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ANNEX 5

to the Commission Implementing Decision on the financing of the multiannual action plan in favour of the Republic of Uganda for 2022-2024

Action Document for Partnering for Forests in Uganda

MULTIANNUAL PLAN

This document constitutes the multiannual work programme in the sense of Article 110(2) of the Financial Regulation, and action plan in the sense of Article 23(2) of NDICI-Global Europe Regulation.

1. SYNOPSIS

1.1. Action Summary Table

1. Title CRIS/OPSYS business reference Basic Act	Partnering for forests in Uganda CRIS number: NDICI AFRICA/2022/043-969 OPSYS number: ACT-61324 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
2. Team Europe Initiative	No
3. Zone benefiting from the action	The action shall be carried out in Uganda.
4. Programming document	The EU Multi-Annual Indicative Programme for Uganda (2021-2027)
5. Link with relevant MIP(s) objectives/expected results	1. Promoting a sustainable environment and natural resources management Specific Objective 1. 2. Promoting a sustainable development of the forestry sector in Uganda With direct contributions to Specific Objective 1.4 Supporting Uganda to develop financing for climate action; Specific Objective 2.1 Promoting sustainable investments; Specific Objective 2.3 Promoting decent employment; Specific Objective 3.1.2 Access to justice is increased and institutions are effective and accountable
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	Green and Climate Transition (priority area 1), with links to Promoting Sustainable and Inclusive Growth and Jobs (priority area 2) and to Promoting Democratic Governance and Social Inclusion (priority area 3)
7. Sustainable Development Goals (SDGs)	Main SDG : Life on land (SDG 15) Other significant SDGs : Decent work and economic growth (SDG 8); Climate Action (SDG 13); Peace, justice and strong institutions (SDG 16). Gender Equality (SDG5); SDG 12 – responsible consumption and production.
8 a) DAC code(s)	312 Forestry (80%) 410 Environment Protection (20%) <u>Other significant sectors, linked to 312 and 410:</u>

	151 Government and Civil Society; 240 Banking and Financial Services; 250 Business and other services; 321 Industry.			
8 b) Main Delivery Channel	Channel 13000 or 41000 Indirect management with the entity(ies) to be selected in accordance with the criteria set out in section 4.4.4 Channel 12000 Direct Management with a public body.			
9. Targets	<input type="checkbox"/> Migration <input checked="" type="checkbox"/> Climate <input type="checkbox"/> Social inclusion and Human Development <input type="checkbox"/> Gender <input checked="" type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance			
10. Markers (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Climate change adaptation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Internal markers and Tags:	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation @	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Tags: digital connectivity		<input type="checkbox"/>	<input type="checkbox"/>
	digital governance		<input checked="" type="checkbox"/>	<input type="checkbox"/>
	digital entrepreneurship		<input checked="" type="checkbox"/>	<input type="checkbox"/>
	job creation		<input checked="" type="checkbox"/>	<input type="checkbox"/>
	digital skills/literacy		<input checked="" type="checkbox"/>	<input type="checkbox"/>

	digital services		<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Connectivity @ Tags: transport people2people energy digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Migration @ (methodology for tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities (methodology for marker and tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	Budget line(s) (article, item): BGUE-B2023-14.020121-C1-INTPA Total estimated cost: EUR 40 000 000 Total amount of EU budget contribution: EUR 40 000 000 The contribution is for an amount of EUR 40 000 000 from the general budget of the European Union for 2023, subject to the availability of appropriations for the respective financial year following the adoption of the relevant annual budget, or as provided for in the system of provisional twelfths.			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing	Indirect management with the entity(ies) to be selected in accordance with the criteria set out in sections 4.4.2 and 4.4.3 Direct management through: - Grants			

1.2. Summary of the Action

The Partnering for Forests in Uganda programme contributes to the implementation of Sector 1.1 - Promoting a sustainable environment and natural resources management; Specific Objective 1.1.2. "Promoting a sustainable development of the forestry sector in Uganda" of the priority "Green and Climate Transition" of the Multiannual Indicative Programme 2021-2027.

The action is based on the extensive experience of the EU in the forestry sector, in particular the 15 year experience in supporting the country to develop a commercial forestry sector. The action aims at tackling the roots causes of deforestation in Uganda while promoting reforestation and sustainable economic development in an integrated and comprehensive manner by focusing on the following key areas of work:

1. To increase inclusive investments and decent job opportunities for women and men in sustainable forestry and forest-based value chains;
2. To increase forest cover by both decreasing deforestation & forest degradation and promoting forest restoration and community support to preservation efforts;
3. To enhance effectiveness of forest resources governance, protection and management.

The implementation of the programme will be closely aligned to the roll-out of the Forest Partnership to be signed between the European Union and the Government of Uganda.

The Action will mainly target SDG: Life on land (SDG 15) while contributing to other significant SDGs: Decent work and economic growth (SDG 8); Climate Action (SDG 13); Peace, justice and strong institutions (SDG 16), Gender Equality (SDG5); Responsible consumption and production (SDG 12).

The action is aligned with the main EU policies in the forestry sector – Green Deal¹, Stepping up EU Action to Protect and Restore the World’s Forests², Farm to Fork Strategy³, Biodiversity Strategy 2030 and the Circular Economy Strategy⁴ – while directly contributing to several programmes of the National Development Plan III⁵, the revised National Determined Contributions⁶ and the forest policies of Uganda⁷.

2. RATIONALE

2.1 Context

According to data from 2020, forests cover is about 2.3 million ha or 12% of Uganda’s land area⁸. 31% of this forest cover is classified as tropical high forest, 61% as woodland and 8% as plantations. In terms of tenure, 62% is protected forest and falls under public management and 38% is private forest.

Since 1990, 59% of the total forest cover has been lost with the highest losses occurring in the category of private forest (77%, versus 22% for public forest).

