

# **Baseline Report**

On Carbon Trading in Simanjiro and Longido Districts

Northern Tanzania

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ROSA LUXEMBURG FOUNDATION TANZANIA

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Gideon Sanago\*1 and Supuk Laizer\*\*2

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### **Abstract**

This report assesses the current status of carbon trading initiatives in Longido and Simanjiro, two districts located in northern Tanzania, while exploring communities' perceptions and understanding of carbon trading in these areas. Both districts are part of the Manyara Region and are inhabited mainly by pastoralist communities. By examining the perceptions and impacts of carbon trading initiatives in these biodiverse districts, which are integral to Tanzania's role in global carbon markets, the report sheds light on the opportunities and challenges that arise at the intersection of environmental sustainability and Indigenous land rights. Our findings underscored three key concerns raised by local communities regarding carbon trading initiatives: first, there is a prevalent fear of violation of land rights of Indigenous and local populations; second, the fear of outright dispossession also emerges since carbon trading projects require significant chunks of land; finally, there is fear of potential exploitation due to inequitable sharing of benefits resulting from carbon-trading. Put together, these three concerns constitute a field of local communities' contestation of carbon trading initiatives from below. They underscore the need for careful consideration and equitable practices in carbon trade projects. This report is written from the analysis of material and insights obtained from the Pastoralists Indigenous Non-Governmental Organizations (PINGOs) Forum, Soil for the Future, as well as from the Tanzania Nature Conservancy. To these were added community interviews. While our findings highlight potential opportunities for local communities from carbon trading initiatives, including revenue generation and enhanced resource management; they equally underline the fact that actualizing these opportunities will be contingent upon stakeholders' efforts to align conservation strategies with local communities' cultural and socioeconomic contexts. Thus, for effective carbon trading in postcolonial agrarian contexts, the report recommends: the need to ensure inclusive governance; engaging Indigenous communities throughout carbon trading-related processes; establishing transparent benefitsharing agreements; as well as fostering capacity building and empowerment through training and knowledge-sharing for communities' meaningful engagement. Implementing independent oversight mechanisms and ensuring transparency in project execution will build trust and accountability. By adhering to these principles of integrity, inclusivity, and mutual respect, the report argues, carbon trading initiatives can significantly enhance the welfare of local communities while promoting ecological sustainability.

**KEY WORDS:** Carbon Trading; Manyara Region; PINGOs Forum; Soil for the Future; Tanzania Nature Conservancy

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# **Executive Summary**

This report seeks to assess the current status of carbon trading initiatives in Longido and Simanjiro, two districts located in northern Tanzania, while exploring communities' perceptions and understanding of carbon trading in these areas. Longido, situated approximately 50 kilometres northwest of Arusha near the border with Kenya, is characterized by its stunning landscapes and vibrant Maasai culture. Simanjiro, located southeast of Longido, is known for its vast savannas and is home to various wildlife species, making it a critical area for biodiversity conservation. Both districts are part of the Manyara Region, and are inhabited mainly by pastoralist communities. As of the latest census data, Longido has a population of around 58,000, while Simanjiro is home to approximately 83,000 residents<sup>3</sup> in 2022. The local economies are primarily based on livestock herding and subsistence farming, with many families living below the World Bank's poverty line. These socioeconomic factors highlight the vital link between environmental sustainability initiatives, such as carbon trading, and the livelihoods of Indigenous peoples in the region.

This report provides critical data and insights to guide decision-making as well as promoting sustainable and inclusive carbon trading policies and practices. By examining the perceptions and impacts of carbon trading initiatives in these biodiverse districts, which are integral to Tanzania's role in global carbon markets, the report sheds light on the opportunities and challenges that arise at the intersection of environmental sustainability and Indigenous land rights.

This report highlights three significant concerns raised by local communities regarding carbon trading initiatives. First, there is a prevalent fear of violation of land rights, where the rights of Indigenous and local populations may be compromised. Second, the fear of outright dispossession emerges as a significant worry, with communities anxious about losing their land and resources due to the implications of carbon trading practices. Finally, potentially inequitable benefit-sharing mechanisms pose a critical issue, as communities often feel that the advantages of carbon trading are not distributed fairly among stakeholders, of which they are key. Thought together, these three concerns constitute a field of local communities' contestation of carbon trading initiatives from below. They underscore the need for careful consideration and equitable practices in carbon trade initiatives.

The Pastoralists Indigenous Non-Governmental Organizations (PINGOs) Forum provides a crucial perspective by advocating for recognition of Indigenous land rights and meaningful community involvement in all carbon trading-related initiatives in their communities. The organization's vision promotes an inclusive approach that honours traditional practices and prioritizes the voices of those most impacted by such projects. The Soil for the Future and the Tanzania Nature Conservancy also contributed valuable insights for this review, primarily through their reports and documents, which we analysed together with community interviews. While we could not engage them directly due to their concerns about PINGOs Forum's presence, which they perceived as an intrusion in areas where they had established contracts with local communities, we gathered pertinent data suggesting that sustainable agricultural practices and biodiversity protection foster ecological health and economic growth. Our findings indicate that carbon trading initiatives present significant opportunities for local communities, including potential revenue generation and enhanced resource management. While all this could help mitigate the impacts of climate change while guaranteeing Indigenous rights and practices, this

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<sup>&</sup>lt;sup>3</sup>SEE: https://www.citypopulation.de/en/tanzania/admin/manyara/2104 simanjiro/

possibility is contingent upon deliberate efforts by all stakeholders to ensure alignment of conservation strategies with local communities' cultural and socioeconomic contexts.

Thus, for effective carbon trading in postcolonial agrarian contexts, the report recommends the need to ensure inclusive governance; engaging Indigenous communities throughout carbon trading-related processes; establishing transparent benefit-sharing agreements; as well as fostering capacity building and empowerment through training and knowledge-sharing for communities' meaningful engagement. Implementing independent oversight mechanisms and ensuring transparency in project execution will build trust and accountability. By adhering to these principles of integrity, inclusivity, and mutual respect, the report argues, carbon trading initiatives can significantly enhance the welfare of local communities while promoting ecological sustainability.

# 1. Introduction

In recent years, carbon trading has gained traction globally as an essential tool for addressing climate change and promoting sustainable development. Carbon trading allows countries or companies to offset carbon emissions by investing in projects that reduce carbon in the atmosphere, often through reforestation or afforestation initiatives. Given their biodiversity and carbon-storing capabilities, Indigenous lands can play a key role in these projects. Particularly in Africa and East Africa, the rise of carbon markets is influenced mainly by narratives emerging from, and are shaped by, the global North. These narratives often present carbon trading as a mechanism for climate action that can lead to positive environmental outcomes and economic benefits. However, they frequently overlook the complexities and nuances of local contexts, including indigenous communities' land rights and traditional practices. This framework positions carbon trading as a solution while masking the potential challenges and inequities it may create. Thus, examining how these initiatives affect local communities, particularly in Tanzania where significant concerns have been raised, becomes crucial.

