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SUMMARY REPORT

Findings from Field-Based Research on the Political Feasibility of Natural Climate Solutions in Tanzania



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Findings from Field-Based Research on the Political Feasibility of Natural Climate Solutions in Tanzania

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Background

USAID's [Sustainable Landscape Opportunity Analyses \(SLOAs\)](#) provide national-level overviews to reveal the relative impact of options for reducing GHG emissions through land conservation, management, and restoration. While SLOAs may discuss co-benefits, they do not typically have a focused discussion on the political feasibility of specific emission reduction opportunities. Political economy analysis (PEA) can generate insights to help guide and refine program design and provide suggestions for thinking and working politically (TWP) during program implementation and monitoring, evaluation, and learning.

In 2023, INRM conducted a tailored PEA to complement the Tanzania SLOA. The PEA activity produced two documents: 1) a desk-based literature review, and 2) a PEA Annex to the SLOA based on findings from field-based interviews with stakeholders from government, civil society, the private sector, and local communities. Analysis of the political feasibility of emissions reduction opportunities can help advance empirically grounded understanding of the nature and types of SLOA-PEA linkages and their implications for programming.

Introduction

From November 19-December 1, 2023, a three-person research team composed of INRM's environmental governance lead, a Tanzania-based consultant from the SLOA team, and a research assistant contributed by DAI conducted field research on the political feasibility of natural climate solutions (NCS) mitigation options identified in the desk-based SLOA study. The researchers conducted key informant interviews with government officials, civil society organizations, private sector experts, and donors in Dar es Salaam, Dodoma, and Arusha. The team also conducted a focus group in Chabima Village in Kilosa District with leaders from the Village Council and members of the Village Natural Resource Committee.

Findings from the field are based on statements that the PEA team heard from interviewees. While the perceptions of interviewees may sometimes not be fully accurate, their observations are relevant as indicators of the political context for NCS program possibilities.

The desk-based SLOA briefly discusses social, cultural, and economic factors and formal institutions and policies that influence land-based emissions in Tanzania. This Annex provides further analysis of these factors and policies to clarify the political feasibility of the NCS options. USAID's [Applied Political Economy Analysis](#) (PEA) provides the conceptual and methodological tools to examine how structural factors (i.e., history and geography); institutional performance; actor-based interests and behaviors; and current political dynamics are likely to affect the success of proposed NCS pathways. Additional relevant background comes from [a systematic evidence review](#) that USAID published in 2022 on participatory natural resource management (PNRM) and democratic outcomes. That review was based on 151 studies between 2005-2020 covering forests, fisheries, and wildlife in Africa, Asia, and Latin America. Of those 151 studies, 31 discussed, in whole or in part, PNRM in Tanzania.

Several of the common political challenges identified in the evidence review as limiting or blocking effective implementation of decentralized natural resource management were present at various times in the management of forests, wildlife, and fisheries in Tanzania. Modified and expressed within the specific context of Tanzania's political system, these include:

1. Incomplete process of state authorities ceding central power and revenues to local authorities and communities;
2. Parallel or duplicative institutional arrangements leading to power conflicts rather than power sharing;
3. Mismatch between devolved responsibilities and locally available resources and capacity;
4. Creation of new (or reconstituted) institutional elites undermining downward accountability;
5. Local NRM institutions reproducing gender inequality and bias toward disadvantaged groups; and
6. Preferences of external actors with global environmental goals overlapping with, but not fully aligning with local needs and the complexity of local communities.

The most important factor affecting Tanzania's political system is that it is dominated by one party, Chama Cha Mapinduzi or CCM. Although there is increasing political space for debate around important issues and policies, the preferences, choices, and expectations of political and institutional actors in government, civil society, and the private sector are conditioned by the recognition that CCM ultimately holds decision-making power. Similarly, CCM orients its management of natural resources and the environment toward achieving the party's broader [programmatic goals](#) and its vision of a more productive, diverse, and semi-industrialized national economy.

