

# PROFILING KEY STAKEHOLDERS INVOLVED IN THE TRANSITION TO A GREENER AND CIRCULAR ECONOMY

## 1. The Concept of Circular and Green Economy

Uganda is facing multiple challenges regarding waste management, economic productivity, and climate change; all of which endanger sustainable development. A growing population, urbanization and changes in consumption patterns have increased Uganda's demand for energy, food and other essential necessities of life. A circular economy is a vital requirement for a more sustainable use of natural resources, and for tackling the triple crises of climate change, loss of biodiversity and pollution. This is precisely what the circular economy aims to address.<sup>1</sup> The concept of circular economy provides potential solutions for addressing this complex, multidimensional challenge.<sup>2</sup>

The Circular Economy (CE) concept

originates in the works of Reedy and Stahel (1977), and has gained attention among academia and policymakers over the last two decades as a powerful theoretical framework for sustainable development.<sup>3</sup> The framework views nature as an example where there is no waste and each output is an input for another process. Therefore, the circular approach contrasts with the *take-make-use-dispose* logic of the conventional linear economy (Bakker et al., 2014) and argues for a nature-like circularity in the economic system. This means that the value of products, materials, and resources are maintained in the economy as long as possible, resulting in a minimized amount of waste and sustainable management of resources.

Uganda has taken a major step towards creating a circular economy to drive sustainable growth and green industrialization in line with its Vision 2040 National Agenda.<sup>4</sup> This Vision provides the foundation for sustainable management of the environment in

- 1 Oberč, B.P., de Jong, R., Demozzi, T., Battioni Romanelli, B. (2022). Towards a circular economy that begins and ends in nature. Arroyo Schnell, A. (ed.). Gland, Switzerland: IUCN p.vi
- 2 Gergely Buda, Seven Businesses Using Principles of Circular Economy in Sub-Saharan Africa: Results of Field Research in Uganda, June 2022, Hungarian Journal of African Studies / Afrika Tanulmányok 16(1):5-20
- 3 Geissdoerfer, Martin; Savaget, Paulo; Bocken, Nancy M.P.; Hultink, Erik Jan (2017): „The circular economy - a new sustainability paradigm?”. Journal of Cleaner Production., 143. 757-768. pp. Available at: [https://www.researchgate.net/publication/311776801\\_The\\_Circular\\_Economy\\_-\\_A\\_new\\_sustainability\\_paradigm](https://www.researchgate.net/publication/311776801_The_Circular_Economy_-_A_new_sustainability_paradigm)
- 4 Uganda Vision 2040

Uganda. It aims to leverage strategic opportunities and use them to catalyse higher returns across all sectors of the economy. The identified opportunities include waste management among many others. The circular economy transition narrative has increasingly influenced discussions on the green growth agenda in Uganda. The inclusive green economy agenda, including circular economy considerations were consequently mainstreamed into Uganda's Third National Development Plan (NDP III 2020-2025) and in the recently formulated National Development Plan IV.

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*...the concept of the green economy will be considered in the context of sustainable development and poverty eradication as one of the important tools available for achieving sustainable utilization of the ENR sector in Uganda. The green economy will contribute to eradicating poverty as well as sustaining economic growth, enhancing social inclusion, improving human welfare and creating opportunities for employment and decent work for all, while maintaining the healthy functioning of the ecosystems.... adoption of patterns of production, consumption and reproduction that safeguard the environment will be undertaken as a matter of urgency....*

*Uganda Vision 2040 pg. 99*

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This fact sheet therefore, provides information on the transition of Uganda's economy to a green and circular economy. It profiles the key stakeholders in the circular economy and provides an understanding of its status, challenges and opportunities in the country.

## 2. Transitioning to a Circular and Green Economy

Overtime, Uganda has made strides in transitioning towards a green and circular economy. The processes have involved formulation of policies and legislations. The transition to inclusive, low-emission economic growth for Uganda is steered by the Uganda Green Growth Development Strategy 2017/18 – 2030/31 (UGGDS). The strategy operationalizes the global agenda on climate change and green economy and focuses on catalytic investment in areas that include increase private sector participation in the green economy, raise awareness and design opportunities for private sector investment in waste management. The drivers for the transition to a greener and more circular economy in Uganda include;

1. job creation,
2. investment opportunities in low-carbon industrialization, and;
3. engagement of the private sector for increased uptake of opportunities in the Waste Management space.