Tanzania has emerged as a critical player in carbon trading initiatives due to its vast forests, biodiversity, and land suitable for carbon sequestration projects. This role, however, has raised concerns, especially in the two local communities of Longido and Simanjiro. Among the problems are: an inadequate legal framework that governs land rights; inequitable benefit sharing from previous initiatives; and a limited understanding of the carbon trade initiatives. In recent years, Longido and Simanjiro districts in Tanzania have become focal points for carbon trading initiatives, driven by their unique ecological systems and community engagements. In Longido, collaborating with Soil for the Future (SF) has been pivotal in promoting carbon sequestration projects. This organization focuses on sustainable agricultural practices that enhance soil health while contributing to carbon trading. By implementing such initiatives, there is a perception that carbon trading may lead to land dispossession or alterations in land use, which has made many residents wary, as they rely heavily on these lands for agricultural purposes and overall livelihoods. Similarly, in Simanjiro, the Tanzania Nature Conservancy (TNC) is an organization that works to protect biodiversity while supporting carbon reduction strategies. As a carbon broker, the organization highlighted the opportunities and challenges of carbon trading. They state that the emphasis on carbon trading could divert attention from traditional land uses to focus on economic benefits at the expense of conservation goals and the land needs of Indigenous populations. However, they also noted that carbon trading can provide vital funding for conservation initiatives, enabling local communities to invest in sustainable land management practices and enhance their resilience to climate change. In this lies an opportunity of aligning economic incentives with environmental conservation, fostering a more integrated strategy for protecting biodiversity. They also point out that local communities are often alienated from decision-making.

In Simanjiro and Longido, the PINGOs Forum is advocating for the rights and autonomy of Indigenous communities in the context of carbon trading initiatives. Specifically, the PINGOs Forum emphasizes the need to protect land rights and ensure that these trading schemes do not compromise local communities. They assert that any carbon trading engagement must involve meaningful participation from the communities affected, guarantee equitable sharing of benefits, as well as respecting traditional land-use practices. By promoting an inclusive approach that prioritizes Indigenous perspectives, PINGOs Forum aims to prevent the exploitation and marginalization of these communities, thereby playing a crucial role in shaping the discussion and implementation of carbon trading in these regions.

Carbon trading initiatives in Longido and Simanjiro have the potential to offer both environmental and economic advantages. However, it is crucial to consider the specific local contexts, community needs, and Indigenous land rights when pursuing these projects. Engaging authentically with local populations is vital to ensure that conservation efforts respect their rights and support their livelihoods.

# 2. Methodology

The report used both qualitative and quantitative methods including desktop analysis and fieldwork. Data was collected using questionnaires, informant interviews, and focus group discussions. A sample of 100 respondents from Simanjiro and Longido districts reveals significant insights into the potential for community engagement, education, and inclusivity in carbon trading initiatives in Tanzania. The rest of this report presents our critical analysis of the findings of this report, including a detailed engagement with the legal framework on carbon trading in Tanzania, with which we begin.

# 3. Legal Framework on Carbon Trading in Tanzania

Tanzania's legal framework governing carbon trading includes several critical laws and policies. This report discusses four key laws and one regulation related to carbon trading: The Land Act No.4 of 1999; The Village Land Act No.5 of 1999; The Forest Act No.14 of 2002; The Environment Management Act Cap. 191 of 2004; and the Carbon Trading Regulation of 2023. These laws align with the country's climate change and sustainability policies to maximize agricultural productivity and carbon sequestration.

#### i) The Land Act No. 4 of 1999

The Land Act specifies that land is owned by the people of Tanzania, with the government acting as the trustee of the land on behalf of all citizens. Based on this legal premise, the Land Act No. 4 of 1999 establishes the framework for land tenure and investment in Tanzania, influencing carbon trading dynamics. It states the provisions on land ownership, investment guidelines, and community involvement. This regulatory framework aids in creating standards for measuring and verifying carbon sequestration, which is essential for communities' participation in carbon markets. Below we explore these elements to the Land Act.

Clarity of Land Ownership: The Land Act provides clarity of land ownership and a transparent system of land tenure, which is crucial for carbon trading. Secure land rights encourage landowners to participate in carbon offset programs, as they have assurance over the benefits derived from sustainable practices and carbon credits. Additionally, the Act recognizes the communities' right to manage their land regarding carbon trading initiatives, which ensures that project benefits are equitably shared, and ultimately promoting sustainable land management practices.

*Investment Guidelines*: The Act establishes land use and investment guidelines by creating an attractive environment for local and foreign investors interested in environmental projects, including reforestation and conservation initiatives to mitigate climate change and generate carbon credits.

*Conflict Resolution*: The Act provides mechanisms for resolving land disputes, which can often hinder investment in carbon trading initiatives. Fostering a more stable land tenure situation reduces conflicts that could dissuade participation in carbon markets.

While Land Act No. 4 of 1999 provides a supportive legal framework for carbon trading, however, there are potential negative consequences for landowners that may not be immediately evident. Here are a few considerations.

Loss of Control Over Land Use: The potential loss of control of land use, where land owners may enter into long-term carbon trading agreements that limit and control how land owners in communities may use their land. This in itself constitutes a loss of land – a loss that is pegged to the ability of communities and land owners to maintain their eligibility for carbon credits. This could limit their ability to use their land for other purposes, potentially impacting their agricultural productivity or livelihood. As such, local communities may depend on external investors or organizations to manage their land for carbon trading. This reliance could reduce the regional capacity for sustainable land management and decision making, undermining long-term community resilience.

*Market Volatility*: The carbon trading market's unpredictability, where prices fluctuate significantly based on demand and changing market conditions and regulations, might cause financial instability for landowners who may come to rely heavily on carbon credits for income.

Complex Contracts and Requirements: Carbon contracts often require compliance with various national and international regulations. Landowners may not have the resources, legal knowledge, or support to navigate these complexities effectively, leading to potential misunderstandings or unintentional contract breaches, missed opportunities, and ultimately undermining the intended benefits of participating in carbon trading and the decision-making of the local community representatives.

Long-term Commitment: Carbon offset projects often require long-term commitments to particular land use and management practices. Changes in market conditions, regulations, or landowner priorities may result in conflicts if landowners wish to exit these commitments earlier than anticipated.

Equity Issues: While the Act promotes community involvement, participation in carbon trading could inadvertently favour more prominent landowners or corporations with the resources to engage effectively in the market. This could exacerbate inequalities among smaller landholders or indigenous communities whose land is customarily owned and used. The potential for reinforcing existing inequalities raises questions about the inclusivity of carbon trading initiatives.

*Environmental Risks*: Carbon trading poses ecological risks. Where practices aimed at maximizing carbon credits (such as monoculture plantations) lead to biodiversity loss or soil degradation, there may be unintended environmental consequences. Prioritizing market-driven outcomes may harm biodiversity and soil health, countering the ecological benefits that carbon trading promises to provide.

Cultural Disruptions: Introducing carbon trading initiatives may shift Indigenous land management practices and cultural values as communities focus more on market opportunities than on historical or cultural land uses. Landowners may lose the flexibility to engage in alternative agricultural practices, potentially jeopardizing their livelihoods.

The assertion that carbon trading can yield negative consequences for landowners, despite a favourable legal framework like the Land Act No. 4 of 1999, highlights several critical considerations as explored below.

First, the Land Act No. 4 of 1999 establishes a comprehensive legal framework for land tenure in Tanzania, one with potential direct impact on carbon trading dynamics. By clarifying land ownership

and ensuring secure land rights, the Act encourages landowners to engage in carbon offset programs, as they can confidently reap the benefits of sustainable land management practices. This framework facilitates investment in environmental projects like reforestation and promotes community involvement in managing land for carbon trading initiatives. By creating guidelines and mechanisms for resolving land disputes, the Act aims to foster a stable environment conducive to participation in carbon markets, ultimately supporting efforts to mitigate climate change.

