



*Experience in Piloting REDD+
Payments in Tanzania*

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Outline



- *Background;*
- *Status of REDD implementation;*
- *REDD payment;*
- *Lessons learnt;*
- *Proposed Payments and Benefits Distribution Mechanisms.*

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.**
- **REDD is one of the initiatives piloted in Tanzania**
- **In Tanzania 9 NGOs have received funds from the Gov of Norway to implement REDD Pilot Projects through which different models for the REDD payments are being tested.**

PAYMENTS EXPERIENCE FROM REDD PILOT PROJECTS IN TANZANIA

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SN	NGO	Project
1	TFCG/MJUMITA	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	CARE	Carbon Incentive Payment Test
5	JGI	Building REDD Readiness in the Masito Ugalla Ecosystem Pilot Area in Support of Tanzania's National REDD Strategy

Case 1: TFCG/MJUMITA

- **Title:** *Carbon Enterprise Development*
- **Requirements:**
 - ✦ *To develop a simple and transparent system that ensures fair decisions in REDD implementation*
 - ✦ *To develop a village by-laws for REDD revenues sharing guided by Local Government Act Of 1982;*
 - ✦ *The village by-laws be prepared in a participatory manner;*
 - ✦ *Equally distribution of funds to all villagers in the respective villages.*

Case 1: TFCG/MJUMITA

• **Conditions for payments**

✦ *Completion of :*

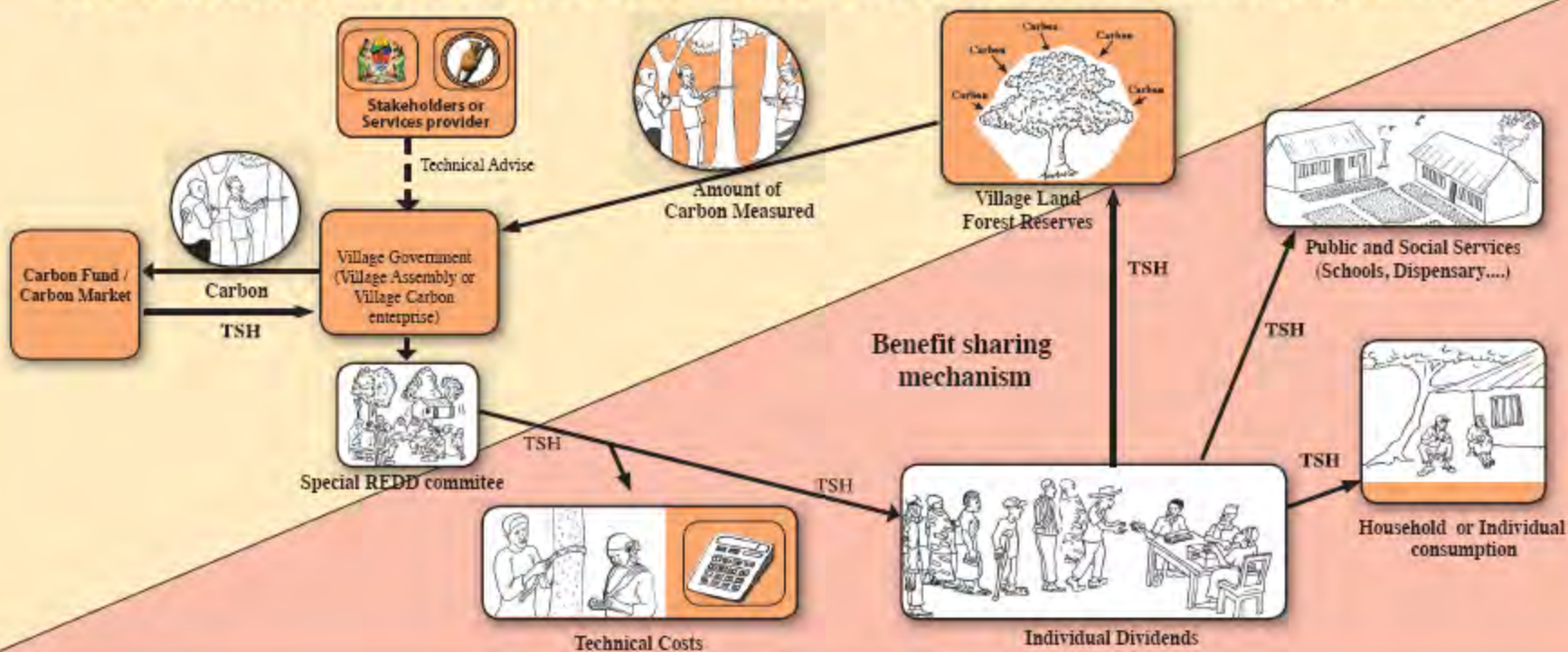
- *VLUP and CBFM at village level*
- *Carbon assessment according National Forestry Resources Monitoring and Assessment (NAFORMA) protocol*
- *Estimates of potential carbon revenues according to the historical deforestation rate, potential leakage factor and current prices of carbon credits in the voluntary market*

