EATERN PROVINCE – JURISDICTIONAL SUSTAINABLE LANDSCAPE PROGRAM, ZAMBIA

DRAFT Benefit Sharing Plan

GRZ - Ministry of Green Economy and Environment

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ACRONYMS AND ABBREVIATIONS

ACC	Anti-Corruption Commission
AFOLU	Agriculture, Forestry and Land Use Change
BDM	Benefit Distribution Mechanism
BioCF ISFL	BioCarbon Fund Initiative for Sustainable Forest Landscapes
BSM	Benefit Sharing Mechanism
BSP	Benefit Sharing Plan
BSPAC	Benefit Sharing Plan Arbitration Committee
CBNRM	Community-Based Natural Resource Management
CBNRMF	Community-Based Natural Resource Management Forum
CERPA	Chiefdom Emissions Reduction Purchase Agreement
CDM	Clean Development Mechanism
CFM	Community Forest Management
CFMG	Community Forest Management Group
CRB	Community Resource Board
CSA	Climate-Smart Agriculture
CSO	Civil Society Organization
DEC	Drug Enforcement Commission
DFA	District Farmers' Association
DFPP	District Focal Point Person
DMT	District Monitoring Team
DPNW	Department of National Parks and Wildlife
EP-JSLP	Eastern Province Jurisdictional Sustainable Landscape Program
ER	Emissions Reduction
ERBSC	Emissions Reduction Benefit Sharing Committee
ERPA	Emissions Reduction Purchase Agreement
ERPD	Emissions Reduction Project Document
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
ESMF	Environmental and Social Management Framework
FGRM	Feedback and Grievance Redress Mechanism
FMP	Forest Management Plan
GHG	Greenhouse Gas
GIR	Grievance Investigation Report
GMA	Game Management Area
GMP	General Management Plan
GRF	Grievance Registration Form
GRS	Grievance Redress System
GRZ	Government of the Republic of Zambia
ICs	Information Centers
JSLPSC	Jurisdictional Sustainable Landscape Program Steering Committee
LUCF	Land use Change and Forestry
MGEE	Ministry of Green Economy and Environment
MLGRD	Ministry of Local Government and Rural Development
MoA	Ministry of Agriculture
MRV	Monitoring, Reporting and Verification
NDA	Nationally Designated Authority

NDC	Nationally Determined Contributions
NERPA	Nested Emissions Reductions Purchase Agreement
NFMS	National Forest Monitoring System
NGO	Non-Governmental Organization
NRM	Natural Resource Management
NTFP	Non-Timber Forest Products
PDCC	Provincial Development Coordinating Committee
PFPP	Provincial Focal Point Person
PDO	Project Development Objective
PIM	Project Implementation Manual
PIU	Program Management Unit
RBF	Results-Based Finance
REDD	Reduction of Emissions from Deforestation and Forest Degradation
SFM	Sustainable Forest Management
UNFCCC	United Nations Framework Convention on Climate Change
VAG	Village Action Group
WDC	Ward Development Committee
ZEMA	Zambia Environmental Management Agency
ZIFLP	Zambia Integrated Forest Landscape Project

1.0. INTRODUCTION

Climate-induced hazards in Zambia are being experienced through the increased frequency and intensity of droughts and floods over the years. The impacts have adversely affected food and water security, water quality, energy generation, and livelihoods of people, especially in rural communities.[1]

In addition to the country's climate vulnerability, Zambia contributes to global GHG emissions to a tune of 120 million tCO_2e in 2011, which is an increase of 3 percent over 1990 levels. The largest contribution to these emissions in 2011 was LUCF which accounted for 73.7 percent and energy at 22.75 percent.[2]

The GRZ has adapted Zambia's Vision 2030 (2006-2030) which aims to transform Zambia into a prosperous middle-income nation by the year 2030. Proper management of the country's natural resource base is one of the crucial pillars of this vision given that Zambia's economy is profoundly natural resource-based. Climate change will compound the challenges associated with achievement of this vision. As such, the Vision 2030 expressly aspires for sustainable development, sustainable and responsible environmental and natural resources management.[3]

In December 2015, the GRZ submitted to the UNFCCC its NDC with a national ER goal of achieving a 25 percent emissions reduction by 2030 under domestic efforts and with limited international financial support. The ambition to achieve this goal could increase to 47 percent conditional to substantial international climate finance support (roughly defined as USD35 billion) in addition to provision of domestic resources. For both scenarios, the GRZ plans to achieve the vast majority of its emissions reductions from sustainable land use and forestry management by implementing four programs including: SFM, CSA, and renewable energy and energy efficiency.

