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PUBLICATIONS

Nature and Climate Risk in Ugandan Business

First edition, 2026: what the public evidence says about physical, nature, market and regulatory risk for firms operating in Uganda

GROUND → DATA → INSIGHT → DECISION

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First edition, 2026

Contents

About this publication
Executive summary
1. Why nature and climate risk matters for Ugandan business
2. Key indicators at a glance
3. Physical climate risk
4. Nature: dependencies, degradation and risk
5. Market and trade risk: the EU Deforestation Regulation and buyer expectations
6. Policy and regulatory risk
7. The financial system: banks, insurers and investors
8. Sector exposure assessment (Tsavone judgement)
9. Outlook: 2027 and beyond
10. Implications for decision-makers
11. What Tsavone will measure in later editions
12. Methods note
13. Related publications
Sources
Annex A: Ten questions for boards
Annex B: Glossary

> **The first edition of Tsavone Consulting's annual review of nature and climate risk for businesses in Uganda. It brings together recent official and published data on climate hazards, forest and wetland loss, trade rules such as the EU Deforestation Regulation, and new Bank of Uganda climate risk rules, and sets out what they mean for decision-makers. Every figure is sourced; gaps are named and become the measurement agenda for later editions.**

About this publication

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About this publication

Nature and Climate Risk in Ugandan Business is an annual publication of Tsavone Consulting. It is written for people who take decisions about money, land, supply chains and policy in Uganda: boards, chief executives and finance directors, exporters and their buyers, lenders, insurers, investors, government planners and development partners.

This is the first edition. It is built from public, citable data available to Tsavone on 29 October 2026. Each figure in the text names its source and year, and each source is listed with a web address in the Sources section at the end. Source numbers appear in square brackets, for example [S1]. Where a figure does not exist in the public record, we say so and describe what Tsavone will measure in later editions.

Some content is Tsavone's own judgement, for example the sector exposure ratings in chapter 8 and the outlook in chapter 9. These are clearly labelled as judgement and are not data. Readers should treat them as a structured starting point for their own analysis.

> **This publication is general information, not investment, legal or financial advice. Readers should take advice on their own circumstances. It does not name or assess individual companies.**

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Executive summary

Uganda's economy is growing. The Uganda Bureau of Statistics (UBOS) estimates real GDP growth of 6.4 per cent in FY2025/26, after 6.3 per cent in FY2024/25 [S1]. But the sources of that growth sit close to nature. Agriculture, forestry and fishing produced 26.2 per cent of GDP in FY2025/26 [S2] and employed 37.1 per cent of working people aged 15 and over in 2025 [S3]. Coffee earned about USD 2.2 billion in FY2024/25 [S4]. Tourism, built on wildlife and landscapes, earned about USD 1.62 billion in 2025 [S5]. Hydropower makes up most of the country's installed generating capacity [S6][S7]. These are the assets that a changing climate and a degrading natural base put at risk.

Ten key messages

1. **Physical climate risk is already material.** The World Bank's Country Climate and Development Report (CCDR, September 2025) estimates that without strong action climate change could reduce Uganda's GDP by up to 3.1 per cent by 2050, push more than 613,000 people into poverty and create up to 12 million additional internal migrants [S8]. It finds that 21 per cent of the electricity network is threatened and that heat stress could cut labour productivity by up to 2.4 per cent [S8].
2. **Uganda is among the least prepared countries.** On the Notre Dame Global Adaptation Initiative (ND-GAIN) index, Uganda scores 34.4 and ranks 172nd, with a vulnerability score of 0.536 and a readiness score of 0.224 (2023 data) [S9].
3. **2026 is an El Niño year.** FEWS NET's June 2026 outlook reports strengthening El Niño conditions with a strong positive Indian Ocean Dipole, below-average rain in Karamoja to September and above-average rain in bimodal areas from September to December [S10]. Businesses should plan for flood, landslide and transport disruption in late 2026 and for drought stress in the north-east.
4. **The natural base is shrinking.** Media reporting of the FAO Global Forest Resources Assessment 2025 puts Uganda's forest area at 2.37 million hectares in 2025, against 4.55 million in 1990, with net loss of about 38,000 hectares a year in 2020 to 2025 [S11]. The National Forestry Authority reports forest cover of 12.7 per cent of land area, down from 24 per cent in 1990 [S12]. Wetland cover fell from 15.6 per cent in 1994 to 8.9 per cent in FY2020/21 [S13].
5. **Trade rules now price deforestation.** The amended EU Deforestation Regulation (EUDR) applies from 30 December 2026 for most operators and 30 June 2027 for certain micro and small operators [S14]. About 73 per cent of Uganda's 2024/25 coffee exports went to the EU [S15]. The Commission's May 2026 simplification review kept the legal text and proposed adding soluble coffee to the product scope [S16].
6. **Banks must now manage climate risk.** Bank of Uganda Guidelines for the Management of Climate-related Financial Risks took effect on 31 December 2025. Supervised institutions submit semi-annual climate information from 30 June 2026 and annual transition plans from 31 December 2026 [S17]. Borrowers should expect climate questions in credit decisions.
7. **A green finance architecture is being built.** Government launched the National Green Taxonomy and the National Climate Finance Strategy 2025 to 2030 on 11 September 2025 [S18][S19]. A

Sovereign Sustainable Finance Framework was validated in August 2026 [S20]. Uganda estimates its climate finance need at about USD 28.1 billion to 2030 [S19][S21].

8. **Carbon markets have rules.** The National Climate Change (Climate Change Mechanisms) Regulations, 2025 were gazetted on 24 January 2025 and set approval, registry, verification and international transfer rules under Article 6 of the Paris Agreement [S22].
9. **Insurance is thin.** Gross written premium reached UGX 2.024 trillion in 2025, but penetration has stayed around 1 per cent of the economy for years [S23]. Most climate losses remain uninsured.
10. **The evidence gap is at firm level.** There is no public dataset on how Ugandan companies identify, price or disclose nature and climate risk. From 2027 Tsavone will run a business survey to fill that gap (chapter 11).

What decision-makers should do in the next 12 months

- **Boards** should put nature and climate risk on the risk register, name an accountable executive, and review exposure in the 2026 El Niño season.
- **Exporters of coffee, cocoa, timber, cattle products and soy** should complete plot-level traceability and a deforestation and legality risk assessment before 30 December 2026.
- **Borrowers** should prepare the climate information their bank will now request: locations, exposure, and plans.
- **Banks, insurers and investors** should map portfolio concentration by sector and district against hazard data, and use the National Green Taxonomy to label green lending.
- **Government and development partners** should fund district-level hazard and asset data, and a public loss and damage database, so that private actors can price risk.

1. Why nature and climate risk matters for Ugandan business

Businesses in Uganda face four linked types of nature and climate risk. Tsavone uses the language of the Task Force on Climate-related Financial Disclosures (TCFD), now carried into IFRS S2, and of the Taskforce on Nature-related Financial Disclosures (TNFD), so that findings can feed disclosure.

