

**MITIGATION & ADAPTATION
NON-BLENDED**

PROJECT NAME	The Yaeda - Eyasi Landscape project (originally the Yaeda Valley project)¹
COUNTRY/REGION	The United Republic of Tanzania
SECTOR	Land Use and Forestry
PROJECT/INVESTMENT AMOUNT	Capital investment (project start up): US\$300,000 Annual budget: US\$575,000, beginning in 2022 subsequent to the expansion of the project from 3 to 12 villages. This includes approximately US\$450,000 in community benefit payments, which include monthly payments to forest scouts, monitoring activities, health care provision, school costs for children, support for students continuing to university, emergency food supplies, infrastructure development (building of classrooms, village offices, police post, among others)
DEVELOPMENT PARTNER(S)/STAKEHOLDERS	Carbon Tanzania, a local social enterprise; Ujumaa Community Resource Team, local Tanzanian indigenous rights organisation.
BENEFICIARY MINISTRY/ INSTITUTION	Mbulu + Karatu District Councils, Tanzania Revenue Authority
INVESTOR(S) AND FUNDERS	Carbon Tanzania provided all investments in the project (funds, time, skills). Private impact investors have invested in Carbon Tanzania as a business
GUIDEBOOK TAXONOMY FINANCIAL SYSTEM ACTOR	Philanthropy and Impact Investors
PROJECT OVERALL GOAL	Protection of Tanzanian forests for the benefit of Indigenous Peoples, wildlife and the climate
PROJECT OUTCOMES	Outcomes achieved since payments began in 2013: <ul style="list-style-type: none"> • 177,284 tonnes of CO2 emissions avoided per year • Over 171,700 trees protected per year • Over US\$81,000 to the forest communities per year • 120 community members employed as Village Game Scouts • 12 villages incorporating 61,000 people benefitting from forest protection • 110,000 ha of critical habitat is protected that connects with the World Heritage site Ngorongoro Conservation Area
ALIGNMENT WITH COUNTRY IDENTIFIED CLIMATE STRATEGIES, NDCs, ETC. (IF APPLICABLE)	Tanzania identifies forestry as one of the four priority sectors for mitigating climate change, including enhancing and upscaling the implementation of participatory forest management programmes.
CONTRIBUTION OF THE PROJECT TO THE UN SDGs	SDG 13: Climate action SDG 1: No poverty SDG 2: Zero hunger SDG 8: Decent work and economic growth SDG 9: Industry, innovation and infrastructure SDG 10: Reduced inequalities SDG 15: Life on land SDG 16: Peace and Justice strong institutions

¹ This case was provided by CrossBoundary as a contribution to the Sharm El-Sheikh Guidebook for Just Financing

<p>SOCIOECONOMIC IMPACT</p>	<ul style="list-style-type: none"> • The project effectively channels international climate finance directly to the indigenous Hadza and Datooga communities who are protecting their natural resources. • Local communities are selling carbon credits generated from conserving their forests and using the revenues to employ some of their members as stewards protecting the forest, to provide access to healthcare for all community members and access to education from primary school through to tertiary, in addition to funding community development projects. • The protection of the ancestral forests allows the Hadza and Datooga pastoralists to practice their traditional semi-nomadic lifestyle and maintains their rich cultural identity.
<p>ENVIRONMENTAL IMPACT (ON CLIMATE MITIGATION AND/OR ADAPTATION)</p>	<ul style="list-style-type: none"> • Mitigation: Reducing deforestation prevents greenhouse gases from being released into the atmosphere • Adaptation: The program strengthens the capacity of communities to cope with the effects of climate change. It does so by increasing their revenue and through the establishment of incentives for the protection of their forests from poachers and encroaching agriculture. Increased forest density and securing habitat connectivity, in turn, brings about biodiversity benefits, such as the increase of some animal species and year-round access to plants, which translate into food security for the hunter-gatherer population • Healthy forests provide the Datooga community with access to seasonal grazing resulting in healthy livestock, which in turn improves food security and enhances their resilience to climate change.
<p>ENABLING ENVIRONMENT (SUPPORTING POLICIES)</p>	<p>Forest Act, Village Land Act, Land Act, Local Government Act, National Poverty Reduction Strategy</p>
<p>TECHNICAL ASSISTANCE (IF PROVIDED)</p>	<p>The Nature Conservancy provided satellite remote sensing technical assistance for deforestation rate analysis and modelling</p>
<p>FINANCING MODEL/APPROACH (EX: BLENDED FINANCE)</p>	<p>Blended finance was used - a mixture of small grants, technical assistance in kind, and debt and equity investments (from private impact investors) into Carbon Tanzania</p>
<p>RATIONALE FOR FINANCING MODEL/APPROACH</p>	<p>De-risking the experimental nature of the project development process at the time - prior to clear demand for Verified Emission Reductions (VERs) from REDD+ / land use projects</p>
<p>FINANCIAL INSTRUMENT(S) (LOANS (COMMERCIAL/ CONCESSIONAL), EQUITY, GUARANTEE)</p>	<p>Equity and debt investment, and Emission Reduction Purchase Agreements (ERPAs) to generate recurring revenues</p>
<p>DIAGRAM OF THE FINANCING STRUCTURE</p>	<p>The diagram illustrates the financing structure. On the left, 'Donors & Catalytic funders (The Nature Conservancy, others)' provide 'Grants, technical assistance in kind' to the 'Project Proponent and Developer (Carbon Tanzania)'. 'Private impact investors' provide 'Debt / Equity' to the same project proponent. The project proponent enters into 'Emission Reduction Purchase Agreements (ERPAs)' with a 'Buyer of carbon credits'. This transaction generates 'Revenues' for the project proponent and 'Credits: Verified Emission Reductions (VERs)' for the buyer. The project proponent provides 'Revenues' to 'Communities (Indigenous Hadza and Datooga communities)'. 'Communities' are supported by 'Supporting organizations (Ujamaa Community Resource Team)'. 'Communities' undergo a 'Verification process' with 'Validation & Verification Bodies (VVBs) (Plan Vivo, other VVBs)', which then reports back to the project proponent.</p> <p>Note: The structure is a simplified illustration and does not represent a full depiction of all the actors involved in the transaction.</p>