In January 2016, GRZ finalized its National Strategy to Reduce Deforestation and Forest Degradation with the aim of, among others, reducing GHG emissions through improving forest and land management, ensuring equitable sharing of both carbon and non-carbon benefits among local communities and other stakeholders. The strategy is guided by seven core principles: effectiveness, efficiency, fairness, transparency, accountability, inclusiveness and sustainability. The key objectives of the Strategy cover; (i) promoting effective management of forests in protected areas (objective 1) as well as forests in open areas (objective 2), (ii) improving governance through participatory approaches in the former and enhancing the role of traditional authorities in the latter (Objective 3), (iii), and (iv) promoting good agricultural practices that mitigate carbon emissions (Objective 4).

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[1] The World Bank. April 2017. Project Appraisal Document for A Zambia Integrated Forest Landscape Project.

[2] USAID. November 2015. Greenhouse Gas Emissions in Zambia. Found here: https://www.climatelinks.org/sites/default/files/asset/document/GHG%20Emissions%20Factsheet%20Zambia_final%20for%20PDF_11-09-15_edited_rev08-18-2016.pdf

[3] Wathum, et. al. *Strategic Interventions to Address Deforestation and Forest Degradation in Eastern Province*, Zambia. Unique Forestry and Land Use.

The foregoing objectives are premised on the need for performance-based rewards and incentives, results-based payments and cost-benefit distribution and sharing mechanisms to reduce GHG emissions. Aligned to Zambia's long-term development vision in the Vision 2030, the National Strategy to Reduce Deforestation and Forest Degradation is set to realize a prosperous climate-resilient economy by 2030 anchored upon sustainable management and utilization of natural resources for improved livelihoods.

1.1. Overview of the Zambia's ER Program

To achieve the goals stated in its NDC and National REDD+ Strategy, GRZ created the ZIFL-P as a pilot phase for an eventual jurisdictional program for ERs in the entire Eastern Province between 2021 and 2030. The ER Program covers a total geographic area of 5,097,587 hectares populated by an estimated 2.065 million people [49.5% males and 50.5% females]. Out of this population, the number of people living in rural areas forms the majority of the population distribution, i.e. about 1.7 million people directly living off natural resource extraction (agriculture and forestry). In general, poverty levels in Zambia are highest in rural areas, and it is the Provincial Administrations' highest priority to address this challenge.

Therefore, fitting within GRZ's Vision 2030, the National REDD+ Strategy and the country's NDC, the overarching PDO of ZIFL-P was to improve landscape management and increase environmental and socioeconomic benefits for rural communities in the Eastern Province, and to improve the landscape's institutional capacity to respond promptly and effectively to climate change hazards.

In preparation for the jurisdictional sustainable landscape ER program, ZIFL-P has been supporting rural communities in the EP to better manage land and natural resources across the entire EP landscape, to reduce deforestation and forest degradation, to reduce unsustainable practices and land use through agricultural expansion; to enhance benefits received from sustainable forestry, agriculture, and wildlife conservation, and to reduce community vulnerability to climate change impacts. The project has also been investing in building enabling conditions for these changes through enhancement of land and resource tenure security, integrated land-use planning at different spatial scales, and capacity building in law and regulatory monitoring and compliance. Ultimately, the project has been creating the enabling environment for reduction of emissions and ER purchases under the World Bank through the subsequent EP-JSLP.

The EP-JSLP is intended to be decentralized to local communities as core beneficiaries assuming primary responsibilities for executing most of the ER activities in the EP. The program is to be achieved through RBF for ERs under the World Bank's BioCF ISFL after an ERPA has been negotiated and signed between the GRZ and the World Bank. One of the major prerequisites for the ERPA is the preparation of a BSP in tandem with BioCF ISFL requirements.

1.2. Design and structure of the BSP

The BSP requirements detail the program elements countries need to have put in place to receive RBF from the BioCF ISFL for ERs. Specifically, the ISFL aims to reduce GHG emissions while also addressing poverty and unsustainable land use, through four key design elements:

I. **Working at scale -** focusing on an entire jurisdiction (state, province, or region) within a country in order to provide ER programs with the opportunity to engage

with multiple sectors affecting land use and increase positive impact over a relatively larger area.

