

**Environmental and Social Considerations****TANZANIA: Forest Conservation and Management Project****INTRODUCTION**

The project has been classified as Category B with respect to its expected environmental and social impacts. The project is not expected to result in significant negative environmental or social impacts. The project will support the implementation of a series of participatory forestry management activities, which government has endorsed in its National Forest Program, which are intended to bring about the proper management of Government Forest Reserves, industrial plantations, forests on village lands, and community and private forests. As part of this process, provisions will be made to bring about sound forest management, and when required, the preservation of critical biodiversity habitats. In particular, areas classified as catchment forest that are important for watershed protection and the Eastern Arc Montane Forests will be targeted for priority protection and conservation.

Environmental risks are associated with well-known and documented forest management constraints – encroachment into forest reserves, difficulties in implementing practical sustainable forest management plans and sometimes ineffective traditional government forest management policies and regulatory measures. Furthermore, the project will support Government initiatives more fully to involve the private sector in the management in industrial forest plantations. Social and economic impacts will be assessed for all plantation forests which are expected to be directly affected by this component of the project, consultations will be undertaken with all stakeholders. Special attention will be directed at small sawmillers to ensure they are adequately protected during project implementation. An additional benefit of the involvement of the private sector is that the creation of an expanded investment climate could introduce new sawmilling technologies including opportunities to use currently discarded mill waste.

**LEGAL AND REGULATORY FRAMEWORK FOR SOCIAL DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT**

A national environmental regulatory and policy framework has been evolving during the last several years. Currently, two independent agencies oversee environmental assessment and review processes, the National Environment Management Council (NEMC), a semi-autonomous statutory body, and the Division of the Environment (DOE) of the Vice-President's Office. The National Environmental Policy (NEP) of 1997 provides guidance for environmental assessment procedures, including EIA requirements. These provisions are primarily concerned with development projects and their potential impacts on the biological and physical environment. However, it is important to point out that currently there is no comprehensive legislation to implement the NEP policies and there is no empowerment of NEMC or of DOE to make EIA requirements legally binding.

The national capacity for management and implementation of environmental assessment requirements is still limited, particularly in light of the nearly complete lack of a regulatory framework. There are no clearly defined institutional responsibilities for EIA review, approval and enforcement, and an EIA regulatory framework is usually only introduced on an *ad hoc* basis in a few protected areas such in the national parks, marine parks and game reserves. Unfortunately, there is no effective co-ordination and collaboration among environmental and sector agencies, such as FBD, in this regard.

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Policies and regulations with respect to environmental assessment related to forest and biodiversity are based on the National Forest Policy of 1998 and the National Forest Program of 2001. There are plans to formalize a regulatory framework in proposed changes to forestry legislation. These instruments will provide GOT with a comprehensive sector framework with the objective of bringing about sustainable forest management and protection, and which recognizes multiple uses and interests in these resources.

Draft forest legislation, which describes the objectives and instruments for managing forest lands, outlines the need for a well defined and comprehensive forest management plan for each forest reserve and private forest. Such management plans should include:

- a description of the biological, environmental, economic, geological and cultural resources of the forest, and an inventory of resource uses;
- a statement of the economic, environmental and social objectives to be achieved in the management of the forest;
- a description of the surrounding areas and villages and their interaction with the forest;
- a description of the areas of land within the forest reserve in which it is proposed to establish local user zones to facilitate local communities obtaining benefits from the forest reserve;
- a description of the local communities residing in the vicinity of the forest and their relationship to the forest, including their forest resource use;
- in respect of forests other than village land forest reserves, an for the involvement of the communities and management of the forest resources;
- provisions regulating commercial forest exploitation including afforestation and reforestation;
- provisions directed to forest conservation and preservation, including wild animals and wild plants;
- proposals for forest including a management plan; and
- an identification of financial and human resources needed to implement the management plan including forest use charges and fees between the various authorities and persons likely to be involved in the management of the forest.