Widespread Support for Climate Mitigation and Carbon Trading... But Diverse Interests

In interviews, stakeholders expressed or reported great interest and enthusiasm for potential carbon projects. This was true of government officials, elected officials, investors, civil society organizations (CSOs), donors, and communities. Each of these groups, however, have their own interests and prioritize different financial, institutional, collective, and personal goals and benefits. For government officials, carbon trading regulations potentially facilitate large-scale investment (estimated at USD 1 billion in the first year) and make important contributions to Tanzania's Nationally Determined Contributions (NDCs). One government official described carbon trading as "an eye opener for the government." CSOs emphasize traditional issues, like forest management, biodiversity protection, environmental legal reforms, and community benefits, but they, too, are becoming more active in exploring carbon credit opportunities, and they field inquiries from both interested investors and local communities. Communities are interested in community-based forest management (CBFM) for the production and sale of sustainable charcoal and timber as opportunities for income that can be used for village needs, like schools, health clinics, and

boreholes. The baseline reality driving community interests, according to one CSO director, is that “the forest that pays is the forest that stays.”

The rising interest in carbon trading, however, is at times accompanied by concerns and contradictions. Interviewees said that Members of Parliament (MPs) and government officials at various levels may have unrealistic expectations about quick wins (both politically and financially) to be derived from carbon projects. One official said that, influenced by word of mouth, “politicians hear about carbon trade and think there is easy, ready money but don’t realize the process.” While communities are very receptive and sometimes express interest in carbon projects, they need guidance and assistance from CSOs and government in setting aside land for forest reserves (in part, to overcome fears of land grabbing), and they need much more information about what carbon projects entail and how they will benefit. One experienced private sector professional said that the National Carbon Monitoring Centre (NCCM) lacks trust (and fears corruption) in private sector firms, contributing to the rationale for levying additional taxes to potential investors, an approach that has affected local firms more seriously. These examples illustrate that the broad consensus and enthusiasm about carbon trading in Tanzania tends to mask divergent interests and substantive challenges that must be accounted for in the formulation of NCS programming.

Decentralization vs. Recentralization

The engagement, participation, consent, and active support of local communities is essential to achieve the avoided deforestation (or “additionality”) that is sought through climate mitigation initiatives. Tanzania’s decentralized environmental governance system has the potential to provide a sound basis for those efforts, but interviewees with long experience in NRM noted the slow pace of progress in CBFM over the past 25 years, and they were frustrated by the delays and difficulties encountered while implementing REDD+ pilot projects supported by donors for over a decade. From the political economy standpoint, reversals in recent years have shown a pattern of government decision-makers recentralizing power away from communities and transferring authorities back to the central government. Some of the examples most frequently mentioned by informants came from the experiences of Wildlife Management Areas (WMAs).

CSO representatives pointed to changes in the 2012 WMA regulations, which limited the ability of communities through their Authorized Associations to freely negotiate with investors and monitor their business activities. These abilities were transferred to higher levels of government. Copies of contracts are given to the District Council and Director of Wildlife. Interviewees said that Districts and their officials often favor investors over community interests. Revenues that used to come to communities are now sent to the central government, which collects taxes and then sends funds back to localities. On paper, they said, revenues are to be returned to communities within six months, but sometimes are not given back for years. There is also a lack of clarity and legal understanding of the villagers’ rights to withdraw from WMAs if they are dissatisfied. Village Council members are not always well informed about their formal rights, adding to the sense of ambiguity and lack of transparency.

A shortage of capacity at both the village level and within the Tanzanian Forest Services Agency (TFS) also contributes to the tendency toward central government control. CSOs planning and working with villages’ forest reserves said a lack of community resources and skills makes land use planning and forest

management challenging. Local authorities establish inadequate budgets for village land use planning. The National Land Use Planning Commission estimates that the cost of land use planning for one village is TZS 15-20 million (approximately USD 6,000-7,500). Encroachment from migrant pastoralists for grazing lands is a problem in some areas, at times abetted by the complicity of village leaders. TFS staff said that they lack sufficient human resources for the large number of forest reserves for which they are responsible. There is a common perception among interviewees that forests are not a high priority in the government's budget allocations. Some forest officers are also perceived by the public to occasionally abuse their authority and engage in petty corruption. Adding to these gaps in land use planning, resources, and enforcement, interviewees said district-level authorities sometimes cede the management of forest areas on village lands to TFS, which increases tensions with communities.

Since CBFM income goes directly to communities, central government forest authorities lack strong incentives to provide technical support to them. Nevertheless, harvesting plans need to be approved by the District Harvesting Committee, which TFS facilitates. In the words of one informant, despite the mismatch of incentives and authority, "permissions that central government forest authorities give to villages for the implementation of plans allow them to meddle with those plans." A prominent legal expert said that current law cedes decision-making over forests in ways that tend to shift power from village governments to the central government. Interviewees agreed there has been a gradual erosion of decentralization (empowering and trusting local communities) and a shift toward recentralization (prioritizing technical expertise and control of revenues over local decision-making). This trend in natural resource management resembles similar shifts in other southern African countries, like Zambia and Botswana.

