REPORT 1

REVIEW OF CRITERIA FOR SELECTING SITES FOR THE

TFCG / MJUMITA PROJECT

"Making REDD work for Communities and Forest Conservation in Tanzania"

March 2010

East and Southern Africa Katoomba Group

EXECUTIVE SUMMARY

This report is a refinement of site selection criteria for implementing the project “Making REDD work for Communities and Forest Conservation in Tanzania”. It compiles and categorises criteria in terms of relevance and level of importance. These criteria fall into two major categories: pre-screening and assessment criteria.

Prescreening criteria:

- At least 50,000 ha of forest
- At least 20 communities with a total population of 25,000
- Absence of other ongoing REDD projects
- Presence of Eastern Arc Mountain or East African Coastal forests
- Presence of TFCG and / or MJUMITA

Assessment criteria are grouped into the following categories:

a) Technical feasibility according to principles of carbon standards and the potential to generate carbon revenues

b) Feasibility of project implementation

c) Level of community organisation (related to project effectiveness)

d) Potential for replicability and co-benefits.

For criteria where quantitative scoring is possible, indicators are developed. Quantitative scores range from 3 (most desirable) to 1 (least desirable). In cases where such quantitative scores cannot be realistically assigned, some qualitative considerations are recommended.

The most critical criteria are forest size, carbon density, compelling baseline, leakage risk and biophysical risk (under category a), opportunity cost and likelihood of effective project interventions (under category b). These should be given the highest weight in determining potential districts. Other criteria are highly important, but their influence on the potential success of the project can be determined on a case-by-case basis.

List of acronyms

CBFM	Community-Based Forest Management
JFM	Joint Forest Management
MJUMITA	Mtandao wa Jamii katika Usimamizi wa Misitu Tanzania
PFM	Participatory Forest Management
REDD	Reduced Emissions from Deforestation and forest Degradation
ROSE	REDD Opportunities Scoping Exercise
TFCG	Tanzania Forest Conservation Group

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1.0 Introduction

The Tanzania Forest Conservation Group (TFCG) in partnership with MJUMITA (Mtandao wa Jamii katika Usimamizi wa Misitu Tanzania) is implementing the project "Making REDD work for Communities and Forest Conservation in Tanzania". This report reviews the criteria that have been developed for the selection of the project's two pilot sites in terms of justification, relevance and level of importance. The aim is to have a set of criteria that will result in site selection that will be representative and can demonstrate to policy makers and other project developers how a REDD project can meaningfully achieve emissions reduction, forest conservation and improved well-being of participating forest-adjacent communities. Site selection will target two different sites (i.e at least one with Eastern Arc Mountain forests and one with coastal forests) where TFCG and MJUMITA have been operating.

The criteria selected are summarized below and will be elaborated in the sections that follow. There are four main sources for the criteria:

- the National REDD Framework,
- the MJUMITA / TFCG project document,
- Katoomba Group site selection work in Ghana,
- the National REDD Workshop Report and
- the Tanzania REDD Opportunities Scoping Exercise (ROSE) Report[1].

The criteria also include views of key stakeholders. As in the ROSE exercise, each criterion will be given a score of 1 (least desirable) to 3 (most desirable). In addition, important qualitative criteria, where it is unrealistic to develop quantitative scoring, will be considered. Districts will be reassessed according to whether they scored highly in certain critical criteria.

Prescreening criteria:

- Presence of Eastern Arc Mountain or Coastal forests
- Strong presence of TFCG and/or MJUMITA.
- Absence of other ongoing REDD projects

Other considerations specific to the project include the necessity that cumulatively the two pilot sites contain:

- At least 50,000 ha of forest
- At least 20 communities with a total population of 25,000

2.0 Criteria to select districts with potential REDD project sites

2.1 Prescreening criteria

As a starting point, TFCG used the existence of Eastern Arc and Coastal forests and the presence of TFCG and/or MJUMITA to pre-screen the primary sample districts for site selection. Eastern Arc and coastal forests have been well studied and most of the information pertaining to REDD is available. Focusing on areas with TFCG / MJUMITA presence seeks to build onto the wealth of experience generated over time and also the relationships created between TFCG and key players on the ground.

