

Darwin Initiative Main Project Annual Report

Important note: *To be completed with reference to the Reporting Guidance Notes for Project Leaders:*

it is expected that this report will be no more than 10 pages in length, excluding annexes

Submission Deadline: 30th April 2017

Darwin Project Information

Project reference	23019
Project title	Achieving No Net Loss for communities and biodiversity in Uganda
Host country/ies	Uganda
Contract holder institution	University of Oxford
Partner institution(s)	National Environment Management Authority (NEMA), Nature Uganda (NU), International Institute of Environment and Development (IIED), Wild Business Ltd (WB), Wildlife Conservation Society (WCS) Uganda
Darwin grant value	£299,363.00
Start/end dates of project	01/04/2016 – 31/03/2019
Reporting period (e.g., Apr 2016 – Mar 2017) and number (e.g., Annual Report 1, 2, 3)	Apr 2016 – Mar 2017; Annual Report 1
Project Leader name	E.J. Milner-Gulland
Project website/blog/Twitter	http://www.iccs.org.uk/project/achieving-no-net-loss-communities-and-biodiversity-uganda
Report author(s) and date	Victoria Griffiths, E.J. Milner-Gulland and project core team

1. Project rationale

Governments, financial institutions and businesses worldwide are adopting No Net Loss (NNL) targets for biodiversity, and using offsetting to achieve this as part of the mitigation hierarchy. The CBD highlighted how offsets can help Parties to achieve conservation goals. The technical challenges of NNL are widely explored from an ecological perspective within [academic literature](#). However, while international guidance calls for offsets not to make local people worse off, there is a fundamental lack of understanding of how to achieve NNL with regard to people's use of, and cultural values for, biodiversity, and the social, economic and ecological trade-offs involved. This is a major challenge for countries where poor people depend on natural resources, where poorly planned offsets can exacerbate local poverty, and where impacts vary by gender and livelihood.

Uganda is adopting biodiversity offsetting to balance development with the resultant biodiversity loss. But the national importance of developments can over-shadow their significant costs to poor people, and Uganda and other nations must address issues of human rights, livelihoods and wellbeing of the individuals, households and communities affected by both developments and offsetting.

The World Bank-funded [Bujagali Hydropower Project](#) (BHP) was completed in 2012, with a Sustainable Management Plan for its offset (Kalagala) to address biodiversity and human impacts. The Isimba Hydropower Project (IHP) is being constructed downstream of BHP (planned completion in 2018). An Environmental and Social Impact Assessment of IHP and its effects on the Kalagala Offset is [now being undertaken](#). The area has high cultural, livelihood and biodiversity value. The National Environment Management Authority (NEMA), the responsible Government agency, and Nature Uganda (NU), a leading conservation NGO, have identified an urgent need to understand [how the Isimba project may affect the Kalagala offset](#), and for general guidance on monitoring and mitigating social and ecological impacts of offsetting in Uganda.

This project is supporting government, NGOs and business to integrate local poverty alleviation, equity and cultural heritage into biodiversity offsets for national economic development. From research on the biggest hydropower/offset in Uganda, it will produce, and support implementation of, local and national policy guidance for Uganda, and generate lessons internationally. The Kalagala Offset Sustainable Management Plan (SMP) considers the sharing of costs and benefits of BHP between districts and communities. Our project will take this further, supporting the Ugandan government to ensure that local people are no worse off because of the Kalagala Offset. Specifically, we will highlight imbalances between costs and benefits of the development and offset between groups (e.g. women versus men; different livelihood strategies and resource-user groups; poorer versus better off), and between geographical areas. This will enable policy-makers and practitioners to work towards a more socially just balance of development/offset impacts.

The project is located in the Buikwe, Jinja, Kamuli and Kayunga Districts of Uganda, close to the town of Jinja (Figures 1 and 2).

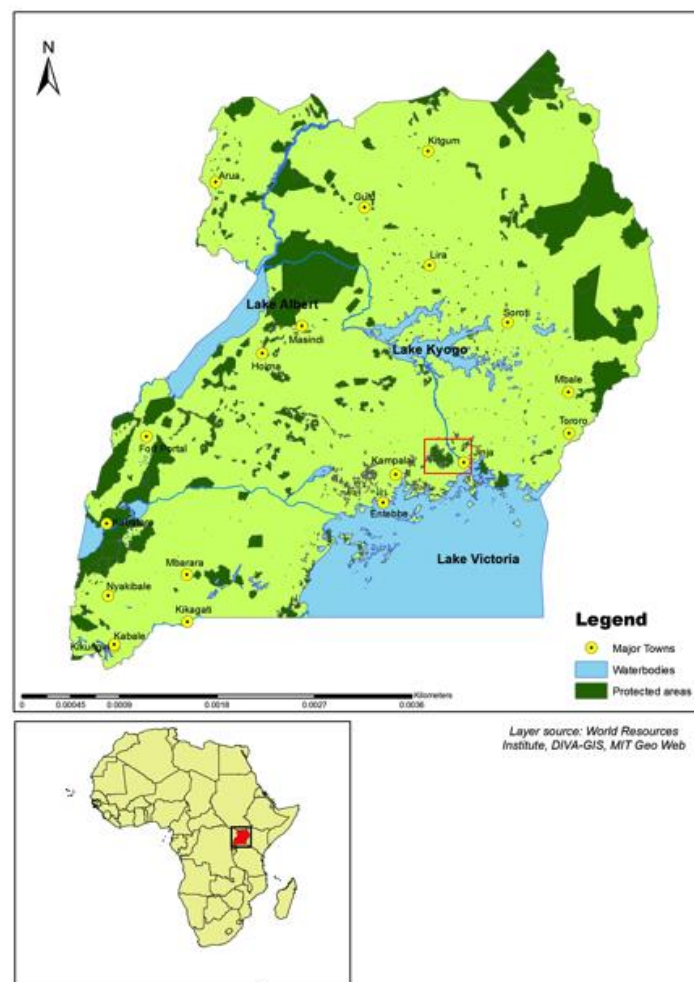


Figure 1: Location of the study area in Uganda.

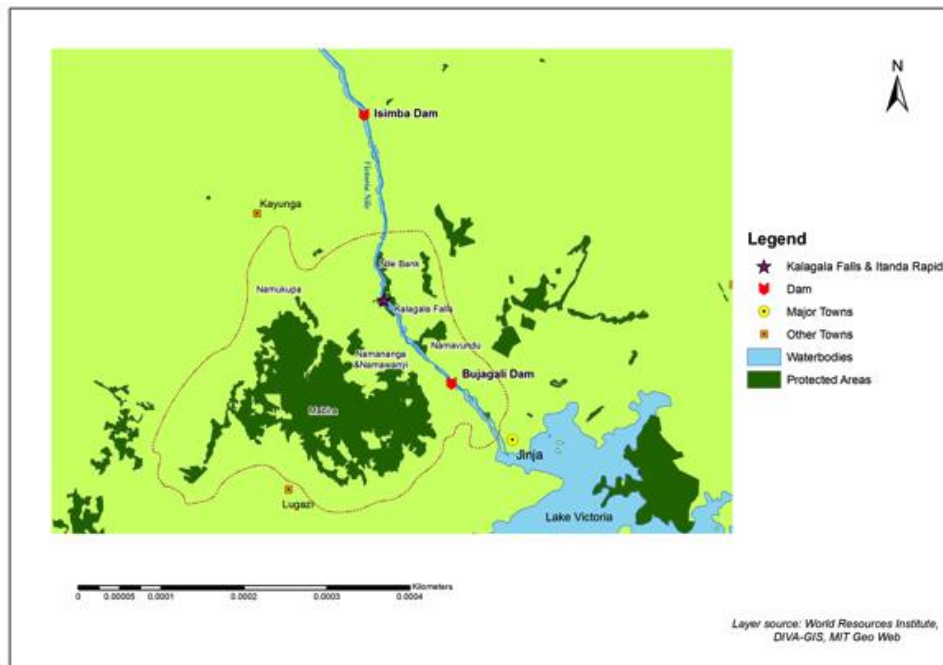


Figure 2: Study site near Jinja, Uganda.
The dotted line represents the boundary of the Kalagala offset.

2. Project partnerships

This is a collaborative project between three UK based institutions - Oxford University, the International Institute for Environment and Development (IIED) and Wild Business Ltd (WB), and three Uganda based institutions - The National Environment Management Authority (NEMA), Nature Uganda (NU) and the Wildlife Conservation Society-Uganda (WCS). Oxford University is the overall project lead, whilst NEMA is the host country lead. All project partners were involved in the development and implementation of the project, and have kept up to date with project progress through two main project meetings: an inception workshop held in May 2016 and the end of year meeting held on 3rd & 4th April 2017. In addition, skype and in-person meetings have been held between project partners on a regular basis.