Risk type	What it means	Ugandan examples in this edition
Physical climate risk (acute)	Damage and disruption from extreme events such as floods, landslides, storms and drought	Bulambuli landslides, November 2024; Kiteezi landfill collapse after heavy rain, August 2024; Karamoja drought and crop losses, 2026
Physical climate risk (chronic)	Gradual shifts in temperature, rainfall patterns and water availability	Heat stress on labour productivity; shifting suitability for coffee and other crops; lake level change
Nature-related risk	Loss of the ecosystem services that firms depend on, such as water regulation, soil fertility, pollination and flood buffering	Forest loss since 1990; wetland loss since 1994; catchment degradation upstream of hydropower and water intakes
Transition, market and regulatory risk	Costs and opportunities from policy, law, trade rules, technology and buyer or investor expectations	EUDR; Bank of Uganda climate risk guidelines; National Green Taxonomy; carbon market regulations; NDC targets

These risks interact. Forest and wetland loss raise flood and landslide risk. Drought pushes farmers into forests and wetlands. Trade rules that reward deforestation-free supply create a market reason to protect what remains. For this reason we treat nature and climate together.

1.1 Exposure through the structure of the economy

UBOS preliminary estimates for FY2025/26 put nominal GDP at about UGX 250.4 trillion, with services at 42.1 per cent of GDP, agriculture, forestry and fishing at 26.2 per cent and industry at 24.1 per cent [S2]. Agriculture grew by 6.5 per cent in FY2025/26 [S2]. The UBOS Labour Market Survey 2025 found that 37.1 per cent of employed people aged 15 and over work in agriculture, rising to 46.9 per cent in rural areas [S3].

Many service and industrial activities also depend on nature. Agro-processing depends on harvests. Tourism depends on wildlife, forests and water bodies. Electricity depends mainly on river flows. Banks and microfinance institutions lend heavily to agriculture and trade that rest on harvests. Exposure is therefore wider than the agricultural share of GDP suggests.

Economic pillar	Latest public figure	Year	Source	Main nature or climate dependency
Agriculture, forestry and fishing	26.2% of GDP; 37.1% of employment (15+)	FY2025/26; 2025	[S2]; [S3]	Rainfall, soil, pollination, water
Coffee exports	About USD 2.2 billion; 7.7 million 60-kg bags	FY2024/25	[S4]	Rainfall, temperature, shade trees, soil
Tourism	More than 1.6 million international arrivals; UGX 5.8 trillion (about USD 1.62 billion); about 5.9% of GDP; more than 876,000 direct jobs	2025	[S5]	Wildlife, forests, lakes and rivers
Electricity	Installed capacity about 2,048 MW, of which hydropower about 1.71 GW	2024	[S6]; [S7]	River flows, catchment condition
Oil and gas	EACOP pipeline about 91% complete; Kingfisher about 95% complete; first oil targeted before end-2026	August 2026	[S24]	Sensitive ecosystems in the Albertine Graben; transition risk

Tsavone calculation: hydropower at about 1.71 GW is roughly 83 per cent of the 2,048 MW of installed capacity reported for 2024. The two figures come from different sources [S6][S7], so the share is approximate.

2. Key indicators at a glance

The table below is the core indicator set for this edition. Later editions will track the same indicators so that readers can see direction of travel. Where an indicator has no reliable public figure we say so.

Indicator	Latest value	Year	Source
Real GDP growth	6.4% (preliminary); 6.3% in FY2024/25	FY2025/26	UBOS [S1]

Indicator	Latest value	Year	Source
Agriculture, forestry and fishing share of GDP	26.2%	FY2025/26	UBOS via Daily Monitor [S2]
Share of employment in agriculture (15+)	37.1% (rural 46.9%, urban 26.5%)	2025	UBOS Labour Market Survey [S3]
Projected GDP loss from climate change without strong action	Up to 3.1% by 2050	2025 report	World Bank CCDR [S8]
Additional people pushed into poverty by climate change	More than 613,000 by 2050	2025 report	World Bank CCDR [S8]
Share of electricity network threatened by climate hazards	21%	2025 report	World Bank CCDR [S8]
ND-GAIN score and rank	34.4; rank 172	2023 data	ND-GAIN [S9]
Forest area	2.37 million ha (4.55 million ha in 1990)	2025	FAO FRA 2025, reported by Daily Monitor [S11]
Forest cover share of land	12.7% (24% in 1990)	Reported October 2025	NFA, reported by Daily Monitor [S12]
Average annual net forest loss	About 38,000 ha a year	2020 to 2025	FAO FRA 2025, reported by Daily Monitor [S11]
Wetland cover share of land	8.9% (15.6% in 1994)	FY2020/21	MoFPED BMAU [S13]
Coffee exports	About USD 2.2 billion	FY2024/25	UCDA via Ecofin Agency [S4]
EU share of coffee exports	About 73%	2024/25	USDA FAS via Daily Coffee News [S15]
EUDR application date	30 December 2026 (most operators); 30 June 2027 (certain micro and small operators)	Regulation (EU) 2025/2650	[S14]
Climate finance need to 2030	About USD 28.1 billion	NDC 2022; Climate Finance Strategy 2025	[S19][S21]
NDC mitigation target	24.7% below business as usual by 2030	Updated NDC 2022	[S21][S17]
Insurance gross written premium	UGX 2.024 trillion; penetration about 1%	2025	IRA via The Independent [S23]
Weather-related disaster losses	Over USD 154 million	FY2019/20	Bank of Uganda Governor, reported [S25]
People in IPC Phase 3 or above, Karamoja	About 473,000	April to July 2026	IPC, reported by Daily Monitor [S26]

Indicator	Latest value	Year	Source
Share of Ugandan firms that disclose climate or nature risk	No public data	Not available	Tsavone will measure from 2027

3. Physical climate risk

3.1 The national picture

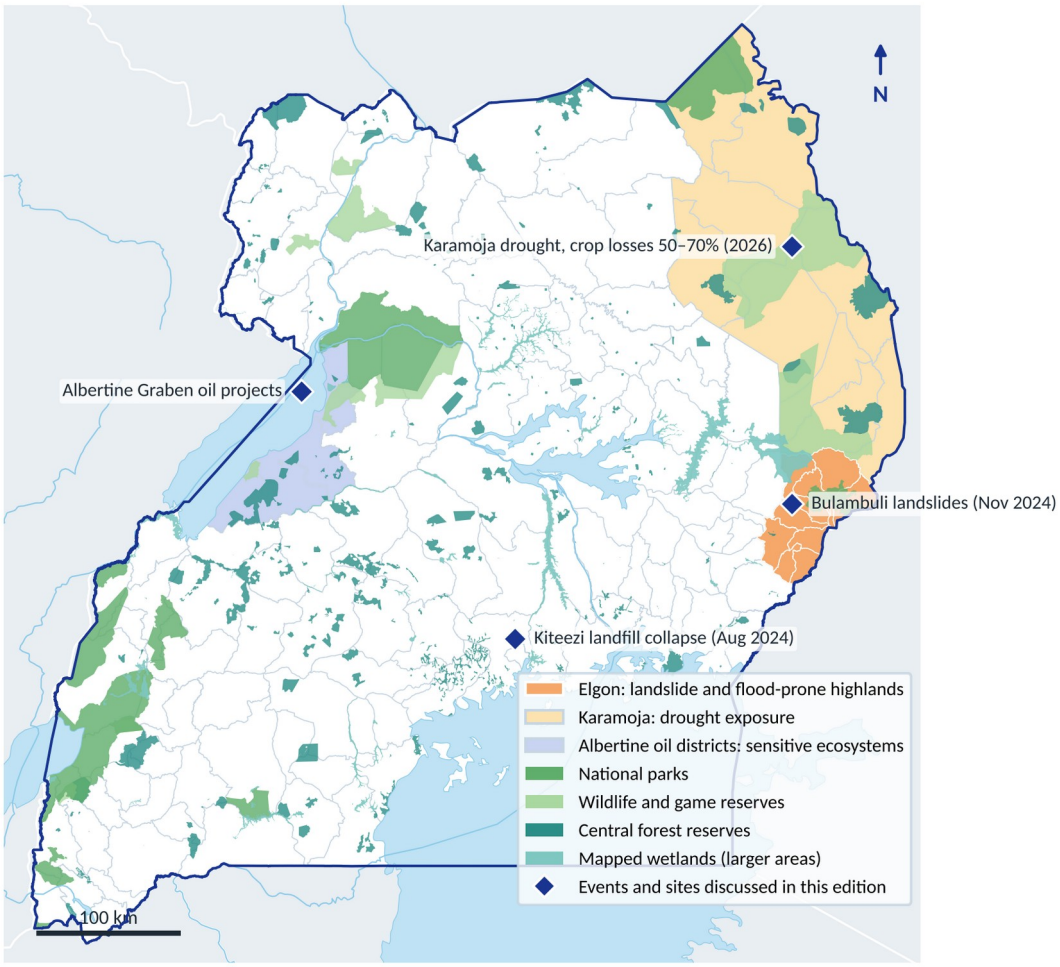
The World Bank Group's Uganda Country Climate and Development Report, published on 11 September 2025, is the most complete recent public assessment of climate risk to the economy [S8]. Its headline estimates are that, without strong action, climate change could reduce GDP by up to 3.1 per cent by 2050, push more than 613,000 additional people into poverty and lead to up to 12 million additional internal migrants. The report ranks Uganda as the 14th most climate-vulnerable country. It also estimates that annual road damage could cost as much as USD 26 million and that 21 per cent of the electricity network is threatened [S8].

