Terms of Reference

Making Oil Work for Poor People in Uganda

Feasibility and scoping exercise for enterprise development in rural communities.

1.0 Living Earth Uganda:
Living Earth Uganda (LEU) a natural resources and environmental management NGO based in Uganda in partnership with Living Earth Foundation, UK, have secured funding from European Union, DFID and Comic Relief to deliver a project on Jobs and Oil aiming at making oil work for poor people in Uganda by improving access to youth and women employment in Western Uganda. The project is designed to support communities affected by the incoming oil and gas industry in Hoima, Buliisa and Masindi Districts, Western Uganda and at national policy level.

2.0 Background:
Uganda will soon be joining the list of oil producing nations following recent discoveries of vast reserves. This news has been a source of excitement for many with the deposits holding huge economic potential. However, as experience has demonstrated, the wealth generated from the oil industry does not necessarily entail improved living conditions or greater employment opportunities to local communities.

The Jobs and Oil project aims at improving employment possibilities and participation in decision-making processes for disadvantaged groups in Western Uganda – Hoima, Buliisa and Masindi. It will strengthen micro enterprises and facilitate participation of women and young people to engage with the products and services that come alongside the oil industry and through stakeholder forums. This will empower the local community to be included in the process of decision-making as well as taking advantage of the economic opportunities that will emerge.

This programme is jointly funded by the EC, DFID and Comic Relief. Comic Relief are funding an objective focused specifically on developing enterprises in rural communities that neighbour national parks and reserves. This assignment will support the development of these activities, providing an assessment of the current situation and feasibility of different enterprise.

2.1 Eco-Enterprises:
The target location contains a number of protected areas, ranging from forest reserves, community wildlife reserves, wildlife reserves to fully-protected national parks, likely to be impacted by the arrival and operations of the oil industry. Murchison Falls National Park, Bugungu Wildlife Reserve, Kabwoya WR and Semliki WR among others are wholly inside the oil blocks and so will have or have already had direct impacts from the oil exploration.
Responsibility for management of protected areas lies with the Uganda Wildlife Authority; National Forestry Authority; National Environment Management Authority (NEMA), Ministry of Water and Environment and with Local Governments. There is currently an uncoordinated approach to the management of ecosystem services and benefit sharing. Protected area authorities lack both the financial and technical capacity to monitor and ensure mitigation of expected environmental impacts of the oil and gas industry activities. Failure to secure Uganda’s protected areas and to ensure that appropriate measures are taken to safeguard their biodiversity is not only concerning from an environmental perspective, but also from an economic standpoint as biodiversity losses will negatively impact on Uganda’s growing eco-tourism industry; cited as a key potential growth industry in Uganda’s National Development Plan (2010).

Local populations suffer from restricted rights and access to forest resources, traditionally used for charcoal and livelihoods. The poorest of the poor have the greatest dependency on forest resources; there is a consensus that, for protected area management to be sustainable, local communities must be given both a voice in the management processes and the skills to derive income from sustainable use of biodiversity, stimulating greater local ownership and motivation for the protection of the resources.

2.2 Opportunities for community-led projects and Eco-Enterprise

During initial consultations it became clear that there is an urgent opportunity to strengthen local community capacity in the planning and drafting of proposals for submission to UWA in order to access funding via revenue sharing agreements. In Murchison Falls NP, as in other protected areas in Uganda, there is a policy of allocating 25% of the gate fees of the park towards community projects. In practice this means that local communities are required to develop and present project proposals according to a format determined by UWA. According to UWA staff consulted there is currently a widespread lack of capacity in the target areas to effectively design and draft proposals that clearly identify the need, objectives, activities and outcomes of work to be carried out.

Experience has demonstrated that oil and gas and attendant activities will increase pressure on biodiversity as a result of poaching to meet demand from incoming workers; increasing hunting, logging etc. as a result of improved roads and population influxes placing a greater burden on forest resources.

There are clear opportunities, therefore, for the expansion of existing biodiversity entrepreneurial lines (bird-guiding; eco-tourism) and the development of new enterprise responding to local needs and experience from the sub-region (butterfly farming, silkworm production, more productive use of degraded land) and by mobilizing private sector support for green business development, particularly based around community-based monitoring of oil and gas impacts.