This enhances the speed of generating reliable baselines against which impacts of REDD will be measured. It also results in shortening the period of project maturation. This is important because the first REDD projects are meant to test and demonstrate to national government stakeholders how

[1] May 2009. East and Southern Africa Katoomba Group. Getting started on REDD in Tanzania: A scoping study for the Katoomba Ecosystem Services Incubator

well managed ecosystem service payments can result in improved forest status and improved well-being of forest adjacent communities.

In addition, the project sought to avoid areas where other REDD projects or significant forest conservation projects were already planned in order to avoid duplication.

Eastern Arc Mountains

The Eastern Arc Mountains have an exceptional concentration of endemic species. The Eastern Arc Mountains form catchments for many important rivers of eastern Tanzania, on which at least 25% of Tanzanians depend. Estimates suggest that in the past 100 years, more than 70% of the original forest cover has been destroyed due to conversion to farmland, unsustainable timber harvesting and uncontrolled fires. Only about 540,000 ha of forest remains, mostly within government forest reserves, which are poorly funded and have few staff. Since 1998 local people often supported by civil society organisations have been increasingly involved in the conservation of the Eastern Arc Forests.

East African Coastal forests

East African Coastal forests are also highly threatened yet more than 20 million people (with annual population growth of 2.5-3.5%) are directly dependent on them. Only 17% of Coastal forests have formal protection status, but even then management is ineffective due to insufficient capacity, inadequate funding and well-documented governance shortfalls.

The greatest deforestation driver is expansion of subsistence farmland. Considerable deforestation is also due to commercial agriculture (coconut, sisal, clove, cardamom and cashew nut). Charcoal production is a major deforestation driver near towns and along main roads, as is illegal logging in certain districts. Uncontrolled burning to clear the forest for farmland, hunt animals or reduce Tsetste fly, often replaces rare endemic forest species with common fire-adapted species. Other degradation drivers are unsustainable harvests of fuelwood and timber for wooden carvings.

2.2 Assessment criteria

The analysis of pre-screened districts according to the criteria below will be preceded by a characterization of deforestation and degradation drivers and the potential / proposed project activities to address them.

The assessment criteria fall under the following categories:

a) Technical feasibility according to principles of carbon standards and the potential to generate carbon revenues

b) Feasibility of project implementation

c) Level of community organisation (related to project effectiveness)

d) Potential for replicability and co-benefits.

Criteria considered to be critical for project feasibility and revenues will be given scores while those that are useful and important but less critical will be assessed qualitatively.

Table 1. Assessment criteria.

No.	***Criterion***	***Critical***	***Not critical at the pre-screening stage***
	Technical feasibility		
1	Forest area	√	
2	Forest area outside protected areas		√
3	Carbon density	√	

4	Compelling baseline	√	
5	Leakage risk	√	
6	Biophysical risk	√	
7	Additionality	√	
	Feasibility of effective project implementation		
8	Likelihood of effective project interventions	√	
9	Opportunity cost	√	
10	Population density		√
11	Presence of potential partners		√
	Level of community organisation and governance		
12	Strength of community organisation		√
13	Participatory Forest Management in operation		√
14	Equitable benefit sharing		√
15	Governance		√
	Potential for replicability and co-benefits		
16	Biodiversity value		√
17	Potential for poverty alleviation		√
18	Potential for achieving a wider impact		√

2.21. Technical feasibility

Criterion 1: Forest area

Extensive areas of forest imply economies of scale and high carbon gains (as long as there is a clear deforestation baseline). Large forests tend to have low edge effects and are therefore less costly to protect per hectare. Preference will be given to districts with forest blocks of several thousand hectares, which are under considerable threat. Districts will be considered to be more viable and will be scored highly if they have forest blocks aggregating to over 100,000 ha.

