Scoping study on carbon credits in East Africa

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Abbreviations and acronyms

ACR American Carbon Registry

AFOLU Agriculture Forestry and Other Land Use

BL Big Life

CAR Climate Action Reserve

CBD-RC Common But Differentiated Responsibilities and Respective Capabilities

CBOs Community Based Organizations

CCB Community Carbon and Biodiversity

CCM Compliance Carbon Market

CDM Clean Development Mechanism

CER Certified Emission Reduction

CHCT Chyulu Hills Conservation Trust

CO2 Carbon Dioxide

CO2e/eq Carbon Dioxide equivalent

EA East Africa

ETS Emissions Trading Systems

FPIC Free Prior and Informed Consent

GBV Gender Based Violence

GCC Global Carbon Council

GHG Greenhouse Gas

IPs & LCs Indigenous Peoples and Local Communities

KHRC Kenya Human Rights Commission

KWS Kenya Wildlife Service

LCCs Locational Carbon Committees

MWCT Maasai Wilderness Conservation Trust

NCCAPs National Climate Change Action Plans

NDCs Nationally Determined Contributions

NKGCP Northern Kenya Grassland Carbon Project

NRT Northern Rangelands Trust

ODK Open Data Kit

REDD+ Reducing Emissions from Deforestation and forest Degradation

SEAH Sexual Exploitation, Abuse and Harassment

TGB Trees for Global Benefit

TFCG Tanzania Forest Conservation Group

UNFCCC UN Framework Convention on Climate Change

VCM Voluntary Carbon Markets

VCS Verified Carbon Standard

WMA Wildlife Management Authority

WWC Wildlife Works Carbon

Executive summary

Carbon markets are gaining prominence as a means to finance climate mitigation and adaptation actions across the continent. In East Africa, all Nationally Determined Contributions contain clauses that support trading in carbon markets to raise climate finance, as prescribed in the Paris Agreement. In the region, most carbon market projects are within voluntary markets, with many focused-on REDD+ and reforestation or wildlife management projects within conservancies. The demand for carbon markets, the Paris Agreement commitments, and the need to raise financing for climate responses are responsible for the rapid emergence of carbon trading principles, policies, and legislative frameworks in East African countries.

The scoping study highlighted the three principal markets by which carbon trading occurs: the Kyoto Protocol which created the Clean Development Mechanism and was succeeded by the Paris Agreement; compliance markets like the European ETS, the California Global Warming Solutions Act, and the China Compliance Markets; and voluntary markets, which are decentralized and growing, and the subject of many safeguarding, governance, and compliance issues. The study also reviewed projects in Kenya, Uganda, Tanzania, Madagascar, Burundi, Rwanda, and DRC, as well as consulting Indigenous Peoples and Local Communities on their views on carbon market initiatives.

The study established that there are several carbon markets standards that are prioritized in East Africa. The top five activities that result in carbon sequestration in these countries are activities like afforestation and reforestation; improved livestock management; soil conservation; and sustainable forest management. Activities that were driven by technology through mitigation were solar PV, hydropower, wind power, biogas and biomass to energy, waste to energy, and ecooking, which are energy technologies. Most carbon credit projects in East Africa are certified under VERRA, Gold Standard, and Plan Vivo.

Indigenous Peoples and Local Communities were consulted on their perceptions of the carbon projects in their localities between February and March 2024 at a time of growing interest and legislation on carbon trading. There were several key issues that they raised, corroborating already documented research on the mixed feelings that communities have on the growing carbon markets.

Governance of carbon projects emerged as the greatest community concern. Communities that were engaged in this study identified their free, prior, and informed consent as an issue that needs to be incorporated at the project identification stage before project inception. In addition to this, there are important considerations on participatory governance, from creating awareness at project onset to ensuring continued engagement of communities and consistent feedback on issues raised. In Kenya, for example, the local law provides for a climate change council where Indigenous Peoples and Local Communities sit. This council can ensure that there is adequate guidance before a project is introduced, and that the contextual issues are legislated effectively. In Tanzania, the Wildlife Management Authorities covering the project area provides for a subnational governance structure that plays a key role in advising implementation.

Benefit sharing was a major concern. This has been taken up in many of the emerging policies on carbon markets by East African states. For communities, however, the knowledge of policy provisions on the carbon markets was low among all who were consulted from Kenya, Tanzania, and Uganda, but lowest in Uganda during this study. This is worrying since the policy development

process is emergent. In Madagascar, policy development followed an executive decision to nationalize and legislate REDD+ projects in the country. This was in response to exploitation of communities, and the need to raise revenue. However, for countries like Kenya, Uganda, and Tanzania, legislations are largely market driven, as these countries have signed many carbon market deals. IPs and LCs who responded to this study were determined to benefit from carbon trading income, and wanted equitable sharing of resources, as these projects significantly alter the way they live their lives. However, the process of determining the revenues was also one that some IPs and LCs felt was opaque and should be reviewed to make it participatory and contextual, and set benefit sharing mechanisms transparently. The consulted key informants opined that most benefit sharing mechanisms were overly dictated by donors, funding sources, or the project proponent.

Low knowledge and awareness levels of communities on several issues surrounding carbon markets was expected but also an issue of concern. Generally, IPs and LCs did not understand that carbon markets played a role in climate mitigation, a response to impacts of the climate crisis. There was also low understanding of the role of project owners in delivering these projects vis a vis the role of the governments. However, there were higher levels of knowledge among community leaders both in formal and informal institutions. IPs & LCs, however, understood that carbon markets are a source of revenue for project developers, communities, and governments, and were determined to understand this so that they could tap into the revenue. They also wanted to be able to interact with project developers.

Greater contention on carbon markets on accuracy of methodology is an issue that is emerging from literature, indicating that some methodologies need to be reviewed. Carbon credits from forestry-based projects are touted as not being as effective as claimed to be. Additionally, there are challenges with carbon trading within the renewable energy sector due to issues such as additionality; consequently renewable energy credits are declining in popularity. Through developing community monitoring, as well as national registries backed by accurate measurement and verification, such data can be used to make critical decisions that establish next steps.

Some recommendations have been developed based on the findings of the study.

On policy and practice, exploring community-based monitoring and verification, documenting case studies of benefit sharing that is working for existing projects, and sustaining community participation and awareness are some recommendations. This is in addition to participatory policy making by states, centering the needs and priorities of IPs and LCs.

On implementation of already existing projects, governance, and benefit sharing, community indigenous knowledge and governance systems need to be appreciated and incorporated into ongoing projects, while there needs to be research on carbon methodologies that are least disruptive to IPs' and LCs' ways of life. There is a need to document community involvement, use local leadership structures, and ensure grievance mechanisms are always fit for purpose.

On accountability and a different take, political education of IPs and LCs can help them demand accountable governance and present solutions that build their resilience. The global north should honor its climate funding commitments to open possibilities for solutions for developing nations to finance climate action other than through carbon markets.

Introduction to the study

Background

Carbon markets operate on the principle of buying and selling carbon emission reductions referred to as carbon credits. Each carbon credit represents one metric tonne of reduced, avoided, or removed carbon dioxide equivalent (CO2eq), in any of the greenhouse gasses. Carbon credits must be measured and verified for the transaction to occur, and thus, understanding the roles of various participants in this market is crucial. Buyers, including corporations, governments, NGOs, and individuals engage in the market for reasons such as compliance with regulations or voluntary environmental commitments.

Predominantly, carbon trading occurs in 1) compliance markets¹ which are mandatory and large-scale, controlled by governments and multilateral institutions through laws and regulations, and 2) The voluntary carbon market (VCM)² that has emerged alongside the compliance market for companies, organizations, and individuals to voluntarily take responsibility and compensate for unavoidable emissions.

Article 6 of the Paris Climate Agreement³ ushered in a new era for global emissions trading. It offers countries the possibility of transferring their CO2 reductions to other countries; these countries in turn count them towards their own climate targets. Negotiations on Article 6 continue, and there are extensive developments in the provisions that guide how carbon reductions can be transferred and hence traded between states, i.e., article 6.4 and 6.8; however, East African countries are already active in carbon markets. In equal measure, there are many policy developments playing "catch-up" to provide guidance and coherence on benefit sharing (between states, private sector, and communities), and taxation which is the focus of revenue generation from carbon trading.

Despite being branded 'pollution permits' by some civil society organizations due to historical and rapidly industrializing countries exceeding their available carbon budgets yet continuing to emit greenhouse gases and trading to keep them at 'Net Zero', carbon markets are considered a growing source of income. Many developed states, large companies, and individuals are trading in markets, counting this as their contribution to climate finance.

Carbon markets and communities

Most voluntary carbon markets benefit from carbon sinks located in areas where Indigenous Peoples and local communities live. Carbon projects like REDD+ and conservation projects have been the markets of choice for many organizations and individuals where the project restores

¹https://tfsweb.tamu.edu/uploadedFiles/TFSMain/Data_and_Analysis/Contact_Us%283%29/CarbonMarket sFactsheet.pdf

² https://www2.deloitte.com/uk/en/blog/net-zero/2023/understanding-the-compliance-and-voluntary-carbon-trading-markets.html

³ The Paris Agreement | UNFCCC

⁴ The Africa Carbon Markets Initiative: A Wolf In Sheep's Clothing — Power Shift Africa

ecosystems to their original or better shape, especially when the individuals and organizations cannot do it through different technologies or in other ways.⁵

The majority of these projects have been carried out on land that is either managed by Indigenous Peoples or in a protected area. However, Indigenous Peoples and Local Communities (IPs & LCs) have not been adequately involved in governance of carbon projects, especially when it comes to leadership of such projects. Additionally, there has been contention on benefit sharing mechanisms. There have also been serious issues on lack of safeguards like documented human rights abuses, displacement, and dispossession of land, which is a tangible asset, but which carries nontangible aspects like culture and knowledge systems.

There are many IPs who are torn on conceptual issues like commodifying nature, which has been expressed by many civil society organizations whose take is similar to a take on nature-based solutions being false solutions to the climate crisis. However, these markets are emerging as important to the entire climate ecosystem as they are present and growing, and this was discussed during a multistakeholder meeting convened on the sidelines of the African Union Summit in February 2024. Civil society agreed that hardline positions that they have held on carbon markets may not sway existing realities. Instead, they determined that it is important for civil society organizations to play their watchdog role as markets are raising serious concerns, yet they are growing.

Research has demonstrated repeatedly that land owned by IPs is better managed, with lower cases of deforestation. This is because these communities often have practices and institutions that disallow over-exploitation. This is the case in many countries, and in Africa, research has determined that Indigenous lands preserve forest cover better than protected areas. And so, naturally, IP lands are targets of many carbon sequestration projects that yield carbon credits whose demand is increasing across the world. For communities whose rights have not been secured, this increase in carbon projects may put them at risk, in addition to the risks that they already face with the changing climate.

Because of the growing carbon markets, and the need to apply important safeguards while ensuring communities benefit from such trading, the United States' Commodity Futures Trading Commission in 2023 developed guidelines for any organization or individual trading in voluntary carbon markets and held consultations on several issues in the development of these, including with financially vulnerable communities. This is an important step as the market is growing, and these are credits of choice for many more entities that are unable to limit greenhouse gas emissions, and are viewed as important for climate finance, especially for African states which

⁵ How Indigenous peoples and local communities can make the voluntary carbon market work for them (commentary) (mongabay.com)

⁶ How Indigenous peoples and local communities can make the voluntary carbon market work for them (commentary) (mongabay.com)

⁷ Carbon markets: Time to listen to Indigenous Peoples and local communities - Ecosystem Marketplace

⁸ <u>Multistakeholder Consultative Forum Recommendations to the 37th AU Heads of States Summit on Strengthening Governance of Climate Action in Africa - PACJA - Panafrican Climate Justice Alliance</u>

⁹ Reduced deforestation and degradation in Indigenous Lands pan-tropically | Nature Sustainability

lose as much as 15% of their Gross Domestic Product (GDP) as they mitigate climate induced disasters. ¹⁰

To understand these issues further, and to contextualize issues faced in different carbon projects across Africa, a scoping of markets, including an understanding of the contexts, trading, and the community opinions, is critical.

¹⁰ Africa loses up to 15% of its GDP per capita annually because of climate change –African Development Bank Acting Chief Economist Kevin Urama | African Development Bank Group (afdb.org)

Scoping study methodology

The main objective of the scoping study on carbon projects in East Africa is to provide an overview of the carbon credits market in East Africa with respect to its size, players, governance including legal and policy frameworks on free, prior, and informed consent and benefit sharing and impacts on Indigenous communities while using gaps and opportunities to identify recommendations that support fair and transparent carbon credit initiatives.

There are several verified carbon projects that this scoping study reviewed. These include those listed under the Verified Carbon Standard (VCS), the largest voluntary programme, where emission reductions are tradable carbon credits, The Gold Standard, which was developed by NGOs and ensures projects are locally rooted in terms of benefits to communities, and Plan Vivo that focuses on certification for projects that benefit the environment and communities. Other market standards include the ACR standard with a focus on integrity and the Climate Action Reserve (CAR) which is an offset registry. Biocarbon focuses on biodiversity and the Global Carbon Council helps organizations reduce their carbon footprint.

The methodology includes an analysis of available literature on different carbon projects in East Africa, gathering background information from available published and online resources like academic articles, reports, and policy documents.

Primary data collected through semi-structured interviews with representatives from among affected community members, community-based organizations, and local civil society groups buffered the secondary data from the literature review especially with respect to human rights issues and on-the-ground lived realities. Questionnaires were administered to individual respondents, and during one-on-one interviews, interview notes were taken. To fill in other gaps, the study undertook key informant interviews and focus group discussions with people identified as experts on the subject matter, legitimate sources of information, and persons of influence. The consultations gathered the opinions of donors funding environmental groups in the region to gain insights into the funding landscape, priorities, and expectations regarding carbon credit projects.