The ND-GAIN Country Index combines vulnerability (exposure, sensitivity and adaptive capacity) with readiness (economic, governance and social conditions for investment in adaptation). Uganda's 2023 score is 34.4, ranking it 172nd. Its vulnerability score is 0.536 and its readiness score 0.224 [S9]. The low readiness score matters for business: it signals weak conditions for using adaptation investment well, such as regulatory quality, infrastructure and access to finance.

3.2 Recent events

Three recent events show how hazards turn into business losses.

Event	What happened	Business relevance
Bulambuli landslides, Elgon sub-region, late November 2024	Landslides buried dozens of homes across several villages. Police reported 28 deaths by early December 2024, with dozens still missing [S27].	Loss of farms, roads and supply routes in an arabica coffee area; disruption to collection, credit repayment and input supply
Kiteezi landfill collapse, Kampala, August 2024	A section of Kampala's main landfill collapsed after heavy rain. The Daily Monitor reported 30 deaths after further recoveries [S28].	Shows how heavy rainfall combines with poorly managed urban infrastructure; waste services, land use and liability risks for urban businesses
Karamoja drought and food insecurity, 2026	FEWS NET estimates crop losses of 50 to 70 per cent in most of Karamoja in 2026 [S10]. The IPC classed about 473,000 people in Karamoja in Phase 3 or worse for April to July 2026 [S26].	Falling purchasing power, livestock stress and migration; higher risk for lenders and suppliers serving the north-east



Illustrative; not a hazard model. Boundaries: Uganda administrative boundaries (135 districts, OCHA/UBOS 2020). Protected areas and wetlands: OpenStreetMap.

Figure 1. Hazard areas, protected areas, wetlands and sites discussed in this edition

Illustrative only; not a hazard model. Protected areas and wetlands: OpenStreetMap (October 2026 extract). Boundaries: Uganda administrative boundaries, 135 districts (OCHA/UBOS, 2020). Map: Tsavone Consulting, 2026.

A full national loss and damage record does not exist in the public domain. The Bank of Uganda Governor cited weather-related disaster losses of over USD 154 million in FY2019/20 [S25]. Tsavone could not find a consistent annual series. This is a gap that matters: without loss data, insurers cannot price cover and banks cannot calibrate climate stress tests.

3.3 The 2026 to 2027 season outlook

FEWS NET's Uganda Food Security Outlook for June 2026 to January 2027 reports that El Niño conditions are strengthening rapidly, with strong to very strong El Niño and a strong positive Indian Ocean Dipole expected [S10]. It forecasts below-average rainfall in Karamoja from June to September and above-average rainfall in bimodal areas from September to December 2026. It also notes prolonged dry spells in April and May 2026 that hurt first-season crops in parts of the country, and expects 2.5 to 2.99 million people to need food assistance, with needs peaking in September to November [S10].

For business, the combination points to two different risks in the same year: drought stress in the north-east and flood, landslide and road-washout risk across much of the south, east and west during the second rains. Firms with assets or suppliers on steep slopes in Elgon, Kigezi and Rwenzori, near rivers and lake shores, or in low-lying urban areas, should check contingency plans now.

3.4 Chronic risks

Chronic risks build slowly but change the economics of whole sectors. The CCDR estimates that heat stress could cut overall labour productivity by up to 2.4 per cent [S8]. Shifts in rainfall timing affect planting calendars and the reliability of harvests, and therefore of loan repayments and processing throughput. Hydropower depends on river flows on the Nile system and other rivers. Tsavone did not find a recent public, Uganda-specific study of crop suitability change for coffee that meets our sourcing standard; the second edition will review peer-reviewed evidence on this question.

Physical risk is location-specific. National averages hide the difference between a coffee farm on an Elgon slope and one in the central region. Any company assessment must start with the locations of its own sites, suppliers and customers.

4. Nature: dependencies, degradation and risk

4.1 Forests

Two public sources describe the long decline of Uganda's forests. Media reporting of the FAO Global Forest Resources Assessment 2025 gives forest area of 4.55 million hectares in 1990 and 2.37 million hectares in 2025, a fall of about 48 per cent over 35 years [S11]. The same reporting gives net loss of about 124,000 hectares a year in the 1990s, slowing to about 38,000 hectares a year in 2020 to 2025 [S11]. Separately, a National Forestry Authority (NFA) report published in October 2025 puts forest cover at 12.7 per cent of land area, against 24 per cent in 1990 [S12]. The two sources use different definitions and methods, so they should not be combined.

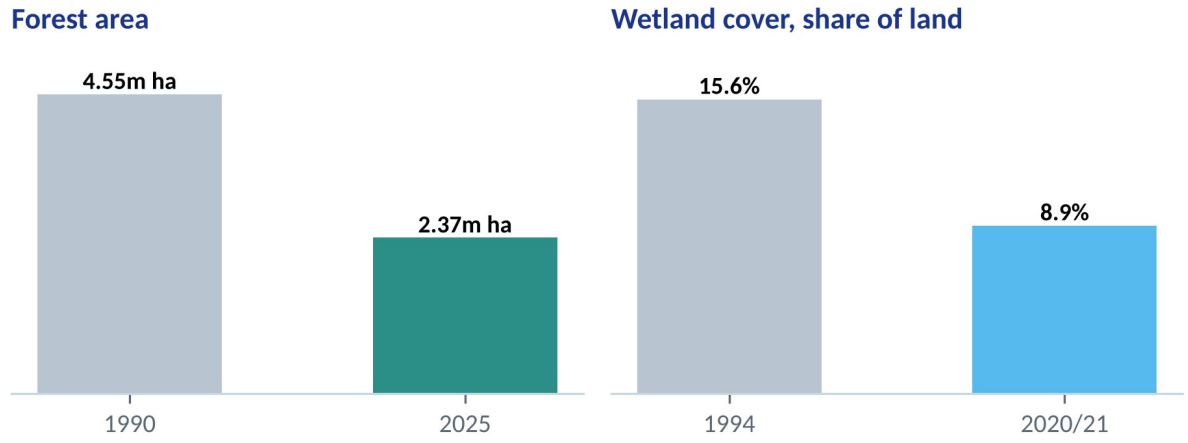


Figure 2. Uganda has lost about half of its forest area and wetland cover

Sources: FAO Forest Resources Assessment 2025, reported by Daily Monitor [S11]; MoFPED Budget Monitoring and Accountability Unit [S13].

