strategies for CFM engagement and the decisions for trade-off choices have thus varied with the context. It is important that in future CFM processes continue to be tailored to the needs of forest adjacent forest user groups and local socio-political settings.
- (iii) CFM groups as well as their supporters differ in capacities and are disproportionately exposed to threats (i.e. natural, political, technological and socio-economic). Initiatives in the future to improve CFM will have to take cognisance of local institutional capacities as well external environmental factors
- (iv) Financing and budgets for CFM will always differ by time and location and they impose a key limiting factor on the range of activities the different players in CFM can take forward, both in the short, medium and long term.
- (v) The main message is that in as much as there are recommendations provided in this review apply across a diversity of groups and players, the level of effort and support needed will differ on a case by case basis.

477. Given this broader context, the following recommendations are made to help improve CFM going forward.

12.2 Regularize and formalize the activities of many groups without agreements

478. In order to avoid further deforestation and forest degradation in CFRs, NFA ought to quickly formalize the presence of the many CFM groups that have operated for several – and often many – years without any agreements or having had their agreements renewed. Any delay on this recommendation could lead to NFA being subjected to long and expensive legal disputes and concomitant liabilities. It would not be advisable to entrust existing or new groups with more responsibilities and rights over CFRs before NFA reviews and improves its overall capacity, management information systems, and human resource policies on conflicts of interest and corruption. Groups should also demand from NFA clear program for finalisation of the CFM processes. NGO and Development Partners supporting groups should equally verify that the groups they are supporting either have legal access to CFRs or have formal correspondence from NFA that processes are under way to give them access rights.

12.3 Streamlining forest management functions

479. The Forestry Department in the late 1990s conducted a biological inventory of 65 major forest reserves in the country leading to the production of the Uganda Forestry Nature Conservation Master Plan in 1999 which was finally published in 2002 (UFNCMP 2002).
480. Following the inventory, forests were categorized as prime, core or secondary according to their conservation importance. As a result, a policy was instituted in 1998 to designate 20% of the forest reserve land as strict nature reserves, 30% as low impact “buffer zones,” and the remaining 50% production zones i.e. areas managed primarily for the sustainable supply of forest products, particularly tropical hardwoods. This zonation was either management zones within a forest or the dedication of entire reserves to different uses (Howard et al 2000). The objectives of delineating these zones were to reconcile the various environmental services from forestry and interests of different stakeholders, including forest adjacent communities.
481. In order for CFM to advance beyond the current level and coverage, NFA needs to expedite its processes for CFR management planning or Forest Management Area planning. Importantly, NFA should adopt a participatory assessment and planning approach based on a well-structured methodology in its forest planning, to include communities, local governments, scientists, private sector and NGO representatives. NFA has stated that 60% of the plans are now complete but it needs to move faster because CFM groups are already investing in the absence of these plans. According to the Water and Environment Sector Performance Report 2018, only 34% of CFRs are under a management plan, because it appears that the remainder have not yet been approved. **There is an urgent need for NFA to improve in forest management planning and to share its plans with NGOs, the private sector and local Governments. This is an important recommendation because increasingly the Water and Environment Sector is recognising the need for other sectors involved in infrastructure projects requiring the services of forestry (e.g. hydro-power generation, irrigation, rural water supply etc.) and those negatively impacting it (e.g. road, railway and oil pipeline construction) to sufficiently take into account and support forest and ecosystem management plans.**
482. According to the above categorization of forests, NFA will have to educate the communities how their interests can only be accommodated within limits of the plans. However, where there are opportunities to compete for (e.g. eco-tourism concessions, tree planting etc.), NFA should endeavour to provide information to groups. Many groups were not happy that NFA solely relied on the print media to advertise new allocations of land, because it only favoured the private investors. Secondly, NFA should set clear indicators to evaluate the performance of CFM groups so that those falling short are not allocated more forestland.

12.4 Options for investing in and building a scalable and replicable CFM model

483. Despite area-specific variations, there are nonetheless generic building blocks that would ensure a sustainable CFM programme across sites as shown in Table 12.1:

Table 12.1: Key ingredients for achieving successful CFM in a mixed natural forest conservation & plantation context

Required interventions	Required cross-cutting practices
A: Enabling factors <ul style="list-style-type: none"> - Approved CFR/LFR Management Plans - Platforms for CFM groups to share experiences and lessons and defend their rights - Platforms for all funders of CFM initiatives to share experiences, lessons and strategies - Clear guidelines on roles, responsibilities and obligations, as well as how these are to be coordinated at range / CFR level among the stakeholders active in those locations - Clear, principle-based and unambiguous benefit sharing guidelines for CFM, incorporating monetary benefits (that are now attracting great attention from communities) - Revive the local government conditional grants system for forestry - A robust management information system (MIS) to track process, implementation and performance of CFM groups, including their status with regard to their legal identity and operational licences 	<ul style="list-style-type: none"> - Regulated access for forest products and services and/or growing forest-based assets (e.g. timber, poles bio-energy, food, apiaries, water, medicine, etc.) - Improving alternative incomes and livelihoods for groups and group members - Re-investment in forest base assets i.e. CFM group funded stewardship - Tap into external new funding sources and/or align to existing programmes, projects and funding opportunities - Building equitable and sustainable benefit sharing mechanisms
B: CFM group specific interventions <ul style="list-style-type: none"> - Identify institutions to work with and/or facilitate formation of organized CFM groups - Build the capacity of each CFM group in relation to planned CFM activities - Improve SFM through well-structured planning, implementation, monitoring and reporting systems understandable by members within CFM groups - Develop forest-based and other related enterprises in viable value chains and markets - Establish strategic networks and partnerships to leverage resources and capacities - Secure member commitment to raise resources (financial and in-kind) internally and account for resource utilisation - Maintain group cohesiveness through regular meetings and leadership succession plans 	

484. The current patterns of subscribing to and investing in CFM across the country points to the need for flexibility and innovation because of the following factors:

- (i) CFM in principle should be demand-driven, and as such, investments have to appropriately respond to the area-specific needs of local communities in a timely manner;
- (ii) CFM has also been initiated as a reactionary or supply-driven investment, for example, to formalize and regularize the past uncoordinated and illegal plantation investments by encroachers;
- (iii) There are many parties and projects that have supported CFM across the country, albeit with varying intensity, scope and strategy and some of them are area-specific while others are of national character.

485. Accordingly, typical investment options may be one or a combination of the following:

- (i) **Activity-based investment** for specific location or national coverage depending on the resources and interests or mandate of the initiator (for example, lobbying and advocacy for CFM; establishing a robust MIS for CFM; training group leaders in some disciplines or practice; improvement of CFM policy guidelines and benefit sharing arrangements in CFRs etc.);
- (ii) **Enterprise-based investment** (for example, apiary development; tree nursery establishment; herbal medicine and nutrition; craft making; eco-tourism, etc.). The activities would encompass the whole or part of the value chain or market segment in selected CFRs;
- (iii) **Investment in CFR for diverse activities.** This is already happening where one or a few CFM groups are wholly in charge of a CFR as is the case in Matiri and Echuya, and this model builds on the presence and willingness of funders. The specific CFR becomes a nucleus of transformation in accordance with its management plan and the environmental services it offers;
- (iv) **Investing in a landscape**, typified by similar opportunities and challenges among CFM groups/communities, as is happening in the lakeshore riverine forests of Mpanga sector, traversing the districts of Mpigi, Butambala and Gomba. Naturally, here the scale of investment would be high, but equally, the needs for strong partnerships and coordination would be great.
- (v) **Investing in technology transfer and adoption**, for example, for sustainable land management, value-addition, community-based monitoring, etc.

12.5 Eligibility criteria for CFM by communities / forest user groups

486. The following eligibility criteria should be observed by local communities or forest user groups intending to apply or involved in CFM

Box 12.1: Eligibility criteria for CFM

1. The local community should preferentially be a forest adjacent community i.e. from forest adjacent villages or parishes and/or should be a forest user group (FUG). The forest user groups who are not residents of forest adjacent villages or parishes may be eligible in recognition of the fact that their livelihoods depend on the forest although they do not reside in the adjacent villages and parishes;
2. The local community or FUG must express their interest in CFM and their objectives in writing to NFA, with a list of members making their application and details of their national **identity cards** (the requirement of identity cards is to mitigate elite/political capture);
3. The expression of interest must be recommended by the respective sub-county and district local governments;
4. The expression of interest should be accompanied by a resolution of the meeting during which FUGs or local community members resolved to apply for CFM;
5. If the entity expressing interest is a registered group, the expression of interest should be accompanied by copies of the constitution, valid and past registration certificates to prove the legality of the group to demonstrate a track of renewing the registration;
6. For CFM groups with valid CFM agreements with NFA, they must renew and submit copies of the registration renewal certificates after every two years to NFA as a proof that they are still eligible to be in partnership with NFA through the CFM Agreement;
7. A group that has been encroaching in a CFR or LFR and has not committed to permanent reform and stopped their illegal behaviour, is not eligible for CFM;
8. A forest user group implementing activities in a CFR without an assigned CFM Agreement is illegal unless it has been agreed by NFA that the activities being implemented are for trial implementation as part of the CFM development process: this should be put in writing and copies given to the group, local government and put on the CFM file;
9. No CFM group should be started in a CFR which has no management plan.

12.6 Options for strengthening CFM and capacity building of CFM groups, NFA, local governments and NGOs

⇒ Options for capacity building of CFM groups

487. It is clear that CFM has resulted in several community institutions that have applied and or signed CFM Agreements with NFA. These groups are in different phases of development and growth, and at the same time, are required to satisfy certain roles and responsibilities that they have committed to under the CFM agreement. This requires the groups to have specialized knowledge and skills cutting across a number of fields along their organisational development paths. The review has found that most of the CFM groups or institutions do not have enough of this knowledge and these skills, and thus the need for extended capacity building.
488. The capacity requirements for the CFM groups include but are not limited to institutional governance, lobbying and advocacy, record keeping and financial management, gender, diversity and conflict management, enterprise development and management, value addition and marketing.

⇒ **Options for capacity building for NFA and local governments**

489. It is apparent that over 50% of NFA's staff lack adequate knowledge and skills for supporting CFM and yet they are at the centre of initiating and implementing it. **The review therefore recommends a basic capacity building programme for both NFA and local government staff. The capacity building programme should be structured in such a way that it covers the information needs of staff at different levels and a realistic and ongoing budget made available for the programme. The programme for field staff should take a phased approach involving theory and practice with support from qualified coaches. Among other aspects capacity building should focus on the sessions in the CFM training manual together with the developments that have emerged over the years such as REDD+, climate change and resilience. It is therefore recommended the training manual be reviewed to incorporate some of the new developments. At a bare minimum, capacity building should enable NFA and local government staff to understand and effectively implement CFM's development stages as set out in the CFM Guidelines. Staff should be exposed to other aspects of community livelihoods, institutional and enterprise development beyond forestry as these are key for the success of CFM groups.**
490. The review also recommends the expansion of the CFM unit to increase the level of the support and competency in CFM provided by all the Ranges and sectors. The staffing of the CFM unit should be increased and /or recruit other staff to coordinate at Range level. NFA should expedite the recruitment of 9 additional CFM supervisors at range level as soon as government lifts the ban on recruitment. Equally, NFA should secure logistics (especially transport) to enable staff to respond to community needs in a timely manner and to be able to competently execute their responsibilities.
491. At headquarters, NFA should design a robust but user-friendly management information system that helps it and its partners to track the processes, implementation and performance of CFM. This is very urgent because current information and lessons on CFM impacts and lessons are scattered, unstructured and rarely consolidated to feed into policy debate.

⇒ **Options for capacity building for NGOs in CFM**

492. NGOs have played a critical role in facilitating CFM processes in Uganda, although their facilitation and support has been more financial than technical. Few NGOs are substantially involved in hands-on extension services routinely needed by CFM groups. NGOs are regarded to be impartial especially during mediating the negotiation of CFM Agreements between local communities and NFA. They also tend to fulfil their obligations to communities. Many of them are more trusted by donors than NFA. However, it is also true that the NGOs also lack adequate capacity among their staff to effectively and technically facilitate CFM processes. Often, they have relied on NFA field staff, who too lack the competencies for long term community engagement and mobilisation. **It is therefore recommended that NGOs involved in supporting CFM processes also build the capacity of their staff in the technical aspects related to CFM that they wish to specialise in. A core skill set should be mediating the negotiations for CFM agreements between NFA and the CFM groups.**

Table 12.2: Emerging generic roles and responsibilities for NFA, CFM groups and local governments and NGOs to improve CFM implementation

NFA	
Strategic level actions <ul style="list-style-type: none"> NFA should formulate (with CFM groups) long term strategic plans¹¹² for the implementation of CFM, beyond traditional short-term plans, in consonance with the duration of the agreement to allow for a realistic phased approach to the fulfilment of each groups' expectations in relation to available resources and capacities; NFA should co-opt the participation of traditional/clan leaders in CFM decision-making processes, especially where communities derive authority and legitimacy from such leaders, and where activities for respecting the cultural values and traditions in CFRs are led by the same leaders; NFA should respect and closely work with local governments through formalized partnerships: local governments have a greater presence on the ground and are instrumental in mobilizing communities and/or resolving their conflicts, not least for CFM; NFA should zone its CFRs, clarifying the zones in which it can collaborate with communities: the zones should include those where CFM groups can implement forest-compatible activities and no-go zones for communities to ensure protection of public goods; NFA should exert its authority and assume full ownership of CFM to give direction to other stakeholders, including mentoring them; A robust MIS should be developed for tracking CFM processes, implementation and performance of CFM groups. 	Operational level actions <ul style="list-style-type: none"> NFA should trace and confirm CFR boundaries to mitigate encroachment and conflict; When drawing up its range/sector plans, NFA should liaise with CFM groups and local governments to ensure these plans are in harmony with national priorities and policies as well as local level priorities and context; NFA should pay its patrol men in a timely manner across all its ranges to avoid them undermining CFM groups and/or encouraging illegal practices with CFM members.
CFM groups	
Strategic level actions <ul style="list-style-type: none"> CFM groups should make strategic plans for the implementation of their agreements with NFA with 	Operational level

¹¹² This is in harmony with the principle of taking a long-term perspective as set out in the CFM guidelines.

<p>realistic costed actions that build towards their goals and which can be jointly monitorable;</p> <ul style="list-style-type: none"> CFM groups should invest in their own organisational development¹¹³. 	<ul style="list-style-type: none"> Groups should make annual plans and budgets¹¹⁴ for activities they are to implement and in harmony with their strategic plans and in consultation with the Responsible Body.
Local governments	
<p>Strategic level</p> <ul style="list-style-type: none"> Local governments should develop LFR management plans; Local governments should formulate by-laws to address local recurrent conservation issues (for example, control of bush fires) affecting the sustainability of CFM; Local governments should enforce existing by-laws (where they exist) and forest regulations; Local governments should streamline collection of forest-based revenue and commit to re-invest part of it into forestry activities in consultation with FSSD; Local governments should incorporate CFM group activities in their development and annual plans. 	

12.7 Guidelines for improving Coordination of CFM around Central Forest Reserves.

493. There are a multitude of partners involved in the CFM around Central Forests Reserves. These include NFA, district local governments, NGOs, the private sector and local communities. Each of these partners has a critical role to play in the success of CFM.

494. The review has found that there are coordination gaps between the various partners which have adversely affected effective implementation of CFM due to lack of a clear coordination mechanism. The following guidelines/mechanisms are therefore recommended to improve the coordination of implementing CFM around Central Forest Reserves.

¹¹³ For example, some CFM groups have invested in office infrastructure to improve their operations, and to safeguard their records and assets.

¹¹⁴ Some groups have gone to a higher level of making 5-year strategic plans and implementing them with their own resources.

Box 12.2: Guidelines for improving the coordination for CFM

- 1) NFA should take full ownership of CFM and improve its coordination among stakeholders by institutionalizing a CFM coordination committee with clear terms of reference and a code of practice;
- 2) Anybody intending to apply for CFM or to support CFM should do so through the responsible NFA office right from the beginning to avoid duplication and overlap among partners operating in the same site or Central Forest Reserve. As part of the entry requirements, all NGOs intending to support CFM processes should have a signed MoU with NFA. The MoU should define the CFRs and the CFM sites that will be supported, period for which the support will last; the roles and responsibilities of key parties to the MoU among others. Copies of the MoU should be given to NFA staff operating in the selected CFM sites;
- 3) The NFA and supporting partner or NGO should identify the key stakeholders and involve them in the process right from the beginning. The partners should meet and agree on **clearly defined roles and responsibilities on which they will held accountable**. The local government both at sub-county and district level as a matter of priority should be included among the key stakeholders;
- 4) All NGOs supporting CFM must involve the field staff (i.e. Range Managers, Sector Managers and Forest Supervisors);
- 5) The supporting partner and the NFA together with the key partners should develop a work plan of the activities to be implemented in the CFM site accompanied by budget estimations for the planned activities. The work plan should be broken down into quarterly and annual work plans to guide periodic documentation of reports;
- 6) The supporting partner or NGO should document and share quarterly, or annual, reports as will be agreed with NFA and other stakeholders. The report should indicate what was planned, what was done; deviations from the plan and reasons; and the challenges faced within the reporting period;
- 7) The NFA, the supporting partner and the key stakeholders should hold periodic meetings, preferably quarterly meetings to assess the progress being made, the challenges and how they can be mitigated or addressed to ensure success of the process;
- 8) NFA as a responsible body retains the right to access information on any CFM site being supported any NGO;

12.8 Role and position of UNETCOFA in CFM processes vis-à-vis other networks

495. In an Organisational Capacity Assessment carried out in 2015, it was found that UNETCOFA was very weak on many aspects and the situation has not changed much, save for the successful win of a UGX 90 million grant under the Skilling Uganda Programme. The main limitation of UNETCOFA now is that it only exists in name, with neither legal basis nor staff. This is largely because not much long after UNETCOFA had been formed the EMPAFORM program under which it had been supported ended. That aside, it was also gathered that BUCODO which had housed UNETCOFA, changed its objectives and subsequently formed CODECA whose objectives were not compatible with those of UNETCOFA. In as much as there is need for a neutral entity to champion the rights and benefits of CFM groups nationally, including lobbying for enabling working environment, it would be unrealistic to champion for the streamlining of UNETCOFA now before streamlining the operation of CFM groups countrywide, the majority of which have also operated illegally. By the time EMPAFORM ended in

2015, UNETCOFA had formed 6 area-based (Forest) networks. From the sample studied, it was found that they too have been looking to external support rather from their own members. These networks were found to be weak countrywide due to a lack of funding and the spread of their leaders' time on other activities. There was concern from the member groups from which UNETCOFA had raised a subscription and annual fees that they had yet to get value-for-money from UNETCOFA. UNETCOFA's revival will require upfront commitment of human and financial resources and a programme of action.