However, while the Act provides a supportive structure, it also presents challenges and potential risks for landowners participating in carbon trading. These include the possibility of losing control over land use due to contractual requirements, market volatility affecting income stability, and the complexities of managing compliance with complex local and international regulations. Moreover, there are equity concerns, as larger landowners or corporations may dominate carbon market opportunities, potentially marginalizing smaller landholders and indigenous communities. Additionally, the focus on maximizing carbon credits may lead to environmental risks, such as biodiversity loss and shifts in traditional land management practices, which could disrupt local cultures and undermine the intended benefits of carbon trading initiatives.

#### ii) Village Land Act No. 5 of 1999

All village land shall be held by the village council in trust for the use and benefit of the villagers for their purposes. This emphasizes the importance of community ownership and management of land for the benefit of local populations.

The Act defines village land management and customary land rights and provides a framework for land management. It recognizes customary land rights, crucial for Indigenous pastoralist communities whose cultural, social, and economic practices are deeply intertwined with the land. The place of this act in carbon-trading processes can be seen in the considerations below.

Recognition of Customary Rights: The Act acknowledges communities' traditional rights to manage and utilize land collectively. This helps secure land tenure for Indigenous pastoralists, allowing them to graze livestock and maintain cultural practices.

Cultural Identity and Livelihood: Communal land ownership is essential for the identity and survival of pastoralist communities. It supports traditional practices such as nomadic herding, often at odds with privatization and individual land ownership models.

Sustainability of Pastoralism: The Act supports the sustainability of pastoralism as a livelihood system by ensuring secure land rights. Responsible communal land management can lead to better conservation practices, as communities benefit from preserving their environment.

The Village Land Act No. 5 of 1999 provides a foundational framework to analyse carbon trading within the context of communal land rights and Indigenous livelihoods. By emphasizing that village land is held in trust by the village council for the benefit of all village members, the Act underscores the principle of community ownership and management of land resources. This is vital when considering carbon trading initiatives, as they require careful integration with existing land use practices to ensure that the rights of pastoralists are respected. The Act's recognition of customary land rights enables Indigenous communities to engage in carbon trading discussions from a position of strength, advocating for equitable profit-sharing and active participation in decision-making processes. This

approach can help align carbon trading activities with the sustainable management of communal lands while protecting pastoralist communities' cultural and economic interests.

Additionally, the Act serves as a lens through which the potential tensions between carbon trading and Indigenous livelihoods can be critically examined. It highlights the risks of restrictive land use agreements, which may conflict with the traditional practices essential for pastoralism, such as grazing. By situating carbon trading within the framework of the Village Land Act, stakeholders can better understand the implications of proposed carbon offset projects on pastoralists' mobility and resource access. This understanding is crucial for crafting carbon trading initiatives that do not undermine the sustainability of pastoralism but ensure that these initiatives contribute positively to the livelihoods of Indigenous communities. Ultimately, leveraging the provisions of the Village Land Act can guide the development of equitable carbon trading practices that honour communal land rights and support the resilience of pastoralist livelihoods.

#### iii) Environment Management Act Cap. 191 of 2004

The objective of this Act is to provide for the management of the environment and the conservation of natural resources, promoting sustainable development for present and future generations.

The Act sets forth measures for mitigating and adapting to climate change and represents a pivotal framework for environmental governance in Tanzania. It provides guidelines for managing, protecting, and conserving the environment, emphasizing the need for mitigation and adaptation strategies to address climate change. It encompasses many environmental concerns, including pollution control, biodiversity conservation, and sustainable resource management.

Framework for Carbon Market Participation: This act is linked to carbon trading as it lays the framework for various environmental policies related to carbon projects. Such projects allow companies to invest in initiatives that reduce emissions, such as reforestation or renewable energy, and, in return, communities receive carbon credits that can be traded on international markets.

*Incentive Structures for Climate Mitigation*: Implementing the Act has facilitated the establishment of a regulatory framework and carbon trading mechanisms that include emission targets and monitoring prices. Through the Act, the government can achieve national climate goals and boost economic incentives for companies that engage in sustainable practices

#### Future Implications for Indigenous Peoples' Engagement

Recognition of Indigenous Rights: While the Act primarily focuses on environmental management, it has implications for the rights and involvement of indigenous peoples in conservation efforts. As carbon trading schemes often depend on land for carbon sinks, recognizing Indigenous land rights becomes vital, necessitating the indigenous people's involvement in the design and decision-making processes.

The Environmental Management Act Cap 191 of 2004 of Tanzania can be analysed in terms of carbon trade through several key areas;

*Framework Establishment:* The Act provides a foundational framework for environmental governance in Tanzania, addressing the management and conservation of natural resources. By integrating carbon trading into this framework, the Act enables the development of policies that specifically support carbon

offset projects. This includes guidelines for how carbon trading should operate within the broader context of environmental management.

Mitigation and Adaptation Strategies: The Act emphasizes the importance of climate change mitigation and adaptation strategies. Carbon trading serves as a mechanism to reduce greenhouse gas emissions by allowing companies to invest in projects that provide carbon offsets, such as reforestation or renewable energy initiatives. The regulations established under the Act can guide these projects, ensuring that they align with national climate goals.

*Incentive Structures*: The Act facilitates the creation of regulatory frameworks that define emission targets and develop carbon trading mechanisms. By setting clear guidelines and monitoring mechanisms, the Act enhances the effectiveness of carbon trading, providing economic incentives for companies to adopt sustainable practices. This alignment contributes to both environmental protection and economic growth.

Collaboration and Stakeholder Engagement: The Act underscores the importance of stakeholder involvement in environmental management. Carbon trading necessitates collaboration among government entities, private companies, local communities, and indigenous peoples. Their engagement is crucial for the success and sustainability of carbon projects, as these communities often hold valuable knowledge and traditional practices that can enhance conservation efforts.

Recognition of Indigenous Rights: The Act's implications extend to recognizing Indigenous peoples' rights. As carbon trading projects often require land use for carbon sinks, Indigenous land rights must be acknowledged and protected. The Act can set the stage for ensuring that Indigenous communities are included in decision-making processes regarding land use and benefit-sharing from carbon credits.

Monitoring and Reporting: The Act's provisions for monitoring environmental conditions can be applied to carbon trading projects, ensuring compliance with established emission standards and tracking the effectiveness of carbon offset initiatives. This monitoring is essential for maintaining the integrity of the carbon market and supporting transparency in trading activities. Those provisions include, but are not limited to;

Environmental Impact Assessments (EIA): The Act mandates that any project, including carbon trading initiatives, undergo an EIA. This assessment includes monitoring mechanisms for ecological conditions before, during, and after project implementation. It ensures that potential impacts on emissions are identified and mitigated, laying a foundation for compliance with emission standards.

Environmental Monitoring and Reporting: The Act requires periodic reporting on environmental conditions and the implementation of various projects. For carbon trading projects, this provision can ensure that projects consistently report on their emissions reductions and the effectiveness of carbon offset initiatives. Regular monitoring is crucial for maintaining transparency and accountability in the carbon market.

Compliance and Enforcement Mechanisms: The Act empowers authorities to monitor compliance with established environmental standards, including those related to emissions. This includes the authority to conduct inspections and impose sanctions on projects that fail to adhere to regulatory requirements. Such enforcement mechanisms ensure that carbon trading projects are committed to carbon offset goals and emission reductions.