NEMA is the principal agency in Uganda responsible for environmental management. They aim to promote and ensure sound environmental practices for sustainable development and are responsible for approving all Environmental and Social Impact Assessments (ESIAs) for potential development projects. NEMA identified the Bujagali and Isimba Hydropower Projects as developments of significant economic importance in Uganda and requested support from this project to assess the implementation of the associated Kalagala Offset. NEMA supported the development and implementation of the research in Year One and, in Years Two and Three, will coordinate the capacity building and training component of the project. NEMA will also organise in-country workshops, and be responsible for production, implementation and dissemination of the new national biodiversity offsetting guidelines (Years Two and Three).

NU are leading the ecological component of the research and are in the process of undertaking follow-up surveys of the Kalagala offset using the same methodologies used in the ESIA for the Bujagali Hydropower Project ESIA. This work will help us understand key changes in biodiversity over this time period, as well as potential impacts on ecological features from the planned Isimba Hydropower Project. NU is working closely with Oxford University, with the Project Leader, E.J. Milner-Gulland (Oxford University) having reviewed NU's protocols before their fieldwork commenced. NU has also been coordinating their research with Oxford's main researcher, Victoria Griffiths, who is looking at the social components of the research.

WCS are leading a project called COMBO (Conservation, Impact Mitigation and Biodiversity Offsets in Africa) which aims to help reconcile economic development and conservation by supporting government policies which improve mitigation of industry impacts by supporting the uptake of best practice in the application of the mitigation hierarchy. Uganda is one of the four

African countries that they are working in. Our project is collaborating closely with COMBO and, through this partnership, our project will be involved in the development of new national biodiversity offset guidelines for the country. This drafting will take place in Year Two of our project and will link closely with the wider work on biodiversity offsetting in Uganda by COMBO. This project also builds on the existing relationships that Oxford University has with IIED and WCS, through working on two other Darwin Projects.

NU, Oxford University and WCS will work together in Year Two to compile a single technical report on their findings which will be presented at a research workshop in Year Two. NU and Oxford University will also be involved with disseminating the research findings in the project area. WB and IIED are providing technical support to Oxford, NU, NEMA and WCS and will help with the dissemination of the fieldwork results and the national and international guidelines that will be produced in Years Two and Three. They will also support engagement with businesses in Uganda, and together with WB will support dissemination of the results to the business community in the UK and internationally.

3. Project progress

3.1 Progress in carrying out project Activities

The activities that were planned for Year One (in the proposal) are presented in the GANTT chart below. They all fall under Output 1.

Activity	No. of months	Year 1			
		Q1	Q2	Q3	Q4
Output 1: Research on the costs and benefits to local people and biodiversity of the Bujagali/Isimba Hydropower Projects and the Kalagala Offset					
1.1 Inception workshop	1				
1.2 Collate existing datasets	3				
1.3 Social field surveys	8				
1.4 Ecological field surveys	8				
1.5 Analyse datasets, write up	10				
1.6 Research published and disseminated	12				
1.7 Project meetings	1				
1.8 Research workshop	1				
1.9 Annual presentations to Advisory Committee & reports to Darwin	3				

Activities that have been carried out as part of the project have been broadly in line with the schedule proposed above, with the exception of the ecological field surveys, which were slightly delayed but have now commenced. The ecological field surveys began in the fourth quarter of Year One (as opposed to the second quarter) and will finish in the first quarter of Year Two (as opposed to the fourth quarter of Year One). Although there were administrative delays which contributed to this (as outlined in the Half-Year Report), a particularly pertinent reason was that, on reviewing the original surveys done for the ESIA before the dam was built in 2006, we found that these surveys were undertaken during March. For ecological comparability (because of the presence of migratory bird populations at particular times of year) it was important that the re-surveys under our project were as closely aligned in time to the original surveys as possible. There were no financial delays associated with the temporal delay because the majority of the funding

was for staff time, which was still incurred, and as fieldwork started in early April, the costs of field equipment and vehicle hire were still incurred in Year 1.

Progress on implementing the activities for Year One is discussed below.

1.1 Project inception workshop

A project inception workshop was held at the Makindye Country Club, Kampala on the 23rd and 24th May 2016. It was attended by all project partners and two out of three Advisory Committee members: Oxford University: [E.J. Milner-Gulland](#), [Victoria Griffiths](#) and [Carlyn Samuel](#). NEMA: [Francis Ogwal](#). NU: [Achilles Byaruhanga](#), [Michael Opige](#) and [Judith Mirembe](#). IIED: [Dilys Roe](#) and [Julia Baker](#) (consultant to IIED). WCS: [Simon Nampindo](#) and [Beatrice Kyasiimire](#). Wild Business: [Joseph Bull](#). Ministry of Water and Environment (MoWE): [Mark Infield](#). Jane Goodall Institute (JGI): [Panta Kasoma](#).

The inception workshop started with a series of presentations by each team, setting out their prior work on the topic and their plans for the project. Presentations were also given on the national and international context of biodiversity offsetting and No Net Loss. Next we went through the logframe clarifying timings, roles and responsibilities. Dilys Roe then led us through an exercise to develop our project's Theory of Change based on the logframe. Then we mapped the Theory of Change onto the logframe and checked for mismatches and holes which needed filling. Finally, we mapped the budget onto the activities called for in the Theory of Change and checked again for mismatches.

After the inception workshop, an inception workshop report was compiled and distributed to all partners. A '[Basecamp](#)' site has been created to facilitate communications, and all project partners have been invited to join. The workshop report, minutes of the meeting, powerpoint presentations and updated project documents arising from the workshop have all been shared here with project members. A [project website](#) was also developed and a project flyer produced.

1.2 Collate existing datasets

The social data in the Environmental and Social Impact Assessments (ESIAs) and Social Impact Assessments (SIAs) for both the Bujagali and Isimaba dams have been reviewed by Victoria Griffiths, researcher at Oxford University. Villages for this project's fieldwork were selected based on the villages included in these ESIAs and in discussion with the local District Environmental Officers.

NU has collated existing biodiversity datasets (for plants and animals) for the study site in order to inform selection of sites for repeat surveys. They have also reviewed the methodology used to collect ecological data for the Bujagali ESIA and are replicating this methodology during their field surveys in 2017.

In addition, a stakeholder and institutional analysis was carried out for the Bujagali and Isimba dams and the Kalagala offset. This was done by Wild Business on behalf of Oxford University.

The need for this analysis was identified when the project team developed their Theory of Change during the inception workshop; the analysis was considered critical to fully understand the supply chains involved with these projects in order to target dissemination of the research findings, and other aspects of the project, effectively.

The first objective was to identify and map all stakeholders involved with the Bujagali and Isimba Hydropower Projects and the Kalagala Offset, defining their roles and responsibilities. Then an institutional analysis was carried out for each component of the case study (Bujagali, Kalagala and Isimba). The second objective was to provide recommendations for future business engagement in Uganda by identifying collaborative opportunities, an engagement strategy and approach, practicalities and the target audience. The analysis was undertaken during a field visit between September-October 2016, carried out by Nafeesa Esmail (consultant to Wild Business). Nafeesa collated all the available literature on the dams and offset and carried out key informant interviews with all relevant stakeholders including all project partners. The resultant report is appended to this report. It is currently under final review by the project team and will be published and available online by the end of May 2017.

1.3 Social field surveys

Two field trips were carried out, a scoping trip in April – May 2016 (first quarter of Year One), and a data collection trip from September 2016 – February 2017 (quarter three to quarter four of Year One). Data collection for the social component of the project is now complete.

Before the scoping trip, a fieldwork plan was developed, as well as the protocols for the key informant interview and two focus group discussions (FGDs) (one on livelihoods and basic necessities and the other on wellbeing). A second fieldwork plan was compiled before the data collection field trip, along with protocols for an additional focus group discussion and key informant interview on cultural heritage. During this time, the individual questionnaire and choice experiment were designed based on the information obtained during the scoping trip. All protocols were reviewed and approved by the Project Leader, E.J. Milner-Gulland (Oxford University). They were also submitted to Oxford University's Central University Research Ethics Committee (CUREC) and ethical approval was received.

The questionnaires and field protocols were uploaded to Basecamp in order to make them accessible to all team members. The researcher, Victoria Griffiths (Oxford University) also held individual meetings with project partners in Kampala, London and Oxford in order to discuss her plans and solicit feedback, support and advice. The protocol for the main data collection trip is appended to this report.

Scoping field trip:

Three villages were visited during this field trip, one at each site Bujagali, Kalagala and Isimba. Four wellbeing and four livelihoods and basic necessities FGDs were carried out in each village and FGDs were divided into men and women and according to livelihood strategies. Key informant interviews were carried out in the three villages with elders, members of local government and NGOs as well as with people who have specialised knowledge in the village.

Data collection field trip:

Thirteen key informant interviews were carried out with project partners and specialists in Kampala. The aim of these interviews was to find out more about cultural heritage and traditions in Uganda and more specifically around the study site.

Two villages at each of the three sites (six villages in total) were visited, including the same three villages that were used in the scoping trip. Approximately 240 individuals in the larger villages at Bujagali and Kalagala were sampled and 160 individuals in the smaller villages at Isimba were sampled. The individual questionnaire, including the choice experiment, was piloted in a village near Bujagali and updated according to the findings.