The country’s needs for wood fuel, and variety of wood products (construction timber, poles, panels, pulp and paper products) are increasing while concomitantly the capacity of Uganda’s forests to provide habitats for flora and fauna, and helping mitigate climate change, is decreasing. The importance of forest products and services for Uganda and its population can be illustrated by the following figures and statistics:

- Forest ecosystems are Uganda’s principal source of energy since woody biomass accounts for 78% of energy production. (Ministry of Energy and Mineral Development, 2016)
- Demand of industrial wood products especially for construction and consumer goods is increasing and the East African region has become a net importer of wood products
- The total financial contribution of forests to Uganda’s economy in 2018/2019 was estimated at UGX 593 billion, equivalent to 5.2% of the GDP. (Ministry of Water and Environment - MWE, 2016)⁹
- The forest’s watershed protection and carbon sequestration services are valued at UGX 117.2 billion (MWE, 2016).
- Forestry contributes to tourism revenue, employment, and household income. Several sources¹⁰ indicate estimations for the number of people employed in the forestry sector of one million, with only 100,000 (10%) in formal employment. The informal jobs in the forest sector represent an important contribution to the livelihoods of hundreds of thousands of people who are rural based and most often economically marginalized.

Looking at the major drivers of deforestation in Uganda, the following are identified as key: unsustainable agricultural expansion, urban area expansion, wood fuel extraction and illegal logging from natural forests, artisanal mining and oil extraction, wildfires, livestock free range grazing, human migrations, refugee influx, weak enforcement of laws and regulations and overall poor forest governance.

From a gender point of view, women are important actors in forest management. Evidence suggests that women, who are among the poorest of the poor, and who depend on forest resources for subsistence, as safety nets and even for income, continue to be marginalised in processes of rulemaking in many partnership arrangements, including

¹ COM(2019) 640

² COM(2019) 352

³ COM(2020) 381

⁴ COM(2020) 98

⁵ http://www.npa.go.ug/wp-content/uploads/2020/08/NDPIII-Finale_Compressed.pdf

⁶ https://unfccc.int/sites/default/files/NDC/2022-09/Updated%20NDC%20Uganda_2022%20Final.pdf

⁷ National Forest Policy (2001), National Forestry Plan (2012), National Forestry and Tree Planting Act (2003), Wildlife Act (2019)

⁸ FAO Forest Resources Assessment (FRA), 2020 - reported by NFA

⁹ In “Forest Resource Utilization Transformation (FRUT) Project Document”, MWE, 2021

¹⁰ State of Uganda Forests, MWE/FAO/DfID, 2016.

collaborative forest management (CFM), and in the distribution of the benefits of forest resources. At the same time, it has been showed that women's participation in decision making at the user-group level and in forest committees had a positive impact on forest sustainability. Women's participation for example enhanced forest regeneration and reduced illegal harvesting due to improved monitoring¹¹.

From a development policy point of view, the Ugandan Government has identified, in the framework of its current National Development Plans (NDP III), "Climate Change, Natural Resources, Environment, and Water Management" as one of the key 18 programmes that implement the NDP III. While the proposed action is fully aligned to the priority of this programme, it also has direct links with various other programmes, notably with the Private Sector Development Programme, the Manufacturing Programme, the Digital Transformation Programme, the Human Capital Development Programme, the Innovation, Technology Development and Transfer Programme, the Community Mobilisation and Mindset Programme, the Governance and Security Programme and the Public Sector Transformation Programme.

From a sectoral point of view, the main elements of the current policy and regulatory framework are the National Forest Policy (2001), the National Forestry Plan (2012), the National Forestry and Tree Planting Act (2003) and the Wildlife Act (2019). The Forest policy is currently under revision with approval schedules for mid-2022. Also, the REDD+ National Strategy and Action Plan (2017) and the Ten-Year Plan of Action for Restoration of the Environment and Natural Resources in Uganda (2021-2031) are key guiding documents for forest-related actions in Uganda. The National Forest Policy (2001) states that the government will ensure the integration of gender concerns and issues into the development of the forestry sector. Strategies for implementing the policy will specifically account for gender differences in the perceptions and uses of forest products. This will include efforts to: • Increase security of tenure over forest resources for women and youth. • Encourage active participation of women and youth in decision making, resource management and sharing of benefits. • Promote changes in attitudes and organisational cultures to break down gender barriers and to provide mutual respect and dignity for all people irrespective of social group, gender or background¹².

The action falls under the Multi-Annual Indicative Programme (MIP) for Uganda (2021-2027) and directly contributes to the MIP's specific objectives "Contributing to a better conservation, restoration and protection of the natural resources and biodiversity of Uganda" and "Promoting a sustainable development of the forestry sector in Uganda". In addition, the action links up to several other objectives: (1) "Supporting Uganda to develop financing for climate action" through its activities related to Payment for Environmental Services (PES) and forest finance; (2) "Promoting sustainable investments" and "Promoting decent employment" through the envisaged development of the wood and non-wood value chains; and (3) "Institutions are effective and accountable" through the activities related to forest governance enhancement and combating forest related crimes.

Thematically, EU policy coverage is provided by the Communication on "Stepping up action to protect and restore the world's forests" (2019) which is aiming at protecting and growing the world's forest cover to improve people's health and livelihoods and to ensure a healthy planet for our children and grandchildren. Moreover, the action will be an important building block of the EU-Uganda Forest Partnership (FP). The Forest Partnership constitutes a new instrument to deliver on the EU Green Deal priorities in terms of climate, energy, biodiversity, farms-to-forks, and circular economy as well as EU's development cooperation objectives like poverty alleviation, good governance and human rights and has the objective to protect, restore and ensure the sustainable use of forests in a comprehensive and integrated way. The Action will contribute to the EU Gender Action Plan III (2021-2025) and specifically to its overall objective: "Women in all their diversity influence decision-making processes on environmental conservation and climate change policies and actions".