These provisions contribute significantly to maintaining the integrity of carbon trading projects and ensuring their effectiveness in mitigating climate change impacts. The Environmental Management Act Cap 191 of 2004 is an essential legislative instrument that outlines Tanzania's carbon trading framework. It encourages sustainable development while considering environmental conservation, stakeholder engagement, and the rights of Indigenous communities.

#### iv) Forest Act No. 14, 2002

Preserving forest ecosystems for environmental health and climate change mitigation

The Forest Act is designed to govern the protection and sustainable use of forest resources, emphasizing their conservation and sustainable management, while preserving the rights of the indigenous people.

A significant concern with carbon trading, particularly in areas with communally owned forests, is the potential for land use and resource rights conflicts. Indigenous peoples often rely on their forests for various subsistence activities, including foraging for medicinal plants, hunting, and cultural practices tied to spiritual and sacred sites. As carbon trading projects seek to monetize the carbon storage potential of these forests, there is a risk that the rights and livelihoods of Indigenous communities may be overlooked or undermined.

### The implications of carbon trading in this context are multifaceted:

*Rights and Recognition:* The Act should ensure that the rights of Indigenous Peoples are recognized in carbon trading agreements. This includes their rights to Free, Prior, and Informed Consent (FPIC) before projects that affect their forests begin.

Sustainable Use: The Act can provide guidelines for sustainable management practices that align carbon trading initiatives with Indigenous communities' ecological knowledge. This approach helps protect forest resources and empowers communities by integrating their knowledge and practices into carbon offset projects.

Monitoring and Enforcement: The Act can strengthen provisions for monitoring and enforcing forest protections, ensuring that carbon trading does not lead to deforestation, degradation, or other unsustainable practices. This includes safeguarding biodiversity and the rights of Indigenous Peoples.

*Benefit Sharing*: Mechanisms should be established under the Act for fair benefit-sharing from carbon trading revenues. Indigenous communities should receive financial benefits from carbon credits generated on their lands.

Cultural Preservation: The Tanzanian Forest Act Number 14 of 2002 focuses on managing and conserving forest resources. Still, it does not explicitly emphasize the support for cultural preservation or the rights of Indigenous Peoples concerning their sacred sites. As a result, the Act may fall short in protecting the cultural heritage and spiritual identities of communities like the Barbaig pastoralists.

The acknowledgement that many forests are integral to the spiritual and cultural identities of Indigenous Peoples underscores the need for the Act to prioritize the protection of sacred sites and promote practices that uphold cultural heritage in conjunction with carbon trading. The situation faced by the Barbaig pastoralists in Tanzania, who have been denied access to their sacred sites in the Mount Hanang forest due to restrictions imposed by the Tanzania Forest Services (TFS), highlights a critical policy gap.

Frameworks must be developed to prioritize the rights of Indigenous communities, allowing them to maintain their cultural practices and access their heritage while actively participating in carbon trading initiatives. By acknowledging and valuing the cultural significance of these areas, we can foster a more inclusive approach to environmental protection through the Act.

The Forest Act No. 14 of 2002 is essential for regulating carbon trading while safeguarding Indigenous Peoples' rights and encouraging sustainable forest management. Incorporating fairness, acknowledgment, and sustainability principles into the carbon trading system can help prevent exploitation and maintain the essential relationship between Indigenous communities and their forest lands.

Analysing the Tanzanian Forest Act Number 14 of 2002 with carbon trading involves several key considerations:

Legal Framework for Carbon Trading: Examining how the Act provides a framework for carbon trading activities is crucial. This includes understanding whether it explicitly mentions carbon credits, carbon sequestration, and trading guidelines.

*Recognition of Indigenous Rights*: The Act should be analysed for its provisions regarding the rights of Indigenous Peoples. A critical aspect is whether it supports Free, Prior, and Informed Consent (FPIC) and recognizes indigenous communities' traditional knowledge and land rights, which is vital for fair participation in carbon trading.

Sustainable Management Practices: The Act's emphasis on sustainable forest management provides a basis for evaluating how carbon trading initiatives can align with ecological preservation. This involves examining how they encourage environmentally sound practices that benefit ecosystems and local communities.

Monitoring and Enforcement Mechanisms: The effective implementation of carbon trading relies on robust monitoring and enforcement mechanisms within the Act. Analysing these provisions helps determine how well the Act protects against negative impacts, such as deforestation and land degradation, during the carbon trading process.

*Benefit-Sharing Framework*: A significant area of analysis is how the Act addresses benefit-sharing mechanisms. It's essential to see if there are clear guidelines for ensuring that Indigenous communities receive a fair share of the revenues generated from carbon trading on their lands.

*Cultural Preservation*: The Act's implications for cultural heritage and sacred sites are another critical aspect. Examining whether the Act explicitly recognizes and protects the cultural practices and sites of Indigenous Peoples can highlight gaps in policy that need to be addressed.

Stakeholder Engagement: Analysing how the Act facilitates stakeholder engagement, especially with Indigenous communities and local populations, can reveal its effectiveness in fostering inclusive carbon trading initiatives.

*Recommendations for Improvement*: Based on the analysis, one can identify areas where the Act could be strengthened to accommodate the dynamics of carbon trading better while safeguarding the rights and livelihoods of Indigenous Peoples. Exploring these dimensions allows for a thorough analysis of the Tanzanian Forest Act No. 14 of 2002, providing insights into its effectiveness and identifying areas for improvement regarding carbon trading.

#### v) Carbon Trading Regulation 2023

The regulation must explicitly recognize and protect the rights of indigenous peoples, ensuring that their perspectives are included and that they have a voice in decision-making processes regarding the use of their communally owned lands and resources.

The Carbon Trading Regulation 2023 in Tanzania aims to create a structured framework for managing carbon trading projects, presenting opportunities and challenges for Indigenous communities. The effectiveness of these regulations in safeguarding indigenous peoples' rights, particularly regarding their communally owned lands and resources, can be analysed through several critical lenses.

The analysis shows that this legislation falls short of its ability to foster Indigenous rights in carbon trading. The Tanzanian Carbon Trading Regulations of 2023 can be analysed through several key aspects related to carbon trade:

Legal Framework and Indigenous Rights: An essential aspect of the analysis is how the regulations establish a legal foundation for carbon trading while ensuring the rights of indigenous peoples are recognized and protected. A critical evaluation would examine whether the regulations explicitly include provisions safeguarding communal land rights and the interests of indigenous communities that rely on these lands for their livelihoods and cultural practices.

Community Participation and Free, Prior, and Informed Consent (FPIC): The effectiveness of the regulations will depend on their ability to facilitate active community participation. This includes assessing the mechanisms in place for obtaining FPIC from indigenous populations. Analysing the extent to which these communities are consulted and involved in decision-making processes regarding carbon projects is essential to determine the inclusiveness of the regulation.

Economic and Livelihood Sustainability: The analysis will also examine how the regulations impact the economic sustainability of indigenous livelihoods. It will be essential to evaluate whether the financial incentives of carbon trading projects align with sustainable practices and do not lead to adverse environmental consequences. Understanding whether these initiatives promote ecological balance and support traditional practices is key.

*Biodiversity and Ecological Considerations*: Another lens for analysis will focus on how the regulations interact with biodiversity and ecological sustainability. It will be essential to examine if the regulations encourage practices that enhance biodiversity and allow for the integration of indigenous land-use practices, such as agroforestry.