496. Under the circumstances, the future position of UNETCOFA has to be assessed in the context of emerging **member driven** associations of CFM groups in many locations. They in a way, differ from UNETCOFA which was **externally driven** under the regional EMPAFORM program, because they are member driven, with some intending to venture into profit-oriented activities which would be *ultra vires* for UNETCOFA. The review team strongly suggests streamlining the operations of CFM groups, which if they all received their legal rights, would have the basis and motivation to invest in other structures to serve them. It would be viable in the short run to support area or CFR specific networks which are **member driven** which should be the building blocks for UNETCOFA or any other preferred network at national level. Recently for example, WWF has been benchmarking how to support these new networks in the south-west, west and Arua regions.

12.9 Assessment of options for CFM financing

497. The options for CFM funding described in this section recognize that:

- (i) There is urgency to regain the trust of CFM groups so that they can increase on their already existing investments within CFRs.
- (ii) The most pragmatic approach for many groups will be to compete for resources from existing funding (e.g. Skilling Uganda Fund, Operation for Wealth Creation, Youth Livelihood Fund, Women Empowerment Fund, Community Driven Fund) and to build on these until new funding opportunities emerge.
- (iii) NFA should seek catalytic funding from a committed donor, preferably under a project modality to galvanize the efforts and contributions of different players in a coordinated approach but with a sustainable exit strategy so that they all learn to work together and complement one another, and as strategy to address the existing shortfalls within CFM processes and players.
- (iv) Funding for CFM has to be in alignment with the Public Finance Management Act, 2015, implying among other things, working with and through existing government structures and systems.

498. With that background, there are seven **existing funding practices** in the country which offer the greatest and most pragmatic approach to CFM funding in the short run. The difference required in them is a shift from **"Business-as-usual"**, characterized by individual institution/sector interests to that of a "collaborative/partnership approach" to enhance and synergize outcome-oriented impacts that give visibility and credit to all the parties concerned. The existing practices are (see also Table 12.3):

- (i) Public sector funding received by the responsible bodies, i.e. NFA and local governments and Ministry of Water and Environment¹¹⁵.
- (ii) Private sector funding, particularly private-public partnership programming formalized by NFA including corporate social responsibility, impact investing, and other innovative financing opportunities e.g. forestry-based carbon offsets, bio-prospecting fees
- (iii) Funding from many NGO initiatives;
- (iv) Funding under projects, programmes and targeted financing for special interest groups within and outside the forestry sector, possibly co-funded by development partners.
- (v) Establishment of an independent trust fund as provided for under the CFM agreements between NFA and 5 CFM groups as part of the Bio-carbon funded Nile Basin Afforestation Project and other ecosystem-based funds;
- (vi) Revolving funds among CFM groups capitalized by seed capital (in form of grants) from NGOs and private sources of funding – potentially foundations;
- (vii) Credit from development, financial and microfinance institutions at varying interest rates – particularly appropriate for developing micro- and small-scale forest-linked enterprises;
- (viii) CFM-focused project (supported by a lead donor) with a grant;
- (ix) Funding under special established funds under the sector in the long term – such as the Tree Fund, Environment Fund or Climate Change Fund.

499. Taking advantage of all the above existing practices will require:

- (i) That the responsible bodies take **ownership and control** of the CFM processes;
- (ii) That the responsible bodies create an **enabling environment** for other parties to engage with CFM, and above all, for CFM groups to gain confidence and fair entitlements from their participation;
- (iii) That the Responsible Bodies solicit financial and technical support to drive the CFM initiative forward.

500. The following table therefore shows the existing **business-as-usual** funding practices (1-7) and the justification for a **paradigm shift**, supported under a project funding modality (with a grant) for a period of 5 years through either an **existing public or CSO institution** or by development partner(s) or in some combination.

¹¹⁵ The Ministry which has powers to transfer 3 conditional grants under its sector to Local Governments, namely: rural water and supply (VF 0981), urban water and sanitation (VF 0982), and natural resource management (VF 0983).

Table 12.3: Options for improvement of funding for CFM

Existing funding	Current gaps/ limitations	Improvements needed
1. Funding under MWE, NFA, and local governments	MWE has not released conditional grants for forestry to local governments since FY 2004/2005.	Revive the release of forestry conditional grants to local governments, with guidelines to support organized and active CFM groups.
	Budget allocation for CFM under NFA has averaged UGX 60 million per year.	Increase CFM budget allocation minimally by 100% (to UGX 120 million) As much as possible, fund CFM through the budgets to the ranges
	Despite NFA managing the budget line for the Community Tree Planting Programme , there is no strategy to link this initiative to CFM beneficiaries. Concerns were raised that seedlings under the programme are accessed by the rich or are expensive for CFM groups.	Allocate at least 25% of the Community Tree Planting Programme to CFM groups to raise seedlings for their members with a set reserve price.
	Both MWE and NFA implement forestry projects (e.g. REDD+, FIEFOC, FLRP and SPGS etc.) which have partly supported CFM groups or individual members.	Both the MWE and NFA should in the future coordinate implementation of existing and new projects to take into account other players (including CFM groups) to optimize the impact and broaden participation at a landscape rather than site level.
2. Private sector funding as part of a PPP arrangement with NFA (e.g. CSR, impact investing).	NFA has partnered with corporate bodies in both formal and ad-hoc arrangements : under the latter are corporate social responsibility (CSR) funds for forest regeneration and biodiversity offsets . In some locations, CFM groups have benefitted indirectly from these partnerships (e.g. in Mpanga Sector and Mabira CFR).	NFA should develop a formal platform under which CSR funding can also directly support CFM groups where they choose to implement their activities.
3. NGO funding	NGOs have been active in facilitating CFM processes and supporting its implementation, but they have done so as per their project designs, sometimes without knowledge of and/or joint planning with NFA and local governments.	NFA should develop protocol guidelines on how NGOs relate to NFA and local governments during the design, implementation and evaluation of their projects that directly benefit CFM groups or are implemented in CFRs and LFRs.

Existing funding	Current gaps/ limitations	Improvements needed
4. Funding under projects, programmes and targeted funds for special interest groups within and outside the forestry sector, possibly co-funded by development partners	This funding is widespread in Uganda but many CFM members have benefited as individuals rather than as part of groups , partly because of lack of access to information by CFM groups; lack of capacity to compete or meet eligibility criteria; indifference by field level NFA staff to participate in local government planning and budgeting fora; and low appreciation from other sector agencies on the linkages with forestry ecosystem services. However, this is starting to be recognised by the water and environment Joint Sector Review.	NFA and local governments should provide information to CFM groups on the sectoral programmes and funds relevant to them and pro-actively engage in other sectors' planning and budgeting fora. NFA should consolidate and/or generate additional evidence to make a case regarding the linkage between forestry ecosystem services and the productivity/functionality of other sectors (e.g. agriculture, tourism, power generation, adaptation to climate change, health, etc.).
5. Establishment of ecosystem services-based funds as provided for under the CFM agreements between NFA and 5 CFM groups as part of the Bio-carbon funded Nile Basin Afforestation Project	There is already a provision for CFM groups in Rwoho under the Bio-carbon funded Nile Afforestation project to establish a Trust Fund, with support from NFA, but it has not yet been implemented. According to the CFM groups, it would serve as an additional source of funding and facilitate participation in a revolving credit fund that could be easily capitalised by their carbon finance earnings.	NFA should study how to establish the Trust Fund and modalities for effective management so that it serves as an additional incentive to sustain their plantations to full maturity. NFA should also investigate how this model could be replicated in other CFRs where CFM groups are forming CFR-level umbrella associations (e.g. ECOTA in Echuya) or Cooperatives (e.g. in Mpigi, Butambala and Rubirizi Districts).
6. Revolving funds among CFM groups capitalized by seed capital in the form of grants from NGOs	This was found as having been successfully practiced by many NGOs (e.g. Nature Uganda, Fauna and Flora International, IUCN, etc.)	NFA and local governments should partner with NGOs to increase seed capital in organized CFM groups and develop their capacity for effective management to increase capacity to compete for additional funding beyond NFA/local government support.
7. Credit from development, financial and microfinance institutions	This credit is increasingly becoming available albeit at high interest rates and for groups or enterprises that promise viability and prudent financial management practices (e.g. UNCDF through UDBL, the Agricultural Credit Facility through BOU, the Yield Uganda Investment Fund through Capital Partners, EADB Biodiversity Investment Fund, etc.)	NFA should support CFM groups especially those that also have a business-arm or cooperatives or associations to build pilot forestry micro- and small enterprise models, especially those that promise economies of scale in production, marketing and value addition.

Existing funding	Current gaps/ limitations	Improvements needed
8. CFM-focused project (supported by a lead donor) financed by a grant	Past CFM funding-related initiatives have been implemented in a disjointed, incoherent and uncoordinated manner by providers of funding or implementing agencies. To date, this has failed to generate impactful outcomes to position CFM as a good strategy for conservation and livelihood improvement, explaining continued the deforestation and forest degradation even where CFM groups exist!	NFA should design a CFM project, to basically take a two-pronged approach, first to <u>address the existing barriers</u> to funding from the already/planned models described under 1-7 and second to <u>introduce innovation for long term financing and institutional development</u> support for strategic players in CFM processes and implementation (i.e. NFA, local governments, NGOs, etc.).
9. Funding under special established Funds under the sector in the long term (e.g. Tree Fund, Climate Fund, Benefit Sharing Arrangements under REDD+, etc.).	Currently there are policy discussions still surrounding the operationalisation of these funds or their merger and they cannot therefore be looked to for short- and medium- term financing solutions to the already undercapitalized CFM groups countrywide.	NFA and local governments should continue to engage the on-going financing processes in the sector with a view of raising the visibility of organized CFM groups and NGOs to benefit as government plans for national-level funding mechanisms.

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Annex 1: Terms of Reference

A1.1 Objectives of the CFM Review

Overall the review will assess the impact and process of implementing CFM to date and generate options for how CFM can be substantively strengthened going forward.

1. Impact – to assess the local institutional, socio-economic and forest conservation outcomes of CFM across a representative set of CFM sites in Uganda. The objective of the assessment is to understand how CFM has performed since its inception focusing on:

- The arrangements and varying levels of institutional and financial support and coordination for CFM across the country linked in part to the nature of project cycles
- The relative capacities and track records of NFA, NGO partners and local governments in facilitating CFM, and the extent to which CFM is understood by each stakeholder
- The extent, quality and experiences of co-management practice and forest governance to date between communities and the NFA, particularly in regard to the Responsible Body and CFM groups each following through with their roles and responsibilities
- The nature and relative magnitude of benefits that communities have derived from CFM as perceived by communities and other stakeholders
- The nature of cross-stakeholder perceptions of CFM as a mechanism for delivering improved forest conservation outcomes and socio-economic benefits for forest adjacent communities, and the extent of demand and broad support for CFM going forward.

2. Process – to summarily assess the effectiveness, efficiency and equitability of the CFM process, in terms of:

- The procedures in developing and approving a CFM agreement including:
 - The inclusiveness and equitability of participation particularly for disadvantaged and marginalised community members
 - The nature of the balance between providing sufficiently prescriptive safeguards in terms of specifying the rights and obligations of different actors – including NFA – and the flexibility / discretion allowed for innovation and adaptivity
 - The need for creating sufficient awareness among forest adjacent communities about the opportunity to participate in CFM, what their rights and obligations are, and what the nature of the benefits derived from CFM are.
- The subsequent recurring process for planning, implementing reporting and monitoring ongoing CFM activities.
- The status of benefit sharing for delivering both conservation and livelihood benefits

A summary set of findings will be developed from these two sections as a basis for making recommendations of how CFM could be better designed and implemented.

3. Options – to generate options and recommendations for how CFM's design, implementation and reach can be improved and strengthened in terms of:

- Developing a clear outlook and set of realistic objectives for the consolidation, improvement and expansion of CFM, potentially as part of a revitalized national program, to include:

- How CFM can be explicitly and better included in Forest (Area) Management Plans so as to build CFM in as a core component of the management of CFRs
- How co-management practices can be streamlined and deepened with communities taking on a greater level of agency and securing more rights to forest management in an accountable manner
- How CFM can be better coordinated with and supported by local government, and linked with this, identifying how CFM be initiated in Local Forest Reserves and/or individual private forests
- How benefits derived from CFM can be enhanced, multiplied and made more equitable, particularly informed by emerging best practices and models both in Uganda and regionally in terms of community-based forestry enterprise
- How the development process for new CFM Forest Management Plans and Agreements can be streamlined and made more straightforward to implement, including the draft benefit sharing guidelines
- How CFM institutions, including NFA, can be organizationally strengthened and better empowered at forest site and national level, and what the necessary arrangements and investments are for achieving this
- How to ensure that CFM groups are legitimate and community-based through developing a set of prequalifying criteria / safeguards
- What the options are towards achieving a higher level of institutional and financial sustainability for CFM in Uganda, and how these can build on any synergies with emerging financing opportunities in the Environment and Natural Resource sector (such as the FIP¹¹⁶ FLEGT¹¹⁷ and REDD+¹¹⁸ and parallel Forest Landscape Restoration and Water Catchment Management initiatives).
- What arrangements would be most effective such that CFM is better planned, coordinated, and implemented at a national level between NFA, NGOs supra-community associations and other stakeholders.

¹¹⁶ Forest Investment Proposal (to the Climate Investment Fund and developing proposals for the Green Climate Fund).

¹¹⁷ Forest Law Enforcement, Governance and Trade

¹¹⁸ Reduced Emissions from Deforestation and Degradation (and related emissions reductions and offsetting initiatives).

A1.2 Approach

The review shall entail targeted country-wide studies interrogating the extent and progress to date of the CFM process, including completed CFM negotiation processes, and the current status of the implementation of the CFM agreements, including on-going agreement renewal and revision processes. The review shall assess the process of developing agreements and the fitness of purpose of the guidelines and regulations developed to date and underpinning CFM. The available capacities both of the responsible bodies but also of the respective communities and CFM groups shall be interrogated through stakeholder engagements at sub national levels. The review more broadly shall draw on lessons learned and best practices from other parts of the world. The review shall carefully consider CFM's financing needs and potential arrangements, including available and potential opportunities like the Tree Fund, the FIP, REDD+, linkages with water catchment initiatives, and potential for renewed development partner interest. The NGOs that have facilitated the CFM processes shall also be engaged with to deepen the understanding of the outstanding issues that require both operational and policy intervention. Policy level engagements shall then be arranged to make policy recommendations to strengthen and ensure effective delivery of the CFM processes.

A1.3 Required inputs

The participants of this review shall include the relevant NFA staff and CFM groups, relevant local government staff, Ministry of Water and Environment staff including staff of the Forestry Sector Support Department (FSSD) with the FSSD chairing the CFM review process, the NGOs facilitating and interested in CFM processes, and the Development Partners. A scoping of the other partners that are involved in CFM shall be undertaken during this review.

A1.4 Anticipated outcomes of the CFM review

- Mapping of CFM actors and ongoing initiatives
- An overview of the state of CFM - in relation to a set of criteria to be decided
- Documentation of innovative models and practices at forest sites in Uganda that can be scaled up
- Insights and lessons for improving the CFM development process and its implementation – what has worked well and what has not.
- Relevant insights and lessons from community forestry and community-based forest enterprise from within the East African region
- An agreed position on how to support and strengthen UNETCOFA.