Weak Institutional Coordination

Representatives of key government institutions visited by the PEA team, such as the Forestry and Beekeeping Division (FBD), the National Land Use Planning Commission (NLUPC), the Division of Environment in the Vice President's Office (VPO-DoE), and TFS said that recent policies and laws, like the National Forest Policy Implementation Strategy, the National Environmental Master Plan, National Climate Change Response Strategy, and Carbon Trading Regulations provide sound frameworks and guidelines for their respective work. However, in discussions, it was clear that institutional coordination among government units is often weak or absent.

Officials at FBD cited a need for more support to implement activities and realize targets. They said a lack of sectoral coordination hinders implementation. Forest degradation is happening because "policies don't speak together all the time." FBD officials also cited a need for greater enforcement support.

FBD staff noted a decline in Joint Forest Management (JFM) and increasing interest in CBFM due to the limited community benefits realized under the former arrangement and the self-governance and potential community benefits under the latter. They emphasized that for carbon trading to move forward, more forests must be gazetted and CBFM success stories must be shared more widely. In these cases, villagers have successfully managed their forests and harvesting, and have realized income that went to social services. However, FBD staff said that this information has not reached many politicians and they expressed

hope that USAID would help amplify the accomplishments of CBFM. FBD staff added that, without more progress on demarcating community lands, environmental governance will remain a challenge.

This was also strongly emphasized at the NLUPC, which focuses on participatory land use planning and joint landscape planning to reduce conflicts within and between villages. The NLUPC is trying to make other agencies more aware of land use planning as a precondition for CBFM and successful carbon projects. The NLUPC staff said there are not sufficient demarcations for Village Land Forest Reserves (VLFRs) and more mechanisms are needed to provide information to villages on how they can sustainably harvest their reserved forests. Staff attributed this gap to a lack of institutional support from TFS to educate local communities and their Natural Resource Committees. In general, they said, ministries with activities related to land use do not communicate well among themselves nor do they share documents. At a higher level, the government tends to see urban planning as more profitable than village land use planning.

While the VPO-DoE plays a broad coordinating role at the level of policies, strategies, and plans, staff said that revisions of the National Environment Policy and development of the National Environmental Master plan and National Climate Change Response Strategy were an effort to refine priorities and give clearer direction in interventions, like carbon trading. Discussions at the VPO-DoE reflected the unit's clear prioritization of upward accountability (lower government units reporting actions and events to the VPO-DoE) rather than downward accountability (responses to communities' and citizens' expressed concerns). The latter interactions were seen as the responsibility of local government authorities and the lower levels of government they oversee.

VPO-DoE staff cited "a mapped inventory" at the NCMC where investors can be informed about where investment opportunities are. However, they also said that most Tanzanians are not well informed about carbon credits and media reports tend to exaggerate the money that can be realized. While the VPO-DoE channels investor contacts through the "one-stop shop" of the NCMC, staff said that investors from the private sector also have a mandate to provide communities with relevant information.

In discussions with the PEA team, TFS recognized the need for more extension services and said that it is trying to set aside funding for community support programs for CBFM. With the new carbon regulations in place, there are growing numbers of investors, but TFS needs staff training and "more transparency" on how the process works. Some interviewees expressed skepticism about sustainable charcoal, as the government has set targets for the reduction of charcoal dependence, and "it may not be right for every community."

Government Notice No. 417

The regulation of sustainable charcoal and timber production at the village-level exemplifies poor institutional coordination in Tanzania's environmental governance. Government Notice No. 417 (GN 417) is a regulatory intervention issued in May 2019. Before GN 417, Village Councils were empowered to establish and implement harvesting in village forest reserves. Harvesting rules were set out in forest management plans and harvesting plans, and the Village Council enforced decisions agreed upon by the Village Assembly regarding fees for charcoal, timber, and other forest products.

On that basis, villages were competitive with charcoal sales from Government Forest Reserves and General Lands. In the context of this competitive advantage, GN 417 was issued with the requirement that villages set their charcoal fees to be equal with government royalty rates. The authority to issue charcoal production licenses also was shifted from villages to the district level. With only one or two applicants approved each year, villages have few approved traders, who gain leverage over prices. With the payment of royalties and reduced income from sales, the incentive for villages to engage in sustainable charcoal production became significantly diminished or eliminated.