Monitoring and Accountability: Finally, analysing the regulatory framework should include monitoring systems' effectiveness. This includes evaluating whether there are transparent mechanisms to assess the impacts of carbon trading projects on communities and the environment, and ensuring that indigenous voices are heard if issues arise. Examining these aspects can provide a comprehensive understanding of how the Carbon Trading Regulations 2023 may influence carbon trading practices in Tanzania, particularly regarding their implications for indigenous communities and their rights.

## 4. Primary Data Insights

#### Carbon Trading Context in Tanzania

Blessed with extensive forests and rich rangelands, Tanzania is vital in global carbon trading initiatives to mitigate climate change. The country's unique ecosystems provide critical carbon sinks and support the livelihoods of numerous communities, particularly the indigenous Maasai, Barbaig, Akie, and Hadzabe people. However, engagement in carbon trading is fraught with complexities, including land rights issues, equitable benefit sharing, and varying levels of community awareness and involvement. The specific context of Simanjiro and Longido districts serves as a critical case report for understanding the dynamics of carbon trading engagement among Maasai communities:

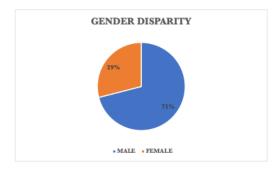
In the heart of our land, where our ancestors walked and our traditions thrive, carbon trading must honour our voices and rights. It is not just about trading carbon; it's about sustaining our way of life and ensuring that the benefits of our forests and rangelands are shared equitably with the people who depend on them.

#### General Framework

In Tanzania, carbon trading operates within broader environmental policies and frameworks aligned with international climate agreements, such as the Paris Agreement. The government actively promotes initiatives to reduce greenhouse gas emissions through forest conservation and sustainable land management practices. However, successful implementation depends on addressing challenges such as a lack of awareness of the legal framework governing land rights and carbon trading, inadequate participation of local communities in decision-making, and inequitable benefit-sharing.

#### **Gender disparity**

A notable gender imbalance (71 percent male, 29 percent female) points to systemic barriers that limit women's involvement in carbon trading discussions and decision-making processes, a critical concern for inclusivity. This gender disparity may be due to cultural, social, or structural factors that limit women's involvement in decision-making or economic activities. Therefore, interventions should be tailored to address these barriers by creating opportunities for women to participate in training, leadership, and benefit-sharing mechanisms to achieve equitable participation and benefit sharing.



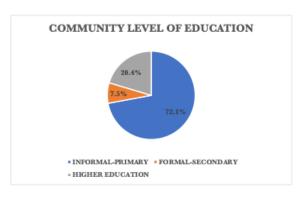
#### **Youth Participation**

The majority of the respondents in the baseline report (61.2 percent) fall within the economically active 35-55 age group, indicating potential leadership and decision-making capacity. The participation of youth aged 18-34 years was at 38.8%, which suggests a demographic that is aware and open to

innovative practices in carbon trading. This age group may also represent experienced farmers or herders who are directly impacted by land-use decisions related to carbon trading. Training programs should target this group with opportunities for education and active participation in carbon trading, leveraging their potential for innovation and adaptability. This will also foster innovation and ensure inter-generational sustainability.

#### **Educational Background**

The data indicates low literacy rates, 72.1 percent of respondents either have an informal education (4.3 percent) or completed only primary education (67.8 percent), which could hinder communities' ability to fully understand or negotiate the complexities of carbon trading agreements, such as Monitoring, Reporting, and Verification (MRV) systems. To convey the complexities of carbon trading to communities with low literacy levels, there is a need for the use of the local languages and culturally relevant communication methods (e.g., storytelling and visual aids).



Training should also be culturally sensitive and incorporate the perspectives of the indigenous people to respect the Maasai's values and land use practices, thereby enhancing the likelihood of successful implementation.

7.5 percent of the respondents have a higher education; the small percentage of higher-education respondents presents an opportunity to identify community leaders or intermediaries who can bridge

the gap between local communities and external stakeholders in carbon trading. However, this number is too low to meet the technical and managerial demands of such initiatives at scale.

20.4 percent of the respondents have a secondary education, representing a middle ground. They have some capacity to understand and engage with carbon trading concepts, but they will likely need tailored training and support.

Given the educational limitations, it was found that fostering trust and ensuring transparency in carbon trading agreements is crucial. Communities need accessible information to avoid exploitation or misunderstandings, especially regarding sharing financial benefits and managing communal resources. Additionally, community training programs should be tailored to varying literacy levels to enhance understanding of carbon markets, including how carbon credits are calculated, traded, and monetized.

The demographic data highlights opportunities and challenges for carbon trading in Simanjiro and Longido Districts. While the youthful population and male dominance in participation suggest a motivated and capable labour force, the low levels of education and significant gender disparity underscore the need for targeted capacity-building initiatives, inclusivity measures, and simplified approaches to ensure equitable and effective engagement in carbon trading. Addressing these gaps will be critical to ensuring the long-term success and sustainability of carbon trading projects in Tanzania.

#### **Carbon Trading Awareness and Knowledge**

| CARBON TRADING AWARENESS AND UNDERSTANDING |       |
|--|-------|
| Aware                                      | 29%   |
| Unaware                                    | 62.4% |
| Unable to Understand Complexities          | 8.6%  |

The data highlights the significant gap in awareness and knowledge in the two communities that present challenges in implementing carbon trading initiatives in these areas. Below is a critical analysis of the implications for community engagement:

Only 29 percent of the community members are aware of carbon trading, with 62.4 percent unaware and 8.6 percent unable to understand its complexities. This low awareness highlights a critical barrier to community engagement in carbon trading programs. Without adequate knowledge, communities cannot make informed decisions about their participation, the benefits they can derive, or the potential risks involved. This knowledge gap can lead to mistrust or misconceptions about carbon trading initiatives, notably if communities feel excluded or misinformed.

#### **Sources of Carbon Trading Knowledge**

| SOURCES OF CARBON TRADING KNOWLEDGE   |       |  |
|---------------------------------------|-------|--|
| Non-Governmental Organizations (NGOs) | 48.8% |  |
| Community Meetings                    | 16.7% |  |
| Carbon Markets Agencies               | 34.5% |  |

Most respondents obtained knowledge from Non-Governmental Organizations (NGOs), 48.8%, 16.7% from community meetings, and 34.5% from other sources, such as carbon markets, which indicates a significant dependency on external actors for knowledge as opposed to community sources. Inequitable benefit sharing happens when the financial and environmental benefits of carbon trading are skewed towards external actors like NGOs and private companies.

Community meetings, which serve as a culturally appropriate platform for sharing knowledge, contribute only a small fraction to raising awareness. This underutilization highlights missed opportunities to engage local governance structures or leverage traditional leadership for effectively disseminating information. The involvement of carbon brokers in creating awareness may lead to the sharing of biased information. Brokers might prioritize their interests over community needs, potentially resulting in exploitative arrangements.

