

**CARBON PROJECT COLLABORATION AGREEMENT**

**BETWEEN**

**[XX]**

**(CARBON PROJECT PROPONENT)**

**AND**

**[ Insert Village name] Village**

**(VILLAGE COUNCIL)**

**CARBON PROJECT COLLABORATION AGREEMENT DATED THIS \_\_\_\_\_ DAY OF  
\_\_\_\_\_ 2025 (THIS "AGREEMENT")**

**BETWEEN**

1. [XX] a limited liability company incorporated under the laws of Tanzania with its principal address at \_\_\_\_\_ (hereinafter referred to as the "**Project Proponent**" which expression shall where the context permits include its successors in title and assigns); and
2. \_\_\_\_\_ Village with its principal address at \_\_\_\_\_ (hereinafter referred to as the "**Village Council**" which expression shall where the context permits include its successors in title and assigns).

Project Proponent and Village Council may each be referred to as a "**Party**" and collectively as the "**Parties.**"

**BACKGROUND SUMMARY**

Whereas:

- A. The Village Council is the primary governmental body responsible for planning and coordinating activities including but not limited to administering village land and rendering assistance and advice to villagers in \_\_\_\_\_ village (such village is referred to herein as the "**Community**" and the members of the Community are referred to herein as "**Community Members**"); and
- B. Non-governmental organizations, or "**NGOs**," responsible for creating the Project Proponent have been in continued discussions with the Community about the possibility of collaborating on an improved rangeland management carbon project (the "**Project**"), to be registered with VERRA's VCS and CCB carbon standard (Project ID: 4742); and
- C. The Project would involve Community Members committing to improved rangeland management practices that would:
  - (i) improve grasslands for livestock and wildlife;
  - (ii) increase capture of carbon in the soil;
  - (iii) generate carbon credits for sale on the carbon market; and
  - (iv) allow for the sharing of the revenue from the sale of carbon credits.
- D. The Project Proponent and the Village Council are signing this Agreement to set forth the terms and conditions on which the Project will be operated from this point forward; and
- E. The Community Members have provided their free, prior and informed consent to the establishment of the Project Proponent based on the governance structure in Exhibit D, and to the terms and conditions of the Project outlined herein and have directed the Village Council to enter into this Agreement on their behalf as evidenced in accompanying documented minutes of a village meeting showing attendees and consensus thereof the Community Members.

**BASED ON THE BACKGROUND SUMMARY ABOVE**, the Parties agree as follows:

## **1. AUTHORITY OF PARTIES**

### **1.1. Project Proponent**

The Project Proponent is a private company limited by guarantee with certificate of incorporation No. [.....] formed under the laws of Tanzania, that it is in good standing under such laws and that it is authorized to enter into this Agreement.

### **1.2. Village Council**

The Village Council states that the Village was established on [.....] through government notice number [.....] and has the authority, under the laws of Tanzania, to exercise management rights for the Village Project Area described in **Exhibit A**, and enter into this Agreement on behalf of the Community, that the Community Members have received a full and transparent explanation of the terms of this Agreement and have directed the Village Council to enter into this Agreement on their behalf, all in accordance with the Village Council's established policies and procedures for Community approval of such engagements.

## **2. BRIEF DESCRIPTION AND SCOPE OF THE PROJECT**

The Project focuses on implementing improved rangeland management practices within the identified area to generate carbon credits. These practices are supported by a comprehensive framework that integrates land management, community involvement, and governance. The key components of the Project are as follows:

- (a) The Project will be implemented on the land outlined in the map attached as **Exhibit A** (the "**Village Project Area**");
- (b) The historical management of this land by the Community is summarized in **Exhibit B**;
- (c) The improved rangeland management and livestock grazing practices that the Community will adopt to generate carbon credits, which will be sold on carbon markets by the Project Proponent are described in **Exhibit C ("Improved Rangeland Management")**;
- (d) The governance structure and benefit-sharing mechanism for allocating revenue from these sales are detailed in **Exhibit D**; and
- (e) The Project's Grievance and Redress Mechanism is as detailed in **Exhibit E**.

## **3. CONFIRMATION OF HISTORICAL CONDITIONS**

The Village Council confirms that the summary of how the Village Project Area has historically been managed, existing conditions, and the commencement of Improve Rangeland Management described in **Exhibit B** and **Exhibit C** is correct.

#### **4. OBJECTIVES AND PRINCIPLES OF COLLABORATION**

The Project Proponent and the Village Council are committed to a collaborative approach to sustainable rangeland management and conservation, guided by the following objectives and principles:

##### **4.1. Healthy Rangelands for Livestock and Wildlife**

The primary objective of the Project is to restore and maintain the health and productivity of rangelands to support both livestock and wildlife through implementing improved rangeland management practices that enhance forage quality, increase soil carbon stocks, and reduce human-wildlife conflicts.

##### **4.2. Collaborative and Effective Implementation**

Effective implementation of Improved Rangeland Management is at the core of this collaboration. The Parties will work collaboratively to achieve objectives and address emerging challenges.

##### **4.3. Robust Science and Impact Monitoring**

Employing robust scientific methodologies and continuous impact monitoring to evaluate the effectiveness of the Project is critical. This includes regular assessments of rangeland health, soil carbon stocks, and socio-economic impacts that meet best practice and carbon standard requirements.

##### **4.4. Maximizing Value and Financial Flows to Landscape and Communities**

Optimizing the value and financial benefits generated by the Project for both the landscape and local communities is central to the Project. This includes enhancing economic opportunities through Improved Rangeland Management and maximizing financial flows to local livelihood support.

##### **4.5. Community Empowerment and Local Leadership**

Empowering local communities and fostering local leadership is central to the Project. The Parties will support the development of community-based governance structures and provide training and resources to empower local communities to take an active participatory role in the Project.