In addition, Uganda's National Planning Authority (NPA) in collaboration with the Ministry of Water and Environment (MWE) and with the support of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), developed the country's first Green Growth Report under the theme *"Stimulating resource use efficiency in manufacturing and waste management for sustainable development"*. The Uganda Green Growth Report<sup>5</sup> shows that Uganda is making progress in transitioning from depletive and polluting production to a restorative and circular economy. The Report tracks the progress of the implementation of the Uganda Green

Growth Development Strategy and its implementation Road Map with a focus on the Green Growth Principles of Resource Use Efficiency. This is in line with the National Development Plan III theme of "Sustainable industrialization for Inclusive Growth, Employment and Wealth Creation". The report observes that *the accumulation of solid waste, poor disposal of wastewater, and the small and poorly capitalised interventions are one of the most important challenges for cities in the country. The green cities strategy priority of a circular economy for waste is needed for industry, households, markets, and all stakeholders.* In addition to scaling up green manufacturing and waste-to-wealth opportunities, the road map identifies, documents and reports lessons learned for strengthening the sustainable manufacturing and waste management in Uganda.

Uganda developed the Green Economy Recovery Plan, under the Ministry of Finance and Economic Development. A green recovery approach from COVID-19 inadvertently came in handy because of giving humanity the preparedness to safeguard against future pandemics; reversing climate change; boosting economic growth, strengthening social cohesion and accelerating the transition towards climate neutrality more effectively instead of carbon-intensive recovery measures.<sup>6</sup> The Green Economy Recovery Plan also provides directions for approaching the challenges of the country's COVID-19 recovery and climate change; and focuses on green projects ranging from climate-smart agriculture to greening Uganda's cities and the industrial sector. In addition, the plan gives special attention to waste

management.

The National Strategy for Promoting Plastic Circularity in Uganda 2023-2028<sup>7</sup> was developed and launched in January 2024. Current strategies did not effectively address the increasing quantities of plastics entering the environment, and their impacts. This strategy outlines the roadmap for transforming the nation's approach to plastics management and making them sustainable with economic, environmental, and public health gains. The Strategy emphasizes a waste management hierarchy, replacing the Linear Economy with a Circular Economy model. The Strategy further discusses current practices, plastics value chain, and opportunities for economic, public health and environmental benefits.

Discussions on the green growth agenda in Uganda have been increasingly influenced by the Circular Economy (CE) transition narrative. Stakeholders such as Ministries, Departments and Agencies from various sectors, civil society and media have progressively acknowledged the benefits of valuing waste as a resource. The private sector has also shown a growing interest in CE investments. This interest has particularly focused on industrialisation and urbanisation, as reflected in the Third National Development Plan (NDP III) 2020-2025, and is expected to be integrated into the National Low Carbon Industrialisation Strategy 2020-2040.<sup>8</sup>

6 Green Economic Recovery: Uganda's Perspective, INFO NOTE: UGANDA May 2021

7 National Environment Management Authority (2024), National Strategy for Promoting Plastics Circularity in Uganda 2023-2028. Kampala

8 Uganda goes green and circular Milestones in the transition, Circular-Economy-Module-Uganda\_FV.pdf p.1 [https://www.switchtogreen.eu/wp-content/uploads/2021/03/Circular-Economy-Module-Uganda\\_FV.pdf](https://www.switchtogreen.eu/wp-content/uploads/2021/03/Circular-Economy-Module-Uganda_FV.pdf)

### 3. Profiling the Key Actors Involved in the Transition to a Green and Circular Economy

This profiles presented here were selected basing on a number of socio-demographic characteristics namely: gender, geography, behaviour, values and transactional breakdown. The stakeholders from the selected institutions in the table below were interviewed on circular economy transition.