Scoring based on total forest area

3 = >100,000 ha

2 = 50,000-100,000 ha

1 = < 50,000 ha

Criterion 2: Area of unprotected forest

Forests outside protected areas may experience much higher deforestation rates, but may be obscured by average district-level deforestation. Such areas could benefit from additional protection efforts. At present, there may not be sufficient data to confidently determine specific deforestation rates for these areas.

Scoring:

3 = > 10,000 ha of unprotected forest

2 = 5,000 - 10,000 ha of unprotected forest

1 = < 5,000 ha

Criterion 3: Carbon density

Forests with higher carbon densities will tend to have higher baseline emissions when they are cleared and therefore a higher potential for emission reductions. Where district-level biomass (carbon) measures are not available at present, scoring will have to follow forest types with defined differences in biomass stocks. Therefore, for example, miombo woodlands will be ranked lower than

evergreen forests (montane or coastal forest types), based on their carbon values. Since the dominant forest type in all the districts is miombo, scoring will be based on presence of evergreen forests in addition.

Scoring:

3 = Presence of > 5,000 ha of dense evergreen forest

2 = Presence of 2,000-5,000 ha of dense evergreen forest

1 = Presence of > 2,000 ha of dense evergreen forest

Criterion 4: Compelling baseline

In carbon accounting terms, a baseline describes the scenario in the absence of the implementation of the project. In this case, it describes the amount of deforestation and degradation that would occur, based on historical trends. This is a key criterion. When there is a compelling and quantifiable case indicating that deforestation threats are real then this will result in a potential for avoiding related emissions. Baselines for carbon crediting are likely to be based on historical trends and, therefore, districts with high historical deforestation rates will be scored high as this indicates a higher potential for carbon credit revenues.

Data availability is important in evaluating this criterion. Also, the time period for a historical analysis will have to be determined according to data that can be generated and that credibly describes the without-project scenario. As a starting point, a reference period of 10 years prior to project start will be chosen. In this context, the following thresholds seem to capture a common range of deforestation.

Scoring:

3 = Deforestation rate > 2%

2 = Deforestation rate 0.5-2%

1 = Deforestation rate < 0.5%

Criterion 5: Leakage risks

Leakage describes the risk that the implementation of a project to reduce deforestation causes an increase in deforestation / forest degradation elsewhere. Leakage can be caused through market effects (e.g. shifts in timber production) or through direct movement of deforestation agents to other locations ("activity shifting"). The higher the risk, the greater will be the buffer needed. This criterion will be considered in relation to the drivers that the project seeks to address and how mobile the involved agents of deforestation are. Cases where leakage is likely and cannot be effectively addressed will be given a low score.

Scoring:

3 = Low leakage risk which can be effectively controlled

2 = Low leakage risk which cannot be effectively controlled or medium to high leakage risk which can be effectively controlled.

1 = Medium to high risk which cannot be controlled

Criterion 6: Biophysical risks

Districts with forests that are at a high risk of destructive fires, are prone to pests and disease, or other destructive agents will be scored low. Whilst it is recognised that fire is part of the natural ecological dynamics within the miombo forest ecosystems, this criterion focuses on the frequency of intensive, often human-induced, wildfires that result in damage to the natural woodland or forest. Absence or very low incidence of destructive fires will be the preferred scenario.

Criterion 7: Additionality

Additionality is fundamental to qualifying a carbon project as having avoided emissions compared to the business-as-usual scenario (baseline). Primarily it has to be demonstrated that generating carbon revenues (or expecting to do so) is critical to overcoming barriers to project implementation that would otherwise exist. It has to be assessed, whether barriers really do exist in the baseline scenario and would not be overcome without carbon finance e.g. because government mandates for conservation are effective, profitable forest management enterprises are now in place etc.

In the TFCG / MJUMITA context, it is assumed that the intended project interventions aim at and are motivated by generating carbon revenues (which would then be used for forest protection). No scoring will therefore be applied at this stage.

2.22. Feasibility of successful project implementation

Criterion 8: Likelihood of effective project interventions

Being able to design effective management interventions and project activities that can address deforestation and degradation drivers is a function of the nature of the drivers themselves, as well as the ability of project proponents to effectively tackle them. This determines whether drivers are within community or government scope to control based on experience and capacity on the ground.