This action builds on the vast experience of the EU in the sector. Indeed, the EU has been supporting the forestry sector in Uganda for many decades, but in particular since 2004 it started with the Forest Resources Management and Conservation Project (FRMCP), implemented by the National Forestry Authority (NFA) from 2004 to 2008. The FRMCP was designed to improve forest management for conservation of biodiversity and increased sustainable production with a focus on the poor. After 2008, the FRMCP transitioned into support to the commercial forestry sector under subsequent phases of the Sawlog Production Grant Scheme (SPGS). As a result of SPGS, the EU has established itself as the main partner of Uganda in creating space for commercial forestry in the country. 15 years later, the impact is important, in particular in terms of production capacity. The new action builds and expands on

¹¹ VARIOUS AUTHORS, Gender, tenure and community forests in Uganda, CIFOR, Working Paper 87, 2012.

¹² Idem.

these achievements. Other partners are currently providing support to the sector, in particular the World Bank, the Green Climate Fund and the Global Environment Fund.

2.2. Problem Analysis

Short problem analysis:

Against the backdrop of rapidly dwindling forest cover, the associated loss of forest products and ecosystem services, and the multiple drivers of deforestation exacerbated by a high population growth and hence pressure on natural resources, a range of issues will need to be addressed when aiming at restoring the forest cover in a lasting way. It is also clear that addressing this full set of issues exceeds the capacity of a single project or actor and requires a strong policy dialogue. To respond to this complex situation, the EU and interested Member States envisage a long-term, holistic, and coordinated support to Uganda's forest sector under a Forest Partnership (FP) arrangement as mentioned above, with the proposed action as a first element of this FP. Further to this, a good number of national and donor-funded forest-related interventions are currently under implementation or being planned. For the obvious reasons of avoiding duplications, identifying important gaps and potential synergies, a mapping of these interventions was conducted during the identification process for the present action.

For this action, the following specific issues and/or gaps have been selected for support:

- Need for capacity building for value addition, knowledge on handling / operating and management of basic infrastructure/equipment for wood harvested from the plantations.
- Knowledge gaps and lack of coordination and need for increased focus in the development of value chains based on Non-Wood Forest Products (NWFP), especially around forests (as buffer zones) using agro-ecological approaches.
- Lack of structured linkages between the forest related enterprises (both production and conservation aspects) and financial sectors, resulting in poor investment in the sector and in difficult access for forest actors to loans and dedicated funds.
- Lack of funding for the implementation/continuation of valuable processes and programmes developed and ran by the public forest sector: CFR boundary demarcation and registration; institutionalisation of the newly developed Standard Forestry Practices; roll out of participatory forest management arrangements (CFM/CLA) with forest adjacent communities; the establishment of a timber tracking system.
- Lack of operational funding for civil society initiatives related to the restoration of biodiversity hotspots and water catchment areas and for the roll out of systems for "Payment for Ecosystem Services".
- Failure to act against illegalities in the forest sector.
- Lack of expertise and capacity in the public forest sector for database development and management, including for the harmonisation and integration of the several databases currently existing in parallel.
- Lack of gender approach and integration of women in the forest management.

These problems are to be tackled with the interventions identified under this action.

Identification of main stakeholders and corresponding institutional and/or organisational issues to be covered by the action:

Public sector: the main stakeholders in public sector are the National Forestry Authority (NFA), the Forest Sector Support Department (FSSD) of the Ministry of Water and Environment (MWE) and the District Forest Service (DFS). FSSD is responsible for formulating forest policies, legislation, and standards, provides technical advice and coordination services on behalf of the MWE. NFA is a semi-autonomous body under the MWE and is mandated to manage Central Forest Reserves (CFRs) on a sustainable basis and to supply high quality forestry-related products and services to government, local communities, and the private sector. The DFS falls under the district local governments (DLGs) and oversee the management of Local Forest Reserves (LFRs). Other partners will be the National Management Environment Authority, the Uganda Wildlife Authority; district authorities and the Ministry in charge of land.

The involvement of the mentioned public sector actors will be crosscutting throughout the entire set of envisaged activities; they will also benefit from several capacity strengthening activities.

Private sector: In line with the action's objective to enhance the sustainable contribution of the forest sector to the national economy, private sector actors will be key stakeholders. An important group – related to the sustainable

wood product value chain – will be the private tree growers (beneficiaries of EU-funded SPGS project which ended in 2021) and their association (UTGA). Furthermore, partnerships will be explored and established with actors from the finance sector.

Civil society: Uganda counts a good number of performant environmental NGOs. Apart from a role as possible partners for activities related to participatory forest management, forest restoration, PES and promotion of other forest-based livelihood options for forest-adjacent communities, they will also benefit from the action's training programmes related to forest finance and forest crime. A particular focus will be given to women-inclusive NGOs and CSOs.

Forest-adjacent communities will cooperate in and benefit from the action's activities related to the development of wood and NWFP value chains, to the implementation of participatory forest management arrangements, to the establishment of PES and the promotion of alternative livelihood options including agro-ecological farming approaches, and to resolving human-wildlife conflicts.

Other donors: in particular the World Bank who is currently funding a major forest programme in the country.

3. DESCRIPTION OF THE ACTION

3.1 Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to enhance the sustainable contribution of Uganda's forest resources to national inclusive economic growth and to global efforts to address climate change and loss of biodiversity.

The Specific(s) Objective(s) (Outcomes) of this action are:

1. To increase inclusive investments and decent job opportunities for women and men in sustainable forestry and forest-based value chains.
2. To increase forest cover by both decreasing deforestation & forest degradation and promoting forest restoration and community support to preservation efforts;
3. To enhance effectiveness of forest resources governance, protection and management.