As a result, community-based sustainable charcoal is no longer economically competitive relative to charcoal sourced from government forest reserves. In Kilosa District, for example, the fee set for a felling permit that the village charged in 2020 declined from TZS 8,000 per 50 kg. bag to TZS 5,000 per 50 kg. bag to offset the higher price of charcoal. As a result, fewer funds are generated to support local forest management and deforestation rates have increased.

A fundamental problem is that TFS was instituted to be both a market participant and market regulator. The central government's actions on GN 417 indicate a propensity to intervene when its own institutional interests are perceived to be at risk, especially with respect to revenue—even to the detriment of communities and government's own obligation to protect forests.

CSOs, communities, and the media raised concerns and voiced criticisms about GN 417. MPs were briefed on the regulation and its negative effects by these stakeholders but did not engage in effective advocacy for its reversal. The PEA team was told by CSOs that, as the relevant policy making body, there was some discomfort within FBD with the issuance of GN 417. FBD gave assurances that there was already a new draft regulation to replace or modify GN 417, but, although FBD staff said that they would send a copy of the new regulation to the team's local PEA consultant, none was received.¹

NCCM and Carbon Regulations

The list of proposed carbon projects on the NCCM registry is growing rapidly. A year after its inception, 38 projects were listed: 25 had Concept Notes, 10 were approved to proceed to the Project Design Document phase, and three were already in implementation. Nevertheless, private sector experts said many of these are unlikely to come to fruition.

Interviewees from CSOs and the private sector noted that the NCCM's actions are influenced by strong institutional incentives to produce revenues quickly. The interviewees said that NCCM's priorities include the following:

- Rapidly adding companies to the carbon registry (sometimes resulting in relaxed scrutiny of applications);

¹ Subsequently, in January 2024, a copy of GN 255, the new regulation that contains amendments to GN417, was received from a local forest conservation NGO. However, the new regulation does not resolve the issue of the government's royalty rate being imposed on all actors.

- Generation of registration fees and a one-percent upfront payment of expected revenues over the lifetime of a project; and
- Strengthening NCMC’s profile within the government.

Private sector observers in Tanzania are especially critical of the current carbon regulations’ controversial taxes on domestic firms’ operating costs (administrative, technical, and marketing), which put them at a distinct disadvantage with foreign-based firms. One company estimated that relocating overseas recoups five percent in revenues. These critics believe the differential tax eliminates market entry of local companies, so there is a net loss of potential government revenues. The PEA team was told that some in NCMC management roles expressed a lack of trust in the financial reporting of private sector firms; hence, the tax was somewhat of a preemptive measure against non-compliance.

Additionally, sources in the private sector said that the way carbon regulations are structured only makes it possible for most companies to break even when the costs of establishing community-based natural resource management (CBNRM) have already been covered (as is the case with Carbon Tanzania’s projects now in implementation). Accordingly, this is why most proposed projects are in areas either where CBNRM has been established (e.g., WMAs) or in the protected area networks belonging to TFS, the Tanzania Wildlife Management Authority (TAWA), or the Tanzania National Parks Authority (TANAPA). This implies that significantly expanding forested land cover under sustainable management regimes and achieving high levels of additionality may not be feasible under the current carbon regulations.

The Question of Institutional and Geographic “Jurisdictions” in NCS Programming

As of April 2022, over [398 million REDD+ credits](#) have been issued on voluntary carbon markets ([VCMs](#)), representing a quarter of all voluntary credits ever issued.² However, REDD+ has never quite achieved its full potential as a large-scale funding mechanism to pay tropical forest countries and communities for avoided forest emissions. In part, this is due to the challenges that traditional, project-based approaches to REDD+ have faced and the reputational damage this has caused.

The main challenges to project-based REDD+ include:

- Inflated baselines (including poor selection of reference areas);
- Underreporting of deforestation (including leakage);
- Permanence risk due to forest loss; and
- Risks related to land tenure and rights.

² www.sylvera.com

Jurisdictional REDD+ is fundamentally different from project-level REDD+ in that all the forest in a national jurisdiction (i.e., whole country) or subnational jurisdiction (e.g., state or province) must be considered when setting a baseline and when monitoring deforestation. With the advent of remote-sensing and artificial intelligence in recent years, this can realistically be done to a high level of accuracy.