*Table A11.1: Objectives of draft Forest Legislation*

- encourage and facilitate the active citizen involvement in the sustainable planning, management, use and conservation of forest resources through the development of individual and community rights;
- ensure ecosystem stability through conservation of forest biodiversity, water catchments and soil fertility;
- delegate responsibility for the management of forest resources to the lowest possible level of local management consistent with national policies;
- ensure the sustainable supply of forest products and services by maintaining sufficient forest area under efficient, effective and economical management;
- enhance the quality and improve the marketability of forest products and regulate their export;
- promote coordination and cooperation between the forest sector and other agencies and bodies in the public and private sectors;
- facilitate greater public awareness of the cultural, economic and social benefits of conserving and increasing sustainable forest cover by developing programs in training, research and public education; and
- enable Tanzania to play a full part in contributing towards and benefiting from international efforts and measures to protect and enhance global biodiversity.

Source: Ministry of Natural Resources and Tourism. *Forest Bill (draft). 2001*

A key provision of the draft forestry legislation addresses EIA requirements for any proposed development in forest reserves, private forests, or sensitive forest areas including watersheds. The law clarifies that all parties, persons, or organizations in the public or private sector, must prepare and submit to the FBD Director an environmental impact assessment of the proposed development from independent consultants selected from a list approved by GOT.

The list of development activities subject to environmental assessment includes:

- commercial logging and forest industry exceeding five hectares;
- mining developments;
- road construction or the laying of pipelines;
- the construction of dams, power stations, electrical or telecommunication installations;
- the construction of a building or group of buildings for purposes other than the management of a forest reserve on an area of land exceeding one hectare or such area as may be prescribed; and
- agricultural, aquacultural or horticultural development on an area of land exceeding five hectares or such area as may be prescribed.

**Table A11.2: Classification of Forests in draft Forest Legislation**

*National forests*

- forest reserves;
- nature forest reserves;
- forests on general land other than unoccupied or unused village land which are not reserved and of which the right of occupancy or a lease has not been granted to any person or body;

*Local authority forests*

- local authority forest reserves;
- forests on general land other than unoccupied or unused village land which are not reserved and of which the right of occupancy or a lease or a license has been granted, to the local authority;

*Village forests*

- village land forest reserves which are declared or gazetted ;
- community forest reserves created out of village forests;
- forests which are not reserved which are on village land and of which the management is vested in the village assembly;

*Private forests*

- forests on village land held by one or more individuals under a customary right of occupancy;
- forests on general or village land of which the right of occupancy or a lease has been granted to a person or persons or a partnership or a corporate body or a Non-Governmental Organization or any other body or organization.

## LAND TENURE AND SOCIAL ISSUES

Comprehensive revisions to Tanzania’s land legislation were recently enacted by Parliament, comprised of the Land Act of 1999 and the Village Land Act of 1999. These laws define modern constructs of customary land rights and if and how compensation is to proceed when land is expropriated. Tanzanian legislation is emphatic in declaring that any person whose right of occupancy, recognized long-standing occupation, or customary use of land is revoked or otherwise interfered with to their detriment by the State is entitled to compensation as defined by full and fair pay. Furthermore, the Land Act sets out detailed terms for compensation under the following considerations: market value of the real property, disturbance allowance, transport allowance, loss of profits or accommodation, cost of acquiring or getting the subject land, any other cost loss or capital expenditure incurred to the development of the subject land, and interest at the market rate.

A significant portion of the Village Land Act details how people may secure their customary land rights. The customary land right may be registered and titled to an individual, spouse, clan, group or to an entire community. The process of adjudicating, registering and issuing title deeds over village land is devolved to the community, and elected Village Councils become the Land Manager through an elected Land Committee.

These modern forest and land laws provide the framework for the rights of citizens to create their own reserves, to manage central and local Government reserves and to sustain customary and granted access and use rights. Within this regulatory framework are specific rights and processes available to individuals and/or groups affected by the declaration of national forest or local forest reserves for proper compensation based on well-defined consultation and investigation procedures.

Other legislation provides for mitigating social and economic impacts which might be an outcome of the loss of employment by current employees of FBD (a possible impact of involving the private sector in management of industrial plantations). GOT has been engaged in numerous privatization procedures during the past decade and has established transparent provisions for reducing the civil service work force under such initiatives. The Parastatal Sector Reform Commission (PSRC), responsible for these undertakings, has established norms for determining what will happen to the work force, how many and what jobs would be redundant. At the same time, terms for retrenchment, separation and redeployment are defined.