##### **4.6. Transparency and Accountability**

The Project is dedicated to maintaining transparency and accountability, including clear communication, regular reporting, and a commitment to ethical practices. The Parties will establish mechanisms for stakeholder feedback and ensure that decisions are made in an open and inclusive manner.

##### **4.7. Commitment to FPIC**

The doctrine of free, prior and informed consent (“**FPIC**”) shall at all times remain a fundamental principle guiding the relationship between the Parties. Any material changes to the Project will require the FPIC of the Community, which the Community is free to grant or withhold in its sole discretion. Material changes will be decided by the Project governance structure, as described in Exhibit D, after undertaking an FPIC process with the Community.

By adhering to these objectives and principles, the Project Proponent and Village Council aim to create resilient and sustainable rangelands that benefit the climate, the environment, and communities.

## 5. ROLES AND AND OBLIGATIONS OF THE PARTIES

### 5.1. Roles of the Village Council

The Village Council will be responsible for the following: -

- a) Increasing community awareness and understanding of the Project, and supporting communication of the Project's performance and impacts;
- b) Developing, implementing and enforcing rangeland management in the Village Project Area, in alignment with Improved Rangeland Management practices described in **Exhibit C**;
- c) Collecting and reporting data on grazing management plans' development and monitoring to the Project Proponent;
- d) Nominating village representatives to the Project Council, who subsequently nominate a Project Steering Committee;
- e) Requesting, receiving, managing, and reporting funding for village grazing management; and
- f) Requesting, receiving, managing, and reporting funding for community sustainable livelihood projects.

### 5.2. Roles of the Project Proponent

The Project Proponent will be responsible for the following: -

- a) The overall management and coordination of the Project's documentation and databases;
- b) Responsible for carbon certification management, including ensuring the project meets required standards, contracting auditors and other service providers, and communication with relevant carbon standard bodies;
- c) Developing and executing a sales strategy for carbon offsets and disbursing revenues;
- d) Communication of project costs, impact and performance to all Parties and Community Members;
- e) Supporting a Project Steering Committee to approve work plans and expenditures for project implementation, Village Rangeland Management payments and Community Sustainable Livelihood payments to individual villages; and
- f) Disbursing funding for village rangeland management and community sustainable livelihood payments, in alignment with the recommendations of the Project Steering Committee.

## 6. TRANSFER OF CARBON RIGHTS.

The Village Council, as the Managing Authority under the Environmental Management (Control and Management of Carbon Trading) Regulations, 2022 as amended in 2023 (the "**Carbon Trading Regulations**"), hereby transfers to the Project Proponent, on behalf of the Community, all right, title, entitlement, claim or other interest that the Community as a whole and any Community Member(s) individually might have to the legal, commercial or other benefit, whether present or future, to carbon dioxide absorbed by soils, trees, grasses and other vegetation in the Village Project Area, and other greenhouse gas benefits generated within the Village Project Area.

For the avoidance of doubt, the transfer of carbon rights in no way implies the transfer of land ownership, resourcing planning rights, management rights or access rights. These rights remain unchanged by the Project.

The Village Council commits that it will not enrol the Village Project Area into other GHG or carbon credit projects or programs without approval from the Project Proponent during the duration of this agreement.

The Village Council hereby confirms that the Project Proponent may, in the future, transfer or assign its rights and obligations under this Agreement, including the carbon rights, to another entity. Such a transfer shall not affect the rights of the Village Council or the Community as set out in this Agreement, and the Project Proponent shall notify the Village Council in writing prior to any such transfer.

For the avoidance of doubt, any such transfer shall ensure that all terms and conditions of this Agreement, including the protection of rights and interests of the Community Members remain binding on the transferee entity.

## **7. BENEFIT SHARING AND COMPENSATION PAYMENTS**

The benefits arising from the sale of carbon credits generated by activities in the Village Project Area will be shared between the Community, the Project Proponent, and local and regional branches of the government of Tanzania in accordance with the Carbon Trading Regulations and as described in **Exhibit D**.

### **7.1. Payment of Government Fees and Levies**

The Project Proponent will be responsible for ensuring full compliance with the benefit-sharing and payment requirements stipulated in the Carbon Trading Regulations, including making all necessary payments to the National Designated Authority. Additionally, the Project Proponent will calculate and remit any other fees payable to the local and central government in accordance with the provisions of the Carbon Trading Regulations.

### **7.2. Payment of Project Costs**

Project certification and implementation costs incurred by the Project Proponent or implementing partners will be paid at cost. The Project Proponent will make Village Rangeland Management payments to the Village Council. Budgeting and payment process for Project implementation costs and Village Rangeland Management payments are set out in **Exhibit D**.

### **7.3. Community Sustainable Livelihood Payment**

Any surplus revenues generated by the project from the sales of carbon credits, accounting for Government Fees and Levies and Project costs payments, will be wholly allocated to a fund to support community sustainable development. These funds will be made available to the Village Council to draw upon as for Community Sustainable Livelihood payments. Budgeting and payment process for Community Sustainable Livelihood payments are set out in **Exhibit D**.

## **8. MODE OF PAYMENT OF REVENUES OR BENEFITS ACCRUED**

All payments arising under this Agreement shall be made in accordance with the following provisions:

### **8.1. Government Fees and Levies**

The Project Proponent shall remit all payments due to the National Designated Authority and any other applicable government bodies through electronic funds transfer to designated accounts as specified in the Carbon Trading Regulations or other applicable laws.

### **8.2. Payment of Project Implementation costs**

Payment of project certification and implementation costs incurred by the Project Proponent or its implementing partners shall be in accordance with the budgeting and payment process detailed in **Exhibit D**.