Annex 2: List of stakeholders interviewed and consulted

Exhibit 2.1: Interviews, meeting and Focused Group Discussion Attendance Record

Date	Location	Name	Group / designation
28/5/2018	NFA Headquarters	Paul Buyera	Ag.ED NFA
28/5/2018	NFA Headquarters	Major Kalema	Desk Officer, OWC-NFA
28/5/2018	Kampala	Levand Turyomurugendo	FLR Coordinator-FAO
28/5/2018	Kampala	Irene Nanyondo	FSSD/UFA
28/5/2018	Kampala	David Walugembe	UFA
28/5/2018	Kampala	Maxwel Kabi	NFA/UFA
28/5/2018	Kampala	Dickson Sande	Former Manager SPGS
28/5/2018	Kampala	Simon Akwetireho	Former CDO- LVEMP II
28/5/2018	Kampala	Fred Okumu	SWIFIN
28/5/2018	Kampala	Madira	SWIFIN
29/5/2018	Mabira	Peter	Admin Secretary Griffin Falls
29/5/2018	Kampala	Patience	NFA/UFA
29/5/2018	Mabira	Mujuni	DFO-Mukono
29/5/2018	Kampala	Xavier Mugumya	Alternate REDD+ Forest
29/5/2018	Mabira	Tenga Ramathan	Informer
29/5/2018	Mabira	Namuleme Mariam	CFM member
29/5/2018	Mabira	Nyanzi Ali	CFM member
29/5/2018	Mabira	Damba Livingston	Chairman CFM
29/5/2018	Mabira	kaitana Pascal	Sec CFM
29/5/2018	Mabira	Kiwanuka Muhamed	CFM member
29/5/2018	Mabira	Lukyamuzi Mutwalibi	Sec Lugazi Municipality
29/5/2018	Mabira	Kazimiri Stephen	CFM member
29/5/2018	Mabira	kapere Mathius	CFM member
29/5/2018	Mabira	Lubanga James	Sec CFM
29/5/2018	Mabira	Kyangire Peruth	NACOB Chairperson
29/5/2018	Mabira	Mugambe Edirisa	NACOB Treasurer
29/5/2018	Mabira	Ssozi Phillip	CFM member
29/5/2018	Mabira	Tabula John	COFSDA Sec
29/5/2018	Mabira	Kakembo	CFM member
29/5/2018	Mabira	Ojja Michael	Sector Manager NFA
29/5/2018	Mabira	Opolot Sam	Forest Supervisor
30/5/2018	Katuugo	Kato james	KAIFCO
30/5/2018	Katuugo	Olweny ben	KAIFCO
30/5/2018	Katuugo	Mugisha godfrey	KAIFCO
30/5/2018	Katuugo	Mulisa geofrey	SSEGEKA
30/5/2018	Katuugo	Mwiine Daniel	NFA/ FOREST supervisor
30/5/2018	Katuugo	Kunihira caroline	Segeke
30/5/2018	Katuugo	Brig e kazahora	WECODA
30/5/2018	Katuugo	Rwtam Thomas	WECODA
30/5/2018	Katuugo	Wawbwo	C/M WECODA
30/5/2018	Katuugo	Basaijja david	KAIFCO
30/5/2018	Katuugo	Kayondo sabiti	KAIFCO

Date	Location	Name	Group / designation
30/5/2018	Katuugo	Namuddu pamella	NFA forest supervisor
30/5/2018	Katuugo	Kiguddu goefrey	KAIFCO
30/5/2018	Katuugo	Emuno fred	Swgeke
31/5/2018	Budongo System Range	Barekye B. Sam	NFA SECTOR MANAGER
31/5/2018	Budongo System Range	Kusuro Michael L	NFA AG RM BUDONGO
31/5/2018	Budongo System Range	Owino Phibby	NFA FOREST SUPERVIUOR
31/5/2018	Hanga	Obura moses	NOBUFOCA
31/5/2018	Hanga	Yuwa Micheal	NOBUFOCA
31/5/2018	Hanga	Mugisa Steven	NOBUFOCA
31/5/2018	Hanga	Nyangireki RoseMary	NOBUFOCA
31/5/2018	Hanga	Victoria Kyomya	NOBUFOCA
31/5/2018	Hanga	Wandera Emmanuel	KAFACA
31/5/2018	Hanga	Nyakibwa Alice	KAFACA
31/5/2018	Hanga	Wanichan Simon	KAFACA
31/5/2018	Hanga	Madira Francis	Patro man
31/5/2018	Hanga	Madira Micheal	Patro Man
31/5/2018	Hanga	Oribdhogu Donald	NFA
31/5/2018	Hanga	Ezati Isaac	Patro man
31/5/2018	Hanga	Okwi Joel	EPF
31/5/2018	Hanga	Musinguzi Benon	KAFACA
31/5/2018	Hanga	Balewa Andrew	NOBUFOCA
31/5/2018	Kapeeka	Mugume peter	Nyakafunjo
31/5/2018	Kapeeka	Ogwal Caesar	BUNCA CFM
31/5/2018	Kapeeka	Jawiyande francis	BUNCA
31/5/2018	Kapeeka	Okello francis	NFA frorest supervisor
31/5/2018	Kapeeka	Ezati micheal	BUNCA Cfm
31/5/2018	Kapeeka	Opio donato	KICODA cfm
31/5/2018	Kapeeka	Oddu Fredrick	KICODA cfm
31/5/2018	Kapeeka	Lemeriga fred	KICODA cfm
31/5/2018	Kapeeka	Aminah nansubuga	KICODA cfm
31/5/2018	Kapeeka	Ezua teful	KICODA cfm
31/5/2018	Kapeeka	Eneku mutapher	KICODA cfm
31/5/2018	Kapeeka	Penjunga moses	KICODA cfm
31/5/2018	Kapeeka	Ikoru sarah	NECODA cfm
31/5/2018	Kapeeka	Karungi Christine	NECODA cfm
31/5/2018	Kapeeka	Johnbosco okello	NECODA cfm
31/5/2018	Kapeeka	Joseph manadri	NECODA cfm
31/5/2018	Kapeeka	Obua ceaser	NECODA cfm
31/5/2018	Minziro-Malabigambo	Justus Tabu	NFA Supervisor
31/5/2018	Minziro	Ssebugwawo Denis	Chairperson Kigazi CFM
31/5/2018	Minziro	Lubinga Francis	Sec CFM
31/5/2018	Minziro	Matovu Angelo	Chairperson LC I Kigazi
31/5/2018	Minziro	Nantale Josephine	Treasurer Kigazi
31/5/2018	Minziro	Muwawu Benard	Treasurer Kimaka
31/5/2018	Minziro	Akuguzibwe Robert	Minziro Police

Date	Location	Name	Group / designation
31/5/2018	Minziro	Ssebuwufu Pascale	CFM member
31/5/2018	Mugamba Mujanjabura	Wajjanzi Vicent	CFM member
31/5/2018	Mugamba Mujanjabura	Nabakooza Josephine	CFM member
31/5/2018	Mugamba Mujanjabura	Mugerwa Peter	CFM member
31/5/2018	Mugamba Mujanjabura	Muyimba Tony	CFM member
31/5/2018	Mugamba Mujanjabura	Ssegirinya Paul	CFM member
31/5/2018	Mugamba Mujanjabura	Kasita Gonzaga	CFM member
31/5/2018	Mugamba Mujanjabura	Nakintu Mary	CFM member
1/6/2018	Mugamba Mujanjabura	Lukwago Ssentongo	Patrolman NFA
1/6/2018	Mugamba Mujanjabura	Nakyobe Betty Bbosa	Forest Supervisor
1/6/2018	Mugamba Mujanjabura	Justus Tabu	NFA Supervisor
1/6/2018	Kyebe	Nabyonga Jane	Buzika CFM member
1/6/2018	Kyebe	Mawanda John	Buzika CFM member
1/6/2018	Kyebe	Nyanga Petelo	Buzika CFM member
1/6/2018	Kyebe	Jude	Buzika CFM member
1/6/2018	Kyebe	Muyingo Denis	Buzika CFM member
1/6/2018	Kyebe	Muyombya Joseph	Nalubega Mutegombwa CFM
1/6/2018	Kyebe	Nakintu Mary	Nalubega Mutegombwa CFM
1/6/2018	Kyebe	Givaviira Kabanda	Nalubega Mutegombwa CFM
1/6/2018	Kyebe	Muwawu Peter	Nalubega Mutegombwa CFM
1/6/2018	Kyebe	Kiyimba Eddy	Nalubega Mutegombwa CFM
1/6/2018	Kyebe	Luyinda Matia	MALUMA
1/6/2018	Kyebe	Njogerere Francis	MALUMA
1/6/2018	Kyebe	Nassaba Pasika	MALUMA
1/6/2018	Kyebe	Sselumba Moses	LC III C/P
1/6/2018	Kyebe	Wassaja Vincent	Sub county Chief
1/6/2018	Kyebe	Segirinya Joseph	Councillor
1/6/2018	Kyebe	Kalanzi Richard	CFM member
1/6/2018	Baka Kabira	Musuza Damian	C/P Nkalwe CFM
1/6/2018	Baka Kabira	John Bull	Sec CFM
1/6/2018	Baka Kabira	Kabanda	CFM member
1/6/2018	Baka Kabira	Vincent Mukasa	CFM member
1/6/2018	Baka Kabira	Kalutinda George	CFM member
1/6/2018	Baka Kabira	Nankya Polly	CFM member
1/6/2018	Baka Kabira	Nanziri Imaji	Treasurer
1/6/2018	Baka Kabira	Isinde Jalia	Forest Supervisor
1/6/2018	Baka Kabira	Nafuna Mildred	Range Supervisor
1/6/2018	Masindi	Biryetega Simon	District Forestry Office
1/6/2018	Masindi	Kaliisa Roseline	Community Development Office
1/6/2018	Masindi	Akoku Anthony	DEO
1/6/2018	Masindi	Akuguzibwe Robert	UNETCOFA Chairperson
1/6/2018	Masindi	Asiku Micah	CODECA
1/6/2018	Masindi	Caroline Kugonza	Agricultural Officer
1/6/2018	Masindi	Musimire William	DNRO
1/6/2018	Masindi	Mashaka Saida	Bee Keeping

Date	Location	Name	Group / designation
2/6/2018	Kyotera	Richard Miro	Bulamazi Forest Group
2/6/2018	Kyotera	Kayondo	Secretary
2/6/2018	Kyotera	Katerera	Treasurer
2/6/2018	Kyotera	Matovu	CFM member
2/6/2018	Kyotera	Kimera Andrew	CFM member
2/6/2018	Kitoole/Mpanga	Kahigwa Peter	MCODA secretary
2/6/2018	Kitoole/Mpanga	Byakora Onesfor	Vice chair person
2/6/2018	Kitoole/Mpanga	Kyomukama Xayier	Publicity
2/6/2018	Kitoole/Mpanga	Muruli Joseph	Project planner
2/6/2018	Kitoole/Mpanga	Karukohe Zozimus	Member
2/6/2018	Kitoole/Mpanga	Kizza Julius	Member
2/6/2018	Kitoole/Mpanga	Geria Philip	Nfa
2/6/2018	Kitoole/Mpanga	Mbabazi mary	Mcoda treasurer
2/6/2018	Kitoole/Mpanga	Kemigisha proscovia	Member
2/6/2018	Kitoole/Mpanga	Kaahwa yafesi	c/person cfm kabwoya
2/6/2018	Kitoole/Mpanga	Atugonza Gloria	Cfm member
2/6/2018	Kitoole/Mpanga	Kugonza sayuni	Member
4/6/2018	Matiri	Katongole j mugisa	MANRUIA
4/6/2018	Matiri	Kabazoora Martha	MANRUIA
4/6/2018	Matiri	Mweige bonefence	MANRUIA
4/6/2018	Matiri	Kemigabo Elizabeth	MANRUIA
4/6/2018	Matiri	Kabatabaazi joice	MANRUIA
4/6/2018	Matiri	Murasira jaon	MANRUIA
4/6/2018	Matiri	Kizza selegio	MANRUIA
4/6/2018	Matiri	Tulyatunga hamudu	KIFECA
4/6/2018	Matiri	Mugisa	KIFECA
4/6/2018	Matiri	Ngabirano amosi	KIFECA
4/6/2018	Matiri	Rwayakwa	KIFECA
4/6/2018	Matiri	Kampinda pulikelia	KIFECA
4/6/2018	Matiri	Mukudesiga je	KIFECA
4/6/2018	Matiri	Kato expadito	KIFECA
4/6/2018	Matiri	Mahangali Beatrice	KIFECA
4/6/2018	Matiri	Twinomugisa Alfred	KIFECA
4/6/2018	Matiri	Tweigye Margret	KIFECA
4/6/2018	Matiri	Kiconco emilly	KIFECA
4/6/2018	Kyarusozi	Nsungwa Robert	KIBEGO CFM
4/6/2018	Kyarusozi	Kabedinde joseph	KIBEGO CFM
4/6/2018	Kyarusozi	Ndayanabo Erineest	KIBEGO CFM
4/6/2018	Kyarusozi	Byaruhanga Wiclif	KIBEGO CFM
4/6/2018	Kyarusozi	Byamukama Josephat	KIBEGO CFM
4/6/2018	Kyarusozi	Kajoin Mary	KIBEGO CFM
4/6/2018	Kyarusozi	Kabahuma Jane	KIBEGO CFM
4/6/2018	Kyarusozi	Birungi Yowan	KIBEGO CFM
4/6/2018	Kyarusozi	Kayondo silage	KIBEGO CFM
4/6/2018	Kyarusozi	Ainembabazi stellah	KIBEGO CFM

Date	Location	Name	Group / designation
4/6/2018	NFA Mbarara	Mutyaba Andrew	Member
4/6/2018	NFA Mbarara	Mbabazi Geofrey	NFA Rwoho
4/6/2018	NFA Mbarara	Arinaitwe Innocent	NFA Rwoho
4/6/2018	NFA Mbarara	Joyce Kasemire	NFA Nursery Supervisor
4/6/2018	NFA Mbarara	Kyosiimire Doreen	Office Attendant
4/6/2018	NFA Mbarara	Kyaligonza Herbert	Plantation Manager Mbarara
5/6/2018	Rwoho	Mwesigye Katiti	BECA CFM member
5/6/2018	Rwoho	Kebirungi Jane	SWAGEN CFM member
5/6/2018	Rwoho	Mugarura Emmanuel	SWAGEN CFM member
5/6/2018	Rwoho	Turyagyenda John	Out Grower
5/6/2018	Rwoho	Tumuhibise Rhoda	SWAGEN CFM member
5/6/2018	Rwoho	Bakegumanya Silver	BECA CFM member
5/6/2018	Rwoho	Kembaga Scovia	Out Grower
5/6/2018	Rwoho	Bataringaya John	SWAGEN CFM member
5/6/2018	Rwoho	Twinomuhangi Mathias	RECPA CFM member
5/6/2018	Rwoho	Warugaba	BECA CFM member
5/6/2018	Rwoho	Bekashaba Bonita	Out Grower
5/6/2018	Rwoho	Kakara Julius	Out Grower
5/6/2018	Rwoho	Baguma Anaclet	RECPA CFM member
5/6/2018	Rwoho	Sanyu Eustine	BECA CFM member
5/6/2018	Rwoho	Amanyire Deo	RECPA CFM member
5/6/2018	Rwoho	Katushabe Kellen	BECA CFM member
5/6/2018	Rwoho	Tusiime Frank	DFO
5/6/2018	Rwoho	Emmanuel Bwengyo	DFO
7/6/2018	Nyarugoote	Tumuhaise Johnbosco	Nyarugoote cfm secretary
7/6/2018	Nyarugoote	Kundabo George	Cfm member
7/6/2018	Nyarugoote	Asiimwe Odiira	Swazi Nitubasa CFM
7/6/2018	Nyarugoote	Ahimbisbwe Vicent	Swazi N CFM
7/6/2018	Nyarugoote	Mukango John Willam	Nyarugoote CFM
7/6/2018	Nyarugoote	Tumuhimbie Jonan	Swazi N CFM
7/6/2018	Nyarugoote	Byamukama Joseph	Swazi N CFM
7/6/2018	Nyarugoote	Olia Kaitesi	Member Nyamgoote
7/6/2018	Nyarugoote	Kihembo Deu	Nyaugoote CFM
7/6/2018	Nyarugoote	Byaruhanga Dezi	Nyarugoote CFM
7/6/2018	Nyarugoote	Kizza Alex	C/man Swazi N CFM
7/6/2018	Nyarugoote	Mwebaze Geofrey	C/man Nyarugoote CFM
8/6/2018	Rubanda	Idah Ndyomugenyi	MECDA CFM member
8/6/2018	Rubanda	Deus Tumushabe	MECDA CFM member
8/6/2018	Rubanda	Saidi Kabandize	MECDA CFM member
8/6/2018	Rubanda	Halima Mutabazi	MECDA CFM member
8/6/2018	Rubanda	Kwesiga Deo	MECDA CFM member
8/6/2018	Rubanda	Rwomushana Willy	BECLA CFM member
8/6/2018	Rubanda	Mbabazi Geofrey	BECLA CFM member
8/6/2018	Rubanda	Tibifumuka Sarafina	BECLA CFM member
8/6/2018	Rubanda	Habwaruhanga Geofrey	BECLA CFM member

Date	Location	Name	Group / designation
8/6/2018	Rubanda	Kizimpeire Margret	BECLA CFM member
8/6/2018	Murora	Tumushime Emmanuel	MEFCPAA Chairperson
8/6/2018	Murora	Kanyondo Brian	MEFCPAA member
8/6/2018	Murora	Habumugisha Fidel	MEFCPAA Secretary
8/6/2018	Murora	Zimbehire Richard	MEFCPAA member
8/6/2018	Murora	Mukankusi Regina	MEFCPAA member
8/6/2018	Murora	Tindihunga Daniel	MEFCPAA member
8/6/2018	Murora	Nyirahabumana	MEFCPAA member
8/6/2018	Murora	Ndungutse Allan	MEFCPAA/ECOTA
8/6/2018	Kisoro	Akankwasa Eunice	Forestry Officer
8/6/2018	Kisoro	Makanga Vincent	DNRO Kisoro
8/6/2018	Kisoro	Munenero Richard	Tourism
9/6/2018	Kisoro	Tumwesigye	KADECA member
9/6/2018	Kisoro	Rubibi Yubu	KADECA member
9/6/2018	Kisoro	Nsabimana Ziel	KADECA member
9/6/2018	Kisoro	Musana David	KADECA member
9/6/2018	Kisoro	Nyirampango Oliver	KADECA member
9/6/2018	Kisoro	Nyinansaba Dina	KADECA member
9/6/2018	Kisoro	Kabera Jolly	KADECA member
9/6/2018	Kisoro	Ndungutse Allan	ECOTA Secretary
9/6/2018	Kisoro	Nyiramahirwe	KADECA member
13/6/2018	NFA Headquarters	Ruth Kisakye	Legal Manager NFA
13/6/2018	NFA Headquarters	John Diisi	GIS Manager
23/6/2018	Paidha	Unur Natizo	Mungudit Tree Planting
23/6/2018	Paidha	Obedlina A Onyati	Yesu Leng
23/6/2018	Paidha	Ungiu Alphons	Mungdit Tree Planting
23/6/2018	Paidha	Wathum Livingstone Jimmy	Mungdit Tree Planting
23/6/2018	Paidha	Benea George	Mungdit Tree Planting
23/6/2018	Paidha	Oyoma Primo	Yesu Leng
23/6/2018	Paidha	Masendi Stephan	Yesu Leng
23/6/2018	Paidha	Orwinyo S Ozelle Mungu	Mungdit Tree Planting
23/6/2018	Paidha	Busobozi Harunah	Sect Manager NFA
23/6/2018	Paidha	Kidi Isaiah Abuk	Patro Man Abiba
23/6/2018	Paidha	Akendi Martha	
23/6/2018	Paidha	Komakech Steve	Yesu Leng
26/6/2018	Nebbi	Jakis Emmy	DFO/NEBBI
26/6/2018	Nebbi	Busobozi Harunah	Sector Manager NFA
27/6/2018	Koboko	Tabuga Bosco Rembe	Gen. Sec MT Kei
27/6/2018	Koboko	Drasole Brian	Chairman MT Kei
27/6/2018	Koboko	Abiriga Rasul	Vice Chairman MT Kei
27/6/2018	Koboko	Ayikoru Alma	Treasurer MT Kei
27/6/2018	Koboko	Asiku Tairi	Vice Sec. MT Kei
27/6/2018	Koboko	Asiku Steven K C	F, Supervisor
27/6/2018	Koboko	Ouke Bernard	F. Supervisor

