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**Fact Finding/Scoping Mission on:**

**Concept for District Level Climate Partnership, Tanzania**

**Final Report**

**April 2010**

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**PREFACE**



The report in hand covers the findings, reflections and recommendations of the Fact Finding/Scoping Team of the:

***Concept for District Level Climate Partnership, Tanzania***

hereafter also referred to as “the Project”, which might come in the future. The field visit in Tanzania was undertaken during the period 15-26 February 2010, comprising an Environmental Expert/Team Leader from Nordic Consulting Group (NCG) Norway, supported by a national consultant from Tanzania appointed by the Norwegian Embassy (jointly referred to as “the Mission”). An Environmental Economist from Pöyry in Denmark, also pre-appointed by the Embassy, contributed to the work in the fact Finding/Scoping Team and the report preparation, but did not participate in the field visit. The complete consultancy team is hereafter jointly referred to as the “Fact Finding Team” – or “the Team” or “the FFT”.

The report contains a brief introduction to the background for the carbon partnership concept and REDD at large. Additionally, the report contains the observations and findings of the Team during the field visit and interviews with several stakeholders centrally in Dar es Salaam, and in the Districts of Bagamoyo, Mufindi and Kilolo. Also, the broad scope and outline of a possible future project on district level climate partnership is briefly introduced and the scope of work for the next phase, the detailed project formulation and preparation, is outlined.

The Draft Report was submitted 15 March 2010, and the final version was prepared following comments from the Norwegian Embassy in Dar es Salaam..

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The Team wants to thank all the stakeholders met with for their open and kind contribution during the fieldwork. In specific should be mentioned Ms. Olipa Simon at the IRA in Dar es Salaam, who spent her time providing the team with maps.

*21 April 2010*

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*The analysis, conclusions and recommendations in this report are clearly those of the Fact Finding/Scoping Team, and do not necessarily reflect the opinion of the Royal Norwegian Embassy, Norad, the REDD Task Force, or any of the persons and institutions consulted.*

**LIST OF ACRONYMS AND ABBREVIATIONS**

|  |  |  |
| --- | --- | --- |
| AWF | - | African Wildlife Foundation |
| BAU | - | Business as usual |
| BOT | - | Board of Trustees |
| C | - | Carbon |
| CC | - | Climate change |
| CBO | - | Community Based Organisation |
| CCBA | - | Climate Community and Biodiversity Alliance |
| CCBS | - | Community Climate Biodiversity Standard |
| CBFM | - | Community Based Forest Management |
| CCIAM | - | Climate Change Impact Adaption and Mitigation |
| CCX | - | Chicago Climate Exchange |
| CER | - | Certified Emission Reduction |
| CDM A/R | - | Clean Development Mechanism – afforestation/reforestation |
| COP | - | Conference of the Parties (under UNFCCC) |
| CSO | - | Civil Society Organisation |
| DBH | - | Diameter at Breast Height (of trees) |
| DC | - | District Commissioner |
| DCPCF | - | District Climate Partnership Consultation Forum |
| DD | - | Deforestation and (forest) degradation |
| DEAP | - | District Environmental Action Plan |
| DED | - | District Development Director |
| DFT | - | District Facilitation Team |
| DFO | - | District Forestry Officer |
| DFoB | - | Director of Forestry and Beekeeping Division |
| DLO | - | District Land Officer |
| DPLO | - | District Planning Officer |
| EAMCEF | - | Eastern Arc Mountain Conservation Endowment Fund |
| ED | - | Executive Director |
| EFS | - | Endowment Fund Secretariat |
| EUETS | - | European Union Emissions Trading Scheme |
| FAO | - | (UN) Food and Agriculture Organisation |
| FBD | - | Forestry and Beekeeping Division (under Min. of Natural Resources and Tourism) |
| FCPF | - | Forest Carbon Partnership Facility |
| FMT | - | Facility Management Team |
| FR | - | Forest Reserve |
| FSC | - | Forest Stewardship Council |
| GEF | - | Global Environmental Facility |
| GHG | - | Greenhouse gases |
| GIS | - | Geographic Information System |
| GoT | - | Government of Tanzania |
| GR | - | Green Resources Ltd. (at Sao Hill, Mufindi District) |
| HRD | - | Human Resources Development |
| IRA | - | Institute of Resource assessment (in Univ. of Dar es Salaam) |
| JFM | - | Joint forest management |
| JGI | - | Jane Goodall Institute |
| lCER | - | Long-term Certified Emission Reduction |
| LDGD | - | Local Government Development Grant |
| LFA | - | Logical Framework Approach |
| LIDAR | - | Laser Imaging Detection and Ranging |
| LKEMP | - | Lower Kihansi Environmental Management Project |
| LNRE | - | Land, Natural Resources and Environment (department) |
| LoI | - | Letter of Intent |
| LUP | - | Land Use Plan |
| MCP | - | Mpingo Conservation Project |
| MIS | - | Management Information Systems |
| MJUMITA | - | Mtandao wa Jamii wa Usimamizi wa Misitu Tanzania |
| MLHHSD | - | Min. of Lands, Housing and Human Settlements Development |
| MNRT | - | Min. of Natural Resources and Tourism |
| MRV | - | Measuring, Reporting and Verifying |
| NAFOBEDA | - | National Forestry and Beekeeping Data |
| NAFORMA | - | National Forest Resource Monitoring and Assessment (project) |
| NAMA | - | Nationally appropriate mitigation activities |
| NAPA | - | National Adaptation Plan of Action |
| NFP | - | National Forest Programme |
| NGO | - | Non-Governmental Organisation |
| NLUPC | - | National Land Use Planning Commission |
| NOK | - | Norwegian kroner |
| Norad | - | Norwegian Agency for Development Cooperation |
| OTC | - | Over-the-counter |
| PC | - | Personal computer |
| PES | - | Payment for Environmental Services |
| PFM | - | Participatory Forest Management |
| PMO-RALG | - | Prime Minister’s Office Regional Administration and Local Government |
| REDD | - | Reduced Emissions from Deforestation and Forest Degradation |
| SKYPE | - | Voice-over-Internet service |
| SWM | - | Sustainable Wetlands Management (programme) |
| TA | - | Technical assistance |
| TaTEDO | - | Tanzania Traditions Energy and Environment Development Organisation |
| tCER | - | Temporary Certified Emission Reduction |
| TFCG | - | Tanzania Forest Conservation Group |
| TGA | - | Tree Growers Association |
| ToR | - | Terms of Reference |
| TSH | - | Tanzanian shillings |
| UMB | - | University of Life Sciences, Norway |
| UNDP | - | United Nations Development Programme |
| UNEP | - | United Nations Environmental Programme |
| UN FCCC | - | United Nations Framework Convention on Climate Change |
| USD | - | United States Dollars |
| VER | - | Verified Emission Reductions |
| VCS | - | Voluntary Carbon Standard |
| VCT | - | Voluntary Carbon trade |
| VLFR | - | Village Level Forest Reserve |
| VLUP | - | Village Land Use Plan |
| VPO | - | Vice President’s Office |
| WWF | - | Worldwide Fund for Nature |

**SOME USEFUL DEFINITIONS/EXPLANATIONS**

|  |  |
| --- | --- |
| Joint Forest Management (JFM) | is a form of PFM that takes place in forests on “reserved land” – land that has been set aside (or reserved) by government as part of either Local Authority or National Forest Reserves. Villagers and government may decide to establish JFM for a range of reasons. In some cases it is because they have seen the forests declining through poor management or uncontrolled utilisation and destruction of water sources, or because local supplies of forest produce have declined. |
| REDD | (Reduced Emissions from Deforestation and forest Degradation), has no universally agreed-on definition. A broad definition would be: any action taken at the local, national or global level to reduce deforestation and forest degradation (DD), compared with a business-as-usual (BAU) scenario.  A more narrow definition, in line with the mainstream debate internationally, is that REDD concerns the creation *of incentive mechanism (payments) to those responsible for reducing DD*. It might appropriately be seen as an application of Payment for Environmental Services (PES) for standing forest*.* |
| Carbon pools | are those areas where carbon is stored in forests. These include: above-ground biomass, belowground biomass, litter, dead wood and soil organic carbon. |
| Baseline net greenhouse gas removals by sinks | is the sum of the changes in carbon stocks in the carbon pools within the project boundary that would have occurred in the absence of the afforestation or reforestation project activity under the clean development mechanism (CDM). |
| Actual net greenhouse gas removals by sinks | is the sum of the verifiable changes in carbon stocks in the carbon pools within the project boundary, minus the increase in emissions of the greenhouse gases measured in CO2 equivalents by the sources that are increased as a result of the implementation of the afforestation or reforestation project activity, while avoiding double counting, within the project boundary, attributable to the afforestation or reforestation project activity under the CDM. |
| Leakage | is the increase in greenhouse gas emissions by sources which occurs outside the boundary of an afforestation or reforestation project activity under the CDM which is measurable and attributable to the afforestation or reforestation project activity. |
| Net anthropogenic greenhouse gas removals by sinks | is the actual net greenhouse gas removals by sinks minus the baseline net greenhouse gas removals by sinks minus leakage; |
| Temporary CER or tCER | temporary certified emission reductions are the total amount of carbon sequestered (net baseline) since the project began. TCERs are issued periodically and expire at the end of the commitment period subsequent to the period in which they were issued. They can be used in the commitment period for which they were issued. TCERs must be replaced in the commitment period that follows the one in which they were used they must be replaced |
| Long-term CER or lCER | a long-term certified emission reductions are the amount of carbon sequestered (net baseline) since the last issuance of an lCER. They can be used in the commitment period for which they were issued and expire at the end of the crediting period (20, 30, 40 or 60 years) for which they were issued. They cannot be carried over to subsequent periods. If carbon is lost, lCERs must be replaced. When expired regularly, they need to be replaced by credit types other than lCERs or tCERs |
| LiDAR Systems | LiDAR systems send out pulses of laser light and measure the signal return time to directly estimate the height and vertical structure of forests. The light hits the forest canopy and ground surfaces and is then reflected back to the instrument. Forest carbon stocks are estimated by applying algometric height–carbon relationships which can introduce some challenges in tropical forests that reach their maximum height relatively quickly but continue to accumulate carbon for many decades. Current literature indicates that large-footprint LiDAR remote sensing far exceeds the capabilities of radar and optical sensors to estimate carbon stocks for all forest types. Currently, airplane-mounted LiDAR instruments are too costly to be used for small areas. |
| The Eastern Arc Mountains Conser-vation Endowment Fund (EAMCEF) | is a joint initiative of the Government of Tanzania, the World Bank and the Global Environment Facility (GEF). |
| Carbon Trust Fund | Is similar to the Eastern Arc Fund. It is governed by a Board of Trustees (BOT), the Fund operates as a Not-for-Profit Non-Governmental Organization (NGO). Its day-to-day operations are run by the Endowment Fund Secretariat (EFS) based in Morogoro and headed by an Executive Director (ED). |
| National Forest Programme (NFP) | The NFP is an instrument for implementing the National Forest Policy approved in 1998 towards sustainable management of her forest resources. The objectives of the NFP development programmes are (i) sustainable supply of forest products and services ensured to meet the needs at the local and national levels; (ii) enhanced national capacity to manage and develop the forest sector in a collaborative manner; (iii) enabling legal and regulatory framework for the sector in place and (iv) increased economic contribution, employment and foreign exchange earnings through sustainable forest-based industry development and trade of forest products (NFP 2002).  The National Forest Programme (NFP) is based on four implementation programmes: (i) Forest Resources Conservation and Management programme which aims at promoting gender balanced stakeholders participation in the management of natural and plantation forests, giving priority to ecosystems conservation, catchment areas and sustainable utilization of forest resources; (ii) Institutions and Human Resources Development programme which aims at strengthening institutional set up, coordination of forest management, establishing sustainable forest sector funding and improvement in research, extension services and capacity building through strengthening human resources; (iii) Legal and Regulatory Framework programme which focuses on the development of regulatory issues including the Forest Act, rules, regulations and guidelines to facilitate operations of the private sector and participatory management, and (iv) Forestry Based Industries and Sustainable Livelihoods programme which is intended to enhance forest industry development by promoting private sector investment, improving productivity and efficiency and to tap the income generation opportunities provided by non wood forest products.  The NFP provides the basis and the framework for a effective implementation of a REDD programme in Tanzania. |
| The Forest Carbon Partnership Facility (FCPF) | The FCPF is a concept proposed by the World Bank to assist forest countries to prepare for the REDD implementation with funding from the Readiness Fund. The concept was formalized in September 2007 with a fund capitalization of USD 100 million to serve the readiness needs of about 20 eligible REDD countries. To date about 43 countries have expressed interest in the facility of which 28 have submitted Readiness Plan Idea notes, incl Tanzania. The fund is managed by the FCPF Facility Management Team (FMT). |
| UN Collaborative Programme on Reducing Emissions from Deforestation and Forest Degra-dation in Deve-loping Countries | FAO, UNDP and UNEP have embarked on a joint programme to provide coordinated REDD support to countries, as consistent with the “One UN” approach. The Joint Programme referred to as the ‘Quick Start Programme’ provides support for REDD-readiness actions and implementation of REDD strategies. The agencies are discussing both with the Coalition of Rainforest Nations and the World Bank’s Forest Carbon Partnership Facility to ensure optimum response to countries’ needs and that it and the Joint Programme and FCPF are mutually supportive. Tanzania is current among the 6 countries selected to benefit from the facility. |
| Safeguards | relate to provisions in the draft REDD+ Decision to guide effective REDD+ implementation on the ground. They are likely to be some of the key instruments for creating REDD+ systems that benefit all stakeholders. The draft decision from COP15 recognise that a number of elements should be promoted and/or supported in REDD+ implementation, e.g.: Consistency of national forest programmes, international conventions and agreements; Knowledge and rights of local communities and indigenous peoples; Basic governance conditions including transparency and ‘full and effective participation of relevant stakeholders’; Conservation of natural forests and biodiversity; Actions to address leakage and the risks of ‘reversals’ in emission reductions and/or carbon storage resulting from REDD activities.  Safeguards will be very important for public and private investors in REDD+, including clear tenure rights, as they help reduce risks associated with investing in REDD+. |

**EXECUTIVE SUMMARY**

**1. INTRODUCTION, REVIEW MANDATE AND REDD TRENDS**

* Norway and Tanzania have established a partnership on climate and forests, through a Letter of Intent (LoI) signed in April 2008, focusing on REDD readiness.
* The Norwegian Embassy is also ready to support activities to prepare for local level initiatives for promoting and capturing the value of carbon in forests, through focusing on a few pilot districts in an initial phase.
* The Fact Finding/Scoping Mission visited Bagamoyo, Mufindi and Kilolo Districts, and also met with various stakeholders in Dar es Salaam.
* REDD concepts are not eligible under the Kyoto Protocol, and at present only voluntary carbon standards (e.g. VCS) prevail for Carbon payments for REDD projects.
* The Copenhagen meeting (COP 15) was not conclusive regarding REDD on certain elements (nature of financing, scale, MRV, etc.), but an agreement is expected during 2010.
* Forest-related voluntary carbon markets are developing fast and REDD projects are picking up pace compared to A/R projects.
* Average price for voluntary forest carbon credits in Africa was USD 10.4 per tonne CO2 equivalent (USD 2.8 per tonne C).