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:
Contributing to Specific Objective 1:

- 1.1 Enhanced capacities, investments and funding to support the development of a sustainable wood value chains.
- 1.2 Enhanced access to business growth opportunities for selected non-wood forest products (NWFP).
- 1.3 Improved capacities and opportunities for forest actors (private sector, government, civil society social partners) to access forest finance.

Contributing to Specific Objective 2:

- 2.1 Participation of selected forest adjacent communities in forest management and protection appropriately enhanced.
- 2.2 Enhanced infrastructure and technical capacity to demarcate and officially register boundaries of selected Forest Reserves.
- 2.3 Management plans of selected FR revised and better implemented.
- 2.4 Enhanced access to resources for restoration of Wildlife corridors in selected landscapes.

Contributing to Specific Objective 3:

- 3.1 Enhanced infrastructure and technical capacities of the forest product tracking system;
- 3.2 Enhanced infrastructure, awareness and capacities of relevant stakeholders in combating forest and wildlife crimes and associated offenses.
- 3.3 The Standard Forestry Practices developed and better implemented.
- 3.4 UWA/NFA/FSSD's professional capacities in IT and database management strengthened.
- 3.5 Strengthened capacity of local governments on environment and natural resources governance. Empower civil society and social partners to support local government governance of natural resources.

3.2 Indicative Activities

Activities related to Output 1.1: Wood product Value Chain

Support and facilitate technical operations of harvesting, extraction and transport of selected tree growers; support establishment of primary and secondary processing units; Establish a conducive and responsible business environment; Strengthen capacities and skills of the various stakeholders ensuring targeting of women and youth where feasible in all steps of the value chain.

Activities related to Output 1.2: NWFP Value Chains

Stocktaking and analysis of existing initiatives; Feasibility assessments; selection of NWFP with potential, upgrading, integrating and upscaling existing initiatives to form sustainable national-level value chains.

Activities related to Output 1.3: Capacities to invest in forests and access finance

Increasing access to finance for producers and SMEs (with a specific support for women-led SMEs) from major financial institutions by strengthening the involvement of intermediaries; Training of actors in preparing bankable projects; Connecting producers and industries with the finance sector and mentoring; Increasing awareness of forest-based and supported value chains among actors of the local finance sector; Development of new financial packages and innovative financial mechanisms for conservation and restoration.

Activities related to Output 2.1: Participatory Forest Management

Implementation of Collaborative Forest Management (CFM) applications in central forest reserves (CFR); Securing and protecting local private/communal forests; development of livelihood options (link to wood and non-wood forest products value chains, ecotourism, Payment for Ecosystem Services), strengthening leadership capacity for women to be involved in forest management.

Activities related to Output 2.2: Forest reserves boundary demarcation and registration

Demarcation and registration of selected forest reserves, digitization of the current boundary maps of Forest reserves, especially in Lakeshore and Sango Bay ranges; transfer of the digitized map records into the National Land Management Information System (LMIS); verification and cross-checking the land titles.

Activities related to Output 2.3: CFR governance and management.

Revision of forest reserves management plans and support to their implementation; capacity strengthening of concerned district forest offices, plans are based on risk and vulnerability assessments, and on gender and conflict analysis of the different impacts of climate change and environmental degradation on women and men (GAPIII).

Activities related to Output 2.4: Wildlife Corridors in the selected landscapes

Securing forested land in identified critical linkages; actual restoration of the linkages through reforestation or Assisted Natural Regeneration (ANR); organisation of community-based monitoring, patrolling and maintenance activities (capacity building for women and youth to be involved in these activities), linked to performance-based incentives (PES, IGAs, Carbon offsets). Monitoring due implementation of relevant regulations and bylaws; restoration of water catchment protection forests; supporting the local District Forest Offices; addressing current human-wildlife conflicts.

Activities related to Output 3.1: Forest product tracking system

Facilitate the installation of a timber tracking system and support its roll out.

Activities related to Output 3.2: Combating forest and wildlife crimes and associated offenses

Development and roll out a Rapid Reference Guide (RRG) on Forest and wildlife Crime; training for investigators and prosecutors on forest and wildlife offenses, for NFA and customs officers; crime scene management training; forest management and control systems; conduct a corruption risk assessment and formulate the measures to address these risks in the forestry sector; supporting financial investigations into forestry related offences; establishment of an inter-agency working group on forest crime.

Activities related to Output 3.3: Standard Forestry Practices (SFP)

Institutionalisation of the newly developed and approved SFPs including the development of SFP guidelines and protocols; training of forestry practitioners (FP) at forest management unit (FMU) level and district/ sub county levels; development of training courses for certification of FPs in high risk operations and conduct the trainings; facilitate the issuance to FPs at forest management unit (FMU) level and district/ sub county levels; supply with specialised equipment and tools to implement the new SFP system; training staff to operate and maintain the Forest Management Information System at different levels; carry out forest studies; Develop and implement site specific adaptation plans. All activities related to this output will be implemented with gender considerations particularly in selecting the target groups and final beneficiaries.

Activities related to Output 3.4: Capacities in IT and database management:

Train and Procure GIS Hardware and Software related tools and equipment for the implementing agencies. Activities related to Output 3.5: Environment and natural resources governance structures strengthened

Establishment and operationalization of relevant local government environment and natural resources committees, building capacity of committee members and technical officers, development of guidelines and procedures and of reporting system and strengthening institutional capacity of the National Environment Management Authority and Lead Agencies.

In addition, the programme will support national awareness raising campaigns organized by the Government as well as support the Government in fulfilling its coordinating role in the sector.

3.3 Mainstreaming

Environmental Protection & Climate Change

Environmental protection and climate change are at the core of this action with a clear focus on improved forest governance, management and conservation. In relation to climate change, by increasing the forest cover and protecting the remaining forests, the action will contribute to enhancing Uganda's carbon sequestration capacity and hence to mitigating global climate change.