Date	Location	Name	Group / designation
27/6/2018	Koboko	Angupau Monica	Member
27/6/2018	Koboko	Andrionzi Samuel	Member Protection
12/7/2018	Tororo	Mugenyi Christine	NFA Sector manger
12/7/2018	Tororo	Alice Walusimbi Nakku	F/S Tororo
12/7/2018	Tororo	Kurima David	NFA
12/7/2018	Tororo	Anguti Silas	DNRO/DFO Tororo
12/7/2018	Tororo	Nakayenze Anna	SEO
12/7/2018	Soroti	Chekwiiruli Beatrice	NFA/ F/S
12/7/2018	Soroti	Agaba Milton	NFA S/M TESO
13/7/2018	West Bugwe	Timothy kiboma	F/S west bugwe
13/7/2018	West Bugwe	Nekesa gettu	BUFWCOI
13/7/2018	West Bugwe	Akello dorine	BUFWCOI
13/7/2018	West Bugwe	Tenywa sam	Amonikakinei
13/7/2018	West Bugwe	Bamiantu	BUFWCOI
13/7/2018	West Bugwe	Kerera amos	Amonikakinei
13/7/2018	West Bugwe	Nambuya betty	BUFWCOI
13/7/2018	West Bugwe	Akello mangdalena	BUFWCOI
13/7/2018	West Bugwe	Khatundi sarah	NFA
13/7/2018	West Bugwe	Mugenyi Christine	NFA
13/7/2018	West Bugwe	Bwire Stephen	BUFWCOI
13/7/2018	West Bugwe	Ongwen luke	AMONIKAKINEI
13/7/2018	West Bugwe	Opendi john	BUFWCOI
13/7/2018	West Bugwe	Odoi Stephen	BUFWCOI
13/7/2018	West Bugwe	Okello tom	BUFWCOI
13/7/2018	Luvunya	Namutosi Cotilida	
13/7/2018	Luvunya	Sowiya Nabwegere	
13/7/2018	Luvunya	Owor Desderio	Member CFM
13/7/2018	Luvunya	Mugabi Tom	Member CFM
13/7/2018	Luvunya	Watula Johnbosco	Member CFM
13/7/2018	Luvunya	Ateng Loice	Member CFM
13/7/2018	Luvunya	Owor Jojina	Member CFM
13/7/2018	Luvunya	Othieno Moses	Member CFM
13/7/2018	Luvunya	Sawuya Najejere	Member CFM
13/7/2018	Luvunya	Owere Richard	Patro Man
13/7/2018	Luvunya	Akanja Aggrey	Member CFM
13/7/2018	Luvunya	Ochola Rapheal	Member Namaji CFM
13/7/2018	Luvunya	Aluku Fredrick	Secretary Member CFM
13/7/2018	Luvunya	Watika Steven	Member CFM
27/7/2018	Rubirizi	Kakye Vincent	BTTEA
27/7/2018	Rubirizi	Magezi geofrey	Land sec NECA
27/7/2018	Rubirizi	Mbawanga able	C/U NECA
27/7/2018	Rubirizi	Mwettise Emmanuel	NECA
27/7/2018	Rubirizi	Bicwa Charles	NECA D
27/7/2018	Rubirizi	Tugasiire Juliet	NECA
27/7/2018	Rubirizi	Byabagambi deus	BTTEA

Date	Location	Name	Group / designation
27/7/2018	Rubirizi	Birungi Bernadette	BTTEA
27/7/2018	Rubirizi	Tumwiine everesta	BTTEA
27/7/2018	Rubirizi	Suleiman koojo	BTTEA
27/7/2018	Rubirizi	Kamuiime annet	NECA
27/7/2018	Rubirizi	Sseninde john	Treasurer NECA
27/7/2018	Rubirizi	Alinaobushobozi mathias	Member
27/7/2018	Rubirizi	Twinomugisha paul	NECA
27/7/2018	Rubirizi	Ashabahebwal	BTTEA
2/7/2018	Mpanga Eco tourism site	Kibuuka John	Forest Supervisor
2/7/2018	Mpanga Eco tourism site	Senturo Richard	Forest Supervisor
2/7/2018	Mpanga Eco tourism site	Musisi Joachim	Forest Patrol man
2/7/2018	Mpanga Eco tourism site	Ssenkubule Godfrey	Forest Patrol man
2/7/2018	Mpanga Eco tourism site	Mukasa John	Chairman Mpanga C. Ass
2/7/2018	Mpanga Eco tourism site	Ssentamu Robert	Forest Patrol man
2/7/2018	Mpanga Eco tourism site	Musisi Bonny	Forest Patrol man
2/7/2018	Mpanga Eco tourism site	Muhwezi Rogers	Site Guide
2/7/2018	Mpanga Eco tourism site	Tumwebaze John	Forest Supervisor
2/7/2018	Mpanga Eco tourism site	Mugisha Jonan	S/ manager
2/7/2018	Mpanga Eco tourism site	Kamukama	Range manager
2/7/2018	Mpanga Eco tourism site	Musisi Richard	Transport Assistant
2/7/2018	Mpanga Eco tourism site	Prossy Nanyombi	Tour Guide
2/7/2018	Mpanga Eco tourism site	Patience Kembabazi	Supervisor Mpigi
2/7/2018	Mpanga Eco tourism site	Benjamin Kamukama	Sector Manager
2/7/2018	Mpanga Eco tourism site	Rose Namazzi	Tour Guide
2/7/2018	Mpigi District Office	Jack Byaruhanga	DCAO Mpigi
3/7/2018	Mpigi District Office	Sengendo Michael	DFO/Ag Environment Off
3/7/2018	Butambala	Dr. Semakula Henry	DEO Butambala
3/7/2018	Butambala	Kaggwa John Hannington	DCDO Butambala DLG
3/7/2018	Butambala	Mubiru farouk	Dist Phy Planner
3/7/2018	Butambala	Ashaba Allan	CAO
3/7/2018	Butambala	Bamutalireki Salim	Forest Officer
4/7/2018	Butambala	Nabbosa Edith	Kisitu CFM member
4/7/2018	Butambala	Mwanje Vincent	Kisitu CFM member
4/7/2018	Butambala	Kateregga M	Kisitu CFM member
4/7/2018	Butambala	Bwanika Baale	Lutuda Lufuka
4/7/2018	Butambala	kafeero Joseph	Lutuda Lufuka
4/7/2018	Butambala	Masembe	Lutuda Lufuka
4/7/2018	Butambala	Nabisacilo Saniya	Kisitu CFM member
4/7/2018	Butambala	Najjuko Hadijah	Kisitu CFM member
4/7/2018	Butambala	Alex Tumusiime	Lutuda Lufuka
4/7/2018	Butambala	Wahabi	Kisitu CFM member
4/7/2018	Butambala	Ssetada Manisula	Ass Sec Kisitu
4/7/2018	Butambala	Nyanzi Muhamed	Kisitu CFM member
4/7/2018	Butambala	Wamala Sulaiman	Kisitu CFM member

Date	Location	Name	Group / designation
4/7/2018	Butambala	Nantume Margret	KENA
4/7/2018	Butambala	Ssemwanga Andrew	KENA
4/7/2018	Butambala	Wasswa Abubaker	KENA
4/7/2018	Butambala	Kamoga Robert	Kisitu CFM member
4/7/2018	Gomba	Ssematango Leonard	Kwezabuja
4/7/2018	Gomba	Ssebowe Richard	Kwezabuja
4/7/2018	Gomba	Nakiwala Annet	Tripple III Canopy
4/7/2018	Gomba	Fenekasi Tukahebwa	Tripple III Canopy
4/7/2018	Gomba	Ntare Visensi	Tripple III Canopy
4/7/2018	Gomba	Mukasa Godfrey	Agali wamu
4/7/2018	Gomba	Kavuma Joseph	Tripple III Canopy
4/7/2018	Gomba	Chola Alexander	Agali wamu
4/7/2018	Gomba	Seronjogi Twaha	Luzira Tree
4/7/2018	Gomba	Bulajimu Mukasa	Kikabukiki
4/7/2018	Gomba	Mwanje Mathias	Kwezabuja
4/7/2018	Gomba	Kato Francis	Kikabukiki
4/7/2018	Gomba	Kasanke Christopher	Kikabukiki
4/7/2018	Gomba	Lukwago Godfrey	Ssekulo Kalagala
4/7/2018	Gomba	Mugumu Misaaki	Agali wamu
4/7/2018	Gomba	Kibugo Edward	Ssekulo Kalagala
4/7/2018	Gomba	Ssenyonga M	Kwezabuja
4/7/2018	Gomba	Mukyeggwe Robert	Luwangala Tweekembe
4/7/2018	Gomba	Kyeyune Fred	Luwangala Tweekembe
4/7/2018	Gomba	Kalisa Edward	Luwangala Tweekembe
4/7/2018	Gomba	Mukiibi Julius	Kyekabukiki
4/7/2018	Gomba	Kaggwa Amos	Kyekabukiki
4/7/2018	Gomba	Maggina Robert	Kyekabukiki
4/7/2018	Gomba	Kasagga Matthew	Mpenja
4/7/2018	Gomba	Ssentamu Robert	Mpenja Patrol man
4/7/2018	Gomba	Yiga Gerald	Agali wamu
4/7/2018	Gomba	Katongole Paul	Agali wamu
6/7/2018	Timu CFR-KOTIDO	Lochul Jacob	TECG
6/7/2018	Timu CFR	Lokiru Joseph	TECG
6/7/2018	Timu CFR	Sire Hillary	TECG
6/7/2018	Timu CFR	Kuwan Elizabeth	TECG
6/7/2018	Timu CFR	Pedo Maria	TECG
6/7/2018	Timu CFR	Ngelecha Madalina	TECG
6/7/2018	Timu CFR	Kunume Alice	TECG
6/7/2018	Timu CFR	Nasure Philip Black	TECG
6/7/2018	Timu CFR	Kalimapus Joseph	TECG
6/7/2018	Timu CFR	Locham Philip	TECG
6/7/2018	Timu CFR	Lochom James	TECG
6/7/2018	Timu CFR	Kunume Cecilia	TECG
6/7/2018	Timu CFR	Lokawa Simon	TECG
6/7/2018	Timu CFR	Ojama Joseph	TECG

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6/7/2018	Timu CFR	Lomongin Jarafello	TECG
6/7/2018	Timu CFR	Okiya Denis	TECG
6/7/2018	Timu CFR	Longoli Paul Onek	TECG
6/7/2018	Timu CFR	Lofuk Vincent	TECG
6/7/2018	Timu CFR	Sire David	TECG
6/7/2018	Timu CFR	Ngelecha Regina	TECG
6/7/2018	Timu CFR	Nyeko Patrick	Sector Manager NFA
7/7/2018	Narube Parish	Lolika Joseph	Lowala Patrol
7/7/2018	Narube Parish	Akope	Lowala
7/7/2018	Narube Parish	Simon	Lowala
7/7/2018	Narube Parish	Koryang Paska	Lowala
7/7/2018	Narube Parish	Lokodo Luzia	Lowala
7/7/2018	Narube Parish	Nakuru Lucia	Lowala
7/7/2018	Narube Parish	Lokwang	Lowala
7/7/2018	Narube Parish	Lomonyin Abraham	Lowala
7/7/2018	Narube Parish	Achia Sire	Lowala
7/7/2018	Narube Parish	Sire Lokapel	Lowala
7/7/2018	Narube Parish	Komol Felix Idabu	Lowala
7/7/2018	Narube Parish	Nyeko Patrick	Sector Manager NFA
7/7/2018	Narube Parish	Lokwang P Robert	Patrol man Morungole
7/7/2018	Narube Parish	Logole Charles Didios	Patrol man Morungole
7/7/2018	Narube Parish	Lokwar Thomas Erupe	Sec Morungole
7/7/2018	Narube Parish	Loila John	Morungole CFM member
7/7/2018	Narube Parish	Namoe Eremina	Morungole CFM member
7/7/2018	Narube Parish	Logwe Hillary	Morungole CFM member
7/7/2018	Narube Parish	Konyen Thomas	Morungole CFM member
7/7/2018	Narube Parish	Oresto John Mike	Sec Production Morungole
7/7/2018	Narube Parish	Akello Alice	Morungole CFM member
7/7/2018	Narube Parish	Okello Benson Lokwar	Morungole CFM member
7/7/2018	Narube Parish	Ikinga Josephine	Morungole CFM member
7/7/2018	Narube Parish	Lomok Emmanuel	Morungole CFM member
7/7/2018	Narube Parish	Namuge Christine	Morungole CFM member
7/7/2018	Narube Parish	Dagal Francis	Morungole CFM member
7/7/2018	Narube Parish	Lokong Angella	Chief Kikol
7/7/2018	Narube Parish	Logwe Anthony	LC III Vice C/P
7/7/2018	Narube Parish	Logwere Samuel	Morungole CFM member
7/7/2018	Kaabong	Lolika Joseph	Lowala Patrol
7/7/2018	Kaabong	Komol Felix Idabu	Lowala Parish Chief
7/7/2018	Kaabong	Engor Godfrey	Lowala Parish Chief
7/7/2018	Kaabong	Lochi Simon	H/M Karenga Boys
7/7/2018	Kaabong	Lochame Daniel	Land Officer Kaabong DLG
9/7/2018	Karenga	Acheng Lilly Grace	Treasurer NYANAPO
9/7/2018	Karenga	Logole Lotyang Peter	C/P NYANAP
9/7/2018	Karenga	Longiro Ben Cheakas	C/P Lobalangit
9/7/2018	Karenga	Akudumyang Isaac	NYANAPO

Date	Location	Name	Group / designation
9/7/2018	Karenga	Abur Rojinana	NYANAPO
9/7/2018	Karenga	Lodungu Hillary	NYANAPO
9/7/2018	Karenga	Lokinga Andrew	NYANAPO
9/7/2018	Karenga	Auma Joyce	NYANAPO
9/7/2018	Karenga	Ekotoreng Martin	Sec Prod karenga S/C
9/7/2018	Karenga	Abach Largo	LC III C/P Lobalangit
9/7/2018	Karenga	Okidi Benard	H/M Karenga Boys
9/7/2018	Kaabong	James Bedijo Okumu	DCAO Kaabong
9/7/2018	Kaabong	Logwee	SVP/NDO Kaabong
9/7/2018	Kaabong	Lomeri John Mark	Sec Production
9/7/2018	Kaabong	Richard Bukome Sajjabi	CAO Kaabong
9/7/2018	Apach	Oyera Moses	NFA Forest Supervisor
11/7/2018	Kitgum	Akol Alfred	Orom Forest Group Member
11/7/2018	Kitgum	Omony David	Orom Forest Group Member
11/7/2018	Kitgum	Otim Richard	Orom Forest Group Member
11/7/2018	Kitgum	Odwar Cosmas	Orom Forest Group Member
11/7/2018	Kitgum	Opiyo Patrick	Orom Forest Group Member
11/7/2018	Kitgum	Oyat Alfred	Orom Forest Group Member
11/7/2018	Kitgum	Lotada Paul	Orom Forest Group Member
11/7/2018	Kitgum	Omony Alex	Orom Forest Group Member
11/7/2018	Kitgum	Okech Justine	Orom Forest Group Member
11/7/2018	Kitgum	Olaya Rikal	Orom Forest Group Member
11/7/2018	Kitgum	Lomeu Patrick	Orom Forest Group Member
11/7/2018	Kitgum	Loibor kelemen	Orom Forest Group Member
11/7/2018	Kitgum	Lothang Amos	Orom Forest Group Member
11/7/2018	Kitgum	Omony Alex	Orom Forest Group Member
11/7/2018	Kitgum	Ongom Mavine	Orom Forest Group Member
11/7/2018	Kitgum	Okongo Peter	Orom Forest Group Member
11/7/2018	Kitgum	Orika Richard	Orom Forest Group Member
11/7/2018	Kitgum	Okulu Richard	Orom Forest Group Member
11/7/2018	Kitgum	Okumu John	Orom Forest Group Member
11/7/2018	Kitgum	Okongo Amuner	Orom Forest Group Member
11/7/2018	Kitgum	Okot Paul	Orom Forest Group Member
11/7/2018	Kitgum	Malaw Micheal	Orom Forest Group Member
11/7/2018	Kitgum	Oyet Akulino	Orom Forest Group Member
11/7/2018	Kitgum	Otoo Alfred	Orom Forest Group Member
11/7/2018	Kitgum	Oyoo Alfred	Orom Forest Group Member
11/7/2018	Kitgum	Okema Vincent	Orom Forest Group Member
11/7/2018	Kitgum	Okene James	Orom Forest Group Member
11/7/2018	Kitgum	Abonyo Grace	Orom Forest Group Member
11/7/2018	Kitgum	Lakot Santine	Orom Forest Group Member
11/7/2018	Kitgum	Logwee Ensio	Orom Forest Group Member
11/7/2018	Kitgum	Lokwang Peter	Orom Forest Group Member
11/7/2018	Kitgum	Ayoo Bicenh	Orom Forest Group Member
11/7/2018	Kitgum	Acaw Betty	Orom Forest Group Member

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11/7/2018	Kitgum	Lakot Esther	Orom Forest Group Member
11/7/2018	Kitgum	Akulu Karamel	Orom Forest Group Member
11/7/2018	Kitgum	Abonyo Santina	Orom Forest Group Member
11/7/2018	Kitgum	Acayo Sabina	Orom Forest Group Member
11/7/2018	Kitgum	Adong Lucy Omondi	Orom Forest Group Member
11/7/2018	Kitgum	Alum Evaline	Orom Forest Group Member
11/7/2018	Kitgum	Auma Paska	Orom Forest Group Member
11/7/2018	Kitgum	Abalo Margret	Orom Forest Group Member
11/7/2018	Kitgum	Lalam Rose	Orom Forest Group Member
11/7/2018	Kitgum	Ocan Bosco	Orom Forest Group Member
11/7/2018	Kitgum	Lamunu Betty	Orom Forest Group Member
11/7/2018	Kitgum	Acow Topi	Orom Forest Group Member
11/7/2018	Kitgum	Ladoge Yarata	Orom Forest Group Member
11/7/2018	Kitgum	Ogwang John	Orom Forest Group Member
11/7/2018	Kitgum	Okeny Alex	Orom Forest Group Member
11/7/2018	Kitgum	Okongo Alfred	Orom Forest Group Member
11/7/2018	Kitgum	Lokwang John	Orom Forest Group Member
11/7/2018	Kitgum	Okongo Tito	Orom Forest Group Member
11/7/2018	Kitgum	Okeny John	Orom Forest Group Member
11/7/2018	Kitgum	Acan Marina	Orom Forest Group Member
11/7/2018	Kitgum	Atim Cidona	Orom Forest Group Member
11/7/2018	Kitgum	Akech Kurin	Orom Forest Group Member
11/7/2018	Kitgum	Alor Dorin	Orom Forest Group Member
11/7/2018	Kitgum	Okumu Simon	Orom Forest Group Member
11/7/2018	Kitgum	Obonyo Peter	Orom Forest Group Member
11/7/2018	Kitgum	Ocan David	Orom Forest Group Member
11/7/2018	Kitgum	Oling Francis	Orom Forest Group Member
11/7/2018	Kitgum	Obwona Charles	Orom Forest Group Member
12/7/2018	Lamwo	Komakech Richard	Ag DNRO Lamwo
12/7/2018	Katum	Onek Francis	katum CFM Group member
12/7/2018	Katum	Omany Charles	katum CFM Group member
12/7/2018	Katum	Onen Felix	katum CFM Group member
12/7/2018	Katum	Oroma Roland	katum CFM Group member
12/7/2018	Katum	Lutara Livingstone	katum CFM Group member
12/7/2018	Katum	Okech Walter	katum CFM Group member
12/7/2018	Katum	Obita David	katum CFM Group member
12/7/2018	Katum	Ocira Luka	katum CFM Group member
12/7/2018	Katum	Lagumkom Florence	katum CFM Group member
12/7/2018	Katum	Acayo Betty	katum CFM Group member
12/7/2018	Katum	Lakot Margret	katum CFM Group member
12/7/2018	Katum	Apio Filda	katum CFM Group member
12/7/2018	Katum	Aloyo Coney	katum CFM Group member
12/7/2018	Katum	Acire John Bosco	katum CFM Group member
12/7/2018	Katum	Otop Wilfred	katum CFM Group member
12/7/2018	Katum	Okot Walter	katum CFM Group member