**2. FINDINGS AND REFLECTIONS**

* The Team collected as much readily available information as possible during the time allocated.
* The district level is rarely involved in REDD –related projects in Tanzania, where’s a variety of activities are ongoing at community and at central levels.
* The knowledge about REDD amongst district level staff is meagre, and the districts lack hard- and software to take proper part in the activities, especially the land use and environmental planning.
* The Green Resources Ltd. at Sao Hill has a hands-on knowledge of Carbon Trading, but only concentrates on their neighbouring villages.
* Maps (1:50,000) from aerial photos from 1982, and LANDSAT images from 1995 and from 2006, are available for large parts of the country.
* Land use maps in smaller scale are only available for a few village areas.
* The mapping under the NAFORMA project will be completed in 2013.

**3. BROAD OUTLINE OF A DISTRICT LEVEL CLIMATE PARTNERSHIP**

* It is noted that the district level is responsible for all district land use planning, environmental planning and natural resources management, and therefore REDD has to be an integral part of overall district planning activities.
* The project will have to aim at making the district able to undertake a joint and holistic management of all its natural resources, forests and Carbon included, meaning e.g. capacity building, appropriate land use database and GIS referenced system, enhanced mapping skills, communication skills, etc.
* The Embassy and the REDD Task Force need to agree on which districts to include in the project (in consultation with PMO-RALG). The districts should be selected according to objective criteria of physical/logistical nature (availability, communication assets, staffing, equipment, etc.) and aspects related to REDD and Carbon (preparedness, tree planting extent, village planning activities, stakeholders’ priorities, etc.).
* The target institution would be the Lands, Natural Resources and Environment Dept. of the District Council, with the DFO as the focal point.
* Strong TA is assumed in the project, by a relevant national/ international group (consultants). Intermittently TA presence and joint work is recommended rather than long-term advisory services.
* A consultative District Climate Partnership Forum is recommended to be established at district level, comprising a broad range of various stakeholders dealing with natural resources management and trade in forest products.
* The signatory partner at higher level must be agreed between the bilateral parties, and Norway has expressed willingness to support the financial management of such institution.
* The main activities under the project might be: development of communication strategy; various training activities (GIS, mapping, MIS, etc.); introduction of GIS database and mapping, District Land Use Planning and Environmental Action Planning; assistance to Village Land Use Planning; tenure certification; management of forests; Carbon stock assessment; pilot REDD payment scheme and benefits sharing; gender sensitisation and adaption activities.
* The project should preferably last not less than 3 years, and should be carefully designed in order to avoid that personal incentives and allowances will be the main driving force of the activities.
* The Preparation Stage 2 Mission must meet with various stakeholders at central and local level, and most importantly must design the project jointly with the district staff, in order to create ownership to the efforts.
* The Norwegian Embassy must play an important role in the preparations for the Mission and the itinerary establishment (meeting appointments, etc.).
* The end product of the Stage 2 Mission would be a joint and mutually agreed Project Document, following a format normally used by Norad in such bilateral projects.
* The Stage 2 team should comprise 3-4 persons with quite a wide mixture of qualifications (planning and management skills, also from grassroots level; knowledge of national unit prices on manpower and equipment and project budgeting; detailed knowledge of the Tanzania forestry sector and various actors, policy and legislation; international Carbon trading; gender knowledge; use of incentives, etc.).
* The time input for such exercise could be from 4.5 to 7.5 weeks for each of the key team members, covering one district, with another 2 weeks for each additional district in the project (Team Leader).

**4. INITIAL ASSESSMENT OF THE BAGAMOYO CONCEPT NOTE**

* The project title: *Rehabilitation of the degraded forestland by means of natural regeneration for climate change mitigation and livelihood improvement*.
* The justification of the project seems to be adequate, based on the pressure on the land in Bagamoyo from Dar residents and illegal cutting of trees for charcoal production to meet the Dar es Salaam market demands.
* The formulation of objectives needs to be revised and sharpened according to the LFA modality normally used by Norad.
* The list of results/outputs has to be refined, also to include some indicators to verify actual deliveries. Some activities need more explanations regarding the content, in order to be fully understood.
* The Fact Finding Team urges the need to blend and coordinate the activities with other REDD-related programmes.
* The reality of the budget is very difficult to assess, as there is little indication of the time input of various staff. The staff time input should derive from the activities to be undertaken. The budget largely comprises a lot of “lump sums” only.
* The organisational and managerial set-up of the project is not at all described, being a serious shortcoming. Especially the interaction and responsibilities of the project “secretariat” as opposed to the role of the District Council department staff must be clarified already in the planning phase.
* Some relevant risks have been identified, but sustainability issues are not described.
* The project is presented under a REDD umbrella, but only a few activities mentioned are related to this, not specified in detail. The lists of main activities under the project to a large extent are similar to the steps recommended for the Joint Forestry Management (JFM) and Community Based Forest Management (CBFM) under the Government’s PFM programme, and as such is nothing new. The project is thus not a REDD Pilot as presently formulated.

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# 1. introduction, REVIEW mandate and REDD TRENDS

## 1.1 Brief Introduction and Background

Norway and Tanzania (see map in *Figure 1.1* in *Appendix 1*), have established a partnership on climate and forests, through a Letter of Intent (LoI) signed in April 2008. The programmes under this partnership have been developed gradually in close collaboration with the government-appointed Task Force for REDD, and other stakeholders, in Tanzania. The LoI focuses on REDD readiness at many levels, including piloting of REDD activities at national and sub-national levels. Under the partnership, a REDD policy process is being supported, a large research programme on REDD and Climate Change has been established, and a number of NGO-operated pilot programmes have been launched. In order to take the REDD readiness forward, new activities linked to e.g. training and capacity building, involvement of private sector and strengthening of the Monitoring, Reporting and Verification systems will be prepared.

Various development partners (donors) are discussing with the Government of Tanzania (GoT) ideas of expanding the funding system under the Local Government Development Grant (LDGD) to also include a funding window for natural resources. This window may be launched within the next few years. In order to assist districts in getting ready for making effective use of such a window a strong awareness and capacity building effort is needed. Working in selected districts to develop this ability could be an element in a district level partnership between Norway and Tanzania.

There are several interventions related to REDD and climate change supported by various donors and institutions ongoing in Tanzania, and it is difficult to get an overview of all from any Tanzanian governmental institution. It is however noted that Finland has contracted a team of consultants to plan for a future investment into private sector commercial forestry. This private sector programme will be developed with a view to coordinate closely with other REDD activities in the private sector and development of carbon as a source of income for tree farmers, tree growers associations and private forest investors.

Based on the LoI between Tanzania and Norway, the Embassy is also ready to support activities to prepare for local level initiatives for promoting and capturing the value of carbon in forests. These coordinated programmes may focus on a few districts in an initial phase, with a view to expanding the concept and support packages to other interested districts gradually. Programmes may also be developed for joint funding between Finland and Norway or for coordinated approaches under separate funding arrangements.

Districts of potential interest for a local level partnership are Mufindi and Kilolo in Iringa Region (see *Figure 1.2*). This is based on a history of collaboration with Norway, location in a climatic zone highly suitable for forestry activities, and the emerging dynamic in forest management and forest plantations based on a variety of investors, private farmers and village groups. There is a big potential for reforestation and afforestation in these districts, and awareness for protecting remaining natural forest. In addition, Bagamoyo has been introduced as a priority district for REDD-related activities by the Tanzanian Government. *See Figures 1.3-1.7* where maps of the various districts are presented.

## 1.2 The Review Consultant’s Mandate and Approach

The Terms of Reference (ToR) for the Fact Finding Team is enclosed in *Appendix 9*. Prior to the field work in Tanzania, the Team was presented with a draft version of the ToR, and based on this a plan of operation, previously prepared in draft form by the representative from Pöyry, was updated to the best knowledge of the Team (also enclosed in *Appendix 9*), and presented to the Norwegian Embassy and Norad (who had no immediate comments).

A kick-off meeting was held in the Norwegian Embassy in Dar es Salaam on Monday 14 February 2010 with one of the three officers in the Embassy dealing with climate change and REDD issues. In this meeting it was again concluded to downscale the ambitions in the original ToR, agreeing that the Mission should undertake the first “fact finding/scoping” only, as far as time and availability of stakeholders allowed. The work was clearly to prepare as much information as possible for a next planning mission, which should then go into more detail on the design of a possible partnership project. The selection of project district(s) was also left open for later discussion and decision by the Embassy and the REDD Task Force (who revealed to the Team that they obviously had different priorities than the Embassy), following the first findings and recommendations of the Team. During the first days of the Mission, it also became clear that there was not enough data readily available to undertake a reasonable estimate of the level of carbon removals that may be available for a district level carbon partnership in Mufindi and Kilolo Districts. The use of the bottom-up methodological framework, COMAP[[1]](#footnote-1) (an open domain spread sheet for estimating carbon emissions and sequestration from deforestation and harvesting of forests, originally developed by Lawrence Berkeley National Laboratory, USA), was therefore not applied at this stage, in mutual understanding with the Embassy.

The project proposal from Bagamoyo was submitted to the Team on Tuesday 16 February and the Team visited this district “blindfolded” on Wednesday with a representative from the Vice President’s Office, without having an appointment beforehand (the VPO had not got in touch with anyone in Bagamoyo). The Team met with District Executive Director (DED, who had been in that position for two days only) and fortunately also the Environmental Management Officer of the District Council, also being the Head of the Lands, Natural Resources and Environment Department. The visit to Bagamoyo thus became relatively fruitful after all.

The Team went to Mufindi District on Thursday 18 February (8 hours drive) and had meetings with stakeholders in the two Districts Mufindi and Kilolo the following days, with return to Dar 25 February. The Embassy of Denmark was met with upon return from the district visits, and the Team, accompanied by the Programme Officer in the Norwegian Embassy, met with the Embassy of Finland on the last day of the mission. The Team finally met with the responsible representatives of the Norwegian Embassy on Friday 26 February and discussed the preliminary findings and recommendations (debriefing meeting). It was unfortunately not possible to get a meeting with the World Bank representatives during the mission.

List of the persons met and consulted with are listed in *Appendix 7*. Some illustration photos from the field visit are presented in *Appendix 10*.

## 1.3 REDD and Carbon Trade Internationally. Update and Challenges.

### 1.3.1 REDD – Status and Trends

**“REDD+”= REDD - plus stabilisation conservation, maintenance and enhancement of forest carbon stocks .**

**“REDD++”= Contains further incorporation of details on environment, livelihood and governance safeguards (not yet properly established). This is “REDD beyond the trees”.**

The Fact Finding Team realises that in order to be on top of the latest developments and thinking on REDD, one has constantly to be updated as issues are discussed in various forums and pilots are being tested every day with new results and ideas coming onboard. It is easy to be sidetracked in the discussion without a hand-on knowledge on the issues at stake. In order to update the reader of the fairly comprehensive picture forming the international thinking and trends regarding REDD, a memo regarding this has been enclosed as *Appendix 2*. The memo is self-explanatory so only a few salient features will be repeated below.