### **ENVIRONMENTAL AND SOCIAL SAFEGUARD ISSUES**

The key safeguard issues which require evaluation in this project are summarized here. The applicable safeguards are defined in *OP/BP 4.01* Environmental Assessment, *OP/GP 4.36* Forestry, *OP/BP 4.12* Involuntary Resettlement and *OP/BP 4.04* Natural Habitats. This section summarizes the important triggers and mechanisms in the project for achieving these policy objectives.

#### ***The adequacy of implementing institutions to address environmental management - OP/BP 4.01***

Although the shortcomings of a national environmental management and regulatory framework have been highlighted, the forest sector has a strong assortment of provisions to address virtually all potential environmental concerns that which arise as a result of this project. These are specifically contained in the relevant forest sector policy, national program and draft law. In aggregate, Tanzania's forest policy framework is one of the most constructive and forward looking in Africa.

#### ***Financing commercial logging operations or the purchase of logging equipment for use in primary tropical moist forests - OP/GP 4.36***

The project will not be financing any commercial logging in natural forests. The project will be supporting commercial operations only in plantation forests. These forests consist of eucalyptus, cypress, pine and teak – most of which were established over the last 30 years. The current standing crop has a history going back decades on land that was never covered by tropical moist forest, but was primarily grassland. The sixteen plantation forest blocks covered by the project will continue to undertake silvicultural practices including harvest and replanting. Participatory forest management plans will allow for expansion of village and community based plantation woodlots, but only with management plans that ensure protection of sensitive, biologically important and watershed catchments.

#### ***Use of a sector-wide approach for forest management - OP/GP 4.36***

The National Forest Policy, National Forest Program, draft forestry legislation, and technical guidelines all constitute essential components of a solid sector-wide approach to the forest sector in Tanzania. All of the Bank policy commitments have been addressed by GOT and include: adoption of policies and a legal institutional framework for forest management; adoption of an appropriate forestry conservation and development plan; use of social, economic and environmental assessments of commercial forests; setting

aside compensatory preservation forests; and establishment of institutional capacity to implement and enforce these commitments.

***Protection of forest areas that are considered critical natural habitats and preservation and sustainable use of forests of high ecological value - OP/GP 4.36, OP/BP 4.04***

The project proposes to support a number of activities within its three components that will adhere to forest sector provisions for identification, protection and management of critical habitats. These include, in particular, catchments and the Eastern Arc Montane Forests. Miombo woodlands, an important and widely distributed and relatively abundant forest ecosystem, and will continue supplying woodfuel and other forest supplies to adjacent communities. Unlike other more fragile forest types, miombo woodlands are resilient to sustainable harvesting due to their regenerative capacity. Forest management plans to be promoted by FBD will contribute to increasing the viability of these woodlands. The participatory forest management approach advocated in the project also provides for local communities and forest users to identify and manage, based on their own needs, ecologically important forest areas.

***Stakeholder consultation including the private sector and local people in forest management - OP/GP 4.36***

Provisions for stakeholder consultations are evident across the three project components. For National Forests, Local Authority Forests, Village and Community Forests, and Private Forests, the basic premise for future sustainable use is the development of forest management plans that are defined by a stakeholder involved process. FCMP has specified particular provisions for ensuring that all stakeholders, from the private sector to local people, are included in the development of forest management plans.

***Avoid or minimize involuntary resettlement as it applies in particular to encroachment in forest reserves - OP/BP 4.12***

MNRT has developed a set of detailed guidelines for community based forest management which define methods for defining forest reserve boundaries, identifying encroachment problems, consulting with offenders and establishing fines and provisions for getting such offenders off designated lands. The Land Act also contains specifications for ensuring that peoples rights are duly respected and that in cases where land appropriation is required, due compensation is provided. Measures for appeals and investigations are also defined.

Lastly, the Government has reiterated that involuntary resettlement would not be carried out in conjunction with any project implementation activity. Government has also agreed that in the unforeseen event that involuntary resettlement becomes necessary in the course of project implementation, a detailed resettlement plan (including any compensation for lost livelihood) would be completed and subject to IDA review well in advance of any resettlement actions associated with any of the project components.