Date	Location	Name	Group / designation
12/7/2018	Katum	Arach Rose	katum CFM Group member
12/7/2018	Katum	Ikilim John	katum CFM Group member
12/7/2018	Katum	Ochan Alfred	katum CFM Group member
12/7/2018	Ago Agu CFR	Owali Joseph	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Obol Thomas	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Orach Solomon	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Amito Evaline	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Aloyo Too Vicky	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Ociti Walter	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Okumu David	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Ayeny Sharon	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Lotto Alfred Apaka	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Alonga Johnson	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Okot Francis	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Acayo Josephine	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Acen Esther	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Acan Esther	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Akwan Hellen	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Oton Michael	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Aloyo Margret	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Ocan Promise	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Oyella Sunday	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Latabo Vicky	Mar Yen CFM member
12/7/2018	Ago Agu CFR	Oryem Mark	Mar Yen CFM member
13/7/2018	Apach	Olilinyo Tonny	Aminkec CFM member
13/7/2018	Apach	Ogweng Geoffrey	Aminkec CFM member
13/7/2018	Apach	Abongo Francis	Aminkec CFM member
13/7/2018	Apach	Auma Florence	Aminkec CFM member
13/7/2018	Apach	Jimmy Okello	Aminkec CFM member
13/7/2018	Apach	Uma Geoffrey	Aminkec CFM member
13/7/2018	Apach	Agona Francis	Aminkec CFM member
13/7/2018	Apach	Conny Akwec	Aminkec CFM member
13/7/2018	Apach	Cede Benson	Aminkec CFM member
13/7/2018	Apach	Solifia Onyen	Aminkec CFM member
13/7/2018	Apach	Ongom Felix	Aminkec CFM member
13/7/2018	Apach	Aol Jimmy	Nursery Maintainer
13/7/2018	Apach	Kiaskey Edith	NFA Forest Supervisor
13/7/2018	Apach	Odongo John	DRNO-DFO
13/7/2018	Apach	Judith Aber	Sector Manager
13/7/2018	Apach	Lillian Akot	Forest Supervisor
13/7/2018	Apach	John Ogen	Forest Supervisor
14/6/2018	Mbale	Gudo Francis	BUNAMOLI KEEPING GROUP
14/6/2018	Mbale	Kade Sylvia	KITCOA
14/6/2018	Mbale	Masanga Simon	BUNAMOLI KEEPPING GROUP
14/6/2018	Mbale	Mafabi Ausi	BUNAMOLI

Date	Location	Name	Group / designation
14/6/2018	Mbale	Kadija Nabuzale	BUFORECA
14/6/2018	Mbale	Nabuzale Kamya	BUFORECA
14/6/2018	Mbale	Kuloba D	
14/6/2018	Mbale	Rashid Nagayi	BUFORECA
14/6/2018	Mbale	Issa Gudaba	BUFORECA
14/6/2018	Mbale	Egessa B. Hannington	F/S NFA
14/6/2018	Namatale	Nandeze Samuel	Buforeca c/p
14/6/2018	Namatale	Nandudu stella	BUFORECA
14/6/2018	Namatale	Wambedde w martin	BUFORECA
14/6/2018	Namatale	Siraji nabberi	BUFORECA
14/6/2018	Namatale	Fatia naduwa	BUFORECA
14/6/2018	Namatale	Rehama naduwa	BUFORECA
14/6/2018	Namatale	Nabuzale kadijja	BUFORECA
14/6/2018	Namatale	Mafabi Rooger	BUFORECA
14/6/2018	Namatale	Namuyona Patrick	BUFORECA
14/6/2018	Namatale	Makunda aliyi	BUFORECA
14/6/2018	Namatale	Woganara adam	BUFORECA
14/6/2018	Namatale	Manana moses	BUFORECA
14/6/2018	Namatale	Wokyelela	BUFORECA
14/6/2018	Namatale	Muhamadi nangoli	BUFORECA
14/6/2018	Namatale	Kilayi tree planting and co	BUFORECA
14/6/2018	Namatale	Sombe joseph	Kilayi tree planting
14/6/2018	Namatale	Wangode Philip	Kilayi tree planting
14/6/2018	Namatale	Wamboga james	Kilayi tree planting
14/6/2018	Namatale	Wokooli muladi	KITICOA
14/6/2018	Namatale	Gizamba	

Annex 3: Linkages between forestry and human development and well-being

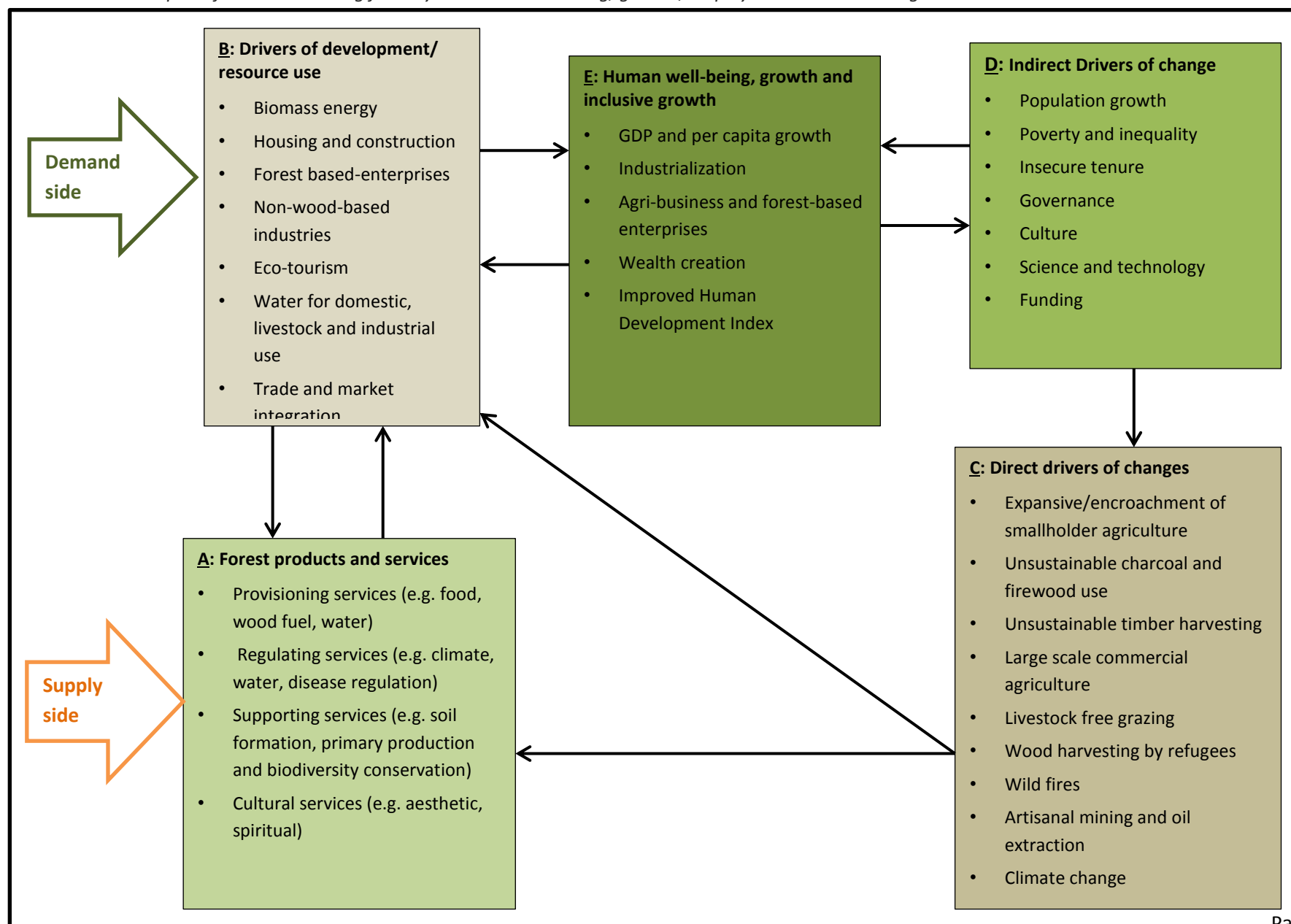
1. The review adapted the Millennium Ecosystems Assessment Model to conceptualize the contribution of forestry to Uganda's sustainable development (Exhibit 2.1) so that the positioning of CFM in that endeavour is fully appreciated by policy makers. It shows that forest ecosystems supply provisioning services (e.g. food, wood fuel, water), regulating services (e.g. climate, water, disease regulation), supporting services (e.g. soil formation, primary production, biodiversity conservation, etc.) and cultural services (e.g. aesthetic, spiritual) needed for development through Arrow 1 shown in Box A. In the context of the Sustainable Development Goals, Goal 15 comes into focus: *'Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss'*.
2. Forestry products and services drive development in many ways through, for example, biomass energy, housing and construction, forest based-enterprises, non-wood-based industries, eco-tourism, water for domestic, livestock and industrial use, trade and market integration. This is Box B in Exhibit 2.1. The degree of demand for these drivers of development has a bearing on which forestry ecosystem continues to provide goods and services through Arrow 2. From an SDG imperative, SGD Goal 12 comes into focus: *'Ensure sustainable consumption and production patterns'* to ensure a balance between the supply and demand for forestry goods and services, in Boxes A and B respectively.
3. **The sustained forestry supply of products and services is moderated by the (immediate) direct drivers in Box C through Arrow 3.** Based on the study of drivers of deforestation and degradation under REDD+ in Uganda, these are ranked as: Expansion/encroachment of small-holder agriculture into forests and bush lands; unsustainable wood fuel extraction (charcoal and firewood); unsustainable timber harvesting; large-scale agriculture; expanding human settlements; livestock free-grazing; wood harvesting conducted by refugees; wild fires; Artisanal mining operations and oil extraction¹¹⁹. The State of Uganda's Forestry 2015 Report expresses that in the Central Forest Reserves (CFRs) the drivers are mainly illegal charcoal burning and firewood cutting, but drivers outside CFRs include opening up land for agriculture, ranching and settlements. However, it should not be ruled out that additional drivers like climate change, invasive species, and external inputs also have their impacts.
4. In addition, the direct drivers in Box C affect the drivers for development in Box B through Arrow 4. They are exacerbated by the proximate or indirect drivers in Box D through Arrow 5. These include population growth, poverty and inequality, insecure tenure, governance, culture, science and technology, trade and market integration, institutional framework and funding. Two SDGs come into focus in understanding the context in which CFM is received, implemented and supported in Uganda- Goal 1: *'End poverty in all its forms everywhere'* and Goal 10: *'Reduce inequality within and among countries'*.
5. As the conceptual framework shows, it is the drivers of development in Box B of Figure 1 that contribute to human well-being, growth, employment, wealth and inclusive growth in Box E through Arrow 6. Likewise, the level and quality of growth has a bearing on the forestry resource use in Box B. For example, as industrialization and services sectors grow to offer more opportunities for livelihoods, the dependency on forestry resources use reduces as shown through Arrow 7.

¹¹⁹ Based on Draft Options Report at REDD+ Secretariat by Arbonaut Ltd, Finland

Finally, the indirect drivers in Box D impact on the level and quality of growth and wealth creation through Arrow 8 and the reverse happens through Arrow 9.

6. In the context of Vision 2040, NDP II, REDD+ Strategy, the approach to investment in forestry sector is geared towards managing the drivers of Deforestation and Degradation that affect the supply of forest products and services to the drivers of development, and ultimately to influence human wellbeing, wealth creation and transformation to a middle-income economy.

Exhibit 3.1: Conceptual framework linking forestry to human well-being, growth, employment and inclusive growth



Annex 4: List of CFM groups sampled across ranges and regions

Exhibit 4.1: List of CFM groups sampled across ranges and regions

Range	CFR	CFM	CFM Status
Aswa	Chegere	Aminkec	Pipeline
Aswa	Agoro Agu	Mar Yen	Agreement still valid
Aswa	Orom	Orom	Agreement still valid
Aswa	Lalak	Katum	Agreement still valid
Budongo System	Budongo	North Budongo Forest Communities Association	Agreement still valid
Budongo System	Budongo	BUNCA	Expired
Budongo System	Budongo	KAFACA	Agreement still valid
Budongo System	Budongo	KICODA	Agreement still valid
Budongo System	Mpanga	MCODA	Agreement still valid
Budongo System	Bugoma	Kabwoya	Expired
Budongo System	Budongo	NECODA	Expired
Budongo System	Kasagala	KAIFCO	Pipeline
Budongo System	Kasagala	SEGEKA FCG	Pipeline
Budongo System	Kasagala	WECODA	Pipeline
Karamoja	Timu	TEC Group	Agreement still valid
Karamoja	Morungole	Morungole IKitoyari Conservation Group	Pipeline
Karamoja	Nyangia Napore	Nyanapo Environment Conservation Association	Agreement still valid
Karamoja	Lwala	Lowala Nyakokito Group	Agreement still valid
Kyoga	West Bugwe	BUFOCOI	Pipeline
Kyoga	West Bugwe	AMONIKAKINEI	Pipeline
Kyoga	Luvunya	Namaji/Luvunya	Pipeline
Kyoga	Namatale	BUFORECA	Pipeline
Kyoga	Namatale	Kilayi Tree Planting (KITCOA)	Pipeline
Kyoga	Namatale	Bunamoli Bee Keepers	Pipeline
Kyoga	Namatale	Kagwara	Pipeline
Lakeshore	Mabira	COFSDA	Expired
Lakeshore	Mabira	NACOB	Expired
Lakeshore	Mabira	Ssesse community CFM	Pipeline
Lakeshore	Mpanga	Kisitu Environmental Conservation Development Association	Agreement still valid
Lakeshore	Mpanga	Bulungu Balitulabirako Development Association	Agreement still valid
Lakeshore	Mpanga	NkingaTwekembe Environment Group	Agreement still valid
Lakeshore	Mpanga	Lufuka Tukolelewamu Development Association	Agreement still valid
Lakeshore	Mpanga	Kavule Environmental Development Association	Agreement still valid
Lakeshore	Mpanga	Mpenja Environmental Management Association (MEMA).	Pipeline
Muzizi River	Itwara	KASUFU	Agreement still valid

Range	CFR	CFM	CFM Status
Muzizi River	Itwara	KIFECA	Agreement still valid
Muzizi River	Matiri	MANRUIA	Agreement still valid
Muzizi River	Kibego	Kibego	Pipeline
Sango Bay	Malabigambo	Kigazi Tukwatile Wamu	Expired
Sango Bay	Malabigambo	Mugamba-Mujanjabula	Expired
Sango Bay	Kigona	Nkalwe	Expired
Sango Bay	Namalala	Maria Mutegombwa	Potential
Sango Bay	Namalala	BUZIKA	Potential
Sango Bay	Namalala	MARUMA	Potential
South West	Echuya	MECDA	Expired
South West	Echuya	KADECA	Expired
South West	Echuya	BECLA	Expired
South West	Echuya	MEFCPAA	Expired
South West	Bugamba	RECPA	Agreement still valid
South West	Bugamba	BECA	Agreement still valid
South West	Bugamba	SWAGEN	Agreement still valid
South West	Kalinzu	Nyarugoote	Agreement still valid
South West	Kalinzu	Swazi Nitubaasa	Agreement still valid
South West	Kasyoha Kitomi	BTTEA	Expired
South West	Kasyoha Kitomi	NECA	Agreement still valid
South West	Kalinzu	NNT	Agreement still valid
South West	Tororo	Nyangole	Agreement still valid
South West	Tororo	Kasoli/Aputir	Pipeline
West Nile	Laura	Yesu Leng	Pipeline
West Nile	Laura	Mungu Dit	Pipeline
West Nile	Laura	JEROSOM	Pipeline
West Nile	Laura	WENCA	Pipeline
West Nile	Mt. Kei	Mt. Kei	Pipeline

Annex 5: Benefit sharing examples across CFM groups

Exhibit 5.1: Benefit sharing examples across CFM groups

Benefit type	Form	Illustrative examples and where found	Benefit sharing arrangement among members
Rent			
Forest rent (direct from the sale of timber, poles or non- timber forest products)		Timber	
	Monetary	(i) Sale of boundary trees by COFSDA of Mabira CFR	From UGX 4million, they shared 70% among members and used 30% to buy plastic chairs for hire
		(ii) Sale of boundary trees by NACOB of Mabira CFR	From UGX 8 million, they bought tents and chairs for hiring
		(iii) Sale of boundary trees by Mugamba Mujjanjabura in Malabigambo and Namalala CFRs	Out of UGX 31 million, they shared 50% among members, balance used to construct office in the store, buy a computer establish a tree nursery and undertake replanting
		(iv) Sale of a few trees by Aminkec CFM group, Chegere CFR	Support payment of school fees of a member's child
		(v) Sale of Boundary trees by BUNCA and KICODA	Shaded individual owners of trees and 10% of individual total sales ploughed to the treasury of the groups
		Poles and Thinning	
	Monetary	Sale of thinning by five CFM groups in Mpanga sector	They shared the earnings among members by their respective groups
		Non-timber forest products and Environmental services	
Forest rent (direct from the sale of timber, poles or non- timber forest products) <i>cont.</i>	Monetary	Bamboo only for Batwa in KADECA CFM in Echuya CFR	Shared by individual members harvesting
		Honey from TEC group in TIMU CFR, Orom CFM in Kitgum district	Individual sharing by management capability
		Honey from NNTG and KICODA members in Kalinzu and Budongo	Shared by Beekeeping members as per the quantities harvested from each member and a percentage ploughed to the SACCO

