

24 July 2025

Problem Solving Conclusion Report IRM Case C-0010-Uganda GCF Project FP034: Building Resilient Communities, Wetland Ecosystems and Associated Catchments in Uganda

Summary

This report provides information to the Board on the outcomes of a problem-solving process of the Independent Redress Mechanism (IRM)'s case C-0010-Uganda related to the GCF Project FP034: Building Resilient Communities, Wetland Ecosystems and Associated Catchments in Uganda, as required by paragraphs 44 and 46 of the Procedures and Guidelines of the IRM (Decision B.22/22).



Executive Summary

In April 2024, the Independent Redress Mechanism (IRM) of the Green Climate Fund (GCF) received and acknowledged <u>receipt of a complaint</u> submitted by project-affected people (complainants) located in the southwestern and eastern regions of Uganda through their representatives, the Twerwaneho Listeners' Club (TLC).

The complaint relates to the GCF-funded Project FP034, Building Resilient Communities, Wetland Ecosystems and Associated Catchments in Uganda (the Project). The complaint covers seven districts in Uganda, located in the Southwest (Kabale, Kisoro, Ntungamo, Rukiga, and Rukungiri) and East (Kibuku and Tororo).

The complainants raised several concerns related to the implementation of this Project. They alleged: 1) restrictions to access to wetlands and/or wetlands-adjacent areas, lack of compensation and, in some instances, lack of prior notice; 2) destruction of subsistence crops and confiscation of farming equipment, without compensation or prior notice; 3) confiscation of land titles, without compensation; 4) use of security forces to patrol and forcibly evict wetland-dependent communities; 5) increased food insecurity and impoverishment of wetland-dependent communities, as a result of restrictions imposed on wetland use and lack of compensation or provision of alternate livelihoods; 6) inability to pay school fees as a result of loss of income; and 7) increase in crime rates and instances of theft, leading to increased risks to community safety and security.

The FP034 Project is intended to enhance Ugandan subsistence farmers' ability to deal with climate change impacts through three major components: 1) restoration and management of wetland hydrology and associated catchments; 2) improved agricultural practices and alternative livelihood options in the wetland catchment; and 3) strengthening access to climate and early warning information to farmers and other target communities to support wetland management. The Project targets 24 districts in the southwestern and eastern regions of Uganda, was approved on 15 December 2016 and is expected to be completed by 31 December 2026, pending any official extensions. The Accredited Entity for this Project is the United Nations Development Programme (UNDP) and the Executing Entity is the Ministry of Water and Environment of Uganda.

At the conclusion of the initial steps phase, on 10 November 2024, <u>parties agreed to pursue problem solving</u>, a dialogue-based process facilitated by the IRM in relation to the concerns raised, seeking to support parties reach agreement.

Following a comprehensive dispute resolution process facilitated by the IRM team for eight months, on 3 July 2025, parties involved in the problem solving reached agreement on the concerns raised with the IRM. The agreement was reached between complainants from seven districts of Uganda, in the Southwest (Kabale, Kisoro, Ntungamo, Rukiga, and Rukungiri) and East (Kibuku and Tororo), and the Ministry of Water and Environment of Uganda. Parties decided to keep the agreement confidential. However, they agreed for the IRM to produce this report describing the results of the problem solving and the agreement reached as required by paragraphs 44 and 46 of the Procedures and Guidelines of the IRM. The IRM circulated the draft report and received feedback from both parties prior to sharing it with the Board and publishing it on the IRM website.

A summary of issues discussed as part of the problem solving agreement and parties' decisions is provided below:

- Identification of wetland users who qualify as project affected people eligible for alternative in-kind livelihood options.



- Consideration of activities that may be practised on wetlands, such as collecting water, cutting grass, grazing animals and fishing, provided these activities are not commercial in nature.
- Conducting study tours for complainants to learn from examples of good alternative livelihood practices in other districts of Uganda.
- Wetland boundaries and demarcation. The Executing Entity answered all questions raised, and complainants in the end declared they had adequately understood this process and had no further concerns.
- Stakeholder engagement process and related activities, as explained and understood by the parties, would be respected, as well as the promotion of project level grievance mechanisms at the village, subcounty, district, and national levels.

As a next step, the IRM will monitor the commitments agreed to in the signed agreement. Following the successful monitoring stage, the IRM will close the case.