✦ *REDD revenue distribution by-law approved by the village assembly*

✦ *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:**

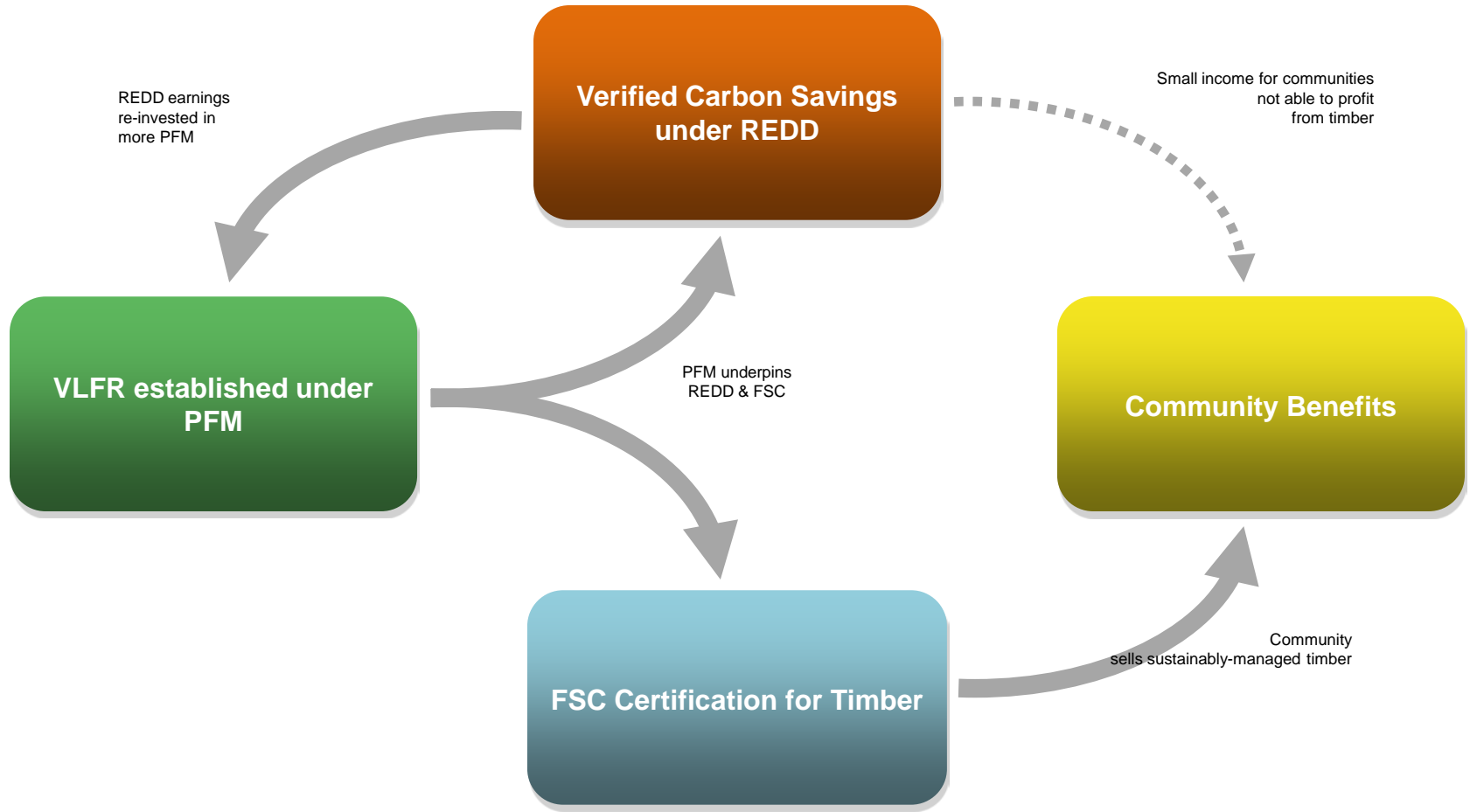
- Revenue generated from the sale of carbon credits provide the funding for further expansion of PFM work
- The existing Forest Stewardship Council (FSC) certification scheme deliver community benefits from selling logging rights.
- For the REDD payments, Village Natural Resources Committees (VNRC) have 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:**