Benefit type	Form	Illustrative examples and where found	Benefit sharing arrangement among members
		Carbon by RECPA in Rwoho CFR	USD 4604 shared by the group
		Carbon by NNTG supported by Eco-trust	Shared among individual tree farmers who contribute 5% of the sales to the SACCO
		Eco-tourism	
	Monetary	Eco-tourism like ECOTA in Echuya CFR	Earned UGX 4,013,000 between 2013 and 2017 and spent it to improve on its eco-tourism development in future its net earnings to be shared by the CFMs under ECOTA.
Incentives			
Compensation for labour (wages)	Monetary	Several contracts given to different groups countrywide	Shared by those who participate
Access to land	Monetary	(i) Planting of food crops under <i>taungya</i> in Aminkec Chegere CFR, Rwoho's CFMs and Kigazi CFM in Malabigambo	Shared by individual or household efforts, revenue earned and food harvested
Access to land <i>cont.</i>	Monetary	(ii) Relief from payment of ground rent	Shared as a saving by the whole group by virtue of being in the group, without which most would not participate in CFM activities
		(iii) Sale of seedlings by Mar Yen CFM group in Chegere CFR worth UGX 700,000 and banked UGX 200,000 and used UGX500,000 to buy stationary and other equipment	

Benefit type	Form	Illustrative examples and where found	Benefit sharing arrangement among members
	Non-monetary-Direct	Several CFMs countrywide with dully signed CFM agreements with NFA	Securing legitimacy for CFM with and beyond NFA partners e.g., Nkinga applied to CDO for a grant of UGX 2 million under CDD and bought seedlings. Also, a group in Mpanga had written a proposal to a Japanese NGO(KOICA) on the basis of their signed agreement with NFA. NACOB in Mabira made a proposal to PSF for maize growing and milling on private land for UGX 120million but were promised UGX 58million by virtue of being in a legally registered CFM group. On the other hand, MEMA in Mpanga failed to secure a loan from Centenary bank due to lack of signed agreements with NFA although they had standing woodlots
	Non-monetary-Direct	(i) Plantation establishment in Rwoho CFR by groups like RECPA, SWAGEN and BECA and Aminkec in Chegere CFR	Planting done by groups and benefit sharing to be agreed by group rather than individual
		(ii) Seedlings from NFA in case of Rwoho CFM groups and SPGS in case of Aminkec	Given to the groups
Access to land	Non-monetary-Direct	(iii) Acquisition of assets like water tank and water pump by Mar Yen CFM group in Agoro Agu CFR	Benefits shared by the group for their reforestation and afforestation and potential sell of seedlings by members
		(iv) Katum CFM in Lalak CFR group got tools like a generator, water tank seedlings from IUCN	
		(v) Training in plantation and woodlot establishment, maintenance, firefighting and enterprise development e.g. apiary	Skills remained within individuals and groups and some used for similar activities outside the CFRs
		(vi) Access to market e.g. for poles by Mpanga CFM groups	They want to market as a group
	Non-monetary-Indirect	(i) Seasonally grazing during drought in CFR e.g. Kigazi in Malabigambo and Namalala CFR	Improved resilience to climate change impacts by members and the community
		(ii) 5 signed CFM groups of Mpanga forming now a co-operative to add a business angle to their activities	They anticipate marketing as a group, borrowing as a group in order to penetrate market

Benefit type	Form	Illustrative examples and where found	Benefit sharing arrangement among members
		(iii) CFMs in Mpanga have been formed by former encroachers who decided to go legal and be in harmony with the political leaders	The groups have now got a legal and proper channel to use the forest reserves without fear of being caught
Regulated access for forestry resources	Monetary	Income from sale of medicinal herbs, honey and crafts	Income shared at individual level
	Non-monetary-Direct	(i) Firewood, mushrooms, poles for home use, grass for thatching, craft materials and water	Benefits shared at individual household level
Regulated access for forestry resources <i>cont.</i>	Non-monetary-Direct	(ii) Pride from protecting TIMU CFR by IK of TEC group against the majority Dodoth, Karamojong and Turkana	Despite residing within TIMU CFR their area is more protected than the area where the Dodoth have degraded theirs for cultivation and grazing
		(iii) Sand mining in Mpanga sector but by members not from the CFM groups	
Regulated access for other values	Monetary	This was seen in Karamoja like TEC group and Nyanapo CFM group in Karenga	Benefits to group and cultural members by virtue of these being allowed to visit cultural sites
	Non-monetary-Direct		
Incentive for forest substitution and livelihood improvement outside CFRs on private land	Monetary	(i) Kigazi Tukwatirewamu CFM group have had 3 contracts worth UGX 20million to supply seedlings to OWC under the President's office	
		(ii) UGX 2million from CDD to PWDs under MEMA in Gomba District	Benefits to PWDs from the households of members and community
	Non-monetary-Direct	(i) Bamboo seedlings to BECLA CFM in Echuya CFR	Benefits shared by households from their private land
		(ii) NACOBIA in Mabira CFR and Rwoho CFM groups getting seedlings from NFA to plant on their own land	Benefits shared by households from their private land

Benefit type	Form	Illustrative examples and where found	Benefit sharing arrangement among members
		(iii) Support for farmer field schools and support for extensive farming, by FFI and Nature Uganda in Echuya. Orom sub county is the considering the CFM as a farmer field school for apiary	
Incentive for forest substitution and livelihood improvement outside CFRs on private land cont.	Non-monetary- <u>Direct</u>	(iv) Women from Makerere University supported Nkinga CFM group in Mpanga in apiary and fish farming for the last three years iv) CARE supported Beekeeping and tree plantations for MANRUIA and MCODA CFM groups around Matiri and CFRs (iv) JGI and WWF provided Bee hives to CFM groups around Kalinzu CFR	Each group received 15millions The Benefits to be shared by the Beekeeping user groups
Support for forest governance, institutional development and capacity building	Monetary	(i) Seed money for revolving funds from Nature Uganda to the 4 CFM groups around Echuya CFR (MECDA, BECLA, MEFCPAA and KADECA)	UGX 6million to each of the 4 CFM VSLA user groups
		(ii) There were incentives e.g. allowances for participation in training	Benefits remain with participants to these events.
	Non-monetary- <u>Direct</u>	(i) Training in group formation, dynamics, conflict resolution, record and book keeping and financial management	All members got more informed by virtue of information sharing through repeated trainings
		(ii) Improved relationships with NFA	Benefits to the whole group because of the trust and confidence built
		(iii) Access to IT technologies i.e. smartphones for monitoring activities in the forest	Benefit to the whole group for maintaining trust with NFA.
	Non-monetary- <u>Indirect</u>	Kigazi CFM chairperson also elected as a counsellor by virtue of his capacity, respectability, and trust gained from participating in CFM activities	The group benefits from their member representing them in district policies

Annex 6: Tracking individual benefits in an expanding CFM group: A case of Aminkech CFM group in Chegere CFR.

In 2006, 19 members, 5 of whom were women, formed Amwa United Farmers and applied to NFA for tree planting in Chegere CFR. The application was granted although they did not have a formal agreement. By 2015 the Group had changed the name to AMNIKEC CFM group, and it was only in 2016 that the CFM process was formally initiated by NFA staff: the group has yet to sign their CFM agreement.

In 2006, the group was allocated 190 acres, that is, each person received a 10-acre allocation, but they planted and own the *Maesopsis eminii* and *Pinus* as a group. Only 18 out of the 19 members did the actual planting and the member who did not, does not claim any entitlements. Another of their members (a woman) who had participated in planting from Oyam District died and the group organized for her burial arrangement. Her brothers appreciated the gesture of the group and after meeting they wrote to assure the remaining members that they could take ownership of the interests of the deceased member. The group policy is that the entitlement of a deceased member should go to his/her family during benefit sharing. SPGS under phase 1 provided them with free quality seedlings and the group has since practiced *Taungya* twice a year. This is done on a household basis by only members of the group. *Taungya* is practiced as a fire control practice. The group doesn't get grants under SPGS like the other commercial planters.

Exhibit 6.1: Members of Aminkech CFM group standing with NFA supervisor



In 2015, a child of one of the members was sent away from school because her school fees had not been paid. The group took a decision to bail her out by allowing her to harvest one *Maesopsis eminii* tree. She raised enough money to pay the school fees of the child. At that point, the other community

members who had been pessimistic about the tenure rights over the trees in the CFR gained confidence and joined the group whose membership now stands at 68, with 10 women and 58 men. NFA has allocated an additional 68 acres which will be increased further in the future if the group fully plants the allocated area. Each of the 68 members will only share from the 68 acres and the 17 remaining founder members will continue to maintain their rights to the original 190 acres. The group has been promised seedlings under SPGS Phase 3.

The group raised their one-off membership fee from UGX 1,000 to UGX 5,000 and all members are fully paid up, but the group has never opened a bank account. The raised money has nevertheless served as additional benefit to members who access it as **insurance** (munno mukali) when they lose family members. The group is eager to harvest and benefit from the first plantation as most members are getting old but their plantation is not yet mature enough to harvest. The group has neither borrowed externally nor secured a financial grant. In the absence of an alternative financing instrument to help members meet their recurrent short-term needs (even as a soft loan) the group could be tempted to compromise the standards for harvesting mature trees and their long-term benefits. There is even fear that the members of the group could sell their trees at a low value because they have limited access to a competitive market. This is a service that NFA could offer to them.

Annex 7: From massive encroachment to enrolment for CFM in the Riverine CFRs of Mpanga Sector Landscape.

Mpanga sector covers 29 CFRs in three districts of Mpigi, Butambala, and Gomba. As of 2013 most of it was estimated to be encroached by adjacent communities for cultivation, grazing, illegal harvesting of resources and settlement. In 2011, NFA carried out a **registration of all encroachers** with backing from respective local governments, technical and political leaders. To mitigate escalation of tensions and bad relationships with communities, NFA used worked through **WWF** and **district leaders** to market and popularize CFM as an alternative strategy for communities to gain access rights to use CFRs.

To date, 24 CFM groups have formed, 5 of which have signed agreements already with NFA and the balance of 19 are at different stages in the negotiation processes. With further engagement from NFA, 5 groups with agreements in Mpigi are planning to consolidate them into 4 without losing any of their rights and obligations; the 10 pipeline agreements will merge into one, the 5 pipeline groups in Mpigi into one and the four pipeline groups in Butambala into one. Originally each CFM group represented one village. The groups want to harness **critical mass** in bigger groups for continued engagement with NFA and to tap into economies of scale in **marketing and future collective replanting** after harvest. Benefits (revenue) from sales of trees will be shared equally among the members of each group. NFA and local governments used their scarce financial resources and staff (**even without any form of logistical support**) to continue mobilizing and sensitizing communities on CFM.

To note therefore, all groups formed **to avoid total eviction** and being denied CFR access. The factor precipitating collective action by resident or settled community members was an overriding interest in quickly regaining access to the CFRs. But giving the local situation at the time, NFA had to be pragmatic and **very flexible** in how it interpreted the CFM guidelines. It couldn't follow them in the lengthy linear 9-step phased process because of the hostile environment it was trying to salvage. It is therefore no surprise that the groups' trees are maturing before they have signed the CFM agreements.

Despite exercising the above flexibility, the NFA staff agree that it did not compromise the content of the CFM Guidelines, 2003. The major weakness on the part of NFA, was its bureaucratic delay in responding to the applications of these groups, which in a way, made some people loose morale, while others argued that CFM was a ploy by government to regain control over the CFRs and to use communities to plant without assuring them of any benefits (or assurance of tenure rights to their trees). These allegations were confirmed as having been a **barrier** to many former encroachers not participating at that time.

Nevertheless, the very high uptake of CFM by 24 groups all drawn from past encroachers, even with the delay in the agreements, points to the successes of the pragmatic nature of the CFM engagement process. In fact, NFA staff in the sector have realized that CFM groups have a stronger incentive to patrol and report illegalities than compared to the situation in communities where NFA patrol men, Uganda Peoples' Defence Force and the environment police are responsible for law enforcement. The CFM groups have gone a step further to form **forest restoration committees** and to act as witnesses in courts of law when NFA arrest illegal harvesters. In addition, CFM groups in Gomba alone have already formed an umbrella association, Mpenja Environment Association and want to introduce a

revolving fund for members. Likewise, 5 CFM groups in Mpigi and Butamba are in the process of registering a **cooperative society** to advance the income earning capacity of members and to undertake collective marketing of their poles to the nearby markets of Kampala Capital City and the surrounding municipalities.

Despite being at different stages of the CFM process, all groups boast 5-year-old well raised and maintained eucalyptus wood lots on a 10-metre strip allocated to them on the CFR boundaries while the inner part has been devoted to natural regeneration by NFA in partnership with corporate entities and enrichment planting. To date, NFA estimates that 425 ha has been put under afforestation and reforestation while 400 hectares have been left to natural regeneration using indigenous species to restore the ecosystem service in the riverine CFRs of Lake Victoria Shores Range. WWF took on the responsibility to mobilize corporate bodies for enrichment planting and forest regeneration and to that end, the Bank of Baroda, Serena Hotel, Standard Chartered Bank, Uganda Breweries Ltd and Uganda Revenue Authority came on board.

*Exhibit 7.1: Situation **before** as NFA and WWF Staff capturing photos Degraded areas in Navugulu CFR using Drone in 2013*



Exhibit 7.2: Situation **after** in the same CFR after 5 years of natural regeneration, enrichment planting afforestation



The good and visionary leadership of CFM groups was another factor. The pro-active approach by NFA to formally engage encroachers to acknowledge **in writing** their destructive /degrading activities, in the presence of the LC1 and signed by sub-county chief and stamped by LCIII chair person was another factor on record (see NOTICE below)

Exhibit 7.3: Notice to encroachers in the Mpigi forests to cease their illegal occupation of the forest reserves

NFA
National Forestry Authority

2867

Plot 10/20 Spring Road, P.O. Box 70863, Kampala, Uganda, Tel: 031-264 035, 031-264036,
Fax: 041 340 683

Dear Sir/Madam,

NOTICE

You have been illegally cultivating / grazing / residing / operating in Central Forest Reserve in Mpigi District Sector. LC3 Zone without statutory authority and contrary to Section 32 of the National Forestry and Tree Planting Act 2003. You are also illegally taking forest produce, which includes forest produce. You are hereby instructed to vacate the said Central Forest Reserve within 14 days with effect from date of receipt of this notice. You are warned that failure to heed this notice will lead to prosecution in the courts of law and eviction from the Central Forest Reserve.

Issuing officer

Name Tumwebaze R. T. N.

Signature [Signature]

Title/Position Forest Supervisor

Date 20.05.2011

Official stamp

EVICTEE	
Name	<u>Kirigesura Tembo</u>
Signature	<u>[Signature]</u>
Title/Position	
Date	
WITNESSES	
Name and Signature (Sub- County Chief)	<u>[Signature]</u>
Name and Signature (LC3 Chairman)	<u>[Signature]</u>
Date	<u>20.05.2011</u>
Official Stamps	<u>[Stamp]</u>

Duplicate. Resident District Commissioner District (Please specify)

Triuplicate. The Chairperson LC 1 (Please specify)

Quadruplicate. To Remain in Book

KAMMENGU SUB-COUNTY
CHAIRMAN LC III
P.O. BOX 27
KAMMENGU

However, the successes have generated new lessons as well as many challenges. The lessons are that introduction of alternative livelihood enterprises, energy saving technologies, value addition to forestry through bee-keeping, will still remain critical if NFA is to sustainably manage its success story in an environment where communities come out of and then fall back into poverty because of several factors like increasing family size or crop failure due to prolonged drought. A challenge is that those

communities that remained passive and did not subscribe to CFM processes could have an incentive to degrade the naturally restored portion of the forests so as to gain access to land within CFRs. The lessons from Riverine Mpanga sector landscape are being replicated in the Karamoja Range, especially in the CFRs of Kaabong district, apparently spearheaded by the sector supervisor who led the CFM process in Mpanga. To him and in his own words ***“CFM is more about managing people than forests.”***

Annex 8: MANRUIA – a multi-tiered CFM-based forest conservation model

A8.1 Background

Matiri Natural Resource Users and Income Enhancement Association (MANRUIA) is a CBO operating around Matiri Central Forest Reserve in Kihuura Sub-county and Butunduzi town council in Kyenjojo. It was initiated and registered at the district level in 2009 and has an office in Matiri Trading Centre. The formation of the association was facilitated by the Joint Effort to Save the Environment (JESE), a local NGO, with financial support from CARE International in Uganda. The group started in the villages of Ganyinayo, Matiri and Nyabusozzi with 49 members (17 women and 23 men) and later expanded to the villages of Rwibale, Rusongora, Kiryandongo, Bwesese, Mukonomura, and Mahasa which led to an increase in members to 428 members (229 men and 199 women). In 2016, MANRUIA signed a CFM Agreement with the National Forestry Authority improving the management of Matiri CFR and the livelihoods of the forest adjacent communities.

Matiri Forest Reserve is a natural forest covering an area of over 5431 hectares. Just before the signing of the CFM Agreement, about 2500 hectares were under encroachment for agriculture and settlements by Ugandans and people from Rwanda. The encroachment coupled with other illegal activities (including charcoal burning and timber harvesting) delayed the signing of the CFM Agreement for 6 years. By 2015, encroachers were evicted by NFA following a court case.

A8.2 Community demand/motivation for CFM

The demand for CFM began in 2009 and was internally driven by indigenous communities and natives of the area who were concerned about the destruction of the forest they had conserved for generations. CFM came to be seen as a form of protection by the indigenous Batooro and non-Batooro people of good will against the destruction of the forest by immigrants who had no value attached to the forest.

A8.3 MANRUIA/CFM Objectives

MANRUIA has a clearly laid out hierarchy of objectives covering both conservation and socio-economic goals as set out in Exhibit 7.1.