Approaches

Two approaches were used to collect inputs and feedback for the scoping analysis:

1. Physical meetings in Kenya, Tanzania, and Uganda

Around the landscape where a carbon project is being implemented, or is under development, the study engaged three categories of respondents: i) Individual community members for their unique / personal responses from Indigenous Peoples and Local Communities and their representatives, ii) KIs – Key Informants – such as e.g. NGOs/CSOs, community leaders, persons of influence, and iii) Actors including project implementers, decision making entities, NGOs/CSOs, and local authorities.

In Kenya, the study received a sample number of respondents for all the categories according to the following landscapes: 1) Northern and North-Eastern landscape, 2) Chyulu-Kasigau-Amboseli landscape, and 3) the Maasai Mara-Mau Landscape. In the case of Tanzania, the study received a sample number of respondents for all the categories from projects in the Manyara and Morogoro landscapes. In Uganda, the study mainly received respondents from actors based in Kampala,

and around projects in the western Albertine region, with only one respondent from the Mbale region.

To realize the successful collection and transmission of the collected respondent data, the team configured Open Data Kits (ODK) that contained mobile-based questionnaires listed in "Annex 1 Revised Scoping Assessment Questions." These were customized for a) community consultations (individuals and groups), b) KIIs - Key Informant Interviews, and c) consultations with actors. At a later stage, to be flexible to the schedules of some actors in Tanzania, Google

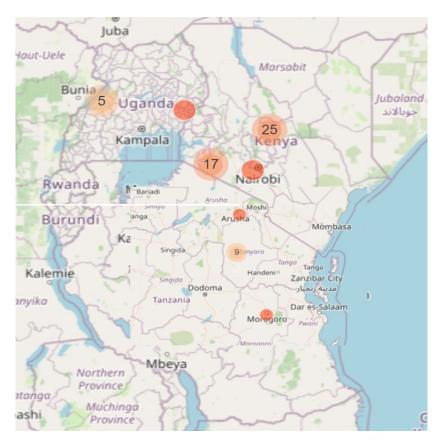


Fig: Map of Individual respondents in Kenya, Tanzania, and Uganda

Forms were also utilized to administer the questionnaires. The general findings and analysis from the data are presented in the next section of the report.

2. Desktop research in the case of DRC, Burundi, Madagascar, and Rwanda

The study undertook an implementation review using information publicly available on the respective VCM registry or the project's website to review nine (9) projects. The scoping sought to establish any implementation or design (during development) trends that could provide findings on some of the realities of carbon implementation within IPs' & LCs' territories.

Case studies

The case studies that were highlighted in the scoping study were identified in a flagship report - the East Africa carbon market analysis. The criteria of projects to be featured as a case study were that they must be:

- Listed with either VERRA or PLAN VIVO as market standards.
- Have a sizable land area, thus a notable volume of carbon credits to be generated.
- Have communities (or several community groups) in the project area proximity or involved as either primary or secondary stakeholders.
- Where possible, have Indigenous Peoples as the core community group around the project.
- Be either "In Implementation" or "Under Development".
- Sufficient project data should be available online, at the listing registry, or on the website
 of the project entity.

Additionally, a logistical assessment was conducted to ensure that research assistants could easily access identified case study project sites.

Challenges and limitations

In Tanzania, there is an enhanced control of research and community engagement at the Wildlife Management Authority (WMA) and the district-level government offices. The efforts of the team to undertake independent community consultation were halted at Machame WMA. There was a specific requirement for an official letter from a sponsoring organization as well as approval by the carbon project entity in question to proceed with the survey. Engaging or involving the project entity would influence the involvement of communities and potentially impact the ability to source unbiased opinions.

In Uganda, one of the data collecting assistants lost their phone enroute to consultation. This, while entirely unpredicted, resulted in 19 responses collected over 2 days being lost. The team adapted by ensuring that the responses collected were uploaded daily.

In Kenya, a data assistant engaged around the Kasigau project turned out to be working with the project entity and after several days of data collection, declined submitting data, citing conflict of interest, and potentially affecting their work relations. The team relegated the Kasigau project to a desk review case study and used secondary data to make observations.

The two-month implementation period for the scoping coincided with the ongoing March-April-May rain season. Rain greatly impaired access to communities in Mbale, Uganda and Morogoro, Tanzania. The short window of engagement saw the team of consultants not manage to engage critical contacts, including Dr. Eliapenda Elisante Mariki, a knowledgeable resource person on documented climate impacts and adaptation preferences and options. However, the consultants propose to have this addressed during validation.

Findings from literature review

Existing carbon market landscape

Carbon markets turn carbon emission reduction into a quantifiable commodity that can be traded and given a price. Carbon trading occurs in compliance or regulated markets, 11 which are controlled by governments and multilateral institutions through laws and regulations, and the voluntary carbon market (VCM)12 for companies, organizations, and individuals to voluntarily take responsibility and compensate for unavoidable emissions. They do this through measures such as financially supporting climate projects by trading and purchasing Verified Emission Reduction (buy and sell carbon offset credits). To make the markets comparable, emissions are generally converted to a unit known as carbon dioxide equivalent, or CO2e. This section describes the Kyoto Protocol, compliance, and voluntary markets.

The Kyoto Protocol

The Kyoto Protocol is touted as the first international treaty that introduced global carbon trading. It was adopted in December 1997 to operationalize the UN Framework Convention on Climate Change (UNFCCC) and ratified in February 2005 with an aim of committing industrialized countries and economies in transition to limit and reduce GHG emissions. The protocol recognizes and observes the principle of Common But Differentiated Responsibilities and Respective Capabilities (CBD-RC)¹³ and sets binding targets for 37 developed countries and economies in transition and the European Union.¹⁴ The Kyoto Protocol established market mechanisms - international emissions trading ¹⁵ which allows trading of actual emission units and through other carbon trading projects, and the clean development mechanism where projects earn certified emission reduction (CER) credits, ¹⁶ each equivalent to one tonne of CO2. It also established a third market mechanism known as joint implementation which allows industrialized countries and economies in transition to earn Emission Reduction Units from countries other than their own.

The treaty faced challenges as China, the biggest emitter, and USA, the second largest emitter, were not bound by it - China was classified as a developing country and USA did not ratify the treaty. In addition to this, other countries felt the targets were too low to make a difference, with countries from the global south also arguing that adaptation is just as important as mitigation. The Paris Agreement of 2015 replaced the Kyoto Protocol.¹⁷

Compliance Markets

Compliance Carbon Markets (CCM) establish carbon prices through laws or regulations which are distributed by national, regional, or global regimes in a cap-and-trade system. This means

¹¹ Carbon Markets Factsheet

¹² Understanding the Compliance and Voluntary Carbon Trading Markets | Deloitte UK

Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC) - Climate (climatenexus.org)

¹⁴ What is the Kyoto Protocol? | UNFCCC

¹⁵ Emissions Trading I UNFCCC

¹⁶ The Clean Development Mechanism | UNFCCC

¹⁷ https://www.britannica.com/event/Kyoto-Protocol

that a limit is set on the amount of GHG emissions that registered entities can emit, and if they go over it, they then need to buy credits to cover the excess, and if they are under the limit, they can then sell to each other or save these credits for future trading. These markets are traded directly through primary markets or via daily and monthly auctions which are secondary markets. The compliance market traditionally targets large-scale industries and the aviation sector and is also now adding carbon capture technologies. Over 60 countries have established such regimes to date to curb their emissions through their Nationally Determined Contributions as per the Paris Agreement.¹⁸

Compliance markets are also known as Emissions Trading Systems (ETS). The three main Emissions Trading Systems are:¹⁹

- European Union's Emissions Trading System (EU)
- The California Global Warming Solutions Act (USA)
- The Chinese National Emission Trading System (China)

The **European Union ETS** was established in 2005 and is the second largest in the world with an emission reduction of 3,893 megatons (Mt) per year. It covers 27 European Union states and 3 other states - Iceland, Liechtenstein, and Norway. This market regulates several sectors: power stations, industries like steel mills, and operations that produce cement and glass, and others during its initial phase of implementation. It has now included aviation in its second phase of implementation, and in its third it includes carbon capture and storage and production of petrochemicals, ammonia, and others and costs USD 80 per tonne.

The **California Global Warming Solutions Act** has been operational since 2012 with 300 registered entities accounting for 425 million tonnes per year. It regulates several sectors and large industries like steel, electricity generation, and imports, among others. In its second phase, the ETS also regulated natural gas, petroleum gas, and liquefied natural gas and costs USD 30 per tonne.

The **China Carbon Compliance Market** began operations in 2021 with 2,055 registered entities accounting for emission reductions of 12,301 megatons (Mt) per year regulating only the power sector. It is the largest ETS and intends to expand sectors to include petrochemical, chemical, building materials, steel, nonferrous metals, paper, and domestic aviation and costs USD 9 per tonne.

Other compliance markets that exist are Korean ETS, the Kazakhstan ETS, the New Zealand ETS, the Japan ETS, the Canada ETS, and the Mexico ETS which are not as liquid as the first three mentioned.²⁰ The Kyoto Protocol is also a type of international carbon market that mandated 37 industrialized countries and the EU to voluntarily cut emissions, but it has been superseded by the Paris Agreement.²¹

¹⁸ <u>Understanding the Compliance and Voluntary Carbon Trading Markets | Deloitte UK</u>

¹⁹ A Guide to Compliance Carbon Credit Markets • Carbon Credits

²⁰ A Guide to Compliance Carbon Credit Markets • Carbon Credits

²¹ What Is The Kyoto Protocol? Definition, History, Timeline, and Status (investopedia.com)

Since these markets are highly regulated, geopolitical issues like the Russia-Ukraine war, lack of policy clarity in a certain ETS, as well as prices that may be lower than market realities or the tradeoff, are some of the challenges.²²

Voluntary Carbon Markets

Voluntary Carbon Markets (VCM) are decentralized markets where companies or individuals that wish to voluntarily reduce their unavoidable carbon emissions do so by buying carbon credits. These markets operate differently from CCM in that they are not constrained by geography and can therefore be traded across boundaries as well as across many more sectors than those covered by the CCM. They are also not regulated by policies and laws but through voluntary standards and are cheaper than CCM going for an average of USD 1 up to USD 110.²³

Most organizations, e.g. governments, businesses, and NGOs, and individuals that purchase carbon credits are those that have set net zero or carbon neutral targets and can reduce their emissions through changing operational processes or by using renewable energy. However, for harder to abate (or reduce) emissions, carbon credits are usually an option to 'offset' emissions. This offsetting is done through purchasing of carbon credits directly from project developers or through brokers that are verified by a third party.²⁴

The described market operates under a principle of additionality. This means that each credit that is used to offset GHG emissions cannot be traded again and is moved to a register of retired offsets.

The top voluntary carbon market actors are few. Globally, carbon credits certified under Verra's Voluntary Carbon Standard (VCS) represented 48% of total issuances recorded in 2023, followed by the Gold Standard at 20%, Cercarbono at 16%, ACR at 9%, CAR at 3%, BioCarbon at 2%, and Plan Vivo, GCC, and Climate Forward below 1%. These numbers reflect previous market shares where Verra's VCS represented 72% of total issuance recorded in 2022, followed by the Gold Standard at 16%, the ACR at just under 8%, CAR at 3.5%, Plan Vivo at 0.6%, and GCC at 0.15%. ²⁵

Trends in global carbon markets

Between 2012 and 2022, global carbon markets grew to USD 36 billion, with over half of this investment being made between 2020 and 2022. Most of the carbon credit markets that have been invested in in the last three years are afforestation/reforestation, improved forest management, and reducing emissions from deforestation and forest degradation. During the same period, i.e. the last three years, there was a 160% rate of increase in registration of new projects compared to the previous period, corresponding to approximately 1,500 new projects with an emission reduction of 300 million tonnes of carbon per year. In addition to this, there are

²² Understanding the Compliance and Voluntary Carbon Trading Markets | Deloitte UK

²³ Understanding the Voluntary Carbon Markets | IFAC

²⁴ Voluntary carbon markets: how they work, how they're priced and who's involved | S&P Global Commodity Insights (spglobal.com)

²⁵ Voluntary Carbon Market 2023 Review - Climate Focus

1,500 projects that have been committed for the next three years after 2020, with an estimated mitigation potential of 500 million tonnes of carbon per year.²⁶

Between 2016 and 2021, Voluntary Carbon Markets grew at a compound annual rate of over 30%. However, reports still indicate that African Carbon Markets' potential has still not been realized, and the growth in Africa falls short. According to the Africa Carbon Markets Initiative, the 2030 technical potential of carbon credits sourced from Africa is estimated to be up to approximately 2,400 MtCO2e per annum.²⁷

Key trends of carbon markets in 2023 according to Climate Focus²⁸:

- There was a decline of 13% of carbon markets due to highlighted risks about environmental integrity of key projects and criticism on the ability of markets to safeguard integrity and transparency.
- Nature-based solutions were the carbon credits of choice in 2023, increasing by 7%. The
 top ten countries trading these are: Mexico, DRC, Kenya, China, Uruguay, Cambodia,
 United States at fourth, and Peru, Brazil, and Columbia as the top three issuers of naturebased carbon credits.
- Renewable energy carbon credits are on the decline due to concerns around additionality, especially in developed states. VERRA and Gold Standard have also imposed restrictions on these credits.