#### Variation in Engagement Across Villages

Simanjiro (Terrat village) and Longido (Kimokouwa and Orbomba villages) are likely to respond to carbon trading initiatives in the context that affects their daily lives and ways of life due to the socioeconomic and cultural differences that affect the two communities. For instance, in Terrat village (Simanjiro), a predominantly pastoralist community is likely to be sceptical about carbon trading if it is perceived to affect their grazing lands or alter their traditional land-use practices. Meanwhile, in Kimokouwa and Orbomba (Longido), where the communities pride themselves on their natural resources, residents are likely to resist carbon trading initiatives if they are perceived to benefit external and foreign actors more than local communities. The data underscores the need for more robust community engagement strategies to build trust, knowledge, and participation. Educational and training

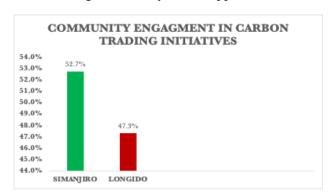
campaigns tailored to the local context are essential; this could demystify the concept and address knowledge gaps.

#### **Community Perceptions of Potential Benefits of Carbon Trading**

| CARBORN TRADING POTENTIAL BENEFITS            |       |  |
|---|-------|--|
| Beneficial Iniative                           | 37.7% |  |
| Non Beneficial Initiative                     | 24.7% |  |
| Neither Beneficial Nor Unbeneficial (Neutral) | 37.6% |  |

The community's perceptions of carbon trading present a complex landscape of optimism, scepticism, and uncertainty regarding its potential benefits. A notable 37.7 percent of respondents expressed some belief in the benefits of carbon trading, with 24.8 percent agreeing and 12.9 percent strongly agreeing. However, a significant portion of the community, 15.1 percent, strongly disagreed, and 9.6 percent disagreed, leading to 24.7 percent who do not see any advantages. Additionally, 37.6 percent of respondents maintained a neutral position, suggesting either a lack of understanding of the mechanisms and benefits of carbon trading or indifference towards these initiatives.

The limited perception of tangible benefits is particularly striking. Only 7.6 percent believe that carbon trading offers economic opportunities, 18.5 percent view it as beneficial for environmental protection, and 27.2 percent associate it with community development. A significant 46.7 percent, however, perceive no benefits at all. Furthermore, there are no expectations for job creation associated with carbon trading, which may reflect apprehensions that such initiatives are largely top-down, dominated



by external actors with little potential for generating direct employment within the community.

| PERCEPTION OF TANGIBLE BENEFITS |       |  |
|---------------------------------|-------|--|
| Economic Opportunities          | 7.6%  |  |
| Environmental Protection        | 18.5% |  |
| Community Development           | 27.2% |  |
| No Tangible Benefits            | 46.7% |  |

Interestingly, the relatively firm belief in community development—expressed by 27.2 percent of respondents—suggests a glimmer of hope that carbon trading could contribute to infrastructure, education, or social services. Nonetheless, this optimism remains tempered by widespread scepticism and distrust regarding whether the promised benefits will be realized, particularly due to past exploitative arrangements that have failed to deliver on their commitments. The findings indicate a community grappling with mixed feelings about carbon trading, anchored by a desire for more clarity, trust, and tangible outcomes.

#### **Concerns About Negative Impacts**

Concerns surrounding carbon trading's negative impacts on indigenous communities are significant and multifaceted. A substantial 50 percent of respondents perceive threats to land rights, indicating a deep-seated fear of losing access to or control over ancestral lands. This anxiety is likely rooted in historical experiences where local stakeholders have been marginalized during land acquisitions for conservation or development projects.

Transparency is another critical issue, with 17 percent of community members expressing concerns about a lack of clarity regarding carbon trading agreements. This uncertainty fosters mistrust, as communities may not fully understand how revenue is distributed and the terms they are bound to. Meanwhile, a small percentage, 6.8 percent, worry about unfair benefit sharing, suggesting that while this issue is acknowledged, broader structural concerns related to land ownership and transparency dominate the discourse.

| IMPACTS OF CARBON TRADING        |       |  |
|----------------------------------|-------|--|
| Threats to Land Rights           | 50%   |  |
| Lack of Transparency and Clarity | 17%   |  |
| Unfair Benefits                  | 6.8%  |  |
| Neutral on Impacts               | 42.5% |  |

Interestingly, only 9.1 percent of the community raises environmental concerns, indicating that social and economic issues are a higher priority for residents. This suggests that indigenous livelihoods take precedence over ecological considerations in community discussions.

Moreover, there is a notable level of neutrality regarding carbon trading impacts, with 42.5 percent of respondents not taking a definitive stance. This neutrality may stem from a lack of engagement, knowledge, or empowerment to voice strong opinions, which is particularly worrisome. An uninformed or disengaged community is less likely to participate in decision-making processes or advocate for equitable outcomes. However, this also presents an opportunity for targeted education and outreach to address community concerns about carbon trading directly.

Underlying these perceptions are themes of distrust toward external actors and fears that carbon trading may exacerbate the marginalization of indigenous communities. The limited understanding of potential benefits indicates that communication from implementing actors has been insufficient. Thus, a clear communication strategy outlining how carbon trading can tangibly benefit the community through job creation, infrastructure development, or environmental protection is essential.

To foster community engagement and address these perceptions, it is critical to implement robust, participatory processes that allow local voices to be heard. Accessible workshops, town hall meetings, and involving indigenous leaders in decision-making can help bridge the gap in understanding and build trust.

Additionally, addressing transparency concerns through open communication about contracts, revenue sharing, and project goals is vital. Equitable benefit distribution must be meticulously articulated to alleviate fears of exploitation. Protecting indigenous land rights should be at the forefront, ensuring that carbon trading initiatives do not disenfranchise local communities.

The scepticism, distrust, and limited awareness of tangible benefits shape community perceptions of carbon trading in the Simanjiro and Longido districts. While there is hope for community development and environmental protection, concerns about land rights, transparency, and inequitable benefit-sharing remain prevalent. Successful carbon trading initiatives must prioritize transparent, inclusive, and community-driven approaches to address these concerns and foster trust among local stakeholders. Without such measures, carbon trading risks being seen merely as another extractive endeavour that benefits external actors at the expense of indigenous communities.

#### **Community Participation and Inclusion**

Only 18.2 percent of community members actively participate in carbon trading, while 53.8 percent feel excluded and disengaged. Most (76.9 percent) feel excluded from labour, brokerage, or decision-making roles. This indicates inadequate participatory methods in designing and implementing carbon trading projects, which undermines the legitimacy of these initiatives. As a result, concerns have been raised about a hidden agenda that can remove Indigenous people from their land and affect their traditional practices central to their livelihood.

The low levels of community involvement also suggest a failure to address power imbalances and the dominance of external factors, such as brokers or NGOs, who prioritize their agendas over local needs and priorities.

#### High Levels of Interest but Gaps in Understanding

54.9 percent of community members express interest in participating in carbon trading. (Par, 31.9 percent wish to learn more about carbon trading, and only 13.2 percent are uninterested in engagement. The interest in participation and a strong desire for knowledge indicate an untapped potential to mobilize communities as key stakeholders in carbon trading. However, the lack of accessible and culturally appropriate information has created significant gaps in understanding, which could hinder informed participation. Future initiatives must capitalize on this interest by offering capacity-building programs that demystify carbon trading, explain its implications, and clarify community members' roles, responsibilities, and potential benefits.

| PARTICIPATION/INCLUSION                             |       |  |
|---|-------|--|
| Active Participation/Inclusion                      | 18.2% |  |
| Disengaged/Excluded                                 | 53.8% |  |
| Neither Included Nor Excluded (Neutral)             | 28%   |  |
| INTERESTED IN CARBON TRADING BUT LACK UNDERSTANDING |       |  |
| Interested in Carbon Trading Initiatives            | 54.9% |  |
| Need to Learn More About Carbon Initiatives         | 31.9% |  |
| Neither Interested Nor Need to Learn More           | 13.2% |  |

#### Preservation of Indigenous Livelihoods and Ways of Life

Indigenous communities often rely on pastoralism, agriculture, or other traditional land-use practices that carbon trading agreements may impact. Many community members are concerned about threats to their land rights, livelihoods, and access to natural resources. Carbon trading initiatives, such as reforestation or conservation projects, often require land-use restrictions to maintain carbon sequestration. If these restrictions are not aligned with indigenous livelihoods, they could exacerbate poverty, displace communities, or erode traditional practices.