Exhibit 8.1: The vision, mission and objectives of MANRUIA CFM group

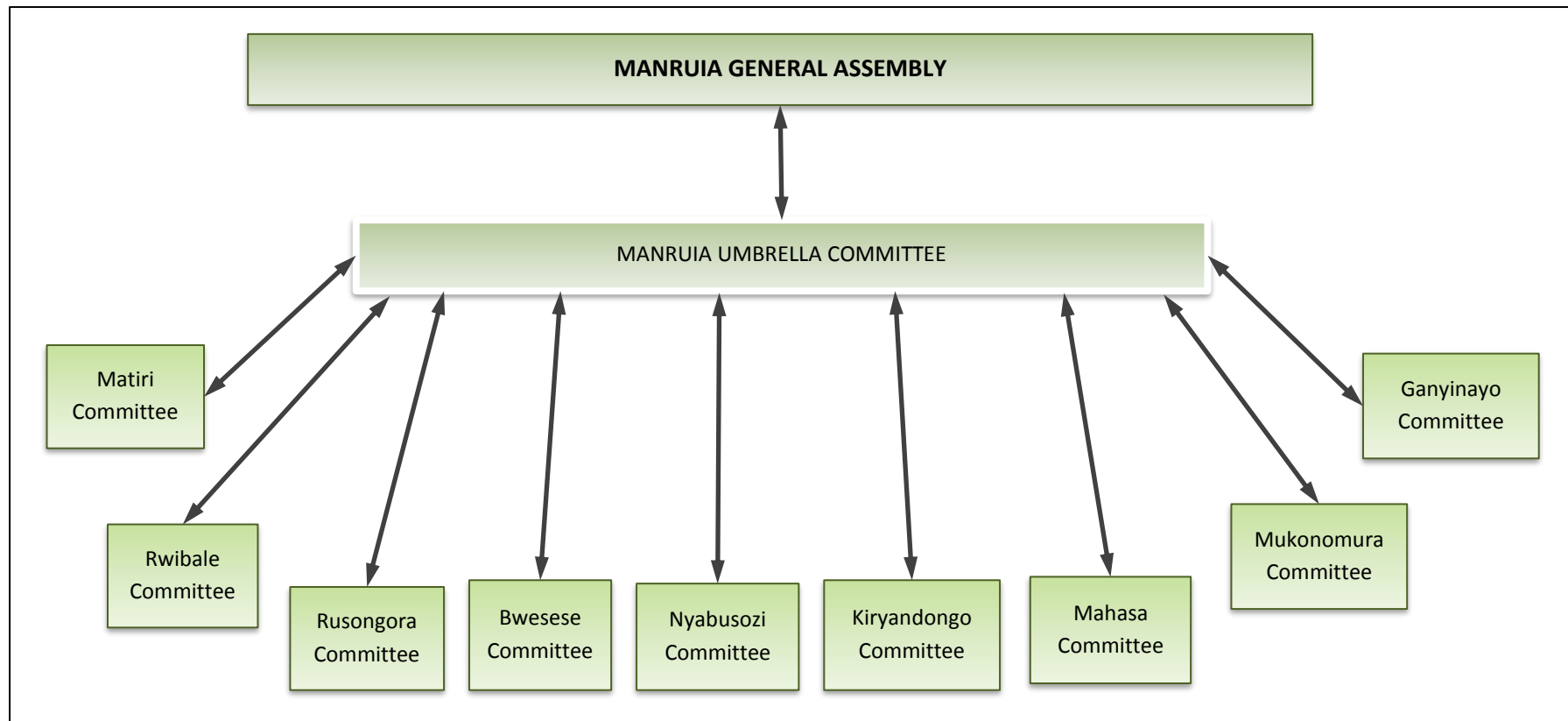
<p>Vision</p> <p>To conserve biodiversity as well as ensure a healthy and wealthy community by 2035.</p> <p>Mission</p> <p>Biodiversity conservation and livelihood improvement through community involvement in sustainable natural resource management.</p> <p>Goal</p> <p>To conserve biodiversity and improve the livelihood of the community in which the members live.</p> <p>Objectives</p> <ul style="list-style-type: none"> i. To raise awareness and promote Matiri forest adjacent communities' rights, roles and responsibilities in sustainable management of Matiri forest resources; ii. To protect and conserve the existing forest for the benefit of the present and future generations; iii. To initiate systematic arrangements to ensure equitable access and utilization of Matiri Forest resources as stipulated by forest regulations; iv. To sensitize forest adjacent communities to improve sanitation, HIV/AIDS prevention and other related diseases; v. To initiate and implement environmentally friendly projects for improved household incomes and livelihoods of Matiri forest adjacent communities; vi. To promote non-consumptive use of forests i.e. eco-tourism, bee keeping and research.
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A8.4 MANRUIA Organization Structure.

Unlike other CFM groups, MANRUIA's organizational structure is comprised of village level committees -an umbrella committee and the general assembly as shown in Exhibit 7.2. The general assembly is comprised of all members of MANRUIA who also belong to different user groups such as beekeeping, crafts, and herbal medicine. The structure covers all villages surrounding the 5,431-hectare CFR making it possible for one CFM agreement to cover the entire Central Forest Reserve. The village level committees are elected by MANRUIA members in their respective villages. The village committees then form an electoral college which elects the umbrella committee with representation from each village. Furthermore, the leadership structure considers gender representation at the different levels including roles such as:

- | | |
|--------------------------------|---|
| a) Coordinator | f) Secretary for information |
| b) Assistant coordinator | g) Secretary for youth |
| c) General secretary | h) Secretary for women |
| d) Assistant general secretary | i) Secretary for people with disabilities |
| e) Secretary for environment | j) Committee advisor |

Exhibit 8.2: Manruia governance structure



To ensure effective communication and information sharing among members of the association, the general assembly sits once in a year, the umbrella committee sits quarterly while the village committees sit once every month. The leadership of the association has also put up notice boards in the office where key information is always displayed. MANURIA also generates quarterly reports and these are shared with NFA and the sub-county leadership in order to keep them informed of the progress the group is making. The group maintains a file for reports which members are free to refer to if in need of information about activities implemented in a certain period.

MANURIA has basic policy documents and tools that guide its operations these include the constitution, a members' register, a stamp and a receipt book. The group has recruited a cashier and a manager who work on a voluntary basis. In this respect a draft human resource manual and procurement policy are in place and at the time of writing were pending approval by the general assembly in the next sitting.

The group has an annual work plan and budget that guides them on which activities to implement and report on in a given period.

It is worth noting that MANURIA's leadership at all levels is committed and has a vision to strengthen their organization to greater heights with or without external support. Currently the strength of MANURIA is drawn from a robust leadership structure, committed association members, involvement of members in livelihood improvement activities, and support by the willingness of NFA, Kyenjojo District local government, CSOs and the private sector to support the Association's activities.

A8.5 Key activities

In line with their objectives, MANURIA is involved in forest conservation and socio-economic activities. These include:

- Community awareness creation on improved health including HIV and maternal health. Members are also involved in a campaign to upgrade the Kyankaramata Health Centre II to III and the maintenance of access roads to serve the community;
- Community awareness creation on sustainable forest conservation;
- Capacity building of association members on small scale business initiatives with support from Living Business Education/ African Trust;
- Savings and credit;
- Coffee and tree growing, including establishment and management of a seedling nursery;
- Beekeeping, products collection, processing and marketing;
- Crafts making and marketing;
- Forest monitoring and reporting of illegal activities.

A8.6 Outstanding aspects of the MANURIA CFM model

While MANURIA like other CBOs has signed a CFM agreement with NFA, the model exhibits special characteristics that are worth noting.

The CFM agreement is signed purely for conservation of a natural forest, unlike other CFM groups that also engage in plantation establishment. The benefits to the community in this arrangement are limited compared to the latter.

Secondly, MANRUIA through a single CFM Agreement has patronized the whole reserve with an elaborate governance structure covering all villages around the forest reserve in the two sub-counties of Kihuura and Butunduzi. This arrangement differs from the fragmented CFM Agreements developed on the basis of one or a couple of villages in other forest reserves in Uganda.

The composition of the governance structure has taken into account representation of special interest groups such as women, youth and people with disabilities. This has enabled inclusive participation of all members of the community.



Exhibit 8.3: A bee venom machine use by MANRUIA

MANRUIA's inclusion of objectives focusing on health and socio-economic aspects contributes to its success. This has enabled the CBO to create benefits through initiation of enterprises such as beekeeping, craft making, piggery, coffee growing, tree/coffee commercial nursery establishment and management, and establishment of a savings and credit association.

Sixty (60) members (25 men and 35 women) are involved in beekeeping with 312 bee hives, 59% of which have been colonized. The group is involved in harvesting of bee venom as well as the processing, packing and marketing of honey. The Kyamunwa Sub-group has a piggery enterprise. Forty (40) women in Matiri village are involved in craft making and more members are to be recruited from other villages.

In a short timespan MANRUIA has been able to raise some income from some of the enterprises compared to other CBOs that signed CFM Agreements several years ago as shown in the table below.

Exhibit 8.4: Income generated by MANRUIA in 2018 from livelihood activities

Items	Quantity	Income in UGX	Remarks
Honey	60 litres	600,000	Processed and packed in 2018
Bee venom	18 grams	900,000	harvested with a machine in 2018
Savings from SACCO	72 members	4,320,000	For 2018
Coffee seedlings	6,930	2,566,400	For 2018
Eucalyptus seedlings	23,780	1,189,000	Seedlings given to members for planting woodlots on private land during 2017-2018 period at subsidized price of 50/= each

This income, albeit relatively limited, has helped to keep members of the group cohesive and has attracted further membership.

The proceeds from the enterprises are at the moment shared by the members involved in the specific enterprises. The CBO has not yet worked out how the enterprises can remit a percentage of the incomes to run the affairs of the associations or support re-investment and capacity building.

MANRUIA has established linkages with other stakeholders in an effort to solicit support to fulfil its objectives. The information on the stakeholders and the support provided to the group so is summarized in Exhibit 7.5:

Exhibit 8.5: Support received from MANRUIA from local government, NGOs and CBOs

Stakeholder	Support provided
Kihuura Sub-county Local government	Supported MANRUIA with UGX 4 million Community Driven Development funds which were invested in the establishment of the Tree Nursery.
Baylor Uganda	Is supporting the group in community awareness creation on improved health including HIV and maternal health
Living Business Education/ African Trust	Is supporting capacity building for small scale business initiatives
Kabarole Beekeepers Association	Provides training in Apiary, honey processing, bee venom harvesting and marketing
ACODEV	Supported the group on advocacy for better health
CDRN	Contributed Honey harvesting gear.

A8.7 Key challenges that need to be addressed

The group has not benefitted from the Central Forest Reserve beyond access to firewood, poles and space for siting the bee hives. There group has a feeling that these benefits are not commensurate to their forest protection efforts.

Due to budget limitations, the planned activities in the CFM agreement are not being implemented to the required standards. Since the signing of the CFM Agreement, NFA has not contributed funds to the budget for implementing the agreement.

Besides the little funds from the registration of members in the savings and credit, application fees and purchase of passbooks, the income from the enterprises is not distributed across the association. The leaders of MANRUIA are meeting the cost of the other costs of running the association.

Annex 9: Ndangara and Nyakiyanja parishes Tutungikye Group CFM Model in Kalinzu Central Forest Reserve

A9.1 Introduction

Ndangara and Nyakiyanja parishes Tutungikye group (NNTG) is a Community Based Organization formed in 2008 and registered with Rubirizi District local government. The group's vision is, "A sufficiently protect natural resources benefiting communities around protected areas". NNTG's mission is, "Communities actively involved in responsible protection and utilization of Natural Resources for improved livelihoods". NNTG's membership began with 300 members and currently stands at 415 members with 152 and 263 being men and women respectively. The membership is drawn from the parishes of Ndangara, Nyakiyanja, Mushumba, Rumuri, and Kataara which all share boundaries with Kalinzu Central Forest Reserve.

The core mandate of Ndangara Nyakiyanja Tutungikye group is to promote contemporary environmental conservation activities, facilitate joint work with local, national and international organizations as well as local and central governments for better natural resource management and livelihood improvement. The group focuses on forest management, sustainable agriculture, climate change adaptation and mitigation, linking with stakeholders and partners in conservation, community empowerment for sustainable development, gender equality and mainstreaming as well as lobbying and advocacy for better service delivery.

The group signed a CFM agreement with NFA in 2013 to manage compartment 43 of Kalinzu CFR with a total of 1230 hectares (50% of which is grassland) that was allocated to NNTG for tree growing. The CFM Agreement and therefore the model focuses on conservation of the existing biodiversity in rich natural forest as well as plantation establishment on over 500 hectares of land.

A9.2 NNTG's objectives

NNTG's objectives are to:

- (i) To mobilize and organize community members to actively participate in collaborative management with the National Forestry Authority and Uganda Wildlife Authority;
- (ii) To conduct conservation education activities among communities including hunters and illegal pit sawyers around protected areas;
- (iii) To undertake forest and wildlife protection activities in Kalinzu CFR, Kasyoha-Kitomi CFR and Queen Elizabeth National Park;
- (iv) To promote tree planting, agroforestry and use of energy saving technologies so as to reduce pressure on protected areas;
- (v) To promote conservation related enterprises for community livelihood improvement through stakeholder collaboration;
- (vi) To represent the interests of former hunters, illegal pit sawyers and other members of the group in the CBO and other stakeholder forums.

A9.3 NNTG's activities

The group is involved in a variety of activities carefully selected to sustain the conservation of natural resources as well as improve community livelihoods. The activities include protection of Kalinzu Central Forest Reserve from illegal activities, commercial tree growing, carbon trade, beekeeping, processing and marketing of bee products, a savings and credit cooperative, organic coffee farming and renewable energy promotion – as listed in the sign post in figure 1 below.

Exhibit 9.1: A view of NNTG's Eucalyptus plantation and the sign post describing the activities of the group



Forest Protection

The group has put in place a forest protection committee comprised of five members. The committee mobilizes NNTG members to protect their plantation against fires and also to guard against tree thieves. They also monitor illegal timber and other activities in the natural forest.

Commercial Tree Growing

Members of NNTG have established a Eucalyptus plantation totalling 500 hectares. Although the plantation is managed as a single unit, it is partitioned into plots belonging to individuals with 263 plots owned by women and 152 by men. The plantation has already solved the firewood needs of the community. It is now rare for members to go to the natural forest to collect fire wood because it is much nearer and easier to collect firewood from their own plantation. In addition, each member on average earns between 200,000/= to 300,000/= per year from firewood obtained from thinnings

alone, or approximately UGX 100 million total for the community. According to its strategic plan, NNTG intends to add value to its forest products by using modern equipment such as a sawmill, carpentry equipment for furniture, and briquette making machines that use sawdust, leaves and other tree remains as inputs.

Carbon trade

As part of conserving the environment, the group is involved in growing indigenous trees on private land for carbon trade with support from Environmental Conservation Trust (ECOTRUST) of Uganda. Three hundred (300) community members (120 women and 180 men) are involved in growing trees for carbon. Since 2010, a total of 40,000 trees have been planted in 400 hectares using agroforestry technologies. Since the start of the programme the members have realized a total of UGX 273 million income from carbon payments. Ten percent (10%) of the carbon sales is reinvested to support NNTG's SACCO. Members plan to plant 400 more hectares of trees.

Beekeeping

A total of 86 members are involved in beekeeping. The group received a donation of honey processing and harvesting equipment from WWF and is able to process, store and market honey at UGX 10,000 per kg. They also process bee wax. The group has a total of 680 beehives¹²⁰ out of which 412 are colonized. The beehives produce about 1,800 kilogrammes of raw honey per year. Swiss Contact which is a trading partner with NNTG takes honey in its raw form at UGX 13,000 per kg. From the sale of unprocessed honey alone the group is able to earn an income of UGX 23,400,000. NNTG has opened its honey centre to other beekeepers and is able to purchase externally produced raw honey for further processing and marketing.

Savings and Credit Cooperative Society

NNTG has registered a SACCO comprised of 11 different sub groups with total membership of 415 people. Such groups include Kyaruganda Youth Forum, Kabwikiri Tukwatanise group, Kabwikiri Twenyambe group, Karagara Tyeimukye group, Zinori and Sons Company, Kabukwiri Tukorenamaani, Karagara Bakyara Tukore group, Kabukwiri Apiary Honey Production, Mu Brinda Tutungikye group, Bunyoro Tweyambe group, and Rwandaro Bataka Tweyambe group. For the last 3 years the SACCO has saved over UGX 917 million (UGX388 million from sub-groups and UGX 529 million from NNTG enterprises). The current loan portfolio stands at UGX 120,000,000 (lent to a total of 200 members). The main sources of income to the SACCO include: savings from members, interest on loans, and 10% remittance from group enterprises such as sales from trees, carbon and honey.

Organic Coffee Farming

Each household is involved in coffee growing. The lowest harvest is about 500 kg per household and the highest 3,000 kgs. A kilogramme of threshed coffee is sold at UGX 6,000. WWF supported the coffee farmers with 10 coffee pulping machines to enable them add value to their coffee in order to fetch higher prices.

Promotion of Renewable Energy

¹²⁰ 80 beehives were donated by WWF

Since 2013, NNTG with support from WWF and ECO-TRUST have invested in the promotion of renewable energy technologies as a strategy for reducing pressure on forest resources. ECO-TRUST provided 300 energy saving stoves to 291 carbon tree farmers of which 70% are NNTG members. WWF also trained 15 NNTG members in stove construction. The stoves save 80% of the firewood. The CFM agreement provided for firewood access to communities from Kalinzu forest twice every week per household. But now households with energy saving cook stoves collect firewood once every 2 weeks. From their earnings, 50% of the households have also bought solar panels for lighting in their homes.