Among the advantages of jurisdictional approaches to REDD+ are the possibility that because jurisdictional programs are state- or nation-wide, and overseen by the government, it is expected that they will directly incentivize emissions reductions using tools of politics, policy, and regulation to tackle forest emissions, going above and beyond what is feasible for project-based REDD+. Furthermore, since developing accurate measuring, reporting, and verifying (MRV) is expensive and is often a barrier to developing REDD+, national or subnational coordination under a jurisdictional program allows for more efficient use of resources and can improve access to upfront sources of financing.

Nested REDD+ projects are aligned with jurisdictional baselines and deforestation monitoring. Nesting is still in its infancy and does not have a widely accepted definition or approach when implemented. How a country structures REDD+ nesting approaches is linked to its carbon ownership rights. While many countries are willing to transfer the right to generate mitigation outcomes/carbon credits to communities and private entities, this is not always the case. Hence, countries' nesting approaches will differ widely on the degree of autonomy that the individual projects have outside of the jurisdictional approach.

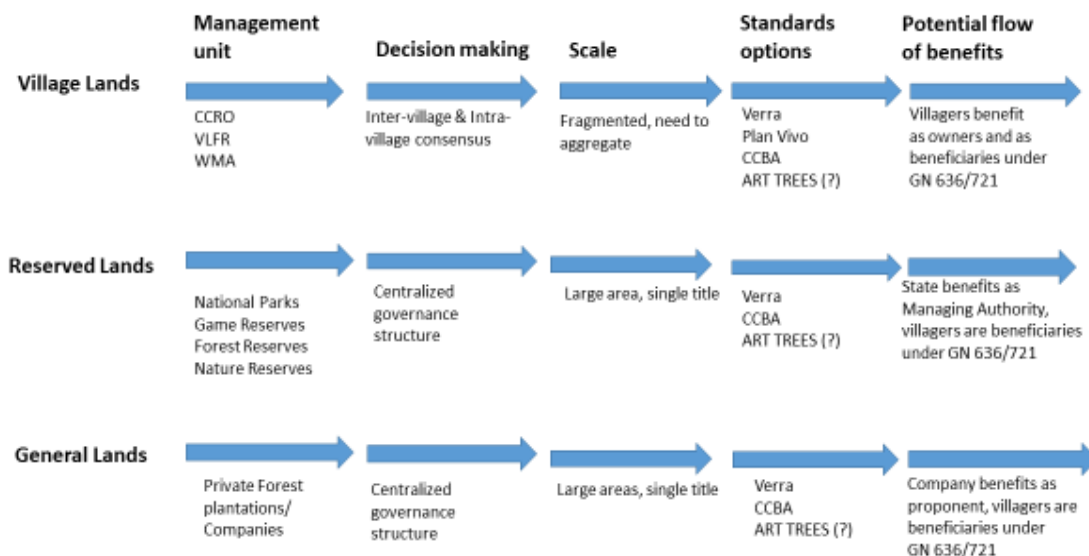


Figure 1: How land ownership determines who owns and benefits from carbon in Tanzania

Figure 1 above shows how land ownership determines who owns and benefits from carbon in Tanzania. In general, village-owned lands provide the greatest potential and options for communities to benefit from carbon emissions initiatives, although transaction costs under this land designation are higher than for those circumstances where land is under a centralized governance structure.

Summary of Key Findings for NCS Options and Their Political Feasibility

Table I below incorporates a column at the right to add scores for political feasibility to the SLOA summary matrix. The PEA team added these scores after discussing the team's findings from the field. An explanation for each of the rankings follows Table I.

Table 1: Political feasibility of NCS options

	Mitigation potential	Alignment with USAID priorities	Alignment with Govt. of Tanzania priorities	Livelihood benefits	Biodiversity benefits	Cost / hectare (or per tCO2e)	Political Feasibility
Sustainable timber production	4 (high)	3 (medium)	4 (high)	5 (very high)	3 (medium)	4 (high)	2 (low)
Sustainable charcoal production	4 (high)	3 (medium)	4 (high)	5 (very high)	3 (medium)	4 (high)	1 (very low)
Agroforestry and on-farm tree planting	2 (low)	4 (high)	4 (high)	4 (high)	2 (low)	3 (medium)	3 (medium)
Assisted natural regeneration (on-farm)	4 (high)	3 (medium)	3 (medium)	2 (low)	3 (medium)	2 (low)	3 (medium)
Sustainable agricultural intensification	2 (low)	4 (high)	3 (medium)	4 (high)	2 (low)	3 (medium)	4 (high)
Mangrove restoration	4 (high)	3 (medium)	4 (high)	3 (medium)	4 (high)	5 (very high)	3 (medium)
Reforestation and forest restoration	4 (high)	2 (low)	4 (high)	2 (low)	4 (high)	4 (high)	4 (high)
Fire management	3 (medium)	2 (low)	3 (medium)	2 (low)	4 (high)	3 (medium)	4 (high)