### **8.3. Village-Level Payments**

Payments for Village Rangeland Management shall be paid to the Village Council's designated account in accordance with the budgeting and payment process detailed in **Exhibit D**.

### **8.4. Community Livelihood Support Payments**

Surplus revenues generated allocated for community sustainable livelihood support shall be paid to the Village Council's designated account in accordance with the budgeting and payment process detailed in **Exhibit D**.

### **8.5. Timing of Payments**

All payments under this Agreement shall be made promptly, in accordance with the budgeting and payment process detailed in **Exhibit D**, and no later than 30 days from the date they become due.

### **8.6. Currency and Records**

All payments shall be made in Tanzanian Shillings (TZS) or any other currency agreed upon by the Parties. Records of all transactions shall be maintained and made available for audit or inspection upon request.

## **9. LEGAL AND COMPLIANCE**

### **9.1. Adherence to Laws and Regulations**

The Parties agree to comply with all relevant local, national, and international laws and regulations applicable to the Project.

### **9.2. Grievance and Redress Mechanisms**

The Parties agree to abide by the co-created process for resolving any grievances, disputes or disagreements that may arise during the lifetime of the Project described in **Exhibit E**.

## **10. DURATION AND REVIEW**

### **10.1. Agreement Term**

- (a) This agreement shall be effective for a forty (40) years duration of the Project period ("Project Period") from the Project Start Date, unless terminated earlier in pursuant to Section 10.4.
- (b) The Project Start Date is documented in Exhibit B and is defined as the date when holistic planned grazing was first started in the Village Project Area.
- (c) The signing of this agreement signifies the formalizing of requirements for participating in the Project, (the "Effective Date"). Any non-adherence provisions to this agreement between the Start date and Effective Date shall not prejudice this agreement.

## **10.2. Agreement Renewal**

This agreement may be renewed by mutual agreements of the Parties, upon expiry of the Project Period.

## **10.3. Agreement Modification and Amendment**

The benefit-sharing mechanism outlined in this Agreement shall be reviewed and may be renegotiated at least once every five years. Either the Project Proponent or the Village Council may request a review within each five-year period provided that such request is communicated in writing and the renegotiation process is within a reasonable timeframe. Any renegotiation pursuant to this clause shall not constitute an amendment to the Agreement unless agreed upon by both Parties and formally documented in writing.

The Agreement may be modified or amended at the request of either Party if it deems material changes to the Agreement are required, no more than once every five-year period. Such requests must be formally communicated and will initiate a renegotiation process within a reasonable timeframe. Any material changes to the Project will require the FPIC of the Community, which the Community is free to grant or withhold in its sole discretion.

## **10.4. Termination of the Agreement**

This Agreement may be terminated by the Parties under the conditions set forth in 10.5 and 10.6.

## **10.5. Termination of the Agreement**

This Agreement may be terminated in the following circumstances:

- (i) By mutual agreement between the Parties, expressed in writing.
- (ii) Either Party may unilaterally terminate this Agreement by providing not less than one hundred eighty (180) days' written notice to the other Party of its intention to terminate.
- (iii) Either Party may terminate this Agreement with immediate effect if the other Party materially breaches any provision of this Agreement and fails to cure such breach within ninety (90) days following receipt of written notice specifying the breach and the required corrective action.

## **10.6. Termination by Force Majeure**

A Force Majeure is an unplanned and unforeseen event that may impact the performance of any of the Parties to fulfil their obligations to the Project, such as an act of war, an epidemic or plague, acts of authority exercised by a public official, natural disasters, acts of God, changes in government policy or any other cause beyond the reasonable control of the Party affected, whether similar or dissimilar to any of the foregoing that affect the implementation of the project. In the event that any of the Parties is prevented in whole or in part performing any of its obligations under the Agreement by reasons of Force Majeure, including if performance becomes illegal, commercially impractical, unsafe, or inadvisable. If such Party has used commercially reasonable efforts to mitigate the effects of such occurrence(s), such Party shall give prompt written notice to the other Party and shall keep the other Party informed of any material developments in relation to the Force Majeure event, and its performance shall be excused. The time for the performance shall be extended for the period of delay or inability to perform due to such occurrence(s). Regardless of the excuse of Force Majeure, if such Party is not able to perform within one hundred eighty (180) days after such event, the other Party may

terminate the Agreement. Neither Party shall be required to act to mitigate or remedy a condition of Force Majeure.

## **11. APPLICABLE LAW AND DISPUTE SETTLEMENT**

This Agreement shall be governed and interpreted in accordance with the laws of Tanzania.

Where a dispute arises under this Agreement, the Parties shall first attempt to resolve the dispute amicably following the grievance procedure under **Exhibit E**. Where consensus cannot be reached, either of the Parties is allowed to refer the matter to arbitration in line with the provisions of clause 10.3 below.

Any dispute, controversy, claim or difference of any kind whatsoever arising out of or relating to this Agreement between the parties in relation to anything or any matter arising out of or in connection with this Agreement that has not been resolved amicably under clause 10.2 above, shall be referred to arbitration administered by the Tanzania Institute of Arbitrators (TI Arb) in accordance with the TI Arb Arbitration Rules in force at the time of the commencement of arbitration.

## **12. GENERAL PROVISIONS**

### **12.1. Costs**

Except as otherwise specifically provided herein, each Party shall cover and pay its own legal costs and expenses incurred during the negotiations, drafting, preparation and implementation of this Agreement.

### **12.2. Waiver**

No waiver or failure by a Party to insist on the strict performance of this Agreement or to act in respect of the default or defaults of the other Party and no acceptance of payment or performance during the continuance of any such default or defaults shall preclude any right, relief or remedy under or in connection with this Agreement available to the non-defaulting Party and may not be relied on by the defaulting Party as a consent to that default or those defaults or its or their repetition.