Executive Summary

The Yaeda-Eyasi Landscape Project links sustainable management of wildlife-rich forests to economic and livelihood improvements. It protects 110,000 ha of dryland forest in northern Tanzania, the ancestral homeland of the Hadza hunter-gatherers. The Hadza have lived in the Yaeda Valley area for 40,000 years. Their lifestyle represents the most ancient form of human existence on earth, and they depend on the health of the environment to sustain it.

The neighbouring Datooga pastoralist communities also depend on a healthy natural ecosystem in order for them to practise their traditional semi nomadic pastoralist lifestyle. In 2021, 9 Datooga communities joined forces with the Hadza to protect an area of dryland forest that connects the Yaeda Valley to the Ngorongoro Conservation Area.

The best stewards of forests are often the indigenous people that have been living with those ecosystems for thousands of years. The Yaeda-Eyasi Landscape Project empowers the Hadza and Datooga to earn carbon revenues through the protection of their forests. This triple bottom line solution shows that climate mitigation impacts can be achieved while also protecting nature and supporting rural livelihoods. It demonstrates that climate justice is inextricably linked to a respect for indigenous peoples' rights. The Hadza became the first group of people in Tanzania to be issued a community Certificate of Customary Right of Occupation (CCRO) – essentially a 'title' for their land. It gave them ownership of the resources in their territory and legal enforcement against encroachment. Following this landmark achievement, the Datooga applied for and then received their own CCRO in 2016. The revenue earned from the sale of certified carbon credits is paid directly to forest communities empowering the communities to manage their own development needs. The communities receive their revenue in bi-annual payments when the villagers come together to determine how to share the revenue. The project is validated under Plan Vivo Standards, a third-party carbon offset certification body. Plan Vivo projects must demonstrate that they promote sustainable development, improve rural livelihoods; and enhance ecosystem conservation.

Analysis

<p>WHAT MADE THIS PROJECT SUCCESSFUL?</p>	<ul style="list-style-type: none"> • The work done by Ujamaa Community Resource Team (UCRT) helped villagers and Indigenous groups use Tanzanian laws to secure legal title to their territories • Community engagement from the outset, starting with meetings that address Free, Prior and Informed Consent (FPIC) through to project development and operation. The forest communities and project developer, Carbon Tanzania, entered into the contract as equal partners with clearly defined responsibilities and revenue sharing agreements. • Community ownership over project benefits and revenue sharing mechanism.
<p>TO WHAT EXTENT IS THIS MODEL SCALABLE?</p>	<ul style="list-style-type: none"> • Carbon Tanzania is currently engaged with the Tanzanian Government to scale up this approach to REDD nationally. • The model is scalable where illegal deforestation exists, as long as there is demand from the international community for high-quality forest-based carbon credits.
<p>WHAT ARE THE NECESSARY CONDITIONS TO MAKE IT REPLICABLE IN OTHER COUNTRIES/REGIONS?</p>	<ul style="list-style-type: none"> • This approach is replicable wherever there are communities with clear legal title over their land and the need to protect their threatened forests is evident. This model is replicable in other countries as it requires the input of the forest communities in developing project activities that are suitable to that region.
<p>CONSTRAINTS/DRAWBACKS OF FINANCING MODEL</p>	<p>Dependent on demand from the global community for high-quality carbon credits.</p>
<p>LESSONS LEARNT</p>	<ul style="list-style-type: none"> • Recognize and integrate the traditional rights and knowledge of Indigenous Peoples throughout the design and implementation of the project. • Transparency between project developer and the communities is imperative throughout the development of the project and throughout the execution of project activities. • The process of collaborating with landscape partners and local government institutions demands a long-term approach to build genuine trust and mutual understanding.