

# ***Experience in Piloting REDD+ Payments in Tanzania***



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# Outline



- ***Background;***
- ***Status of REDD pilot projects in Tanzania***
- ***Various REDD payment modalities in the selected REDD pilot projects***
- ***Lessons learnt from the Pilot Projects on REDD+ Payments and other benefit sharing***
- ***Proposed Payments and Benefits Distribution Mechanisms and the Way Forward***

# Background

- Forests play important role in climate change mitigation and adaptation as sources and sinks of carbon dioxide gas.
- Various initiatives are being carried out to ensure that the impacts of climate change to the community and ecosystems are reduced.
- One of the initiatives is the reduced emission through degradation and deforestation (REDD) that is being piloted in various areas of the country.
- Various NGOs that are implementing REDD Pilot Projects in Tanzania have developed different models for the REDD payments.

# ***PAYMENTS EXPERIENCE FROM REDD PILOT PROJECTS IN TANZANIA***

4

<b>SN</b>	<b>NGO</b>	<b>Project</b>
1	TFCG/MJUMIT A	Making REDD Work for communities and Forest Conservation in Tanzania: Carbon Enterprise Development
2	MCDI	Combining REDD, PFM and FSC Certification in South – Eastern Tanzania
3	TATEDO	Community – Based REDD Mechanisms for Sustainable Forest Management in Semi-Arid Areas (Case of Ngitilis in Shinyanga Region)
4	AWF	Advancing REDD in the Kolo Hills Forests: Working towards benefit sharing under JFM Approach
5	CARE	Carbon Incentive Payment Test
6	JGI	Building REDD Readiness in the Masito Ugalla Ecosystem Pilot Area in Support of Tanzania's National REDD Strategy

# Case 1: TFCG/MJUMITA



- **Title:** *Making REDD Work for communities and Forest Conservation in Tanzania: Carbon Enterprise Development*
- **Requirements:**
  - ✦ *Develop a simple and transparent system that ensures fair and participatory decisions for REDD implementation and equitable revenue sharing;*
  - ✦ *Develop a village by-laws for REDD revenues that should follow the guidelines under the Local Government Act of 1982*
  - ✦ *The village by-laws be prepared in a participatory manner and be shared intensively from sub-village levels and approved by the village assembly.*
  - ✦ *Villagers in the respective villages receive the funds which is distributed equally to all villagers in the respective villages.*

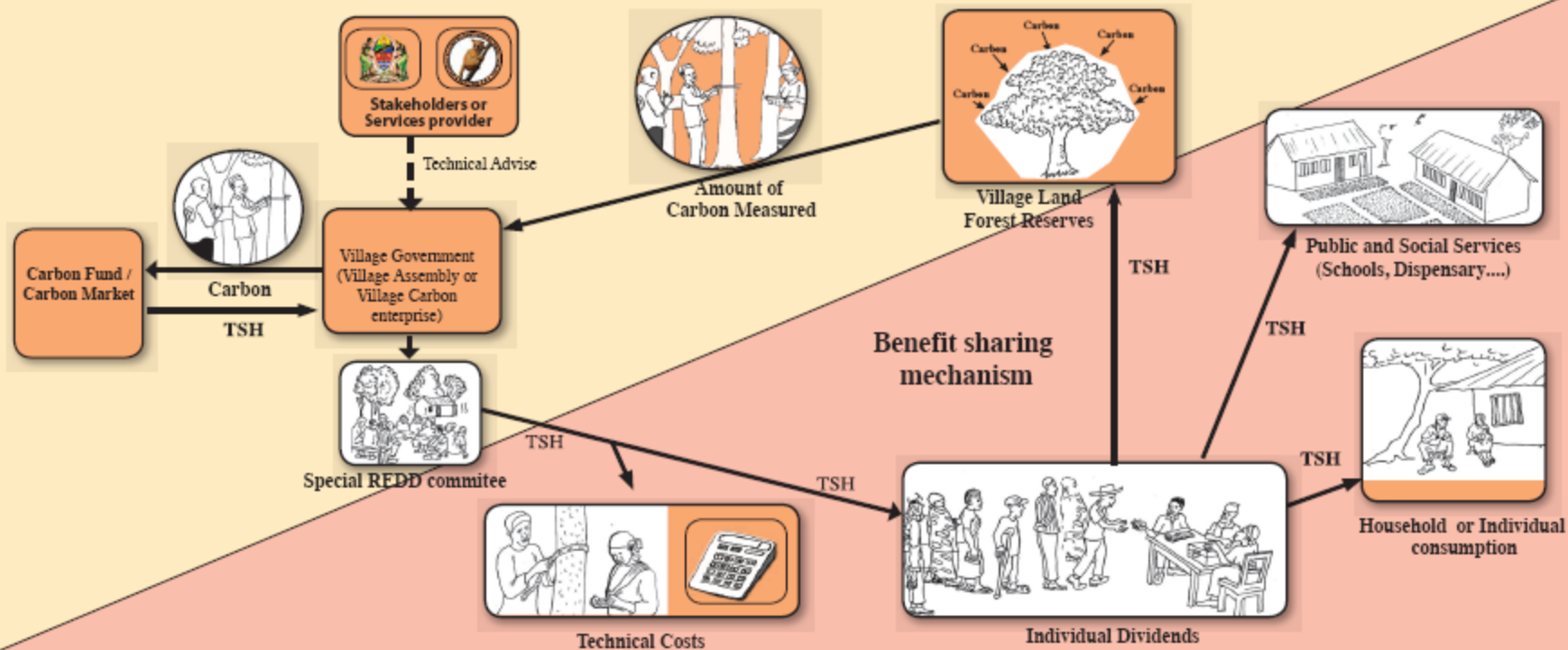
# Case 1: TFCG/MJUMITA ...