### **12.3. Survival of Terms**

The expiration or termination of this Agreement shall not affect those provisions which, by their nature, are intended to continue in effect beyond such expiration or termination. Such provisions shall remain operative and enforceable to the extent necessary, even if not explicitly stated as surviving termination or expiration.

### **12.4. Anti-Bribery**

Each Party respectively warrant and undertake to the other that in connection with this Agreement: (i) it has implemented adequate internal procedures designed to ensure it shall not authorize the giving or offering of any financial or other advantage with the intention of inducing or rewarding an individual or entity to improperly perform an activity undertaken in the course of an individual's employment or connected to an entity's business activities (the "Anti-Corruption Controls"); and (ii) it has not authorized and it will not authorize, in connection with the performance of this Agreement, any financial or other advantage to or for the benefit of any public official, civil servant, political party, political party official, candidate for office, or any other

public or private individual or entity where such authorization would violate the Anti-Corruption Controls.

In the event of any breach of the warranties and undertakings on anti-bribery herein-above, the non-breaching party may terminate this Agreement with immediate effect upon written notice to the other party. This shall be the sole remedy available for a breach of the warranties and undertakings here-above.

**12.5. Sanctions**

It is agreed that all activities contemplated by the Parties pursuant to this Agreement will be performed in conformity with and shall not be prohibited by sanctions and/or laws if and to the extent applicable. Notwithstanding any other provision of this clause or any other clause or provision to the contrary in this Agreement, neither Party shall be required to do anything under this Agreement which constitutes a violation of, or would be in contravention of, or would expose it to the risk of designation pursuant to any sanction applicable to it.

**12.6. Signature**

This Agreement is signed by the Parties on the dates and at the places indicated below. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement as at the date of signature of the Party last signing one of the counterparts.

The persons signing this Agreement in a representative capacity warrant that they have the required authority to do so.

The Parties acknowledge that the validity and enforceability of this Agreement do not require the initialing of its pages and/or have its signature of this Agreement verified by a witness.

**12.7. Successors and Assignees**

This Agreement shall bind and endure to the benefit of the Parties and their respective successors in title and permitted assigns.

**12.8. Severability**

If any provision of this Agreement is finally determined to be illegal, invalid, void or unenforceable under applicable law, then such provision shall be deemed to be deleted and remaining provisions of this Agreement shall continue in full force and effect and if necessary, be so amended as shall be necessary to give effect to the spirit and intent of this Agreement to the extent possible.

**12.9. Disclaimer of Agency**

This Agreement does not constitute any Party as the agent, partner or legal representative of the other for any purposes whatsoever, and neither Party shall have any express or implied right or authority to assume or to create any obligation or responsibility on behalf of or in the name of the other Party.

**12.10. Entire Agreement**

This Agreement, together with the schedules hereto, constitutes the entire agreement between the Parties and includes all promises and representations, express or implied, and supersedes all other prior agreements and representations, written or oral, between the Parties relating to the

subject matter hereof. Anything, which is not contained or expressly incorporated by reference in this instrument, is not part of this Agreement. Nothing in this clause shall, howsoever, operate to limit or exclude any liability for fraudulent acts.

**12.11. Data Protection and Management**

The Village Council consents to the collection and storage of data relevant to the project by the Project Proponent as required for carbon certification or other project implementation needs, as well as to share that data as needed with entities like technical consultants, auditors, and standards. The Project Proponent commits to establishing appropriate data protection standards, ensuring that all Project data is collected in a transparent manner and for a legitimate purpose, the data is limited to the minimum necessary for the purpose it was collected for, adequate protections for personal identifiable data, and the rights to correction and erasure are preserved.

**13. NOTICES**

Any communication to be made under or in connection with this Agreement shall be made in writing and unless otherwise stated, may be made by e-mail or letter. For the purpose of any notice under this part the addresses, email and telephone details of the parties to this Agreement are set out herein below:

For the Project Proponent:

\_\_\_\_\_

P.O. Box: \_\_\_\_\_

Tel No: \_\_\_\_\_

E-Mail: \_\_\_\_\_

Attn: \_\_\_\_\_

For the Village Council:

\_\_\_\_\_

P.O. Box: \_\_\_\_\_

Tel No: \_\_\_\_\_

E-Mail: \_\_\_\_\_

Attn: \_\_\_\_\_

**14. AMENDMENTS**

This Agreement may not be supplemented, amended or modified except by an instrument in writing duly signed by both Parties explicitly stated to be a supplement, amendment, modification or change to this Agreement.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed and delivered in triplicates by their respective duly authorised officers or representatives.

**FOR PROJECT PROPONENT**

**Signed** by the Project Proponent )  
)  
)  
)

Signed:  
Name:  
Position: **DIRECTOR**

\_\_\_\_\_  
**Common Seal/Stamp**

Signed:  
Name:  
Position: **DIRECTOR**

**FOR VILLAGE COUNCIL**

**Signed** by the Village Council )  
)  
)  
)

Signed  
Name:  
Position: **VILLAGE EXECUTIVE OFFICER**

\_\_\_\_\_  
**Common Seal/Stamp**

Signed:  
Name:  
Position: **VILLAGE CHAIRPERSON**

## **EXHIBIT A**

### **Map of Village Project Area**

The Village Project Area is any designated village land on which the village has obtained a Certificate of Customary Rights of Occupancy (CCRO) and improved rangeland management (IRM) is implemented. CCRO boundaries are unique and do not overlap with neighboring villages.

The Village Project Area includes X CCROs and covers XX hectares.

Sources:

YYYY Village CCRO\_X

**EXHIBIT B**

**Summary of Historical Grazing Practices in the Village Project Area Prior to Project Implementation**

The below serve as attestation that the practices stated represent the typical conditions in the village prior to implementation of the carbon project, to the best of the attestor's knowledge.