2.3 Proposed project activities:

- Awareness raising on Revenue Sharing Agreements.
- Training on accessing Revenue Sharing Agreement funds, and developing community proposals.
• Training and support for (social) enterprises relating to bio-diversity and ecosystem management.
• Training of local leaders to increase their capacity to advocate for their communities on issues relating to the impact of oil industry developments.
• Forums, trainings and meetings to bring together key stakeholders on emerging issues.

3.0 Purpose and scope of feasibility and scoping exercise:

Revenue Sharing Agreements:
Aim: To verify existing assumptions and establish evidence of current practice to determine the feasibility of activities focused on increasing community uptake of Revenue Sharing Agreement funds.

• Information gathering on Revenue Sharing Agreements
  o Value of funds available
  o Disbursal process
  o Application process
• Baseline of awareness of Revenue Sharing Agreements – with cross section of target community, including:
  o Awareness of Revenue Sharing Agreements
  o Awareness of current expenditure
  o How to access funds.
  o What funds can be used for
• Assessment of current application of Revenue Sharing Agreements, and other potential funds available to target rural communities
  o What projects have been funded through RSAs in Buliisa?
  o Who instigated the projects?
  o Evidence of examples of best practice in other areas of Uganda.
• Assessment of existing activities to promote/support uptake of funds from Revenue Sharing Agreements.

4.0 Methodology:
Interested parties are asked to tender a short outline methodology of how they will tackle this evaluation, both on a theoretical and practical basis. This should include:
• Desk research; review of literature
• Primary research with key stakeholders and target communities.

The selected consultant will then work collaboratively with LEU/LEF and the project team to refine the methodology and develop a work plan.
5.0 Proposed timeline

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<thead>
<tr>
<th>Action</th>
<th>Completion date</th>
<th>Who</th>
</tr>
</thead>
<tbody>
<tr>
<td>Terms of Reference out to tender</td>
<td>19 December 2014</td>
<td>LEU</td>
</tr>
<tr>
<td>Tender bids received by</td>
<td>5 January 2014</td>
<td>LEU</td>
</tr>
<tr>
<td>Review applications/short list/appoint</td>
<td>6-9 January, 2015</td>
<td>LEU</td>
</tr>
<tr>
<td>Interview consultants</td>
<td>15/16 January, 2015</td>
<td>LEU/Consultant</td>
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<tr>
<td>Refine methodology, agree final work plan, agree contractual details</td>
<td>23 January</td>
<td>LEF/LEU/Consultant</td>
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<td>Begin Assignment</td>
<td>2 February</td>
<td>Consultant</td>
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<tr>
<td>Desk and Field Research</td>
<td>2 Feb – 13 Feb</td>
<td>Consultant</td>
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<tr>
<td>Presentation and discussion of initial findings/first draft with wider team and partners</td>
<td>16 Feb</td>
<td>LEF/LEU/Consultant</td>
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<tr>
<td>Final report submitted</td>
<td>20 Feb</td>
<td>Consultant</td>
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6.0 Outputs

- A detailed methodology and workplan
- Final report – maximum 20 pages
- Annexes of official reports/documentation pertaining to Revenue Sharing Agreements procedure.

7.0 Tenders/bids:

LEU invites bids from organisations, or individuals, with the experience and skills described above. Joint bids are welcome. Tenders should include:

1. A cover letter introducing the consultant/organisation and how the skills and competencies described above are met, with concrete examples.

2. A 2-page outline of the proposed assessment process including:
   a. Proposed outline methodology
   b. Management arrangements

3. An indication of the amount the consultant expects to be paid as fees
4. A 1-page CV for each evaluator

5. One example of a previous evaluation/feasibility research (one each for joint bids

Tenders should be emailed to info@livingearthuganda.org with a copy to swithern@livingearthuganda.org and john@livingearthuganda.org by Midday on Monday 5 January, 2015

Criteria for selection will be:
▪ Clear, credible, structured proposed methodology
▪ Excellent track record and reputation in the feasibility/scoping assignments
▪ Demonstrable experience of conducting feasibility and scoping assignments
▪ Ability to manage the totality of the assignment, including logistics and recruiting and managing other team members where necessary
▪ Excellent interpersonal skills and adaptability
▪ Time available during the critical periods
▪ Value for money

Short-listed candidates will be contacted on 9th January, 2015.

8. 0 Further information, please contact:

Project Manager
Living Earth Uganda
Plot 409 Canon Njuba Road, Nakulabye, Kampala
Plot 11 Tayali Drive, Kijjungu, Hoima
Telephone: 256 414 531246 or 0758881237