Scoring:

3 = Realistic potential to effectively tackle the top three deforestation / degradation drivers mostly within community control

2 = Realistic potential to effectively tackle the top three deforestation / degradation drivers only partially within community control

1 = Realistic potential to effectively tackle the top three top deforestation / degradation drivers outside community control or non-existent

Criterion 9: Opportunity cost

Opportunity costs are critical in determining whether actions to address drivers of deforestation and forest degradation can be realistically and sustainably implemented. The project will not be sustainable where, in addressing the drivers of deforestation, the foregone revenues or subsistence needs exceed the benefits from REDD (monetary and non-monetary). For example, forest businesses like charcoal near urban centers are likely to be too lucrative to be addressed through REDD benefits. Districts in which addressing deforestation / degradation drivers implies a high opportunity cost will be given a low score. A positive net gain especially on the side of communities will be considered to be more desirable. At this stage only a preliminary assessment is possible, based on available data and order-of-magnitude estimates of profitability of alternative land uses.

Scoring:

3 = REDD gains likely to exceed opportunity costs

2 = REDD gains likely to just exceed opportunity costs

1 = REDD gains are less than opportunity costs

Criterion 10: Population density

The ratio of community size to forest area will be considered. It is likely that pressures on the forest are harder to manage in cases with a high ratio and that livelihood benefits of the project will be reduced. Sites with large numbers of people and very small areas of forest will be given a low score compared with those with small populations and larger forest areas.

In addition, available (not forested and not used for agriculture or settlement) community land will be important when considering the level of flexibility the project will have in implementing alternative activities to reduce deforestation. Examples of interventions requiring land availability include expansion of small-scale agriculture and tree planting.

Criterion 11: Presence of strong potential implementing partners

Sites with a high number of strong project partners that may reinforce or accelerate the TFCG / MJUMITA REDD project development activities will be preferred.

Scoring

3 = >2 potential implementing partners

2 = 1-2 potential implementing partners

1 = no potential implementing partner

2.23. Level of community organisation and governance

Criterion 12: Strength of community organisation

Districts will be scored highly where the MJUMITA local networks are strong with low perceived risks to project success due to institutional weaknesses.

Indicators: Registration of local network; regular meetings and demonstrated decision-making capacity; proven conflict-resolution capacity; experience with natural resource management; experience with productive enterprises; accounting administrative skills; experience managing funds; any others that may be considered relevant.

Scoring:

3 = Registration and more than 3 of the other desirable indicators

2 = Registration and less than 3 of the other desirable indicators

1 = No registration or very recent registration

Criterion 13: PFM in operation or close to completion

Participatory forest management (PFM) is the involvement of forest-adjacent communities in sharing the responsibilities and the benefits from forest management. PFM indicates an advanced process of forest management including establishment of community institutions and development and implementation of forest management plans. PFM in Tanzania can be either joint forest management (JFM) where communities are involved in the management of (and share benefits from) government-owned forests through an agreement; or community-based forest management (CBFM) where communities manage their own forests and own all the benefits thereof. This project seeks to target communities in using REDD incentives to reduce deforestation and forest degradation. In order to focus on the REDD project development activities it is best to select sites where PFM is near completion. Selecting forests under community management ensures that communities can access benefits coming from REDD. It also ensures that REDD interventions selected are responsive to local needs and are sustainable.

Indicators: status of management plans, registered village forest reserves, by-laws, established village natural resource committees and JFM agreements.

Scoring

3 = PFM process completed i.e., either CBFM managements plans and by-laws are approved at the District level, or village forest reserves are registered, or JFM agreements are in place

2 = PFM process nearly complete i.e., either CBFM management plans have been submitted to the District for approval or village forest reserves are pending registration or JFM agreement has been prepared but is not yet signed

1 = PFM process in early stages or not yet initiated

Criterion 14: Equitable benefit-sharing

Equitable benefit-sharing between government and communities and also among the membership within community groups is key to project success both because of its potential to provide effective incentives and to avoid conflicts. Indicators for these can include cases where revenues are shared with and among communities. Possible indicators could be signed joint forest management agreements specifying revenue sharing percentages – the higher the community share the better; clear accountability between community leaders and the membership through regular reporting and meetings; previous experience in distributing income among members; perception of equitable results as stated by community members.

