



No Net Loss for Biodiversity and Communities in Uganda

Year Two Report on Project Workshops
March 2018



Itanda Rapids, Kalagala Offset area



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1 Introduction

The project "[Achieving No Net Loss for communities and biodiversity in Uganda](#)", is a collaborative project between six institutions, namely the University of Oxford, the National Environment Management Authority (NEMA), Nature Uganda (NU), the Wildlife Conservation Society (WCS) Uganda, the International Institute for Environment and Development (IIED) and Wild Business. The project runs from April 2016 to April 2019 and is funded by the UK's Government's Darwin Initiative.

Three meetings in Uganda were held by the project team as part of their activities for the second year of the project. The first was a workshop with Government agencies, NGOs and ESIA consultants about Natural Capital approaches and Social 'No Net Loss' (NNL) for more sustainable approaches to development in Uganda. This was followed by a meeting with the [Uganda Poverty and Conservation Learning Group](#) (U-PCLG) to present the project's research findings and gain the group's feedback and recommendations. The final meeting was the Year Two annual project meeting with the project members and the advisory committee to discuss Year Two's progress and plan for Year Three's activities.

2 Recap on project outcome, outputs and key activities

As listed in the project's logframe:

The intended outcome of the project is that:

Government, developers and NGOs work collaboratively on 'no net loss' biodiversity offsets that genuinely reflect local people's needs and values, support poverty alleviation in the long-term and are implemented equitably.

The project has three main outputs:

1. Study completed on the costs and benefits to local people and biodiversity of the Bujagali/Isimba Hydropower Projects and Kalagala Offset captures differentiated local impacts of these projects (end Y2)
2. The Kalagala Offset Sustainability Management Plan is reviewed, and recommendations made for the Isimba management plan, with a focus on how to ensure NNL of biodiversity and net positive social impacts, based on the findings from Output 1, by end of Y3.
3. New guidelines on incorporating social costs and benefits into biodiversity offsetting within Uganda and internationally are published and being implemented, by end of Y3

To achieve these outputs, the main activities are:

1. Research on the costs and benefits that the Bujagali and Isimba Hydropower Projects have on local people and biodiversity in the study area (*year 1*).
2. Review of the existing Kalagala Offset Sustainable Management Plan and the Isimba Management Plan and provision of recommendations on how to address key gaps and aid their implementation (*year 2*).
3. Draft new national and international guidelines on incorporating social costs and benefits into biodiversity offsetting. Establish a Business and Biodiversity Forum, enabling government, NGOs and businesses to work together on NNL of biodiversity goals for development which better account for local people's

needs and priorities. Work with NEMA and Nature Uganda to improve their understanding on how to achieve NNL through biodiversity offsetting so that they are better equipped to design, implement, monitor and evaluate biodiversity offsets (*years 2 and 3*).

3 Natural Capital approaches and Social ‘No Net Loss’ for development in Uganda workshop

This workshop was held at the Serena Hotel in Kampala on Wednesday 7th of March 2018 (12.30pm – 5.00pm). The workshop was preceded by a lunch for attendees and followed by a drinks reception and networking opportunity.

The workshop was attended by government and NGO representatives, as well as ESIA consultants. The workshop started with a presentation about Natural Capital approaches for development in Uganda, which was illustrated by a Natural Capital account of an infrastructure project in Uganda and led to discussions about a possible Natural Capital Forum for Uganda. This was followed by presentations on the project team’s working definition of Social ‘No Net Loss’ (NNL), on the research results from Uganda’s largest hydropower project and on the draft social NNL guidelines for Uganda, which will form the foundations for new national and international guidelines on social NNL.

The aims of the meeting were to:

- Show how Natural Capital accounting can support decision-making to secure genuinely sustainable development in Uganda, and to gather views on possibilities for a Uganda Natural Capital Forum; and
- Gather feedback on the social NNL work to help shape social NNL guidelines for Uganda.

3.1 Meeting minutes

Refer to Appendix A for a summary report on the workshop and meeting minutes.

4 Report back meeting to the Uganda Poverty and Conservation Learning Group (U-PCLG)

The project team joined a meeting by the Uganda Poverty and Conservation Learning Group (U-PCLG) on Friday 9th of March 2018 (9am – 12pm), at the Protea Hotel, Kampala. The [U-PCLG](#) was established in 2011 to bring together Ugandan conservation and development practitioners to share their experiences and to work together to better inform policy and practice. The group is convened by Nature Uganda, one of the Darwin project partners.

During this meeting, the team presented findings from the research on Uganda’s largest hydropower project, progress with developing a Natural Capital Forum in Uganda and plans for the final year of the project (Year 3). The aims were to gather feedback on the existing and planned activities.

4.1 Meeting agenda

See Appendix B.

4.2 Welcome and introduction to the project – Arthur Mugisha and E.J. Milner-Gulland

Arthur commenced the meeting by welcoming all the UPCLG members and the Darwin project team. Then everyone introduced themselves and the organisation that they work for. E.J. introduced the Darwin project, explaining that it is a partnership between six organisations and that it is funded by the UK government. She expressed her gratitude to the UPCLG as the idea for this project came from a meeting with UPCLG about 3 years ago. During this meeting, there was a discussion about the major emerging issues in Uganda that they would like further research on. The UPCLG raised that biodiversity offsetting was becoming an issue in Uganda, but that there was a lack of understanding on the concept and a lack of capacity in the country. They also expressed that research is needed on how to hold the Ugandan Government accountable for biodiversity offsets. In response to this discussion, E.J. designed the Darwin project.

E.J. introduced the aims and objectives of the project, who the project partners and advisory committee are and their respective roles and responsibilities. She went on to explain why this Darwin project is important for Uganda and why it is necessary at this time given the increasing use of biodiversity offsets both in Uganda and internationally. However, there are trade-offs between biodiversity and development that need to be accounted for, including impacts on local people's needs and aspirations especially for poor rural communities who rely on biodiversity for their livelihoods. These impacts need to be identified at a local level, and the gains and losses balanced in order to achieve NNL for both biodiversity and people. E.J. explained how this project will develop principles on best practice for social NNL nationally for Uganda and internationally, using the Bujagali and Isimba Hydropower projects and Kalagala Offset as case studies. To conclude, E.J. summarised progress to date, stating that the biodiversity and socio-economic surveys of the case study sites were complete, and that the team has explored the potential for a Natural Capital Forum with various Ugandan organisations and has drafted best practice principles for Social NNL (both international and for Uganda).