Explanation for the Political Feasibility Rankings in the Key Findings for NCS Options Matrix

Sustainable timber production: This pathway is closely associated with CBFM and is aligned with both the Forest Policy and Forest Act, which provide for communities to receive incentives in exchange for their willingness to sustainably manage forests on village lands. However, the government has provided few resources in its budget to either expand or sustain CBFM and sustainable timber production. Moreover, the forest authority has routinely placed roadblocks that hinder villages' ability to smoothly sell their timber, culminating in the issuance of GN 417, which has resulted in sustainable CBFM timber becoming uncompetitive in the market. This pathway has a low ranking.

Sustainable charcoal production: This pathway, as with sustainable timber production, is closely associated with CBFM and aligned with the Forest Policy and forestry legislation because it provides for CBFM villages to secure benefits from the sale of sustainably produced charcoal. However, charcoal production is widely perceived, both within and outside of forestry circles, to contribute to deforestation more than other drivers. Forest authorities have been accused of routinely placing roadblocks, including GN 417, which have resulted in this pathway becoming increasingly uncompetitive. Moreover, in 2023, a presidential decree on clean cooking solutions required that the country reduce charcoal consumption by 80 percent by the year 2031. The result is that national-level politicians have become increasingly adverse to charcoal. The ranking for this pathway is very low.

Agroforestry and on-farm tree planting: Policies, legislation, and strategies related to forestry and agriculture all call for the promotion of agroforestry. This pathway is promoted by government and researchers in the National Environment Master Plan and Forest Land Restoration (FLR) as a major strategy for restoring degraded lands, especially in catchment and watershed areas. Government funds, together with donor funds, were channeled to agroforestry implementation at village level through the District Agricultural Development Plans (DADP) under the Agriculture Sector Development Programme (ASDP). However, government budget allocations to agroforestry are currently limited. Furthermore, the monitoring and coordination of agroforestry suffers from unclear institutional anchoring between ministries responsible for forestry and agriculture. The National Forest Resources Management and Agroforestry Center (NAFRAC), the only body dedicated to disseminating agroforestry technologies, has suffered from a low budget for many years. The previous National Agroforestry Strategy of 2004 is outdated, and a new strategy has been under development since 2021 but has yet to be published. The ranking of this pathway is medium.

Assisted Natural Regeneration on-farm (ANR): This practice is recognized as a key agroforestry practice in the National Agroforestry Strategy (NAS). ANR is considered a type of agroforestry technology and therefore does not have a dedicated or stand-alone strategy document. The most recognizable example of ANR is the *ngitili* system, which is a traditional Farmer Managed Natural Regeneration (FMNR) system

practiced in the Shinyanga Region of northwestern Tanzania. The *ngitili* system is supported by the customs and structures of the Sukuma people, who are its main practitioners, in addition to local government leaders. The practice is recognized in the Forest Policy and is the inspiration for the Private Forest provisions in the Forest Act. However, promoting and disseminating ANR remains weak, since the new NAS is still pending, and the responsible bodies are subject to severe budget constraints. Unlike tree planting, ANR and agroforestry more generally, have weak linkages with any value chains in forestry or agriculture. The ranking for this practice is medium.

Sustainable agricultural intensification: This pathway has the highest support of the government and the public. Agricultural intensification is the main objective of agricultural and economic policies and strategies, such as the ASDP and the third National Five-Year Development Plan. The agriculture budget has been among the three largest national budget allocations for five years. Agricultural intensification and improved productivity are major objectives of the high profile Southern Agricultural Growth Corridor of Tanzania (SAGCOT), which involves partnerships between government and the private sector. Agriculture extension workers are among the most numerous local government staff, exceeded only by teachers, health care workers, and community development officers. Agriculture employs more than 65 percent of the population and touches every rural household. Climate Smart Agriculture (CSA) is promoted as part of an Agriculture Climate Resilience Plan (ACRP) under the Ministry of Agriculture. This pathway ranks high.