I. Introduction

The IRM is mandated to handle complaints received from a person or group of two or more persons or communities who have been or may be affected by adverse impacts of a GCF project or programme, under paragraph 11 of its Updated Terms of Reference (Decision B.BM-2017/10). In handling the complaint, the IRM is required to offer problem solving to the parties as a means of resolving a complaint under the Procedures and Guidelines (PGs) of the IRM (Decision B.22/22). When problem solving is agreed to by the parties and the parties resolve their dispute through an agreement or series of agreements, IRM informs the Board accordingly in line with paragraph 44 of the PGs.

II. Background

2.1 The Project

The FP034 Project is intended to enhance Ugandan subsistence farmers' ability to deal with climate change impacts through three major components: 1) restoration and management of wetland hydrology and associated catchments; 2) improved agricultural practices and alternative livelihood options in the wetland catchment; and 3) strengthening access to climate and early warning information to farmers and other target communities to support wetland management.

The Project targets 24 districts in the southwestern and eastern regions of Uganda, was approved on 15 December 2016 and is expected to be completed by 31 December 2026, pending any official extensions. The Accredited Entity for this Project is the UNDP and the Executing Entity is the Ministry of Water and Environment of Uganda.

2.2 The Complaint

In April 2024, the IRM received and acknowledged <u>receipt of a complaint</u> submitted by project-affected people located in the southwestern and eastern regions of Uganda through their representatives, the Twerwaneho Listeners' Club (TLC).

The complaint relates to the GCF-funded Project FP034, Building Resilient Communities, Wetland Ecosystems and Associated Catchments in Uganda and covers seven districts in Uganda, located in the Southwest (Kabale, Kisoro, Ntungamo, Rukiga, and Rukungiri) and East (Kibuku and Tororo).

The complainants raised several concerns related to the implementation of this Project. They alleged: 1) restrictions on access to wetlands and/or wetlands-adjacent areas, without compensation and, in some instances, without prior notice; 2) destruction of subsistence crops and confiscation of farming equipment, without compensation or prior notice; 3) confiscation of land titles, without compensation; 4) use of security forces to patrol and forcibly evict wetland-dependent communities; 5) increased food insecurity and impoverishment of wetland-dependent communities, as a result of restrictions imposed on wetland use and lack of compensation or provision of alternate livelihoods; 6) inability to pay school fees as a result of loss of income; and 7) increase in crime rates and instances of theft, leading to increased risks to community safety and security.

¹ Available at: https://irm.greenclimate.fund/document/2019-procedures-and-guidelines-irm



III. Eligibility and Initial Steps

On 8 May 2024, the IRM determined the complaint eligible under its TOR and PGs.² Consequently, the IRM started engaging with the complainants and other stakeholders in the initial steps phase to better understand the issues raised and to provide further information on the two complaint handling modalities (problem solving and compliance), as indicated in paragraph 36 of the IRM PGs.

During the initial steps phase, the IRM team met with a number of stakeholders, including the complainants and other similarly affected persons, the Executing Entity, the Accredited Entity, the National Designated Authority, the President's Office, and the GCF Secretariat. It also spoke with local NGOs and independent accountability mechanisms of other international financial institutions with experience in similar contexts.

As part of the initial steps process, the IRM team travelled to the Project site in June 2024 and visited affected communities in the southwestern and eastern districts of Uganda to gain a better understanding of the Project and to hear directly from affected people on the concerns they raised. The team also used the opportunity of in-person engagement and fact finding on the scope and essence of the allegations and whether these allegations were Project related.

In September 2024, the IRM conducted its second initial steps mission to Uganda to explain the IRM complaint-handling process to the parties involved and also to look at the Project's best practices in other areas as introduced by the Executing Entity. During the IRM's engagements with the parties, the team clarified that its role was not to determine the merits of the allegations or assess the Project's performance.

During these early engagements, the IRM team supported complainants' representatives and the Executing Entity to identify key issues for discussion in a potential problem-solving process, such as strategies enabling wetland restoration; eligibility criteria for the provision of alternative livelihoods; economic impacts to the community members that have vacated or will vacate the wetlands and mitigation measures; policies, laws and standards applicable to the Project; communication strategies and grievance redress mechanisms, among others.