Discussion

- Question: What challenges has the Darwin team encountered?
- Response: We thought our research would be able to translate into practice in Uganda but we found that our research (as yet) has not been able to influence the Kalagala Offset Sustainable Management Plan (SMP) nor the Isimba Management Plan (although we are still trying to progress this). When drafting the proposal, we hoped that our views and work would be taken into account. Our hope is that in the future (and in other places) our work and advice will be taken into account.
- Question: Dams cause deforestation. Are we still calling these forest areas offsets? There is a lot of deforestation and encroachment on forests, for example, in Mabira.
- Response: Maybe calling these areas an offset might help them to be protected. When we started our project, we asked who was responsible for implementing the Kalagala Offset, and we struggled to understand who was implementing and funding it. We carried out a six-month stakeholder and

institutional analysis to 'follow the money' and found the supply chain of this project is incredibly complicated. Lots of international lenders funded the Bujagali dam but some have since walked away. They were bound by best practice guidelines that specify that an offset needs to be developed and yet issues have arisen.

4.3 Findings from the biological surveys – Dianah Nalwanga

After the introduction, Dianah presented Nature Uganda's progress with the terrestrial biodiversity study of the case studies (Bujagali Hydropower projects and its Kalagala Offset), explaining that the study focused on terrestrial flora and birds. She explained that their survey was a re-assessment of two surveys carried out in 1998 and 2006, to compare biodiversity changes over time. They addressed two key questions: a) how has the biodiversity at Bujagali and Kalagala changed between 1998, 2006 and 2016? Are there species lost, gained or retained? and b) how much of the change that we are seeing is associated with the dam and offset? She then briefly described the survey methods.

In terms of results, she first focused on plants. An increase in species was observed at all the surveyed sites, but next step is to see why. This may be because often when you clear habitat within an area, new species are able to establish (but these early colonisers may not be the desired species). As for birds, the number of species present have also increased (possibly related to the change in habitat and again this change in species composition may not be desirable). She explained that as part of the next steps, more detailed analyses need to be carried out to understand these trends and make recommendations. In addition, they still need to evaluate the submerged islands in order to see what species have been lost.

Discussion

- Comment: Mabira CFR was going to be gazetted but a biodiversity study saved it.
- Question: Looking at the Biodiversity Action Plan (BAP) for the ESIA, are there any similarities or differences between these findings and our project? It seems that there is good news that species are increasing. Have we compared the impacts in the ESIA with what has actually happened now?
- Response: Yes, we have made comparisons and have based our work on the BAP, comparing what was planned, but also looking at real implementation. We have not compared our results with the impacts predicted by the ESIA, but we could do this in the future. We found that species are increasing, but it is important to look at which ones? We have lost and gained several species, but maybe we have gained less critical ones and lost very important ones. For example, maybe we have lost specialist species and gained generalists. Maybe we have lost endemics, so we cannot conclude whether this gain in species is a good thing or not at this stage without full analysis. From ecological studies and the trends, we found we have gained more plant species but these may be invasive and colonisers. This will provide insight into the condition of the habitats. Our analysis of the research is still ongoing.
- Comment: What happened to the other plant species plants that have been lost? You say that 30% have been maintained and 45% have been lost. The maths doesn't add up, just check on this.
- Response: We are comparing the number of a species found (counts) with the previous counts. We have lost and gained and maintained species. The next step is to explain what we are seeing and why there are changes.

- Comment: You need to relate the species to the habitat, for example, now that it has become less forested, perhaps you have more open space species, so that is a negative impact. Therefore, need to compare the species counts against the overall habitat.
- Question: What is the time line of measuring NNL? The flora and fauna have taken a long time to establish before the damage.
- Response: We can still compare the timing as the categories of things are still valid. During the surveys, you can see the seedlings and saplings, so we not only look at big trees. It is possible to see the regeneration even if it is still saplings. Time does not matter.
- E.J.: When a developer causes damage to biodiversity, they cannot have the excuse that it will be better in 100 years. Therefore, cannot have a time lag when biodiversity is lost and biodiversity is restored. Often companies do biodiversity banking, where biodiversity is established in an area before the exiting biodiversity is degraded by the development.
- Question: Could the changes in findings over the years also be because the researchers are getting better?

4.4 Social No Net Loss for Uganda's largest hydro-power project: initial findings – Victoria Griffiths

Victoria presented her research results using the same presentation from the Natural Capital workshop. See Appendix A.

Discussion

- Question (UWA): In our culture, we depend on plants and animals for spiritual needs. How does this wellbeing need affect the social NNL of biodiversity loss?
- Response: Yes, that's exactly what we are looking at. In biodiversity offsetting, designs don't often take into account people's spiritual values, that's what we're raising awareness of this in our project; they just look at losses and gains of species from an ecological perspective but not their intangible values to people.
- Question (UWA): I was expecting a list of species and their values to local people, and how they are being lost.
- Response: If people are using biodiversity and then you restore or move it elsewhere for your offset - the village loses access to biodiversity, while another village experiences a gain; that's not equitable. How do you make sure the benefits of the offset accrue to the right people?
- Question (FFI): I am very keen to read the report. How did you deal with attribution of social change at the sites to the dam/offset, rather than to other causes?
- Response: Interviews began very generally, and lots of people brought up the dam straight away; but maybe this was because they knew I was investigating the dam. However, I received different responses from the different sites; communities at Bujagali and Isimba brought up the dams very readily whilst those at Kalagala only mentioned dams on prompting. I also asked about other developments (e.g. sugar cane factory) to try to get a broader picture of other factors that could impact the people.