## • **Conditions for payments**

- ✦ *Completion of the VLUP and CBFM plan at village level.*
- ✦ *Completion of carbon assessment according NAFORMA protocol*
- ✦ *Completion of estimates of potential carbon revenues according to the historical deforestation rate, potential leakage factor and current prices of carbon credits in the voluntary market*
- ✦ *Approval by the village the REDD revenue distribution by-laws.*
- ✦ *Absence of any conflict within and between communities*

# Case 1: Simple Model

## TFCG & MJUMITA REDD REVENUE BENEFIT SHARING MECHANISM/MODEL



**Note that: Under this model, individuals receive payments in cash**

## **Case 2: Mpingo Conservation and Development Initiative (MCDI)**

- **Title:** *Combining REDD, PFM and FSC Certification in South – Eastern Tanzania*

- **The model**

- Under MCDI model revenue generated from the sale of carbon credits provide the funding for MCDI to expand the Participatory Forest Management (PFM) work into new villages while MCDI's existing Forest Stewardship Council (FSC) certification scheme deliver community benefits from selling logging rights.
- For the REDD payments, Village Natural Resources Committees (VNRC) have the responsibility of monitoring revenue from the sale of timber and providing reports to the village governments.

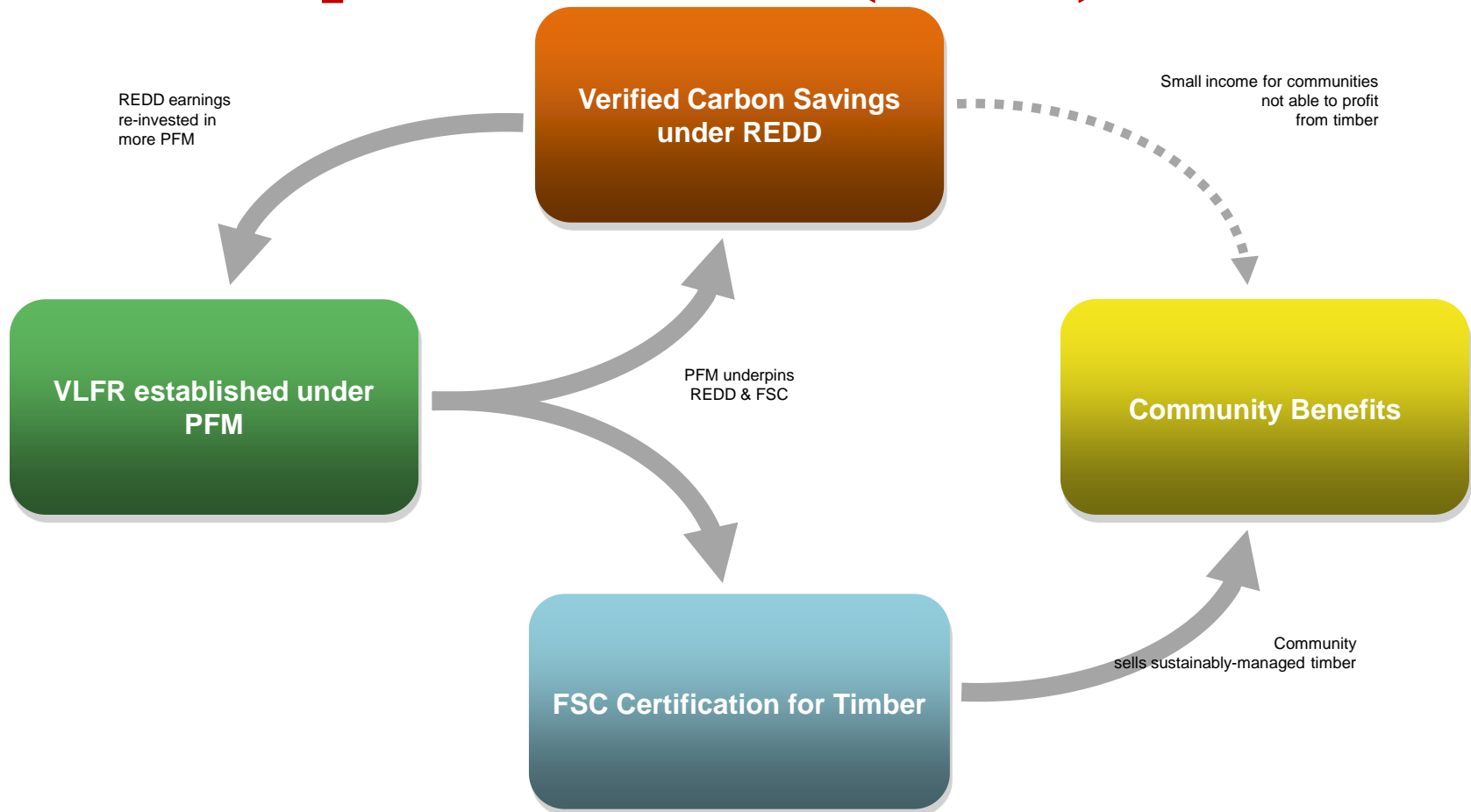


## Case 2: Mpingo Conservation and Development Initiative (MCDI)

### ● **Conditions required for the payments:**

- *The Villagers are involved in the planning of the use of the funds during village assembly meeting*
- *Communities decide to either give certain amount to the district based on responsibilities in maintaining and managing the forest*
- *The revenue are shared between the Village and the Village Natural Resources Committee (VNRC)*
- *Revenue that remains in the village are used for forest management activities as set out in the annual action plan.*

## Case 2: Mpingo Conservation and Development Initiative (MCDI)...



**In this model, individuals do not get any cash from the REDD funding**

# Case 3: Tanzania Traditional Energy Development Organisation (TaTEDO)

**Title: Community – Based REDD Mechanisms for Sustainable Forest Management in Semi-Arid Areas (Case of Ngitilis in Shinyanga Region)**

- **Ngitilis:**

- ✦ *The system involves retaining an area of standing vegetation (grasses, trees, shrubs and forbs) from the onset to the end of the rainy season.*
- ✦ *The ngitili area remains closed to livestock at the beginning of the wet season and is opened up for grazing at the peak of dry season.*

