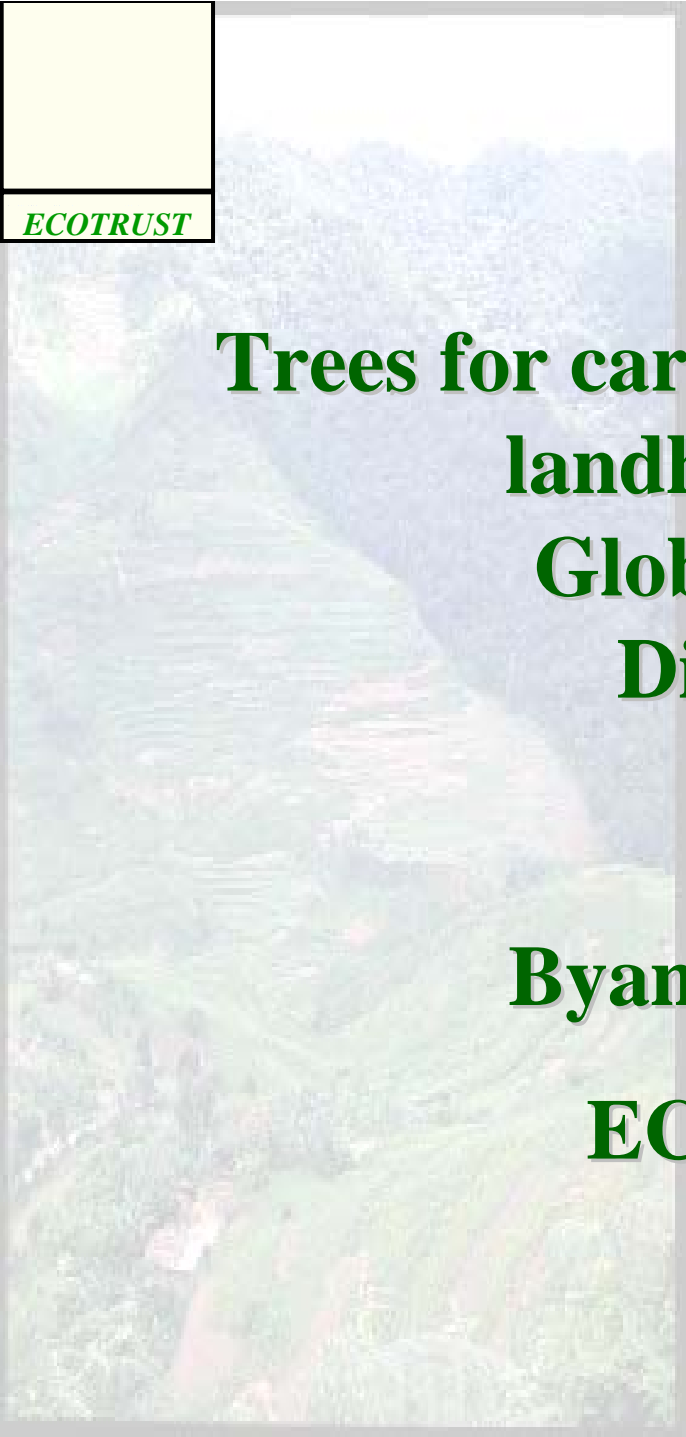




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**Trees for carbon sequestration with small
landholders – The Case of “Trees for
Global Benefits Program” Bushenyi
District South Western Uganda**

By

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ECOTRUST Uganda

Forestry and carbon trade

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- The Kyoto protocol provides legal and institutional framework for climate change mitigation projects.
- CDM a flexibility mechanism established under the Kyoto Protocol allows governments or private entities in industrialized countries to implement emission reduction projects in developing countries and receive carbon credits in the form of “certified emission reductions” or CERs.
- CDM should assist developing countries in achieving sustainable development while undertaking climate change mitigation projects.