The Eastern African Alliance on Carbon Markets and Climate Finance undertook a study to identify prioritized carbon initiatives in Eastern Africa countries according to available policies, laws, and regulations, and in November 2023 established the top five technologies in 7 countries as contained in the table below.

The top five activities that result in carbon sequestration in these countries are activities like afforestation and reforestation; improved livestock management; soil conservation; and sustainable forest management. Activities that were driven by technology through mitigation were solar PV, hydropower, wind power, biogas and biomass to energy, waste to energy, and ecooking, which are energy technologies. Most carbon credit projects are certified under VERRA, Gold Standard, and Plan Vivo.

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²⁶ Global Carbon Credit Investment Report - Trove Research (trove-research.com)

²⁷ ACMI – Harnessing Carbon Markets for Africa (africacarbonmarkets.org)

²⁸ Voluntary Carbon Market 2023 Review - Climate Focus

| COUNTRY | | 1 | | 3 | 4 | 5 |
|----------|---|-------------------------------------|----------------------------|--|---------------------------------|-------------------|
| Burundi | æ | Soil and water conservation | Composting | Small/micro- hydropower | Solar PV | Biogas production |
| Ethiopia | * | Industry fuel switches | Solar home systems | Landfill gas recovery and use or destruction | Sustainable forest management | E-cooking |
| Kenya | | Biogas production | Solar home systems | Solar dryers | Afforestation and reforestation | Wind |
| Rwanda | | Improved Cook Stoves | Small/micro- hydropower | Landfill gas recovery and use or destruction | E-cooking | Waste to energy |
| Sudan | E | Soil and water conservation | Solar PV | Composting | Smart irrigation technologies | Biogas production |
| Tanzania | | Biofuel | Biomass to energy | Small/micro- hydropower | Sustainable charcoal production | Solar PV |
| Uganda | 9 | Improved livestock management | Biomass to energy | Improved Cook Stoves | Solar PV | Composting |

Top five carbon market priorities in Eastern Africa²⁹

²⁹ Eastern African Carbon Market and Technos Report_Singlesummary.pdf (unfccc.int)

Key themes and findings

Policy landscape for carbon markets in East Africa

Carbon markets are growing, and many East African countries are developing laws and policies to fulfill regional and global commitments in a bid to curb greenhouse gas emissions responsible for climate change. One of the greatest motivators has been the Paris Agreement as many countries' Nationally Determined Contributions are at least 70% conditional, meaning that they must be met much more through finance from developed states than domestic finance. In the quest to shore up climate finance, these states are looking at carbon markets and now, finding ways to ensure that they can finance these ambitious plans.

There are several policy developments in the VCM. For example, Kenya concluded public consultations for the draft Climate Change (Carbon Market) Regulations of 2023, and in July 2022, Kenya's Capital Markets Authority began the development of a framework for carbon trading³⁰ on the stock exchange in partnership with Singapore's Air Carbon Exchange Group and the Nairobi International Financial Centre. Tanzania has in the last six months developed carbon market legislations and received at least USD 20 billion in carbon credit projects - all this is part of Tanzania's plans for GHG emission reductions contained in their Nationally Determined Contribution (NDC). Uganda has issued over 33 million carbon credits from the Clean Development Mechanism (CDM) and Voluntary Carbon Market (VCM) standards as part of their NDC implementation.³¹ The Democratic Republic of Congo reviewed their climate change law in 2023 to include a clause on carbon markets³² while Burundi is keen to develop carbon markets in line with Paris Agreement Article 6 to meet its NDC.³³ Rwanda developed a national framework for climate action which prioritizes market-based carbon trading,³⁴ while South Sudan made their intentions to leverage nature for carbon trading.³⁵

However, these developments have not meant that each of these countries has developed adequate frameworks for carbon trading. Whereas some of the policies are under final development, most of them cannot be conclusively considered to be future-proof in their understanding of carbon markets, especially on the sensitivities around benefit sharing mechanisms and models.

Key legal and policy frameworks in East Africa contain provisions for benefit sharing, which has emerged as the greatest contention between project developers and communities. For governments, benefit sharing is important as states look to raise finance from project developers whose operations and financing have not been regulated.

³⁰ https://kenyanwallstreet.com/cma-to-support-creation-of-kenyas-carbon-credit-markets/

³¹https://www.climatefinanceinnovators.com/wp-content/uploads/2023/06/Carbon-Report _ Uganda_2023_Rev03_single.pdf

³² https://adelphi.de/system/files/document/final-carbon-markets-conference-in-the-drc_v3-en.pdf

³³ https://easternafricaalliance.org/download/carbon-market-profile_burundi/

³⁴https://www.rema.gov.rw/fileadmin/user_upload/Rwanda_National_Carbon_Market_Framework_updated 1 .pdf

³⁵ https://www.voaafrica.com/a/kiir-climate-measures/7255477.html

Some East African states are keen to institutionalize their engagement in carbon market mechanisms, partly to raise revenue, partly to protect communities, and mainly to streamline effective operations of carbon market projects and mechanisms, in line with their Paris Agreement commitments, which require them to develop registries, regulate, monitor, and report on GHG emission reduction.

Countries like Madagascar, whose REDD+ project was subjected to a nationalization process through an executive decision, were keen to nationalize carbon trading to ensure that communities are not exploited. They developed a framework for nationalization, creating a registry, new institutions, and processes for approval of REDD+ projects. In Uganda, which also has had many REDD+ projects, the law is keen to legislate similar aspects and benefit sharing.

In Kenya, the frameworks are advanced, and the country reviewed its laws to ensure they contain provisions that will maximize benefits to the state, giving actual proportions on benefit sharing as well as prescribing a participatory model for giving guidance and policy direction on carbon markets through a climate change council. During the public participation process for review of Kenya's Climate Change Act, some stakeholders felt that the role of the council should be extended to approval of projects, but this is not the case. However, the council has, in addition to other stakeholders, civil society, and Indigenous Peoples, representatives and it is yet to meet officially and discuss such issues. The country is advanced, as the capital markets traded in carbon markets, and the need for a registry was clear. The Northern Rangelands Trust (NRT) project, which raised issues in 2023, also increased visibility on carbon market exploitation by some project developers, and this was impetus for the state to do this. In Tanzania, carbon markets are growing, and the legislation is following. Many carbon projects in the country are within the realm of technology, and their law has a provision for agreements or MoUs among different actors like private and public sectors.

Rwanda has established an institutional mechanism for carbon markets through a law, while Burundi has indicated its interest in using carbon market mechanisms to raise financing for climate action. The Democratic Republic of Congo, which has in the past been the subject of research that has documented exploitation of its vast forests, has provisions for a carbon tax, and institutional provisions for carbon trading. There were, however, no provisions for issues that have been arising like reports of over crediting, especially VERRA projects, even though some studies indicated that REDD+ projects have dropped to as low as 12% accuracy from 40-80%.³⁶

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³⁶ Goldman School of Public Policy study finds REDD+ carbon credits are overcrediting companies. | Archives | dailycal.org

| Country | Policy or law | Provisions |
|----------|---|---|
| Kenya | Climate Change Amendment Act 2023 | Expands functions of the Climate Change Council to include guidance and policy direction on carbon markets to the national and county governments, the public, and other stakeholders. |
| | | Increases powers and duties of the Minister concerning carbon trading; appointment of the Designated National Authority is by the Cabinet Secretary and mandates that the Authority maintains the National Carbon Registry. |
| | | Provides for Community Development Agreements - that they must have an annual social contribution and sets contribution at 40% per annum for land-based projects and 25% per annum for non-land-based projects. |
| | | Section 33 of the Act incorporates offenses and penalties associated with the regulation of carbon markets. |
| | Carbon trading and benefit | Contains a provision for permits for carbon credit trading known as carbon trading permits. |
| | sharing bill (2023) | Provides for benefit sharing allocations or ratios among all involved in carbon trading including communities. |
| | | Introduces a register not only for carbon projects but for permit holders and benefit sharing agreements. |
| | | Provides for greenwashing offenses mainly on environmental and social safeguards and on concealment of material fact with regard to setting up a project. |
| | | Introduces two key bodies - a carbon trading and benefit sharing authority and a carbon credit trading tribunal with the latter being the working arm while the former deals with disputes arising from carbon trading operations. |
| Uganda | The Climate Change Act, 2021 | Provides a clause on participation in market, non-market, and voluntary carbon trading mechanisms. |
| | 2021 | Provides for participation of project owners to carbon market projects on approval by the minister. |
| | | Indicates that monitoring of projects and regulations are to be developed for this purpose. |
| | | Provides for the development of a national registry. |
| Tanzania | Environmental Management (Control and Management of | Assigns the Designated National Authority, National Focal Point, or National Authority (the Authorities) to coordinate matters relating to environment and carbon trading projects and public awareness on carbon trading mechanisms in Tanzania. |
| | Carbon Trading) | Establishes a National Carbon Registry. |

| | (Amendment) | |
|----------|------------------------------|---|
| | Regulations | Assigns Minister to assign the National Carbon Project |
| | G.N No. 721 of 2023 | Assessment Technical Committee (the National Carbon Committee). |
| | 2023 | Committee). |
| | | Authorizes sector ministries to identify and map potential areas |
| | | for carbon trading mechanisms and to monitor and evaluate |
| | | carbon trading mechanisms and submit the report to the |
| | | Designated National Authority or National Focal Point. |
| | | |
| | | Authorizes carbon project owners to enter into either a |
| | | memorandum of understanding or an arrangement for the |
| | | preparation and implementation of contracts related to carbon |
| | NI-4:I | trading projects. |
| | National | Indicates an overall goal which is to 'enhance national resilience |
| | Climate Change Response | to adverse impacts of climate change and enable the country to pursue low-emission development pathways to achieve |
| | Strategy (2021- | sustainable development by adopting adaptation, mitigation, and |
| | 2026) | cross cutting strategies.' |
| | 2020) | oroso saturig su atogres. |
| | | Identifies opportunities for partnerships i.e. Private Public |
| | | Partnerships and with civil society to mobilize resources through |
| | | carbon trading. |
| | The Wildlife | Ensures that carbon stocks (REDD+) are conserved and |
| | Conservation | protected from deforestation. |
| Madagasc | Act, 2009 Executive | The President bans carbon trading in the country due to |
| ar | Decision, 2017 | governance issues surrounding communities especially on |
| ai | D 00101011, 2017 | benefit sharing. |
| | | 9 |
| | | Mandates reworking of the REDD+ project. |
| | | |
| | | The government moves to nationalize carbon trading. |
| | Ministerial order | Creates the National REDD+ Platform |
| | 14569/2016 Decree N° 2018 | Adopts the National PEDD+ Strategy |
| | Draft Benefit | Adopts the National REDD+ Strategy Adopts institutional arrangements made through several decrees. |
| | Sharing Plan- | Adopto indutational arrangements made unough several decrees. |
| | ER program | Indicates that overall benefit sharing will be done through the |
| | Atiala - | REDD+ projects. |
| | Atsinanana | |
| | | Establishes a national coordination office for REDD+. |
| | | Dravidae a legal basis for the bar of the baring from avery in all relies |
| | | Provides a legal basis for the benefit sharing framework including types of benefits and beneficiaries, criteria, and percentages and |
| | | the process. |
| | | and process. |
| | | Identifies carbon credits as public resources. |
| | | |

| | | Establishes a special assignment account where all carbon credit revenues are received and managed. |
|---------|--|---|
| | | Creates an interministerial committee for the environment that validates REDD+ proposals. |
| Burundi | Nationally Determined Contribution (NDC) | States intention to participate in Article 6-backed carbon markets to resource NDC implementation. |
| Rwanda | National Environment and Climate Change Policy (NECCP) | Identifies carbon trading as one resource mobilization method to resource NDC implementation. |
| | National Carbon Framework | Establishes an article 6 framework to facilitate Rwanda's participation in carbon markets (market and non-market approaches). |
| | | Designates Rwanda Environment Management Authority (REMA) as the focal point for Article 6.4 and establishes a carbon market office. |
| | | Designates the Private Sector Federation to be the body representing private sector interests in Art 6. |
| | | Established and identifies members of a Standardized Crediting Framework Governing Board and a technical committee. |
| | | Establishes guiding principles for participation in carbon markets. |
| | | Designates the government of Rwanda as overall decision maker on carbon markets per this statement: "Approval and no objection decisions related to carbon market and non-market activities to be developed in Rwanda." |
| | | Establishes an extended governing board for extended or longer-term oversight. |
| | | Lists all institutions involved in carbon trading and provides an implementation framework. |
| DRC | Environment Law No. 11/009 Amendment, | Introduces implementation of a carbon tax. Establishes a carbon market regulatory authority. |
| | 2023 | |

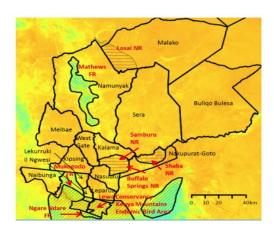
Case studies of carbon projects in East Africa

The highlighted case studies are indicated on websites of voluntary carbon market standards developers and contain observations from reviewing project documents and engaging with key stakeholders during consultations. The case studies are based on projects in Kenya, Tanzania, and Uganda.

Case Study 1: The Northern Kenya Grassland Carbon Project (NKGCP)

The Northern Kenya Grassland Carbon Project (NKGCP) is a large-scale initiative aiming to improve grassland health and sequester carbon in the soil of community rangelands in northern Kenya. Northern Rangelands Trust (NRT) is the project developer and manager. The organization likely retains a portion of the revenue to cover operational costs, staff salaries, and project administration. There are multiple consultancy-based engagements of companies assisting in project design, marketing, and carbon credit sales that may receive a share of the revenue.