- Question: You concentrated on spiritual aspects but what about psychological/emotional attachment to particular places?
- Response: I have a separate broader chapter on how people use nature and how it relates to their wellbeing, people told me about these attachments. However, people did not just bring up cultural values, I had some specific questions on spirits at the end of the Focus Group Discussion, but I still made sure to keep things broad.
- Question: Was paying for accessing spiritual sites present before the project? And what about access to medicinal plants?
- Response: In the choice experiment, respondents have three alternatives to choose between, and one is the baseline condition. In the baseline, residents have free access to the spiritual sites and visitors pay. Usually this payment is not a lot, and the caretakers at the site know who is allowed free access. We presented all three options in the choice experiment and people preferred for everyone to pay (both residents and visitors). Medicinal herbs came up a lot in the surveys (along with fuelwood, degradation of the Central Forest Reserves due to population expansion, agriculture etc). Medicinal herbs are widely used, for first aid and other uses.
- Question: We would like to maintain beauty but some of the spiritual aspect is due to backwardness, people get bound into their status of poverty and ignorance and they don't rise above it. People may respect the spirits but maybe the loss is for the best?
- Response: Some people didn't talk about spiritual sites for themselves, they mentioned other people or groups. Some spoke about negative aspects of culture like human sacrifices, others were very traditional, believed in the spirits and were very upset, feeling that unexplained deaths in the village were due to the destruction of the waterfall and disturbance of the spirits. I am interested in why men said they valued cultural heritage more than women? Are women more reticent, is there a stigma attached to admitting this?
- Question: Is it really possible to take into account all the wellbeing impacts, or will people end up frustrated? e.g. with the spirits not being relocatable.
- Response: It is extremely difficult to make every single individual in the village happy, but good practice is not to make everyone worse off than before the development and its biodiversity offset. So, the question is: do you balance NNL at the individual, household or village level? In each case there will be inequalities.
- Question: What are the social impacts of the Bujagali dam on local people, what has been lost? What is the policy on the offsets? What about resettlement?
- Response: My other results (not presented) are about broader impacts, and the results there include complaints about changes in water levels and impacts to fish size/spawning areas after the dam was developed. They talked about flooding of certain islands in the river (as a result of the dam), as well as the river banks where they collect papyrus. Some people have benefitted from rural electrification, but most of the time it is too expensive for everyone to tap into. Some people had taken advantage of this but most not. Thus, there were some benefits but more costs. We did not look at resettlement, as we are not looking at all social impacts, just nature-related social impacts. People did say that there was a big resettlement in one of the villages, and people were not happy there.
- Comment: The ESIA required the Kalagala Offset, which included the Mabira forest and areas down to Isimba. Then the offset did not occur and Isimba has been placed without consideration of the

offset. This project is looking at the intricacies of the offset, doing a post mortem to try to understand what's happened.

- Comment by Francis Ogwal: Francis drew a map the offset - the Isimba rapids will be flooded but the flooding will not reach the offset - it will be a minimum of 2 km away. They have also altered and engineered the dam height so that it will not affect the Kalagala Offset. The engineering of the dam has ensured that even during high amounts of rainfall, the flooding from the Isimba dam will not impact the Kalagala Falls and Itanda Rapids. However, some areas may be impacted and there will be mitigation measures put in place. In response to this impact of Isimba, the World Bank is re-financing the Bujagali dam and that will lead to a much bigger conservation area as part of the Kalagala Offset on both sides of the river, which will stop any more development in this large area. There has been a lack of enforcement of the biodiversity offset so far, but to take on board the World Bank's concerns, they are creating this new conservation area.
- Question: If spiritual matters are not quickly resolved then that may cause domestic violence.
- Response: My research assistant interviewed a man and wife from the same household - the man said we don't have any shrines and we don't believe in spirits. The woman said that she does believe in spirits, but she keeps it secret.

4.5 Progress on developing a Natural Capital Forum for Uganda – Julia Baker

Julia spent this session updating the UPCLG members on progress with developing a Natural Capital Forum in Uganda. She began by giving a brief overview about what Natural Capital is and why it is useful. She then moved on to discussing the roundtable meeting that was held in August 2017 and the feedback that she received (e.g. need for case studies to better describe the concept of Natural Capital). In terms of progress, she explained that a hypothetical case study has been developed and presented to consultants, lenders and government earlier this week at a workshop, whereby discussions were that the Forum needs to be Government-led and that there are two entry points for engaging with the Government on this matter. She then concluded with the team's proposed next steps with taking Natural Capital Accounting and the Forum forward in Uganda, which focus on developing a Natural Capital Account for a flagship development project in Uganda. She then asked the UPCLG members whether they had any suggestions and ideas.

Discussion

- Comment: There are some areas where natural resources have been studied slightly, with several attempts to study how much for example, mineral potential (oil), we have in Uganda and its capital. When it comes to other things like ecosystem services, we have fewer studies like the wetlands case study. This is very interesting and very important.
- Question: When talking about Natural Capital, it must be something that you can use and apply for economic benefits. How can we help link ecosystem services from trees (like rainfall) with Natural Capital? For example, Uganda is rich because we have a wetland, what can we do to convince the country that we are richer because we have wetlands? Stephen at FFI is putting forward the idea of setting up protected areas based on ecosystem services. It will be good for local communities to look at this in terms of Natural Capital.

- Response: We completed a Natural Capital account of a made-up sugar cane factory and its impacts on wetlands and will send this report around once complete. However, the research used to construct this account is out of date. While it was useful for illustration purposes, there is a need for more robust and consistent data sets on monetary values in order to construct Natural Capital accounts
- Question: What about the other sources of capital, how do you relate Natural Capital and other sources of capital, how do they co-exist?
- Response: This is just a way of accounting for benefits of nature that we do not account for at present. It is a way to inform decision making, but it is just a tool. Natural Capital Accounting can help inform avoidance strategies but can also be used to talk to governments and businesses.

4.6 Plans for Year 3 – E.J. Milner-Gulland

The last presentation of the session was by E.J., where she briefly described the plans for the last year of the project (Year 3). This included dissemination of the results to the villages in the study area, further dissemination by NU later on in the year, finalising and launching the social NNL best practice principles both in Uganda and internationally, carrying out training in implementing the principles (linking with the COMBO team), writing up papers, reports and policy briefs for all audiences and hosting meetings in Oxford and Uganda.

Discussion

- Question: The UPCLG is hosted by NU and NU is doing a lot of advocacy. How can the UPCLG make sure this information is binding and useful?
- Response: This concept is not something that people will take up immediately. This is why the policy briefs, papers and reports for all audiences are very important. We need to keep on advocating and sensitising people. NNL and Natural Capital can be confusing terms and the role of the UPCLG is to raise more awareness on the importance of these issues amongst the people. For example, local people value wetlands but have lost the power to voice how important these things are. People appreciate feedback and we need to empower the local communities. For example, there was a group in Northern Uganda who resisted development on a wetland and we need that sort of empowerment. The UPCLG are poised to help but must make sure not say that conservation is against development. This is not the idea of our work, let's work together with both conservation and development.

5 Year Two project meeting

The annual project meeting for Year Two took place at the Protea Hotel in Kampala on Friday afternoon, the 9th of March 2018. The aims of the meeting were to reflect on progress to date and to discuss activities for the final year, Year Three.

5.1 Attendance register

See Appendix C.

5.2 Meeting agenda

See Appendix D.

5.3 Review of progress to date against the log frame – E.J. Milner-Gulland

EJ began the meeting by summarising the deliverables and milestones for Year Two (1st March 2017 to 31st March 2018) and our progress against them. She went through the three outputs from the log frame (see Section 2) for the whole project, looking at what we committed to do and who was responsible for each output, as well as the deliverables and milestones for Year Two. No one had any queries or comments on what should have done in Year Two. E.J. said that Year two has been successful, noting NU's biodiversity surveys, how the project is aligning with the WCS-led COMBO project and biodiversity offset guidance, as well as how the Natural Capital discussions are developing.