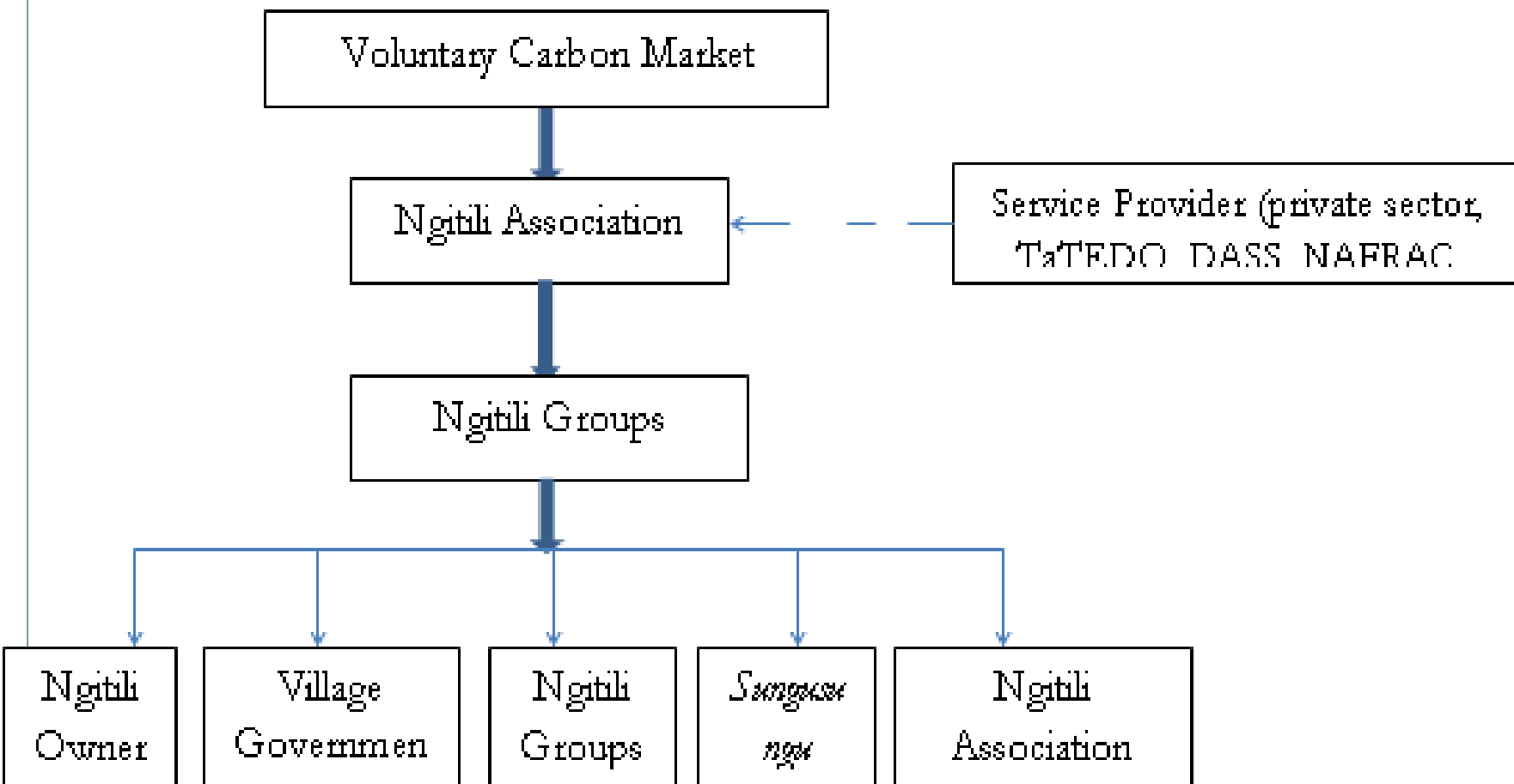
- **The Model:**

- TaTEDO model is based on a traditional in-situ pasture conservation system known as Ngitiri
- Three categories of ngitili ownership exist in the project area.
  - ✦ *households owned ngitili,*
  - ✦ *communal owned ngitili e.g. Village ngitilis and*
  - ✦ *institution owned ngitili e.g. schools.*

## Case 3: Tanzania Traditional Energy Development Organisation (TaTEDO)...

- Criteria to determine amount of payments to ngitili owners:
  - ✦ *Increment in carbon stock in the ngitili (with reference to the baseline level);*
  - ✦ *Size of the Ngitili; and*
  - ✦ *Effort/action undertaken to improve ngitili as agreed in the ngitili management plan. i.e:*
    - *improved grazing management,*
    - *improved crop production,*
    - *use of efficient and alternative energy technologies,*
    - *tree planting, etc.*

## Case 3: Tanzania Traditional Energy Development Organisation (TaTEDO)...



**In this model, in some cases individuals do get any cash from the REDD funding but this is again performance based**

## Case 4: African Wildlife Foundation

- **Title:**

- Advancing REDD in the Kolo Hills Forests: Working towards benefit sharing under JFM Approach