II. **Leveraging partnerships –** to create partnerships with other public sector initiatives and private sector enterprises.

III. **Incentivizing results -** to incentivize countries to reduce GHG emissions through RBF for a period of about 10 years, and by purchasing verified GHG ERs and removals from the ISFL ER Program accounting area (Program Area) under ERPAs, and;

IV. **Building on experience -** experiences and lessons learned by the BioCarbon Fund's initial work piloting land use projects, REDD+ initiatives, and other sustainable forest and land use programs at scale.[4]

The ISFL ER Program additionally requires that a BSP provides the description of a BSM that should be designed in a consultative, transparent and participatory manner appropriate to the country context and that reflects inputs and broad community support by relevant stakeholders. As such, the BSP should contain the following:

- The categories of potential beneficiaries including all eligibility criteria;
- Types of benefits that each category of beneficiaries will receive;
- BDM describing how funds will flow including performance-based calculations;
- BSM including how funds will be managed and distributed;
- Implementation and institutional arrangements including the roles and responsibilities of different institutions entities in decision-making, funds flow and monitoring/reporting, and;
- Safeguards instruments reflecting all the other work that has been done including the ESMF and the FGRM[5]

This BSP is contextualized to all of the above-mentioned BioCF ISFL program requirements and the plan is designed to fit the specific jurisdictional contexts of the EP. Specifically, the BSP is designed in consideration of the ER Program design in response to strategic policy interventions and measures to incentivize actions that address the drivers of emissions in the entire EP. The BSP also complies with all the relevant multilateral agreements that Zambia is party to, including: the UN Convention on Biological Diversity Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization; and

The Constitution of the Republic of Zambia, all relevant national laws and regulations including both statutory and customary land tenure arrangements in Eastern Province; particularly, the Lands Act Cap 184 of the Laws of Zambia, the Local Government Act, 2019, the Forests Act, 2015, the Environmental Management Act, 2011, the Community Forests Management Regulations of 2018 and the Forest Carbon Management Regulations of 2021.

[4] BioCarbon Fund Initiative for Sustainable Forest Landscapes. September 2017. *ISFL Emission Reductions (ER) Program Requirements. Version 1.*

[5] BioCarbon Fund Initiative for Sustainable Forest Landscapes. September 2017. *ISFL Emission Reductions (ER) Program Requirements. Version 1.*

1.3. General Principles of the EP-JSLP BSP

More than half of emissions in the EP come from degradation of standing forests followed by forest loss due to conversion of forest land to agriculture compounded by poorly managed agricultural soils. Fuel wood for household firewood, charcoal production and tobacco curing are also important drivers of deforestation and forest degradation alongside degradation due to wild fires. At the bottom of this degradation is low agricultural productivity, poor land use and insecure land tenure systems.

Foregoing, the design and application of the BSP for the EP-JSLP follows the guiding principles of the National Strategy to Reduce Deforestation and Forest Degradation, i.e. effectiveness, efficiency, equity, transparency, accountability, inclusiveness and sustainability;

o Monetary benefits are determined based on jurisdictional performance in reducing GHG emissions in relation to the ISFL key categories against the agreed baseline

o Monetary benefits are shared based on performance in delivery of ERs - as such:

- Local communities and their traditional leaders will be the key actors in protection and management of natural resources, they will be crucial in the regulation of emission reductions, and they will be incentivized and rewarded in their role in ERs, locally and across the Jurisdiction;

- Under the centralized nested approach, all ER projects, i.e. the nested legacy projects under BCP and COMACO, and any other projects which may emerge to engage in emissions reduction activities under the centralized jurisdictional approach, will be recognized, rewarded and incentivized to continue delivering their ERs under the jurisdictional arrangement.

Support in form of direct allocations will be provided to service providers operating in the Province. Service providers are stakeholder institutions that play a facilitative role in enhancing the implementation of ER activities. Service providers include government regulatory agencies, local authorities, CSOs, NGOs and private sector players. Support to service providers will be provided through direct budgetary allocations targeting measurable and verifiable mitigation measures to be reviewed periodically for their effectiveness and efficiency;

The BSP will apply an adaptive management approach of monitoring and evaluating results to inform periodic review and updating beneficiation modalities based on lessons to be learned through the MRV system.