Dilys raised a concern about the Natural Capital workshop on Wednesday, which was that there were few businesses who attended the workshop despite the team inviting several to the workshop. She said we need to think more about what we can do to try and engage the business community in Year Three. Julia agreed and mentioned the importance of one-to-one engagement with key businesses, ensuring that meetings are held in their office etc. Going forward, it is best to establish a Natural Capital approach and once it has been decided on where to anchor it, it will be easier to move forward and engage with the private sector.

E.J. reminded the team that the annual report for Year Two to Darwin is due in a month. Victoria will draft the report and then send it round to everyone for their contribution.

E.J. then led a discussion on the ethical review for the project and what was committed to in the Darwin proposal. Victoria will hand-over her excel spreadsheet with all the research data to E.J. at the end of her PhD, but names of people interviewed are to be removed. At the moment, the excel spreadsheet is password protected and only Victoria has access to it. During her write up, Victoria is not reporting any names when including quotations from the focus group discussions and questionnaires. Gender issues were taken into account by holding separate focus groups for men and women. Dilys offered to share IIED's summary and interpretation on the European ethics. Victoria is to write a document about data management and anonymity for this project, ensuring compliance with all relevant standards. This is to be uploaded onto Basecamp once complete.

5.4 Review of Theory of Change: how are we progressing, and are there any changes? – Dilys Roe

Dilys began this session by showing the original Theory of Change (ToC) that was developed during the project inception workshop (Figure 1). She then guided a discussion on whether we are on track to achieve this and whether we need to change any of the ToC activities. Discussion points were as follows:

- Looking at the top (outputs; yellow boxes), the project was to increase knowledge about NNL at local, national and international levels, to improve capacity to design and implement biodiversity offsets to deliver NNL, for NNL offsets to become a norm (but this is probably beyond scope of a three-year project) and to have a collaboration mechanism to bring together developers and government. This last point links with what previously referred to as the Business and Biodiversity Forum (BBF), but is now called the Natural Capital Forum.
- Looking at the local level activities on the lower end of the ToC, we have completed field research on the case study and activities that we said we would do (in blue) are nearly done. The review of current best practice guidance has also been done as this feeds into the draft NNL best practice principles.
- In terms of engaging the NEMA monitoring team, this has not been done fully (several individual staff members have been engaged with the project) and this activity needs to be revisited. Francis can connect us to the monitoring team at NEMA and we could send them the stakeholder and institutional analysis and two draft papers on social aspects.
- Victoria has already presented preliminary results to UPCLG members and to attendees at the Natural Capital workshop, and maybe could present the final results in Year Three once all the analyses have been completed. Victoria has not analysed the wellbeing work and NU still have some work to do on the statistical analyses for their biodiversity report.
- In summary, we have achieved most of the local level activities of the ToC and the activities listed here are on track.
- At the national level (activities in green), the key output is the Social NNL principles (called the 'NEMA guidelines' in the ToC and project logframe). Learnings from Victoria's research have been used to develop these principles, as well as a review of best practice guidelines on NNL for biodiversity, building on these guidelines, not replicating them. To develop the Social NNL principles (i.e. 'NEMA guidelines'), we will be linking with the COMBO NNL guidelines and incorporating our social NNL principles into these COMBO guidelines.
- The next milestone was to make recommendations on the Kalagala Offset Sustainable Management Plan and the Isimba Management Plan regarding social aspects of both development's biodiversity offset / mitigation activities. These activities have been difficult because of the politically fluid and sensitive situation regarding the developments and need to be re-considered. We did mention the challenges facing these activities in our Year One annual report to Darwin.
- Francis said that the World Bank is in the process of refinancing the Bujagali dam and putting aside some land for conservation:
 - Bujagali wants to lower the electricity cost but did not have the resources to do this, so the World Bank offered to refinance it. However, before they could do it, the World Bank wanted to see how the Ugandan Government had applied with previous indemnity agreements. The World Bank discovered that there was no true compliance and the Kalagala Offset came under review. They found that the Isimba dam will have an impact on the Kalagala Offset. When options were looked at, Isimba was selected as the best option as this dam will have the least impact on the falls at Kalagala. Therefore, the plan is to move the biodiversity offset area upstream, to where the Bujagali dam is. Discussions are underway about areas that are currently under the National Forest Authority (NFA) management (e.g. the CFRs).

Negotiations with the World Bank resulted in designating this as a larger conservation area. According to environmental legislation in Uganda, a 100m protection zone is on both sides of the river. The Government has already committed some money to NEMA, NFA and local government for the financial year 2018/2019. There was an announcement by the Ministry of Water and Environment about this recently. Francis to share the link with the team.

- The 100m buffer zone was already precedent in Uganda, although this appears not to have been enforced for these sites. Moreover, areas under NFA are not always well managed. The importance of being realistic was emphasised, especially with some CFRs being degraded, it is important to check whether putting offsets under NFA management will achieve the desired results.
- The Kalagala Offset Sustainable Management Plan, which covered the smaller area, will be reviewed especially as the offset catchment is now much bigger.
- E.J. asked if there any way our project can positively influence anything to support NEMA? The plan is for our results to be a published document which will help to improve biodiversity offsetting in the future. Given the timing of the re-financing, would it be worth putting together a briefing document that can feed into the process?
- Francis: The EIA addendum has been completed and the World Bank is using this to inform decisions.
- Our work will help influence future decisions in Uganda but can it help influence this re-financing?
- Francis: This World Bank process is already very far along the line, so our work might not be able to have an impact.
- E.J.: But the report online says that decisions will be made in March 2018, so maybe our work can still be used?
- Francis: There has already been a public hearing and lots of research done already.
- Dilys: Our Theory of Change said we would influence what is happening at the site level so this is our chance to have an impact. Our research can help the World Bank and prove that Uganda is taking steps to address this.
- E.J.: Oxford University can develop a brief summary report of our results to date, without mentioning NEMA as they have already participated in the World Bank refinancing discussions. We can then give this report to the World Bank. We suggest that Oxford University writes a letter to the World Bank that says when new biodiversity offset, we have some results about what local people want as part of an offset. Our results can help with the implementation. We will send the choice experiment results as a digestible two-page brief to the World Bank. First it needs to be sent to Francis so that he can share it with NEMA Executive Director.
- Beatrice: Stakeholders are understanding the catch-word 'offsets' but there are still problems with implementing it and with accountability. For this World Bank refinancing, do we have a plan in place for learning from past experiences?
- Victoria: I will write a policy brief summary of the choice experiments and other information from my research for NEMA and then NEMA can submit it to the Government and World Bank. We need to develop a set of do-able and pragmatic recommendations for NEMA.