Forest actors will be trained in the development of bankable forest related business proposals that will necessarily comply with the established Environmental, Social and Governance (ESG) criteria.

Outcomes of the EIA (Environmental Impact Assessment) screening:

The EIA (Environment Impact Assessment) screening classified the action as Category C (no need for further assessment).

Outcome of the CRA (Climate Risk Assessment) screening:

The Climate Risk Assessment (CRA) screening concluded that this action is at no or at low risk (no need for further assessment).

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This implies that the action recognizes gender equality is an important and deliberate objective, but not the principal reason for undertaking the project/ programme.

Therefore, gender equality and empowerment of women and girls will be both mainstreamed throughout and targeted during the implementation of the action. At the level of both implementing partners and beneficiaries, due attention will be given to ensuring gender equality in terms of opportunities (training, employment), decision-making and benefit-sharing. For example, gender balances will be pursued in the envisaged formal trainings and in other capacity building activities. Women will be directly targeted in the activities related to collaborative forest management. Finally, the development of value chains for wood and for NWFP and the establishment of PES systems provide ideal opportunities for promoting gender equality in relation to decision-making and benefit-sharing.

Human Rights

The proposed action links up with human rights in the aspects of (1) right of expression and (2) right to work, corresponding respectively to articles 19 and 23 of the Universal Declaration of Human Rights. Freedom of expression will be addressed especially under the forest and wildlife crimes component of the programme. And regarding art 23, the action-supported development of value chains, will generate a substantial amount of jobs in the formal sector and help to reduce Uganda's current rate of unemployment.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. This implies that the action does not include activities that specifically aim at the integration of or care for disabled persons.

Nonetheless, throughout the implementation of the action, due attention can and will be given to opportunities for involving disabled persons.

Democracy

Strengthening capacity of state actors and institutions is a major objective in the action. The enhanced capacities should enable them to better comply with their mandates in the areas of forest governance and sustainable forest management.

In addition, the action will support the effective implementation of participatory forest management arrangements, a modality that is foreseen by law (Forest Act), and hence involving local communities in managing as well as using public forest resources.

Conflict sensitivity, peace and resilience

The action will address human-wildlife conflicts.

It is also expected that the implementation of the action will have positive effects on the resilience of local communities by the promotion of income generating activities (value chains, PES, ecotourism), by assisting them in the registration and sustainable management of local communal forests, and by improving the productive capacity of their environment (agroforestry, watershed protection).

Disaster Risk Reduction

It is recognised that a good forest cover has a regulating effect on the hydrological systems in the area under influence; in that sense, this action – by addressing deforestation and promoting forest restoration – contributes to reducing the risks for flooding as well as for wells and rivers drying up during the dry season.

In addition, the action includes an element of reforestation of slopes for watershed protection, what contributes to reducing the risks of local landslides and erosion as well as ecological systems thinking in and around forests to build resilience.

3.4 Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
3	Trained staff don't remaining in function	M	M	For sustainability, capacity building and skills enhancement will also target local authority staff.
1	The current payers in PES loose interest and commitment	M	M	Continue expanding the pool of payers; ensure good communication with the current payers to keep them motivated; base the PES design on win-win situations
2	The removal of ambiguities in the CFR boundaries is not stopping illegal issuing of land titles and other types of encroachment in CFRs.	H	H	Policy dialogue under the Forest Partnership; Organise media campaigns; Negotiate enhanced patrolling by the forest service.
3	Insufficient allocation from the national budget to the sector.	H	H	The EU will continue to advocate through the Forest Partnership.

Lessons Learnt:

- Preparatory stakeholder consultations learned that tree growers will not continue to invest in forest plantations if current facilities and opportunities for harvesting, processing and marketing do not improve in the country.
- Preparatory mapping of ongoing and planned interventions showed that the Lakeshore and Sango Bay Forest Ranges are under-supported when compared to other ranges.
- CFM / CLA work will be informed by the recent publication (2020) "Review of Collaborative Forest Management in Uganda".
- The development of new financial instruments will be based on previous successful experiences by the DFIs in the region as well as by civil society organisations especially when it comes to PES applications.
- The design of the timber tracking system to be established in Uganda is based on experiences from other countries, in particular Ghana (FLEGT).

3.5 The Intervention Logic

The proposed action aims at enhancing the multiple functions of the forests in Uganda (impact).

A first function that will be addressed is the economic function (outcome 1), whereby the contribution of forests and forest products to the national economy will be increased, amongst others by the creation of opportunities for jobs and therefore generate income for the private sector stakeholders (formal jobs), for rural communities (livelihoods) as well as for the state (fiscal revenues). In particular, the work on the wood value chain will build on the EU Delegation's 15 years' experience in commercial forestry and will focus on value addition, while the interventions on agro-forestry will aim at creating stronger business opportunities for selected products.

Secondly, the action will enhance the ecosystem service functions of Uganda's forests which include: carbon sequestration, enhancing functionality of the water cycle through increasing and conserving forest cover, provision of habitat to fauna and flora, eco-system services to neighbouring agricultural communities and landscape amenity value (outcome 2). To enhance these ecosystem service functions, the action aims to increase forest cover both by reducing the current deforestation rates and by actively restoring deforested and degraded forest landscapes. The action will also target selected neighbouring agricultural and other forest-based livelihood communities to sustainably function within existing eco-systems. It will also contribute to more transparency in the management of forest reserves by supporting surveying and boundary openings of selected reserves as well as by improving their management plans.