	Value		Initials
<b>Village Name</b>			
<b>Village Carbon Project Start Date</b> <i>(The month and year when holistic planned grazing activities were first implemented)</i>			
<b>Historical Number of Village Livestock</b> <i>(The number of village livestock reported during the 2020-2021 District Livestock Census)</i>	Cattle		
	Goats		
	Sheep		
<b>Historical Number of Seasonal Village Grazing Areas</b> <i>(Number of distinct seasonal grazing areas within the Village Project Area in the 3-5 years prior to the Village Carbon Project Start Date)</i>			
<b>Historical Grazing Management Activities</b> <i>(Description of how village members typically managed the grazing of their livestock in the 3-5 years prior to the Village Carbon Project Start Date)</i>			

## EXHIBIT C

### Improved Rangeland Management (IRM) Principles and Community Participation Requirements

The Project aims to foster sustainable rangeland management practices that restore ecosystem health to improve grass productivity and climate resilience from increased soil carbon. This document outlines the **Improved Rangeland Management (IRM) Principles**, the guidance for sustainable land use and livestock management, and the **Community Participation Requirements** that define the commitments and responsibilities of participating communities. A key IRM tool is high-density, short-duration grazing which produces more forage and ground-covering litter between plants by bunching livestock, and keeping animals moving across the rangeland, avoiding selective grazing, and giving plants a chance to recover. It is expected that IRM will yield a number of ecological benefits, including (a) reducing bare ground and soil erosion risks while increasing water infiltration, (b) maintaining grass diversity and maximizing plant growth; and (c) increasing soil carbon stocks.

#### Improved Rangeland Management (IRM) Principles

##### 1. Principle of Sustainable Rangeland Utilization

- **Rotational Grazing:** Implement rotational grazing strategies to ensure sustainable forage use and avoid overgrazing, promoting long-term productivity.
- **Stocking Rates:** Manage livestock numbers in accordance with rangeland carrying capacity.
- **Equitable Access:** Ensure that all community members have fair access to grazing lands and resources, while adhering to rules to prevent overuse.
- **Restoration of Degraded Lands:** Rehabilitate degraded rangelands through additional practices such as reseeded and erosion control.

##### 2. Principle of Participatory and Adaptive Rangeland Management

- **Community Engagement:** Ensure participatory decision-making in grazing and land use planning.
- **Land Use Zoning and Adaptive Planning:** Define clear zones for grazing and adjust management practices based on ongoing monitoring and assessments of rangeland health and conditions.
- **Conflict Resolution:** Establish fair conflict resolution mechanisms to handle disputes over rangeland use and access.
- **Drought Preparedness:** Develop and implement drought management strategies, including the establishment of drought contingency plans to ensure resilience during periods extreme weather.
- **Landscape-Level Cooperation and Coordination:** Encourage collaboration between villages to share resources and ensure sustainable grazing practices across larger landscapes.

##### 3. Principle of Conservation and Connectivity

- **Protection key Habitats and Conservation Values:** Protect critical areas of ecological value such as wildlife corridors, wetlands, and water sources.
- **Reduce human-wildlife conflict:** Promote practices that support coexistence of livestock and wildlife.

##### 4. Principle of Livestock Management

- **Adaptive Livestock Management Herd Mobility:** Encourage flexible herd movements based on the availability of forage and water, maintaining rangeland health.
- **Compliance to Grazing Plans:** Ensure adherence to grazing plans and rotational schedules, with enforcement by local grazing committees.
- **Rangeland Health Monitoring:** Regularly assesses rangeland conditions to guide the timing of grazing and ensure long-term sustainability.

## Community Participation Requirements

To participate in the projects, Communities will commit to a set of practices and agreements designed to ensure implementation of IRM and the success of the project, and include;

### 1. Participatory Land Use Plans and Secure Tenure Rights

- **Village Land Use Planning:** Communities will engage in participatory village land use planning to designate areas for settlement, grazing and development.
- **Bylaw Development:** Villages will develop and enforce bylaws governing land use to prevent land conversion and support sustainable grazing practices.
- **CCRO Formalization:** The Village Project Area must be protected through the securement of one or more Certificates of Customary Rights of Occupancy (CCRO).

### 2. Strengthen Community Rangeland Governance and Institutions

- **Inclusive Governance:** Establish or strengthen local governance institutions, such as grazing committees, Village Rangeland Management Committee, and Village Grazing Coordination Units, to manage grazing and natural resources effectively.
- **Gender Equity:** Promote gender inclusivity by ensuring women's representation and participation in governance and decision-making roles related to land and resource management.
- **Training and Capacity Building:** Participate in training programs to improve governance, documentation, financial management, and technical skills in rangeland management.

### 3. Implementing Improved Rangeland Management (IRM) Practices

- **Seasonal Planned Grazing:** Communities will implement IRM practices based on seasonal (i.e. wet and dry season) plans, including a high-density, short-duration grazing wherein individual household herds within a village are grazed together in the same area at the same time.
- **Prevent unplanned grazing.** Communities will work together to reduce and prevent continuous, unplanned grazing activity.
- **Grazing Compliance:** All community members will comply with the village's seasonal grazing plan, which is enforced by the Village Rangeland Management Committees and Grazing Coordinators.
- **Herders' Training:** Herders will participate in Herders Under the Tree Schools (HUTTS) to learn about improved grazing techniques, forage management, and rangeland health monitoring.
- **Collective Action:** Communities will cooperate across villages to ensure that sustainable practices are adopted across the landscape, avoiding the export of unsustainable grazing practices to neighboring areas.

