

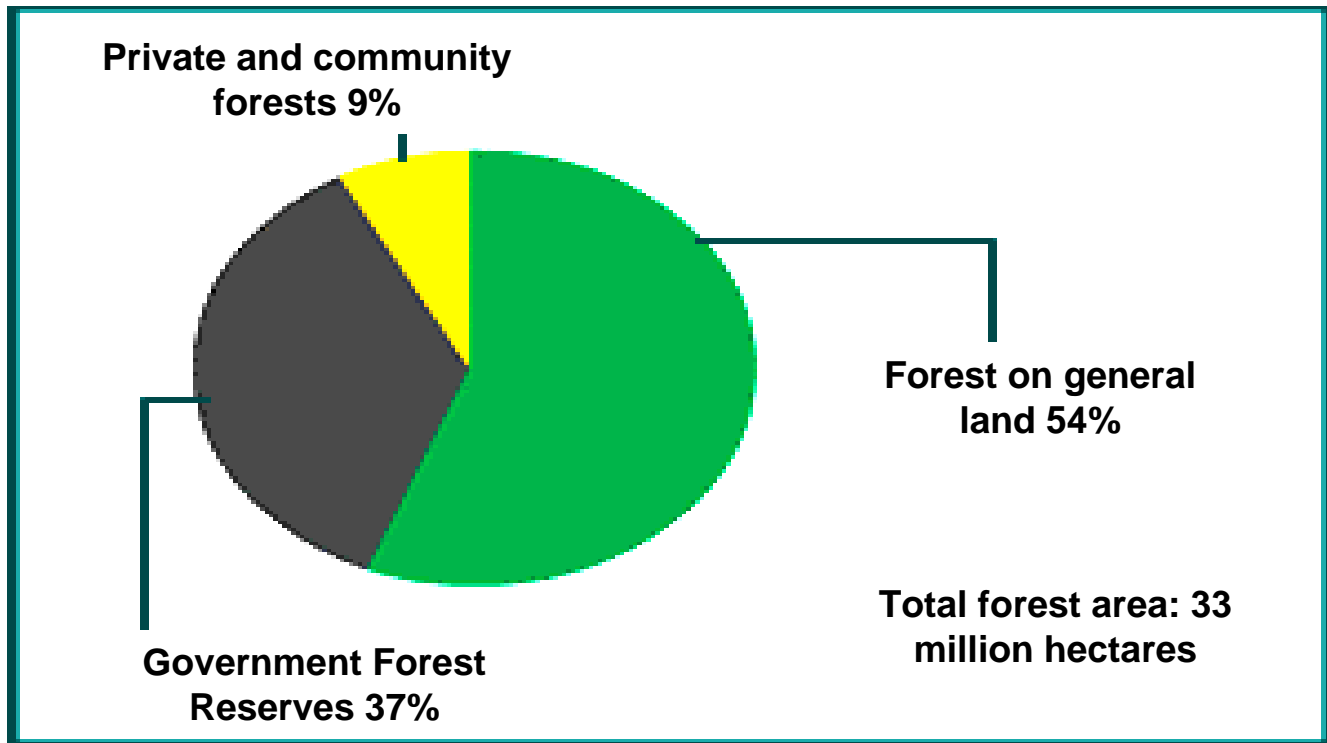


**Avoided deforestation, community forestry  
and options for channeling payments down  
to the community level**

**Tom Blomley**

# National Context and Background

## Forest Land Management Systems



# Legal and Policy Framework

## **Community Based Forest Management (CBFM)**

Village Councils can “declare” forest areas on “village land” as *Village Land Forest Reserves* or *Community Forest Reserves*.

This entitles them to assume full management responsibility, undertake patrols, levy fines for illegal forest users, issue licenses for forest products, retain forest revenues, set rules and regulations regarding forest management and use.

## **Joint Forest Management (JFM)**

This is a collaborative approach to forest management, where forest adjacent communities enter into management agreements with the forest owner (government or private sector) over the management of forest resources

# Spread and Adoption of PFM

## Current status of PFM in Tanzania (2006):

- Approximately 1.9 million hectares under village management (CBFM) in around 1500 villages
- Approximately 1.6 million hectares under joint forest management (JFM) between the state and about 530 villages
- PFM operating in over 60 districts (out of 124) under various levels of support



# PFM – Some challenges

## Incentives:

Early stages of PFM involve forest restoration and protection – before benefits of sustainable harvest and utilisation can be realised.