The individual questionnaires were complemented by another FGD to explore cultural heritage in more detail. In all six villages, four cultural heritage focus group discussions were carried out, with separate male and female groups divided according to livelihoods. The same wellbeing and livelihoods FGDs as used in the scoping trip were carried out in the three 'new' villages.

1.4 Ecological field surveys

A fieldwork protocol for the ecological field surveys was compiled by NU, and reviewed and approved by the Project Leader E.J. Milner-Gulland (Oxford University). The protocol was uploaded to Basecamp in order to make it accessible to all team members, and is appended to this report.

NU have acquired the relevant 2006 data sets for both plants and birds. They have reviewed the associated reports (particularly the ESIA) to get an understanding of the survey and sampling methods undertaken for plants and birds. They have also spent time finding out about the sites that were sampled in 2006 so that the same (or similar) sites can be sampled in 2017. They have made all the logistical arrangements for their data collection and have carried out a reconnaissance site visit in order to get an understanding of the area and see the general condition of the biodiversity. Bird and plant surveys began on the 9th April 2017 and will be completed by the end of the month.

1.5 Analyse datasets and write up

The analysis and writing up of the social data began in March 2017. The biological data analysis and write up will begin once the data collection has finished, in the first quarter of Year Two. The analysis and write up for both the social and biological data is on track for completion by the end of the third quarter of Year Two.

1.7 Project meetings (6 monthly)

The inception meeting was held in May, and update meetings were held between Victoria Griffiths and Ugandan project partners in September 2016 before commencing the social fieldwork. Nafeesa Esmail also held individual discussions with project partners in October 2016 as part of the stakeholder analysis. Individual bilateral discussions have been held on numerous occasions between various partners working on different aspects of the project.

A Skype project meeting was held on the 11th November 2016. Those present: EJ Milner-Gulland (meeting chair), Dilys Roe (IIED), Joseph Bull (WB), Julia Baker (IIED), Nafeesa Esmail (WB), Victoria Griffiths (Oxford), Carlyn Samuel (Oxford; minutes). Due to unforeseen circumstances, NEMA, NU and WCS were unable to join the call, and subsequently E.J. Milner-Gulland, Simon Nampindo (WCS) and Hugo Rainey (WCS) had individual meetings. The minutes and action points from the 11th November meeting (appended to this report) were shared with the project members on Basecamp. Individual meetings with NEMA and NU were held in January and February 2017 with E.J. Milner-Gulland and Victoria Griffiths.

The annual project meeting for Year One took place at the NEMA offices in Kampala on Monday the 3rd of April 2017. The aims of the meeting were to reflect on progress to date and to discuss and plan the activities in Year Two. The meeting included a specific session to review progress regarding the project's logframe and Theory of Change. A second meeting was held at the Serena Hotel in Kampala on Tuesday the 4th of April 2017 specifically to discuss and plan for engagement with the private sector. The presentations from the meetings are available on Basecamp and the meeting report is currently being reviewed by all project partners and will be available on Basecamp. Representatives of all the project partners were present at both meetings, as well as all three of the Uganda-based Advisory Committee members. A representative from the Uganda Chamber of Commerce joined the meeting on Tuesday. A meeting with UK-based Advisory Committee member Kerry ten Kate is being planned for May 2017.

1.9 Annual presentations to Advisory Committee & reports to Darwin

The Advisory Committee were present at the annual project meeting held in April 2017, as well as at the Inception Meeting in May 2016. Individual members of the Advisory Committee were also on call to the team for specific advice on their areas of particular expertise (Derek Pomeroy - ecological surveys, Mark Infield - cultural aspects and liaison with government, Panta Kasoma - liaison with Ugandan NGOs and engagement, Kerry ten Kate - international policy and practice in biodiversity offsetting). During the formal meetings, all partners fed back on their progress to date. At the end of both meetings, the advisory committee was given an opportunity to reflect on the progress and provide the team with their feedback and general observations.

The six monthly Darwin report was compiled by Oxford University, with input from all project partners, and submitted in November 2016. It was delayed because we didn't receive (or missed) a reminder email (apologies!).

3.2 Progress towards project Outputs

Output One: Research on the costs and benefits to local people and biodiversity of the Bujagali/Isimba Hydropower Projects and the Kalagala Offset

This output has largely been achieved for the social components of this project. We have successfully completed the collection of the social data in the study area, which includes information on the costs and benefits that the local people are currently experiencing as a result of the dams and how this has affected their overall wellbeing. The analysis and write-up of the results commenced in March 2017. In terms of the ecological components of the study, the team is slightly

behind schedule because a) of administrative delays in transferring funding to Nature Uganda, and b) making sure that the ecological surveys are as close in time to the 2006 surveys so as to be as consistent as possible (the dates of the 2006 surveys were unavailable to us at the time of proposal writing as they were done by ecological consultants and we needed to access their reports). Data collection commenced on 9th April 2017 and analysis will be completed on time. Table 1 describes our progress towards meeting the measurable and progress indicators. All measurables and progress indicators for Year One, as specified in the proposal, have been met.

Table 1: Measurables and progress indicators for Year One

Indicator	Progress
Measurable indicators	
All relevant previous biodiversity and social survey data collated into a spatially explicit database and analysed to assess impacts of projects/offsets.	Biodiversity and social databases have been compiled and analysed.
At least 3 Focus Groups held in each of the 3 sites (of different potentially affected groups), to develop locally appropriate wellbeing measures and explore cultural and social values of biodiversity in the area and effects of projects and offsets (current & potential).	8 Focus Groups were held in two villages at each of the 3 sites (6 villages and 24 focus groups in total).
At least 200 local people, stratified by livelihood and wealth, in each of 3 sites, are surveyed to gain perspectives on costs and benefits of projects and offsets.	Approximately 240 individuals in each village at each study site (6 villages and 1440 people in total) were questioned during the household surveys.
At least 50 people in each of the 3 sites participate in choice experiments and scenario interviews, to gain views on potential mitigation for social impacts of current and new projects/offsets.	All people that took part in the household survey also took part in the choice experiment. This meant that approximately 240 people in each village at each site took part in the choice experiment.
Progress indicators	
Annual reports of the project team to Darwin.	The 6 monthly and annual reports have been submitted to Darwin.
Minutes of 6-monthly project meetings and powerpoint presentations made.	Minutes and presentations from the project inception workshop and the annual project meeting are on Basecamp. All project partners and the advisory committee have access to Basecamp.
Presentations to Advisory Committee (annual).	Presentations to the advisory committee took place during both project meetings/workshops.
Biodiversity database developed.	All the existing biodiversity data for birds and plants from the project area has been collated.

Output Two: Review of the Kalagala Offset Sustainability Management Plan and Isimba management plan

The activities pertaining to this output are only scheduled to begin in the third quarter of Year Two. This output was discussed during the annual project meeting and activities that will contribute towards achieving this output have been planned. However, at the Project Inception Meeting we decided that there was a need for an additional project activity - a Stakeholder and Institutional Analysis - to fully understand the genesis of these management plans, and the roles and responsibilities of the various bodies involved in them, because it became apparent that the project team and advisory committee, though very well informed, were unclear about the specific details of these issues. This analysis was completed in March 2017, and the document is appended to this report. The decision to do the analysis was vindicated by the complexity which we uncovered. This report is the first detailed analysis we are aware of that unpicks the institutional and supply chain complexity of a nationally important development project and its offset, and as such likely to be extremely useful both within Uganda and internationally.

Output Three: New guidelines on incorporating social costs and benefits into biodiversity offsetting

As with Output Two, the activities pertaining to this output are only scheduled to begin in the third quarter of Year Two. However the project team has discussed and planned the foundations for this output so that the guidelines are as useful as possible.

On the international level, a draft manuscript has been prepared, led by Victoria Griffiths, on the conceptual basis for Social No Net Loss, which will soon be submitted to a peer-reviewed journal. Discussions have been held with others outside of this project and interested in Social No Net Loss, including Dr Julia Jones' group at Bangor University, the [Business and Biodiversity Offsets Programme](#), and colleagues at UNEP-WCMC, FFI and COMBO.

Within Uganda, the output was discussed at both project meetings and the project team planned the associated activities and assigned roles and responsibilities for these. Links with interested businesses have been made in both Uganda and internationally, and plans for the first Ugandan Natural Capital Forum are being developed. We are engaging closely with the COMBO project on this output so as to ensure that our work is aligned with their objectives and activities, which also involve developing guidelines for Uganda on biodiversity offsetting. As the COMBO team have been focusing on ecological aspects of offsetting, we will work collaboratively with them to develop a single set of offsetting guidelines, with our project focussing on the inclusion of the social aspects into the guidelines.

3.3 Progress towards the project Outcome

Anticipated project outcome: 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 only outcome indicator expected in Year 1 is:

0.1 Project start-up meeting report. *Means of verification:* Attached are the minutes of the start-up meeting in May 2016, the half-yearly meeting in November 2016 and the Year 1 project meeting in April 2017.