In accordance with the Principles for Cooperation among Independent Accountability Mechanisms,³ the IRM has engaged with the accountability mechanism of the UNDP to inform them about the receipt of the complaint and provided them with key updates regarding the processing of the complaint. On multiple occasions, including through emails, the IRM shared with complainants the fact that the UNDP has an accountability mechanism and that they could raise their concerns there if they wished. Complainants indicated that they would only pursue the IRM process for the time being.

IV. The Problem Solving Stage

4.1 Process Design

Problem Solving is a participatory and flexible process focused on assisting the parties in finding and/or developing an effective solution to the concerns raised by complainants. A problem solving process focuses on addressing the concerns that gave rise to a grievance or complaint in a way that meets the interests of the complainants and the other potential parties and is mutually

² The Eligibility Determination is available at:



satisfactory. A problem solving process does not seek to determine culpability or assign blame, nor is it a compliance review. The entire problem solving process is conducted in confidence to enable the complainants and other parties to engage with each other, build trust, and collectively explore solutions in a safe space. All information used in a problem solving process by the parties is held in confidence by the IRM problem solving team and is not used in any future IRM processes, including a compliance review.

Participants. To prepare adequately for this problem solving process, the IRM set up a problem solving team composed of staff, regional and local consultants and interpreters. The problem solving team then worked with the parties to help them identify their representatives who would participate in the problem solving.

The **main parties** in the problem solving are:

- The complainants, who are project-affected people located in seven districts in the southwestern and eastern regions of Uganda. Complainants are represented by 22 elected community members who are part of the complainants' group and are advised by the Twerwaneho Listeners' Club, a civil society organisation based in Uganda.
- The Executing Entity for the FP034 Project, the Ministry of Water and Environment, in partnership with other relevant ministries from Uganda as per their responsibilities under the Project.

Parties also identified **other relevant stakeholders** with a role in the problem solving process:

- Local Authorities
- Community Leaders
- Relevant Offices of the Resident District Commissioners in Uganda
- Green Climate Fund Secretariat
- United Nations Development Programme

Capacity building: Prior to initiating the parties' formal engagement in the dispute resolution process, in January 2025, the IRM convened capacity-building workshops for the complainants' representatives and their advisers in two separate sessions for the Southwest and the East districts, respectively. Representatives of the Executing Entity also benefited from a two-day capacity-building session. The workshop was aimed at strengthening Parties' communication, negotiation and mediation skills needed for a collaborative, value-based dialogue process.

Process ground rules: Parties' representatives worked with the IRM problem solving team to agree on ground rules for the engagement that were included in a mediation framework that was signed in March 2025 and governed the entire dialogue process.

The mediation framework is aimed at promoting an atmosphere of good faith, based on mutual respect and trust, equal standing, receptiveness to each other's views and informed decision-making. Parties also agreed to work on a mutual understanding of the situation and enhance effective communication channels that suit the needs of all.

Communication protocol: To ensure a constructive dialogue process, the parties agreed that the joint meetings would be governed by open, honest, specific, respectful and constructive communication. Parties agreed that everyone will be treated equally and with respect; the parties should present their perspectives without being interrupted; statements should be directed at issues, opinions, and ideas and not at people; and substantive comments put forward should be given due consideration. Parties also agreed that the mediation team shall ensure that the communication protocol is followed by all participants.



Identifying common topics: The IRM problem solving team worked with the parties to identify the topics to be discussed and addressed under six main areas, specifically:

- Profiling of wetland users
- Alternative livelihoods
- Resettlement
- Wetlands boundaries
- Stakeholder engagement
- Grievance redress mechanism

4.2 The Dialogue Process

The dialogue structure: In line with good mediation practices, the parties agreed that the mediation process would be confidential and that they would jointly decide what could be disclosed to third parties or to the public once the process has reached a substantive outcome.

Exploring priorities and options for resolution: Between March 2025 and July 2025, the IRM mediation team organised several bilateral meetings online and in person to build trust with the parties, discuss community needs and priorities, and explore options for resolution that would be mutually beneficial. Parties also had an opportunity to share their perspectives on the concerns raised in the complaint and consider each other's needs and priorities.