There are basically two main mechanisms[[2]](#footnote-2) offered by the international climate policy for forestry-based projects:

* Clean Development Mechanism-afforestation/reforestation (CDM A/R): CDM A/R projects are eligible under the Kyoto Protocol, but have restrictions: emission rights can be issued only after five to ten years; emission certificates are temporary and need to be replaced; and certificates from forest climate projects are not being eligible in the EUETS. CDM A/R is restricted to afforestation and reforestation on land that has not been under forest cover before January 1990. To date, only few CDM A/R projects have been registered with the UNFCCC Executive Board and some 11 large-scale methodologies and some 7 small-scale methodologies have been approved by the CDM Executive Board. CDM A/R produce temporary credits which needs to be replaced after the time of expiry. Credits can be issued as temporary CERs (tCERs) or as long-term CER (lCER). Buyers of CDM forestry projects may use credits to buy ‘time’. Disadvantages with CDM A/R are threefold: high transaction costs, high risks and temporality. After the initial verification, credits may only be verified and issued every five years. This means that the project owner only generates credits every five years, with negative effects on cash flow. In addition, CDM A/R can only be carried out based on registered methodologies, which are complex and need scientific expertise. This may be a barrier for many developing countries with a high potential for CDM forestry activities.
* Reducing Emissions from Deforestation in Developing countries (REDD). REDD concepts are not eligible under the Kyoto Protocol but their advantages include potential annual issuance, permanence of emission rights and a front-loaded emission reduction scheme. During COP13 in Bali, it was decided to further strengthen and support ongoing efforts to reduce emissions from deforestation and forest degradation on a voluntary basis and it formulated a detailed work programme for the further development of REDD schemes. REDD allows the development of project activities which may claim emission certificates for avoided deforestation, forest management and re-vegetation measures. REDD+ activities are restricted to the voluntary offset market due to uncertainties regarding baseline development and leakage. Credits sold on the voluntary offset market are developed under a Verified Emission Reduction (VER) scheme. They are issued as permanent emission reductions (unlike CDM A/R) and do therefore not need to be reissued after five years. For instance, the ´Voluntary Carbon Standard (VCS) stipulates that REDD projects are required to tackle the risk of non-permanence by operating a security buffer pool. The buffer approach requires that REDD projects maintain reserves of non-tradable carbon credits.

The meeting in Copenhagen (COP 15) showed that a REDD+ mechanism is likely to be agreed upon by the end of 2010, if a wider climate agreement can be reached; indigenous people and local communities feature as key players in REDD+; and safeguards that are put into practice are a key instrument for creating REDD+ systems that benefit all stakeholders. One important hanging point is the formulation “Enhancement of forest carbon stocks” under the scope of REDD, where other elements are quite clear. The formulation is however not entirely clear. It is generally thought to refer to afforestation, reforestation and restoration activities on deforested and degraded lands; though it may also include the sequestration of carbon in healthy standing forests. This is thus a term that has to be properly defined in the near future.

It should also be noted that the draft decision under COP 15 did not come to a final agreement whether REDD+ should allow for sub-national strategies and monitoring frameworks. It was suggested that developing countries should start with sub-national accounting and then upscale to national level systems, but agreement was blocked by the USA and Columbia who both advocate the option for separate sub-national accounting.

Developed countries committed in the Copenhagen Accord a total of USD 100 billion per year by 2020 to address the needs of developing countries in terms of mitigation actions and transparency in implementation. The funding would be part public, part private, bilateral, multilateral and ‘alternative’ sources, such as revenues from emission trading. However, the long-term financing of REDD+ has not been clarified by the Copenhagen Accord. The Accord has a short-term commitment to put USD 30 billion on the table for the period 2010-2012 with a balance allocation between adaptation and mitigation. A substantial amount of these funds could flow through the Copenhagen Green Climate Fund, announced in the Copenhagen Accord.

The below table gives an overview of the status of the REDD negotiations:

|  |  |
| --- | --- |
| **Agreed elements** | **Undecided** |
| Principle to contribute to sustainable development and poverty reduction | Nature of financing (i.e. amount, source) |
| Safeguards (incl. rights, good governance and protection of natural forests) | Scale – acceptance of sub-national implementation and monitoring |
| Phased approach /i.e. policy/strategy development; policy/strategy implementation; results-based actions | Link to nationally appropriate mitigation activities (NAMAs)/low GHG strategies |
| Consideration of drivers of deforestation and forest degradation, land tenure, forest governance, gender and safeguards when developing national strategies | Measuring, Reporting and Verifying (MRV) for support provided by developing countries |
| Methodology for monitoring carbon requested – use of MRV language undecided | Commitment to MRV for REDD+ activities and results-based actions in a phased approach |
| Scope (i.e. REDD+) | MRV for safeguards included in MRV systems for REDD+ activities |

### 1.3.2 The Forest Carbon Credit Market

The forest carbon credit market can be divided into the *voluntary* carbon market and the *compliance* carbon market. The compliance carbon market refers to the forest carbon credits generated from CDM A/R projects, which have been registered by the UN Executive Board. The CDM A/R mechanism has been defined and adopted under the Kyoto Protocol. The voluntary carbon market refers to a market where transactions are either performed on a climate trading platform such as the Chicago Climate Exchange (CCE) or on a bilateral basis (also termed “over-the-counter” or OTC) with or without brokers (i.e. middlemen). The type of forest carbon credits that can be sold on the voluntary market cover a wide range of standards developed by NGOs, associations and private companies. Almost all standards on the voluntary carbon market (96%) require that the projects are verified by third parties.

The forest-related projects only represent a small part of the total carbon market, which also cover energy-related projects such as energy efficiency, fuel switch or renewable energy generation. Within the forest-related carbon market, the voluntary market represents the bulk of transactions with 74% of all forestry credits sold during 2008. The compliance market (i.e. credits from CDM A/R) and the CCX (Chicago Climate Exchange) represent each 13% of the forest carbon market.

The global voluntary OTC forest carbon market represents about 20.8 MtCO2e or USD 149.2 million from 226 projects over 2.1 million ha from 40 countries (2009)***.*** The volume of OTC traded forest carbon credits totalled by 2008 15.3 MtCO2e since the start of the trades. During 2008, a total of 3.7 MtCO2e forest carbon credits were traded bilaterally. The CCX has traditionally been very favourable towards trading forest carbon credits. In fact, these credits represent the second largest volume of credits traded on CCX (22% in 2008).

The majority of voluntary carbon forest-related projects have been carried out in America. Africa represents only 11 %, vastly below the biological and environmental potential for voluntary forest carbon projects. However, in monetary value Africa has projects worth USD 20.9 million or 15 % of the world total. Because of low industrialisation in Africa, many view forest carbon as the best option for carbon credits for Africa. Price levels may differ according to i) compliance or non-compliance markets; ii) type of project (i.e. A/R plantation; A/R conservation; Forest Management or Avoided Deforestation); iii) country and project risk profile. The differences in price levels are explained and illustrated in more detail in *Appendix 3.* Forest carbon prices on the voluntary market have averaged USD 10.38 per tonne CO2 equivalent (tCO2e, or USD 2.8 tC) in Africa (2008), which is the second highest level after Oceania.

Amongst standards of relevance to the planned District Climate Partnership project, the dominant voluntary type of carbon standard for forest carbon projects is the VCS (Voluntary Carbon Standard), followed by the CCX’s Carbon Financial Instrument. Smaller standards of relevance include the ISO14064, VER+, Carbon Fix Standard, Plan Vivo System, and EPA Climate Leaders Offset Guidance. A number of standards act as ‘add-on’ to the mentioned standards, certifying additional levels of sustainability, environmental or social outcome of the projects. These include the CCBS (Community Climate Biodiversity Standards) and the Social Carbon Standard.

The voluntary carbon forest market is developing fast with 86% of all transactions in this segment since 2006. So far, A/R projects have dominated the forest carbon projects, but REDD projects are clearly becoming more and more interesting. The latter transacted 24 % of total volume, or 3.1 MtCO2e, generating USD 41.6 million. This was done by just 11 projects showing the ability of REDD to create a higher monetary value than other project types. Partly, this is due to the very large geographic size involved. REDD, and REDD in combination with other project types (A/R and Improved Forest Management), represented 90.5 % of the total credited forest area. For further reading, please refer to *Appendix 3*, where carbon markets, standards and prices are elaborated in more detail.

### 1.3.3 Carbon Sequestration Potential and Payments

There are basically two different mitigation options in the forestry sector:

I. Forestation:Reforestation and regeneration options e.g. natural and enhanced regeneration, afforestation, urban forestry, non-forest tree plantations (rubber, oil palm etc.) and agro-forestry.

II. Protection**:** Forest protection and conservation options e.g. forest reserves, parks, sustainable harvesting, deforestation reduction measures, etc.

The indicative calculations of biomass per hectare are always based on subtracting i) a Baseline scenario from ii) a Mitigation scenario. The Baseline scenario is one where we assume what type of land use category would be in place in the absence of the projects under the carbon district partnership. The Mitigation scenario is what would take place in order to either *avoid* additional carbon emissions (i.e. avoided deforestation) to the atmosphere or the *additional* uptake of carbon from the atmosphere and stored in standing trees (i.e. afforestation, etc).

The table below summarises indicative estimates of the level of carbon stored that can be expected from different mitigation options. The estimates are based on a VCS registered project in Mufindi District and peer-reviewed articles:

|  |  |
| --- | --- |
| **Mitigation Options** | **tC/ha** |
| Pine & Eucalyptus plantations1 | 231 |
| Natural forest conservation2 |  |
| Miombo forest | 58,5 |
| Rain and sub-tropical forests | 173,75 |

1 Based on calculations from: *Reforestation in grassland areas of Uchindile, Kilombero, Tanzania & Mapanda, Mufindi*, Tanzania, July 7. 2009. Project Description Template for the Voluntary Carbon Standard ARR project activity. The Baseline scenario is grassland. Mitigation scenario is eucalyptus and pine plantations with 18 and 25 yrs rotation period respectively, reforestation at each rotation period over 99 years.

2 Based on Makundi, 2001, *Potential and cost of carbon sequestration in the Tanzanian Forest Sector*.Mitigation and Adaptation Strategies for Global Change 6**:** 335–353, 2001.

There is also a large potential for carbon stock enhancement, afforestation and reforestation in agricultural landscapes, which offer additional benefits in terms of farm income diversification. However, it is not possible to provide a single quantification of carbon stock improvements per hectare for this, as the types of mitigation activities and hence their impact on the carbon stock varies significantly. Activities may include fruit orchards, coffee shading, live fences, dispersed inter-planting, boundary planting, or afforestation on farmers' woodlots of either native or exotic species. In order to obtain an estimate of undertaking carbon stock enhancements on agricultural landscapes, it’s necessary to look at the project level. An example of a quantification of a forest carbon project on agricultural landscapes comprising afforestation, reforestation and agro-forestry is the ‘Trees for Global Benefits’ coordinated by the NGO ECOTRUST. The project is validated and verified against the Plan Vivo standard by the Rainforest Alliance (please refer to <http://www.planvivo.org/?page_id=45> for more information).

The following table summarises price levels of carbon forestry projects that were traded during 2009. The price differential between the different types of forestry projects when looking at the volume weighted average is not very large, but does show a higher price for A/R forestation, forest management and A/R conservation than for avoided deforestation. *Figure 1.8* illustrates the variation in prices within each project type and between project types (please note that prices in the figure are stated in t/CO2e and not in t/C).

|  |  |  |
| --- | --- | --- |
| **Price levels** | **USD/tCO2e** | **USD/tC** |
| Low price level | 0,65 | 0,18 |
| High price level | 50 | 13,64 |
| Volume weighted average | 7,88 | 2,15 |
| African average price | 10,38 | 2,83 |

Source: Ecosystem Marketplace & new carbon finance, *Fortifying the Foundation. State of the Voluntary Carbon Markets 2009*. Pls. note that these prices are uniquely from bilateral ‘over-the-counter’ transactions and not from e.g. CCX or other trading platforms.

# 2. findings and reflections

## 2.1 Introduction

The Mission’s scope was concluded to concentrate on collecting “as much relevant information as possible within the time available”. The Team has therefore made a point of including different kinds of information in the report, all which will be useful as direct input or at least as a backdrop for the next mission that will detail the project design together with the district in question. The main source of information was the meeting with various stakeholders, giving a good impression of what kind of information is available in various institutions. *Appendix 4* contains a synthesising of the main information obtained in the meetings with the various stakeholders, listed in the sequence of which the stakeholders were met.

It is appreciated that some of the information given might be well known to people having hands-on knowledge of the forestry/REDD/climate sector, and in Tanzania especially, and some information might be new. The Team has however made no attempt to “screen” the information at this fact-finding stage, as it is assumed that all available information would be useful for the next detailed design mission, and also may be useful for the main REDD actors in Tanzania. The information collected has subsequently been used by the Team to outline the district partnership on climate project, presented in *Chapter 3*. Below are some few important highlights from the meetings with the stakeholders.

## 2.2 Findings from Meetings with Various Stakeholders

### 2.2.1 Stakeholders in Dar

***a) The Norwegian Embassy***

* The largest component of the Norway-Tanzania climate cooperation (totalling NOK 500 mill., with 4 components), is the CCIAM (Climate Change Impact Adaptation and Mitigation, USD 17 mill.), a programme for research and capacity building, being a partnership between Sokoine University of Agriculture, University of Dar-es-Salaam, Ardhi University, Tanzania Meteorological Authority, and University of Life Sciences (UMB) in Norway. Appraisal of the research component recommended that this component’s activities and outputs link with village and district level activities.
* REDD NGO pilot projects under the programme have been instigated. 10 proposals were accepted and contracts with five NGOs have already been signed (Jane Goodall Institute (JGI); African Wildlife Foundation (AWF); Mpingo Conservation Project (MCP); and Tanzania Traditional Energy and Environment Development Organization (TaTEDO), and TFCG-MJUMITA). These projects all aim at work with communities, none target the district level per se. Outputs receiving support are only mitigation and only forests based activities.
* The key question is who will hold the money in a district pilot project (meaning: who will be the contract partner in Tanzania?).