### 4. Monitoring and Reporting Rangeland Health

- **Data Collection:** Villages will collect and maintain detailed records on dry-season and wet-season grazing, including grazing management planning, grazing management implementation, forage availability, rangeland health, and livestock movements as part of their participation in the project.
- **Data reporting.** The community will share these records with the Project Proponent as they are completed for purposes of regular reporting on project operations and impact.
- **Rangeland Health Assessments:** Participate in regular assessments of rangeland health to guide the timing of grazing and evaluate the effectiveness of management practices.

Failure to adhere to these requirements may result in a reduction in project performance, carbon credit generation, and revenues to the village, and/or may preclude the village's participation in the project.

## EXHIBIT D

### Project governance and benefit sharing mechanism

#### Governance Structure

The **Project Participants** will establish a company limited by guarantee, to be the **Project Proponent**.

**Village Councils**, through their **Village Assemblies**, will nominate one representative per Village to join the **Project Council**. The Project Council representatives are expected to grow in number as the project expands to new Villages. The Project Council members elect three members from the participating Districts to form a **Project Steering Committee**, totaling nine members. The **Project Council** members will hold regular elections for the **Project Steering Committee** and act as a primary communication channel between the project and participating villages. The **Project Steering Committee** will be joined by 3 representatives from **Implementing NGOs**, including The Nature Conservancy (TNC) and Tanzania People and Wildlife (TPW), to constitute a 12-member Board of Directors for the **Project Proponent**. The Board of Directors will elect a Board Chair. At appropriate agreed milestones, the **Project Steering Committee** will become the **Board of Directors**, with the three directors representing Implementing NGOs exiting from the Board.

**The Board** will oversee and review the Project's performance, financial management, legal compliance and risk management. **The Board** will review and approve annual workplans and budgets for core operations and carbon asset management. **The Board** will be responsible for recruiting a General Manager to lead the Project's operations. The General Manager will build a **Project Team** comprised of at least a Finance Officer, a Monitoring and Database Officer, and a Community Liaison Officer. The **Project Team** will be tasked with the general day-to-day operations including project management and coordination, document and database management, contracting service providers, executing a sales and marketing strategy, disbursing funds for project activity implementation and community livelihood support, and communication of project performance to Project Participants and stakeholders. Annual workplan and budgets for NGO implementation costs will be developed and approved by the **Project Steering Committee**.

The **Village Councils** will develop, implement, and enforce grazing plans through their grazing committees and grazing coordinators, and report data on activities and rangeland health. **Village Councils** will develop workplans and budgets for Village Rangeland Management payments and Community Sustainable Livelihood payments to be approved by the **Village Assemblies** and the **District Executive Director**. The **Project Steering Committee** will approve allocation of Village Rangeland Management payments and Community Sustainable Livelihood payments across participating Villages. The **Project Team** will be responsible for making payments and ensure correct documentation and reporting of all payments.

The overall operation of the Project will be guided by a **Joint District Committee** comprised of Council Chairs and District Commissioners providing advice and support. A technical advisory committee will be established that will advise the Project on key matters to ensure best practices and operational excellence on an ad hoc basis. The technical advisory committee will include relevant landscape stakeholders including government technical representatives, conservation and human rights civil society experts, research institutions and private sector.

## **Benefit Sharing Mechanism**

### **Revenue distribution**

Project benefit sharing will be made in accordance with the National Carbon Trading Regulations and best practices for revenue sharing in carbon projects.

#### **1. Government fees and levies**

From the revenues generated by the sales of carbon credits, the **Project team** will calculate and pay all government fees and levies owed as prescribed in Carbon Trading regulations, which include.

- Eight percent (8%) to Designated National Authority
  - 3% for annual administration fee
  - 5% for annual project charges
- Eight percent (8%) to the District Council (calculated separately for each of District)
- One percent (1%) to the Regional Secretariat
- One percent (1%) to the President's Office – Regional Administration and Local Government

#### **2. Project carbon asset management and project implementation costs recovery**

The **Project team**, in consultation with the **Project Steering Committee** will develop annual work plans and budgets for the project carbon asset management for review and approval of the **Board**. Project carbon asset management costs include: carbon certification fees, contracts for service providers and transaction fees, core operational costs, scientific surveys, auditing and legal services, project team staffing costs, core governance functions (AGMs, Project Steering Committee et), and maintenance of appropriate operation financial buffer and finance servicing and government taxes. The **Project team** will then make, or recoup, carbon asset management payments incurred. The **Project team**, in consultation with Implementing NGO partners, will develop annual work plans and budgets for Project NGO Implementation, for approval by the **Project Steering Committee**. Project NGO Implementation costs include land use planning, governance training support to village councils, grazing training. The **Project Proponent** will then make, or recoup, Project NGO Implementation payments incurred.

Up to 31% of gross revenue may be used to cover or reimburse Project costs including Carbon Asset Management and Project NGO Implementation costs. The **Project Steering Committee** will decide how to allocate any of the remaining 31% of the statutory allocation to the following;

- creation of financial contingency, e.g. an endowment fund, to protect against market fluctuations.
- fund a project support facility providing technical and financial support to bring new village areas into the project to increase impact and reduce transaction costs for participating villages; and/or
- additional Community Sustainable Livelihood funds.