- *Involvement of the Villagers in the planning of the use of funds through 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)

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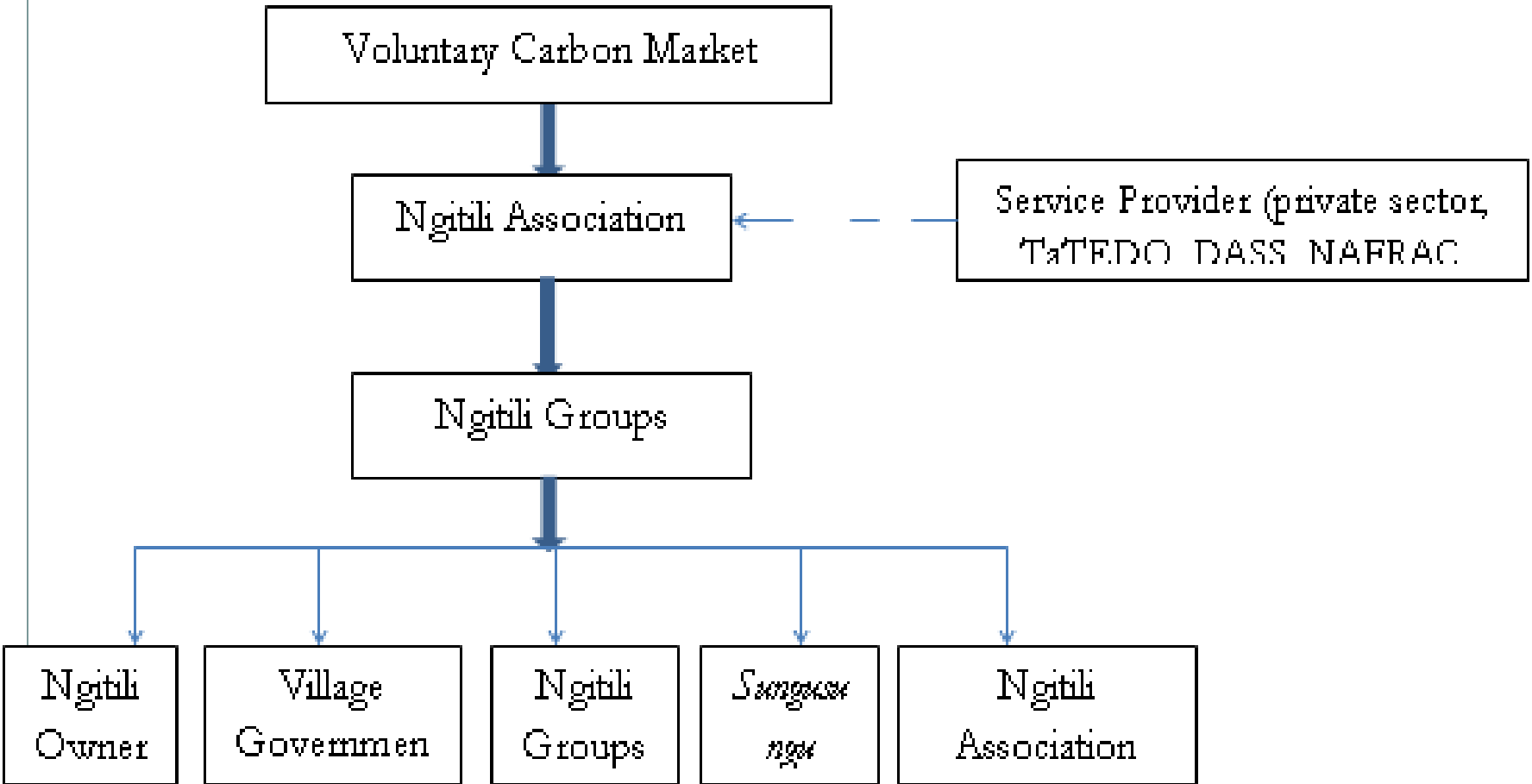
- **The Model:**