- A practical policy brief for the Ugandan government will be designed to help influence NNL activities, including biodiversity offsetting, at the national level.
- All the local level, activities were completed in year Two, but now the team needs to look at how to influence activities at the national level. As a starting point, the team are linking with COMBO's biodiversity offset project in Uganda and will generate international principles (in addition to the 'NEMA guidelines' i.e. the Social NNL principles) on social NNL.
- The training of NEMA staff, knowledge exchange and building capacity to implement offsets need to be developed and planned for Year Three.
- The Business and Biodiversity Forum has now been changed to the Natural Capital Forum but there needs to be more private sector buy-in to help meet the collaboration mechanism target (in yellow).
- The updated National Environment Bill is currently with parliament for consideration and there is a provision in that law to make guidelines for biodiversity offsetting. Once the main framework law is in place, the team can produce a policy brief.
- The only other part of the ToC (aside from renaming the BBF and NEMA guidelines) that needs to change is the target 'Offsets as a norm' (in yellow). This should go above all the other yellow targets and re-worded as 'NNL and mitigation hierarchy as the norm' to shift the focus from an activity (i.e. biodiversity offsetting) to the desired outcome of development with no overall loss of nature (NNL). It is here – with that communication - that the project can also have a positive impact, in terms of moving the narrative from 'offsets' to focusing on NNL.
- Overall, the team considered all is on track with the ToC. No major changes need to be made and there could be an opportunity to positively influence NNL activities at the case study sites.
- Updated Theory of Change is presented in Figure 2.
- We need to plan how best to engage businesses with the Natural Capital Forum, especially through one-to-one engagement. Francis recommended that we can connect with the Ugandan Chamber of Commerce and identify key private sector forums. Julia can try and establish connections during her visit in April.
- In terms of the skills audit, NEMA will check what training was required, then the team will undertake the training as part of the project and then re-do the audit.
- Beatrice: During their last COMBO training, people wanted social aspects to be a training module. COMBO is planning its second training for May/ June and this will be a good opportunity for the team to link their training on Social NNL with that of COMBO.

Note: all actions listed above are listed in the 'ACTIONS' table below.

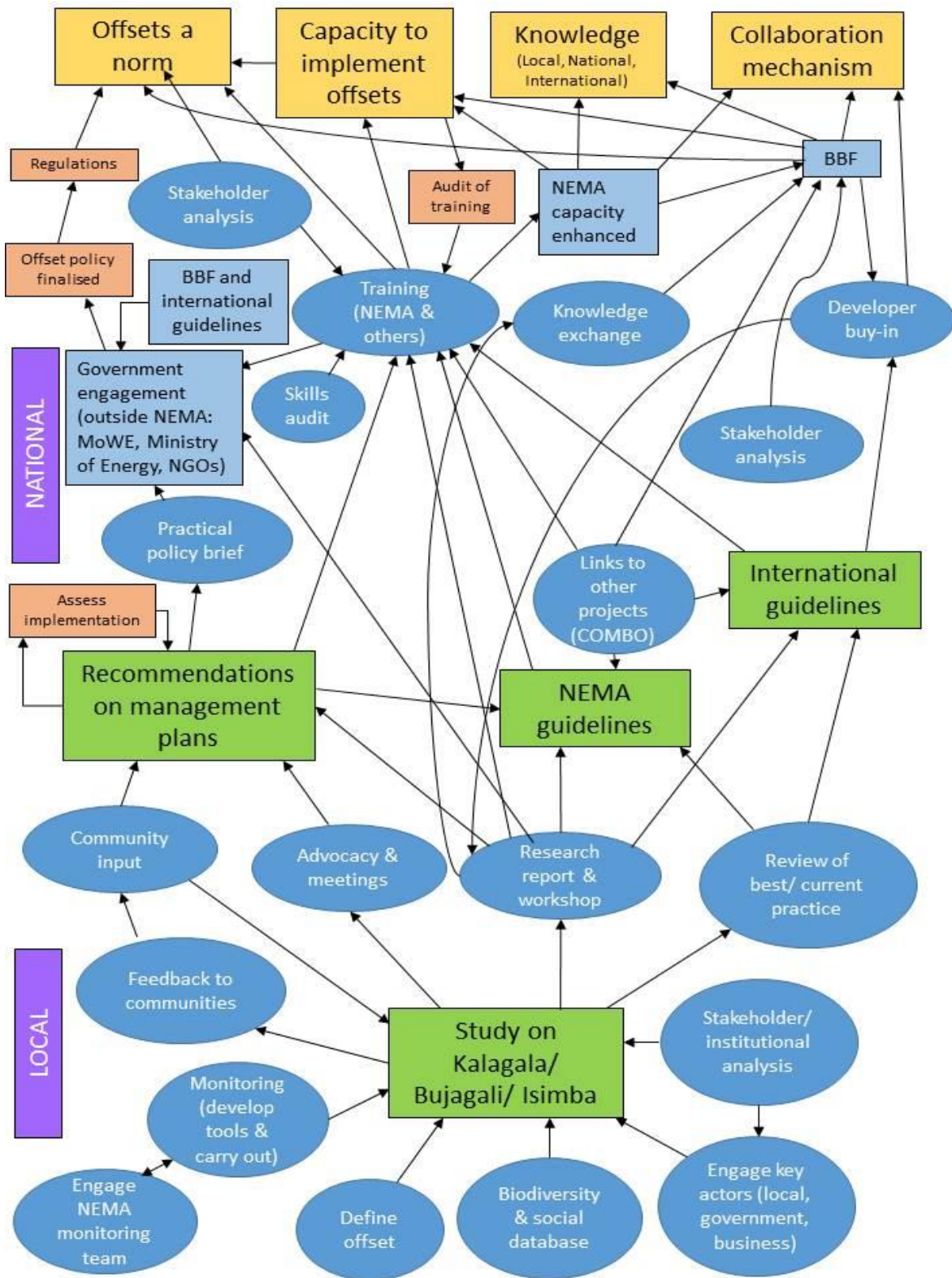


Figure 1: Original Theory of Change for the project designed during the project inception workshop. Key: Desired outcomes for Uganda and internationally in yellow and green boxes; activities to achieve these outcomes in blue circles.