Currently we are progressing very well towards the outcome. We are confident that we can achieve it, based on the strong Theory of Change which we have developed (see Inception Meeting report), and which we are monitoring against, and the strong collaborative partnerships created within the project.

Moreover, the project team has been discussing ways to engage successfully with the private sector with invaluable insights from project team members who themselves are part of, or work closely with, the private sector. This engagement will begin in Year Two of the project and continue throughout Year Three. Our project proposal included the establishment of a Forum to aid

communication and engagement between academics, NGOs, government and the private sector in Uganda, with the Forum eventually becoming a sustainable entity that will continue to run once the project has concluded. Initially this forum was called the “Business and Biodiversity Forum” but it was decided during the meeting session specifically focussed on business engagement that the name would be changed to the “Uganda Natural Capital Forum”. This name better reflects terminology that businesses will understand, rather than using the term “biodiversity” which typically alienates businesses. Moreover, this may help to increase their buy-in to the Forum.

A concept note has been drafted and budget has been allocated to support the establishment of the Forum in Year 2 (see Section 12). As a first step towards this engagement, E.J. Milner-Gulland gave a lecture in Kampala to an invited group of opinion-formers, including business leaders and those from the diplomatic community, on April 6th 2017, hosted by the Aga Khan Development Network. This was very positively received and generated both [press coverage](#) and an opinion piece in Uganda’s main national newspaper (appended). We have also had very positive discussions with the Uganda National Chamber of Commerce and Industry, who are keen to engage with us on this initiative.

3.4 Monitoring of assumptions

Outcome assumption 1: Political and economic stability in Uganda enables the project to be completed

Comment: This outcome holds true and, at the moment, there is no reason to think that the current political and economic stability in Uganda will change during this project.

Outcome assumption 2: There is still scope to influence the Isimba Hydropower Project's planning

Comment: Management plans for the Isimba project were completed and approved by the government (NEMA) during Year One, while our research was being undertaken. However, an ESIA Addendum has been drafted to assess the impact of Isimba on the Kalagala offset. As the document is still in draft format and has yet to be released for public comment we are planning how we can influence the recommendations it contains during this public consultation phase. NEMA is finding out more about the consultation phase and reporting back to the team about how best to feed into it. There is an environmental and social monitoring plan for the Isimba Project; we are also investigating how we can have some input into this. It is important to note that Isimba is now not planning an offset as we thought at the time of our proposal. There may also be other avenues to engage with the Chinese company who are responsible for constructing Isimba. For example, IIED currently has a programme which focuses on Chinese investment in forests in Uganda, and we have made contact with their Lead PI, with a view to exploring how best to influence the company concerned.

Outcome assumption 3: Government implementing agencies are receptive to our recommendations, and are prepared to change their management plans based on our study

Comment: This assumption still holds true. Partnering with WCS and linking with the COMBO project gives more strength to our project and associated findings. NEMA is the lead partner on our project in Uganda, and will be involved in engagement with other government agencies. Advisory Committee member Mark Infield is technical advisor to the Ministry of Water and Environment (MoWE), and NEMA is an important player in approving and monitoring offsets within the government. Furthermore, the Executive Director of NEMA attended our Annual Meeting and talked about how important our research findings will be to help NEMA better understand the requirements for No Net Loss projects.

Outcome assumption 4: There is scope for poverty alleviation in the project site, through improvements in the Sustainable Management Plans

Comment: This assumption still holds true. The improvement of the Central Forest Reserves (CFRs) as part of the Kalagala Offset will have a benefit to local people. Moreover, one of the primary activities in the Kalagala Offset Sustainable Management Plan is to restore the forests along the river bank. However, local communities are cultivating right up to the river banks. As a

result, this offset activity was withdrawn because its implementation will result in a significant amount of economic displacement, thereby impacting local people's livelihoods and going against the World Bank's social safeguards. The offset therefore aims not to exacerbate poverty in the study area. Our research results, and the subsequent consultations with local and national government, and other stakeholders, will clarify both the scope for poverty reduction and the best way of achieving it.

Outcome assumption 5: Businesses and NGOs are keen to engage, nationally and internationally

Comment: This assumption still holds true. So far, the team has had very positive interactions with businesses and NGOs both nationally and internationally, and we have a concrete plan for further engagement in Year 2.

Output assumption 1: Local people at the case study site are willing to participate in the research

Comment: This assumption still holds true. The social research and data collection went ahead smoothly and the majority of people in the villages were willing to take part in the focus group discussions, individual questionnaire and choice experiment.

Output assumption 2: Existing biodiversity and social datasets are of a high enough quality for a before-after analysis to be feasible

Comment: This assumption partly holds true. Ecological data and field protocols from the 2006 ESIA are available and the biodiversity team are able to follow the same methodology for their current biodiversity surveys. In terms of social data, wellbeing is not within the standard scope of an ESIA and so the 2006 ESIA did not consider impacts of the development on local wellbeing. Also raw data from the ESIA household surveys are not available. However, there are elements of the ESIA that are comparable with our social research.

Output assumption 3: Research team is able to build trust in order to gain reliable and truthful information on social impacts.

Comment: This assumption holds true. Local research assistants were used during the social surveys (and will be used during the ecological surveys) and were able to build trust amongst the villagers. Care was taken not to build expectations with the local communities however, and there may have been some stakeholder fatigue as people in the area have been interviewed many times before. During the social research we discovered that providing the communities with feedback and disseminating the research findings was of great importance to them. This is planned for the end of Year Two.

3.5 Impact: achievement of positive impact on biodiversity and poverty alleviation

It is too early in the project to measure contributions to biodiversity and poverty impact. We believe, however, that we have the appropriate structures in place to ensure that local people are accounted for in the offsetting process in Uganda (via the new offsetting guidelines that will be developed in Year Two). Our work will ensure that marginalised and vulnerable groups (including women and natural resource dependent households) have a voice and are taken into account during the design of any future offsets in Uganda. Moreover, the new guidelines will ensure that offsets do not exacerbate current poverty levels in Uganda. Our biodiversity monitoring will evaluate any progress made towards improved conservation outcomes in the case study site, and we will work to ensure that recommendations are taken up.

4. Contribution to the Global Goals for Sustainable Development (SDGs)

This project contributes to SDGs 1, 9 and 15. When used in conjunction with the mitigation hierarchy, biodiversity offsets can offer the potential to reconcile economic development with biodiversity conservation thereby allowing for sustainable economic growth. Uganda has an enormous hydropower potential along the Nile River which will contribute significantly to the economic growth of the country (SDG 9) but at the same time, also has a wealth of biodiversity that needs to be protected (SDG 15) as well as local people who rely on this biodiversity (SDG1). It is

also important to note that poorly planned offsets can exacerbate local poverty. To date, this project has looked at the social impacts of the hydropower developments along the river and is currently exploring the ecological impacts of the dam and existing Kalagala Offset. More progress towards meeting the SDGs will be made in Years Two and Three when the national guidelines are drafted, incorporating both social and ecological aspects into the offsetting process in Uganda.

5. Project support to the Conventions, Treaties or Agreements

As stated in the proposal, this project will assist Uganda to meet their obligations under the CBD. At the 8th CoP, Parties discussed "[engagement with the private sector](#)" and identified the need for new tools including "mechanisms for biodiversity offsets"; also that "contributions from business and industry towards the implementation of the Convention could be facilitated by... guidance for potential biodiversity offsets". At the 10th CoP, [Decision X/3](#) "Strategy for resource mobilization" was adopted. It reaffirmed the commitment of Parties to meet obligations in [Article 20 'Financial Resources'](#); highlighted the need for Parties to develop national funding plans to implement the CBD Strategic Plan and its Aichi targets and, when doing so, "explore new and innovative financial mechanisms" including "biodiversity offset mechanisms where relevant and appropriate" ([Objective 4.2](#)). This project contributes towards this objective and complements [CBD's existing guidance on offsetting](#). It contributes to Aichi Strategic Goal A [Target 4](#), and its objective on "strengthening partnerships among companies and industry associations, civil society and government agencies, in an accountable and transparent manner, to promote sustainable practices that address biodiversity". In Year Two, the project will work with the WCS Combo project to develop national biodiversity offsetting guidelines for Uganda that also take into account local people and poverty alleviation. Moreover, a Natural Capital Forum will be established in Uganda to facilitate engagement with the private sector and promote the importance of biodiversity conservation.

NEMA is the focal point in Uganda for the CBD and is the lead in-country partner on this project. Francis Ogwal, who leads the NEMA team for this project, is the [focal point](#) for the CBD in Uganda. We have been engaging closely with Francis throughout Year One and will continue to do so in the upcoming two years.

At the Year 1 project meeting we discussed the possibility of supporting Francis to host a side event at the 14th Conference of the Parties in Egypt in November 2018, to showcase our work and Uganda's progress in developing a legislative framework for No Net Loss. This would be an excellent opportunity to support this convention.