- TaTEDO model is based on a traditional in-situ pasture conservation system known as Ngitiri
- *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.*
- 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*
 - *improved grazing management,*
 - *improved crop production,*
 - *use of efficient and alternative energy technologies,*
 - *tree planting, etc. as agreed in the ngitili management plan.*

Case 3: Tanzania Traditional Energy Development Organisation (TaTEDO)



In this model, in some cases individuals can get cash from the REDD funding based on the nature of Ngitili ownership and performance

Case 4: **CARE Tanzania Project**

- **Title:** Carbon Incentive Payment Test
- **The model**
 - CARE has developed a payment sharing model which takes into account forest aspects where by :
 - ✦ *60% of the funding is being directed to forest activities,*
 - ✦ *30% of the funding is directed to social and development projects and*
 - ✦ *10% of the funding is uses as a transaction cost.*

Case 4: CARE Tanzania Project

- **Conditions**

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

Case 5: JGI REDD+ Project

- **Title: Financial Incentive Payment Test.**
 - ✦ ***Works under three levels***
 - ***CBO***
 - ***Village Council and***
 - ***Community***
- **Requirements:/Criteria**
 - ✦ Involvement in forest patrols
 - ✦ Action taken on Illegal forest harvesters/poaching
 - ✦ Law enforcement
 - ✦ Conservation awareness creation
 - ✦ Efforts towards reduced illegal activities

Case 5: JGI REDD+ Project

- **The criteria used to distribute the trial payments:**
 - 10% is retained by CBO as a transaction cost,
 - 90% will be distributed to village development projects for various uses including establishment of alternative income generating activities.
 - IGAs under JGI include:
 - bee keeping ,
 - poultry project and
 - improved crop production

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;

Lessons

- Alternative income generation activities are needed to assist the community not to depend entirely in the forests
- There is no guideline for REDD payments in the Country
- There is a need of establishment and capacitating CBOs under REDD to sustain REDD activities after the pilot phases out.
- There is a need to ensuring that the existing government structure is not excluded to ensure sustainability
- Transparency in handling the carbon finance is needed

Proposed Payments and Benefits Distribution Mechanisms

- Based on the models that are being tested by various Pilot Projects the following is recommended:
 - ✦ 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*
 - ✦ For CBFM
 - *Transaction cost be overseen by the government based unit*
 - *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.*

Acknowledgement

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THANK YOU FOR
LISTENING