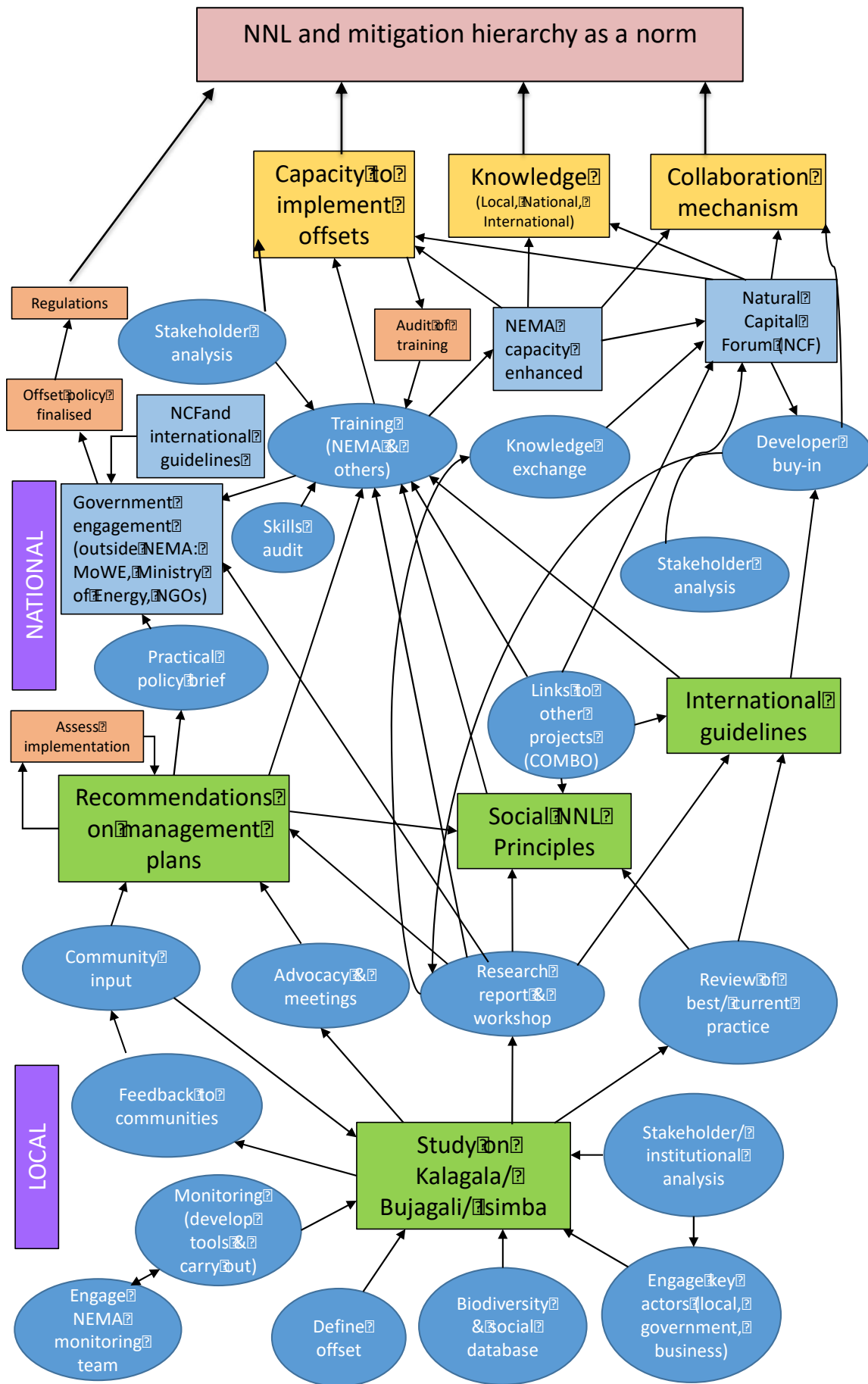


Figure 2: Updated Theory of Change for the project

5.5 Summary of the Actions

Table 1: Summary of action points arising from the project meeting

Action	Who is responsible	Timescales
Upload all presentations onto Basecamp.	Victoria Griffiths	End March 2018
Submit Darwin annual report.	Victoria Griffiths and E.J. Milner-Gulland	End April 2018
Share IIED's summary and interpretation on the European ethics with project team.	Dilys Roe	End April 2018
Plan training of NEMA staff, and talk with the Chamber of Commerce.	Francis Ogwal, Julia Baker and Beatrice Kyasiimire	End May 2018
In terms of the skills audit, NEMA to report on what training is require.	Francis Ogwal	End May 2018
Connect project team with the monitoring team at NEMA. Send them the stakeholder and institutional analysis and two draft papers on social aspects.	Francis Ogwal and Julia Baker	End May 2018
Write up a summary of the choice experiment results and other information from the project which will go to NEMA (the Executive Director) and then NEMA can submit it to the Government and World Bank.	Victoria Griffiths	End May 2018
Discuss the potential for the Natural Capital Forum to be led by Government and the fact that we should join with an existing Forum with the Executive Director of NEMA and provide Julia with feedback.	Francis Ogwal and Julia Baker	End May 2018
Share link about the Bujagali refinancing and expansion of the Kalagala Offset conservation area.	Francis Ogwal	End May 2018
Linking with the COMBO NNL guidelines and incorporating our social NNL principles into these COMBO guidelines. Discuss COMBO's timeline for producing their guidelines	Julia Baker, Joseph Bull and Beatrice Kyasiimire	End May 2018
Find a contact in CNOOC to engage with.	Panta Kasoma	End May 2018
Share updated social NNL guiding principles with the project team.	Julia Baker and Joseph Bull	End May 2018

Meeting with Kerry ten Kate and Mark Infield	Victoria Griffiths, Julia Baker, E.J. Milner-Gulland, Joseph Bull	End May 2018
Draft document about data management and anonymity, making sure it is compliant with all relevant standards. This is to be uploaded onto Basecamp once complete.	Victoria Griffiths	End May 2018
Oxford Business engagement meeting, Q3 – might be a good idea to add our workshop onto an existing meeting, for example, an existing Natural Capital Forum meeting. Look for high level sustainability business events	Joseph Bull, Julia Baker and Dilys Roe	June 2018
Plan on how best to engage businesses with the Natural Capital Forum, especially through one-to-one engagement. Francis recommended that we can connect with the Ugandan Chamber of Commerce and identify key private sector forums. Julia can try and establish connections during her visit in April.	Francis Ogwal and Julia Baker	End June 2018
Ecological research report to be completed.	Nature Uganda	End June 2018
Training of NEMA staff, linking with COMBO training	Julia Baker and Joseph Bull	End June 2018
Dissemination of the draft social NNL principles via IIEDs green economy network. Do a BBOP webinar on them. Might also be a good way to get feedback on the social NNL principles from businesses.	Julia Baker, Joseph Bull and Dilys Roe	End June 2018
Final research dissemination plan	Nature Uganda and IIED	November 2018
Host Business Engagement Workshop in Oxford	EJ Milner-Gulland, Julia Baker and Joseph Bull	September 2018
Next project meeting – Q2, could be over skype and when Julia is Uganda.	Whole project team	September 2018
Compile a research paper summarising the social and ecological findings.	Dianah Nalwanga, Victoria Griffiths, EJ Milner-Gulland and Joseph Bull	October 2018
In terms of presenting at an international biodiversity offset	Victoria Griffiths	November 2018

meeting – maybe we could present our work at the BBOP meeting in November 2018?		
Could be worth writing something for the local press with photos and perhaps have it related to, for example, World Environment Day.	Victoria Griffiths	November 2018
At least 2 peer reviewed papers and an IIED report to be published.	Victoria Griffiths	March 2019

5.6 Looking forward to Year Three’s activities – Julia Baker

Refer to Table below.