The two outcomes are interlinked in the following ways: (1) participatory forest management and protection (CFM/CLA) (output 2.1) will involve local livelihood development (output 1.2, and eventually also output 1.1) with PES mechanisms as a livelihood option (output 1.3); (2) the development of a viable wood value chain (output 1.1) will incentivise the further establishment of commercial forest plantations by existing tree growers as well as newcomers, and hence increase forest cover and natural forest protection by producing alternative wood supply (outcome 2). The governance around forest reserves will provide the necessary security for the adjacent communities as well as the transparency needed for investments. The forest finance will be mobilised for both outcomes.

Outcome 3 focuses on strengthening the institutional capacity of the mandated public forest services in complying with their tasks related to forest governance, management, and protection. While contributing to the enhancement of the multiple functions of Uganda's forests in the long term and with increased national ownership, it is also directly supporting the achievement and particularly the sustainability of outcomes 1 and 2.

The three components will support the roll-out of the Forest Partnership between the European Union and the Government of Uganda.

3.6 Logical Framework Matrix

At action level, the indicative logframe should have a maximum of 10 expected results (Impact/Outcome(s)/Output(s)).

It constitutes the basis for the monitoring, reporting and evaluation of the intervention.

On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest. New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

PROJECT MODALITY (3 levels of results / indicators / Source of Data / Assumptions - no activities)

Results	Results chain: Main expected results (maximum 10)	Indicators: (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	To enhance the sustainable contribution of Uganda's forests resources to national inclusive economic growth and to global efforts to address climate change and loss of biodiversity	1. Contribution of the forest sector to GDP (UGX) 2. Carbon sequestration capacity of Uganda's forest cover (tonnes CO ₂ eq) 3. Rate of deforestation of natural forests (%) ¹³	1 Tbd 2 Tbd 3 Tbd	1 Tbd 2 Tbd 3 Tbd	1 Records of Uganda Bureau of Statistics (UBoS) and MOFPED 2 Records of MWE 3 Records of MWE	<i>Not applicable</i>
Outcome 1	1. To increase inclusive investments and decent job opportunities for women and men in sustainable forestry and forest-based value chains.	1.1 Total investments in the forest sector (UGX) 1.2 # of households getting an income from forest products (disaggregated by the sex of the head) 1.3 # of households engaged in the forest-based value chains 1.4 Number of (a) jobs supported/sustained by the Action 1.5 Number of green jobs supported/sustained by (sex, age) ¹⁴ the EU	1.1 Tbd 1.2 Tbd 1.3 Tbd 1.4 Tbc 1.5 Tbc	1.1 Tbd 1.2 Tbd 1.3 Tbd 1.4 Tbc 1.5 Tbc	1.1 Records of Ugandan Bureau of Statistics 1.2-1.5 Project reports	Environment is conducive for entrepreneurship and trading; There is a transition from informal to formal economy taking place.
Outcome 2	2. To increase forest cover by both decreasing deforestation & forest degradation and promoting forest restoration and community support to preservation efforts;	2.1 Forest cover in Uganda restored and forested through the action (ha) 2.2 Areas of terrestrial ecosystems under protection through the action (km ²) 2.3 Areas of terrestrial ecosystems under sustainable management through the action (km ²)	2.1 0 ha 2.2 0 ha 2.3 0 ha	2.1 Tbd 2.2 tbc 2.3 tbc	2.1-2.3 NFA and MWE data; Project reports	The additional forest cover meets the quality criteria to play a role as carbon sink and/or wildlife habitat.
Outcome 3	3. To enhance effectiveness of forest resources governance, protection and management.	3.1 Levels of achievement of NFA's performance targets (% , as per NFA strategic plan) 3.2 Increased number of forest and wildlife related crimes and offenses prosecuted through the action.	3.1 Tbd 3.2 0	3.1 Tbd 3.2 tbc	3.1 NFA performance monitoring records 3.2 project reports and justice statistics	Trained staff remains in function; Budgets allow a sufficient level of operation.

Results	Results chain: Main expected results (maximum 10)	Indicators: (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Outcome 1: To increase inclusive investments and decent job opportunities for women and men in sustainable forestry and forest-based value chains.						
Output 1	1.1 Enhanced capacities, investments and funding to support the development of a sustainable wood value chains.	1.1.1 Volume of plantation wood processed in Uganda (m³) 1.1.2 Number of SMEs in the wood value chain (# of SMEs, %) 1.1.3 Number of women-led SMEs joining wood value chain with the support of the EU-funded intervention	1.1.1 Tbd 1.1.2 Tbd 1.1.3 0	1.1.1 Tbd 1.1.2 Tbd 1.1.3 tbc	1.1.1 NFA records, Project reports 1.1.2 Project reports 1.1.3 Project reports	Commercial tree growing to supply the value chain will be continued and expanded.
Output 2	1.2 Enhanced access to business growth opportunities for selected non-wood forest products (NWFP)	1.2.1 Volumes of NWFP processed and traded with support of the EU-funded intervention (kg, liters, bags – depending on the product) 1.2.2 Number of NWFP for which a national value chain strategy has been developed with support of the EU-funded intervention	1.2.1 Tbd 1.2.2 Tbd	1.2.1 Tbd 1.2.2 Tbd	1.2.1 Project records 1.2.2 Text of strategies and policy documents	The importance of NTFP in the <i>formal</i> economy gradually increases.
Output 3	1.3 Improved capacities and opportunities for forest actors (private sector, government, civil society) to access forest finance.	1.3.1 Number of forest actors accessing loans to invest in forest-related value chains with support of the EU-funded intervention, disaggregated by sex 1.3.2 Resources leveraged from international funding for carbon sequestration and biodiversity conservation (UGX)	1.3.1 Tbd 1.3.2 Tbd	1.3.1 Tbd 1.3.2 Tbd	1.3.1 Database of beneficiaries/participants 1.3.2 Project records	The created skills and opportunities effectively lead to growth in the private forest sector and to increased leveraging of funds for forest conservation / restoration.