- **The model**

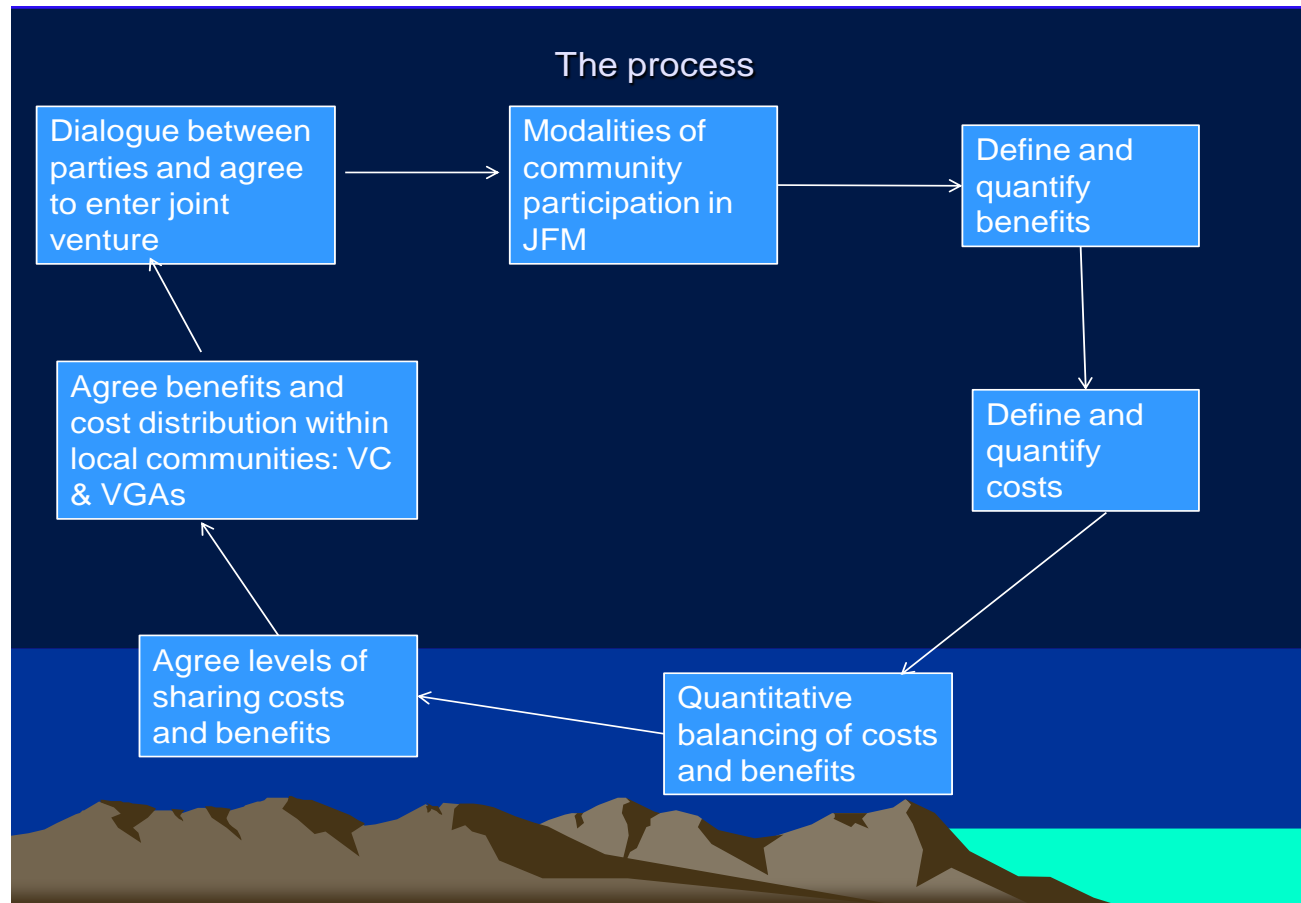
- ✦ The model is based on Government's JFM guidelines of 2007.
  - ✦ The guideline stipulates that it is important that benefits from forest management are clearly defined and agreed during negotiations.
  - ✦ Forest mgt costs and benefits must be balanced.
  - ✦ Making JFM agreements unbalanced leads to un-sustainability of the scheme and will make no contribution to poverty reduction among poor communities.

## Case 4: African Wildlife Foundation...

- **Requirement**

- Forest management activities be carried out by the Council of Representatives of participating villages
- Each village is expected to contribute equal efforts to forest management.
- Benefits to be distributed equally to villages by the Council of Representatives.
- The Council of Representatives retains a percent of benefits to meet institutional and forest management costs.

# Case 4: African Wildlife Foundation



- ***In this model, individuals do not get any cash from the REDD funding***
- ***Most of the funds are re-invested the forest activities and little is directed to the village development activities***