Julia went through the deliverables and milestones for Year Three as set in the project's log frame:

Project Outcome / Outputs	Means of Verification for Year Three	Meeting Discussions
<p>Outcome: <i>Government, developers and NGOs work collaboratively on 'no net loss' biodiversity offsets that genuinely reflect local people's needs and values, support poverty alleviation in the long-term and are implemented equitably.</i></p>	<p>At least two peer-reviewed papers and IIED report (end Y3).</p>	<p>Victoria responsible for the peer-reviewed papers. One paper is in second review with Conservation Biology and a second manuscript will be submitted to Biological Conservation by the end of April 2018.</p> <p>Joe and Dianah will work towards publication of the ecological findings.</p> <p>Research report on the ecological aspects to be compiled by Dianah, with input from Victoria on the social aspects and Julia on the policy aspects. Victoria to bring the whole thing together.</p>
	<p>Policy briefs with recommendations to inform the review of the Kalagala SMP and preparation of IHP's plan.</p> <p>Records of commitments to change management plans by implementing agencies, based on study results, with implementation timetables (end Y3).</p>	<p>See discussions for the ToC above.</p> <p>Are we making any recommendations for Isimba? Once everything is written up and analysed we can discuss how best to present our results. This will depend on whether it is a national or international policy brief. In the annual Darwin report, we will document that the situation is a fluid one and we are hoping to achieve this. We need to explain there is a potential opportunity to work with NEMA and the World Bank.</p> <p>We promised records of commitments from agencies and the ability to influence management plans. We have already reported the challenges with this task in our Year One annual report and will discuss it further in our annual Year Two report. We do have a chance of doing this with the upcoming World Bank refinancing.</p> <p>ACTIONS: Francis: NEMA needs to provide evidence of implementation of project findings in organisations policies and practice by end Y3</p>
	<p>Written commitment by at least 2 international developers to incorporate guidelines into their operations in future (end Y3).</p>	<p>Two businesses to commit to implementing the Social NNL principles: this could include Total and BP, also Balfour Beatty will sign up to the principles. There are also ESIA consultants who might be interested in signing up to the social NNL principles and promoting them. We would need a letter from them.</p>
	<p>Research Workshop and Launch Event by relevant organisations.</p> <p>Minutes and attendance records for Business and Biodiversity Forums (Y2 & 3).</p> <p>Minutes of U-PCLG meetings (annual); evidence of implementation of project findings</p>	<p>We have the minutes from the Natural Capital Forum round table in August 2017 and of the workshop earlier this week. We also have the UPCLG meeting minutes from IIED.</p> <p>Natural Capital Forum: The plan is for an Imperial Masters student to undertake a case study Natural Capital account of the Kasosi water treatment plant, which was a project suggested by WCS. The student will undertake her field-work in</p>

	<p>in organisations' policies and practice (end Y3).</p>	<p>May/June, complete the Natural Capital account in July/August and then the results can be presented to the developer and government. Further discussions can be held in April (when Julia is back in Uganda) about how to engage with businesses for the Natural Capital Forum.</p> <p>Simon Nampindo (WCS) suggested that you either influence government (like COMBO or the CONNECT projects) or target individual projects. Our Darwin project targets both by working with NEMA as a project partner, and by seeking to engage businesses on the Forum. However, the team need to plan to maximise the impact of our events in Year Three. For example, are there existing events where we can present at or whether we should use our budget to host our own session? It is essential to target the right people.</p> <p>Francis: The Natural Capital Forum needs to be developed first, which will then help attract people. How fast can we establish this Forum?</p> <p>It was agreed that to gain traction, it should be led by the Ugandan Government and as there are so many committees already existing, we should join with an existing one, like the Top Policy suggested by the Uganda Bureau of Statistics. Francis thinks this could be taken further, for example, by the National Planning Authority (NPA). At the moment, we are still discussing ideas.</p> <p>ACTION: Francis to discuss this potential with the Executive Director of NEMA and provide Julia with feedback in April. Need to plan for either the Top Policy or NPA.</p> <p>Francis suggested that NEMA could have a memorandum of understanding with the Chamber of Commerce to help engage with businesses. We must remember to make sure that is a sustainable Forum</p>
<p>Output 1:</p>	<p>Annual reports of the project team to Darwin. Minutes of 6-monthly project meetings and powerpoint presentations made. Presentations to Advisory Committee (annual).</p> <p>By project end, two research papers are published in peer reviewed journals and one IIED research report is published and available to download on the IIED website</p> <p>By project end, the research is presented at a minimum of one international conservation conference and at least one international</p>	<p>On track.</p> <p>On track, see above.</p> <p>Present research findings at conferences: Victoria presented at the International Congress for Conservation Biology in 2017. In terms of presenting at an international biodiversity offset meeting – maybe we could present our work at the</p>

	biodiversity offset policy meeting	BBOP meeting in November 2018? Victoria - To report on the engagement with SNAPP project.
Output 2	Document containing approved recommendations for revision of the Sustainability Management Plan for Kalagala, that make explicit the social net positive commitment, and how they will achieve it	See above
	Document containing approved recommendations for a Sustainability Management Plan for Isimba, that make explicit the social net positive commitment, and how they will achieve it.	
	Minutes of local and national-level meetings, publications in local languages	There is a small budget for NU in Year Three for further dissemination of project results. This could be in the form of fliers and policy statements/ briefs for the higher levels (e.g. District level). Meetings with posters could be held in the villages. Posters in the local language will be left with the LC1 (local Chairman). This money can also be used to engage with other stakeholders, for example, hosting a NGOs or the UPCLG. A bigger policy meeting can be held to engage more national policy level people. ACTION: NU to share with the team their dissemination plans for review.
	Analysis of meetings and reports from NEMA and MoWE in Y3, site visit report from NEMA, minutes of final project meeting	We need to keep discussing the potential site visit and meetings with NEMA
Output 3	A report of the training for NEMA staff on the new guidelines posted on the project website	NEMA staff training (output 3) is to be carried out between April and September 2018. The plan is to link this training with COMBO's second training session. In addition to NEMA staff, other target audiences for the training will include: Government, oil companies and EIA consultants. The Darwin project team will plan training material for social NNL, including topics to be covered, exercises who will run it. Action: Julia to follow up with Beatrice about training. In terms of verification, a report on the training will be needed for the project website, which should include feedback forms by attendees on how useful they felt the training was. Francis suggested to give participants a certificate at end of the training, from both WCS and NEMA.
	By project end, the new guidelines are listed	See above: national level Social NNL principles in development with launch event