This project is registered under VERRA ID#1468 as an Agriculture Forestry and Other Land Use



(ALM) using methodology VM0032. It is expected that this project will be updating baselines and methodologies.

Determining who received the direct financial benefits from the sale of carbon credits in the Northern Kenya Grassland Carbon Project (NKGCP) is a complex issue involving multiple stakeholders. The primary stakeholders are listed as NRT, various consulting firms, and a Community Carbon Fund where approximately 25% of the revenue supposedly goes, to support local communities through projects like drought relief, scholarships, and infrastructure development.

Project details

| Area | Around 1.9 million hectares of savanna grassland in northern Kenya. |
|---------------------------|--|
| Goals: | Enhance rangeland health, promote sustainable livestock grazing, and sequester carbon dioxide in the soil. |
| Method: | Implements coordinated rotational grazing, proven land management practices, and monitoring of soil carbon content. |
| Claimed Benefits: | Aims to remove 50 million metric tons of CO2 from the atmosphere over 30 years, while supporting the livelihoods of local communities. |
| Status: | In implementation |
| Primary Stakeholders | NRT, various consulting firms, and a Community Carbon Fund (25% of the revenue). |
| Secondary Stakeholders | Local communities (organized as conservancies), Carbon Offset Buyers, e.g. Meta and Netflix, etc. |

Observations

Information on the breakdown of financial distribution between the project implementer and the beneficiary conservancies (Specific beneficiaries), especially within the community, are not readily available publicly, hence the effectiveness of the Community Carbon Fund in supporting

local needs and ensuring equitable distribution is contested. Overall, while the project outlines benefiting various groups, the actual distribution and impact have been contested in the recent past. Concerns about transparency, community involvement, and adherence to social and environmental standards remain under review with VERRA.

Case Study 2: The Chyulu Hills Carbon Project, Kenya

The Chyulu Hills Carbon Project in Kenya is a successful example of a REDD+ (Reducing Emissions from Deforestation and Forest Degradation) project. Implemented by the Chyulu Hills Conservation Trust (CHCT) in partnership with communities (represented by BIG LIFE (BL) and Maasai Wilderness Conservation Trust (MWCT), state entities such as KWS and KFS, and NGOs like Conservation International (CI). Chyulu Hills is home to critical wildlife populations and acts as a significant carbon sink. However, deforestation and forest degradation threaten these benefits.

The project is characterized by strong community engagement that prioritizes community participation in decision-making and ensures benefits reach residents. There is transparent benefit sharing through a clear mechanism that distributes carbon revenue to communities for conservation and development activities. There is also an effective monitoring system to track deforestation rates and carbon sequestration.

"Biglife. And most easily the community members employed. We also have barazas with the grazing committee" - Community Respondent #4

"Some community members feel some irregularities in the financials of the project. There is a current complaint on recent project team changes and demanding transparency on decisions" - Community Respondent #5

Project details

| Area | Approximately 400,000 hectares of land. |
|-------------------|---|
| Goals: | Mitigate climate change by conserving and restoring forests in the Chyulu Hills ecosystem. |
| Method: | Reduce deforestation by discouraging activities like charcoal production and logging through community engagement and alternative income generation. Restore degraded lands: Promote reforestation and sustainable land management practices. Generate carbon credits: The project earns credits by (demonstrably) reducing emissions from deforestation. These credits are then sold to companies aiming to offset their carbon footprint. |
| Claimed Benefits: | Over 400,000 hectares of land conserved and restored; an 83% reduction in forest clearance; over 700,000 metric tons of CO2 emissions prevented annually. Over 5.1 million carbon credits registered (over £8 million). Community benefits: Project revenues have funded initiatives like fire management, disaster relief, and livelihood diversification. It supports beekeeping and other income-generating activities. |

| Status: | In implementation |
|---------------------------|---|
| Primary Stakeholders | The Chyulu Hills Conservation Trust (CHCT) members, surrounding community land groups (formerly group ranches), |
| Secondary Stakeholders | Other NGOs in the greater Chyulu Amboseli landscape. |

Observations

Like all carbon projects, some challenges experienced in implementation include changes in land tenure rights. Since the establishment of the Chyulu Hills REDD+ Trust, clear ownership of carbon rights is with communities. During the period of implementation, evidence of this ownership right changed from community group ranches, made unconstitutional by Kenya's Community Land Act of 2016. There now is conservation-friendly land-use planning that has allowed for individualized subdivision of land.

"Well, in some way, most have been, but certain hot issues take forever to get resolved. For example, the issue of transparency of benefits. If there is nothing to hide, why not make it clear." - Community respondent #7

Additionally, the project's two main implementing partners BL and MWCT have improved initial communication challenges by improving information flow to all stakeholders - with some still noting areas for additional improvement.

During the most recent verification period (2016-2020), the project reported four grievances, all of which were reported to have been resolved.³⁷ Other known conflicts within the project area did not result in formal grievances, raising some guestions about awareness or trust in the GRM.

The Chyulu Hills Carbon Project serves as a model for REDD+ initiatives in Kenya that demonstrate the potential for carbon finance to contribute to both climate change mitigation and community development.

Case Study 3: One Mara Carbon Project, Kenya

The One Mara Carbon Project (OMCP) is an ecosystem-level conservation initiative that aims to protect ecological resources and provide economic and social co-benefits for communities. It does this by incentivizing conservancy formation and grassland restoration in the Maasai Mara landscape in Kenya. The project seeks to restore degraded rangelands through improved grazing management and prevents further loss of grasslands by providing alternative livelihoods for

³⁷https://registry.verra.org/mymodule/ProjectDoc/Project_ViewFile.asp?FileID=53898&IDKEY=qiquwesdfmnk0iei23nnm435oiojnc909dsflk9809adlkmlkfl74325342

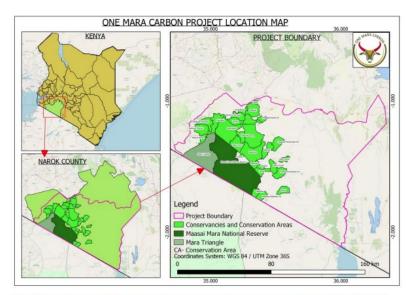


Figure 2: The One Mara Carbon Project location, including the conservancies under the MMWCA.

communities, building resilient conservancies, ensuring biodiversity conservation, and enhancing tourism.

This project location/site is worldrenowned for the expansive rangelands where agropastoral and wildlife coexist. However, there is land degradation and gradual loss in soil organic carbon (SOC) due to land subdivision into small, fenced land parcels and from long-term extensive grazing by livestock. Communities living within the ecosystem depend on grasslands to provide livelihoods that will meet their socio-economic needs and thrive

when the conditions are good. Implementing climate change mitigation measures and halting land degradation are vital to ensuring the longevity of this world-famous conservation area.

The project is anchored on implementing sustainable grazing management practices like rotational grazing and controlled burning to promote healthy grass growth and prevent overgrazing. Improved land management techniques like bush encroachment control and water management further enhance grassland health for the benefit of livestock and wildlife, improving tourism outputs.

Community involvement is realized through the projects' closely partnering with the Maasai Mara Wildlife Conservancies Association (MMWCA) and local communities to ensure their participation in benefit sharing.

Improved grassland health has environmental benefits. It promotes biodiversity, reduces soil erosion, and increases carbon sequestration, contributing to climate change mitigation. It should lead to increased economic benefits from revenue generation through the sale of carbon credits, providing a new income source for the Maasai communities that manage the conservancies and rely heavily on tourism income. Socially, the project will empower local communities by providing them with a stake of the project's success and improve and foster sustainable land management skills and practices.

The project is still under development and is not yet generating carbon credits. It is being financially and organizationally supported by the lead entities of MMWCA, Conservation International, and Ahueni (a consortium of impact-motivated donors).

Project details

| Area | Around Maasai Mara National Reserve and surrounding group ranches, Kenya. |
|--------|--|
| Goals: | Enhance wildlife conservation and community livelihoods in the Maasai Mara ecosystem through carbon sequestration. |

| Method: | Promote regenerative grazing practices: training Maasai communities on holistic management techniques to improve grasslands and increase carbon storage. Reduce human-wildlife conflict: creating alternative water sources for livestock outside wildlife corridors. Increase wildlife populations: habitat restoration fosters populations of key herbivores like zebras and wildebeest, which attract tourism revenue. |
|---------------------------|---|
| Potential Benefits: | Increased carbon sequestration through improved grassland health, leading to greater carbon storage in the soil. Enhanced wildlife populations that benefit iconic species like lions, elephants, and zebras. Improved livelihoods through ecotourism and additional carbon credits revenues that provide sustainable income for Maasai communities. |
| Status: | Under development |
| Primary Stakeholders | The Maasai Mara Wildlife Conservancies Association members, surrounding community land groups (formerly group ranches), civil society organizations, and the County Government of Narok. |
| Secondary Stakeholders | Other NGOs in the greater Maasai Mara landscape. |

Observation

The One Mara Carbon Project has been touted as one that holds promise as a potential model for achieving environmental, social, and economic benefits simultaneously. However, it is crucial to monitor its development and implementation to ensure long-term sustainability and adherence to applicable environmental, economic, and social safeguards.

Yes, I know about one Mara carbon project that is mainly facilitated by MMWCA and implemented by conservancies in the Mara Landscape. - Individual Respondent #6.

Yes, I've heard several times about carbon projects that are being brought about by conservation. They say when we conserve forests, we will get more money from carbon. - Individual Respondent #7

Yes, I know of the Mara Landscape carbon project which is creeping in slowly but surely. I have gone for one carbon project meeting at Nyakweri forest conservancy. It was facilitated by Maasai Mara Wildlife Conservancies Association. - Individual Respondent #8

Yes, I have heard of a carbon project being started by Oloisukut Conservancy. - Individual Respondent #11

There is a good level of awareness on the project with MMWCA (Maasai Mara Wildlife Conservancies Association) an association body of the member conservancies responsible for the awareness and level of community (landowners engaged). The project will utilize the existing structure of landowners' groups into conservancies for ecotourism-based livelihood to develop the carbon project.

Case Study 4: Kasigau Corridor REDD+ Project, Kenya

The Kasigau Corridor REDD+ Project is a wildlife conservation project in Kenya that also tackles climate change through carbon reduction activities in Taita Taveta County. Wildlife Works Carbon

(WWC) has been implementing the project since 2005 and is verified under the Verified Carbon Standard (VCS) and the Climate, Community and Biodiversity Standards (CCB Standards). The project area covers all the land known as Rukinga Sanctuary (Phase I & II), and now includes the area between Tsavo East National Park and Tsavo West National Park south and east of Voi town, and includes the communities of Maungu, Itinyi, Buguta, Marungu, Kale, Mwakasinyi, and Sasenyi, as well as the privately held Group Ranches of Kasigau, Taita, Amaka, Maungu, Mgeno, Kambanga, Wangala, and Buchuma.

Phase II added land that is divided among 13 ranches that vary in their form of ownership, from individual ownership (i.e. large properties owned by one or two people), ownership by private companies limited to 50 shareholders, and under Directed Agricultural Companies (DACs) with membership of up to 2,500 persons based on share ownership. The three categories of beneficiaries are: (1) ranch owners, who are individuals or groups – private companies or DACs – with membership based on share ownership; (2) project implementer – Wildlife Works – which covers patrolling, monitoring, and employment; and (3) communities living in the project area.

Project details

| Area: | Taita Taveta County, including Rukinga Sanctuary (Phase I & II), and the area between Tsavo East National Park and Tsavo West National Park. |
|---------------------------|--|
| Goals: | A multi-pronged conservation goal that tackles both wildlife preservation and climate change mitigation. |
| Method: | Protecting Dryland Forest: (the Kasigau Corridor, a critical wildlife corridor linking Tsavo East and West National Parks). |
| | Reducing Pressure on the Ecosystem: by creating alternative income sources for local communities, that will reduce activities that harm the environment such as poaching, charcoal burning, subsistence farming that strains resources, and illegal logging. |
| | Sustainable Forest Management: by fostering sustainable ways for people to interact with the dry land forest and involves techniques like conservation agriculture or creating ecofriendly products. |
| Potential Benefits: | A balance between human well-being and environmental health that empowers communities while protecting the wildlife corridor and its crucial role in the larger ecosystem. |
| Status: | In implementation (verified multiple times) |
| Primary Stakeholders | Community ranches, Rukinga Sanctuary, Tsavo East National Park and Tsavo West National Park. |
| Secondary Stakeholders | County Government of Taita Taveta, communities outside the project area. |

To represent the population of approximately 120,000 people in the project structures, 6 Locational Carbon Committees (LCCs) and Community Based Organizations (CBOs) have been established. The LCCs, whose members are elected every two years, are the key decision-making bodies. They determine the spending of community allocations from carbon sales, including the distribution of benefits according to a proposal/award system, and are composed of committees that closely mirror in proportion the different ethnic community groups.

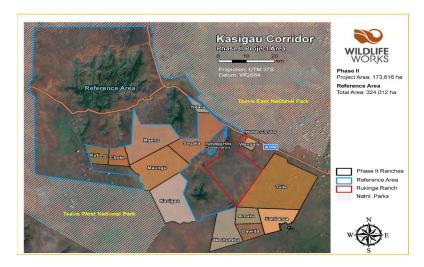


Figure 4. The Kasigau Corridor REDD+ Project Phase II – The Community Ranches Project Area and Reference Area Spatial Boundaries. Source: Kasigau 8th Monitoring Report, 2022

Observation

While the project has a Grievance Redress Mechanism (GRM) as part of the Stakeholder Engagement Policy, and a Community Engagement and Outreach Manager responsible for receiving, registering, and processing all grievances, a grievance was submitted through the VCS public comment period (February 2020) on the Kasigau Phase II proposal, which claimed discrimination in hiring practices by WWC.