***Other issues***

The project will finance the construction of a new HQ building for FBD. The proposed construction site is a parking area under the immediate control and use of the FBD at the so-called 'Ivory Rooms' facility. No resettlement is envisaged as an outcome, though a bus stop will be relocated to an adjacent location to allow access to the new building.

## IMPLEMENTATION OF PROJECT ENVIRONMENTAL AND SOCIAL SAFEGUARDS

### Participatory forest management

A national strategy and program for participatory forest management has been developed which addresses key safeguard issues. These measures constitute a comprehensive approach to sustainable forest management and multiple resource use, including preservation of critical forest and special biologically important areas. The emphasis in recent GOT policy and legislation is that central ministry control is no longer the only administrative process. Government decentralization has continued over the years to the extent that local participation in management and administration of forest resources is a principal objective. Overall, the essential ingredients of participatory forest management in Tanzania are that it:

- reflects priorities within the sector for community based forest management;
- balances the need for protection, resource extraction and sustainable use;
- acknowledges that specific forest uses requires stakeholder inputs;
- identifies critical forest habitats requiring strict protection;
- provide for the community and other stakeholders to undertake that protection;
- makes provisions for national and local management;
- allows for joint forest management between government and local communities in certain cases.

The project will support the enabling framework for the establishment of Village Forest Reserves under the management of local Village Councils (as well as other private and community forest constructs as defined in policy).

Simply because of their much greater extent, these Reserves will be established primarily in miombo woodlands. Miombo is characterized by (among other things) its rapid regenerative capacity, and low biodiversity. Miombo tends to be found in relatively flat areas, and virtually all miombo in Tanzania has been heavily modified by human use. The literature suggests that the extensive areas which are now miombo, in central Tanzania, were under cultivation 150 years ago, prior to the Ngoni invasions. Much miombo which was cleared during the establishment of Ujamaa villages in the 1960s is has been rapidly regenerating, and accounts for significant new areas of woodland. The establishment of VFRs in miombo woodland areas is unlikely to pose any significant environmental risk, or any risks which cannot be mitigated through natural regeneration.

The establishment of VFRs in forests of more significant ecological important is consistent with the GEF Operational Strategy for Biodiversity Conservation, and specifically with the objectives of GEF Operational Programs 3 and 4 on Forest Ecosystems and Mountain Ecosystems. Consistent with these objectives, the project will provide finance for the creation and strengthening of participatory and co-management schemes to build support and ownership for biodiversity conservation, develop socio-economic activities to reconcile biodiversity conservation with human needs, identify processes which are likely to have significant adverse impacts on the conservation and sustainable use of biodiversity, and support capacity building efforts while focusing primarily on a mountain tropical forest ecosystem that is at risk.

Government's Guidelines for the establishment of VFRs emphasize the need to raise awareness at the local level about the potential for multiple resource use, provide guidance for the identification of specific management use zones, recommend the development of a protection process when it is required, clarify that VFRs will have legal status, and also outline conflict resolution procedures. Establishment of VFRs is a decision taken by the village, and social impacts are determined by the village, and compensated within the framework of the village's operation. Government is responsible for providing technical support for resource use zoning and mapping, and for providing a generic safeguards checklist for all new

forest reserve areas – Village Forest Reserve, Community Forest Reserve, Village Forest management Area- which are thought to contain critical ecosystems. The project will provide specific support for implementation of all of these measures.

### **Involvement of the private sector in industrial plantation management**

The large forests of Tanzania include natural forests and plantations which cover only a fraction of the total forest area of 33.6 million hectares. The total area of forest plantations is relatively small and comprises both state-managed industrial plantations and village, farm and private company plantations.

State plantations are distributed within 16 plantation areas. Sao Hill is the most important plantation area, followed by Meru/Usa, North Kilimanjaro and West Kilimanjaro plantations. These four plantation areas cover altogether more than 80 percent of the growing stock in state-managed plantations. Sao Hill alone covers about 50 percent of the total state plantation area.