Safeguarding indigenous ways of life must be central to the acceptance and sustainability of carbon trading. Currently, there is immense doubt about the initiative process and outcomes. This requires designing initiatives that complement indigenous practices rather than displacing them. For example, integrating pastoralism with sustainable grazing or supporting agroforestry initiatives could provide economic benefits while preserving cultural identities.

# 5. The Future of Carbon Trading: Challenges and Opportunities 5.1. Challenges

Lack of Representation and Transparency: The current decision-making processes in carbon trading are often dominated by external actors, leading to a significant trust deficit within communities. With community representation at only 20.5 percent, there is an urgent need to improve inclusivity to reflect local interests better and foster accountability.

*Inequitable Benefit Sharing:* Communities frequently perceive carbon trading as inequitable due to unclear revenue distribution mechanisms. This lack of transparency in benefit-sharing fosters scepticism and resistance towards carbon trading initiatives. Establishing clearer, more equitable frameworks for distributing benefits is crucial to restoring trust and engagement.

Land Rights Conflicts: Indigenous communities often experience land tenure insecurity, making them susceptible to dispossession in carbon trading agreements. The absence of formal land ownership further hinders their ability to negotiate favourable terms. Addressing these vulnerabilities is essential to protect community rights and enhance participation in carbon trading.

# **5.2.** Opportunities:

High Interest in Engagement: With 54.9 percent of communities wanting to participate in carbon trading, there is a strong foundation for building meaningful partnerships. By offering communities the opportunity to participate in project planning, monitoring, and benefit-sharing, we can transform this interest into active involvement and ownership of initiatives.

Capacity Building and Awareness Creation: Tailored training programs and increased access to information can empower communities to engage effectively in carbon trading. Such initiatives will enable them to negotiate fair agreements and advocate for their rights, leading to more equitable outcomes in carbon trading projects.

Integrating Indigenous Knowledge: Indigenous communities possess invaluable ecological knowledge that can significantly enhance the sustainability of carbon trading initiatives. Their traditional land management practices, often more effective in promoting carbon sequestration than outside solutions, should be integrated into project design and implementation. This integration acknowledges Indigenous peoples' contributions and fosters more effective, sustainable carbon trading practices.

Proactively tackling the identified challenges while harnessing the potential opportunities can empower stakeholders to establish a more just and sustainable carbon trading framework. This strategy promises to enhance indigenous communities' well-being and advance global climate mitigation objectives. Meaningful engagement with communities in carbon trading initiatives paves the way for innovative, inclusive, and sustainable solutions that benefit all parties involved.

### 6. Regulatory Framework and Governance

The data on the regulatory framework, governance, and Indigenous community perspectives on carbon trading in Simanjiro and Longido reveal significant gaps in awareness, participation, and governance. Based on the data below, a critical analysis is performed.

#### Adequacy of the Regulatory Framework

#### Key Observations:

Only 7.5 percent agree, and 8.1 percent strongly agree that Tanzania's carbon trading regulations are sufficient. A significant 48.9 percent of respondents indicate they lack knowledge of the regulatory framework. The low levels of agreement on the adequacy of rules suggest that the current regulatory framework is either insufficient or ineffective.

The high proportion of respondents (48.9 percent) who lack knowledge about the regulatory framework highlights a critical information gap, leaving communities unable to assess whether it protects their rights and interests. A weak or unclear regulatory framework risks exploitation, inequitable benefit-sharing, and a lack of safeguards for indigenous rights, undermining the credibility and sustainability of carbon trading initiatives.

#### **Access to Information and Rights Awareness**

#### Key Observations:

Up to 69.9 percent of Indigenous communities need specific information about their rights in carbon trading. 19.4 percent prioritize context-specific rights and how processes safeguard these rights. Only 10.7 percent feel they do not need carbon-related information. This overwhelming demand for information reflects the communities' desire for clarity and empowerment in carbon trading engagements. The lack of information creates power imbalances where indigenous communities enter into contracts without understanding their implications.

Context-specific information addresses the challenges pastoralist and hunter-gatherer communities face in Simanjiro and Longido, such as land-use changes, grazing and hunting-gathering rights, and cultural preservation. The demand for targeted rights education underscores the need for participatory approaches that inform and empower communities before agreements are reached.

#### **Representation In Decision-Making**

#### *Key Observations*:

Only 39 percent (10.9 percent strongly agree, 28.1 percent agree) believe there is adequate representation in decision-making processes. 33.8 percent (20.7 percent strongly disagree, 13.1 percent disagree) find representation inadequate. A significant 27.2 percent are neutral.

The mixed responses suggest that while some Indigenous individuals may feel represented, a considerable portion perceive the process as exclusionary or unbalanced. The high neutrality (27.2 percent) indicates a lack of awareness or engagement, as many may not know who represents them or how decisions are made. Effective representation requires mechanisms that ensure indigenous voices are central to decision-making, such as elected representatives, community councils, and traditional leaders.

#### **Socio-Economic Improvement Potential**

#### **Kev Observations:**

Only 12 percent strongly agree, 26.1 percent agree that carbon trading can improve socioeconomic welfare, and 41.3 percent are neutral. 20.6 percent (16.3 percent strongly disagree, 4.3 percent disagree) do not see socio-economic benefits. The high neutrality (41.3 percent) suggests a lack of clarity on how carbon trading could benefit Indigenous communities in tangible ways.

The scepticism from 20.6 percent reflects concerns about the equitable distribution of benefits, especially in communities with histories of exploitation and broken promises from previous development projects. Gaining community support will require demonstrating socioeconomic benefits, such as improved infrastructure, education, and livelihoods. This requires transparent revenue-sharing agreements and visible community development outcomes.

#### **Imperatives and Recommendations for Carbon Trading**

Key Observations: Only 35.5 percent support carbon trading on ancestral lands, while 45.1 percent oppose it. 19.4 percent neither recommend nor discourage investments. We interpreted this opposition (45.1 percent) to be stemming from concerns over land rights, cultural erosion, and the potential negative impact on traditional livelihoods. Pastoralist communities may fear land-use restrictions that limit grazing or displacement.

The relatively high support (35.5 percent) indicates that some communities see potential in carbon trading regarding financial benefits or environmental conservation. The neutral stance (19.4 percent) suggests that many communities lack sufficient information to make an informed recommendation. Targeted awareness campaigns and participatory consultations are necessary to address this indecision.

#### **Awareness And Understanding Before Contracting**

#### *Key Observations*:

A staggering 84.8 percent are unaware and lack experience with carbon trading before entering contracts. Only 13 percent are aware of and possess knowledge about carbon trading contracting.