In November 2023, a report by SOMO and KHRC detailed a series of abuses against women and men of Kasigau committed by senior WWC staff that strongly suggests the project grievance mechanism was not working.³⁸ The SOMO/KHRC report describes in first person accounts how over an extended period, and without a grievance being registered, 31 persons have experienced or observed acts of Sexual Exploitation, Abuse, and Harassment (SEAH) and GBV. The SOMO report observes that numerous (8) unique VVB audits of CCB standards since 2011 have failed to detect a non-conformance in this aspect of governance, while instead praising the project's gender equity achievements.³⁹ The report triggered a suspension in credit issuance by VERRA and an internal investigation launched by a third party contracted by WWC. The internal investigation confirmed some of the allegations, resulting in the firing of two of the men involved and the suspension of a third person. WWC announced in response to the findings of the SOMO/KHRC report a series of sweeping governance and safeguard reforms to address the disturbing human rights violations and restore the confidence of carbon credit buyers.

WWC's response to the SOMO report published on Nov. 6, 2023 states:

"Along with beginning the third-party investigation by an independent Kenyan firm, we took steps to examine and strengthen our HR policies and procedures where needed. These

³⁸ SOMO and Kenya Human Rights Commission (KHRC), "Sexual abuse and harassment at the Kasigau Corridor REDD+ Project in Kenya," November 2023. Offsetting human rights - SOMO.

³⁹ See most recent (2022) <u>Kasigau Phase I and Phase II recent Verification reports</u>.

included making improvements to and increasing transparency within the grievance process, and associated checks and balances." ⁴⁰

At the outset of the project, the benefit-sharing plan had been devised by WWC and accepted by property owners and communities as an equal revenue share: one-third for landowners, one-third for project communities, and one-third for all core project operations, investors, and the project proponent (WWC). However, due to market uncertainty and lessons learned during the initial phase of project implementation, this distribution arrangement was renegotiated. The revised benefit sharing mechanism agreed upon amongst the three key stakeholders was as follows: after a sale happens and transaction costs are paid (e.g., sales commissions and registry costs), the contractual one-third of net revenues are paid first to landowners. Then all project implementation costs are paid, including salaries and core operations. Finally, the remaining profit is shared equally between project communities and project investors, the latter including the project proponent (WWC). After paying for the core project operations, revenue from carbon credit sales for community benefit sharing is distributed through the Wildlife Works Carbon Trust (WWCT) and is used to fund self-determined community projects.

Case Study 5: East and West Usambara Mountains, Tanzania

There are several conservation projects happening in the Usambara Mountains of Tanzania, focused on both the East and West Usambara regions. The Tanzania Forest Conservation Group (TFCG) has separate sustainable forest management projects focused on the East and West Usambara Mountains where they work with local communities to promote practices like conservation agriculture and beekeeping, while also protecting water sources and forests for the long term.

East Usambaras: Here, TFCG concentrates on creating "forest corridors" to reconnect isolated forest fragments. They aim to achieve this by:

- Supporting the establishment of village forest reserves.
- Encouraging tree planting and agroforestry practices around these critical corridors.
- Training villagers in sustainable land management techniques.
- Providing alternative income opportunities like beekeeping and butterfly farming.

West Usambaras: TFCG's project here focuses on improving lives and conserving resources for local communities. They aim to achieve this by:

- Partnering with villages to plant trees and protect water sources.
- Implementing integrated water resource management plans.
- Training villagers on better agricultural practices to reduce poverty.

Project focus

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⁴⁰ Wildlife Works official statement to SOMO's Report

⁴¹ M. Githiru (2016): Correcting inequity: How the implementation of the Kasigau Corridor REDD+ Project in fact redresses past injustices. Response to Chomba et al. Land Use Policy 57: 619–624. See Table 1 in Chomba, et al. Roots of Inequity: How the Implementation of REDD+ reinforces past injustices, Land Use Policy, 50 (2016) pp. 202-213, which provides the revenue received from the sale of carbon credits in \$US in 2010 and 2011 ranging from \$6,154 for a ranch owned by two individuals to \$294,690 for a private company owned ranch.

Reforestation: This is a major focus, with projects like the one by Reforest Action aiming to plant trees in degraded areas and around nature reserves. This helps prevent soil erosion, conserve water sources, and create habitats for wildlife.

Biodiversity conservation: This is another important goal, with projects like the one on Tree-Nation working to preserve the unique species of the Eastern Arc Mountains. This involves education and reducing dependence on forest resources.

Forest landscape restoration: Projects like WWF's "Forests for Life" program aim to restore degraded forests, improve livelihoods for local people, and create better forest governance. This involves creating connections between fragmented forests and promoting sustainable use of forest products.

Observation

These projects are meant to play a role in protecting the Usambara Mountains' unique biodiversity, while also supporting the communities that live there. The Tanzania Forest Conservation Group (TFCG) has separate projects focused on the East and West Usambara Mountains: West Usambara Mountains, East Usambara Mountains, South Nguru Mountains, Uluguru Mountains, Rubeho Mountains, Uzungwa Scarp Forests, and Mufindi's Forests as standalone projects.

Each individual project operates in accordance with the governance structure and policies of the country, especially the National Strategy for Growth and Reduction of Poverty (known locally by its Swahili acronym – MKUKUTA) which identifies various strategies towards improved quality of life and wellbeing. Communities in the project area exercise their right to manage forests on village land and to participate in the management of forests that are owned by the government. Many communities in the West Usambara Mountains are practicing participatory forest management through the establishment of Village Forest Reserves. The unit projects create an investable opportunity for attracting climate finance as a solution to the key challenge that communities face in managing these forests.

Accessed technical reports indicate that TFCG carried out a series of stakeholder consultations⁴² with community representatives, local government, and other NGOs working in the West Usambaras with a view to evaluating their work in the area and identifying emerging priorities related to forest conservation.

Each unit project design is then improved upon based on the lessons learned by other TFCG projects and implemented closely with the two District Governments and other related initiatives and NGOs working in the area. These closely related projects provide learning sharing as well as replicating proven best practices for the sustainable management of the Eastern Arc Mountain ecosystem.

The consulting team did not manage to secure in-person meetings with representatives of TFCG but a partner report⁴³ indicated that implementation in the East Usambara landscape has

⁴²https://www.tfcg.org/wp-content/uploads/2018/05/TFCG-West-Usambara-Baseline-Report-2011.pdf

⁴³Lessons Learnt from 10 Years of Restoration of Coastal and Sub-montane Tropical Forests: The East Usambara Landscape (Tanzania)

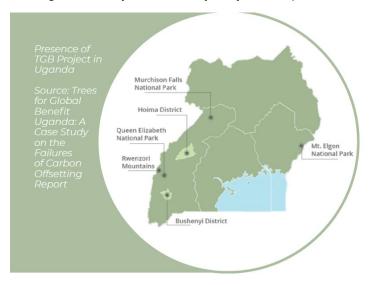
demonstrated that there are means to align the social and ecological systems. Restoring forests is a necessary and feasible option within the East Usambaras for immediate and long-term benefits to people and the ecosystem. Agroforestry techniques, alternative income-generating activities that are compatible with forest conservation and restoration, community forestry, and support in terms of market access and finances, all contributed to the overall package of the tenyear FLR initiative in this landscape. It particularly reaffirms the need to ensure long-term and diverse funding.

Case Study 6: Trees for Global Benefits, Uganda

This project incentivizes small-scale farmers to manage their resources sustainably in exchange for access to markets. The Trees for Global Benefit (TGB) scheme pays farmers for tree-planting and pools carbon credits for sale on the voluntary market. The model benefits livelihoods and the environment while making sustainable practices more profitable.

The small-scale landholder farmers adopt climate-smart agriculture through a cooperative carbon offsetting program. In the scheme, farmers register and estimate the amount of carbon to be generated from their altered farming activities, along with specific terms and conditions. Credits are then aggregated and sold on the voluntary carbon market using the <u>Plan Vivo</u> system. Income from the sale of carbon credits provides the financial capital required to sustain the modified landuse practices.

A case study on the project "Failures of Carbon Offsetting" report⁴⁴ identified this as an example of a growing number of global greenwashing exercises that are not only failing to reduce the amount of carbon being released into the atmosphere but also inflicting adverse environmental, social, and economic impacts on the local communities involved. Its report based on engaging communities of Kigaaga A, Kigaaga Parish, Kabale Sub-County in Hoima District, and in the communities of Kyakayemba Village, Kidoma Parish, and Kiziranfumbi Sub-County in Kikuube District concluded that the project was not delivering its promised benefits, and participants were growing increasingly bitter and desperate, feeling trapped by the 25-year contracts they had signed and by not receiving the money and security they had expected.



⁴⁴ https://globalforestcoalition.org/wp-content/uploads/2022/10/Informe_Uganda_2-1.pdf

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When asked to "describe an issue causing tension/problems with the carbon project," Individual Respondent #2 (Male 31-50yrs) remarked that the key issue is the "valuation of forests planted."

Some community members claim that they get little money from keeping forests intact."

The expected earnings are "performance payments." The 2021 annual report⁴⁵ on the TGB project indicated that in Hoima, only 51% of farmers (146 out of 287 monitored) met their target—meaning the rest did not receive the expected payments. In Kikuube, the success rate was slightly higher at 63% (170 out of 267 monitored). The underperformance was a result of the drought resulting in farmers failing to plant and meet their targets.

Case Study 7: Installation of high efficiency wood burning cookstoves in Tanzania

The project, implemented as a grouped project, employs VCS methodology, VMR0006, and involves distribution of energy efficient cookstoves to households. The stoves burn wood more efficiently, reducing thermal loss and improving thermal transfer to pots, hence saving fuel wood. Apart from halting the progressing deforestation in Tanzania, this project aims at reducing health hazards from indoor air pollution and time spent collecting firewood.

According to the Joint Validation & Verification Report, 46 such energy efficiency carbon projects do not pose any potential negative environmental and socioeconomic impacts, as they do not coerce the population into any practice or habit which they are not willing to take up. This is because the cooking practice or habit on the project stove is similar to what was practiced before implementing this project activity, i.e., on the baseline stove.

The report goes on to add weight to the lack of transparency and accountability of the project by commenting that there were public complaints registered with VERRA asking for clarification requests on claims that the project reporting lacks transparency and that further information is needed to determine if a material discrepancy is present. The complaint was validated and a material discrepancy or non-conformance identified as an issue that the project proponent must address. There are no recorded responses on the complaint or on whether the project made improvements.

Case Study 8: DR Congo mangrove blue carbon project

This project (open for comments until April 2024) falls under the global category grouping of the Central African mangrove ecoregion. Mangrove forests of DRC are crucial because of their importance in provision of goods and ecosystem services which are unique to this type of forest. They include shoreline protection and the role as a feeding and breeding ground of commercially important fisheries due to their location at the tidal estuaries of River Congo and their support to a wide range of biodiversity. Through the implementation of the mangrove REDD+ project in the area, the project proponents aim to conserve the mangrove areas by addressing the drivers of deforestation.

The project is being developed in partnership with the *Institut Congolais Pour la Conservation de la Nature* (Congolese Institute for Nature Conservation, ICCN), which is the government partner

⁴⁵ https://www.planvivo.org/Handlers/Download.ashx?IDMF=f4b94eea-0335-4ca3-b0b7-424726c5aa2f

⁴⁶https://registry.verra.org/mymodule/ProjectDoc/Project_ViewFile.asp?FileID=94495&IDKEY=lq934lkmsad 39asjdkfj90qlkalsdkngaf98ulkandDfdvDdfhl130308605

responsible for the upkeep and conservation of national parks and reserves in the country. The other major stakeholders are the local communities of Kinlau and Malela. The two communities live around the protected mangrove area, a resource they depend on for various ecosystem goods and services.

Observation

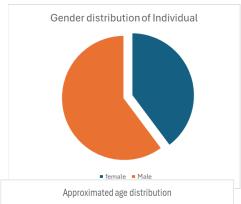
The Bassolongo "Assolongo," are the Indigenous peoples that occupy the Congo River mouth, having lived in the area for generations. They are grouped into villages, from two groups, the Malela and the Kinlau. Among the Basolongo, the kinship system regulates their social system. There is no documentation on how the project will utilize this cultural governance structure for its regulatory functions or even grievance redress.

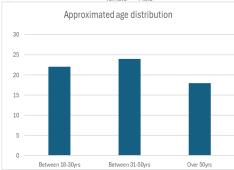
There is a dissenting belief among some community members that the project activities may hinder their continued use of the resource. Despite the area being a protected area, community members have been able to continuously take and use the resource both legally and illegally. However, it is the illegal uncontrolled users who appear disenfranchised and are voicing concerns on having increased management activities.

The project benefits are anticipated to be channeled to a community account managed and operated by a community committee, which will be at liberty to choose the project to use the funds on. Technical advice will be provided by the project entity where need be and only when consulted by the community on how to share the benefits, which is a negative characteristic of most projects reviewed. The foreseen community level projects mentioned by the communities include clean water projects, improved agriculture, improved fishing methods, and local hospital and school supplies.

Community consultations on carbon projects in East Africa

Gender distribution and gendered issues





This uniform age distribution provides a balanced sampling of general social groups around the project areas.

When asked the following questions and follow-up questions: "Has the project changed the way you work or

Between the 5th and 28th March 2024, over 150 individuals were consulted through individual responses (68), group discussions (10), KIIs (20), or as representatives of actors (24). There were 11 group sessions of between 4 and 20 people. Local research assistants who underwent training on basic research ethics and on the primary data collection tool - KOBO - undertook field data collection.