The slowing rate of net loss is welcome but should be read carefully. Net figures can hide continued loss of natural forest offset by plantations. Uganda's updated Nationally Determined Contribution includes a target to restore 2.5 million hectares of forest landscape by 2030 [S21].

4.2 Wetlands

Wetlands regulate floods, store water, filter pollution and support fisheries and grazing. A Ministry of Finance, Planning and Economic Development (MoFPED) Budget Monitoring and Accountability Unit briefing paper of November 2022, drawing on Ministry of Water and Environment data, reports wetland

cover of 15.6 per cent of land in 1994 and 8.9 per cent in FY2020/21 [S13]. It estimates loss of about 293 square kilometres a year, or 2 to 2.5 per cent a year, and warns that on that trend Uganda could lose its wetlands by 2040. The Third National Development Plan targeted an increase to 9.57 per cent by FY2024/25 [S13]. Tsavone could not find a published figure showing whether that target was met; the second edition will report the latest Ministry of Water and Environment figure.

Wetland loss has direct business consequences. It raises flood risk in urban and peri-urban areas such as Kampala, where businesses and infrastructure sit on former wetland. It reduces the dry-season water that irrigation, livestock and industry rely on. And it creates legal risk: developments in wetlands without approval breach section 55 of the National Environment Act, 2019, which requires the written approval of the relevant lead agency, and can be halted [S37].

4.3 Biodiversity

Uganda submitted its national biodiversity targets aligned with the Kunming-Montreal Global Biodiversity Framework to the Convention on Biological Diversity in May 2024 [S29], and a National Biodiversity Strategy and Action Plan III for 2025 to 2030 is listed in public legal databases [S30]. These targets matter for business because they shape future rules on land use, protected areas, offsets and reporting. Companies financed by international lenders already face biodiversity standards such as IFC Performance Standard 6.

4.4 How Ugandan sectors depend on nature

The table below is Tsavone's summary of the main dependencies by sector, using TNFD ecosystem service categories. It is a qualitative judgement, not data.

Sector	Main dependencies on nature	Main impacts on nature	Signals of risk
Coffee, cocoa and tea	Rainfall regulation, soil fertility, pollination, shade	Forest conversion on farm frontiers; agrochemical use	EUDR due diligence; yield variability
Food crops and grain trade	Rainfall, soil, pollination, pest control	Soil erosion; wetland conversion	Harvest shortfalls; price spikes
Livestock and dairy	Pasture, water, disease regulation	Rangeland degradation; methane	Drought losses; disease; buyer requirements
Fisheries	Lake water quality, breeding habitats	Overfishing; habitat loss	Stock decline; quality standards
Hydropower and water utilities	River flow, catchment condition, sediment control	Reservoir and river changes	Low-flow periods; siltation
Tourism	Wildlife, forests, landscapes, lakes	Visitor pressure; infrastructure	Habitat loss; reputational risk
Construction and real estate	Flood regulation, stable slopes	Wetland infill; sand and clay extraction	Flooding of sites; enforcement action
Banks and microfinance	Indirect through borrowers	Indirect through lending	Concentration in agriculture and trade; climate risk rules
Oil, gas and mining	Water; stable land	Habitat disturbance; spills	Lender standards; litigation; transition risk

5. Market and trade risk: the EU Deforestation Regulation and buyer expectations

5.1 Where the EUDR stands

The EU Deforestation Regulation (Regulation (EU) 2023/1115) requires operators placing cattle, cocoa, coffee, oil palm, rubber, soya and wood products on the EU market, or exporting them from the EU, to show that the products are deforestation-free (no deforestation after 31 December 2020), legally produced and covered by a due diligence statement. It was amended by Regulation (EU) 2025/2650, published on 23 December 2025 [S14]. Under the amended text the main obligations apply from 30 December 2026 for most operators and traders, and from 30 June 2027 for certain micro and small operators [S14].

The amendment also simplified the system. Responsibility for the due diligence statement now sits with the operator who first places the product on the market, and downstream operators rely more on reference numbers. Micro and small primary operators file a one-time simplified declaration instead of a full due diligence statement [S14].

The European Commission published its simplification review on 4 May 2026 [S16]. It did not reopen the legal text. It issued updated guidance and a draft delegated act that would, among other changes, add soluble coffee to the product scope and remove some products such as retreaded tyres [S16]. The draft delegated act was open for consultation until 1 June 2026 [S16]; readers should check whether it has been adopted.

Under the EU country benchmarking adopted in May 2025, four countries were classed as high risk and 140 as low risk; all others are standard risk [S31]. Uganda is on neither list and is therefore classed as standard risk [S38]. Standard-risk origin means operators must complete full risk assessment and mitigation, not the simplified due diligence available for low-risk origins.

5.2 Why this matters for Uganda

Coffee is Uganda's largest agricultural export. USDA Foreign Agricultural Service reporting, summarised by Daily Coffee News in June 2026, puts 2025/26 coffee exports at about 6.7 million 60-kg bags and notes that the EU took about 73 per cent of 2024/25 exports [S15]. UCDA data reported by Ecofin Agency put FY2024/25 export earnings at about USD 2.2 billion from 7.7 million bags [S4]. The two sources use different years and definitions.

The same USDA reporting notes two institutional changes: government's intention to move gradually from green coffee exports towards roasted and soluble coffee, and the transfer of Uganda Coffee Development Authority functions into the Ministry of Agriculture, Animal Industry and Fisheries [S15]. If soluble coffee is added to EUDR scope, value addition in Uganda will not escape traceability requirements; it will move them into the processor's supply chain.

Supply chain actor	What EUDR means in practice	Practical first step
Smallholder farmers	Plot location data and evidence of no post-2020 deforestation, collected by buyers or cooperatives	Register with a cooperative or exporter that runs a traceability system
Cooperatives and farmer organisations	Collect geolocation, maintain member registers, segregate traceable lots	Map members' plots; train staff; check data quality

Supply chain actor	What EUDR means in practice	Practical first step
Exporters	Deliver data and documents that EU operators need for their due diligence statements; manage legality risk	Run a gap assessment against EUDR information requirements; agree data formats with buyers
Processors (roasting, soluble)	If scope changes, trace raw material to plots for EU-bound product	Plan for traceability before investing in new capacity
Banks and investors	Credit and reputational risk if borrowers lose EU market access	Ask agribusiness borrowers for their EUDR readiness plan

5.3 Other buyer and investor expectations

EUDR is the most visible rule, but not the only one. International buyers increasingly ask suppliers for greenhouse gas data, water and chemical management, and human rights due diligence. International lenders and development finance institutions apply environmental and social standards such as the IFC Performance Standards to borrowers. Tsavone's Ground Truth briefs (www.tsavone.com/insights) cover what lenders' safeguards mean for Ugandan borrowers.