Mangrove restoration: This pathway is given priority in forestry and environment policies and legislation in both mainland Tanzania and Zanzibar. On the mainland, all mangroves are reserved and are under the jurisdiction of TFS. Mangroves are fully protected by law and permits for their harvest are prohibited. Mangrove restoration is given a high profile in the Environment Master Plan and the FLR. However, the National Mangrove Management Strategy is outdated and in need of review. Furthermore, mangroves are threatened by overharvesting and land conversion, particularly for rice cultivation. Although mangrove conservation is given a high priority nationally, local leaders are less interested in conservation than in defending the ability of the communities they represent to access fertile lands for cultivation. These same local leaders have been implicated in the illegal allocation of mangrove areas to immigrant agro-pastoralists for rice cultivation. This pathway ranks medium.

Reforestation and forest restoration: This pathway is supported by forestry and environment policies. Tree planting for reforestation of degraded lands is a central strategy for the FLR and the Environment Master Plan and is promoted and coordinated by the Vice President's Office. A National Tree Planting and Management Strategy has been implemented since 2018 and has been receiving budget allocations, albeit small, from the government. As the technical institution responsible, the Ministry of Natural Resources and Tourism (MNRT) has produced several publications and guidelines on the best practices for tree planting. TFS uses considerable resources to maintain, replant, and expand its forest plantations and increasingly to restore degraded forest reserves. Commercial tree planting to satisfy the timber market now covers over 250,000 hectares (ha) and is undertaken mainly by smallholder tree growers and government and private industrial plantations. Many woodlots are owned by civil servants and retired politicians. The ranking for this pathway is high.

Fire management: Although this pathway is provided for through environment, livestock, and wildlife policies, legislation, and strategies, the most comprehensive framework for its implementation is provided under the forestry policy, which includes specific articles under the law, regulations, guidelines, and even bylaws at local government level. Resources for fire management practices have traditionally been provided

through the management units of government institutions, such as TANAPA, TFS, and TAWA, as well as private industrial forest plantation companies. Many CBFM villages have allocated funds or village residents' labor to help clear fire lines, for early burning of vegetation, and for other fire management practices in their VLFR. More recently, following billions of shillings in losses caused by fire damage to woodlots in the Southern Highlands, leaders at the regional and district levels have supported establishing fire committees and promoting integrated fire management practices in several villages. The ranking of this pathway is high.

Thinking and Working Politically: Broader Implications of Political Feasibility for NCS Programming

Tanzania's NDC has a mitigation goal of reducing GHG emissions by 30-35 percent relative to business-as-usual by 2030, and its National Environmental Policy commits the country to reaching net-zero carbon emissions by 2050. President Suluhu Hassan stated that Tanzania has dedicated 25 percent of its national land to forests to serve as a carbon sink. However, these goals and commitments compete with other national priorities aimed at reducing poverty, increasing government revenues, and spurring economic growth, such as agriculture and agro-processing, infrastructure, transportation, energy, mining, and manufacturing. The possibilities for Tanzania's NCS options are inscribed within this larger vision of the nation's political economy and the incentive structures it creates for government agencies and officials to contribute to the country's treasury. Keeping this in mind helps to explain why some NCS options are likely to continue to encounter regulatory bottlenecks and seemingly counterproductive institutional decision-making in a top-down political system that manages competing priorities.

These kinds of dynamics can be seen, for example, in the dual roles of the Tanzania Forest Services Agency as both rule-maker and market player. While the specific origins of GN 417 are not clear, the picture it paints (as perceived by CSOs and communities) is one in which government revenues are prioritized over forest protection, village governance, and community benefits. The purported lack of communication and transparency within MNRT in formulating and implementing GN 417 reflects how institutional interests may override cooperation and institutional coherence.

The evident lack of trust over decision-making (especially on the handling and distribution of revenues) between government and communities means that the design of carbon projects is both a scientific-technical challenge and a political challenge. The same holds true for government interactions with private sector investors and decisions about rates for foreign and domestic fees and taxes as well as the allocation of revenues among levels of government and communities. The success of NCS options will be contingent not only on identifying environmentally sustainable regimes, but also on finding a politically sustainable equilibrium among multiple actors in government, civil society, and the private sector. Even then, the political environment can change quickly in important ways, as it did in the transition from President Magufuli to President Suluhu Hassan.