Many individual forest plantations under state control were established without clear management objectives. In the early 20<sup>th</sup> century and later in the 1950s trees were planted mainly to provide long term timber supply, to act as buffer zones for natural forests and to protect watersheds. Plantations were established for industrial purposes in the 1950s and 1960s but only on a small scale and without linking management to the development of forest industries. Larger scale industrial plantation development started only in the mid-1970s when the Sao Hill plantations were greatly expanded to provide raw material for the proposed paper mill at Mufindi.

Farmer and community tree planting has taken place throughout the country but particularly in Central and West Tanzania e.g. in Njombe and Mufindi districts. Forest plantation by the private sector is a relatively new development in the country with several operations initiated in the 1990s by the Commonwealth Development Corporation and more recently by private Norwegian investors. Specific measures that address safeguard concerns are highlighted below.

**Table A11.3: Elements of the EIA Process for Plantations in Environmentally Important Habitats**

*Objective:*

- Ensure that environmental issues are considered as part of plantation management plan.
- Ensure that environmental impacts are reduced or minimized.
- Solicit feedback from affected stakeholders

*Actions:*

- Review the current biophysical status of the plantation.
- Assess the potential environmental impact to critical or sensitive habitats associated with the management plan.
- Identify mitigation or protection measures.

*Party Responsible for Mitigation:*

- Leaseholder
- TFS with Technical Support from regional Catchment and Forestry Officers

*Verification:*

- Environmental Assessment Statement/Report
- Environmental audit/inspection by TFS

### **EIAs for designated plantations**

The project proposes to support the involvement of the private sector in industrial plantation management through three pilot schemes (private management of a selected industrial plantation, co-management of an industrial plantation which brings an industrial plantation with multiple stakeholders under commercial management, community-based plantation management for areas which cannot be managed commercially either by private companies or by the state but which have potential to provide benefits to communities.) Pilot areas are to be identified during the early stages of project implementation.

Proposed pilot areas will be inventories and map. The result will be the demarcation and establishment of plantation boundaries, including identification and mapping of areas

to be excluded from cutting such as critical watersheds and areas containing important natural habitats. A

standard assessment and documentation process will be developed to accomplish this objective. When appropriate, mitigation or protection measures will be identified and implemented.

### ***Socio-economic studies***

There has been some concern that the involvement of the private sector will have serious economic impacts on small sawmillers and on plantation-adjacent communities. The sawmilling industry is an important source of employment and revenue generation for local communities. Wood products are sold for building material, poles and other associated enterprises such as furniture making. Each pilot plantation will develop general socio-economic information to portray the social, economic and social service instruments within surrounding communities. The information to be collected will include:

- Community/village profiles that include population statistics, demographics, overview of labor force, employment opportunities and services;
- a description of each small to medium sawmill including equipment, labor force, daily volume of production, sources of wood supply, clients and or end product markets;
- a summary of sawmill operator issues regarding supply and /or production problems, opportunities and potential solutions; and
- an overview of economic situation in each community.

The information will be incorporated into any social impact mitigation plans, as relevant, for individual plantation areas posed for PSI.

### ***Stakeholder participation in plantation management***

The project will support the adoption of participatory plantation management. This will require an acceptance of certain responsibilities and changes in the roles of the various stakeholders in forest management. The village, the state, and the private sector will have to cooperate and work with each other if participatory or joint forest management is to succeed. The following actions will be undertaken to facilitate success:

- clarify through contractual arrangement as appropriate the respective roles of communities, state and industry in forest management and protection;
- establish mechanisms to ensure that the expectations of respective partners regarding plantation management is understood by everyone;
- strengthen the organizational and technical capacity of villagers in resource management;
- integrate plantation management related activities with other village land uses and development activities;
- recognize traditional/customary rights and possible claims to land based on traditional village boundaries (if such situations exist);
- develop local conflict resolution mechanisms for situations requiring consideration of different stakeholder objectives.

### ***Encroachment in plantation or other reserved forest areas and issues with respect to involuntary resettlement***

Government has established several mechanisms to reduce the problem of encroachment in reserved forest lands, including boundary demarcation, patrols, voluntary resettlement and the implementation of benefit sharing schemes for communities living in buffer zones around the forests. Many of these measures have also been applied to plantation forests as well. However, a shift to having non-forest

Department staff involved in some of these sensitive matters will require establishing good lines of communication between the plantation operators and local community stakeholders.