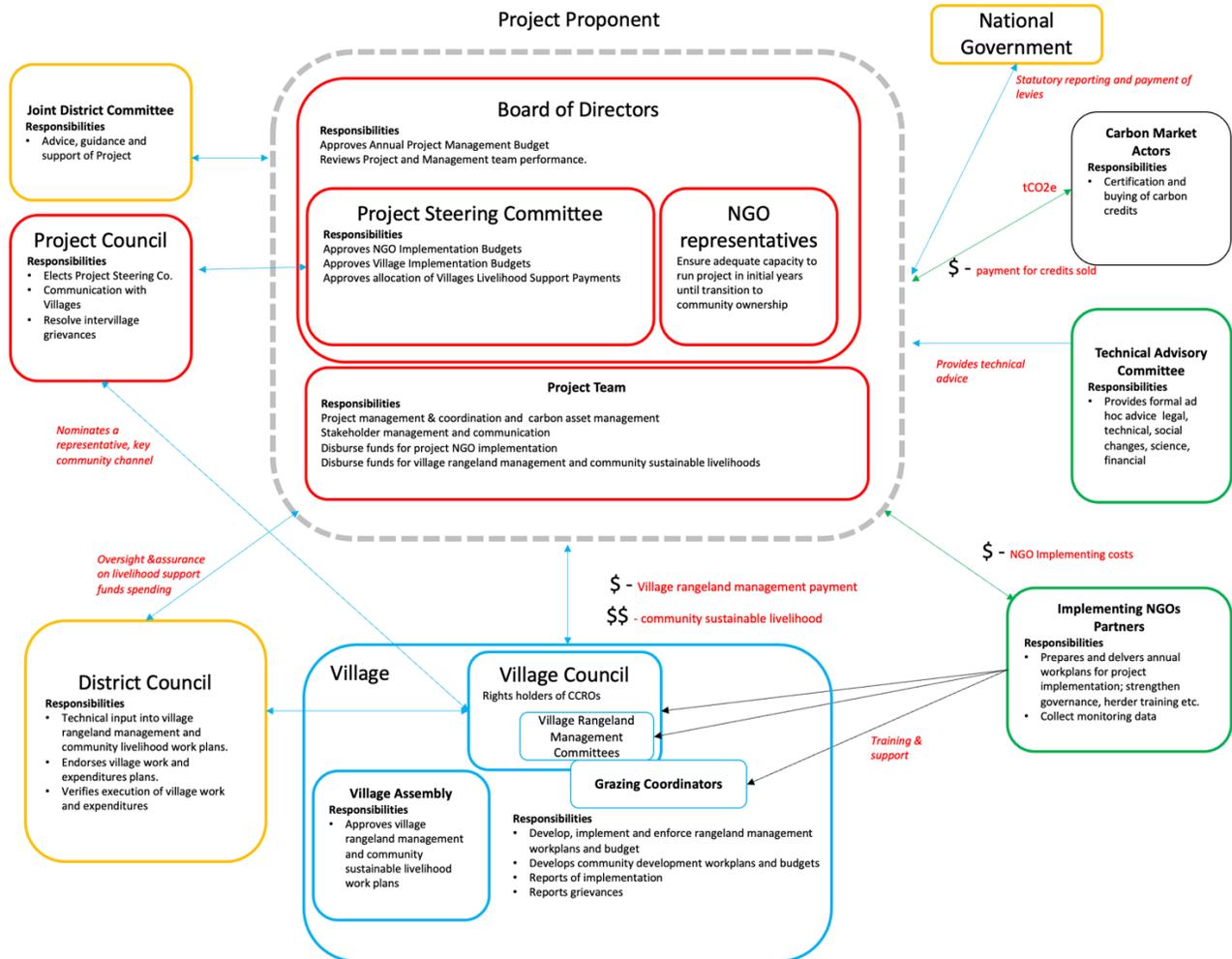
#### **3. Village Rangeland Management payment**

The **Project Team** will then make, or recoup, Village Rangeland Management payments to **Village Councils**, as approved in advance by the **Project Steering Committee**. Annual Village Rangeland Management payments will be made in two installments at six-month intervals after the submission and review the previous season's grazing plan performance and report. This amount will contribute towards the 51% allocation owed to communities as the managing authority defined by carbon trading regulations.

#### **4. Community Sustainable Livelihood funds**

Annually, any surplus revenue generated from the sales of carbon credits, net of project costs described above, will be allocated to community sustainable livelihoods funds. The community sustainable livelihoods fund allocation per participating villages will be approved by the **Project Steering Committee**

based on the performance achieved by the village. The **Project team** will inform the **Village Council** of the funds available per village. The **Village Council**, in consultation with **District Council** and will identify community development priorities and develop annual workplans and budgets. Funds for each Village will be transferred to the Village Council bank accounts. In order to access funding, District Council will endorse Village Council expenditures using the established regulatory process for non-carbon revenues spent by Village Councils. The **Village Council** will also prepare a detailed monitoring report on community development expenses, which will be verified by the **District Council**. Village workplans and expense reports will be submitted to the **Project team** and reviewed every year before approval of the expenses for the subsequent year by the **Project Steering Committee**.



*Project governance structure highlighting the roles and responsibilities Project Participants including the Village Council, the Project Council, Project Steering Committee, Board of Directors, and the Project Team.*

## EXHIBIT E

### Grievance and Redress Mechanism

The grievance redress mechanism (GRM) is a set of arrangements that enable traditional leadership, local communities, the project management team, and other affected stakeholders to raise grievances and seek redress when they perceive possible implementation problems or negative impacts arising from the Project. The mechanism aspires to mitigate, manage, and resolve perceived, potential, and/or real negative impacts, as well as contribute to building trust and positive relations between key stakeholders.

While the project will have multiple means of providing feedback and grievances, and focal points to receive and register grievances at different levels of the governance structure, the overall person in-charge of the process will be the Community Liaison Officer that the community and other stakeholders will be aware of and have easy access to. This person will have the overall responsibility for tracking and following up on all issues and complaints raised and ensuring correct management and documentation of the grievances. The project team will identify and train a designated person and office bearer to receive, register and process all grievances in each village and WMA, through local GRM focal points. The project team will work with local GRM focal points to ensure the community and other stakeholders are aware of and have easy access to local GRM focal points. Further, any project stakeholder will be able to report a grievance, anonymously where appropriate, through the following channels:

- Village Council chair
- Laigwanan
- Project Council and Project Steering Committee
- Direct project communication channels including hotlines (calls, text), website and emails

#### 1. Grievance management and documentation

Each grievance raised by any stakeholders through the Community Liaison Officer will be subject to the following key steps and procedures.