## Case 5: CARE Hima Project

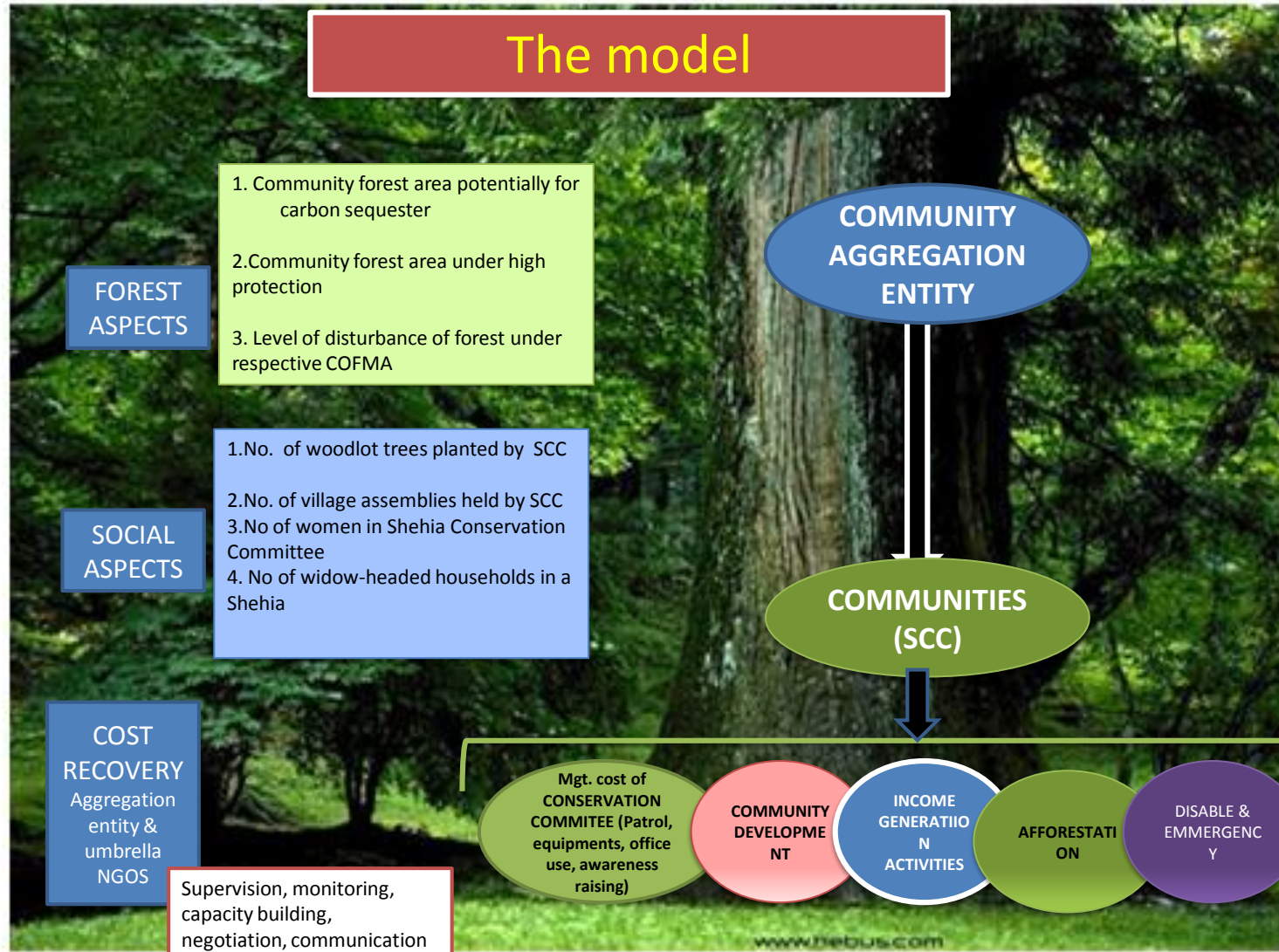
- **Title:** Carbon Incentive Payment Test
- **The model**
  - HIMA has developed a payment sharing model which takes into account the following:
    - ✦ *60% directed to forest activities,*
    - ✦ *30% directed to social and development projects*
    - ✦ *10% as a transaction costs.*

## Case 5: CARE Hima Project...

- **Conditions**

- Establishment of aggregation entity
- Establishment of payment systems among Community Forest Management Agreements (COFMAs)
- Establish the list of the communities in the areas that should share the 30 %.

# Case 5: CARE Hima Project



## **Case 6: JGI REDD+ Project**

- **Title: Financial Incentive Payment Test.**
- **Requirements:/Criteria**

### **A. PERFORMANCE OF CBO**

- A CBO called JUWAMMA (community organization that takes care of the Masito forest) was formed which works on,
- The CBO is evaluated by number of patrols in the Masito Forest
- Action taken on Illegal forest harvesters/poaching

## **Case 6: JGI REDD+ Project**

- **Title: Financial Incentive Payment Test.**
- **Requirements:/Criteria**

### **PERFORMANCE OF VILLAGE COUNCIL**

- Law enforcement on forest conservation at the village level,
- Awareness and capacity to the communities.

### **PERFORMANCE OF COMMUNITY**

- Communities reaction against unsustainable harvesting,