Results	Results chain: Main expected results (maximum 10)	Indicators: (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Outcome 2: To increase forest cover by both decreasing deforestation & forest degradation and promoting forest restoration and community support to preservation efforts						
Output 1	2.1 Participation of selected forest adjacent communities in forest management and protection appropriately enhanced	2.1.1 Forest area brought under management of local communities with support of the intervention (ha) 2.1.2 % of women participating in local communities forest management (GAPIII indicator)	2.1.1 0 2.1.2 0	2.1.1 Tbd 2.1.2 tbc	2.1.1 Project records 2.1.2 project records	The involved communities are genuinely concerned about forest protection and sustainable management.
Output 2	2.2 Enhanced infrastructure and technical capacity to demarcate and officially register boundaries of selected Forest Reserves	2.2.1 Total length of CFR boundary demarcated and registered with support of the EU-funded intervention (km)	2.2.1 0	2.2.1 tbc km	2.2.1 Land Management Information System	The removal of ambiguities in the CFR boundaries effectively stops illegal issuing of land titles and other types of encroachment in CFRs.
Output 3	2.3 Management plans of selected FR revised and better implemented	2.3.1 Area of CFRs under improved management through project support (ha) 2.3.2. % of plans based on risk and vulnerability assessments, and on gender and conflict analysis (GAPIII indicator) 2.3.3 Number of plans of CFR revised with support of the EU-funded intervention	2.3.1 0 2.3.2 tbc 2.3.3 0	2.3.1 Tbd 2.3.2 tbd 2.3.3 tbd	2.3.1-2.3.3 NFA records; Project records	The CFR management plans include forest cover restoration (afforestation, enrichment planting, ANR).
Output 4	2.4 Enhanced access to resources for restoration of Wildlife corridors in selected landscapes	2.4.1 Number of linkages fully restored through project support (# of linkages)	2.4.1. 0	2.4.1 TBD	2.4.1 Project records	Ongoing developments (oil and gas, road infrastructure) will not further touch the wildlife corridors.

Results	Results chain: Main expected results (maximum 10)	Indicators: (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Outcome 3: To enhance effectiveness of forest resources governance, protection and management						
Output 1	3.1 Enhanced infrastructure and technical capacities of the forest product tracking system	3.1.1 Establishment of timber tracking system through the action	3.1.1 0	3.1.1. 1	3.1.1 NFA records	The government will allocate sufficient funds for the full operation of the system.
Output 2	3.2 Enhanced infrastructure, awareness and capacities of relevant stakeholders in combating forest and wildlife	3.2.1 Cases of forest crime and associated offenses brought to court (# of cases / year) 3.2.2 Number of forest crime officers trained by the intervention with increased knowledge and/or skills in detecting, preventing and managing crime scenes including effective documentation and reporting (disaggregated by sex)	3.2.1 Tbd 3.2.2 tbd	3.2.1 Tbd 3.2.2 tbd	3.2.1 Records of the Office of Public Prosecutions (ODPP) Pre- and post-training tests reports 3.2 project records	The trained stakeholders are willing to effectively contribute in fighting forest crime.
Output 3	3.3 The Standard Forestry Practices developed and better implemented	3.3.1 Number of forest practitioners trained on SFP by the intervention (disaggregated by sex) 3.3.2 Number of forest practitioners equipped with a standard field kit through project support (disaggregated by sex)	3.3.1 0 3.3.2 0	3.3.1 at least all employed forest practitioners 3.3.2 tbd	3.3.1 Project records 3.3.2 project records	The government ensures that the policy and regulatory elements of the roadmap for SFP institutionalisation are adequately addressed.
Output 4	3.4 UWA/NFA/FSSD's professional capacities in IT and database management strengthened	3.4.1 Number of FSSD, NFA and UWA professionals trained by the intervention in IT and data management	3.4.1 0	3.4.1 TBD	3.4.1 Project records, Training certificates	The government will employ the professionals and adequately equip them.
Output 5	3.5 Strengthened capacity of local governments on environment and natural resources governance	3.5.1 Number of environmental and natural resources committees established at district levels through the action (sex aggregated) 3.5.2. % of women and youth participating in the committees	3.5.1 0 3.5.1 0	3.5.1 TBD 3.5.2 tbd	3.5.1-3.5.2 project records	

		(GAPIII indicator) with support intervention				
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4. IMPLEMENTATION ARRANGEMENTS

4.1 Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the partner country.

4.2. Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3. Implementation of the Budget Support Component

N/A

4.4. Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures¹⁵.

4.4.1 Direct Management (Grants)

Grants: (direct management)

(a) Purpose of the grant(s)

The grant to the Ministry of Water and Environment is foreseen and will cover the implementation of part of the outcome 3 – on increasing institutional capacities for forest governance, protection and management, in particular for the outputs related to forest reserves boundaries demarcation and registration and management of selected forest reserves. It as well contributes to implementing part of **outcome 2** – increase forest cover by both decreasing deforestation and forest degradation and promoting forest restoration, in particular for the outputs related to forest reserves boundaries demarcation and registration and governance and management of central forest reserves.

In addition the grant will cover the cross cutting awareness raising and campaigning as well as contribute to the overall coordination of the programme.

(b) Type of applicants targeted

Public body

(c) Justification of a direct grant

Under the responsibility of the Commission's authorising officer responsible, the grant may be awarded without a call for proposals to a public body selected using the following criteria: overall responsibility in the forestry sector within the Government of Uganda; management capacity to implement development programmes; mandated to implement the activities identified in the programme.

Under the responsibility of the Commission's authorising officer responsible, the recourse to an award of a grant without a call for proposals is justified because the action has specific characteristics requiring a specific type of

¹⁵ www.sanctionsmap.eu. Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

beneficiary for its technical competence, specialisation or administrative power. This justification is based on the specific circumstances listed in Article 195(f) of the Financial Regulation.