6. Project support to poverty alleviation

As mentioned above, the project is aiming to ensure offset activities do not to exacerbate poverty in the study area and Uganda as a whole. Our research will provide a deep understanding of the effects of the Bujagali dam and associated Kalagala offset on the wellbeing of local people living in the area (including loss of cultural heritage), and will also give insights into their views on the types of offsetting activities that would promote their wellbeing (through Choice Experiments and focus group discussions). The field protocols for this social component of the project are appended to this report to illustrate the multidimensional nature of the understanding we expect to achieve. This research will be used to explore with local and national governments both how they could improve wellbeing in the case study site, and how they can ensure that biodiversity offsets in the future are designed to ensure no net loss (and ideally net gain) from a social perspective.

7. Project support to gender equality issues

The effects of infrastructure developments and their associated biodiversity offsets are often gendered; for example men may benefit from employment opportunities, whereas women may lose access to important natural resources and livelihoods. This project specifically sought to understand the gendered nature of the impacts of the Bujagali dam and Kalagala offset, and the potential impacts of the Isimba dam. Our ensuing guidance for improving the wellbeing of local people affected by these developments at the local level, as well as our input to National

Guidelines on achieving No Net Loss, will explicitly focus on ensuring that women are not disproportionately negatively affected by developments and their associated offsets.

During the collection of the social data, focus group discussions were divided into male and female groups. This provided a safe environment to encourage women to express their views and opinions. Both men and women were targeted during the individual questionnaire.



Photograph: A focus group with women, discussing their experiences of the development and offset, their views on the importance of cultural heritage, and whether it is possible to mitigate any losses in cultural heritage incurred as a result of the dam and its offset.

8. Monitoring and evaluation

Monitoring and evaluation has been included in the design of this research project. We are using the logframe indicators to monitor and check progress of the project, and reviewed progress against the logframe during our Annual Meeting. Project progress is also monitored and evaluated during the six monthly project meetings as well as during face-to-face meetings and phone/skype calls with individual project partners. Moreover, the project's independent Advisory Committee reviews progress annually, and give advice and suggested improvements to the project. All of the protocols and procedures used to collect the social data went through a rigorous ethical review by Oxford University and the Uganda National Council for Science and Technology. This allows us to monitor the ethical aspects of our project.

9. Lessons learnt

The two in-person project meetings have worked very well. All project partners participated, with great engagement in both the inception workshop and the Year One annual meeting. It was a good opportunity to have all partners in a single room to discuss project progress, future plans and issues that may have arisen, and to generate excitement and buzz for the project. In-person meetings with individual partners in Uganda have also been effective. However remote communications are a challenge; Basecamp has not had great take-up with our Ugandan partners, and it is difficult to stay in touch by Skype. This is illustrated by the fact that the 6-month skype meeting was only attended by UK partners, and needed to be followed up with individual meetings with Ugandan partners, ideally when a UK-based individual was in Uganda. There is no substitute for in-person meetings.

In Year 2 we are hoping to maintain close relationships between partners through our Uganda Natural Capital Forum initiative, for which the intention is to hire an in-country coordinator. The person we have in mind is very well connected within the Ugandan conservation community, and knows our partners well; we hope that they will be able to maintain strong lines of communication

between Uganda and the UK. We will also make sure that UK partner team members visit Kampala on a regular basis to keep in touch with developments; this might be a bit more of a challenge than in Year 1 because Victoria's fieldwork has now been completed, but it is vital to ensure the momentum is maintained.

Mobilisation for the social fieldwork also worked well. NEMA put Victoria in contact with the relevant District Environmental Officers who played a vital role in assisting with the selection of villages that were sampled and also introduced Victoria to the Local Chairperson in each village. WCS were able to recommend research assistants to Victoria as well as providing logistical advice.

We have developed really good and strong relationships with COMBO, who have both a UK and a Ugandan office. This is also an excellent channel of communication and we are keen to ensure that we make the most of the synergies between our projects as our research results come out and as COMBO starts to build up their activities at the national level.

The opportunity to give a talk hosted by the Aga Khan Development Network in April 2017 came through personal contacts of a team member. This was a huge boost to our project in publicity terms and also produced a number of potentially very useful leads with Ugandan businesses and with the Kampala-based overseas diplomatic community, who are engaged in supporting business networks and are keen to work with us.

We recognised early on that the business engagement element of this project is critical to its legacy and, to undertake it effectively, we considered our original budget for this element was insufficient. Below in Section 12 we describe our proposal for allocating budget to these activities.

One important lesson was the amount of time it took to finalise the contracts with the project partners and for the transfer of funds to the project partners to go ahead. We would recommend that projects working with several partners schedule at least 3 months for this process. This is particularly challenging because Darwin projects are awarded so close to their intended start dates. We recognise that Darwin has its own constraints and needs to work to a tight timescale.

10. Actions taken in response to previous reviews (if applicable)

Not applicable as this is the first annual report for the project.

11. Other comments on progress not covered elsewhere

At the Inception Workshop we developed a Theory of Change for the project, which highlighted a few areas in which action was needed in order to ensure our outcome, but which were not in the original logframe. We took action to implement the necessary new components in order to address these gaps - in particular we used funding originally set aside for a MSc student to support Wild Business to carry out a Stakeholder and Institutional Analysis, which was extremely useful for our project. This change was agreed with Darwin.

We have made really excellent progress on our business engagement plans, particularly at the Year 1 workshop, where we developed a plan of action for this element of the project in Year 2. Again, we have recognised that the budget did not reflect the critical importance of this engagement to the long-term sustainability and legacy of our project. Victoria Griffiths has completed her fieldwork ahead of time, below budget and with performance indicators exceeding those envisaged in the proposal. Therefore we propose that we use the money in the Year 2 budget for her fieldwork to fund the initial launch of our proposed Uganda Natural Capital Forum and to hire a coordinator to work with in-country partners to build this coalition. Julia Baker (IIED) and Beatrice Kyasimire (WCS) are taking the lead on this element of the project, with Julia bringing her expertise on Natural Capital from her work in the UK, and Beatrice her deep engagement with offsetting through her work as the COMBO lead in Uganda. We feel that this is a huge opportunity for a sustained legacy, for which there is strong buy-in, and hope that Darwin is happy for us to proceed with this small budgetary shift (from Oxford to WCS). This forms a key component of our exit strategy. We will submit a change request form shortly.

We do not see any particular risks, except that our Stakeholder and Institutional Analysis, and press coverage (for example [here](#)), have demonstrated that the developments and offset at our case study site are politically and institutionally challenging. The processes at the case study site are proceeding at a rate which is rather unpredictable and not necessarily in line with our project timeline. This may mean that our research findings at the study site cannot bring about concrete change for this particular area and study site (although we will try to influence where we can). However we are very confident that we will influence national level processes and understandings, which will have beneficial results for future developments and their associated offsets. This is partly why we are concentrating our efforts particularly intensely at the national level (for example on the Uganda Natural Capital Forum).

12. Sustainability and legacy

Nafeesa Esmail raised significant awareness about the project during her work on the stakeholder and institutional analysis. As part of her work, she met with government agencies such as the Ministry of Water and Environment, the Ministry of Tourism, Wildlife and Antiquities and the Ministry of Energy and Mineral Development, NGOs such as IUCN and UNDP donor organisations such as KfW, private sector companies such as Total and a number of others.

E.J. Milner-Gulland was invited to give a guest lecture at the Aga Khan Development Network lecture series where she spoke about business and biodiversity and mentioned the project. This talk raised significant awareness about the project in Uganda and several meetings were held in the days that followed to discuss the work with interested parties such as TOTAL and the Dutch Embassy.

Our open access plan will kick in next year as we start to produce more concrete outputs. Our first outputs are a project briefing document (appended and freely available on our project web page), and the Stakeholder and Institutional Analysis which will be published shortly.

With regard to the exit strategy, one of the objectives (as mentioned earlier) is to develop a Natural Capital Forum in Uganda which will be championed by a local Ugandan institution. The aim is for this to become a sustainable Forum which will continue after the life of the project.

13. Darwin identity

We have used the Darwin Initiative logo on all the project promotional material including the project flyer, the website as well as on all written project meeting reports. The logo has also been used on the first major output of the project, the stakeholder and institutional analysis, which will be a public document published by Wild Business. We state on all promotional materials and in talks that the Darwin Initiative is a programme of the UK government. The project is distinct and has a clear identity as it is not part of a larger programme.

NEMA and NU were initially not familiar with the Darwin Initiative (or the UK Government's interests in this field), so we explained this whilst the proposal was being formulated. E.J. Milner-Gulland (Oxford University) and Dilys Roe (IIED) ran a well-received workshop at NU in Kampala where they explained the Darwin initiative to participants and also went through the application process, with the aim of building the NGOs' capacity, thereby allowing them to understand the potential ways of developing their own Darwin proposals in future (participant list appended). The other project partner, WCS Uganda, is familiar with the Darwin Initiative and involved in another Darwin project near Bwindi.