Criterion 15: Governance

Governance is key to ensuring effective implementation of interventions as well as for creating a conducive framework for community activities. Good governance is also a pre-condition for equitable benefit sharing. Where information can be easily obtained, districts will be excluded if they have big and obvious challenges in handling illegal activities. Areas with strong leadership and good trust of communities will be preferred.

Possible aspects to consider in the project context could include high incidence of illegal practices in forest and land management; weak political leadership; low community trust in political leadership; evidence of frequent past environmentally threatening decisions based on purely political considerations; poor cross-sectoral policy coordination (e.g. agriculture sector recognizing / rewarding farmers that have encroached into forest areas); institutional conflicts or lack of higher-level political backing of conservation efforts (e.g. elected government officials overturning decisions of field officers).

2.24. Potential for replicability and co-benefits

Criterion 16: Biodiversity value

Biodiversity co-benefits from addressing deforestation and degradation drivers are integral to the TFCG / MJUMITA project. REDD projects in areas with high biodiversity values are likely to fetch a better price on voluntary markets and be perceived as contributing to higher national and international benefits. Such forests may also tend to get non-market co-funding for achieving REDD.

A landscape will be given preference if it contains threatened or endemic species or has a suite of habitat types - coastal forest, Eastern Arc forest, miombo and mixed woodland – or particularly threatened habitats.

Criterion 17: Potential for poverty alleviation

Districts with medium to high levels of poverty will be preferred. REDD is more likely to make significant impact on human livelihoods in these distircts than in districts with richer populations, and a project has the potential to create new livelihood options where there are currently few alternatives. In giving preference to districts with high poverty levels, the project also has the potential to contribute to the national development agenda.

c. Potential for wider impact

As indicated in the Tanzania ROSE Report, sites will be scored highly if they have potential to be replicated, i.e. for scaling up either through influencing policy or because conditions are similar to those in a broader landscape. Considerations may include selection of those sites that present an

opportunity to address key policy challenges, or that have conditions are similar to those in a broader landscape.

3.0 Weighting

In assessing the above criteria, weighting of critical issues will be achieved through a logical step-wise sieving as well as giving regard to critical criteria in each category. The first and most important screening phase is the assessment of the technical feasibility of the project. Here quantitative data is critical in determining carbon stocks, their level of threat and potential risks in addressing these threats. Sites scoring less than 2 under any of the criteria in this category will be eliminated. For qualitative criteria, areas with high leakage or fire risks will be labelled, but retained for the next stage.

The second sieving process will be the feasibility of project implementation taking into account mitigation of fire and leakage risks. These criteria should focus on those sites that are already considered to be technically viable. Use of both qualitative and quantitative information from existing documents and wide stakeholder consultation is critical in determining those sites where the deforestation / degradation drivers can be effectively addressed through REDD. The key criteria in this category are opportunity cost and likelihood of designing effective interventions. Any districts that score less than 2 in any of these will be eliminated.

The third sieve is the assessment of community organisation and governance. This requires use of documented information sources and stakeholder consultation to get the prevailing situation on the ground and an indication of the projected future situation. This level of selection can be highly subjective in certain instances, but still very necessary. All criteria in this category are equally important. All districts scoring more than 2 in all of the quantitative criteria are potentially suitable. Selection among these can be achieved by using qualitative criteria.

Replicability and co-benefits are broad criteria that can be used at a pre-screening stage or at the end in deciding among high-potential sites.

A key issue to note in this process is that whilst quantitative scores of 1 to 3 give an indication in the ranking between sites, total sums play only a secondary role in the selection process. The primary focus is on critical issues at each stage of analysis.