4.4.2. Indirect Management with a pillar assessed entity

A part of this action may be implemented in indirect management with the entity(-ies), which will be selected by the Commission's services using the following criteria:

- solid technical experience in forestry
- proven experience in managing EU-funded projects
- availability of procedures for awarding direct grants to implementing partners
- preparedness to establish an office in Uganda, if not already existing
- proven ongoing relationship with the Government of Uganda
- experience in providing support to public institutions;
- experience in working with the private sector and the civil society

The implementation by this entity(-ies) entails **outputs 1.1, 1.2, 1.3, 2.1, 2.4 and 3.5.**

4.4.3 Indirect Management with a pillar assessed entity

A part of this action may be implemented in indirect management with an entity, which will be selected by the Commission's services using the following criteria:

- proven experience working in Uganda
- proven experience in managing EU funded projects
- experience on crime, trafficking of natural resources management and investigation

The implementation by this entity entails **output 3.2.**

4.4.4 Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances (one alternative second option)

In case the direct management (grants) cannot be implemented due to circumstances outside of the Commission's control then the relevant part of this action will be implemented through indirect management with a pillar assessed entity which will need to demonstrate:

- solid technical experience in forestry
- proven experience in managing EU-funded projects
- availability of procedures for awarding direct grants to implementing partners
- preparedness to establish an office in Uganda, if not already existing
- proven ongoing relationship with the Government of Uganda
- experience in providing support to public institutions;
- experience in working with the private sector and the civil society

4.5. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated

cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.6 Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)
Implementation modalities - cf. section 4.4	
Objective 1 - Outputs 1.1, 1.2 and 1.3 Objective 2 - Outputs 2.1, 2.4 Objective 3 - Output 3.5 composed of	
Indirect management with a pillar assessed entity - cf. section 4.4.2	29 000 000
Objective 3 – Output 3.2 composed of	
Indirect management with a pillar assessed entity - cf. section 4.4.3	5 000 000
Objective 2 - Outputs 2.2, 2.3 Objective 3 - Outputs 3.1, 3.3, 3.4 composed of	
Grants – Direct Management – cf. section 4.4.1	5 800 000
Evaluation – cf. section 5.2 Audit – cf. section 5.3	200 000
Totals <i>(Total envelope for grants under section 4.4.1: EUR 5 800 000)</i>	40 000 000

4.7 Organisational Set-up and Responsibilities

The overall coordination of the programme will be done by the EU Delegation and the Government of Uganda.

A project Steering Committee (PSC) will be established to oversee and to provide overall guidance to the implementation of the action. The PSC will at least comprise of representatives of the EU Delegation, the Ministry of Water and Environment (MWE), Ministry of Finance, Planning and Economic Development; public bodies involved in the programme and the implementing partners. Meetings of the PSC will be convened at least twice a year, with the possibility to organise additional ad-hoc meetings whenever there is a need or a request.

A Technical Coordination mechanism will be set up at the beginning the programme with coordination meetings to be organised four times per year.

5. PERFORMANCE MEASUREMENT

5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partners shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support). In addition, gender analysis and conflict assessment tasks will be conducted at the beginning of the intervention.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

- The EU Delegation and the Government of Uganda will have the overall oversight and monitoring role;
- The implementing partners will be in charge of identifying the baselines and monitoring the achievements of the indicators falling under their responsibility;
- The Government of Uganda is in charge of compiling data collected through national statistics.

5.2 Evaluation

Having regard to the nature of the action, a final evaluation may be carried out for this action or its components via the European Commission.

It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that the action is promoting innovative approaches to the forestry sector and present a complex set of actions. Evaluations or specific studies will be conducted to assess the extent to which the action is considering gender equality and women's empowerment.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

Evaluation services may be contracted under a framework contract.

5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle has adopted a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

It will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to

plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

APPENDIX 1 REPORTING IN OPSYS

An Intervention¹⁶ (also generally called project/programme) is the operational entity associated to a coherent set of activities and results structured in a logical framework aiming at delivering development change or progress. Interventions are the most effective (hence optimal) entities for the operational follow-up by the Commission of its external development operations. As such, Interventions constitute the base unit for managing operational implementations, assessing performance, monitoring, evaluation, internal and external communication, reporting and aggregation.

Primary Interventions are those contracts or groups of contracts bearing reportable results and respecting the following business rule: ‘a given contract can only contribute to one primary intervention and not more than one’. An individual contract that does not produce direct reportable results and cannot be logically grouped with other result reportable contracts is considered a ‘support entities’. The addition of all primary interventions and support entities is equivalent to the full development portfolio of the Institution.

The present Action identifies as:

Option 3: Contract level		
<input checked="" type="checkbox"/>	Single Contract 1	Outputs 1.1, 1.2, 1.3, 2.1, 2.4, 3.5 Contribution agreement with pillar assessed entity, EUR 29 000 000
<input checked="" type="checkbox"/>	Single Contract 2	Output 3.2 Contribution agreement with pillar assessed entity, EUR 5 000 000
<input checked="" type="checkbox"/>	Single Contract 3	Outputs 2.2, 2.3, 3.1, 3.3, 3.4 Direct grant, 5 800 000
<input checked="" type="checkbox"/>	Single Contract 4	Support entity: Procurement of service for audit and evaluation, EUR 200 000

¹⁶ [ARES \(2021\)4204912](#) - For the purpose of consistency between terms in OPSYS, DG INTPA, DG NEAR and FPI have harmonised 5 key terms, including ‘action’ and ‘Intervention’ where an ‘action’ is the content (or part of the content) of a Commission Financing Decision and ‘Intervention’ is a coherent set of activities and results which constitutes an effective level for the operational follow-up by the EC of its operations on the ground. See more on the [concept of intervention](#).