We do not have a project social media account but keep the [project website](#) up to date with project progress and report on progress via our personal twitter accounts and the IIED and ICCS twitter accounts. We reference the Darwin Initiative twitter account at each relevant opportunity. Sample tweets are in an appended document.

14. Project expenditure

Table 1: Project expenditure during the reporting period (1 April 2016 – 31 March 2017)

Project spend (indicative) since last annual report	2016/17 Grant (£)	2016/17 Total Darwin Costs (£)	Variance %	Comments (please explain significant variances)
Staff costs (see below)			1.3	
Consultancy costs			0.0	
Overhead Costs			3.2	
Travel and subsistence			7.6	
Operating Costs			0.0	
Capital items (see below)				
Monitoring and evaluation			-17.8	We economised on meetings by holding them in the same weeks as other meetings attended by UK-based team members, thereby sharing travel costs.
Others (see below)				
TOTAL			0.0	

Annex 1: Report of progress and achievements against Logical Framework for Financial Year 2016-2017

Project summary	Measurable Indicators	Progress and Achievements April 2016 - March 2017	Actions required/planned for next period
<p>Impact</p> <p>Local people's use and cultural values for biodiversity are embodied within 'no net loss' development goals, with biodiversity offsetting supporting both conservation and poverty alleviation at local and national levels.</p>		<p>Research on social impacts of the Bujagali dam and Kalagala offset and potential impacts of Isimba dam, and how to mitigate them, has been completed. Engagement in national level dialogues has been initiated.</p>	
<p>Outcome</p> <p>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.</p>	<p>0.1 8,700 people affected by the Bujagali Hydropower Project, 37,000 people affected by the Kalagala Offset, and 2,700 people potentially affected by the Isimba Hydropower project have the actual or potential impacts of these projects on their wellbeing better taken into account in sustainable management plans (by end Y3).</p> <p>0.2 Improved biodiversity conservation outcomes of Kalagala Offset, and reduced biodiversity impacts of Isimba Hydropower Project, with livelihood and cultural values of biodiversity for different groups (particularly of vulnerable groups including women) taken into account, based on an evaluation of impacts to date (by end Y3).</p> <p>0.3 Best practice guidelines for</p>	<p>0.1. Research completed</p> <p>0.2. Research completed on social side, initiated on biological side.</p> <p>0.3 Dialogue initiated with relevant</p>	<p>0.1. Analysis of results and completion of a Research Report for presentation at Year 2 Research Workshop. Reporting back to local government and engagement of national government with the results.</p> <p>0.2. Input into public consultation on the sustainable management plan for the Isimba Dam. Completion of biological research.</p> <p>0.3. Incorporation of research results into COMBO- and NEMA-led</p>

	<p>incorporating social impacts into biodiversity offsets are adopted by industry and government in Uganda and internationally, leading to commitment to embed guidelines into operations from at least 2 Ugandan and international businesses and developers (by end Y3)</p> <p>0.4. A network of engaged people, with the capacity and will to improve the biodiversity and local social outcomes of national-level economic developments; belonging to at least 10 organisations within Uganda (government, NGOs, business), by end Y3.</p>	<p>stakeholders. A Stakeholder and Institutional Analysis has been completed.</p> <p>0.4 Plans for a Natural Capital Forum are being developed. Conversations with key stakeholders initiated.</p>	<p>development of national guidelines. Finalisation and submission of manuscript on the conceptual basis for social No Net Loss, input into international consultations on social no net loss. Continued engagement with businesses in Uganda interested in committing to social no net loss.</p> <p>0.4. Implement Natural Capital Forum, continue dialogues with interested parties through this and other mechanisms.</p>
<p>Output 1.</p> <p>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)</p>	<p>1.1. All relevant previous biodiversity and social survey data collated into a spatially explicit database and analysed to assess impacts of projects/offsets, by end Y1.</p> <p>1.2. At least 3 Focus Groups held in each of the 3 sites (of different potentially affected groups), to develop locally appropriate wellbeing measures and explore cultural and social values of biodiversity in the area and effects of projects and offsets (current & potential), by end Y1.</p> <p>1.3 At least 200 local people, stratified by livelihood and wealth, in each of 3 sites, are surveyed to gain perspectives on costs and benefits of projects and</p>	<p>1.1. Database is completed. Social and biological diversity data from 2006 have been accessed and collated.</p> <p>1.2. Completed - currently under analysis. See Field Protocol for details of fieldwork.</p> <p>1.3. Completed - currently under analysis. See Field Protocol for details of fieldwork.</p>	

	<p>offsets, by end Y1.</p> <p>1.4 At least 50 people in each of the 3 sites participate in choice experiments and scenario interviews, to gain views on potential mitigation for social impacts of current and new projects/offsets, by end Y1.</p> <p>1.5. Biodiversity surveys carried out in affected areas to assess ecological mitigation carried out and current biodiversity value, by end of Y2.</p> <p>1.6. Datasets analysed, published and disseminated in appropriate formats and to stakeholders including local leaders, government and business, by end Y2.</p>	<p>1.4. Completed - currently under analysis. See Field Protocol for details of fieldwork.</p> <p>1.5. See Field Protocol (appended) for biological data collection for impact assessment (currently underway).</p> <p>1.6. For year 2.</p>
<p>Activity 1.1</p> <p>Prepare for and run Project Inception Workshop. Complete and disseminate workshop report.</p>		<p>A project inception workshop was held at the Makindye Country Club, Kampala on the 23rd and 24th May 2016. Report was disseminated to all project partners and Advisory Committee members (appended).</p>
<p>Activity 1.2</p> <p>Existing biodiversity and social survey data collated into a spatially explicit database and analysed to assess baseline conditions and planned mitigation.</p>		<p>The social data in the Environmental and Social Impact Assessments (ESIAs) and Social Impact Assessments (SIAs) for both the Bujagali and Isimba dams has been reviewed by Victoria Griffiths, researcher at Oxford University. Villages for social surveys were selected based on the villages included in these ESIAs and in discussion with the local District Environmental Officers.</p> <p>NU has collated existing biodiversity datasets (for plants and animals) for the study site in order to inform selection of sites for repeat surveys. They have also reviewed the methodology used to collect the ecological data in the Bujagali ESIA and will replicate this methodology during their field surveys in 2017.</p> <p>In addition, a stakeholder and institutional analysis was carried out for the Bujagali and Isimba dams and the Kalagala offset. This was done by Wild Business on behalf of Oxford University and will be published in May 2017 (appended).</p>
<p>Activity 1.3</p> <p>Social field surveys: a) Focus groups held at the 3 sites, wellbeing measures developed, cultural and social values of biodiversity in the area explored;. b) Individual surveys to gain perspectives of costs and benefits of developments and offset. c) Choice experiments and scenario interviews for Isimba offset.</p>		<p>Two field trips were carried out, a scoping trip from April – May 2016 (first quarter of Year One), and a data collection trip from September 2016 – February 2017 (quarter three to quarter four of Year One; protocol appended). Data collection for the social component of the project is now complete (ahead of schedule and above anticipated sample sizes).</p>

<p>Activity 1.4</p> <p>Biodiversity field surveys: a) Site visits to assess status of planned ecological mitigation activities at Bujagali and Kalagala; b) Transect surveys of tree planting sites, Central Forest Reserve and agricultural land at Kalagala to assess biodiversity (trees, culturally valuable plants and birds) and signs of human use (tree cutting, snares).</p>	<p>A fieldwork protocol for the ecological field surveys was compiled by NU, which was reviewed and approved by the Project Leader E.J. Milner-Gulland (Oxford University). The protocol is appended. Bird and plant surveys began on the 9th of April 2017.</p>
<p>Activity 1.5</p> <p>Analysis of datasets for impact evaluation of offset.</p>	<p>The analysis and writing up of the social data began in March 2017. The biological data analysis and write up will begin once the data collection has finished, in the first quarter of Year Two. The analysis and write up for both the social and biological data is on track for completion by the end of the third quarter of Year Two. The majority of this activity will be carried out in Year Two.</p>
<p>Activity 1.6</p> <p>Data sets published and disseminated, including conference abstracts and summaries of research findings in local languages.</p>	<p>This will be done in Years 2 and 3.</p>
<p>Activity 1.7</p> <p>Six monthly project meetings (alternating in-country and by skype), including preparation and dissemination of minutes.</p>	<p>The inception meeting was held in May, and update meetings were held between Victoria Griffiths and Ugandan project partners in September 2016 before commencing the social fieldwork. Nafeesa Esmail also held individual discussions with project partners in October 2016 as part of the stakeholder analysis. Individual bilateral discussions have been held between various partners working on different aspects of the project. A Skype project meeting was held on the 11th November 2016. Individual meetings between Oxford and in-country partners were held between November 2016 and February 2017. The annual project meeting for Year One took place at the NEMA offices in Kampala on Monday the 3rd of April 2017. Minutes of all three meetings are appended to this document.</p>
<p>Activity 1.8</p> <p>Research Meeting to present results to stakeholders and gain feedback</p>	<p>This is planned for year 2</p>
<p>Activity 1.9</p> <p>Annual reports to the project team at Darwin and annual presentations to the Advisory Committee.</p>	<p>The Advisory Committee were present at both the inception meeting and the annual project meeting held in April 2017. The six monthly Darwin report was compiled by Oxford University, with input from all project partners and submitted in November 2016.</p>