Forestry and carbon trade cntd

- Projects must result in “real, measurable and long-term benefits related to the mitigation of climate change” – contribute to sustainable development.
- Projects must result in “reductions in emissions that are additional to any that would occur in the absence of the certified project activity” - additionality.
- CDM projects should be evaluated for their permanence and leakage as well.

Forestry and carbon trade cntd

- The Bonn Agreement allows countries to meet part of their targets through land use, land use change and forestry (LULUCF) activities: forest management, cropland management, grazing land management, and re-vegetation.
- The Marrakech Accords limit sinks projects in the CDM to afforestation and reforestation. Conservation projects are explicitly excluded.
- COP 10 approved simplified procedures for qualifying small-scale afforestation and reforestation projects under CDM.
- Besides the CDM, there are now voluntary carbon buyers who are interested in offsetting their carbon emissions – although not obliged by any regulatory mechanisms. Our buyer are from the voluntary market at the moment.

About the carbon project

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- ECOTRUST is implementing a pilot tree based carbon trading scheme among small landholders.
- The scheme supports small landholder farmers in Bushenyi District to plant trees for carbon sequestration.
- Implementation approach is a learning by doing
- The project addresses climate change, environment conservation and poverty reduction issues.

Why Carbon Trade?

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Land use based carbon trade contributes to ECOTRUST's conservation objectives in particular the one that aims at promoting private land management for biodiversity conservation:

- Trees for timber, firewood etc.
- Soil improvement associated with trees on farm
- Biodiversity values – increase on-farm tree diversity.
- Nature based enterprises e.g bee keeping
- Positive effects on microclimate – climate change mitigation.

Project objectives

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- Overall objective was to develop and operationalise a model for carbon trading with small land holders.
- Institutional and technical capacity of participating institutions for implement carbon projects enhanced.
- Creation of baseline data for agroforestry/forestry activities.
- An institutional structure for administration of land use, land cover and forestry projects for carbon trading established.
- Technical specifications for different forestry systems developed and tested.

Roles undertaken in establishment of incentive delivery systems

- Establish a clearing house:
 - Project coordinator and fund administrator.
 - Maintaining a project-scale database
 - Issuing certificates and administering carbon payments;
 - Conducting monitoring and evaluations of Planting plans.
 - Exploring possible funding sources.
 - Entering into sale agreements with farmers
 - Documentation and reporting

Roles cont'd

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➤ **Establish a technical and logistical support systems:**

- Selection of farmers – preferably through organised groups
- Conducting social/economic assessment
- Registering farmers
- Guiding Farmers to draw up tree planting plans - in the case of natural forests assist in ,management planning.
- Assisting in initiating seed collection and nursery operations.
- Provide training in tree establishment and management

Roles cont'd

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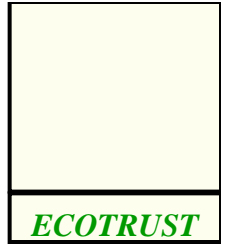
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➤ **Develop technical specifications and carbon monitoring protocols - ICRAF:**

- Definition of the selected forestry/agro-forestry systems
- Specification of tree management requirements;
- Definition of baseline biomass conditions to establish carbon stocks
- Compilation of biomass data for specified forestry systems;



Roles cont'd



- **Technical backstopping and capacity building - ECCM.**
 - Assist with carbon modeling and carbon baseline specifications.
 - Train partners in carbon accounting, establishment of database, Plan Vivo documentation and general system support.
 - Provide guidelines for project implementation.
 - Marketing of carbon,
 - Provide ongoing technical backstopping