***b) Vice President’s Office, Environmental Department (Partner of the REDD Task Force)***

* This project has promoted the Bagamoyo Concept Note and on behalf of the Government (President) and is giving priority to this District for piloting the REDD district partnership concept. Kilolo District is also given priority.
* There is seemingly a list of priority districts, but this has not been released officially and was not given to the Team.
* A meeting of Directors was taking place in Zanzibar 22 – 27 February 2010 in order to raise awareness on one hand and to solicit Zanzibar representation for the REDD Task Force on the other hand. The meeting would develop an outline of the public institutions and private sector elements of the REDD strategy and identify gaps in thematic areas that require more support. The meeting will also discuss mechanisms for REDD support by looking at existing structure and whether new structures are needed. (No minutes from this meeting are available at this time).
* A national Carbon Monitoring Centre (as outlined in the National Framework for REDD) has not yet been established. The rationale behind this proposal in the REDD Framework was the needs to have a credible entity that can market Tanzania’s Carbon.

***c) Min. of Natural Resources and Tourism, Forestry and Beekeeping Division (FBD, partner of the REDD Task Force)***

* SULEDO Forest are now harvesting, where 10 villages will earn TSH 552 million from 60,500 Ha using selective felling. A “Zonal Environment Committee” manages the forest on behalf of the villages. One company has been selected to harvest in order to maintain control. SULEDO can also benefit from REDD since the management plans do not allow clearing of the forest before after 60 years.
* The DFoB (Director of Forestry and Beekeeping Division) accepts that Bagamoyo, Mufindi and Kilolo are all good candidates for piloting the District Climate Partnership, but wishes this initiative to be scaled up to other districts.
* DFoB feels that there should be a “REDD Advisory Group” (“REDD Working Group”) under the Climate Change Steering Committee and this Group should have broad representation including government agencies and Civil Society Organizations (CSOs).
* National Forestry and Beekeeping Data (NAFOBEDA) Office is storing all forestry data for the country. A lot of info on forest statistics is lacking, amongst others because the districts are not submitting data regularly (some lack PCs).
* National Forest Resource Monitoring and Assessment (NAFORMA) project will start collection of date in April 2010 and the database is expected to be completed after about three years. The will collect data on forest cover, land use, and biomass C-content (above and under ground). The project will produce conversion tables for Carbon.
* The Survey and Mapping Section of FBD has information on all *gazetted* forests.
* FBD is hoping to establish a Forest Fund, as defined in the Forest Act, with support from the Ministry of Finance. This Fund might *not* necessarily be associated with a REDD Fund.

***d) Institute of Resources Assessment (IRA), University of Dar es Salaam (being the REDD Secretariat)***

* An important point id to select district for the REDD Partnership objectively, and not according to political priorities.
* The goal was to have a REDD Strategy ready by September 2010, but this is an unlikely target.
* IRA has land use and land cover data from 1995, but they recently received LANDSAT data from 2006 that can be used to update maps. The 50,000 topo maps are based on aerial photos from 1982, and are available in hard and electronic copies at IRA (USD 30 for electronic and USD 20 for hard copies)

***e) The Tanzania Forest Conservation Group (TFCG) and MJUMITA***

* The partnership is exploring the establishment of a Community Carbon Cooperative
* The partnership has received funding from Norway for The TFCG-MJUMITA Community REDD Project. The Pilot Project began in September 2009 with USD 6 million, over 5 years implemented in the Eastern Arc and Coastal Forests (including Kilolo District). Piloting on site will start in March 2010. VCS (Voluntary Carbon Standard) and CCBA (Climate Community and Biodiversity Alliance) standard will be used in the pilot.

***f) The Danish Embassy***

* A 2nd phase of PFM funding from Denmark is uncertain, as there is no Completion Report and no Financial Report from the 1st phase, and funds are outstanding from the Government and 3 districts. The annual review in March 2010 will decide the future of PFM funding.
* The Fact Finding Team were advised to consult with PMO-RALG (Prime Minister’s Office Regional Administration and Local Government) in order to pilot in Districts.
* PFM has largely been successful because of “sitting allowances” rather than because of forestry activities. If REDD is to be linked to PFM it must look at incentives. What are the drivers of REDD. It must be designed to be sustainable.

***g) The Finnish Embassy***

* There is a plantation initiative in Bagamoyo where the Community Development Corporation is planting trees on 12,000 ha of land.
* It is recognized that District Land Use Planning is important.
* The Finnish project will begin with a 1-year bridging phase, and a team will arrive in July to begin implementation of the project in Iringa and Mbeya Regions.
* There will be organizational development in the districts under the new project, but Finland is interested in *trees* whereas Norway is more interested in *Carbon*.

### 2.2.2 Stakeholders in Mufindi

* Mufindi District is made up of 5 divisions, 28 wards and 132 villages (131 surveyed), with 30 villages participating in PFM and 33 villages have VLUPs. No District Land Use Plan exists. Mufindi District has applied for 90 Village Land Certificates.
* The are vacancies in the District Lands, Natural Resources and Environment Dept. and more forest officers are expected to be employed.
* The District Council ha no software for producing maps (GIS) and no plotter (but one person has introductory GIS training). Maps for VLUPs must be produced in Dar (the DFO (District Forest Officer) has hard copies of topo maps, scale 1:10,000 of 5 Mufindi Forests). The land office has a traced hand-written map of land use at large scale (see *Appendix 1*) and the DFO has a simple digital map showing the main roads (presented in the District Profile, *Appendix 5*). 1:50,000 topo maps in hard copy is available (from areal photos from 1982)
* The DFO feels that relative to other districts, Mufindi has sufficient resources in terms of vehicles and equipment.
* Mufindi has established a District Facilitation Team (DFT) for PFM. The DFT comprises officers from District Economic Planning, Community Development, Agriculture, Natural Resources, and Environment sections and from the District Water Engineer’s office.
* Sustainable Wetlands Management (SWM) programme began nationally in 2006. Mufindi District has identified 3 ponds and 1 riverine area whose tributary flows into the Great Ruaha River. The identified wetlands sites are surrounded by 9 villages in 3 different wards.
* LKEMP (Lower Kihansi Environmental Management Project) is implemented in 3 districts (Kilolo, Mufindi and Kilombero), where 8 villages in 2 wards are involved in Mufindi. LKEMP objective is to ensure continuous flow of adequate quantity and quality of water flowing into Kihansi Dam.
* EAMCEF (Eastern Arc Mountain Conservation Endowment Fund), promoting conservation and sustainable management of the forests of the Eastern Arc Mountains, is supporting 4 villages in Mufindi District.
* The President stated during his visit that the entire Iringa Region is suitable for piloting Climate Change activities in Tanzania.
* The DFO has collected and compiled data on trees planted since 2000 up to 2008 in a spreadsheet equal to 300 A4 pages. DFO has collected the tree planting data not only for the purpose of Carbon payments but he recognizes that this information will assist with forest management generally.
* The REDD Task Force Chairman has informed the district that tree owners will be paid unconditionally and therefore trees can be harvested after payment. The DFO has heard that TSH 2,000-5,000/tree/year will be paid under REDD and that it is better to be paid under these conditions than to clear fell and get a single payment. DFO got the impression that each hectare would be worth at least TSH 12 million in terms of Carbon payments (!), but does not know from where such funds would be coming.
* Expectation has been raised in the villages for high payments for Carbon by visiting politicians.
* Green Resources Ltd. has title deeds for 32,000 ha in Kilombero and Mufindi Districts. The plan is to acquire an additional 15,000 Ha in Mufindi by procuring titled commercial farms. GR has planted 10,000 ha and is currently planting at the rate of 3,000 ha/year. With new funding the intention is to increase planting rate to 5,000 ha/year before peaking at 7,000 ha/year. The goal is to produce 2 million seedlings/year from own nursery, whereas last year 1.5 million seedlings were produced.
* Each of GR’s plantations is a CDM project. 2 of their plantations have received FSC (Forest Stewardship Council) certification and a 3rd was being verified at the time of the visit. In 2006 GR were issued with 250,000 tonnes of Carbon credits.
* GR is willing to pay 10% of Carbon payments to the seven Village Governments surrounding the plantations, but villagers want individual payments for their trees on scattered land that has no title. Has good dialogue with Norwegian and Finnish Embassies.
* Currently the price is between 4 – 5 €/tonne C, after deducting management fees the price will be about 3 – 4 €/tonne C. A 1 ha pure stand of Pine/Eucalyptus contains 20 tonnes-C. GR’s position is that the District Council should receive 5% of C payments in line with District cess on forest products.
* The District is concerned that Carbon payments going only to GR’s 7 villages will create uneven economic growth and envy in Mufindi District.
* Beginning about one year ago Green Resources started promoting Carbon payments for tree planting, which has prompted tree planting in areas where land should be zoned for agriculture
* Green Resources Ltd. were sold 300 ha and have already planted on this land, but it was discovered that the land is part of Sao Hill Forest Reserve. A general problem is that many investors begin to develop land even before the land tenure process is completed.
* The state-owned Sao Hill Forest Reserve comprises 135,000 ha of land, of which 45,000 ha is planted to Pines and Eucalyptus, 42,000 ha is land reserved for plantation expansion and 48,000 ha is sensitive land under riverine and catchment natural forests. Sao Hill operations include replanting (planting of new seedlings into areas already harvested), and planting into new areas. Sao Hill is able to replant at the rate of 2,500 ha per year. 1,000 ha is expanded new plantations each year (mainly grasslands). Sa Hill FR sells stranding trees only.
* Sao Hill FR are aware of their neighbour’s (Green Resources) Carbon/Climate Change activities but they themselves have not participated in any such actions. They have heard about REDD but management does not know what it involves. Sao Hill FR last year produced 4.8 million seedlings. The new target is 6 million seedlings/year.

### 2.2.3 Stakeholders in Kilolo District

* Kilolo District was established in 2006 and has a new large headquarters building. The district is made up of 105 villages, 12 wards in 3 divisions. The district HQs has no Internet connection, but expect to get after a few months. The district has 9 Government Forest Reserves.
* PFM (mostly JFM) has included 35 villages, all with Forest Management Plans. 6 villages have CBFM (Community-Based Forest Management) and additional 80 villages have applied for VLFRs (Village Level Forest Reserves). 11 villages have VLUPs (Village Land Use Plans).
* The LNRE (Lands, Natural Resources and Environment) Dept. has only one operating vehicle, which is by far enough. The Dept. has 25 staff, which is not enough to undertake the mandated tasks. They have 2 laptops and one old desktop computer.
* 2 staff have participated in GIS basic training using MAPInfo software, but they lack the software in the office. Digital maps are produced in Dar. They have 2 handheld GPS and one total station for surveying. There is no digitising table, but one presumably exists in Iringa District Council.
* The District has the 1982 topo maps (1:50,000), 26 maps cover the whole District. Digital maps exist of Kilolo District territory, showing agro ecological zones, but these were produced when Kilolo was still part of Iringa District and are kept there.
* A Regional Land Resources Survey was conducted as part of the Iringa Rural Agricultural Development Programme (IRADEP). The final report of this survey from September 1986 is available in Kilolo District.
* A handful of LNRE staff were known with the concepts of REDD and CDM. Villagers in Kilolo District have however heard that Green Resources villagers in Mufindi are being paid for Carbon. Kilolo Villagers are now demanding Kilolo District Council pays them for Carbon.
* A District Environmental Action Plan (DEAP) is prepared using the Strategic and Urgent Actions to combat Land Degradation and Conserve Water Catchments template that was produced by VPO in 2005.
* In 2007 a pilot District Land Use Planning exercise was conducted, and the district collected data for the National Land Use Planning Commission (NLUPC) of the MLHHSD (Min. of Lands, Housing and Human Settlements Development). Kilolo District never received feedback from NLUPC and no District Land Use Plan has been produced (?).
* The Sustainable Wetlands Management (SWM) project is in 12 Villages in Kilolo District and LKEMP supports 7 Villages in Kilolo District to protect and conserve the upper catchment of the Kihansi River.
* 16 million seedlings were produced in Kilolo District last year by villagers, private sector, CBOs and NGOs.
* Pine trees are harvested when they reach a Diameter at Breast Height (DBH) of 30 cm, and each tree is sold for between TSH 15,000-18,000. Stocking varies between 580 trees/acre (for a spacing of 3 X 3 meters) and 680 trees/acre (for a spacing of 2.5 X 2.5 meters).
* The District is aware of a UK-based company called New Forest Company, which has plans to establish plantations and develop a furniture industry in Kilolo. The company had requested 30,000 ha of land but has to date only secured 4,444 ha. New Forest Co. had intended to plant 1,000 ha/year but has so far planted only 400 ha. (The Fact Finding Team was not able to meet with this company).
* There are presently 2 Tree Growers Associations (TGAs) in Kilolo District (with 53 and 45 members respectively). The objective is to empower villagers as private forest owners. (The Fact Finding Team visited one of these). People are selling their Pine trees at 10 years of age.
* The Tree Growers Association in Kidabaga was established in April 2009, encouraged by a delegation from the Min. of Comm. Dev. The Association has 9 female and 36 male members. Each member plants 1 acre of trees each upon joining, in addition to any trees that they already own. The members harvest together but each sale belongs to the individual member. Long-term plans include promoting beekeeping inside tree farms, fishponds and on-farm sawmilling. They also plan to establish nurseries.

### 2.2.4 Stakeholders in Bagamoyo

* 28 villages out of totally 90 in the district have developed VLUPs. 9 villages are implementing PFM on community-based land (WWF funds) and 13 villages have been declared as Wildlife Management Areas (WMA).
* The district at present does not have enough staff for taking onboard another project. The LNRE Dept. has equipment to produce simple maps in the GIS Office (2 computers), but has no plotter and no software. (2 persons have had an introductory course).