Annex 2: Project’s full current logframe as presented in the application form (unless changes have been agreed)

Project summary	Measurable Indicators	Means of verification	Important Assumptions
<p>Impact: Local people’s use and cultural values for biodiversity are embodied within ‘no net loss’ development goals, with biodiversity offsetting supporting both conservation and poverty alleviation at local and national levels.</p> <p>(Max 30 words)</p>			
<p>Outcome:</p> <p>(Max 30 words)</p> <p>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.</p>	<p>0.1 8,700 people affected by the Bujagali Hydropower Project, 37,000 people affected by the Kalagala Offset, and 2,700 people potentially affected by the Isimba Hydropower project have the actual or potential impacts of these projects on their wellbeing better taken into account in sustainable management plans (by end Y3).</p> <p>0.2 Improved biodiversity conservation outcomes of Kalagala Offset, and reduced biodiversity impacts of Isimba Hydropower Project, with livelihood and cultural values of biodiversity for different groups (particularly of vulnerable groups including women) taken into account, based on an evaluation of impacts to date (by end Y3).</p> <p>0.3 Best practice guidelines for incorporating social impacts into biodiversity offsets are adopted by industry and government in Uganda and internationally, leading to commitment to embed guidelines</p>	<p>0.1 Project start-up meeting report (Y1). Report of Research Workshop (end Y2). At least two peer-reviewed papers and IIED report (end Y3).</p> <p>0.2 Policy briefs with recommendations to inform the review of the Kalagala SMP and preparation of IHP’s plan. Records of commitments to change management plans by implementing agencies, based on study results, with implementation timetables (end Y3).</p> <p>0.3 Guidelines and accompanying report published through BBOP (end Y3). Meetings in Kampala and Oxford to disseminate findings and engage business leaders - presentations available online (end Y3). NEMA adopts project recommendations (end Y3). Written commitment by at least 2 international developers to incorporate guidelines into their operations in future (end Y3).</p>	<p>Political and economic stability in Uganda enables the project to be completed [there is no reason currently to think this will be an issue]</p> <p>There is still scope to influence the Isimba Hydropower Project’s planning [the Environmental and Social Impact Assessment has been referred for revision, they have not yet started their offset].</p> <p>Government implementing agencies are receptive to our recommendations, and are prepared to change their management plans based on our study [we have a Letter of Support from MoWE expressing a strong interest in the project and willingness to engage, and NEMA is an important player in approving and monitoring offsets within the government]</p> <p>There is scope for poverty alleviation in the project site, through</p>

	<p>into operations from at least 2 Ugandan and international businesses and developers (by end Y3)</p> <p>0.4. A network of engaged people, with the capacity and will to improve the biodiversity and local social outcomes of national-level economic developments; belonging to at least 10 organisations within Uganda (government, NGOs, business), by end Y3.</p>	<p>0.4 Minutes of NEMA training workshops; evidence of attendance at, and engagement with Research Workshop and Launch Event by relevant organisations; minutes and attendance records for Business and Biodiversity Forums (Y2 & 3); minutes of U-PCLG meetings (annual); evidence of implementation of project findings in organisations' policies and practice (end Y3).</p>	<p>improvements in the Sustainable Management Plans [preliminary discussions with project partners and other stakeholders in Uganda suggest that this is likely]</p> <p>Businesses and NGOs are keen to engage, nationally and internationally [initial meetings with relevant stakeholders at both national and international scales have been very positive]</p>
<p>Outputs:</p> <p>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)</p>	<p>1.1. All relevant previous biodiversity and social survey data collated into a spatially explicit database and analysed to assess impacts of projects/offsets, by end Y1.</p> <p>1.2. At least 3 Focus Groups held in each of the 3 sites (of different potentially affected groups), to develop locally appropriate wellbeing measures and explore cultural and social values of biodiversity in the area and effects of projects and offsets (current & potential), by end Y1.</p> <p>1.3 At least 200 local people, stratified by livelihood and wealth, in each of 3 sites, are surveyed to gain perspectives on costs and benefits of projects and offsets, by end Y1.</p> <p>1.4 At least 50 people in each of the 3 sites participate in choice experiments and scenario interviews, to gain views on potential mitigation for social impacts</p>	<p>1.1-1.5. 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>1.1, 1.5. Biodiversity database developed (end Y1) and enhanced (end Y2).</p> <p>1.1-1.5: Research Workshop is held in Uganda (end Y2) where the research results are presented by the project team and local people from the case study site to stakeholders (government, NGO and business)</p> <p>1.6. Summary of research findings is published in the local language of the case study site (mid Y2). Meetings held with local leaders to present the research findings (end Y1 and Y2).</p> <p>1.6. By project end, two research papers are published in peer reviewed journals</p>	<p>Local people at the case study site are willing to participate in the research [involvement of NU, Makerere University and NEMA and their existing positive relationships with local leaders will support this]</p> <p>Existing biodiversity and social datasets are of a high enough quality for a before-after analysis to be feasible [If not, then inferences on biodiversity and social impacts will be weaker; data on perceived social impact, and biodiversity surveys in control and impact sites, will still give an indication of impact. NEMA has the datasets generated for the ESIA, which will be made available to the team.]</p> <p>Research team is able to build trust in order to gain reliable and truthful</p>

	<p>of current and new projects/offsets, by end Y1.</p> <p>1.5. Biodiversity surveys carried out in affected areas to assess ecological mitigation carried out and current biodiversity value, by end of Y2.</p> <p>1.6. Datasets analysed, published and disseminated in appropriate formats and to stakeholders including local leaders, government and business, by end Y2.</p>	<p>and one IIED research report is published and available to download on the IIED website.</p> <p>1.6. By project end, the research is presented at a minimum of one international conservation conference and at least one international biodiversity offset policy meeting.</p>	<p>information on social impacts. [Our long experience of social research, including 2 previous Darwin/IWT projects in Uganda will help us here]</p>
<p>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.</p>	<p>2.1. By early Y3, the Kalagala Offset Sustainability Management Plan is reviewed by the Ministry of Water and Environment (MoWE), with a view to revision based on inputs from the project team.</p> <p>2.2. By early Y3, recommendations for the Isimba offset management plan are submitted to MoWE, including local feedback on preferred offsetting options (based on output 1.3).</p> <p>2.3. Project findings are published in local languages and meetings are held with local leaders to present them and NEMA's new guidelines (end Y2).</p> <p>2.4. By project end, MoWE reports and NEMA site visits demonstrate implementation is taking place (end Y3).</p>	<p>2.1 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.</p> <p>2.2. 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.</p> <p>2.3. Minutes of local and national-level meetings, publications in local languages.</p> <p>2.4. Analysis of meetings and reports from NEMA and MoWE in Y3, site visit report from NEMA, minutes of final project meeting.</p>	<p>The Ministry of Water and Environment is receptive to implementing changes to the Kalagala offset management plans based on the research findings [See letter of support]</p> <p>The Isimba offset can be influenced and commitments made will be carried through to implementation [Given the short timespan of the project, there will be limited time in which to see actual outcomes at Isimba based on our findings. However, the onward engagement of NEMA and the Ministry for Water and Environment with local perspectives and biodiversity impacts can be gauged by project end. We are also not in control of the timetable for the Isimba offset (which will be agreed between the World Bank and various Ministries, including NEMA and MoWE), although currently it appears that it will be congruent with the project.]</p>
<p>3. New guidelines on incorporating social costs and benefits into biodiversity</p>	<p>3.1. Draft guidelines for Uganda developed collaboratively by project</p>	<p>3.1. Minutes of research workshop, draft guidelines document posted on project</p>	<p>NEMA retain their autonomy within Government to publish new guidelines</p>