Actor	Mandate/Role in the circular economy	Circular economy model /practice applied
Ministry of Water and Environment	The mandate of the Ministry includes the development, management, and regulation of water and environment resources, including Waste Management in Uganda. <sup>9</sup>	<p>The Ministry of Water and Environment is yet to undertake specific circular economy initiatives although NDP IV has a strategic direction to promotion of circular economy including recycling of plastics.</p> <p>The drafting teams at the Ministry of Water and Environment are refining the cabinet proposal on CE to come up with specific actions.</p> <p>Circular economy is a sub component of green economy and there are scattered efforts on circular economy by individual entities such as the Sugar Corporation of Uganda Limited in Lugazi who use bagasse<sup>10</sup> to make electricity and make fertilizers.</p>
Ministry of Energy and Mineral Development	The Ministry's mandate is to establish, promote the development, strategically manage and safeguard the rational and sustainable exploitation and utilization of energy and mineral resources for social and economic development. <sup>11</sup>	The Ministry advances the use of waste-to-energy products like briquettes, power generation from waste incineration and biogas. These provide alternative energy sources while guaranteeing effective waste management
Ministry of Finance and Economic Development (MoFPED)	The mandate of the ministry of Finance, Planning and Economic Development is to; formulate sound economic policies that enhance economic stability and development; mobilize local and external financial resources for public expenditure; regulate financial management and ensure efficiency in public expenditure; oversee National Planning and Strategic Development Initiatives for Economic growth. <sup>12</sup>	<p>Ministry of Finance, Planning and Economic Development is yet to undertake specific circular economy initiatives but there is the Africa Circular Economy Alliance which Uganda wants to join. Work is being done with Uganda Clean Production Centre to develop a circular economy road map.</p> <p>The Minister of Finance expressed interest in joining the Africa Circular Economy Alliance. When Uganda joins this Alliance, a financing window will be sought strictly on circular economy. The aspiration is for Uganda to limit its environmental and ecological footprint in our industrialization agenda.</p>

9 <https://www.mwe.go.ug/>

10 Bagasse is the dry pulpy fibrous material that remains after crushing sugarcane or sorghum stalks to extract their juice. It is used as a biofuel for the production of heat, energy, and electricity, and in the manufacture of pulp and building materials.

11 <https://memd.go.ug/>

12 <https://www.finance.go.ug/>

Actor	Mandate/Role in the circular economy	Circular economy model /practice applied
Ministry of Trade and Cooperatives	The mandate of the Ministry of Trade and Cooperatives is to formulate, review and support policies, strategies, plans and programs that promote and ensure expansion and diversification of trade, cooperatives, environmentally sustainable industrialization, appropriate technology development and transfer to generate wealth for poverty eradication and benefit the country socially and economically. <sup>13</sup>	It promotes cleaner/green production practices: recycling of waste, appropriate waste management and disposal as well as efficient resource management programmes across industries/businesses.
National Environment Management Authority (NEMA):	NEMA is in charge of developing environmental policy, rules, legislation, standards, and recommendations, as well as advising the government on environmental management. Its key role is regulatory, compliance and oversight of environmental conservation and protection. <sup>14</sup>	<p>The National Environment Act No. 5 2019 provides for circular economy and introduces provisions on Extended Producer Responsibility so that producers of any product have the duty to manage the design and disposal of the product and monitor its lifecycle in order to deliver the best overall environmental outcome.</p> <p>NEMA launched the E-Waste Management Center in 2021. The Center aims to collect, sort, dismantle and dispose e-waste in a sustainable way, it is expected to progress into a recycling facility</p> <p>NEMA has developed a number of waste management legislations e.g. the National Strategy for Promoting Plastics Circularity in Uganda 2023-2028. The vision for the strategy is: To establish a circular plastics economy that contributes to a clean, healthy, productive and sustainable environment. To achieve this vision, the strategy has a comprehensive framework with measurable goals and strategic objectives.</p>
National planning Authority (NPA)	The primary function of the NPA is to produce comprehensive and integrated development plans for the country elaborated in terms of the perspective vision and the long term and medium-term plans.	The NPA is yet to undertake specific circular economy initiatives however, it has integrated it in the NDP III and NDP IV. There is no particular policy instrument to guide circular economy but elements could be picked from policy documents such as the Electronic Waste Management Policy 2012