## 2.3 The Team’s Overall Impression

The Team wants to summarise the main impressions from the meetings with the stakeholders as follows:

* A lot of REDD and climate-related thinking is ongoing at central level in Tanzania and a lot of community activities at grassroots level (PFM, LUP, Tree Growers Associations, etc.). However, the District Council is seldom properly involved in such activities.
* There seems to be relatively little knowledge of REDD and what it implies with the staff in the District Councils visited. This is assumed to be the trend all over the country, where the Lands, Natural Resources and Environment Departments are under-staffed as rule.
* Neither of the District Councils posses adequate hardware or software equipment to prepare proper Village Land Use Plans (VLUPs) or District Land Use Plans (DLUPs) and District Envinrmental Action Planning (DEAP), as both GIS systems (incl. databases), computers, printer and plotters, etc. are largely lacking. Some staff have received introductory courses in the use of GIS (ArcView and MAP Info mainly), but much more extensive exposure is required to make them able to undertake planning on their own.
* The Green Resources Ltd. at Sao Hill has a hands-on knowledge of Carbon Trading both through the VCL and the CDM mechanisms. They only want to concentrate on and cooperate with the villages being just at the outskirt of their plantation areas. This is understandable, but still a pity, as their expertise could largely benefit the development of a District Climate Partnership in the Mufindi-Kilolo area.
* The available topographical maps in 1:50,000 printed in 1985 of the whole country (also showing the main vegetation covers) are based on aerial photos from 1982. The IRA has also LANDSAT images from 1995 and from 2006, but these have not been used as basis for map updating yet.
* There are no properly geo-referenced maps available, showing the land use in the district with the boundaries of various uses (forests, agricultural lands, urban areas, etc.) properly demarcated. (See hand traced map from Mufindi in *Appendix 1*).
* Simple black and white VLUP and forest reserve maps in 1:10,000 exist for selected villages in the district (produced by the Ministry in Dar es Salaam), but these maps are not available in electronic form at district level.
* The mapping under the NAFORMA project will be completed in 2013.
* There may be a list of priority district to be involved in REDD-related activities, but this has not been released by the VPO yet.
* Acquisition of large tracts of village land is occurring in all 3 districts visited. Without proper maps, land use plans and environmental action plans the District Council is unable to fulfil its role as advisor to villagers and councillors on the suitability of investments.
* Tree Growers Associations and MJUMITA community groups should expect to receive support and advice from District Council extension officers on cots/benefits, organization strengthening and market information, but this role of the district is undermined by their low knowledge of forestry markets and carbon trading.

# 3. broad outline of district level climate partnership

## 3.1 Project Rationale and Approach. REDD beyond the Forest.

It is recognized that several activities are ongoing at the national level in Tanzania related to climate change (CC) issues and preparation for REDD to be launched, including the Norwegian support to preparation of the National REDD Strategy (see synopsis from the various meetings in *Appendix 4*). It is also appreciated that numerous forestry initiatives related to REDD are implemented at community level in various districts, e,g, participatory forest management (PFM), private and public tree planting, village land use planning, the NGO - REDD pilot projects, etc. However, it is duly noted that the District Councils, having been mandated to coordinate and facilitate all grassroots, village level plans and activities have not received very much awareness raising and capacity building in terms of CC and REDD preparations.

The district authorities are, formally speaking, required to have a holistic view of, and approach to, all activities in the district, making sure that development efforts are complementary and sustainable, and that information about the activities is adequately disseminated to the benefit of all actors. In this context, it is important to realise that REDD-related activities merely being *one* sector that requires the District Council’s attention. Knowing that REDD+ and REDD++ are incorporating additional aspects not solely the forest degradation and deforestation, but also encompassing a wider and more integrated perspective of enhancing forest communities liveliness and social wellbeing, a holistic approach to the issues at stake is indeed required.

It is also realised that the district level is responsible for all district land use planning, environmental planning and natural resources management, and therefore REDD certainly has to be incorporated in and be part of the overall district planning efforts as being but one element, and cannot be seen as a separate issue from other natural resources (e.g. agricultural land, water, etc.). One of course cannot expect the district to focus on REDD *alone*, regardless of the donors’ and central authorities’ emphasise and focus on the matter.

This fundamental understanding will also be the backdrop of the planned project. This means that the project will have to be aimed at making the district able to undertake a joint and holistic management of all its natural resources, forests included, and this will require significant efforts in capacity building, establishment of an appropriate land use database and GIS referenced system, enhanced mapping skills, communication skills etc. Such efforts will surely also be an important tool for the district planners and politicians at large in their improving the resource use and land allocations in the future.

## 3.2 Sketchy Outline of a District Climate Partnership Concept

### 3.2.1 Selecting the Partnership Districts

During the Fact Finding Mission, the Team visited Mufindi and Kilolo Districts in Iringa Region, and also had a brief meeting with the District Environmental Management Officer/Head of Dept. in Bagamoyo District. The agenda of the latter meeting was largely to discuss the scope of the Concept Note submitted to the Norwegian Embassy, but also the general situation regarding the forest sector was briefly touched upon. No other departments were visited in Bagamoyo so the Team’s impression of the capacity and capability present to undertake a REDD-related project here is very limited indeed.

It is obvious to the Fact Finding Team that the Norwegian Embassy and the REDD Task Force jointly will have to identify the district(s) in which the district level climate partnership will be undertaken, and whether one, two or more district will be involved. Below, the Team has put up a table with some generic criteria that can be useful to consider in such selection process, regardless of the district to be considered for participation. The scores and comments given are purely subjective and not given following any strict scientific method, as it is only intended as background input for the decision-makers.

The scores given are:

**☺**= high/good; **😐** = medium/satisfactory; **☹**= low/not so good; **?** = do not know/not investigated

|  |  |  |  |
| --- | --- | --- | --- |
| **Criteria** | **Mufindi** | **Kilolo** | **Bagamoyo** |
| ***Physical and logistical aspects*** | | | |
| Travel time/distance by road from Dar to overnight accommodation for external project team | **☹**  (8 hrs) | **☹**  (7 hrs) | **☺**  (1 hr) |
| Travel time/distance from local place of accommodation to the District Council office | **☺** | **😐**  (45-50 min on bumpy gravel road) | **☺** |
| Equipment for GIS, hardware and software available | **☹** | **☹** | **😐** |
| Other office equipment (PCs, printers, copiers, etc.) available | **😐** | **😐** | **😐** |
| Internet connection available in the DFO office | **☺** | **☹**  (in 3-4 moths?) | **☺** |
| Ability to accommodate project team at the DFO’s office or close | **☺** | **☺ ?** | **?** |
| No need for office refurbishments prior to project start-up? | **☹** | **☺** | **?** |
| Vehicles at DFO’s disposal, which can be used in the project | **☺** | **☹** | **?** |
| ***Aspects related to REDD, Carbon, district development …*** | | | |
| The Forestry/Natural Resources staff’s understanding of REDD (Carbon, CDM, payments, etc.) | **☹** | **😐** | **☹ ?** |
| GIS knowledge and capacity in the District Council (Land Office) | **☹** | **☹** | **😐** |
| Adequacy of staff in forestry/natural resources | **😐** | **😐** | **☺ ?** |
| Extent of ongoing tree planting on village farms | **☺** | **☺** | **?** |
| Extent of tree planting in private plantations | **☺** | **😐** | **?** |
| Extent of tree planting in state plantations | **☺** | **☺** | **?** |
| Ongoing/completed PFM in natural forests | **😐** | **😐** | **😐** |
| Suitability to be a pilot area – quick start of activities | **☺** | **☹** | **😐?** |
| Suitability to be a pilot area – “quick” results and lessons | **☺** | **😐** | **?** |
| Suitability to be a pilot area – comprehensiveness of issues at stake and integration of various relevant issues | **☺** | **😐** | **?** |
| District Land Use Plan (LUP) available | **☹** | **☹** | **☹** |
| Extent of VLUP in district | **😐** | **☹** | **?** |
| Extent of Village Land Certificates in district | **☺** | **😐** | **?** |
| Initial district priority by DoE in VPO | **😐** | **☺** | **☺** |
| Initial district priority by FBD in MNRT | **😐** | **😐** | **😐** |
| Initial district priority by Norwegian Embassy | **☺** | **😐** | **😐** |

### 3.2.2 Project Organisational Set-up and Administration. Partners and Interaction.

*Figure 3.1* in *Appendix 1* indicates a possible organisational set-up of the new District Climate Partnership Project[[3]](#footnote-3). The figure is assumed to be self-explanatory, so only a few comments are elaborated herein. A more elaborate description of the various partners’ roles and obligations must be part of the detailed planning mission’s scope later on.

***a) The Target Institution***

The main target institution in the project is the Lands, Natural Resources and Environment Department of the District Council. Whereas all the staff in this department should be targeted, the key staff are of course the District Forestry Officer (DFO) and the District Land Officer (DLO). If the appointed District Environment Officer (DEMO), being mandated and responsible for REDD activities in the district, is different from any of the two mentioned, this person will also have to be included in the key group (it is up to the DED to appoint the relevant person in the department to this position, based on his/her personal merits, experience, education and interest). This department, jointly with an outside institution providing technical assistance (TA) to the project, will be the main responsible bodies for implementing the project at district level.

***b) The TA Modality***

The TA institution could be a consulting company, an academic institution and/or an NGO, clearly with the required resources and competence to give relevant support and take part in the activities that will be defined in Stage 2 of the project preparation. The TA could also (and preferably) be a group of various institutions, with one being the lead (preferably a consulting company), and could comprise both national and international expertise. The TA could have a semi-permanent or intermittent presence in the project depending on the tasks at stake and the progress of the project. There are pros and cons regarding having long-term versus short-term outside advisors working in an institution as part of capacity building, and some useful experience is found in the report: “Review and Synthesis of Lessons Learned from Institutional Cooperation and Capacity Building in the Environmental Sector in Norwegian Development Cooperation”, final report dated 18.03.2008.

(<http://www.norad.no/en/Tools+and+publications/Publications/Publication+Page?key=109778>). *Box1* below lists some of the findings in this report as a useful backdrop for further thoughts for the Stage 2 mission.

**Box 1**: **Selected highlights from the report “Review and Synthesis of Lessons Learned from Institutional Cooperation and Capacity Building in the Environmental Sector in Norwegian Development Cooperation”.**

* The success of any project depends almost completely on the motivation, capabilities and capacities of the *individual* staff working in the projects, whether these are from public institutions or private companies.
* Public and research institutions *traditionally* have not prepared as good planning/steering documents as the consulting companies (not organised to be project managers; came late into development cooperation; lack of planning expertise and training; not “sharpened” during tendering). Today, this situation is different, as some institutions prepare high quality documents.
* A general observation in most projects is that the planning is too ambitious (too far-out objectives, too many activities/development aspects, too comprehensive design).
* Planning necessarily has to take the required time, and not be rushed. There are examples of the local institutions not being properly involved in the planning.
* In many cases, the roles and responsibilities of the project partners are not properly defined and discussed, creating confusion and reluctance during implementation.
* Long-term resident advisors tend to *themselves* execute the tasks that the local counterparts should do, and this is a very expensive arrangement.
* Long-term non-resident visiting advisors have proved more effective, forcing the local staff to work alone in-between visits, in their own pace.
* Physical office proximity between the international and local counterparts is essential.
* The highest managerial level on both sides should be involved in the projects from the beginning.
* The under-paid and under-motivated local staff is often a challenge to the TA institution and an obstacle to progress, and direct monetary salary topping-up incentives can not be paid to the local staff from Norwegian project funds. “Moonlighting” is common in many countries.
* Local working morale can be enhanced by acceptable incentives like: covering accommodation at cost on field visits; study tours abroad (for relevant staff, not too early in the project); and careful use of “sitting allowances” in meetings, workshops, etc.
* In a few projects the lack of proper language proficiency amongst both Norwegian and local staff has prevailed. Project implementation could be postponed until adequate proficiency has been reached to facilitate an effective communication.
* Individual training does not necessarily lead to institutional development (trained staff quitting for other jobs; trained staff are not able to utilise their newly acquired knowledge due to several shortcomings (institution not set-up to take onboard skills increase; no carrier path established; trained staff being a threat to superiors).
* Lack of transparent operational procedures, openness and delegation often hampers the institutional development (generic problem in developing countries).

*Info compiled by the Fact Finding Team*

There are many examples of long-term advisors being seen as “in-line/executive officers in the institution, and thus being used for fire fighting tasks and hanging issues that initially should have been taken on by the permanent staff in the institution. In other words, the *advisory* functions tend to disappear. The Fact Finding Team therefore would warn against establishing a system with long-term advisors, but rather recommends a short-term advisory concept. The external advisory team (sometimes only one advisor, depending on the needs and the work plan agreed to) should work together with the local officers during a limited period of time, say 1-3 weeks at a time, and thereafter leave the local institution to work alone at their own pace for say a couple of months with the issues agreed to, without having the continues presence of outsiders impinging on their daily work.

The advisors should in general only *support* the institution, enabling its officers to undertake the work themselves in a more effective and efficient way, based on various training activities. Consultations through telephone and especially email and SKYPE in-between the advisory visits is also an important part of the support to the local officers. Internet connection in the District Council office is therefore a prerequisite for success. Notwithstanding the above, it is realised that a semi-permanent presence by key advisors might be required in the start-up phase of the project and may be at critical milestones in the project, which will derive from the agreed Work Plan.

***c) Holistic Approach and Stakeholder Consultations***

Knowing that REDD (REDD+ and REDD++) requires an integrated approach to natural resources management at large, an arena must be formed wherein the various stakeholders could meet. The suggested arena, herein named the District Climate Partnership Consultation Forum (DCPCF), would comprise representatives from other departments of the District Council, and should be chaired by the District Development Director (DED), with the District Planning Officer (DPLO) as co-chair. In order to encourage the members of the forum to speak freely, the District Commissioner should not be present in the same forum. It is however important to involve the DCs in the project processes, especially in awareness raising and political “sloganing”, but not in a “technical” forum.