Underlying donor decisions on NCS possibilities are two questions that were present, but not always clarified during the evolution of CBFM/REDD+: 1) *Which benefits have what priority (e.g., GHG, forests, profits, and livelihoods)?* 2) *Who benefits and in what proportion (government, investors, communities, and donors)?* Tanzania’s model of CBFM/REDD+ has been based on the hypothesis that all good things can go together—greenhouse gasses can be reduced and forests protected, while communities, government, and the private sector generate new sources of income and improve overall well-being. Yet, the track record to date indicates that the model’s hypothesis has gone further in posing the challenge than in solving it. The results of the SLOA’s summary matrix and the divergence between the scores for climate mitigation and political feasibility are more evidence of the same.

For both climate mitigation and USAID’s promotion of “locally led development,” it appears that the most effective NCS pathway is encouraging a renewed commitment to decentralization, land use planning, and empowering communities through CBFM. However, this would require a higher level of political support from the Tanzanian government and regulatory modifications to ensure that the intended benefits accrue to target groups and local communities.

Sorting out and making decisions about the best jurisdictional path(s) for engagement on NCS initiatives—whether in terms of scale or institutions—are also potentially part of the challenge of NCS programming. Working with the Tanzanian central government and its agencies may offer easier points of entry for large-scale NCS projects, but past experience raises concerns that lower levels of government and communities would enjoy limited autonomy in decision-making and uncertain material benefits. Communities are aware that their rights to independently decide how to use their land-based resources can be restricted by central government agencies in the absence of any consultations, such as was the case with the development of GN 417 in forestry and the WMA regulations of 2012 in the wildlife sector.

Jurisdictional REDD+ may provide the scale and impact to attract greater political support for NCS initiatives, but it may require considerable time and effort to compile the requisite technical and political components of a comprehensive strategy. In Tanzania, REDD+ program activities have been developed in projects at the sub-national level since 2009 under the support of the Norwegian government’s International Climate and Forest Initiative (ICFI). These projects followed the standards and methodologies of the Voluntary Carbon Markets, such as VCS and Plan Vivo. A major challenge to developing a Jurisdictional Nested REDD+ system at the national level will be to determine how best to recognize and account for these sub-national projects. In the event the government decides to join the [LEAF coalition](#), which uses the ART TREES standards and methodologies, it will increase the level of complexity of having to harmonize across different standards. Recent experiences with the development of GN 417 (forest harvesting and trading regulations) and GN 636/721 (carbon trading regulations) means that the level of trust among NCS stakeholders is low and may significantly hinder attaining consensus.

Democratic Governance Co-Benefits

The summary matrix for the SLOA incorporates consideration of different NCS co-benefits for livelihoods and biodiversity. Given the intersections of climate mitigation strategies and political factors—especially in the context of Tanzania’s decentralized NRM—it should not be overlooked that NCS activities may

contribute to co-benefits for democratic governance. Several communities that participated in past REDD+ pilot projects did not generate clear mitigation outcomes or carbon credits, but nevertheless had positive project assessments due to the participation and empowerment they experienced in managing their own natural resources. In a country with two-thirds of the population living in mostly poor, rural areas—and centralized political control at the national level—implementing CBFM is often the most tangible experience of democratic governance available for village residents. This is especially true for youth and women on Village Natural Resource Committees or in village executive positions, who can gain greater voice in decision-making than is otherwise the case. The synergy works in both directions, as the leader of one of the most prominent CSOs observed that in their projects, women were more active, established clearer priorities, and were better at financial management.

Looking Forward

One possible approach to consider is a two-track strategy that includes: 1) supporting the expansion of existing CBFM, and 2) simultaneously exploring possibilities for larger-scale jurisdictional carbon strategies. However, there are possible conflicts between the two tracks. What would happen to CBFM under a jurisdictional strategy that might shift decision-making upward to central authorities? Would the central government fully support the free, prior, and informed consent (FPIC) of communities, as required in some jurisdictional models (e.g., Verra)? These questions illustrate the need to remain attuned to thinking and working politically (TWP) and consulting with the relevant institutions and actors in developing politically feasible NCS programming.³ In line with the principle of increasing political space while “working with the grain” of political realities, the underlying questions remain: *Which priorities and what benefits, for which stakeholders, are feasible in implementing carbon projects within the current political system?*

³ For a discussion of TWP in environmental governance, see [Thinking and Working Politically: Linkages and Lessons from Biodiversity Conservation](#) (USAID 2020).