- Efforts made to reduction of wildfire events, shifting cultivation and uncontrolled hamlet creation.

## Case 6: JGI REDD+ Project



- **The criteria used to distribute the trial payments:**
- 10% is retained by JUWAMMA as a transaction cost,
- 90% will be distributed to village development projects and alternative income generation activities.
- JGI Concentrates in IGA as its 1<sup>st</sup> priority i.e. bee keeping

# Similarities/Differences

	MCDI	TATEDO	AWF	CARE	JGI
MJUMITA/TFCG	<p>Decisions at General village assembly</p> <p>TFCG Pay individuals in cash... not MCDI</p>	<p>No village assembly</p> <p>Partly individuals receive cash under TATEDO</p>	<p>Decisions are made at the general assembly</p> <p>Under AWF no individual is receiving Cash</p>	<p>Decisions are made at the general assembly</p> <p>Individuals receive cash</p>	<p>Decisions are made at the general assembly</p> <p>JGI Concentrates in IGA as its 1<sup>st</sup> priority</p>
MCDI		No similarities	<p>Decisions are made at the general assembly</p> <p>Individuals do not receive cash in hand</p>	<p>Decisions are made at the general assembly</p>	<p>Decisions are made at the general assembly</p> <p>Individuals do not receive cash</p>
TATEDO			No similarities	No similarities	No similarities
AWF				Decisions are made at the general assembly	Decisions are made at the general assembly
CARE					Decisions are made at the