Additionally, other stakeholders should participate as being relevant for the district in question, such as: regional authorities, NGOs and CBOs, private sector partners (plantations, timber dealers/saw mills), tree planting associations, etc. In case districts with support from the Finnish Government to the tree planting associations are included in the project (Mufindi and Kilolo Districts notably being two of these), the project must make sure that these initiatives are properly taken onboard, in order to avoid double efforts, overlapping of efforts and to secure synergy. The DCPCF should meet regularly or at certain milestones in the project, and will be an arena where the progress of the project is presented, reports are distributed and commented upon, and special challenges and questions related to natural resources management and forestry/REDD are discussed. The Forum will not “steer” the project in any way (not being a “steering committee”), but will give relevant guidance to the project management in the implementation. The forum will also be useful in facilitating the activities and removing possible obstacles related to non-cooperation by certain parties.

***d) Agreement Partners at Higher Level***

The two main partners at central level will be the Norwegian Embassy, representing the Norwegian Government, and the REDD Task Force, representing the Tanzanian Government. Additionally. There will be an institution having the overall responsibility of the project implementation on the Tanzanian side, and with which the Norwegian Government will sign an Agreement for the project. Normally, government-to-government agreements between development partners and the Government of Tanzania are signed by the Ministry of Finance. This makes the Ministry of Finance the contracting authority. The Districts that participate in the programme might then be identified in the government agreement as “implementing partners”. In this project, however, the contractual and especially the overall “implementing partner” at central level is unknown and will have to be discussed and concluded between the two governments in due course. At this early stage in the project planning the working relation between this unknown partner and the TA group is also not known, but this will be described further in the next planning phase.

Regardless of which institution will be the overall responsible for the project and thus for the management of foreign donor funds, the Norwegian Government has expressed willingness to support the institution with expertise in financial management, making sure that the flow of funds, disbursement, accounting, etc.. Such strengthening is considered very useful by the Fact Finding Mission, as it will make sure that the TA group has a proper partner to relate to and work with, having the same basis and understanding on financial and economic issues. It will also instigate a system of transparency and financial accountability in the project, surely to be appreciated by the stakeholders, facilitating the confidence and trust in the key partners.

The project Annual Meeting will be the highest decision-making organ of the project, comprising the agreement partners both fro the REDD initiative and the project itself. This meeting will in fact be the “steering committee” of the project, will review progress reports and approve annual budgets and work plans. This meeting will also discuss and make decision on principles and policy of the project, but will not interfere in the day-to-day implementation of the project.

### 3.2.3 Main Activities of the Partnership

The detailed activities under the project will have to be formulated jointly between the relevant District Council officers and the Technical Assistance Institution during the first stage of project implementation, normally named the Inception Phase. During this phase, the project work plan and activities will be refined in more detail and a final work plan and time schedule will be established. This should be done in consultation with some other key stakeholders through the introduction of the District Climate Partnership Consultation Forum (DCPCF) on a “trial” basis already at this stage. An important activity during the Inception Phase will be to undertake a detailed Human Resources Development (HRD)/Training Needs Assessment, that will lead up to a detailed training programme for the various staff and stakeholders involved.

However, the Stage 2 preparation mission, jointly preparing the project design with the District Council(s), will have to *broadly* outline the main activities in more detail than presented below, also making an initial assessment of the training needs in order to be able to prepare a rough budget for the training activities (even if presenting a block training item in the budget). At this early stage in the project preparation, the following activities have already been identified:

* Communication strategy: Expectations about PES, especially payments for planting and *not* cutting trees, have been raised in the districts prior to the Fact Finding Team visiting the two Districts Mufinfi and Kilolo. The politicians have mentioned very attractive figures of payments to the local farmers, or at least it is *understood* by the farmers to be high payments in the future. Also the relationship between Green Resources Ltd. and the villages surrounding the plantations in Sao Hill has made many other villages also expecting similar benefits. This seems to be unavoidable but is nevertheless unfortunate, as it creates a momentum and enthusiasm that could easily fade when benefits are not forthcoming within the expected time horizon. The project must therefore develop an appropriate strategy for communicating with the villagers and the stakeholders at large, carefully taking on board the uncertainties involved with REDD, including relaying a realistic time fame for the actions, trying to lower expectations to a realistic level.
* Various training activities: The initial, and later detailed, training assessments will decide what kind of training is required, which staff should be involved in the training, for how long the training sessions will last, what the main topics and outputs of the training will be, etc. Such formal, and on-the-job-training, will be a core element in the project and could include topics like:
* Basic and “normal” computer software training (spreadsheets, word processing).
* Database establishment and maintenance (involving all kinds of geographic info, land tenure issues, certification issues, sensitive environmental areas, vegetation cover, etc.).
* Geographical Information System (GIS, which in fact might easily be the most comprehensive single element, as this is a crucial component to proper land-use planning, realizing also that GIS training is very time-consuming and has to be undertaken in several steps following the progress and understanding of the GIS staff).
* Mapping and production of maps as an integral part of the GIS exercise.
* Management Information Systems (MIS, as an integral part of the communication strategy and public relations).
* GIS database and mapping: Following from, and being an integral part of the formal and on-the-job-training, this activity will continue throughout the project duration and will be a key element and an integral part of the land use planning at various levels in the district.
* District land use planning: Preparing a full-fledged LUP at district level is a very comprehensive and resource-demanding task, and this would not be the aim of the project (although the district is mandated an obliged to undertake such planning). However, *starting* the planning process with all its integrated elements is a key issue in the project, formed around an holistic approach where all kinds of natural resources are taken onboard the planning (forest, agricultural land, grazing land, water catchments, etc.). Land use planning, in addition to environmental planning and natural resources management in general, would be a useful tool for entering the REDD sphere, where such element is an integral part.   
  It is important to emphasise that the biodiversity aspect *should* be part of a Land Use Plan. Each District is by law supposed to draft a District Environmental Action Plan (DEAP), which should include a mapping of environmentally sensitive areas in the District, such as nature reserves, catchments, wetlands, steep slopes and areas of high biodiversity. It is however appreciated that such separate plan is further into the future, so the Team suggests for all practical purposes to include the DEAP elements in the DLUP process, at least as a start.
* Facilitate village land use planning: The districts participate in such planning today, but must rely on significant support from the ministry centrally to e.g. undertake surveying and produce maps, although formally they should have the resources locally to undertake the whole planning exercise from A to Z. This component will strengthen the ability of the district to support the villages with local LUPs.
* Tenure certification processes. This is done by the districts today, within the resources and knowledge available. Knowing that tenure issues are crucial for all kinds of land use and resource exploitations, also including the rights of women related to land, this activity would be important to strengthen also in connection with REDD-related activities.
* Managing Local Government Forests: As the District are owners of forests themselves, the management of such resources, as with village owned and privately owned forests, is important to include in the activity, especially related to REDD and possible PES.
* Awareness re. organisational & marketing aspects of PFM groups and relevant tree growers: This activity must be carefully blended with similar initiatives in the district supported by other donors and institutions (e.g. the Finnish-supported initiative). The extent of this activity is not known at present and will of course depend on which districts are chosen to participate in the project.
* Participatory Carbon stock assessment: This activity will involve the communities in introducing simple and practical methods of assessing the carbon stock in various sinks. It will also involve the district officer in assessment of forests’ Carbon.
* Pilot REDD payment scheme: It is at this time of the fact finding difficult to predict what such activity might imply in detail, as it to a large degree will depend on the conventions that are agreed to internationally. In case some agreement is reached by the end of 2010 (as predicted and planned under COP 15 in Copenhagen), trying out such payment scheme at district level might become an important element in the project during the second phase.
* Mechanisms for benefits sharing: This is closely connected to a possible REDD payment scheme, but could also encompass other kinds of benefits for the communities or the individual farmer, like payments for forest resources, water conservation, research fees, medicinal plants, or ecotourism/biodiversity conservation. It is however expected that developing such mechanism necessarily will have to be undertaken at an overall and principle level, as the practical implementation at community level must be supported by other actors, e.g. NGOs.
* Carbon emission trends, deforestation estimations, etc.: Once the rough picture/baseline of the natural resources and especially the forest extent in the district is established, such estimations will have to be undertaken. The mapping of trends e.g. in the deforestation based on historic data, will be a key element in such estimations, where the district might require assistance from outside institutions (e.g. IRA). The district staff must understand these calculations even though it is unlikely that they themselves will be responsible for making the estimates. As the mandated extension service to communities they must be in a position to understand where the numbers are coming from and what they imply.
* Gender sensitization: this will in specific be dealt with in connection with the land tenure and ownership issues, and principles for sharing of benefits at community level. As women are the ones being responsible for e.g. collecting firewood, reduced deforestation will immediately impinge on their daily life.
* Adaptation activities: The adaption to climate change is a key issue amongst many developing countries and indeed also so amongst the donor community. Also the Norwegian Government has realized the importance of taking these issues on board. The extent of such activities in the project is not known at present, but they mainly would deal with the agricultural sector practices and processes in a country like Tanzania. Tanzania’s National Adaptation Plan of Action (NAPA) was finalized in January 2007. In its preparation climate change vulnerability assessments were undertaken in the key clustered sectors of agriculture, energy, forestry and wetlands, health, human settlements, coastal, marine and freshwater resources.

### 3.2.4 Other Issues of Relevance

***a) Project Duration***

There are no indications so far on the duration of the pilot project on district climate partnership. The Fact Finding Team has at present no strong opinion about this, and the duration must really derive from the detailed activity planning in Phase 2 of the project preparation. On the one side, working with peoples’ minds and attitudes in introducing new concepts like REDD, and public institutional capacity building at large, by default takes time. Normally, les than five years institutional capacity building is rarely recommended, as the speed of development should follow the natural “biological” pace of the institutions in order to make it sustainable and create the right ownership to the processes. However, the nature of a pilot project implies gaining relativity “quick” results so the lessons learned and the tested approach could be replicated in other areas facing similar challenges. The two aspects thus pull in different directions. Without any sophisticated analysis at this stage, the Team assumes that the project duration preferably could be 3 years.

***b) Incentives, Allowances and Personal Benefits. Project Driving Forces.***

The incentives to the communities and individual farmers under a future REDD mechanism might be significant, although not elaborated in detail and in practical terms as per today. The *expected* personal benefits to individual district council officers, and possibly other public stakeholders, during the project implementation itself might be an important driving force in the project. There is widely used system of allowances operating in Tanzania today (amongst others “per diems” during field visits and “sitting allowances” in workshops, seminars and meetings). It is widely understood that such personal incentives have surfaced due to low salaries in the public service, most donors (at least the ones “likeminded” to Norway) do not appreciate this system. In several projects it seems that the overarching driving force is merely the personal incentives, which indeed is detrimental to sustainability of efforts and undermines the working ethics of participation.

It is important to understand the incentives environment also because it may be that district staff who are responsible for issuing licenses, permits and for collecting fees as part of their regulatory role may undermine project activities when they feel that empowering communities will result in diminished benefits to them as government officers or as individuals. District staff may choose to ignore project activities if they see that it will lead to Carbon payments to villagers by promoting PFM, whereas, they were benefiting from collecting fees on forested land *before* land was demarcated by the village.

Seemingly, the Participatory Forest Management (PFM), supported by the Danish and Finnish Governments, is mentioned as a project where the wish for personal gain has played a too profound role during implementation. The challenge is therefore to limit the temptation of spending too much of the funds for personal benefits but at the same time being reasonable in the payment of allowances and personal incentives. Funds provided to the individuals are however usually “modest”, but it can contribute to the distortion of the project’s goals and objectives. This is indeed a difficult task, but nevertheless it should be taken onboard the detailed planning as an important element to look into. Local working morale can be enhanced by “acceptable” incentives like, e.g.: covering accommodation at cost on field visits (*not* as a fixed sum); including training courses and study tours outside project area (for relevant staff only, not too early in the project); and by careful use of “sitting allowances” in meetings, workshops, etc., meeting a fair share of the costs but not letting this be a major elements. The personal professional interest in the topics at stake should be the driving force in the project. For example, people receiving extensive training under the project, should have an obligation to stay with the project for a certain period following the project in order to avoid brain-drain (written contracts should be signed). It should be fully possible and acceptable for Norway to incorporate fair, but not extensive and exaggerated, incentives, in addition to clauses that secure continuity and sustainability, in the bilateral agreement for the project. The Fact Finding Team has therefore suggested that expertise in such topics is included in the Phase 2 preparation team.

***c) Obstacles and risks***

There are several obstacles and risks connected to the project at large. The main challenge is the institutional capacity building itself, in the case where the councils in the selected districts do not have sufficient staff with adequately educated officers already present to be able to receive the knowledge transferred and being able to take on themselves the responsibility of driving the progress forward. As mentioned above, this should be one of the main criteria for selecting the districts to participate, as the TA from outside would clearly not take an executive role in the districts’ mandated activities, but serve as advisors and nothing more. Surely, if competence is lacking, training and exposure of the officers upfront before the real project starts, is normally an adequate measure, but not so in a pilot project. Here, the main target organization must have the required human resources to build capacity with. The Fact Finding Team realized that Mufindi, and partly Kilolo, is clearly such a district.

The risk of personal gain through allowances being the driving force in the project is mentioned above, and this would be limited through a carefully designed project modality.