- 1) **Grievance registration:** a publicly accessible register of grievances which will be held by the Community Liaison Officer and/or any other person appointed by the Community Liaison Officer. To register a grievance or provide feedback, all information will be captured in the Grievances Registration Form. The GRM accepts complaints submitted through verbal, email, phone, meeting or hard copy letters in English or any local language. The Community Liaison Officer handling grievances will transcribe verbal submissions. Receipt of grievances will be acknowledged as soon as possible, by letter or by verbal means. Besides an acknowledgement, complainants will also receive an indication of the ensuing process plus periodic updates on the status of their grievances.
- 2) **Grievance evaluation and investigation:** this step will involve gathering information about the grievance to determine its merit, validity, root causes and possible resolution. This could involve on-site visits, interviews or focus group discussions and other forms of independent consultation. The fact-finding missions will happen in a transparent and culturally sensitive manner and within a reasonable timeframe, with the aggrieved party kept informed whilst maintaining appropriate levels of confidentiality and discreteness. In cases where grievances will be submitted anonymously, investigations will proceed without requiring the identity of the complainant. All grievances, whether anonymous or not, will be handled with appropriate levels of confidentiality.
- 3) **Recommendations and implementation:** following the investigations, the outcomes and the recommended remedies will be documented. A written response will be shared with the aggrieved

party, clearly outlining the course of action the project will undertake to redress the issues raised and appropriate timelines.

- 4) **Escalation:** in cases where the aggrieved party is not satisfied with the recommended actions, the grievances will be further escalated following the agreed upon procedure described in section 2.
- 5) **Monitoring and closure:** aggrieved parties will receive timely updates on the status of the issues they raised and resolution process following the defined timelines for follow-up actions. To ensure transparency and accountability, these timelines will be widely disseminated to all stakeholders. The outcomes and resolutions reached will be monitored to ensure they are followed through. Once the grievances raised are resolved to the satisfaction of the aggrieved parties, the registered grievances are considered closed and marked as such in the register of grievances.

## 2. Key GRM Procedures

The following describes how grievances among project stakeholders will be addressed across all levels of the project governance structure. The highlighted procedures seek to exhaust all existing conflict resolution mechanisms by the community before escalating grievances to different institutions mandated either by the project's governance structure or the Tanzania constitution to resolve conflicts.

### Community Member(s) vs Village Council

In the event that a dispute arises between a community member(s) and the Village Council leadership, especially over allocation of carbon revenues, the following procedure will be followed to resolve the dispute;

- The aggrieved party will seek audience with the other party (i.e. convene a meeting between the Village Council chair and the community member(s) to try and resolve the emerging issues). This meeting will be mediated by the village elders (*Laigwanan*), and this will be undertaken within 10 working days from the date the grievance is reported.
- The aggrieved party will be given opportunity to express themselves freely without any intimidation and the lodged grievance will be recorded in the register of grievances by Community Liaison Officer.
- If the *Laigwanan* fails to resolve the conflict, then the aggrieved party will be at liberty to proceed with their complaints to the Project Council for mediation and this process will be undertaken within 30 working days from the day when the mediation process was initiated.
- If the Project Council fails to resolve the dispute, the aggrieved party will proceed to escalate the grievances to their respective District Council for arbitration and final resolution of the dispute. In cases where the aggrieved party is not be satisfied with the District Council decision, the aggrieved party is free to seek legal redress in a court of law in Tanzania.

### Village Council/Community vs Project Proponent

In resolving any dispute between Project Proponent and any individual community member or community, the following procedure shall be followed.

- The aggrieved parties will try to resolve the dispute/grievance among themselves, where an appropriate Project member of staff will be appointed to lead a negotiation team to meet the community and try to resolve the grievance in a harmonious manner. This is expected to take 3 working days and the Community Liaison Officer will provide a written account.
- If the parties involved fail to resolve the grievance, the aggrieved party and/or parties together, shall go to the respective *Laigwanan* and explain the dispute and seek guidance and/or redress. This is expected to take 3 working days.

- If the *Laigwanan* fails to resolve the grievance, then the matter shall be reported to the Project Council for mediation within 30 working days.
- In the event that the Project Council fails to resolve the dispute, the aggrieved party and/or parties will freely report the matter to the respective District for arbitration. If the District Council fails to resolve the conflict, then the matter will be referred to a court of law in Tanzania for litigation and final resolution.

### **Community vs Community**

In the case of intervillage disputes around grazing plans, community projects and revenue distribution, the following route will be followed to resolve the dispute.

- The aggrieved party will report the matter to the Project Council and the Community Liaison Officer will document the grievance.
- The Project Council will then deliberate on the matter and mediate negotiations between the disputing parties and try to resolve the dispute within 30 working days.
- If the Project Council fails to resolve the dispute, the case will then be forwarded to the Joint District Advisory Committee and the case is expected to be investigated, heard, and resolved within 30 working days.
- If the Joint District Advisory Committee fails to resolve the dispute, the aggrieved party will be free to seek legal redress in the courts of law.

### **Project Council vs Project Board**

In case of disputes between the Board and Project Council:

- A meeting will be held to try and resolve any emerging issues.
- In case a resolution is not reached, the Joint District Committee will convene a meeting to try and mediate between the disputing parties.
- In case the dispute is not resolved by the Joint District Advisory Committee, the matter will be forwarded to the Designated National Authority (DNA) for carbon trading in Tanzania for arbitration and final resolution.
- In case one of the disputing parties is not satisfied by the DNA resolution, then they will be free to seek legal redress in a court of law in Tanzania.