6. Policy and regulatory risk

6.1 Climate policy

The National Climate Change Act, 2021 provides the legal basis for Uganda's climate response. Uganda's updated Nationally Determined Contribution, launched in March 2023, commits to reducing greenhouse gas emissions by 24.7 per cent below business as usual by 2030 [S21]. The Bank of Uganda guidelines describe the base year as 2015 [S17]. The updated NDC estimates implementation costs at about USD 28.1 billion, with government expected to cover about 15 per cent for unconditional measures [S21]. Its 2030 targets include 152,622 hectares under irrigation, electricity access for 75 per cent of the population, climate action plans in 50 per cent of local governments and 2.5 million hectares of forest landscape restored [S21].

Government launched the process to prepare the next NDC, often called NDC 3.0, in July 2025 [S32]. In late August 2026 government was still consulting on NDC 3.0, with the aim of finalising it by the end of September 2026 [S39]. Tsavone did not find confirmation that it had been submitted to the UNFCCC by the data cut-off. A new NDC is likely to set targets to 2035 and may tighten expectations on energy, transport, agriculture and land use.

6.2 Carbon markets

The National Climate Change (Climate Change Mechanisms) Regulations, 2025 were published in the Uganda Gazette on 24 January 2025 and launched publicly by the Ministry of Water and Environment on 29 May 2025 [S22][S33]. They implement Article 6 of the Paris Agreement. They set a two-stage approval process for climate change projects with benefit-sharing requirements, a national register of emission reduction units, accreditation of verifiers, measurement under IPCC guidelines, and rules for international transfers that require corresponding adjustments and fees [S22]. Project developers, landholders and buyers of credits from Uganda need to check projects against these rules.

6.3 Green taxonomy and climate finance strategy

On 11 September 2025 the Ministry of Finance, Planning and Economic Development launched the National Green Taxonomy, with the Ministry of Water and Environment and development partners [S18].

It creates a classification of environmentally sustainable activities across agriculture, energy, transport, construction, water and sanitation, waste management and forestry, covering mitigation, adaptation, biodiversity, pollution prevention and circular economy objectives [S18]. On the same date government launched the National Climate Finance Strategy 2025 to 2030, with immediate priorities of climate budget tagging, the Green Taxonomy and a Climate Finance Facility at the Uganda Development Bank [S19].

In August 2026 a draft Sovereign Sustainable Finance Framework, developed by MoFPED and the Bank of Uganda with technical support from the Global Green Growth Institute, was validated at a technical workshop [S20]. It is aligned with the ICMA Green Bond Principles and builds on the taxonomy, the climate finance strategy and the Bank of Uganda guidelines [S20]. The size and timing of any sovereign green bond had not been announced at the data cut-off.

6.4 Oil and gas

Uganda's oil projects are close to production. In August 2026 project officials reported the East African Crude Oil Pipeline (EACOP) at about 91 per cent complete and the Kingfisher development at about 95 per cent, with first oil targeted before the end of 2026 [S24]. The pipeline is about 1,443 kilometres long with capacity of up to 246,000 barrels a day [S34]. For suppliers and contractors, the sector brings demanding environmental and social requirements and reputational scrutiny from international campaigners and lenders. For the wider economy, it raises long-run transition risk if global oil demand falls.

7. The financial system: banks, insurers and investors

7.1 Bank of Uganda climate risk guidelines

The Bank of Uganda Guidelines to Supervised Financial Institutions for the Management of Climate-related Financial Risks, 2025 are the most important regulatory change for corporate borrowers in this edition. According to the published text summarised by RegAlert, they took effect on 31 December 2025 and apply to institutions supervised under the Financial Institutions Act and the Microfinance Deposit-Taking Institutions Act [S17].

Requirement	What the guidelines expect	Date
Governance	The board holds ultimate responsibility, approves climate risk appetite and framework; executive management implements; responsibilities are assigned across the institution	From 31 December 2025
Risk management	Climate risk treated as a distinct risk category with materiality thresholds, key risk indicators and limits; sector and geographic concentration monitored; climate checks in onboarding and credit	From 31 December 2025
Capital and liquidity	Material climate risks included as a Pillar 2 risk in internal capital and liquidity adequacy assessments and stress tests	From 31 December 2025
Scenario analysis	Short (3 to 5 years), medium (6 to 10 years) and long (11 years and over) horizons, proportionate to size and complexity	Ongoing

Requirement	What the guidelines expect	Date
Supervisory reporting	Semi-annual submissions on material risks, governance, exposures to carbon-intensive and climate-vulnerable sectors and locations, stress test results and data gaps	From 30 June 2026
Transition plans	Annual plans aligned with Uganda's energy transition plan, national development plan and NDC	From 31 December 2026
Disclosure basis	Designed as a baseline that supports IFRS S2 climate disclosures	Ongoing

In October 2026 the Bank of Uganda signed a technical assistance agreement with EIB Global to develop a roadmap for greening the financial sector and strengthen climate risk disclosure, with support extending to selected commercial banks [S35].

7.2 What borrowers should expect

- Questions at onboarding and renewal about the locations of assets and operations, exposure to floods, drought and landslides, and dependence on climate-sensitive inputs.
- Requests for emissions data or energy use from larger corporate borrowers in carbon-intensive sectors.
- Shorter tenors, lower loan-to-value ratios or sector limits where risk is high, which the guidelines name as possible mitigants [S17].
- Better terms for activities that qualify under the National Green Taxonomy, as banks seek green assets for their portfolios and transition plans.

7.3 Insurance

The Insurance Regulatory Authority reported gross written premium of UGX 2.024 trillion in 2025, up 14.72 per cent from UGX 1.764 trillion in 2024 [S23]. Despite growth, insurance penetration has stayed around 1 per cent of the economy for many years [S23]. Tsavone could not find a recent public figure for agricultural insurance premiums or the number of farmers covered under the Uganda Agriculture Insurance Scheme; later editions will report it if published.

Low penetration means most climate losses fall on households, firms and government. For businesses, this raises the value of physical risk reduction, supplier diversification and contingency finance.

7.4 Investors and disclosure

International investors and development finance institutions increasingly ask for disclosure aligned with IFRS S1 and S2 and with TNFD. The Ministry of Finance's Climate Finance Unit has promoted the IFRS Sustainability Disclosure Standards to Uganda's accountancy profession [S36]. The Institute of Certified Public Accountants of Uganda (ICPAU) approved a roadmap for adopting IFRS S1 and S2 on 2 September 2025 [S40]. It allows voluntary reporting for accounting periods beginning on or after 1 January 2026. Reporting then becomes mandatory in phases: from 1 January 2028 for listed entities, financial institutions including microfinance deposit-taking institutions, insurers and reinsurers, and government business entities that apply IFRS Accounting Standards; from 1 January 2029 for retirement benefit schemes, SACCOs, large companies and other public interest entities; and from 1 January 2030 for small and medium enterprises [S40]. Companies in the first phase have about one reporting cycle to build the data, and the Bank of Uganda guidelines and investor requirements point the same way.

8. Sector exposure assessment (Tsavone judgement)

The table below gives Tsavone's qualitative view of exposure by sector over the next three years. Ratings combine the evidence in chapters 3 to 7 with professional judgement. They are not a credit rating or investment recommendation. Ratings use a three-point scale: High, Medium, Low. Readers should use them as a prompt for their own assessment, which should always start with their own locations and supply chains.