# Lessons

- All models are still in the INFANT stage, thus there is a need to evaluate the models in their final year of implementation to ascertain which model should suit the country;
- There is a need to balance the benefit sharing for the forest activities and the income to the communities in the respective areas where these models are tested;
- The major issue that all models should take into consideration is the inclusion of alternative income generation activities that will assist the community not to depend entirely in the forest
- There is no guideline for REDD payments in the Country

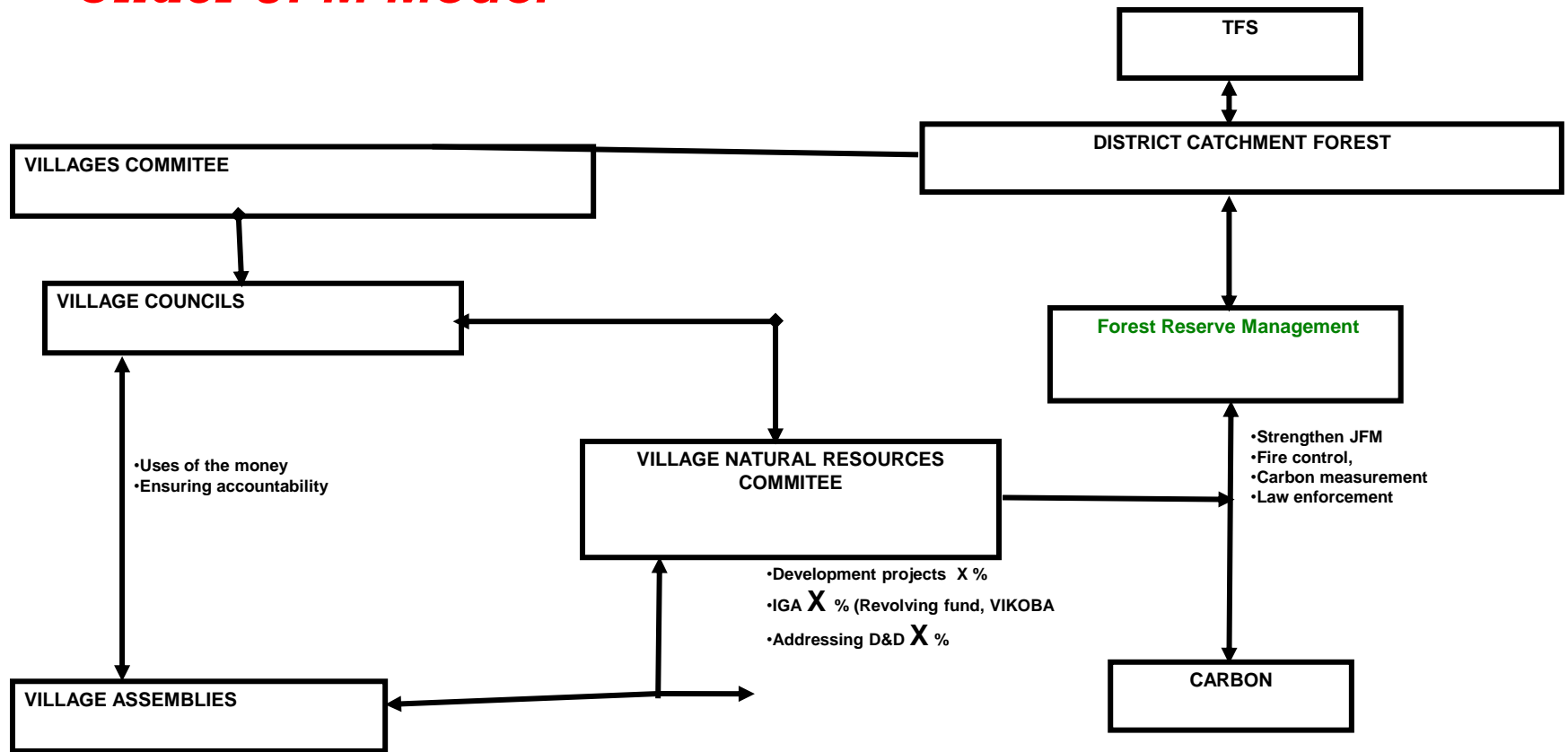


# ***Proposed Payments and Benefits Distribution Mechanisms and the Way Forward***

- Based on the models that are being tested by various Pilot Projects the following is recommended:
  - ✦ Ensuring that the existing government structure is not excluded to ensure sustainability ;
  - ✦ Transparency in handling the carbon finance be insured
  - ✦ For JFM, funds should be distributed and allocated to the following categories:
    - *Community based development projects*
    - *Income generating activities (i.e. Revolving funds, VICOBA etc)*
    - *Funds for addressing Deforestation and Forest Degradation*
  - ✦ There is a need to establish the % distribution for the indicated categories