The Government has confirmed that involuntary resettlement will not be carried out in conjunction with any activity in this project, and such policy is expected to be applied in the plantation forest lands. Many of the plantation forests have individuals living on the border, and at times, within the forest who as Forest Department employees serve as forest guards. Each plantation management plan will identify such individuals and indicate how these persons will be effected during the privatization process.

### ***Production waste management***

An issue related to the development of industrial operations around plantation areas which could benefit from project activities relates to the accumulation of commercial wood-based wastes. It is common practice in many sawmill operations to dump and/or burn these byproducts, resulting in deleterious environmental impacts and inefficient use of woody biomass. Use of this biomass for alternative products such as blocks, fuel and or other products is uncommon. Several operators expressed the desire for technical assistance to help identify viable alternatives to these practices, and looked to the project for providing possible solutions from experts outside the country.

### **Eastern Arc Conservation and Management: catchment forests and critical and sensitive habitats**

Specific activities will be undertaken, with GEF support, within the Uluguru mountains which are both “catchment forests” as defined by recent legislation and high mountain forests of unique biodiversity value. As such, this component of the project will have the challenge of applying the new GOT joint forest management policy, which recognizes the involvement of local communities or NGOs in the management and conservation of forests and forest lands. The project will strive to meet the needs of different stakeholder groups in this region through a combination of initiatives that will ensure protection of the Catchment Forest Reserves, especially those areas with high biodiversity and hydrological values. It is anticipated that some degree of resource use will occur but that this will be balanced with conservation and protection.

### ***Other issues***

## **MONITORING AND SUPERVISION**

An outline safeguard monitoring plan has been developed to ensure that safeguard provisions are adequately implemented and sustained. The monitoring program will be further developed, and will indicate how well each of the components is implementing the key provisions defined previously. The monitoring plan will define indicators for measurement, methods to be used, frequency of measurements, detection limits, and monitoring responsibilities. The plan will be implemented within the overall context of institutional reforms in the Forest and Beekeeping Department. The plan will include a description of how reviews of selected issues of concern will be undertaken. A simple and pragmatic collection of monitoring indicators is provided below.

The safeguard indicators and monitoring plan will be incorporated into the overall project monitoring plan as described in the PAD. Consequently, the MNRT will be the ultimate GOT information focal point. The Bank will include in the project supervision plan the participation of an environmental specialist in selected missions, the Mid-Term Review and in the Implementation Completion Report. This specialist will review progress in implementation of the project safeguard provisions.

**Table A11.4: Monitoring Compliance with Environmental and Social Safeguards**

<i>Component/ Sub- component</i>	<i>Safeguard Issue</i>	<i>Monitoring Indicator</i>	<i>Responsibility for Monitoring and Mitigation</i>	<i>Frequency</i>
Institutional reform: Participatory Forest Management	<ul style="list-style-type: none"> <li>• Encroachment problems in specific forests</li> <li>• Resource use and extraction without stakeholder consensus</li> </ul>	<ul style="list-style-type: none"> <li>• Community complaints to FBD</li> <li>• Claims filed against FBD</li> <li>• Legal actions against citizens by FBD</li> </ul>	FBD	Annual survey/report
Involvement of the private sector in industrial plantation management	<ul style="list-style-type: none"> <li>• FBD employees not provided adequate compensation</li> <li>• Small mill operators experience economic downturn</li> <li>• No logging of high forests</li> </ul>	<ul style="list-style-type: none"> <li>• Grievances filed against FDB or mill owner</li> <li>• Mill closures, worker layoffs, sale of operations</li> <li>• Management plans completed and reviewed</li> </ul>	FBD monitors performance of private sector partners	Annual survey  Parastatal Sector Reform Commission Reports  Socio-economic survey and privatization reports for pilot plantations
Conservation and Management of the Eastern Arc Mountain forests	<ul style="list-style-type: none"> <li>• Modification or deforestation of critical habitats</li> </ul>	<ul style="list-style-type: none"> <li>• Number of unauthorized incursions into protected forest zones</li> <li>• Forest change as detected through aerial photography or other remote sensing</li> </ul>	FBD and NGO partners	Catchment Forestry Project Reports  Uluguru Mountains Biodiversity Conservation Project Reports