Capturing agreements: The parties' interim decisions were captured in meeting summaries. A full and final problem solving agreement was reached on 3 July 2025 during the parties' joint meeting in Kampala, Uganda. The agreement was drafted and read out to all signing parties in the three languages agreed upon for the problem solving process. Parties' representatives expressed full satisfaction with the content of the agreement and the proposed timeline for implementation and signed it during the joint meeting. The parties' representatives agreed that the IRM should play a monitoring role in the agreement implementation and should come up with a monitoring plan in that regard.

4.3 Problem Solving Outcomes

The agreement was reached between complainants from seven districts of Uganda, in the Southwest (Kabale, Kisoro, Ntungamo, Rukiga, and Rukungiri) and East (Kibuku and Tororo), and the Executing Entity, the Ministry of Water and Environment of Uganda. Parties decided to keep the agreement confidential, but agreed to disclose the following summary of the outcomes reached:

- Parties agreed on the criteria for identifying wetland users that have vacated wetlands and further agreed on the process to be followed by project affected people to obtain alternative in kind livelihood options consistent with the Project objectives.
- The Executing Entity and the complainants agreed to work together with the support of the IRM in organising two study tours for complainants to learn from examples of good alternative livelihood practices in other districts of Uganda.
- Parties also agreed on wetland boundaries and demarcation, and complainants took note of the activities that do not harm the environment and can be practised on wetlands, such as collecting water, cutting grass, grazing animals and fishing, provided that those do not have a commercial purpose.



- Parties also discussed and agreed on a number of stakeholder engagement activities, and complainants learnt how to raise their concerns at the Project level grievance mechanisms at the village, subcounty, district, and national levels.

V. Lessons learnt from the Problem Solving

Trust building and respectful communication: Trust building and respectful communication were key in the dialogue process. This created a culture of openness and mutual support and fostered an environment where diverse voices are heard and respected.

Capacity building is very important: All participants in the IRM-facilitated dialogue process confirmed that the capacity building offered by the IRM mediation team was extremely useful and necessary for ensuring a constructive dialogue environment.

Dedicating the time, effort and expertise to provide training to the community members and implementing agencies has proven its value. Representatives from the Executing Entity and the complainants expressed their satisfaction with the capacity building activities, noting that this empowered them to articulate their issues with confidence. Parties frequently referred to what they had learned in the capacity building workshops as a basis to reinforce their points during the problem solving process.

Complainants' representatives told the IRM team, "We have been transformed. At first, we were very angry and were not sure we could talk to the government representatives because we saw them as the source of our problems. Now we have a different perspective and are ready for dialogue. We leave this session satisfied and more positive than when we started. Thank you, the IRM team."

Complainants stated that after the initial workshop, they felt empowered and ready to meet government officials in person, despite the fact that they had asked for confidentiality early in the IRM process. After the capacity building and two online sessions, the community representatives met face to face and from there on, communication was open and constructive with both parties displaying empathy and a desire to collaborate constructively towards resolution.

Local level grievance mechanism: Going further, it will be critical that the local level grievance mechanisms be strengthened and used as a first tier in collecting feedback and complaints from community members. Ensuring that the mechanism is accessible, transparent and efficient would support the resolution of issues timely, locally, and early on.

Contextual dynamics: This case involving communities and the government executing entity was mired in a context of desired development objectives, political interest and regional dynamics. Three languages were employed to ensure inclusivity and effective communication. Community members were clear that they had a desire to see government development objectives succeed but somehow saw the execution of these objectives as not being just, nor transparent and were asking for genuine wetlands restoration.

Cultural appropriateness: This case involves a series of cross-cultural elements. While the corporate culture influences the Executing Entity, the community presents a mix of cultures and a rich diversity. The IRM dedicated time to listening and studying to better understand the cultural parameters of the case. Also, the problem solving team was diverse; it included a regional mediation expert, local consultants and interpreters who worked hand in hand throughout the process. Offering translation and interpretation was greatly appreciated by the participants as this enabled smooth communication.



VI. Conclusion

The IRM team has consulted with parties in the preparation of this report to ensure the facts presented here are accurate. Once the report is finalised, it will be shared with the GCF Board, made available to parties and publicly disclosed on the IRM Case register C0010 Uganda.

The case will now move to the problem solving monitoring stage for the IRM to monitor parties' commitments made in the agreement in line with its timeline for implementation. Following the successful monitoring stage, the IRM will close the case.