Other challenges (not necessarily ”risks” per se, as defined in the LFA setting), which have to be elaborated in more detail during the Stage 2 detailed design, in order to mitigate the most serious possible consequences, could include: Not enough time is set aside by the participating local partners to implement the project, resulting in progress lagging behind and not producing useful pilot results in time; lack of local resources, willingness or motivation to work independently in periods when the TA is not present at site; the capacity building task is more resource demanding than anticipated and more extensive exposure of the local staff is required; the project team is not getting the required support and backing from other district departments and the regional authorities;

There is always a risk of goal “displacement” taking place. This occurs when the central government or the President’s Office issue decrees that then override locally prepared plans and priorities. This could be a danger where the President has already been reported to take an interest in afforestation and Carbon payments in Iringa Region.

## 3.3 Stage 2 of Project Preparation. Detailed Project Design

### 3.3.1 Scope of Work for the Stage 2 Mission

Stage 2 of the preparation will involve detailed planning and design of the project, and below are listed some relevant issues pertaining to the work during this stage.

***a) The Embassy’s Role***

In order to make the mission’s work effective and efficient, the Norwegian Embassy should clearly play an active role in preparing and facilitating the work especially during the start-up period. In particular, it is expected that the Embassy will undertake the following tasks:

* As part of the discussion on which pilot districts to choose and how many, the Embassy, in clear understanding with the REDD Task Force, must discuss the project concept with the proper officials of the Prime Minister’s Office Regional Administration and Local Government (PMO-RALG in Dodoma). It is important that the PMO-RALG, being responsible for the activities of the District Councils, be consulted during the selection of districts for the REDD piloting and also to the scope of the activities suggested.
* The Embassy in close consultation with the REDD Secretariat, must identify the proper institution to be the signatory of the project agreement and thus having the overall responsibility of the project.
* The Embassy must, well in advance of the mission’s joint work in Tanzania, contact all the main stakeholders in Dar, presenting the ToR for the mission and arrange for meetings with the relevant ones on behalf of the mission. Also, the District Councils in the chosen districts must be approached and the availability of the key officers for joint working with the mission team must be secured. A tentative meeting programme and itinerary for the mission must thus be in place at the start-up of the joint teamwork in Tanzania. The preparation of the Project Document must be the result of a joint effort as creating the appropriate ownership with key staff at district level is crucial to the success of the project. The Fact Finding Team believes that without this proper introduction and agreement of a schedule and meeting programme, the mission will not be efficient.

***b) The Stage 2 Team’s Mandate and Overall Programme***

The Fact Finding Team stresses the importance of the Embassy having contacted and discussed the project and having agree upon the pilot districts with the PMO-RALG well before the mission arrives, and that there should be no need for the Stage 2 Team to visit Dodoma. The time for such visit is thus not included in the below programme.

One national member of the Stage 2 Team should start making some preliminary investigations in Dar (and nationally) on the availability of institutions that might take part on the training of district staff under the project, *prior* to the other team members arriving in Dar. Such investigation might be undertaken in parallel with the Embassy’s efforts in preparing a meeting schedule and travel itinerary for the team. The training under the project could include, but not necessarily be limited to: Basic computer training; communication strategies; GIS and mapping; database establishment and management; land use planning; surveying and mapping; biomass estimations, carbon stock assessments, analyzing remote sensing data, etc.

The joint work of the team should start with a kick-off meeting in Dar, with both the Embassy and the REDD Task Force present (in addition to other central stakeholders as deemed required, a limited number, though), where the programme and key tasks at stake should be discussed. It is important at this stage to discuss the expectation of the various parties to the mission’s output, and specifically the possible design of the project itself. Following the kick-off meeting, the team would undertake the meetings with the key stakeholders in Dar, according to the programme set up by and agreed with the Embassy and the REDD Task Force. The following institutions could be met with, but not necessarily be limited to these:

* Division of Environment, Vice President’s Office
* Forestry and Beekeeping Division (FBD), Ministry of Natural Resources and Tourism (MNRT)
* National Forestry and Beekeeping Database (NAFOBEDA) of FBD
* National Forest resources Monitoring and Assessment project (NAFORMA) of FBD
* Institute of Resource Assessment (IRA), amongst others the Director and in specific the GIS laboratory
* Survey and Mapping Unit of FBD
* National Land Use Planning Commission
* Prime Minister’s Office, Regional Administration and Local Government (PMO-RALG based in Dodoma)
* Ministry of Finance
* The Embassy of Finland
* The Embassy of Denmark
* The World Bank
* UNDP (managing the UN-REDD Programme)
* Eastern Arc Mountains Conservation and Endowment Fund, based in Morogoro
* Worldwide Fund for Nature (WWF), in Dar
* Green Resources AS in Mufindi (in case the project will be in Mufindi and/or Kilolo Districts)
* New Forests Company (offices in Iringa)

Additionally, the following institutions already receiving support from Norway for REDD-related projects, located in Dar es Salaam:

* Tanzania Forest Conservation Group (TCGC) and MJUMITA (located together)
* Tanzania Traditional Energy Development and Environment Organization (TaTEDO)
* The Jane Goodall Institute (JGI) Tanzania

It is expected that the listed meetings will take most of a whole week, possibly also with the team splitting to reach more meetings towards the end of the week.

Following the first week in Dar, the team will travel to the (first) district over the weekend, and start the detailed preparation of the project design. The work in the district must be undertaken jointly with the staff of the Lands, Natural resources and Environment Dept. in an entire transparent and participatory way. This department will be the main responsible unit for the project at local level during the implementation, and will also be the main target group of the project. The aim is to build capacity in this department, making them able to undertake their mandated and new tasks related to REDD at the end of the project. The joint team will meet with other local stakeholders in the district, and will prepare the design and content of the project, including a tentative budget and a timeline of the proposed activities. It is expected that the work in the district will take the bulk of two full weeks.

In case two districts will be involved in the project, the preparations in the second district is expected to take shorter time, as the key issues at stake, the operational modalities and detailed project contents have already to a large extent been detailed in the first district. One week of joint local work is expected to be sufficient in the second district, and in the subsequent districts if more than two are involved. One option to be considered is also to involve two districts together in the joint planning, if these districts are neighboring each other. However, it is then imperative not to have a too large planning group and also making sure that part of the planning is taking place in each of the two district only with the local district staff, in order to create the ownership and make sure that local characteristics are taken onboard the planning.

***c) The End Product***

The end result of the teams efforts should be a Project Document with contents jointly agreed upon with the relevant District Council staffs, comprising the elements outlined in a template normally used by Norad for development assistance projects worldwide. Such document could comprise the following main headings:

1. Introduction and Background
2. Justification of the project
3. Project objectives (goal and purpose with indicators, following the LFA modality)
4. Activities and outputs (including assumptions, indicators)
5. Project time schedule
6. Project implementation set-up and organisation (including the role and responsibilities of the different key partners, the management set-up, and lines of commands and communication)
7. Annual work plans and budgets
8. Project reporting and monitoring (including milestones that will trigger off payments and the following stages)
9. Annual consultations (high level Annual Meetings)
10. Financing and disbursement of funds
11. Accounting and auditing
12. Reviews and evaluations

The annexes to the Project Document could comprise detailed project budget with unit costs, proper maps of the areas and a presentation of the main project partners. In addition other relevant documentation, e.g. minutes from meetings with key stakeholders centrally and locally, *could* be included. The Fact Finding team believes that it is better to have too much information in the Project Document than too little.

### 3.3.2 Team Composition and Time input

***a) Team Composition***

The Stage 2 Preparation Team should preferably comprise a core team of three persons, where at least one should be an international expert. The joint team should jointly maintain competence/skills in the following areas:

* Detailed project planning (including planning of administration, logistics and practical arrangements)
* Project management at “grassroot” level
* Preparation of project budgets and budget allocation over time
* Knowledge of the price level in Tanzania on employed manpower and various project costs related to staff (subsistence, travel costs to/from project area, “sitting allowances” and workshop/seminar remunerations, etc.)
* Knowledge of the price level in Tanzania for various equipment (computers, copying machines, plotters, GPS, etc) and computer software
* Detailed knowledge of the forestry, natural resources, climate change and environmental sectors in Tanzania, including legislation, policies, strategies and the last years developments in the areas
* Detailed knowledge of the local government system in Tanzania (Local Government Reform), decentralization by devolution; interaction between various departments/sectors (Forestry, Natural Resources and Environment; Agriculture, Water, etc.) at District Council level and the mandates, roles and responsibilities of the various parties
* Good knowledge of the main stakeholders in the forestry sector in Tanzania, being official authorities, donors, multilateral organisations, and international and national NGOs, and the private sector.
* Being conversant with and updated on the latest development, thinking and trends in international carbon trading (both CDM and VCT (Voluntary Carbon Trade)),
* Having detailed knowledge of (and preferably practical experience with) various payments for environmental services (PES) and how these are adopted to various conditions, in addition to administration of carbon funds
* Experience of incorporating gender issues in the planning of activities
* Expertise in the use of national incentives (positive and perverse)

Additionally, it should be seriously considered to include expertise on national incentives/allowances, in order to try to limit that such personal gains being the main driving force in the project (ref the issues mentioned above).

***b) Estimated Time Input of the Team***

A preliminary time input of say four members of the team (planning in one district) could be:

- International REDD - Carbon Expert: home – 3 weeks; Field – 3.5 weeks

- National Forestry Sector/Natural Resources Expert: Field – 4.5 weeks

- National Institutional Expert/Project Planner and Management Expert: Field – 5 weeks

- Incentive Specialist: Field – 1 week.

The one that is the Team Leader must have practical experience from project management in the country.

Planning in any additional district might imply the following additional time:

- International Team Leader/REDD-Carbon Expert: home – 4 weeks; Field – 4.5 weeks

- National Forestry Sector/Natural Resources Expert: Field – 1.5 weeks

- National Institutional Expert/Project Planner and Management Expert: Field – 1.5 weeks

### 3.3.3 Time Schedule

*Figure 3.1* in *Appendix 1* shows the approximate time schedule related to a proper detailed planning of the design of a new project. The schedule assumes a project in *one* district. In case another district is added, the field work in such “second” district is assumed to take around 1 additional working week, as the activities will be much more targeted and to-the-point than in the “first” district. It is advised to be cautious launching the Phase 2 mission during the period 11 June – 11 July 2010, as this is the time of World Cup in South Africa and the availability of people to meet is assumed significantly reduced.

# 4. Initial AssesSment Of the bagamoyo concept note

## 4.1 Document Layout and Format

The document:

“*Concept note for the Project on reduced emissions from deforestation and forest degradation (REDD) in Bagamoyo District, Coastal Region, Tanzania.* ***Rehabilitation of the degraded forestland by means of natural regeneration for climate change mitigation and livelihood improvement****. Bagamoyo District Council*”

was prepared in 2009 and submitted officially to the Norwegian Embassy on 16 February 2010 by the REDD Task Force[[4]](#footnote-4). The submission was obviously triggered by the presence of the Fact Finding Mission for he District Climate Partnership, which was asked to undertake an initial assessment of the project feasibility, structure, partners, objectives and potential outcomes.

The document contains 14 pages of narrative text with an additional 10 pages of “Budget Analysis” in a tabular form. The layout of the document is easily readable and the format is commonly known and widely used which makes navigation in the document easy. The document however lacks a Table of Contents and a list of Abbreviation/Acronyms commonly used, which would indeed facilitate the reading for “outsiders”. The heading structure is fairly consistent with the exception of Section 4 where the sub-headings of various formats (and the lack of such) makes a consistent and follow-through reading somewhat difficult. It would also be useful to mention in the document the key partners that have taken part in the project preparation, especially the officers in the Bagamoyo District Council. It also would be useful to know the names of possibly other stakeholders, including villages, which have been consulted in the process.

The English language in the document is easy to understand and reflects adequate knowledge of the overall aspects at stake under REDD. The document largely serves as relevant basis for formulating the project in more detail later on, but also has a potential for improvement in order to meet the normal requirements of such proposal documents in the Norwegian development assistance context.

## 4.2 Project Rationale and Justification

The three first section of the document describes the Background, the Problem and the Justification of the proposed project. The challenges in the district related to forests (cutting of trees for charcoal, firewood, timber and poles) are commonly known all over the country and touches upon the core of the REDD initiative. It should be emphasised that the district is bordering Dar es Salaam, which experience a rapid growth of population and increasing stress on land resources. Many residents of Dar are buying land in Bagamoyo, meaning that the pressure is clearly transferred into that district. However, the most serious threat is the cutting of wood or charcoal production to satisfy the demand in Dar, where there are little forest left for such production. Notwithstanding the fact that such production gives income opportunities to Bagamoyo residents, the market-driven charcoal production, notably the increasing illegal one, seems to be out of hand and difficult to control effectively. This especially goes for the Chalinze area, where the population density is larger than closer to the coast and which has been chosen as the project area. 10 villages in Chalinze are targeted in the project, together with 1 village in the Bagamoyo Division.

The justification of the project seems to be adequate, and claims to test the feasibility of the Payments for Ecosystem Services (PES) in the Coastal Region to support ongoing forestry activities (which is not entirely so, see below). The three first sections of the document, however, would benefit from some minor restructuring, lumping the topics of similar nature together, starting with the overall picture then eventually coming to the local challenges. The readability would also benefit from having more sub-headings for the various topics at stake (e.g. national situation; local situation; legal issues; overall REDD national strategy; etc.).

## 4.3 Project Objectives

One section outlines the planning process leading up to the project proposal, and this is useful info for the reader. In addition to review of various sector documents, obviously there have been some consultations with the village government authorities in the project area, but nothing is said about the concrete outputs from these consultations and the identified priority action requirements by the villages. Such info enclosed in an appendix would have been useful as a backdrop or the project design itself, with some statements coming from the “mouth of the horse”.