13 <https://www.mtic.go.ug/mtic-policies/>

14 [https://www.nema.go.ug/new\\_site/](https://www.nema.go.ug/new_site/)

Actor	Mandate/Role in the circular economy	Circular economy model /practice applied
Uganda Investment Authority (UIA)	UIA is responsible for the Investment Code Act, 2020. The Act spells out procedures for foreign investors and regulations on foreign investment, comprising priority investment sectors that include value addition across several sectors. Among the sectors of interest is waste recycling.	UIA is not doing any work specific to circular economy. Circular economy is the way to drive industrialization due to scarce resources and improvements in technology. There is need to prioritise systematic collection of statistics that will drive intended promotion of circular economy developments in Uganda.
Private sector	This constitutes; a) individual entrepreneurs and traders dealing in recycling and distribution of products; b) companies dealing in waste collecting, recycling and renewable energy production; c) financial institutions	<p>The recycling sub sector in Uganda has until recently been characterized by low modernisation and value addition. This presents significant opportunities for investment, trade, technology transfer, and job creation.</p> <p>Uganda Plastics and Manufacturers and Recyclers Association (UPMRA), the association aims to sensitize the masses through campaigns on proper waste disposal. The association is the voice for the plastic recycling sector. It works with public and private agencies to develop the sector</p>
Green MSMEs/ Local Green Enterprises (LGEs) (with a focus on LGEs in Mbarara City)	<p>In the discussions of the green and circular economy, it is crucial to involve key players from the private sector. These are green micro, small and medium enterprises (MSMEs) which play a significant role in propelling Uganda’s national goals on green growth and green economy transition. MSMEs drive innovation, provide job opportunities, generate wealth, and champion socio-economic development. MSMEs in Uganda provide employment to over 2.5 million people and account for 93.5% of the entire private sector<sup>15</sup>, generating over 80% of manufactured outputs that contribute to 20% of gross domestic product (GDP).<sup>16</sup></p> <p>These enterprises deal in waste management and recycling of waste; make briquettes from agricultural waste collected from the community; recycle plastic waste into pavers, bells and tables; create fire starters from sawdust; make energy saving stoves from old iron sheets; filter out honey from the honey combs, then use the honey combs to make candles and wax.</p>	<p>The green MSMEs/Local Green Enterprises barely appreciate the concept of circular economy yet they are engaged in circular economy practises. The businesses are relatively small. They aspire to produce quality products that can get into the competitive market however, they are faced with challenges such as: limited finances, inadequate advanced technology and machinery.</p> <p>The Enterprises therefore require support since some of the Enterprises have had to close business due to funding constraints. Government should provide MSMEs/LGEs with fiscal incentives to promote reuse and recycling of waste</p>

15 Uganda NDP III (2020-21 – 2024-25), no. 244.

16 Uganda Micro, Small and Medium Enterprise (MSME) Policy (2015)



## 4. Voices on Circular Economy Transition

*"Uganda needs to go circular, it is something that should be brought to the attention of policy makers . . ."* Government official from Ministry of Water and Environment.

*". . . it is the way to go for Uganda to transition into a circular economy because it creates many opportunities such as jobs and resource efficiency . . ."* Official from NPA.

*". . . circularity will help in minimising waste generation and reducing the environmental footprint . . ."* Ministry of Finance and Economic Development Official.

*". . . Circular economy is a grey area whose potential needs to be tapped . . ."* Government Official.

*". . . We have big dreams of waste recycling; we have challenges of achieving them! . . ."* Local Green Enterprise owner.

*". . . Circular Economy will ensure that the environment is protected, as well as livelihoods of communities . . ."* Local Green Enterprise owner.

*". . . Capacity building and trainings for Local Green Enterprises in the usage of circular economy practises should be promoted . . ."* Local Green Enterprise Owner.



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