	on NEMA's website and NEMA hosts an event to formally launch the new guidelines in Kampala	planned. Derek: could be worth writing something for the local press with photographs and perhaps have it related to, for example, World Environment Day
	By project end, Social and Environmental Impact Assessment reports (or equivalent) of a minimum of two biodiversity offsets in Uganda are published that make reference to application of the new guidelines	Minimum of two biodiversity offsets in Uganda, where ESIA's are published with reference to applying our Social NNL principles: One could be the Kasosi water treatment plant – Julia to follow up with Beatrice, Simon and Francis. Derek suggested Total could be a good case study. Total's discussions also include lots about the social aspects.
	Guidelines document on BBOP website and launched at project/BBOP co-hosted international meeting in Oxford	BBOP guidelines – We will follow up with Kerry ten Kate (BBOP) in the UK to discuss the draft social NNL principles. They could be drafted and branded as IIED for Year Three initially. Or the principles could be a Wild Business or ICCS branded document, which would be free? Could also discuss with BBOP about giving a BBOP webinar on the draft principles for further consultation with the international community.
	Public documentation of commitments by businesses concerned on website, or reference to guidelines made in specific offset project documents	See above.

5.7 Budget for Year Three – All

- NU has budget for dissemination of research findings and getting feedback in both Years Two and Three.
- NEMA – Francis to talk with Julia and Beatrice about training of NEMA staff in Year Three.
- The dissemination materials need to be kept short and simple with lots of graphics. Julia suggested that we think about whether using infographics would be useful. It is important to think about innovative outputs.
- Perhaps someone from NU could be flown out to attend the workshop in Oxford and present their research.

5.8 Planning Year Three’s programme and dissemination outputs to maximise impact and legacy – All

- Covered in the sections above.

5.9 Reflections from the advisory committee

- Panta:
 - So far, the execution of the project has gone well and things are moving according to the schedule.
 - One issue to think about is engagement with the private sector. The private sector is quite suspicious about things that have to do with the environment. We need to find a way to engage with them.
 - We talk a lot about engaging with Total, but we should also engage with CNOOC (China National Offshore Oil Corporation) and their environmental people.
 - Panta will try and find a contact in CNOOC, but David Ochanda (Total) might also have a contact with them.
 - Looking at how to have the best impact at Bujagali and Isimba for the local people and biodiversity – we should really emphasise feedback with communities as they are not empowered and they do not have knowledge. This might help them to start asking questions which might make people more accountable.
 - Feedback will help the communities realise that they are entitled to things like a clean environment. We must also take into account gender issues and make sure that women have information too.
 - In terms of the Bujagali refinancing, this is a good opportunity but like the ones before, he hopes the World Bank will be more responsive and take responsibility. They are under pressure as it is very controversial.

- Derek:
 - He agreed with everything that Panta said.
 - He pointed out that the villages are too small on a map presented in the social studies.
 - As far as biodiversity is concerned, quite a large landscape is being considered which makes sense, because in the smaller forests, many of the specialist species might not have viable populations. However, if you have some regeneration (e.g. in Mabira), what is lost in these small forest patches might be gained in Mabira to get an overall NNL of biodiversity.
 - However, with people, we have to act much more locally. There is a dichotomy where it is good to have a large landscape for biodiversity but people need to be considered at a local level.
 - There are some other large businesses operating in the study area (e.g. Nile breweries, sugar, electricity) and it might be good to have a meeting with them in Jinja so that they can be engaged in the project.
 - You also have background changes which are hard to disentangle from the issues with our project. For example, one obvious change is the increasing population and demand for fuelwood which changes the habitat.
 - The project has been very successful so far and the prospects for final year look good.
 - One of the biggest challenges will be the institutionalisation, which might be an uphill battle but it is an important one.

5.10 Closing remarks

E.J. ended the meeting by thanking all participants for their time and contributions.

6 Dissemination of preliminary results in villages

Refer to Appendix E for a detailed report on the village meetings where the preliminary results from the biological and social surveys were presented to local communities in the study area.

Appendix A: Natural Capital approaches and Social 'No Net Loss' for development in Uganda workshop minute

Appendix B: UPCLG meeting agenda

Time	Session	Lead
9.00 - 9.30	Arrival, registration and tea/coffee	
9.30 - 10.00	Welcome from U-PCLG Chairman	Arthur Mugisha
10.00 - 10.15	Introduction to the NNL Project	EJ Milner-Gulland (Oxford)
10.15 - 10.45	Findings from the biological surveys (15 mins talk, 15 mins questions)	Nature Uganda team
10.45 - 11.15	Social No Net Loss for Uganda's largest hydro-power project: initial findings (15 mins talk, 15 mins questions)	Victoria Griffiths (Oxford)
11:15 – 11:30	Refreshments	
11.30 – 11.45	Progress on developing a Natural Capital Forum for Uganda	Julia Baker (IIED)
11.45 – 12.00	Plans for Year 3: discussion and feedback	EJ Milner-Gulland (Oxford)

Appendix C: Attendance register for the Year Two annual project meeting

- E.J. Milner-Gulland – Oxford University
- Victoria Griffiths – Oxford University
- Dilys Roe - IIED
- Julia Baker - Consultant to IIED
- Francis Ogwal – NEMA
- Dianah Nalwanga – Nature Uganda
- Lilian Twanza - Nature Uganda
- Beatrice Kyasiimire - WCS
- Panta Kasoma - Jane Goodall Institute (Advisory Committee)
- Derek Pomeroy – Makerere University (Advisory Committee)

Appendix D: Agenda for the Year Two annual project meeting

Time	Session	Lead
13.30 - 14.00	Deliverables and milestones in Year 2, and progress against them	E.J. Milner-Gulland
14.00 - 14.30	Review of Theory of Change: how are we progressing, and are there any changes?	Dilys Roe
14.30 - 15.00	Deliverables and milestones for Year 3	Julia Baker
15.00 - 15.30	Tea break	
15.30 - 16.00	Budget for Year 3	All
16.00 - 16.30	Planning our Year 3 programme and dissemination outputs to maximise impact and legacy	All
16.30 - 17.00	Reflections by the advisory committee	All

Appendix E: Report on village feedback meetings