In total, 104 unique individuals were engaged representing 39% female and 61% male gender distribution.

From this total, 68 individual respondents had an even approximated age distribution of 34.4% (Between 18-30yrs), 37.5% (Between 31-50yrs), and 28.1% (Over 50yrs).

Q: How are human rights and social safeguards specialists involved in the operational decision-making process to prevent violations?

"Most of these projects are more less top-down approach. The issues of human rights are given a blind eye. The rights of women particularly are most cases trampled on since most of them do not own land. The lion share goes to men who own land." -Mika Asiku, Carbon Developer

live? How has it changed you? Has it changed the community's way of life?" There was a mention of "increased my household income," "increased role of women in conservation activities," as well as identifying women's selection into various decision-making structures. Whether women indeed have a genuine decision-making power or not, is not conclusively reflected in the responses recorded.

Further, when asked "What have you observed as changes in the relationships or practices of men, women, youth, elderly and PWDs (Persons with disabilities) during implementation of carbon projects? In family or community decision making, cultural practices, school-going or any others?" most respondents (67%) recorded an appreciation of improvement as the observed change in the relationships or practices of men, women, youth, elderly, and PWDs in relation to the project and general involvement in society. Some respondents reiterated that the values and norms of society had not changed drastically, while most noted that there was an overall agreement on the need to involve all genders and pay close attention to women and PWDs. When further probed on the reason for this "improved relationship," some identified the impact of civil society, and also the project proponents in creating awareness.

"Sometimes, women shy away from airing their views however it has improved compared to before."

-KII Respondent #15 (Male, over 50yrs)

"I think it's change in mindset, plus conservancy has shown us that we are all equal as members."

- Community Respondent #13 (Female, 31-50yrs)

While there is progress in the integration of gender issues into the implementation of carbon projects, there is still a long way to go. For example, there is no clear mention of how women are equitably sharing in the carbon revenues, there is mention of them involved in decision making structures but cannot be verified if they have decision making powers, etc.

KII Informant #23 remarked that "Due to gender roles and limited women (ownership) rights on land, most decisions are taken by males and so the benefits almost go to males only."

Various actors agreed that there were still challenges in the involvement of women in cession making and benefit sharing processes.

KII Informant #7 remarked that "Culture -women have the fear of speaking out in meetings.

Women participation is minimal."

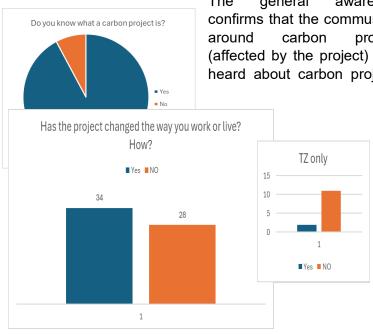
This confirms the deep-rooted cultural practices of predominantly patriarchal societies and that despite the availed opportunities, there was still a great lack of project engagement capacities of women.

KII Informant #11 from Narok County further added that "Yes, the issue of gender sensitivity has always been very hard. This is because ladies are not yet willing to take decisive positions in projects that involve men."

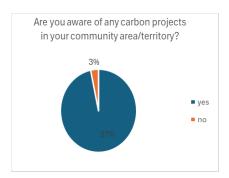
Awareness of carbon projects

92% of the respondents demonstrated awareness of what carbon projects are. The majority of these respondents could name a carbon project in their area, at 97%. The majority of the respondents identified climate change and environmental issues that directly impacted their livelihoods, e.g. oil erosion, tree destruction for charcoal, deforestation, bare land due to overgrazing, extinction of tree species, too much rainfall, prolonged dry season, among other responses. There was an average ability to point out carbon project activities, and where

identified, the project activities indicated were direct responses to the impacts of climate change listed.



The general awareness confirms that the communities projects (affected by the project) have heard about carbon projects.



Respondents did not all demonstrate understanding of what a carbon project is and the types of carbon sequestration being explored by the projects. To some respondents, a carbon project refers to project activities synonymous with the project while entity. in other cases. respondents understood it to be a project like the other activities of the

project proponent. If the project proponent is a conservation organization, they would understand it to be a normal conservation project.

When asked if the carbon project in their area had changed their lives in any way, 54% of the respondents said "YES." In Tanzania, this number stood at 15%.

Regarding how the project has changed their lives, some respondents identified project benefits extended to them by project developers/proponents, and livelihood diversifications attributed to the project. Some of the benefits included increased school attendance by children, education bursaries, tanks and pipes used to improve access to drinking water, kitchen gardens and employment (long term, casual, and short term) mostly to women and youth. Only 4 respondents (3 from Tanzania) mentioned funds paid to community members from the carbon offsets as a benefit. This is an indication of project benefits mainly being non-financial benefits, and the realization of financial benefits (distribution of net revenue) remains a rare case.

"The project has paid me carbon incentives which I have used to complete construction of my house. The project encourages planning for my land by developing land use plans which show how well to use my land. I am able to grow various crops, fruits, and trees in my garden to increase my livelihood." - Respondent #12, TZ.

Additionally, responses on how the project has "changed the communities' way of life" varied. Some respondents identified the re-introduction of 'rules' and 'managed use of natural resources' without detailing if the rules were infringing on any natural resource use rights. Other responses were 'improved role of women in conservation activities,' 'improved availability of water,' and 'increased my household income.' The response 'improved safety in terms of human-wildlife conflict reduction' was mentioned often.

It was clear that some respondents could not distinguish between what carbon projects are and the direct and indirect effects of carbon projects on their lives. However, from a governance perspective, there was a clear understanding of project owners or developers and their overarching leadership over carbon projects.

Policy provisions

59% of the respondents did not know of "any existing policy provisions or laws on carbon projects." Most respondents who could identify policies on carbon projects listed "Tree planting policy," "Climate change policy," and "Carbon markets policy" without being able to provide additional information on the provisions.

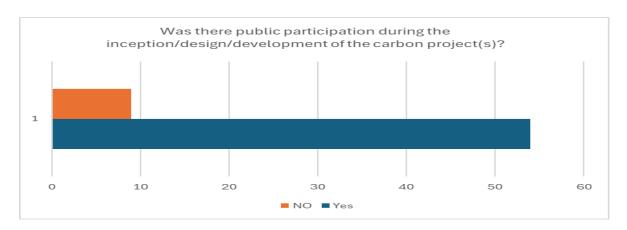
"There are laws that govern carbon project but I'm still not fully conversant with them."

Respondent #27

Most respondents did not know whether "there were adequate policies and if they are properly enforced." Some guessed without providing details, but a few indicated that carbon project companies must be exploiting the lack of policy protection.

45% of the respondents from Tanzania could identify sub-national policies or directives on carbon projects or conservation in general in comparison with 21% in Kenya. Respondents from Uganda could not identify any policies, regulations, or involvement of sub-national levels of government. This is consistent with the finding that only respondents from Tanzania identified how community leaders and local level governance structures are implementing policy guidance on carbon projects - even though this knowledge does not guarantee that the implementation is effective.

Informed consent, decision making, and participation



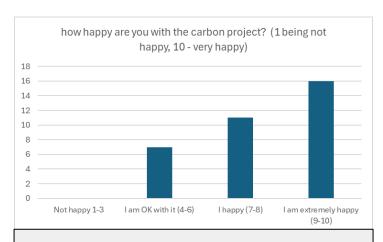
85% of the individual respondents identified some form of public participation that occurred at different levels of the project cycle. All (except 2 of the key informants) indicated that in their

opinions, their respective communities gave informed consent to the development of the carbon project.

"Community meetings, and wazee (old men) gathering," "conservancies-based meetings," "community engagement meetings," and other forms of organized consultations were identified as means in which consent was given.

Some of the respondents could identify a session for a unanimous decision/voting to confirm decision, or for voicing of any disagreements to the consent.

When asked to identify a person who gave consent on behalf of the community, project managers,



Yes, all of us especially in decision making.

- Individual Respondent #15

Yes, the board.

- Individual Respondent #16

Yes, I was a community representative in a decision-making meeting.

- Individual Respondent #17

representatives of the project entity, Chiefs, grazing committees, land committee members and adjudication team, and elders were the commonly cited responses.

From the few respondents that indicated 'no consent given,' most indicated "never hearing of any public consultation or anyone who attended them," while others indicated that perhaps "those (community members) that were taken (selected) for additional training must have given the consent."

Across the KIIs and community leaders consulted, the majority were "more than happy" with the carbon projects in their respective areas. They demonstrated awareness and ownership of carbon projects in the areas surveyed. Additionally, 55% of the KIIs reflected being aware of "conflicts or tensions that arose from community interactions with carbon credit projects." "Conflict of interest," "lack of enough resources to

share out," and "lack of an understanding on the project" were most frequently mentioned as the reasons for such conflicts or tensions.

A critical component of informed consent is the need to ensure consistent communication and engagement with the project. When asked if there had been further consultation or communication on the project, key informants responded similarly. Those that indicated that there was consistent engagement identified project workshops, activities such as tree planting, resource use planning meetings, and grazing committee sessions every time carbon revenues were released. They indicated that there were also monitoring activities.

"Last week (referring to mid-March 2024) we came here to consult on how to expand the grass seeds and identify areas for the next bounds. We also profile the members to be considered for employment."

Individual Respondent #4

Grievance, redress, and accountability

The majority (75%) of the KII respondents indicated an awareness of "where to register their

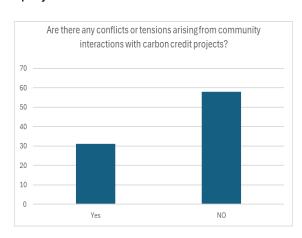
complaints/grievances/problems or issues with the carbon project, or any project."

IF YOU HAD A COMPLAINT/PROBLEM OR ISSUE WITH THE CARBON PROJECT, OR ANY PROJECT, DO YOU KNOW WHO TO RAISE IT WITH?

When probed further on whether they could identify where (offices or office holders or person) they would register such grievances / complaints / problems, most identified the local government officials (e.g. Chiefs, WMA officials), conservancy management teams including the grazing committees, while others listed the community leaders and project developer offices. None of the respondents indicated being aware of any

"complaints box" or "contact address."

Most of the individual respondents indicated that they were not aware of any conflicts/tensions between communities and carbon project owners or developers. Several respondents identified possible tension/conflicts such as "general disagreements on the project," "carbon accounting and calculations," "resource divisions," "conflict of interest," "conservation is contributing pressure to land subdivision," "livestock seizing and control by carbon projects," or "financial irregularities in projects." Others "wanted cash in their hands," listed "political interference," "land tenure and



rights Resource use and access restrictions," and "human - wildlife conflicts."

When asked to give specific examples of grievances/complaints, whether ongoing or closed, very few respondents could list them. Only one respondent who was from the proximity of a carbon project being implemented in Tanzania mentioned that during project monitoring activities they did receive feedback on corrective actions taken in monitoring activities. Another from Uganda mentioned "feedback meetings to resolve farmers' concerns." An additional respondent from Kenya mentioned an open grievance made about

specific families that did not comply with the resource use restrictions, while another mentioned that they were awaiting update on benefits allocation.

Worryingly, less than 5% of respondents could identify any utilization of grievance redress

Q: Can you describe on issue causing tension/problems with the carbon project

"Community politics -who is who and who hates who!"

- Respondent #30

"Who is measuring this carbon and deciding the amount to be given to the community?"

- Respondent #34

"The community thinks we have a lot of money from tree growing.

The trees are hosting vermins which sometimes destroy people's food crops and a danger to the lives of children and women."

- Respondent #48

"When money was paid in the bank, some families had issues on how to use the benefits."

- Respondent #49

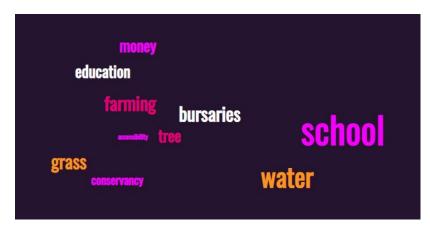
mechanisms. This is concerning as neither the existence of appropriate grievance mechanisms nor any form of documentation or accountability for a filed grievance could be noted from the perspective of the communities or their KIIs.

a. Benefit sharing

Most of the respondents indicated an understanding that there are benefits to be derived from the carbon projects in their areas. On further probing to identify possible

benefits, the respondents provided both individual benefits and communal benefits in their listing. These included payments or share of revenues, and realization of development projects that meet specific needs of the community, e.g. water sources, schools, medical services, etc. More than half of the individual respondents mentioned that revenues (financial payments) were only issued against successful implementation of certain activities (i.e. performance-based payment), but none was clear on what happens when success is not realized.

The main types of benefits that respondents cited were schools (education bursaries and building classes) in the first place. Livelihood interventions (grass production and fodder, farming) and water (supply, storage, and improved access) were the highest mentioned non-monetary benefits after schools. Funds for youth projects, dedicated funds for women targeted interventions, as well as employment were also mentioned. Monetary benefits were mentioned in the form of funds for conservancies to operate and undertake development, payment for activities such as trees grown,



nursery tree seedlings, and increased tourists leading to increased revenues at community lodges.

The majority of the respondents indicated that they themselves or their families had received some benefits at a personal level. A quarter of them indicated "not knowing" who decided on the benefit sharing model, while more than half indicated that the local

community governance (board and committee members, local leaders, etc.) participated in the benefit sharing model discussion. Less than 15% of the respondents indicated their families or themselves being part of the decision making on the benefit sharing model.