Viability of Joint Forest Management in Catchment Forests and Nature Reserves is questionable – as legal benefits to communities are minimal





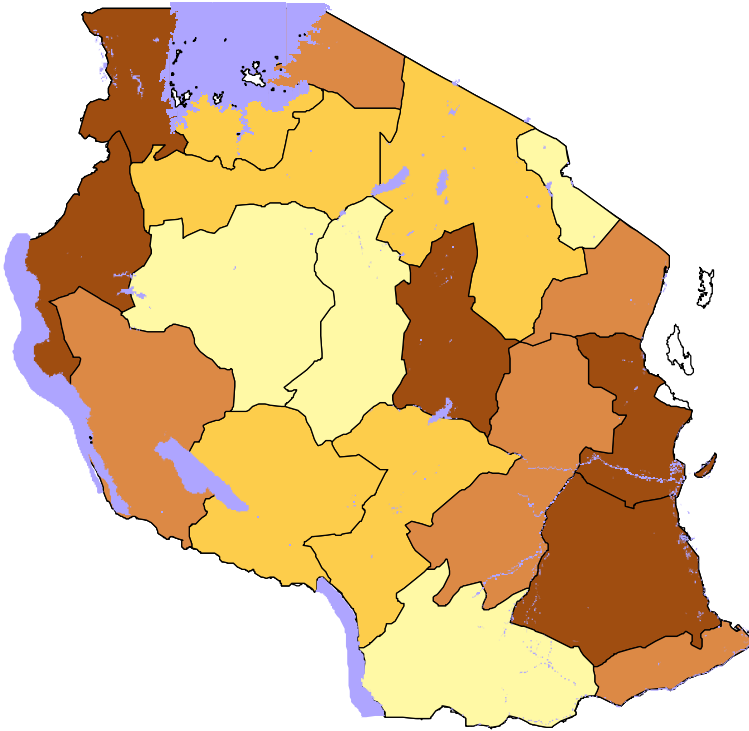
# Opportunities from REDD

Carbon financing could provide a new financing tool that:

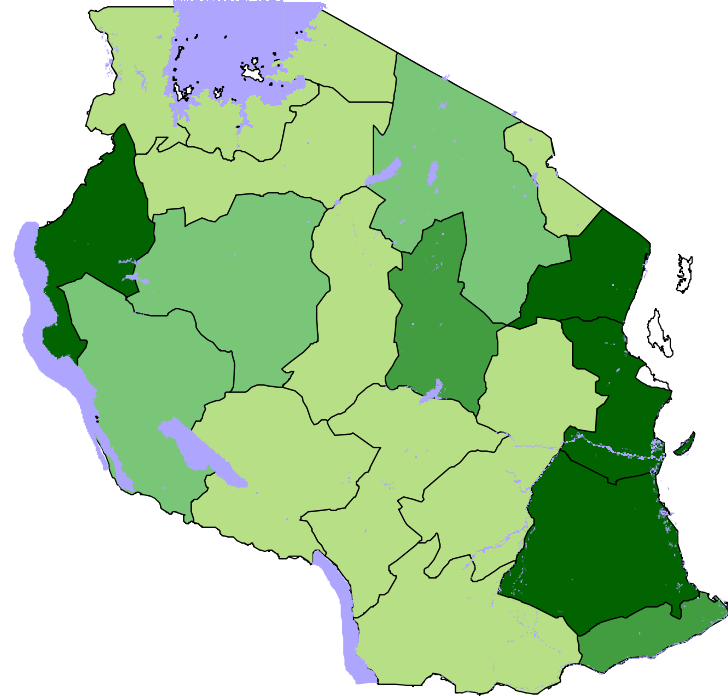
- Provides the “missing” incentives to communities to restore degraded forests and woodlands during early stages of PFM – could be catalyst for CBFM in poor and remote areas
- Rewards communities for the costs they incur in management of catchment forests



# CBFM - Potential Impact on Livelihoods



**Unreserved forest (area)**



**Poverty Index**



# Payment mechanisms

## **Ownership, tenure and benefit-sharing conflicts**

How will carbon benefits be equitably shared between government and communities under JFM schemes when management of the resource is shared?