Sector	Physical climate	Nature dependency	Market and regulatory	Main reason
Coffee and other EUDR commodities	High	High	High	Rain-fed production, slope exposure in Elgon and Rwenzori, EU market share and EUDR dates
Food crops, grain and agro-processing	High	High	Medium	Harvest variability; drought in the north-east and flood risk in the 2026 second season
Livestock, dairy and leather	High	High	Medium	Pasture and water stress; cattle products in EUDR scope
Fisheries	Medium	High	Medium	Lake ecosystem condition and stock pressure
Electricity generation and distribution	Medium	High	Medium	Hydropower dependence; 21% of network threatened [S8]
Tourism and hospitality	Medium	High	Low	Wildlife and landscape dependence; access road damage
Construction and real estate	High	Medium	Medium	Urban flooding, wetland enforcement, landslide zones
Banks and microfinance	Medium	Medium	High	New Bank of Uganda guidelines; concentration in agriculture and trade
Insurance	High	Low	Medium	Loss exposure with low penetration and limited loss data
Oil, gas and mining	Medium	Medium	High	Lender standards, scrutiny and long-run transition risk
Manufacturing and trade (non-agricultural)	Medium	Low	Medium	Power reliability, transport disruption, buyer requirements
ICT and professional services	Low	Low	Low	Indirect exposure through clients and staff

Sector exposure assessment (Tsavone judgement)

	Physical climate	Nature dependency	Market and regulatory
Coffee and other EUDR commodities	High	High	High
Food crops, grain and agro-processing	High	High	Medium
Livestock, dairy and leather	High	High	Medium
Fisheries	Medium	High	Medium
Electricity	Medium	High	Medium
Tourism and hospitality	Medium	High	Low
Construction and real estate	High	Medium	Medium
Banks and microfinance	Medium	Medium	High
Insurance	High	Low	Medium
Oil, gas and mining	Medium	Medium	High
Manufacturing and trade	Medium	Low	Medium
ICT and professional services	Low	Low	Low

Figure 3. Sector exposure at a glance

Source: Tsavone Consulting judgement, as set out in the table above.

> **A Low rating for a sector does not mean a given company has low risk. A data centre on a floodplain or a hotel reliant on a single access road can be highly exposed in a low-rated sector.**

9. Outlook: 2027 and beyond

This chapter sets out what Tsavone expects to shape nature and climate risk for Ugandan business over the next 12 to 36 months. It is judgement, based on the dates and evidence cited.

9.1 Dates to watch

Date	Event	Who is affected
September to December 2026	Second rains under strong El Niño and positive Indian Ocean Dipole; above-average rain expected in bimodal areas [S10]	Farmers, transport, construction, insurers, lenders in flood and landslide zones
By end-2026	Targeted first oil from Uganda's oil projects [S24]	Oil and gas suppliers, Albertine districts, government revenue
30 December 2026	EUDR main obligations apply [S14]	Coffee, cocoa, timber, cattle product and soy exporters and their EU buyers
31 December 2026	First annual climate transition plans due from supervised financial institutions [S17]	Banks, microfinance deposit-taking institutions, their corporate borrowers
30 June 2027	EUDR obligations for certain micro and small operators [S14]	Small EU operators sourcing from Uganda

Date	Event	Who is affected
2027 (expected)	Further progress on NDC 3.0 and the Sovereign Sustainable Finance Framework [S20][S32]	Government, banks, investors
FY2025/26 to FY2029/30	Fourth National Development Plan period	All sectors

9.2 Three scenarios for the next three years

Scenario	Description	What it means for business
Managed transition	EUDR traceability is in place for most export coffee by 2027; banks integrate climate risk without cutting credit; taxonomy-aligned finance grows; hazard data improves	Market access protected; green lending at better terms; physical losses still high but better managed
Disorderly compliance	Many smallholders and small exporters are not traceable by the EUDR deadline; buyers shift sourcing to traceable suppliers or origins; banks respond to climate guidelines by tightening credit to agriculture	Price discounts for untraceable coffee; consolidation among exporters; reduced credit to small agribusiness
Shock-led	A severe 2026 to 2027 flood and landslide season, followed by drought, damages infrastructure and harvests while compliance lags	Supply interruptions, loan defaults, insurance losses, pressure on public budgets

Tsavone's central expectation is a mix of the first two scenarios: larger exporters and banks adapt, while smaller actors are at risk of exclusion unless cooperatives, buyers and development partners invest in traceability and risk data. The 2026 El Niño season makes some elements of the third scenario likely in specific districts.

9.3 Opportunities

Nature and climate risk also creates opportunity. The CCDR argues that climate-smart growth is a net win for Uganda and recommends packages on youth jobs and services for the poor, sustainable agriculture and natural resource management, climate-smart infrastructure and climate-positive urbanisation [S8]. Opportunities for business include traceable and certified commodity supply, irrigation and water management, solar and clean cooking, climate-resilient construction, insurance and risk-sharing products, restoration and carbon projects that meet the 2025 regulations, and advisory and data services.

10. Implications for decision-makers

10.1 Boards and executives

1. Name a board member and an executive accountable for nature and climate risk.
2. Map your sites, suppliers and key customers by district and hazard. Start with flood, landslide, drought and heat.
3. Identify your top five dependencies on nature, such as water, rainfall or a forest-adjacent supply base.
4. Put the top risks on the risk register with owners, controls and review dates.

5. Check contingency plans for the September to December 2026 rains.
6. Prepare for the information your bank, buyers and investors will ask for in 2027.

10.2 Exporters and agribusiness

- Complete plot-level geolocation for EU-bound supply and test it against deforestation and legality criteria before 30 December 2026.
- Agree data formats and responsibilities with EU buyers in writing.
- Support cooperatives with training and equipment for traceability, starting with an assessment of each cooperative's readiness.
- If you plan roasting or soluble coffee capacity, design traceability in from the start.

10.3 Banks, microfinance institutions and insurers

- Build a portfolio exposure map by sector and district and compare it with hazard data.
- Use the National Green Taxonomy to identify and tag green assets.
- Avoid blanket cuts in agricultural credit; price and mitigate risk instead, as the guidelines allow.
- Work with insurers on bundled credit and insurance products for climate-exposed borrowers.
- Invest in loss data: record climate-related arrears and claims by event and location.

10.4 Government

- Publish an annual loss and damage dataset by district and sector.
- Publish the latest wetland and forest cover figures with methods, so that businesses and lenders can rely on them.
- Align regulators' rules with the ICPAU timetable for IFRS S1 and S2 reporting, so that companies face one set of requirements.
- Use the Climate Finance Strategy to fund national traceability infrastructure for EUDR commodities.

10.5 Development partners and NGOs

- Fund public goods that private actors cannot: hazard maps, open land-cover data, cooperative traceability systems and farmer registration.
- Back blended finance that lets banks keep lending to smallholders as climate risk rules bite.
- Commission independent monitoring of compliance support so that smallholders are not excluded.

11. What Tsavone will measure in later editions

The largest gap in the public record is at the level of the firm. Uganda has national climate data, sector studies and new regulations, but no public evidence on what Ugandan companies are doing about nature and climate risk. From 2027 Tsavone plans to fill that gap with primary data, collected under our field evidence quality standard and our data protection and research ethics policy.