The sub-section on “Project design” attempts to outline the main components of the project design, starting with the objectives (numbered “a)”), whereas there are no sub-section “b)” following later). The Fact Finding Team realises that the art of formulating consistent objectives following the normal and widely used Logical Framework Approach (LFA) is not at all easy, is indeed an exercise in semantics, and only comes properly together with long experience. Also here, the formulation of objectives (goal/long-term objective and purpose/short-term objective) need to be revised and sharpened to meet the requirements of such project document as outlined in the Norwegian development assistance manuals (found on the Norad webpage). The five objectives listed are a mixture of purpose and main activities that will take place in the project. Normally *one* goal and *one* purpose should be formulated.

In order not to exhaust this topic here, the commonly use definitions of the objectives are inserted in the following boxes, and the elements of the LFA is illustrated in *Figure 4.1* in *Appendix 1*. Normally, the objectives together with other key elements in a project are formulated jointly by the main stakeholders in a (LFA) planning workshop.

Goal: In a logframe context, the goal (also referred to as the “development objective” or “overall objective”) of any Project is defined to be the long-term objective to which the Project will significantly contribute. The achievement of the goal will, however, also depend on other factors and Projects beyond this particular Project. Formulation of the goal should ideally be clearly defined and used as a main point of reference by all involved parties during Project implementation. This means that a narrow, specific goal normally should be formulated (close to the purpose), also increasing the probability of “success” when evaluating the Project achievements against the goal later on. The goal must represent a sufficient justification for the Project, should be formulated as a desired state (not as an activity), it must not be too ambitious, it should preferably mention the target groups, and should ideally be expressed in verifiable terms.

Purpose: According to the logframe methodology, the purpose should be the state (or situation) that is expected to prevail as a direct consequence of the Project, also meaning the outcome (or intended impact) of the Project. The achievement of the purpose is clearly *outside* the Project and *cannot* be guaranteed by the Project Management. However, when the results (outputs) are delivered as planned, there is a high probability that the purpose will prevail. Any project should have *only one* purpose, which ideally should specify the target groups, should be formulated as a desired state (not as an activity), should be precise and verifiable, and should be realistic. The purpose should be as “close” as possible to the guaranteed results.

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## 4.4 Project Activities and Outputs

Chapter 4 lists the following results (outputs) to be delivered during the 5-year duration of the project:

1. Detailed baseline study, annual monitoring plan, indicators
2. Joint Forest Management (JFM) plans, concrete products of JFM implementation
3. Micro-enterprise feasibility report and functional small enterprises (including benefits from carbon sales?)
4. Increased human and technical capacity
5. Project publication and reports.

It is noted that the document lists the “results” as being somewhat different from the “outputs”, although normally these terms are synonymous, at least in an LFA setting (see box below). (In case the “results chains” modality is used in the project document, listing various levels of “results”, namely outputs-outcome-impact, this should be specified). This list of results/outputs therefore has to be refined, also including some indicators to verify the actual deliverables, quantitatively or qualitatively (see box).

Outputs (or immediate results) are the direct deliverables of the Project. The results are following from the successful implementation of the *activities* and the outputs will clearly be guaranteed by the project management.

In an LFA modality the indicators define the performance standard to be reached in order to achieve the objectives or outputs.

Chapter 4 also lists the main activities in the project:

1. Organising the project (establish project team; employing project officer; outline internal management).
2. Baseline study and monitoring (e.g. review/analyse available methodologies; acquisition of satellite imageries; digitising data; field study; establish monitoring plats; historic analysis; compile and analyse data; workshop or monitoring indicators; monitoring; result dissemination).
3. Capacity building and organising REDD (prepare training programme; training of communities and local government staff; procurement of equipment; study tour to REDD sites; consultancy regarding certification; further training identification).
4. Address drivers through JFM (introductory meetings; implement actions in the JFM plans; Land Use Planning (LUP)).
5. Initiate sustainable and compatible livelihood options (ToR for feasibility studies; study on enterprise options; sites for pilot projects; launch woodlots and agro-forestry; energy saving stoves/ solar energy project/biogas activities; feasibility studies on demonstration conservation farm; pilot demonstration farms).
6. Sharing learning and best practice for project design and policy (learning exchange with other sites, national REDD, forest management strategies; production of information material; training of project partners in other districts; mid- and final evaluations).

Notwithstanding the fact that the project proposal is termed a “concept note” at this stage, the level of details in the introduction of the activities is not enough for the reader to understand the connection between the main heading of the activities and the components therein. Some of the listed activities definitely need more explanation even at this stage to be fully understood, as it seem that some of them do not readily belong under the main headings where they have been listed.

It is also relevant to mention that the activities should individually or jointly lead up to well-defined results/outputs that could directly be attributed to the concrete activities. As listed in the document, the results are somehow “separated” from the activities and it is difficult to see the all the connections between these elements.

## 4.5 Monitoring and Evaluation

Chapter 5, “Monitoring and evaluation plan, including performance-based milestones”, emphasises that regular monitoring of the implementation activities against the agreed work plan is important, to which the Fact Finding Team fully agrees. Some elements to be monitored are listed:

1. Land area (under effective management; no. of land use plans developed and implemented)
2. Conservation enterprises/livelihood (conservation based enterprises; capital invested; commercial performance; socio-economic impact; amount received by communities; no. of community members employed; income from employment; no. of beneficiaries; governance and empowering impacts).
3. Capacity building and institutional development (support to local partners; training/education of partners; no. of partnerships).
4. Learning and scaled-up impact (learning events; tools and documents; policy).

The full modality of the monitoring is not fully understood at this level of detail, but in general the modality and structure of the monitoring activities should be elaborated (*who* is doing *what* and *when*), and must be linked to performance indicators and indicators connected to the activities.

## 4.6 Information Dissemination and Communication

Chapter 6 has the heading “Information management and communications, including UNFCCC showcase”. The project will produce a pamphlet (second semester, second year) in Swahili and English introducing REDD with all its modalities/benefits to communities. This is commendable, but with all the REDD activities already going on in the country it is assumed that such information material already exists (e.g. with the TFCG or other NGOs). A “case study” will also be prepared in the final implementation year, also focusing on lessons learned in REDD, but it is not fully understood the content of this as compared to the pamphlet, this has to be further elaborated.

The Team urges the importance of blending and coordinating the activities under the project with other REDD-related initiatives and programmes/projects in the country, in order not to waste time and resources on duplications of efforts. Several initiatives develop very fast and it is important at any time to be in line with the lessons learned and keep in contact with the most prominent partners under REDD. How this best should be done must be elaborated in the project document, with special reference to other initiatives supported by the Norwegian Government, being one of the most prominent ones for REDD in Tanzania.

## 4.7 Project Inputs. Budget

Chapter 7 presents the inputs. First of all, this includes the tentative project budget, and presents a summary table listing 20 different budget items (called “activities” which should not be mixed with the physical activities dealt with earlier), rounded off to the nearest TSH 1,000. The budget input is divided over the five years of project implementation. A more detailed breakdown of the budget is presented in Appendix 1 to the document (named “Budget analysis”), which is commendable.

The budget breakdown indicates the unit costs in a separate column, which *should* facilitate the understanding of the budget. However, the budget is very difficult to assess as long as there is no indication of the time input from various parties in the project (number of man-months). Normally, the activities are defined and the manpower input is deriving from there, broken down to the various staff to be involved in the activity.

The unit cost of various staff categories in the “Secretariat” is listed and also the total time input during the duration of the project (most of them full-time over 5 years). Obviously, the input of various staff categories will vary with the activities undertaken at a certain time during implementation, and it is expected that some staff clearly will be part-time employees. A matrix showing the various staff’s input in the various activities should be detailed, also being useful for the project management during their monitoring and follow-up during implementation. Transparency and accountability are key words in the preparation of the budget and monitoring later on.

As the budget now stands, it largely comprises a list of lump sum items (the Secretariat costs being an exception), without any explanation as to what it implies. For example, training activities, being an important element in the project, should be specified by the number of persons to be trained in each session, how many hours/days for each training, etc. Cost of meetings should be specified with the estimated number of participants, and cost involved with the arrangement itself and the refunding of costs to the individual participants (transport costs, “sitting allowances”, etc.).

The chapter also mentions some “non-financial inputs”, which largely are in-kind contributions to the project by the Bagamoyo District Council staff and vehicles for “routine activities”, and time input by partners in training sessions, JFM and LUP. Such input indeed has a value, and should ideally be roughly estimated (man-days\*unit rate) to signify the national contribution to the project.

Financial management is only mentioned without any details. The financing of the project is not at all touched upon, but it is assumed that all the monetary contributions should come from a donor.

## 4.8 Project Organisation, Management and Implementation Arrangements

Chapter 8 deals with the “Implementation arrangements”, having one sub-heading (a) Policy and legal coherence), but lacking other sub-headings. The alignment of the project to high-level policy documents in Tanzania is mentioned, and is indeed relevant, but also other relevant initiatives at lower levels should preferably be mentioned (see above).

Nothing is said in the document regarding organisation and management of the project, which is a serious shortcoming. Normally, this is given a separate chapter in any project document, where the various partners’ roles and responsibilities are outlined; the organisational chart is drawn, showing lines of command and communication; listing the mandate of any project committees established (notably a “carbon committee” is established in the project, but this is not at all explained). Especially the interaction and responsibilities of the project “secretariat” (may be “Project Implementation Unit” is a more appropriate term?) as opposed to the role of the District Council department staff must be clarified in the planning phase. A “Project Advisory Committee” will be established according to the budget, comprising high-level officials from various relevant departments in the Council and may be other relevant institutions, overseeing, guiding and facilitating the implementation. The Fact Finding Team believes this is an appropriate committee to establish in the project.

## 4.9 Other Aspects

***a) Socio-Cultural, gender and environmental aspects***

Chapter 10 deals with the said issues, being commendable. The project will include (“strive to ensure”) women, under-represented and vulnerable groups in community level functions, without saying explicitly what those could be. An indicator will be the projects impact on women, which should also be specified in more detail. Definitely, no negative environmental impact is expected from the project, on the contrary.

***b) Risks***

Chapter 9 has the heading “Sustainability”, but this only deals with risks. Sustainability elements should however be elaborated on in the refined project document, especially when activities are started that will have to be continued post-project. The need for e.g. funding to sustain the efforts must at an early stage be revealed, and the expectations for further donor support should be openly flashed as early as possible.

This has partly been dealt with under the listed risks (see definition in the box below). Three have been identified (future REDD compensation being inadequate; high transaction costs for REDD activities to be scaled up; carbon marked fluctuations), and they are indeed all very relevant to the sustained activities in the project. The risk should be categorised according to the “likeliness “ of it happening and the “impact” it will have if it happens. The level of risk is often given as a score related to these two elements, and in case the likeliness and impact both are high, the project should be designed in order to minimise the negative effect of such risks occurring, even at the planning stage.

In an LFA modality, risks pertain to possible impacts on the Project from actions/happenings *outside* the control of the Project Management. There might also be “internal risks” within the Project itself, but these should merely be looked upon as “managerial challenges” that a competent management will be able to tackle.

***c) Replicability***

Chapter 11 deals with replication of the experience and lessons from the project, which indeed is important, in order to benefit other districts and communities later on. Such replication is clearly the role of the relevant government institutions and fall outside the scope of the project, once the final dissemination seminar/workshop is completed. This in not properly explained, rather than repeating some statements on women involvement in the project itself. The sharing of information and avoiding duplication is indeed a major issue when so many initiatives are going on at the same time.

## 4.10 Concluding Remarks of the Fact Finding Team on the Concept Note

The project is presented under a REDD umbrella, and some activities mentioned are related to this. However, the list of main activities under the project to a large extent are similar to the steps recommended for the Joint Forestry Management (JFM) and Community Based Forest Management (CBFM) under the government, being implemented by 4,000 villages and 63 districts all over the country[[5]](#footnote-5). This in itself is commendable and shows that the project is in line with the prevalent strategy on Participatory Forestry Management (PFM), but it does no alone make the project a “pilot project under REDD”. Many initiatives have been completed and are ongoing focusing on PFM, so the pilot stage in such projects is long passed. Also in the Bagamoyo District, 28 villages have already developed Land Use Plans (LUPs). In order for the project to be a REDD pilot, the REDD elements should be much more profound, especially with focus on the capacity building of the district authorities, including the piloting of the payment scheme for carbon, focusing on district land use planning and the Payment for Environmental Services (PES), especially reaching the communities and the individual farmers.

A revised project proposal should therefore be prepared, having the focus as mentioned above and with the recommendations for improved presentation of the various elements in the project taken onboard a listed under the various sections above. In case the project should take the form of a district climate partnership, the design of the project should follow the recommendations outlined in earlier chapters of this document.

1. COPATH, mentioned in the ToR, was the first version and COMAP the follow-up (and extended) version, both developed by the same institution. [↑](#footnote-ref-1)
2. A third one, Joint Implementation (JI) is not relevant here as it only operates in countries with a national emission reduction target, the so-called “Annex 1 countries”). [↑](#footnote-ref-2)
3. Notably, the Fact Finding Team discussed which of the two terms “carbon” and “climate” is mot appropriate in the name of the project, as both are mentioned in the ToR. The latter was found to be the one having the widest application and being the most illustrative as to the topics at stake (and other issues that might be taken onboard later). [↑](#footnote-ref-3)
4. It is noted on the cover page of the document that the original proposal was prepared by Mr. Shaban Gurumo of the Presidents Office, and that subsequently his personal expertise, efforts and dedication should be thoroughly acknowledged in any further use of the document. [↑](#footnote-ref-4)
5. Reference to the “Community Based Forest Management Guidelines” and the “Joint Forestry Management Guidelines”, both of April 2007. [↑](#footnote-ref-5)