Government sees REDD as an important and legitimate and sustainable source of funding to pay for costs of managing catchment forests – but what about community interests and demands? Whose voice will be loudest?

How can carbon benefits be equitably shared within communities to avoid problems of elite capture?

Sharing of benefits between local and national government – eg: national forests managed by local governments.



# Payment mechanisms

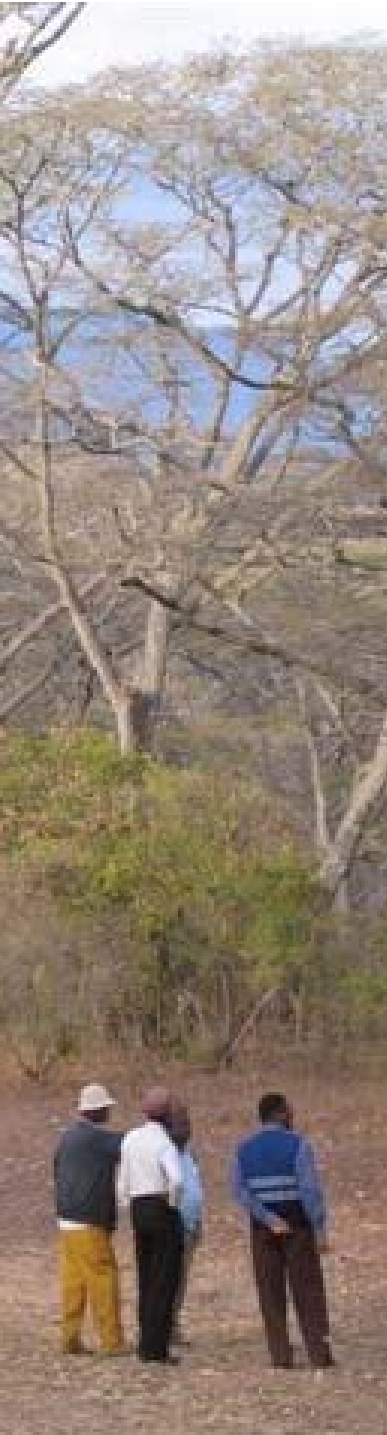
## **Fragmented and scattered nature of community forests**

PFM tends to take place in relatively small and dispersed areas – not large single blocks.

Transaction costs for administration & verification are high

Opportunities for reducing monitoring and administration costs through national focal point – representing community interests?

Mjumita Community Forest Network?



# Payment mechanisms - options

## 1. “Micro-projects” (eg Endowment funds, National Park revenue sharing – Uganda, Kenya, Tanzania)

- Transparent
- Opportunities for targeting certain conservation-friendly investments or groups
- Relatively high administration costs (screening, selection)
- Tends to go to public good, infrastructure projects – which may have displacement effect on government investments

# Payment mechanisms - options

## **2. Payment voucher systems (Uluguru PES model- proposed)**

- Vouchers redeemed for “shopping list” of investments – improved seed, credit with potential for adding value
- Either individual or group based investments
- Avoids risks of funds being used for non-productive activities (beer) or conservation unfriendly investments

## **3. Direct transfers of cash to individuals or groups (CBNRM):**

- Small amounts of cash may make it non-viable at individual level
- Concerns about funds not being used productively
- Concerns that funds may be used in ways that conflict with conservation objectives
- Less costly/complex to administer
- Assumes that people are capable of making up their own mind in responsible manner!

# Individual vs. group-based models

## **Individual payments (eg agroforestry, conservation farming)**

Cost/beneficiary - high

Transparent, targeted and risks of elite-capture limited

## **Group based payments (eg REDD in communal forest area):**

Cost/beneficiary - low

Safeguards needed to ensure transparency, accountability and an equitable distribution of benefits:

- Clear rules on who qualifies, what funds are spent on etc
- Opportunities for members to hold committee accountable through public scrutiny, election of members etc.