The responses on participation in the benefit sharing model are consistent with responses on the level of satisfaction of the benefit sharing model where almost half of the respondents indicated finding the model "ok/good/very good" while a quarter indicated it as "not bad but could have been better."

When probed specifically on their perspectives on any form of benefit sharing or compensation provided by the project ("Do you know if the model is effective in ensuring equitable compensation?"), 24% of the KIIs responded either "did know" or clearly responded "no." An additional 12% responded "not sure" or "has not been tested to know." Considering that this is the perspective of those assumed to have influence or some sort of community decision influencing ability, it is an area that warrants additional study. For example, it would be interesting to find out if the 64% that agreed could identify a common model of ensuring equitable benefit sharing, and to further measure their level of satisfaction with the model used, as well as find out the specific factors in the model that the KIIs are satisfied with. This would inform future design cases with some best practices in models of benefit sharing that IPs & LCs would consider effective.

When the representatives of the actors were asked "Who determines benefit-sharing mechanisms, and to what extent are host communities involved in these decisions?" 16% remarked that communities were "not" involved either entirely or in part in designing the benefit sharing mechanisms. 54% of them indicated that this was only determined by the donors, funders, brokers, project proponents, or NGOs involved in the project.

Benefits are determined by the funders. Communities do not even understand the calculations of how much carbon they have offsets. - Actor #4

Communities do not know (how) to calculate the carbon (revenues) and they don't determine the price. It's the implementers and the donors who determine. - Actor #5

Communities are at the peripheral in determining what has been offered. They have limited capacity to influence negotiations.

They are only price takers not determinants. - Actor #8

When more than half of the sampled Actors perceive that communities are not part of, involved in, or have capacities to determine the form or structure of the benefit sharing mechanism used by carbon projects, it is no surprise then that these same communities cannot confirm if the model of benefit sharing used is effective.

Uncertainties on carbon market developments

In Uganda, during a focused discussion group, the discussion remarked that Uganda has no policy on the carbon credits market that has been regularized. There was observation of ongoing policy development being developed currently in the ministry of water and environment, but it is being funded and spearheaded by the private sector. The FGD remarked on their concerns on how transparent that policy will be and as to whether it will address the current gaps in the carbon markets transactions.

Some of the questions that remained uncertain or unanswered even by key actors included:

- In the carbon credit market, who sets the price of the carbon, who buys the carbon, who determines the carbon funding?
- Is the carbon funding worth the emissions from developed countries?
- For how long will developing countries maintain woodlots at the expense of industrialized countries?
- Why can't developed countries establish woodlots in their territories?

Various actors at the grassroot level commented on being sandwiched between communities demanding for their rights on access and benefits, restricted "top-down" influencing by the funding source for the development of carbon projects, and the uncertain policy environment that contributes incoherence and lack of guidelines. This makes the actors by default "bad players" in the development of carbon projects.

Conclusion and recommendations

The report has highlighted key issues surrounding governance frameworks for carbon projects as well as lived realities based on community interactions with these projects. Indigenous Peoples and Local Communities that were consulted understood that carbon projects were a critical part of their lives.

The following recommendations are forward looking and highlight considerations for improvement of project governance and community engagement in the short and medium term.

Recommendations on policy and practice

The report determined that some policies and laws exist to govern carbon markets in East African countries. However, the field data showed that there is generally low understanding of the national policies and legal frameworks for carbon markets, or related sectors. This is a worrying foundation that undercuts any form of project negotiations, accountability, or monitoring and validation of projects by communities. Some recommendations regarding this are listed below.

When asked "What are some policy best practices for carbon projects?" Michael Businge - Wildlife Conservation Society, UG suggested that the following are the most important policy considerations:

"(i) Stakeholder consultations on carbon markets (ii) Incorporating human rights safeguard policies, and (iii) Creating community information sharing platforms."

Sustaining community participation and awareness in the various relevant policies and policy developments are undertaken is important to ensure that communities are active decision-makers and benefit directly from project activities. These could range from sustained public awareness (e.g. through civic education) or through targeted capacity building of persons of influence such as through technical training of identified persons. Raising future leaders in communities should be done to develop persons that can engage in policy development and implementation cycles.

Exploring community-based monitoring and verification by establishing robust systems to measure performance, progress of implementation as well as carbon sequestration and project impacts. Great learning and insights can be derived from other regions, and this can guide policy development, and even decisions on whether to participate in carbon projects or not.

Documentation of case studies of benefit sharing for existing projects should be undertaken from an independent (3rd) party perspective. Benefit sharing is currently incoherently guided by national policies. While such policy developments are ongoing, it is highly recommended that communities master (including seeking simple legal interpretation) the standards, rules, and procedures set around benefits from carbon projects. These should be specifically interpreted by

suggesting improvements to ongoing projects, as well as setting requirements for developing projects.

Recommendations on implementation challenges

As there are many ongoing projects, it is important that implementation challenges are handled effectively, reducing impact on IPs and LCs. From the study, some IPs and LCs demonstrated apathy and seem to be taking a backseat in the active implementation and daily running of project activities. Some recommendations on how these practical issues can be dealt with are listed.

While carbon projects mostly result in **changing traditional practices**, it is encouraged that **communities tap into their traditional knowledge and incorporate more knowledge** from scientific methods that enable measurement and verification. Some carbon projects favor livelihoods of communities and with revised methodologies and baselines, this is important.

IPs and LCs should undertake analysis, develop perceptions, and make recommendations on specific **carbon methodologies** that would be considered appropriate and less disruptive to their way of life. These analyses should also provide a means of holding the project entities accountable.

Recommendations on governance and benefits

Again, as carbon projects are being implemented on IP and LC land, it is important that communities benefit. This is because most of these projects are long-term, and governance of the projects can be remedied through avenues such as lawmaking. IPs and LCs can also take a front seat and develop evidence and structures that will increase benefits while improving governance. Some recommendations are highlighted below.

Documenting evidence that communities are aware of and involved in carbon projects in their areas. While the level of involvement and active participation varies, there is greater potential in improving this involvement in comparison to opposing their development. This is an area that should be explored involving the project implementers to provide them with an opportunity for them to provide documentation and responses.

Community leaders and leadership structures remain a critical pillar of representation, decision making, and involvement. While most are subject to inclusivity and integrity questions, there is a need to embrace the **institutionalization of these structures** and ensure that new projects do not insist on re-creating additional governance structures.

There is minimal understanding or utilization of any provided **grievance and redress and accountability mechanisms** by communities. While notable grievances have been listed with VERRA on specific projects, overall, there is minimal use of any grievance mechanisms. If communities could build their own capacities to utilize the provided mechanisms, they would hold the project entity accountable, as well as push for registered complaints to be resolved.

Finally, it is important to systematically create change in communities through awareness, technical dialogue, and improved access to direct financing as avenues for communities to become carbon project developers. This will improve their share of revenues, increase their involvement in project implementation, as well as develop long-lasting expertise that can be shared with other communities. Carbon markets are a glaring reality that communities are well positioned to understand and master - this should be overwhelmingly encouraged.

Conclusion

The growth in carbon markets and mechanisms has superseded the development of legislation critical to regulating voluntary markets. However, the Paris Agreement is a motivator as it mandates African states, and all parties to it, to develop regulations to roll out Article 6, which requires monitoring of carbon emissions and establishment of registries, among other governance requirements.

Communities consulted for this study are however not aware of the legislations that exist on carbon markets or of any ongoing legislative processes. This is a grave concern, as it is not only an opportunity to fully involve communities in development of these frameworks, as they are the ones impacted the most by lacking legislations, but it is also the duty of states to develop legislations in a participatory manner.

Fortunately, IPs and LCs identified some pain points from carbon projects which they felt should be dealt with, and research has further identified critical issues that may determine the trajectory of carbon credit mechanisms.

From project websites, project developers indicate that the carbon projects are performing well. The statistics also indicated that the markets are growing, although in some instances, like in the case of renewable energy carbon projects, these are declining.

Even though governance of projects has been indicated as an area that project developers are working on, there are many research initiatives that are poking holes on carbon projects. A minister from DRC, in an interview in 2023, indicated that it is important that there is an equal playing field for carbon markets, where pricing is set fairly. She further cautioned the world not to fall into a money-making trap.⁴⁷ Indeed, emerging research is casting doubt on the ability of carbon projects, especially REDD+, to deliver ambitious emission reduction targets against scientific baselines.⁴⁸

Just like IPs and LCs indicate that there is a lack of transparency when it comes to mechanisms for benefit sharing, and generally on revenues that project developers are making, there is also a challenge when it comes to the accuracy of carbon crediting, at both conceptual and practical levels. Carbon credit projects have an impact on the values, culture, and way of life of local forest communities, as opposed to those, for example, that drive deforestation like large commercial entities. Laws should legislate and enforce this. There may also be alternatives to such credit

⁴⁷ UN joins Congo basin presidents in call for higher carbon-credit prices in Africa - The Africa Report.com

⁴⁸ Action needed to make carbon offsets from forest conservation work for climate change mitigation | Science

schemes which continue to gain popularity, where there is impetus and political will for such drivers of deforestation to be fully curbed.

As this is being done, however, there is a need to ensure that participatory governance of carbon projects is delivered through policies and legislations. In the example of Kenya, where a multistakeholder climate change council with representation from private and development sectors, CSO, IPs, and Persons with Disability that has been mandated to deliver guidance and policy direction on carbon projects, states should also consider such frameworks that guarantee meaningful consultation and consensus. This should be cascaded to the community level. At the project level, the Kasigau REDD+ project has demonstrated governance up to community level, with grievance mechanisms set up to deal with violations of safeguards, among other issues. There is, however, a power imbalance when it comes to such engagement, and this is where a participatory state-led committee, possibly at local level, can review such issues, up to the climate change council which can offer guidance to be used in similar cases, and which can form a basis for future best practice and legal or policy provisions.

A nationalized REDD+ initiative is commendable, as is the case of Madagascar. However, this still does not legislate other forms of carbon market mechanisms, like renewable energy projects, and may defer attention from issues arising from renewables and other types of markets being set up. IPs and LCs did indicate that they would like to be consulted meaningfully before projects are conceived. In carbon trading, many times, projects are conceived between governments and project developers before any communities are aware of any plans. To address this, at the very onset, National Climate Change Action Plans (NCCAPs) derived from the NDC commitments need to be socialized fully, and even as major groups of stakeholders are consulted and provide feedback and input on targets contained therein, there is room for more meaningful and nuanced consultation. IPs and LCs must be involved at a greater scale and their agency respected on issues to do with conservation related carbon trading targets and commitments in NDCs and NCCAPs, and this should be documented and shared. This is because of the grave impact ill-conceived markets can have on the wellbeing of these communities, and the risk to their lives and livelihood, as well as the risk of developmental delays or regression often compounded by the climate crisis are high.

Progress has been seen at the local level on gender issues, like household discussions between women and men on issues like revenue sharing, which did not happen before, and like women's boldness to raise and discuss issues, because conservation affects all members equally. IPs and LCs have normative value systems that have been questioned or affected in many areas, including in ways of life, as many projects prescribe ways of living. The one area that has benefitted from such disruption is gender, where women are now bolder and are raising issues that affect them. This positive disruption may result in greater agency of women within such communities.

Accountability and a different take

Ultimately, at a time when communities do not know what carbon markets are, the question on what the best use of resources is should be taken seriously. Sustainable solutions that will advance climate action and enhance the resilience and adaptive capacity of communities to the increasing impacts of climate change should be at the fore. In addition to this, northern states should fulfill their pledges to provide climate funding to developing nations. This funding should

deprioritize carbon markets and enhance means of implementation for other measures like ecosystem restoration in protected and Indigenous lands.

Greater political education is needed to help communities frame carbon markets within climate justice frameworks. A structural understanding of the climate crisis and principles belying carbon markets can be helpful in enabling IPs and LCs to demand accountable governance of existing projects, and possibly reject problematic carbon projects in favor of solutions that enhance greater community resilience and agency.

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Annexes

1. Revised scoping assessment questions

Form of engagements

The consulting team shall seek open meetings with community members and in these, identify at least 1-2 key informants (persons of influence) and at least 1 actor representative or category representation. The community meeting shall be held as an open session, similar to a focus group discussion, preferably with all gender groups represented and in the event that a dedicated meeting for women or youth is desired, this shall be conducted and noted.

Prior to conducting the engagements, the consulting team shall seek appropriate approval from the respective authority, including ensuring the safety of the team and the consulted members.

Local context & ethical considerations

The consultants will work together with key community influencers from among the communities of interest to this study. The team is cognizant of the fact that the meetings or engagements with communities may take place during hours that would otherwise be used for productive paid work and will discuss such issues with the contacts and influencers with due consideration of ethical practices.

The team will seek to understand local engagement practices, appropriate language with community influencers and contacts. Through a participatory and flattened engagement, the team shall sit together with the community members, providing adequate time for them to gather/congregate while informing them that 'there is no right or wrong answer.'

The consulting teams shall not express any specific (positive or negative) perceptions or opinions on any carbon project or prospect and shall steer away from influencing the community's opinion of any project.

The team shall explain the purpose and intent of the consultation and provide any questions before the close of the engagement. Prior to the start of the conversation, the team, through the local contact, shall read out the consent statement and confidentiality commitment under the assignment. Consent shall be recorded (whether affirmative or not) before proceeding with the assignment. There will also be written consent ahead of any photo taking or audio recording, and research will not mention actual names.

Consent

We used a consent form for this assignment in line with best practice.