<p>offsetting within Uganda and internationally are published and being implemented, by end of Y3</p>	<p>team and approved at research workshop (end Y2).</p> <p>3.2. A minimum of 5 NEMA staff are trained with the necessary knowledge and skills to implement the new guidelines, and a minimum of 2 NEMA staff are trained as 'trainers' to continue the training to other / new NEMA staff (by end Y3).</p> <p>3.3 By project end, the new guidelines are published by NEMA, and integrated into the planning for at least two biodiversity offsets in Uganda.</p> <p>3.4. International guidelines published in collaboration with BBOP, by end Y3.</p> <p>3.5. By end Y3, at least 2 international businesses commit to implementing these guidelines within their operations.</p>	<p>website.</p> <p>3.2. A report of the training for NEMA staff on the new guidelines posted on the project website.</p> <p>3.3. By project end, the new guidelines are listed on NEMA's website and NEMA hosts an event to formally launch the new guidelines in Kampala.</p> <p>3.3. 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.</p> <p>3.4. Guidelines document on BBOP website and launched at project/BBOP co-hosted international meeting in Oxford.</p> <p>3.5. Public documentation of commitments by businesses concerned on website, or reference to guidelines made in specific offset project documents.</p>	<p>[there is no reason to suppose this will change - NEMA are well respected and consulted within the Ugandan government planning system]</p> <p>NEMA continues its commitment for local people's use and values associated with biodiversity to be fully incorporated into offset decision-making in order to integrate social fairness into the offset process [their full involvement as partners in this project will support this]</p> <p>Biodiversity offset projects in Uganda continue to occur at a level to enable application of the new guidelines within the timeframe of this project, and clients/funders/developers are receptive to applying these guidelines [offsetting at the moment is growing fast as an approach in Uganda, hence the need for the project, and engagement with clients/funders/developers by the project team throughout will help to ensure that they are keen to be involved. We have relationships with Lafarge, Tullow and Total, who are all planning or implementing developments and offsets in Uganda. They will attend our Business and Biodiversity forums and other engagement activities in Uganda, and our UK meeting.]</p> <p>Businesses internationally are interested to engage with issues of social fairness in a proactive way [BBOP involvement will help to build trust, Oxford's team have an ongoing relationship with several thought-leading international businesses on supporting improvement in their biodiversity performance (through a NERC Knowledge Exchange</p>
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			project), who will be targeted for project engagement. Project team members Julia Baker (IIED) and Joe Bull (Wild Business) work in the corporate sector, and have strong links to relevant businesses]
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Activities (each activity is numbered according to the output that it will contribute towards, for example 1.1, 1.2 and 1.3 are contributing to Output 1)

1. Research on the costs and benefits to local people and biodiversity of the Bujagali/Isimba Hydropower Projects and Kalagala Offset

- 1.1 Prepare for and run Project Inception Workshop. Complete and disseminate workshop report.
- 1.2 Existing biodiversity and social survey data collated into a spatially explicit database and analysed to assess baseline conditions and planned mitigation.
- 1.3 Social field surveys: a) Focus groups held at the 3 sites, wellbeing measures developed, cultural and social values of biodiversity in the area explored;. b) Individual surveys to gain perspectives of costs and benefits of developments and offset. c) Choice experiments and scenario interviews for Isimba offset.
- 1.4 Biodiversity field surveys: a) Site visits to assess status of planned ecological mitigation activities at Bujagali and Kalagala; b) Transect surveys of tree planting sites, Central Forest Reserve and agricultural land at Kalagala to assess biodiversity (trees, culturally valuable plants and birds) and signs of human use (tree cutting, snares).
- 1.5. Analysis of datasets for impact evaluation of offset.
- 1.6 Data sets published and disseminated, including conference abstracts and summaries of research findings in local languages.
- 1.7 Six monthly project meetings (alternating in-country and by skype), including preparation and dissemination of minutes.
- 1.8 Research Meeting to present results to stakeholders and gain feedback
- 1.9 Annual reports to the project team at Darwin and annual presentations to the Advisory Committee.

2. Review of the Kalagala Offset Sustainability Management Plan and Isimba management plan

- 2.1 Review the existing Kalagala Offset Sustainable Management Plan and provide recommendations to inform the updating of the plan.
- 2.2 Provide recommendations for the Isimba management plan, including local feedback on preferred offsetting options.
- 2.3 Publish study results in local languages, hold meetings with local leaders to present them with new guidelines.
- 2.4 Analyse meetings and MoWE reports, site visit by NEMA, and report on implementation of recommendations.

3. New guidelines on incorporating social costs and benefits into biodiversity offsetting

- 3.1 Draft guidelines prepared and discussed at project workshop.
- 3.2. Research workshop held to solicit feedback on research results and guidelines from a range of stakeholders.
- 3.3. Training of NEMA staff on the new guidelines and associated technical needs.
- 3.4. Business and Biodiversity Forums held in Kampala.
- 3.5. Publication of new guidelines by NEMA and launch event.
- 3.6. Drafting of new international guidelines and publication by BBOP.
- 3.7. Business engagement workshop in Oxford.
- 3.8. Two international businesses to commit to implementing these new guidelines.

Annex 3: Standard Measures

Code No.	Description	Gender of people (if relevant)	Nationality of people (if relevant)	Year 1 Total	Year 2 Total	Year 3 Total	Total to date	Total planned during the project
1A	One person will submit a thesis for PhD qualification	Female	British/ South African			1	0	1
1B	One person will attain a PhD qualification	Female	British/ South African			1	0	1
4C	Victoria Griffiths gave a guest lecture at Makerere University in Kampala. The lecture was attended by Zoology postgraduate students on the Masters course as well as several professors at the university. The lecture was about biodiversity offsetting, the mitigation hierarchy and social impacts of development activities. Another lecture will be given at Makerere at the end of the project in Year 3.	Approximately 10 male and female postgraduate students	Ugandan	10		10	10	20
6A	4 Ugandan research assistants (RAs) were trained for the social fieldwork data collection. RAs were also trained on how to use tablets to collect the data. Training was also provided to the RAs during their data collection. The same RAs are being used for the ecological data collection and will also be trained accordingly.	2 Males and 2 females	Ugandan	4			4	4
6B	RAs were trained and guided whilst in the field collecting the social data.	2 males and 2 females	Ugandan	30 wks			30 wks	30 wks
6A	A training session was carried out at Nature Uganda to go through the Darwin application process. The session was led by E.J. Milner-Gulland and Dilys Roe and provided training on how to compile a Darwin proposal. This training session lasted for a morning.	11 males and females	Ugandan	11			11	11

6A	NEMA staff will be trained on how to implement the new national biodiversity offsetting guidelines		Ugandan			5	0	5
6A	2 NEMA staff will be trained as 'trainers' to continue the training to other / new NEMA staff		Ugandan			2	0	2
9	Draft national biodiversity offsetting guidelines will be produced (in collaboration with Combo).				1		0	1
9	A technical report on the findings of the research (both social and ecological) will be produced for Uganda.					1	0	1
9	International guidelines documenting how to incorporate social impacts into biodiversity offsetting will be produced.					1	0	1
11A	Two research papers will be published in peer reviewed journals and one IIED research report will be published and available to download on the IIED website.					3	0	3
12B	The biological databases from Nature Uganda and the social database from Oxford University will be handed over to Uganda.					2	0	2
14A	A Research Workshop will be held in Uganda where the research results are presented by the project team and local people from the case study site to stakeholders (government, NGO and business)		Ugandan		10		0	10
14A	Summary of research findings will be published in the local language of the case study site and meetings will be held with local leaders to present the research findings.		Ugandan		100		0	100
14A	Launch event for the new draft national guidelines. This will be hosted by NEMA and delegates from various government Ministries and NGOs in Uganda will be		Ugandan			10	0	10

	invited.							
14A	Business engagement workshop in Oxford		Ugandan and UK			30	0	30
14B	E.J. Milner-Gulland gave a guest lecture at the Aga Khan Development Network lecture series. Her lecture focused on business and biodiversity.	Female	British	1			1	1
14B	Victoria Griffiths will be presenting her research findings at the International Congress for Conservation Biology conference to be held at the end of July 2017.	Female	British/South African		1		0	1
14B	By project end, the research will be presented by Victoria Griffiths at at least one international biodiversity offset policy meeting	Female	British/South African			1	0	1
23	Additional funding for the social fieldwork was received from the Royal Geographical Society Slawson Award.	Female	British/South African	2000			2000	2000

Table 2 Publications

Title	Type (e.g. journals, manual, CDs)	Detail (authors, year)	Gender of Lead Author	Nationality of Lead Author	Publishers (name, city)	Available from (e.g. weblink or publisher if not available online)
Project flyer	Flyer	Griffiths, Baker, Bull and Milner-Gulland. 2016.	Female	British	NA	Project website Appended to this report
Newspaper article	Media	E.J. Milner-Gulland, 2017	Female	British	The Monitor, Kampala	Appended to this report

Annex 4 Onwards – supplementary material (optional but encouraged as evidence of project achievement)

The following materials are referred to in the text and are appended to this report:

Project flyer

Inception meeting report

Year 1 6-monthly meeting minutes

First year project meeting report

Biodiversity fieldwork protocol

Social fieldwork protocol

DI application training workshop

Sample tweets

Newspaper article

Stakeholder and institutional analysis

Checklist for submission

	Check
Is the report less than 10MB? If so, please email to Darwin-Projects@ltsi.co.uk putting the project number in the Subject line.	x
Is your report more than 10MB? If so, please discuss with Darwin-Projects@ltsi.co.uk about the best way to deliver the report, putting the project number in the Subject line.	
Have you included means of verification? You need not submit every project document, but the main outputs and a selection of the others would strengthen the report.	x
Do you have hard copies of material you want to submit with the report? If so, please make this clear in the covering email and ensure all material is marked with the project number.	No
Have you involved your partners in preparation of the report and named the main contributors	x
Have you completed the Project Expenditure table fully?	x
Do not include claim forms or other communications with this report.	