This statistic is alarming as it indicates that the majority of Indigenous communities are engaging in carbon trading contracts without informed consent. This undermines the principles of free, prior, and informed consent (FPIC), a key safeguard for indigenous peoples in development projects.

A lack of awareness puts communities at risk of exploitation. They may unknowingly agree to unfavourable terms, prioritizing external actors' interests over their own. Building awareness and understanding is not just necessary—it is an ethical imperative to ensure communities can negotiate contracts that reflect their priorities and protect their rights.

# 7. Recommendations for Sustainable Carbon Trading Initiatives in Longido and Simanjiro

To ensure the effectiveness and sustainability of carbon trading initiatives in Longido and Simanjiro, we recommend the following actionable measures tailored for Indigenous communities.

#### Monitoring and Compliance

Effective monitoring and compliance mechanisms are essential to ensuring that Indigenous peoples' rights are protected throughout the life-cycle of carbon trading projects. The regulations should require regular assessments of these projects' social and environmental impacts and establish accountability measures for violations of indigenous rights.

Moreover, an independent body or a commission that includes Indigenous representation could oversee the implementation of these projects, ensuring that regulations are honoured and that communities are fairly compensated and supported.

Carbon trading in Simanjiro and Longido holds potential but faces significant challenges due to gaps in regulatory frameworks, awareness, representation, and perceived socioeconomic benefits. For these initiatives to succeed, they must prioritize inclusive governance, community empowerment, and Indigenous rights and livelihood safeguards. By addressing these gaps and leveraging the community's interest in engagement, carbon trading can become a sustainable and equitable tool for environmental conservation and socioeconomic development. Revise the paragraph to summarize the key recommendation stated below.

#### Designing Sustainable Carbon Trading Processes

The landscape of carbon trading in Simanjiro and Longido is shaped by a complex interplay of challenges and opportunities that must be addressed to ensure equitable and effective implementation of carbon trading initiatives.

Governance and Representation: The inadequacy of community representation, with only 20.5 percent acting as representatives, suggests that decision-making processes are primarily dominated by external actors, leading to a significant trust deficit among Indigenous communities. This lack of transparency and representation hampers effective participation and creates scepticism about the processes involved. However, this situation presents a critical opportunity to strengthen governance mechanisms through transparent, participatory frameworks. Including Indigenous voices in decision-making and benefit-sharing processes can cultivate trust, leading to more robust engagement in carbon trading initiatives.

Cultural Integrity and Livelihood Protection: Investments and projects associated with carbon trading often evoke fears of cultural erosion and land rights dispossession, particularly among Indigenous pastoralists and hunter-gatherers. The disruption of traditional livelihoods poses a significant threat to these communities. Carbon trading initiatives can be designed to respect and align with Indigenous cultural practices, such as sustainable grazing and agroforestry. By developing culturally sensitive projects that integrate traditional ecological knowledge, these initiatives can mitigate disruptions to Indigenous ways of life and promote environmental conservation respectfully and beneficially to local communities.

Addressing the challenges of inadequate governance, lack of community awareness, and concerns about cultural integrity is essential for successfully implementing carbon trading in Simanjiro and Longido. Simultaneously, leveraging opportunities to enhance education, facilitate meaningful community engagement, and design culturally aligned projects can pave the way for a more equitable and effective carbon trading framework that benefits both the environment and Indigenous communities.

Establishing inclusive decision-making platforms: It is essential for fostering representation. Indigenous leaders, women, and youth must be able to participate actively in carbon trading governance. Training local representatives will enable them to effectively advocate for the diverse needs of all demographics, especially during negotiations. To ensure equitable benefit-sharing, transparent mechanisms for revenue distribution should be created, guaranteeing that a significant portion of carbon credit revenues directly benefits communities. Prioritizing community-driven development projects like schools, healthcare facilities, and water systems will help demonstrate tangible benefits.

Community Awareness and Capacity Building: Low levels of awareness regarding carbon trading and the associated rights around land use leave Indigenous communities vulnerable to exploitation. The unclear mechanisms for revenue distribution commonly led communities to perceive carbon trading as inequitable, fuelling scepticism and resistance. This ignorance of their rights limits their capacity to advocate effectively for their interests. Therefore, there is an expressed need for targeted education and information dissemination, presenting a clear pathway for capacity-building programs. By enhancing community awareness of carbon trading and their rights, Indigenous groups can gain the tools to engage more meaningfully in discussions and negotiations.

Accountability and Transparency: Establish independent oversight mechanisms that effectively monitor project implementation and adherence to community commitments to enhance accountability and transparency. This process should incorporate third-party audits on benefit-sharing, land-use changes, and environmental impacts. To foster trust, it is crucial to maintain clear and transparent reporting of all project revenues, expenses, and benefits, ensuring that stakeholders are fully informed and engaged in the decision-making process.

The Regulatory Framework: The legal framework should explicitly protect the land rights of Indigenous people and uphold environmental preservation, enforcing adherence to regulations before carbon trading agreements are negotiated and signed. Regular reviews and updates are necessary to address community concerns and incorporate lessons learned from implementation. To enhance community awareness, widespread educational and training campaigns should be conducted using culturally appropriate methods. This will help explain carbon trading processes, rights, and benefits, simplifying legal and technical jargon to make information accessible to all.

Carbon trading projects should integrate sustainable practices that align with pastoralists' and hunter-gatherers' livelihoods, including supporting rotational grazing, selective hunting and gathering, or community-led reforestation initiatives. Consulting with Indigenous leaders is crucial to ensure that projects respect ancestral Indigenous and sacred lands while preserving cultural heritage.

# 8. Conclusion: PINGOs Forum Political Position on Carbon Trading

The Pastoralists Indigenous Non-Governmental Organizations (PINGOs) Forum maintains a critical political stance on carbon trading initiatives relating to Indigenous communities' rights, livelihoods, and cultural integrity in Longido and Simanjiro districts. The findings of this report underscore the pressing need for carbon trading mechanisms to be grounded in principles that prioritize community involvement and respect for Indigenous land rights.

It is paramount that these initiatives recognize and address the valid concerns raised by local communities, particularly regarding the violation of land rights, inequitable benefit-sharing, and fears of dispossession. The PINGOs Forum asserts that for carbon trading to be a viable approach toward climate action, it must ensure that Indigenous peoples' voices are heard and prioritized in the planning and implementation phases of such projects.

Furthermore, the PINGOs Forum advocates for a framework for intertwining carbon trading initiatives with sustainable development practices that honour Indigenous knowledge systems. This approach is vital to fostering ecological health while promoting economic growth, directly benefiting local communities.

In light of the opportunities presented by carbon trading to contribute to climate change mitigation, the PINGOs Forum emphasizes pursuing integrity and transparency in carbon market transactions. This includes equitable distribution of benefits derived from carbon trading, ensuring that local communities can sustainably engage with these opportunities without compromising their land rights or cultural practices.

Ultimately, the PINGOs Forum champions an inclusive and participatory model of carbon trading that aligns conservation strategies with the socioeconomic realities of Indigenous peoples. This ensures that carbon trading serves environmental goals and enhances the welfare and resilience of communities directly impacted by these initiatives. Through collaboration with organizations like Soil for the Future and the Tanzania Nature Conservancy, the PINGOs Forum aims to foster an equitable balance between biodiversity conservation and the rights of Indigenous people, advocating for practices that uphold ecological integrity and social justice within the context of carbon trading.

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