Indigenous and Local communities: (2-3 meetings per project, 1-2hrs meeting, 5-10pax)

- 1. Carbon projects in the area:
 - Do you know what a carbon project is?
 - Are you aware of any carbon projects in your community area/territory? (Y/N)

- Are you or anyone you know involved in the carbon project in your area?
- What are the main activities of the carbon project in your area?

2. Perception and relations with carbon projects:

- Do you know whether the carbon project(s) you mentioned in no. 1 are well managed? How do you know this?
- Are you involved in the management?
- Has the project changed the way you work or live? How?
- Has it changed the community's way of life? How?
- Are there any conflicts or tensions arising from community interactions with carbon credit projects? (Y/N)
- On a score of 1-10, how happy are you with the carbon project?

3. Consent and decision making:

- Was there public participation during the inception of the carbon project(s) you mentioned?
 - o Who was involved?
 - Was it i. Passive participation where you mainly listened/were told; ii.
 Participation by consultation where you mainly responded to questions; iii.
 Functional participation where you could ask questions and interact; iv.
 Empowered participation where you spoke freely and felt empowered?
- Do you know how the community gave any consent or "go ahead" to the project(s) and to whom? Please explain.
- Do you know who takes decisions regarding all aspects of carbon projects? Has there
 been further consultation on the project? Have you ever heard / witnessed a complaint
 being addressed/resolved by the project team?
- Have you ever given informed consent with respect to decision making of a carbon project? How can you describe the process?

4. Benefit sharing:

- Do you know about benefit sharing of carbon projects? If yes, how did you know this?
- Do you know who decided on the benefit sharing model? In your view, is the benefit sharing model good? Why/why not? And who benefits?
- Have you benefited from any carbon project? How?
- Do you know of the current mechanisms for determining and disbursing compensation to affected communities? Which ones are these? What is your view on them?

5. Gender dynamics from the carbon projects:

- Have you observed or do you know of any changes in the relationships or practices of men, women, and youth during implementation of carbon projects? In family or community decision making, cultural practices, school-going or any others?
 - O What can you attribute these changes to?
- Are there specific observations you have relating to the involvement of women and youth in decision making processes and benefit-sharing within carbon projects?

6. Policy and provisions:

- Do you know of any existing policy provisions on carbon projects?
- In your view, are they adequate for your community context and are they properly enforced?

7. Other than communities:

- Who are some of the other stakeholders partnered/engaged in the project(s)?
- Do you know their interests?

<u>KIIs:</u> (3-5 meetings per project, 1hrs meeting, 2-3pax) e.g. NGOs/CSOs, community leader, persons of influence

1. Carbon Projects in the area:

- Are you aware of any carbon project in your community area/territory? (Y/N)
- Are you or anyone you know involved in the carbon project in your area?
- What are the main activities of the carbon project in your area?
- (1,2,) In your opinion, how does the carbon project impact your daily lives and well-being? Yours and that of your community?
- What would you highlight as key impacts of the carbon project on you or your community?
- On a score of 1-10, how happy are you with the carbon project?

2. Perception and Relations with carbon Projects

- Are there any conflicts or tensions (that you know of) arising from community interactions with carbon credit projects? (Y/N)
- If there was a project related to a complaint/pain area, do you know how to raise it within the project?

3. Consent and decision making:

- For the mentioned project(s), how did the community give any consent or "go ahead" to the project?
- Do you know and can you access the project(s) team?
- Have you or anyone in your community participated in any decision making with/for the project team?
- Have you ever been involved in the process of giving informed consent to any decision making of the carbon project? How would you describe the process?

4. Benefit sharing:

- Do you know how benefits are shared out from the carbon project?
- How was the benefit sharing model decided upon?
- Do you know if the model is effective in ensuring equitable compensation?
- What challenges or issues exist in the current mechanisms for determining benefits and disbursing compensation to affected communities?

5. Gender dynamics from the carbon projects:

How do carbon credit projects impact gender dynamics within your communities?

 Are there specific challenges or issues related to the involvement of women in decision making processes and benefit-sharing?

6. Policy and provisions:

- What is your understanding of existing policy provisions on carbon markets?
- What are the opportunities, gaps, and challenges within the current policy landscape of carbon credit projects?
- How do existing policies align with the needs and aspirations of communities?
- Are there any specific policy opportunities for effective carbon credit initiatives?

7. Other than communities:

- Who are some of the other stakeholders partnered/engaged in the project?
- What are the key concerns, perspectives, and interests of various stakeholders in the carbon credit ecosystem?

Actors: (2-5 Actors per project area, 1hr) e.g. implementers, decision making entities, NGOs/CSOs

1. Major players:

- Who are some of the major players involved in the carbon credit market in your country or sub-national region, and what roles do they play?
- Is there any main player that is "setting the pace" in the region?
- Which entities play a role in ensuring secure land tenure rights and environmental justice within carbon credit projects?
- What roles do carbon credit project proponents play in engaging with environmental NGOs and activists?

2. Communities' role:

- In what ways do Indigenous and local community leaders collaborate with academic and research institutions on carbon markets?
- Who determines benefit-sharing mechanisms, and to what extent are host communities involved in these decisions?
- How are human rights and social safeguards specialists involved in the operational decision making process to prevent violations?

3. Policy and influence:

- Who are the key influencers in shaping carbon-credit-related policies at the national and regional levels?
- How do international development agencies interact with various actors to influence the carbon credit ecosystem?
- What are some policy best practices for carbon projects?

4. Operationalization:

 How do carbon credit project developers and implementers operationalize projects in East Africa?

- What operational mechanisms are in place to ensure transparency and accountability in carbon credit transactions?
- In what ways can industry actors collaborate with regulatory bodies to streamline and enhance project operations?

2. Featured project profiles in East Africa

Some registered projects were featured and in-country consultations held.

| | | | | | AFOLU | | | |
|-----|----------|--|-------------------------------|---|------------|-----------------|-------------------------------|-----------|
| s/n | ID | <u>Name</u> | Proponent | Project Type | Activities | Methodology | <u>Status</u> | Country |
| | 471 | Kajiado Rangelands | Soils for the | Agriculture Forestry | ALM | VM0032 | Under | Kenya |
| 1 | 4 | Carbon Project | Future Tanzania | and Other Land Use | | | development | |
| - | 465 | One Mara Carbon | Maasai Mara | Agriculture Forestry | ALM | VM0032 | Under | Kenya |
| | 9 | Project | Wildlife | and Other Land Use | | | development | , |
| _ | | | Conservancies | | | | | |
| 2 | 377 | Boomitra Carbon | Association Boomitra Inc | Agriculture Forestry | ALM | VM0042 | Registration | Kenya |
| | 4 | Farming in East Africa | Booming mo | and Other Land Use | / (LIVI | V1010042 | requested | Ronya |
| | | through Soil | | | | | • | |
| 3 | 101 | Enrichment Maunt | Livelihaada Fund | A susia cultura | A I N4 | VM0017 | Danistration | I/ a mare |
| | 194 4 | <u>Livelihoods</u> <u>Mount</u> Elgon Project | Livelihoods Fund SICAV SIF | Agriculture Forestry and Other Land Use | ALM | VIVIOU 17 | Registration and verification | Kenya |
| | - | <u> Ligori i i oject</u> | 010/11/011 | una Othor Eana Ooo | | | approval | |
| 4 | | | | | | | requested | |
| | 562 | The Kasigau Corridor REDD Project – Phase | Wildlife Works Carbon LLC | Agriculture Forestry and Other Land Use | REDD | VM0009 | Registered | Kenya |
| 5 | | I Rukinga Sanctuary | Carbon LLC | and Other Land Use | | | | |
| | 140 | Chyulu Hills REDD+ | Chyulu Hills | Agriculture Forestry | REDD | VM0009 | Registered | Kenya |
| | 8 | Project | Conservation | and Other Land Use | | | | , |
| 6 | 4.40 | N. d. IZ | Trust | A : II = (| A 1 A 4 | \ | D : () | 14 |
| | 146 8 | Northern Kenya Grassland Carbon | Northern Rangelands Trust | Agriculture Forestry and Other Land Use | ALM | VM0032 | Registered | Kenya |
| 7 | O | Project Carbon | Trangelands Trust | and Other Land 030 | | | | |
| | 483 | Ruvuma Wilderness | Carbon Tanzania | Agriculture Forestry | REDD | Methodology | Under | Tanzania |
| | 8 | <u>Project</u> | | and Other Land Use | | Under | development | |
| | | | | | | Developmen t | | |
| 8 | | | | | | | | |
| | 474 | The Resilient Tarangire | The Nature | Agriculture Forestry and Other Land Use | ALM | VM0042 | Under | Tanzania |
| 9 | 2 | Ecosystem Project | Conservancy | and Other Land USE | | | development | |
| | 267 | Community Carbon | Community | Energy demand | | VMR0006 | Registered | Tanzania |
| | 6 | Efficient Cooking | Carbon | | | | | |
| 10 | | Programme - Tanzania- | | | | | | |
| 10 | 190 | <u>I</u> Makame Savannah | Carbon Tanzania | Agriculture Forestry | REDD | VM0007 | Registered | Tanzania |
| | 0 | REDD | | and Other Land Use | | | | |
| 11 | | | | | | | | |
| | 132 5 | Mjumita Community Forest Project (Lindi) | Multiple Proponents | Agriculture Forestry and Other Land Use | REDD | VM0015 | Registered | Tanzania |
| 12 | o l | Forest Project (Lindi) | Froponents | and Other Land USE | | | | |
| | | | l | | | 1 | I . | l |

The following projects were further identified:

| s/n | ID | <u>Name</u> | <u>Proponent</u> | Project Type | AFOLU Activities | Methodology | <u>Status</u> | Country |
|-----|----------|--|--|--|---------------------|-------------|---------------------|---------|
| 1 | 383 4 | DelAgua Clean Cooking Grouped Project in Burundi | DelAgua Health Rwanda (Voluntary) Limited | Energy demand | | VMR0006 | Under validation | Burundi |
| 2 | 319 8 | Installation of high efficiency wood burning cookstoves in Burundi | C-Quest Capital Stoves Asia Limited | Energy demand | | VMR0006 | Registered | Burundi |
| 3 | 254 0 | Improved cookstoves for Burundi restaurants | OBEN EAC S.A | Energy industries (renewable/non- renewable sources) | | AMS-I.E. | Registered | Burundi |

| 2 | 370 3 | UpEnergy-Social and Climate Impact Programme-Burundi 1 | UpEnergy Group | Energy demand | | VMR0006 | Under validation | Burundi |
|----|----------|--|--|---|------|----------------|--|----------|
| 7 | 432 5 | Makueni Agroforestry Carbon Project | Multiple Proponents | Agriculture Forestry and Other Land Use | ALM | VM0017 | Under validation | Kenya |
| 9 | 366 9 | Western Kenya Soil Carbon Project | Soil-Carbon Certification Services | Agriculture Forestry and Other Land Use | ALM | VM0017 | Under validation | Kenya |
| 10 | 366 0 | Papariko - Restoration of Degraded Mangrove Areas in Kenya | Vlinder Austria GmbH | Agriculture Forestry and Other Land Use | ARR | AR-AM0014 | Registration requested | Kenya |
| 11 | 298 9 | Solar Water Pump Project in Kenya | SunCulture Kenya Ltd | Energy industries (renewable/non-renewable sources) | | AMS-I.B. | Registered | Kenya |
| 16 | 612 | The Kasigau Corridor REDD Project - Phase II The Community Ranches | Wildlife Works Carbon LLC | Agriculture Forestry and Other Land Use | REDD | VM0009 | Registered | Kenya |
| 13 | 191 8 | Paradigm Kenya Clean Cookstoves Project | Blue Source, LLC | Energy demand | | AMS-II.G. | Registered | Kenya |
| 18 | 941 | Efficient Cook Stove Programme: Kenya CPA No. 1 | co2balance Ltd | Energy distribution | | AMS-II.G. | Registered | Kenya |
| 19 | 448 8 | Agroforestry For Livelihoods | Livelihoods Fund SICAV SIF | Agriculture Forestry and Other Land Use | ARR | AR- ACM0003 | Under validation | Rwanda |
| 20 | 238 0 | Installation of high efficiency wood burning cookstoves in Rwanda | C-Quest Capital Stoves Asia Limited | Energy industries (renewable/non-renewable sources) | | VMR0006 | Registered | Rwanda |
| 21 | 274 9 | DelAgua Clean Cooking Grouped Project | DelAgua Health Rwanda (Voluntary) Limited | Energy demand | | VMR0006 | Crediting Period Renewal and Verification Approval Requested | Rwanda |
| 28 | 488 2 | Uganda Native Reforestation and Agroforestry Project | Multiple Proponents | Agriculture Forestry and Other Land Use | ARR | AR- ACM0003 | Under validation | Uganda |
| 29 | 278 9 | UpEnergy-Social and Climate Impact Programme-Uganda 1 | UpEnergy Group | Energy demand | | VMR0006 | Registration and verification approval requested | Uganda |
| 30 | 247 1 | Agroforestry and reforestation with small-scale farmers in Uganda | The PURE PROJECT SAS | Agriculture Forestry and Other Land Use | ARR | AR- AMS0007 | Registered | Uganda |
| 31 | 235 0 | Installation of high efficiency wood burning cookstoves in Uganda | Multiple Proponents | Energy demand | | VMR0006 | Registered | Uganda |
| 32 | 673 | Natural High Forest Rehabilitation Project on degraded land of Kibale National Park | Greenchoice | Agriculture Forestry and Other Land Use | ARR | AR- ACM0001 | Registered | Uganda |
| 26 | 189 7 | Ntakata Mountains REDD | Carbon Tanzania | Agriculture Forestry and Other Land Use | REDD | VM0007 | Registered | Tanzania |