Indicator	Why it matters	Planned method	First edition expected
Share of firms with nature or climate risk on the board risk register	Governance is the first step to managing risk	Business survey of medium and large firms, stratified by sector	2027

Indicator	Why it matters	Planned method	First edition expected
Share of firms that have experienced a climate-related disruption in the past 12 months, and its cost	No public firm-level loss data exists	Business survey with standard loss questions	2027
EUDR traceability coverage among coffee cooperatives and exporters	Market access for Uganda's largest agricultural export	Survey of cooperatives and exporters; document review	2027
Share of corporate borrowers asked climate questions by their bank	Tracks transmission of the Bank of Uganda guidelines	Business survey; key informant interviews with banks	2027
Green Taxonomy use in lending and investment	Tracks growth of green finance	Review of public disclosures; interviews	2027
Insurance coverage of climate risks among firms and farmers	Penetration is about 1% nationally [S23]	Survey; IRA data where published	2028
District hazard and loss index	Location-specific risk is what matters to firms	Compilation of public hazard and event data; geospatial analysis	2028

Tsavone welcomes partners who wish to co-fund or co-author these surveys on the basis of equitable partnership. Individual respondents and companies will not be identified.

12. Methods note

12.1 Approach

This edition is a desk review of public data. Tsavone searched official sources (UBOS, Bank of Uganda, MoFPED, the Ministry of Water and Environment, NFA, the Insurance Regulatory Authority, the Ministry of Tourism, Wildlife and Antiquities), international sources (World Bank, FAO, FEWS NET, IPC, ND-GAIN, the European Commission and the Official Journal of the EU, USDA Foreign Agricultural Service, the Convention on Biological Diversity) and reputable media reporting of official releases. The data cut-off is 29 October 2026.

12.2 Source rules

- Every figure states its source and year in the text and is listed in the Sources section.
- Where an official publication could not be opened, Tsavone used reputable media reporting of that publication and names both the original source and the reporting outlet.
- Every figure was checked against its cited source before publication.
- Tsavone's own calculations are labelled as such.
- Figures from different sources or methods are not combined into a single series.
- Judgements, ratings and scenarios are labelled as Tsavone judgement and are kept separate from data.

12.3 Limitations

- Several key official reports were reached through media summaries rather than the original documents, for example the FAO FRA 2025 forest area figures and the NFA forest cover figure. Readers should check the originals before relying on them for investment or legal decisions.
- Forest and wetland figures use different definitions and survey years and are not directly comparable.
- There is no consistent public series of climate-related losses in Uganda.
- The EU regulatory position may change after the cut-off date, in particular the delegated act on product scope and any update to country benchmarking.
- This edition contains no primary data. Later editions will add Tsavone survey data as set out in chapter 11.

12.4 Quality assurance

The publication went through Tsavone's internal quality review and follows our house standards for writing, data analysis and visualisation. Corrections will be published on www.tsavone.com and in the next edition. To report an error, write to info@tsavone.com.

12.5 Independence

This publication was funded by Tsavone Consulting. No client or funder reviewed or approved its content. Tsavone's independence and conflict of interest standard applies to all its publications.

13. Related publications

Publication	Use
Nature and Climate Practice Prospectus	Tsavone's services in nature and climate
Uganda Agrifood Outlook	Companion outlook on agrifood markets
Uganda Refugee Economy Outlook	Companion outlook on refugee-hosting economies
Youth Skills and Jobs Barometer	Companion barometer on young people's work and skills
Ground Truth briefs (www.tsavone.com/insights)	Short briefs, including on EU deforestation rules and lenders' safeguards

All are available at www.tsavone.com/publications. More of Tsavone's work is at www.tsavone.com. Detailed method guides, for example on location-based climate risk assessment, corporate disclosure and carbon credit feasibility, are shared with clients on request.

Sources

All web addresses were accessed between 27 and 29 October 2026. Where the original official document could not be opened, the reporting source used is listed and the original publisher is named.

No.	Source and year	Web address
S1	Uganda Bureau of Statistics (2026). Preliminary Annual Gross Domestic Product 2025/26.	https://www.ubos.org/preliminary-annual-gross-domestic-product-2025-26/

No.	Source and year	Web address
S2	Daily Monitor (2026). Services lead economy as industry drives expansion (reporting UBOS preliminary GDP 2025/26).	https://www.monitor.co.ug/uganda/business/markets/services-lead-economy-as-industry-drives-expansion-5485904
S3	Uganda Bureau of Statistics (2026). Presentation on the Labour Market Survey 2025 Report Findings, 16 April 2026.	https://www.ubos.org/wp-content/uploads/publications/04_2026Presentation_on_the_Labour_Market_Survey_2025_Report_Findings_16th_April_2026.pdf
S4	Ecofin Agency (30 July 2025). Coffee: Uganda doubles export earnings to USD 2.2 billion in 2024/2025 (citing UCDA).	https://www.ecofinagency.com/news/3007-47899-coffee-uganda-doubles-export-earnings-to-2-2-billion-in-2024/2025
S5	Ministry of Tourism, Wildlife and Antiquities (2026). Uganda's tourism roars back as visitor arrivals hit 1.6 million, earnings rise to UGX 5.8 trillion (Tourism Statistical Abstract 2025).	https://www.tourism.go.ug/single-post/uganda-s-tourism-roars-back-as-visitor-arrivals-hit-1-6-million-earnings-rise-to-ugx-5-8-trillion
S6	Ministry of Finance, Planning and Economic Development (2025). Electricity Generation and Capacity in Uganda 2025.	https://development.finance.go.ug/knowledge-centre-reports/electricity-generation-and-capacity-uganda-2025
S7	BloombergNEF Climatescope (2025). Uganda market profile.	https://www.global-climatescope.org/markets/uganda
S8	World Bank (11 September 2025). Embracing climate-smart growth is a net win for Uganda (Uganda CCDR press release); and CCDR infographic.	https://www.worldbank.org/en/news/press-release/2025/09/11/embracing-climate-smart-growth-is-a-net-win-for-uganda ; https://www.worldbank.org/en/news/infographic/2025/09/11/uganda-country-climate-development-report-ccdr-infographic
S9	University of Notre Dame (2025). ND-GAIN Country Index: Uganda (2023 data).	https://gain-new.crc.nd.edu/country/uganda
S10	FEWS NET (2026). Uganda Food Security Outlook, June 2026 to January 2027.	https://fews.net/east-africa/uganda/food-security-outlook/june-2026
S11	Daily Monitor (2025). Why Uganda forest cover tally is a mixed scorecard (reporting FAO Global Forest Resources Assessment 2025).	https://www.monitor.co.ug/uganda/news/national/why-uganda-forest-cover-tally-is-a-mixed-scorecard-5257656
S12	Daily Monitor (October 2025). Uganda's forest cover declines by 11 per cent: NFA.	https://www.monitor.co.ug/uganda/news/national/uganda-s-forest-cover-declines-by-11-per-cent-nfa-5216228
S13	MoFPED Budget Monitoring and Accountability Unit (November 2022). Briefing Paper 12/22: Wetlands restoration and management in Uganda.	https://finance.go.ug/sites/default/files/bmau/BMAU%20Briefing%20Paper%2012-22-Wetlands%20Restoration%20and%20Management%20in%20Uganda-Are%20the%20approaches%20sufficient%20to%20achieve%20the%20NDP%20III%20targets.pdf
S14	VinciWorks (2026). EUDR delayed again: what changed, what is now fixed (summary of Regulation (EU) 2025/2650).	https://vinciworks.com/blog/eudr-delayed-again-what-changed-what-is-now-fixed-and-what-businesses-should-do-in-2026/