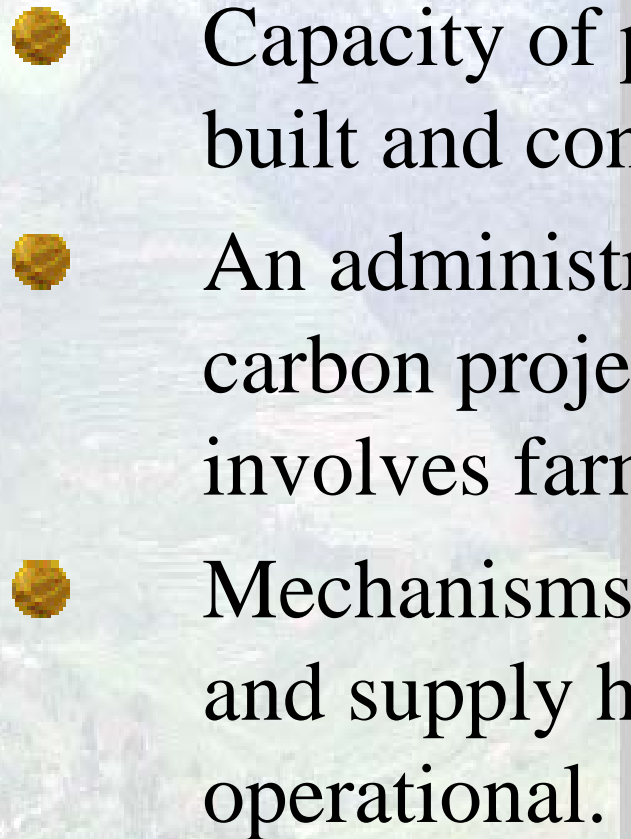


Achievements



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- 
- Capacity of participating partners has been built and continues to grow.
 - An administrative structure for facilitating carbon projects has been developed – involves farmers as well.
 - Mechanisms for tree seedling production and supply have been developed and are operational.

Achievements cont'd

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- 156 farmers have been registered – about 77 have already received payment. 87 not yet secured buyers
- Tree seedlings have been raised and farmers have planted – Some farmers are running tree nurseries as businesses.
- Carbon buyers have been identified (Tetra pak, Future Forests, Katoomba group, One world) and have entered – additional sales are under negotiation.
- Additional funds have been leveraged for conducting a regional baseline – will help in expansion

Future Plans:

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- Finalize development of program management systems and structures (administrative and database).
- Streamline monitoring systems and build farmer capacity to conduct regular monitoring.
- Development of additional marketing tools and establishing links with additional carbon buyers
- Scaling up program beyond Bushenyi district
- Develop structures for other payment for environmental services schemes – Biodiversity offsets and watershed management.

Lessons learned

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- Carbon traded is a promising incentive for tree/forest management – only for afforestation/reforestation.
- There is need to establish institutional arrangements for the effective delivery of incentives for on farm trees planting.
- Land tenure is very important in the development of forestry based carbon projects.
- Carbon trade incentives should be an additional source of funding rather than main source.

Lessons learned

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- Carbon trade transactions need considerable investments - time & resources to accomplish.
- It is important that roles of different players are well negotiated and documented from the start – prefer a legal instrument (MoU?).
- It is important to develop systems that are appropriate to the local conditions – technical specifications and institutional framework.
- Carbon trade can bring in resources that will help poor land owners meet their tree planting objectives.

Designing successful carbon projects

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- Negotiations in carbon trade and ensuring there is a fair deal & Power dynamics ensuring power balance
- Ensure that the farmers have control over the activity. Likewise Local intermediaries like ECOTRUST be the driver and have support from partners.
- Participation in research and global negotiations in relation to climate change activities to share experiences and influence policy decisions.

Designing successful projects

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- Clarify right from the start on land and tree products ownership by farmers
- Developing frame work of agreements, which are flexible and versatile to respond to global climate change debate.
- Continuous capacity building among farmers and partners to respond to changes as a result of the shift in climate change debate.
- It is important to explain to farmers that the major benefits are out of tree products and not carbon payments – should be looked at as seed money.

Conclusion

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- Carbon trade and innovative environmental payments can contribute to private forestry management. Carbon payments should be supplementary to other funds.
- Carbon payments are limited to Afforestation and reforestation projects.
- Private forest owners should be made aware of the incentives.
- It is possible to design carbon trade mechanisms that can bring local (tree products, poverty reduction) as well as global benefits
- Development of incentive schemes for environmental services is a long process that requires taking a learning by doing approach.
- There is need for establishment of working institutional and policy frameworks for administration of the incentives