# ***Proposed Payments and Benefits Distribution Mechanisms and the Way Forward***

## ***Under JFM Model***

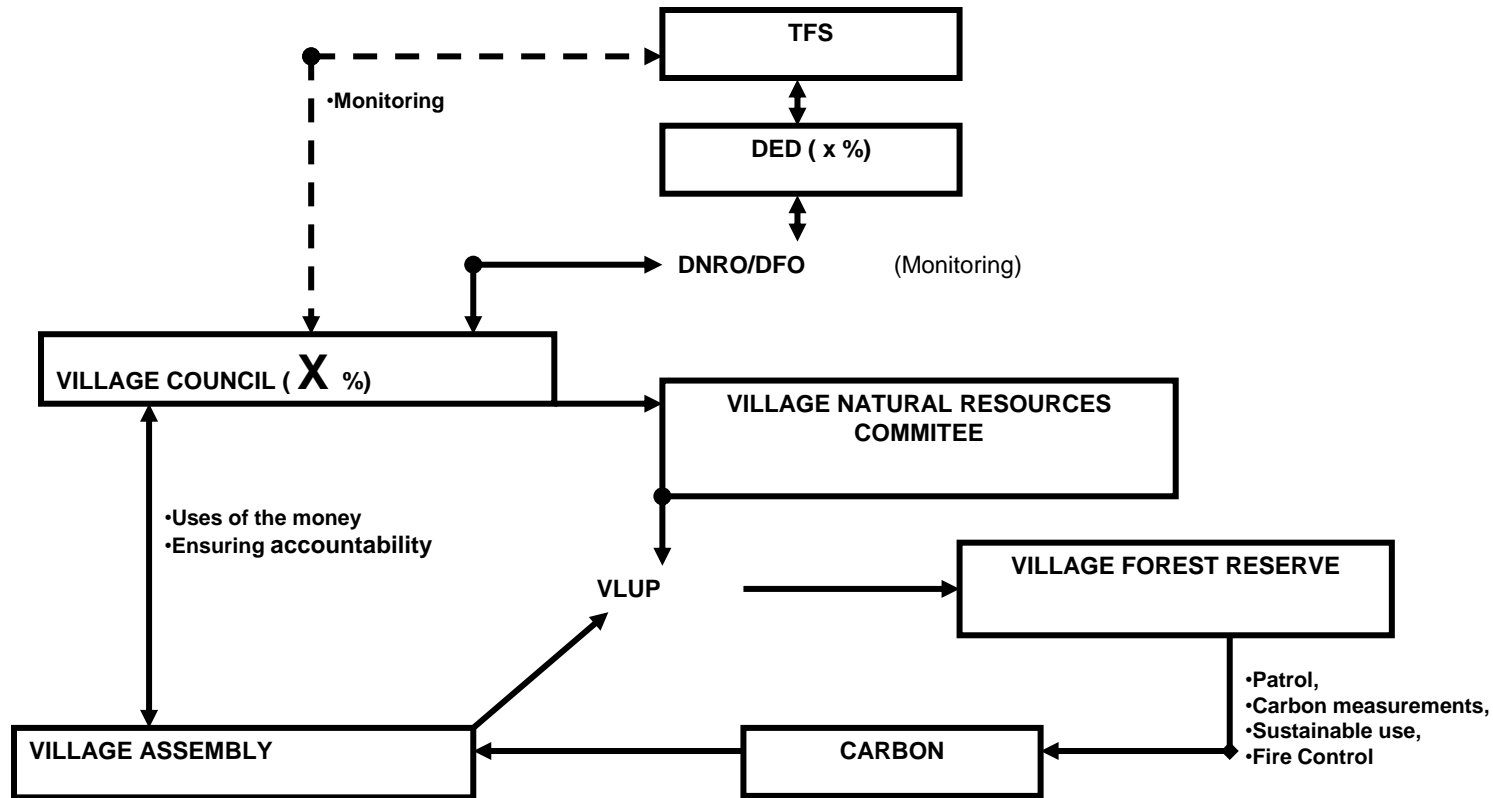


# ***Proposed Payments and Benefits Distribution Mechanisms and the Way Forward***

- Based Distribution of carbon funds for CBFM be as follows:
  - Transaction cost be deposited at the district;
  - Major part of the funds be allocated to the villages through Village Council (the distribution will depend on the number of the village councils and the size of the forest they own);
  - Village assembly to determine the use of the funds that have been channeled to the villages.
- ✦ Again there is a need to set criteria for the % of funds to be allocated to the two categories proposed.

# ***Proposed Payments and Benefits Distribution Mechanisms and the Way Forward***

## ***Under CBFM Model***



# Acknowledgements

- *ALL REDD Pilot projects for providing data*
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- *VPO*
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**Thank you for your  
Attention!**