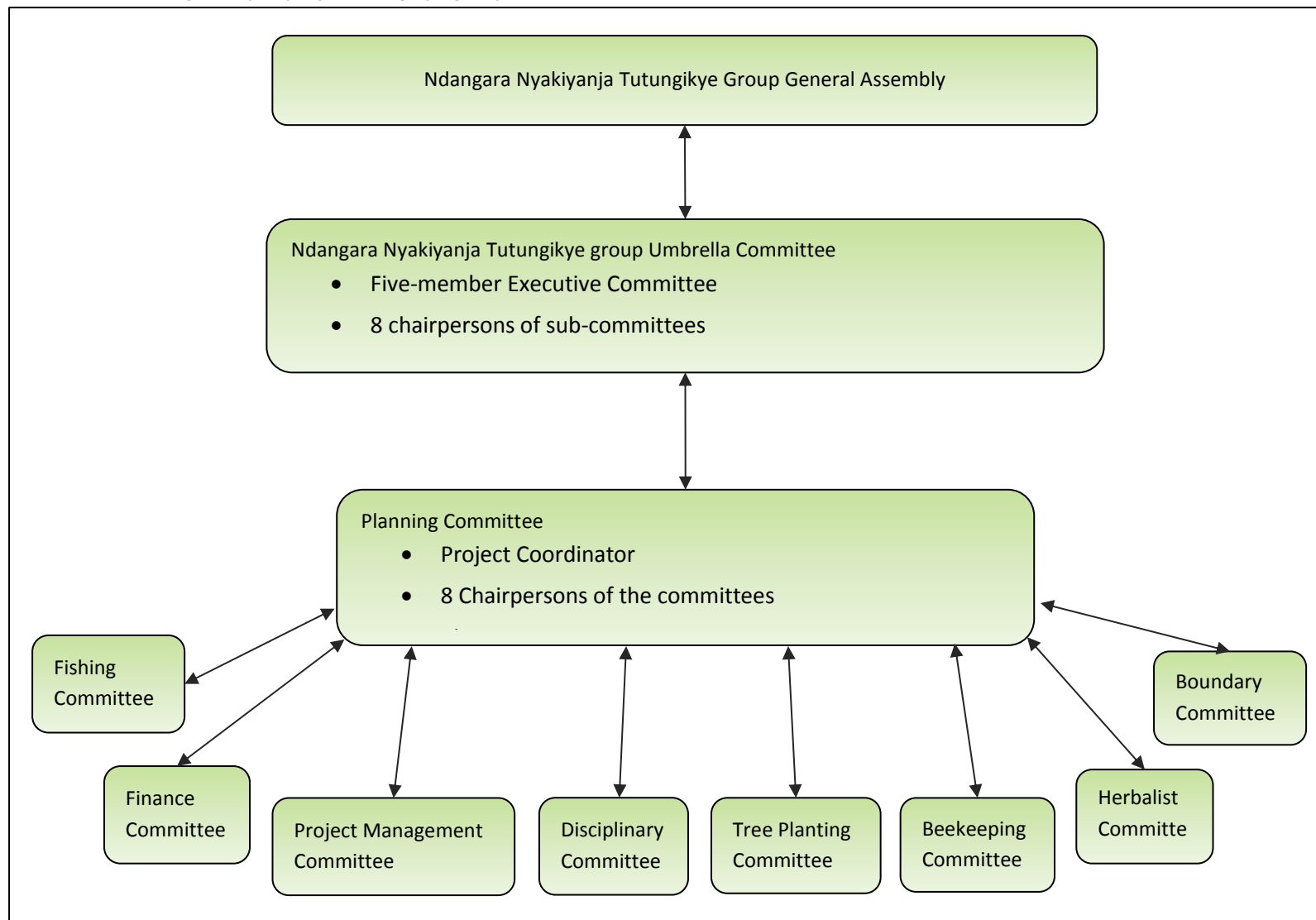
A9.4 NNTG Governance Structure

NNTG has a robust governance structure comprised of an umbrella committee, planning committee, 8 sub-committees and the general assembly. The umbrella committee is comprised of five people who form the executive body including the chairman, vice chairman, secretary, treasurer and advisor as well as 9 members who are chairpersons of tree planting, tourism, forest protection, environmental management, planning, boundary marking, disciplinary, herbalists, bee keeping, finance, fishing and project management committees. Other members of the umbrella committee include three representatives of special interest groups (women, youth and people with disabilities). The planning committee is comprised of the chairpersons of the umbrella committee, and sub-committees as well as the project coordinator. The general assembly is the overall decision-making body of NNTG. It is comprised of membership from the various user groups. The governance structure of the group is illustrated in Exhibit 8.2. The leaders are elected every 2 years. Old leaders can be re-elected based on their past good performance.

Information flow and reporting mechanisms

The main mechanisms for information flow within NNTG include meetings and sharing of activity reports. The executive and sub committees meet every month while the general assembly meets once a year. User group members meet regularly when they are implementing activities. In terms of reporting, the different committees submit their reports to the planning committee which then submits to the project coordinator who in turn submits to the executive Committee. It is the role of the planning committee to extract and consolidate all reports and plans from the various committees.

Exhibit 9.2: Ndangara Nyakianja Tutungikye group Governance Struct



The executive presents the reports and plans to the general assembly for approval. NNTG also shares quarterly reports with NFA, CDOs of Ryeru Sub-county and Rubirizi District local governments. NNTG also uses notice boards upon which vital information is displayed for easy access by members.

A9.5 Key features of the NNTG Model

The NNTG started five years earlier than the signing of the CFM agreement with a clear vision and mission of conserving natural resources which was internally driven within the group.

The group advocated for inclusive participation right from the beginning at a time when NFA had allocated the boundary portions for tree planting to non-residents. The group actually demonstrated this by allocating themselves the grassland adjacent to the boundary for tree growing. Given that this area was part of the Strict Nature Reserve, the group used CFM to advocate for change of status to allow for tree growing.

The membership from the group is drawn from adjacent villages and those beyond. The membership includes some local government leaders at sub-county and district levels which has given the group access to knowledge and to opportunities for support from different levels.

To ensure that all members have a chance to participate the organizational structure is built around strong user/subgroups. Forest user groups help the members maintain focus on the need to implement the CFM agreement while the SACCO subgroups have greatly contributed to cohesiveness among the members.

NNTG is highly gender sensitive and has encouraged effective participation of special interest groups (women, youth and disabled) in its activities, including representation on the Umbrella committee. The group has also created women and youth groups and committees who meet regularly to discuss issues of common interest. Two of the sub-committees namely tourism and environment are chaired by women. Over 60% of the tree plots in the NNTG plantation are owned by women.

The group has taken leadership in the formation and hosting of the Kalinzu Landscape CSO Forum which brings together all CFM groups around Kalinzu Central Forest Reserve. This has put NNTG at an advantage of strengthening collaboration with other CFM groups.

In addition to the CFM Agreement and its constitution, the group has a strategic plan and a financial manual that guides its operations. To ensure that the strategic plan is implemented, the group has put in place a committee to oversee all issues related to planning in the group.

NNTG has placed a lot of focus on income generating enterprises instead of relying on benefit sharing from NFA. The group is able to earn in millions of shillings per year to support community livelihoods.

All members have a chance to benefit from the enterprises of the NNTG through the ten percent of total sales that is remitted to NNTG treasury/SACCO. Members access this money through loans.

The group has a holistic approach to community development. In this respect they have been involved in advocating for improved service delivery that has led to the routine maintenance of the Kabukwiri road that used to be impassable. They are lobbying and advocating for improved education and health conditions in the area.

Although they are still at a level of volunteers, the group has employed volunteer-staff to provide technical guidance in running its affairs.

Through the various enterprises, NNTG has invested in its sustainability and going forward it will be able to finance its activities without donor support. The group is forward looking and intends to invest in tourism activities using its earnings from other enterprises to further take advantage of its location next to Queen Elizabeth National Park and Kalinzu Central Forest Reserve.

A9.6 Key challenges that need to be addressed

While the group has made tremendous progress, it still lacks adequate technical capacity to effectively implement some of its activities. Although NFA, Eco-Trust and WWF have trained the groups in various skills, members still require on-site technical support to carry out technical activities, for example in the plantation and the apiary.

Although the group is able to generate income from its activities, it is not yet adequate to finance the budget for the planned activities in the strategic plan. That is why activities like eco-tourism development have not yet taken off.

While the inclusion of members especially elites from other areas has an advantage and value addition to the group, this has to be monitored in line with the provisions of the constitution to avoid capture and side-lining of the less well educated and prominent members of the group.

A9.7 Recommendations

The NNTG should continue approaching NFA and the local government for on-site technical support. Alternatively, as the group looks forward to start employing its staff, they should look out for people with skills and knowledge on the key activities they are implementing. This will enable its members to get sufficient and timely technical support for their CFM activities.

As a sustainability mechanism, NNTG should identify some youth and get them trained as community-based trainers in the various fields so that they can in-turn support their fellow members in technical skilling.

With regard to inadequate funding for activities, NNGT should plan within its available funds and progressively allocate a budget to activities as more funds become available from income generating activities. They should also seek support in resource mobilization including proposal writing for fundraising.

Annex 10: Nyangole CFM plantation model

A10.1 Background

Nyangole is one of the pilot CFM sites in Uganda that was initiated in 1998. Unlike other pilots that were established in reserves managed as natural forests, the Nyangole CFM site originated in a peri-urban plantation setting and was catalysed by the NORAD-funded peri-urban project in the 1990s. The CFM agreement, covering over 17 hectares of land, was negotiated between the then Forest Department and the Nyangole community. The agreement was signed in 2000 and is expected to run for 49 years.

Nyangole community is comprised of four villages namely Nyangole A, Nyangole B, St Peter's and Benedictine Fathers' with major ethnic tribes of Samia, Itesot, Jopadhola, Jalu, Bagisu, Banyole and Bagwere in Tororo Municipality, Tororo District (Silas, 2011). The area has over 400 households with an average land holding of less than 1 hectare per household. Unlike other CFM groups, the Nyangole CFM group registered after signing an agreement with Forest Department. The group began with 47 members and currently has 300 members with over 100 being women.

A10.2 Drivers and facilitators of the CFM process in Nyangole

The CFM process in this site was driven by a desire by the Forest Department to pilot CFM arrangements and to restore degraded forest areas through community participation. The Nyangole community on the other hand was motivated by the need to access land for tree growing to produce fuelwood and poles and also to produce food through the *taungya* system. The process was facilitated by the CFM unit under the Forest Department with support from an expatriate technical advisor employed in the Unit with the responsibility of piloting CFM in Uganda and developing lessons to inform the legal and policy reforms that later legalized the CFM arrangements in Uganda's forest reserves.

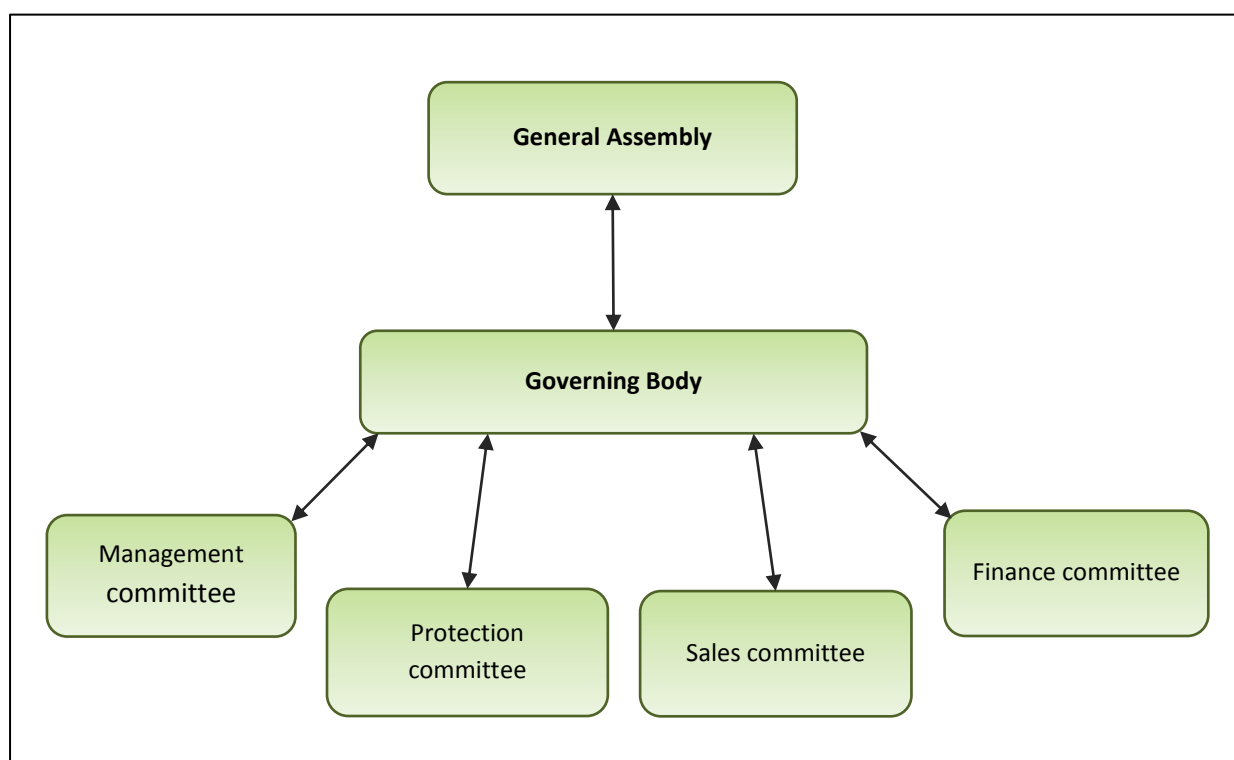
A10.3 Governance structure

The CFM group is governed by a body comprised of 15 members. Under the governing body are five committees: the management committee that takes care of tree nursery and general plantation management, the protection committee which is responsible for patrols, the sales committee responsible for marketing and sales of plantation products, and the finance committee. The general assembly is the supreme decision-making body of the group. The governance structure is illustrated in Exhibit 9.1.

A10.4 Election of leaders

Unlike others, the constitution of this CFM group does not provide for regular election of leaders. The leaders are permanent until one has a complication and is not able to perform his or her duties or passes-on. *"Our CFM group is run like a family where one remains the head of the family until he dies"* said one of the members.

Exhibit 10.1: Nyangole CFM group's governance structure



A10.5 Key activities of Nyangole CFM group

The key activities include tree nursery establishment and management, tree growing, food production through the *taungya* system, beekeeping, tree harvesting and marketing, and the protection of the plantation from thieves and grazing animals. Given the scarcity of land, the members devote most of their time to CFM activities as their main source of livelihood. The land allocated to tree growing was subdivided and each member apportioned about 0.14 acres. Each member is responsible for planting and managing his or her plot, and applies standards overseen by the management committee. The group has a marketing manager who equally distributes customer demand for trees among members. All members are expected to remit 20% of their sales to meet the costs of running the group activities. Members are also engaged in small-scale bee keeping.

A10.6 Communication channels

Nyangole CFM group has a well laid out communication structure. All sub-committees meet at least once each month while the governing body meets on a quarterly basis. At the end of each year, the governing body convenes the general assembly. Some information is also shared on a routine basis when members meet while working in the plantation. The sub-committees prepare and submit monthly reports to the governing body which in turn prepares quarterly reports. The reports are kept on file and sometimes shared with the NFA. The Nyangole CFM group is very focused with regard to record keeping. Among the key records that form the main report include the patrol reports, the tree nursery data, financial and sales records.

A10.7 Support from NFA and other stakeholders.

The site has received a lot of support from the district forest office from the time of formation. The group has maintained a strong attachment to the district office for advice because the District Forest Officer (DFO) who oversaw the CFM process remained as a staff member of the district local government when the Forest Department was dissolved by the legal reforms in 2003. The DFO has provided support in the form of technical assistance and linkages to markets, primarily for poles. The NFA has been instrumental in providing seedlings and exposure to other communities for learning. The group through the recognition by the local government accessed Community Development funds amounting to UGX 2.5 million. The group acknowledges receipt of cash donations from politicians especially during campaigns. The donations are provided to support CFM groups but also as an entry by politicians to seek support from the members.

Exhibit 10.2: The key benefits to the parties

NFA	Tororo District	Nyangole community
Restoration of Tororo CFR	An organized local community through which to implement other government programmes	Firewood (direct use and income)
Pride in a successful CFM pilot site which is a point of reference for others	A supply source for wood products to the town	Land for Food production and income from the taungya system
Grooming of Kasooli Aptir which has restored the Kasooli compartment but is not yet under a CFM agreement.		Income from poles
		Linkages and access to other government development programmes
		Public recognition

Exhibit 10.3: Nyangole CFM members and NFA staff at Nyangole CFM Plantation



A10.8 Key success factors

The following factors have played a key role in the success of the Nyangole CFM site:

- The location of the site in an urban setting (Tororo town) with scarce and expensive fuel wood resources presented an opportunity to the urban poor population to plant their own trees for firewood.
- The division of the allocated land into individual plots promoted ownership and commitment of the members to plant and look after the trees.
- The scarcity of land available for production per household further motivated the members to follow the guidelines so that they continue accessing the plot in as long as the agreement lasts.
- The long duration of the agreement (49 years) provided security to the tree farmers that they and their children would benefit from their investment. The integration of food crops among the trees in a *taungya* system motivated the plot owners to look after the planted trees. Furthermore, the CFM agreement set strict penalties to any damage made on trees in favour of crops including withdrawal of the plot from an individual or cancellation of the agreement.
- The coppicing of the planted Eucalyptus trees reduces investment costs with time and increases earnings as the farmer is able to double and triple income in subsequent harvests. The harvesting of the trees opens space for farming before the coppices overshadow food crops;

- The plantation is managed as a business and has therefore provided employment to the plot owners and supported their families in various ways including providing school fees for their children, offering better construction materials for houses and contributing to household food security.
- Although the trees are owned by individuals, prices are controlled by the group through the sales committee. The individual members are therefore saved from manipulation by tree buyers.
- Lastly, Nyangole CFM group has committed leaders who since the signing of the agreement in the year 2000 have guided the members towards success.

A10.9 Key challenges

The group faces several challenges as follows:

- One the main challenges faced by Nyangole CFM is a lack of land for expansion. The group was only allocated 17 hectares. Over the years group's success in establishment of the plantation has attracted other interested members in anticipation that they too will get access to land. The lack of land has therefore limited expansion of membership as well as the plantation.
- The group lacks technical advice in other fields they could venture into given their opportunity of being in the town. They have remained more focused on the tree growing project alone.
- The market for tree products is sometimes limited and the prices are low given the presence of other suppliers. Sometimes, due to pressing household needs, members have ended up selling their trees cheaply.
- Theft of poles and or firewood is also a big challenge. Unlike in the natural forest where the entire community can access forestry resources for free, access is managed under this CFM arrangement. Therefore, due to scarcity of firewood and poles, people from the surrounding villages resort to theft.
- The group has maintained the same leaders for 18 years thus disadvantaging others especially youth from gaining leadership skills. This too might be denying a chance for innovative young leaders to initiate income generating interventions.