No.	Source and year	Web address
S15	Daily Coffee News (22 June 2026). Uganda coffee report: production steady but government signals strategy shift (summarising USDA FAS Coffee Annual).	https://dailycoffeenews.com/2026/06/22/uganda-coffee-report-production-steady-but-government-signals-strategy-shift/
S16	Linklaters Sustainable Futures (2026). EU EUDR simplification report lands alongside updated guidance and FAQs.	https://sustainablefutures.linklaters.com/post/102mrv4/eu-eudr-simplification-report-lands-alongside-updated-guidance-and-faqs
S17	Bank of Uganda (2025). Guidelines to Supervised Financial Institutions for the Management of Climate-related Financial Risks, 2025 (text summarised by RegAlert).	https://bou.or.ug/bouwebsite/bouwebsitecontent/acts/supervision_acts_regulations/FI_Regulations/BOU-Guidelines-to-Supervised-Financial-Institutions-for-the-Management-of-Climate-related-Financial-Risks-2025.pdf ; https://regalert.today/document/83dd4744-828d-4a56-b179-29cbf668b8cf
S18	Global Green Growth Institute (2025). Uganda launches first National Green Taxonomy.	https://gggi.org/uganda-launches-first-national-green-taxonomy/
S19	Global Green Growth Institute (2025). Uganda launches National Climate Finance Strategy.	https://gggi.org/uganda-launches-national-climate-finance-strategy-to-accelerate-green-growth-and-climate-resilience/
S20	AllAfrica (31 August 2026). Uganda prepares to issue first sovereign green bond.	https://allafrica.com/stories/202609010063.html
S21	UNDP Uganda (March 2023). Uganda raises ambition to deal with greenhouse gas emissions in new climate change plan.	https://www.undp.org/uganda/news/uganda-raises-ambition-deal-greenhouse-gas-emissions-new-climate-change-plan
S22	UNEP Law and Environment Assistance Platform (2025). The National Climate Change (Climate Change Mechanisms) Regulations, 2025.	https://leap.unep.org/en/countries/ug/national-legislation/national-climate-change-climate-change-mechanisms-regulations
S23	The Independent via AllAfrica (29 June 2026). Uganda's insurers cross Shs2 trillion, but coverage remains paper-thin (reporting IRA statement of 26 June 2026).	https://allafrica.com/stories/202606290318.html
S24	AllAfrica (6 August 2026). Chief Justice, BoU Governor hail progress on Uganda's oil projects.	https://allafrica.com/stories/202608060711.html
S25	Publicist East Africa (July 2025). Bank of Uganda prioritises climate risk, unveils guidelines to bolster green financing.	https://publicisteastafrica.com/bank-of-uganda-prioritises-climate-risk-unveils-guidelines-to-bolster-green-financing/
S26	Daily Monitor (4 August 2026). 470,000 Karamoja locals face acute food insecurity: report (reporting IPC analysis).	https://www.monitor.co.ug/uganda/news/national/470-000-karamoja-locals-face-acute-food-insecurity-report-5546108
S27	Daily Monitor / Reuters (December 2024). Death toll in Bulambuli landslide rises to 28.	https://www.monitor.co.ug/uganda/news/national/death-toll-in-bulambuli-landslide-rises-to-28-4844530

No.	Source and year	Web address
S28	Daily Monitor (August 2024). Six more bodies recovered as Kiteezi landfill collapse death toll reaches 30.	https://monitor.co.ug/uganda/news/national/six-more-bodies-recovered-as-kiteezi-landfill-collapse-death-toll-reaches-30-4725370
S29	Convention on Biological Diversity (May 2024). Uganda submits national targets.	https://www.cbd.int/article/uganda-submits-nbsap-2024
S30	UNEP LEAP (2025). National Biodiversity Strategy and Action Plan III 2025-2030 (Uganda).	https://leap.unep.org/en/countries/ug/national-legislation/national-biodiversity-strategy-and-action-plan-iii-2025-2030
S31	Fieldfisher (2025). The EU Deforestation Regulation: European Commission classifies countries as high, low or standard risk.	https://www.fieldfisher.com/en/insights/the-eu-deforestation-regulation-european-commission-classifies-countries-as-high-low-or-standard-risk
S32	AllAfrica (July 2025). Uganda launches NDC 3.0 process, reaffirming commitment to climate action and ambition.	https://allafrica.com/stories/202507290617.html
S33	The Observer (June 2025). Govt launches carbon market regulations to align with global commitments.	https://observer.ug/news/govt-launches-carbon-market-regulations-to-align-with-global-commitments/
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S35	The Brussels Times (October 2026). Uganda's banking sector to face green overhaul as EU support steps in.	https://www.brusselstimes.com/2371805/ugandas-banking-sector-to-face-green-overhaul-as-eu-support-steps-in
S36	Institute of Certified Public Accountants of Uganda (2025). 13th CPA Economic Forum report.	https://www.icpau.co.ug/node/1414
S37	Republic of Uganda (2019). The National Environment Act, 2019 (Act 5 of 2019), section 55: Restrictions on the use of wetlands (FAOLEX copy).	https://faolex.fao.org/docs/pdf/uga192395.pdf
S38	ComplianceGate (2025). EUDR country risk classification: a practical guide (summarising Commission Implementing Regulation (EU) 2025/1093).	https://www.compliancegate.com/eudr-country-risk-classification/
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S40	Institute of Certified Public Accountants of Uganda (2025). Roadmap for the adoption of the IFRS Sustainability Disclosure Standards in Uganda (approved 2 September 2025).	https://www.icpau.co.ug/sites/default/files/Resources/ICPAU%20Roadmap%20SEPT%202025.pdf

Annex A: Ten questions for boards

Boards can use these questions to test management's grip on nature and climate risk.

No.	Question	Good answer looks like
1	Who on the board and in management is accountable for nature and climate risk?	A named director and executive with written terms of reference
2	Which of our sites, suppliers and customers are in flood, landslide, drought or heat hotspots?	A map or list by district with hazard ratings and sources
3	What did climate-related disruption cost us in the last three years?	Recorded losses by event, including lost sales, repairs and delays
4	Which ecosystem services do we depend on most?	Top five dependencies with locations and trends
5	Which of our products fall under EUDR or similar buyer rules, and are we ready?	Product list, readiness status, gap plan with dates
6	What will our bank ask us under the Bank of Uganda climate guidelines?	Information pack prepared; relationship manager consulted
7	Which of our activities could qualify under the National Green Taxonomy?	Initial screening with eligible activities identified
8	Is our insurance cover adequate for climate events?	Review of policies, exclusions and uninsured exposure
9	What are our emissions and our main sources?	Basic inventory of fuel and electricity use at minimum
10	How will we report on nature and climate to investors and lenders?	Plan aligned with IFRS S2 and TNFD, proportionate to size

Annex B: Glossary

Term	Meaning in this publication
CCDR	Country Climate and Development Report, a World Bank Group diagnostic of climate and development
EUDR	EU Deforestation Regulation, Regulation (EU) 2023/1115, as amended by Regulation (EU) 2025/2650
IFRS S2	Climate-related Disclosures standard issued by the International Sustainability Standards Board
IPC	Integrated Food Security Phase Classification; Phase 3 is Crisis, Phase 4 Emergency
ND-GAIN	Notre Dame Global Adaptation Initiative Country Index of vulnerability and readiness
NDC	Nationally Determined Contribution under the Paris Agreement
Physical risk	Risk from climate hazards, either acute events or chronic shifts
TNFD	Taskforce on Nature-related Financial Disclosures
Transition risk	Risk from policy, legal, technology, market and reputational changes linked to climate and nature
Transition plan	A plan setting out how an organisation will align its strategy with a low-carbon economy

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