1.4. Stakeholder Consultations

The BSP is a product of broad stakeholder engagement processes in complying with BioCF ISFL program requirements on stakeholder consultation, and the World Bank Environmental and Social Standard 10 (ESS 10). Constitutional principles and rights of the people of Zambia, environmental management principles in the Environmental Management Act, 2011, and principles of SFM as provided in the Forests Act, 2015, have also been fundamental in informing the consultation process.

Annex 1 [Stakeholder Engagement Process] details the range of stakeholder consultation processes undertaken in the development of the BSP. The stakeholder consultation process covers various government departments in the line ministries, local authorities across the Province, Provisional and District planners, CSOs and NGOs in the Province and at District level, the private sector and particularly legacy projects within the Province. Stakeholders and potential beneficiaries at Chiefdom level have been engaged and consulted, i.e. Chiefs and traditional authorities, local communities and community producer groups such as farmer groups, CFMGs, CRBs and VAGs.

The consultation process also served as an information gathering and feed-back mechanism which informed the initial BSP draft. Through this process, the BSP has benefited from important information regarding;

- The different roles and responsibilities which potential beneficiary groups will play in implementation of the program in general, and in the reduction of emissions in particular;
- The levels of vulnerability and needs among the beneficiaries at different levels across the Province;
- The types of benefits appropriate to incentivize and reward the different categories of beneficiaries;
- The key drivers of land use change, deforestation, forest degradation and unsustainable agriculture, and the need to incentivise alternative livelihoods that should yield rewardable ERs;
- Potential safeguard issues and risks which may arise out of the beneficiation process and the most appropriate ways of averting such issues and risks;
- The existing national and local institutional arrangements appropriate for benefit distribution mechanisms in a manner that significantly reduces risks of benefit-related conflicts, and;
- Bench marking of different benefit sharing models currently in use by different actors within the landscape, merits and demerits of the different benefit sharing models as well as lessons derived from these models.

1.5. Legal Underpinnings

Both the consultative process through which the BSP was developed, and the subsequent operationalization of the document to guide overall beneficiation in the EP-JSLP are premised on applicable laws of Zambia. The legal framework that forms the legal underpinnings of the BSP is detailed in Annex II and categorized in summary as follows;

- The legal framework that enhances collaborative stakeholder engagement, mandates consultative engagements and wider stakeholder participation;
- The legal framework that enhances stakeholder beneficiation by mandating safeguards to ensure that the vulnerability of the members of local communities is not worsened;
- The legal framework that enhances conflict and dispute redress mechanisms, and;
- The legal framework that enhances institutional frameworks.

The legal underpinnings also include elaboration on the ownership and transfer of carbon rights under the Forests Act, 2015 and particularly, the Community Forest Management Regulations of 2018 as well as the Forest Carbon Stock Management Regulations of 2021 [See Annex II].

1.6. Structure of the BSP

The BSP is structured as follows:

- **Section II** identifies the key stakeholders and beneficiaries in the ER Program, the eligibility criteria, roles and responsibilities of the beneficiaries in implementing ER activities;
- **Section III** outlines the ER performance at Chiefdom level being the fundamental operational unit of geographical area for the ER Program as will be guided by the CERPA
- **Section IV** defines benefits in the context of the EP-JSPL, and clarifies the types of benefits covered under the BSP;
- **Section V** describes the BDM with respect to flow of benefits to the beneficiaries under a performance-based allocation system;
- **Section VI** presents the BSM, the governance and decision-making processes that will be used to manage the distribution of benefits (i.e. monetary and non-monetary benefits);
- **Section VII** covers safeguards including the application of the FGRM to benefit-related grievances, complains, concerns and fears, and;
- **Section VIII** presents institutional arrangements for MRV and the administration of the beneficiation process;
- **ANNEXES**

2.0. STAKEHOLDERS AND BENEFICIARIES

The BSP defines beneficiaries as a subset of the ER Program's stakeholders who are expected to; (i) implement program ER activities, (ii) receive monetary and non-monetary benefits arising from ER activities, and (iii) receive incentives for their different roles and responsibilities in the reduction of emissions and generation of ER credits. Beneficiaries will include communities, community groups and farmers, CSOs, NGOs and the private sector while government will retain a certain amount of results-based finance to cover their costs for implementing and managing the ER Program as part of the program design requirements.

At its core, the ER Program is based on the concept of CBNRM. This makes local communities at the Chiefdom level the fundamental functional unit of ER activities, and communities as the targeted primary beneficiaries. It also necessitates a decentralized implementation approach that emphasizes beneficiation of local communities as a primary objective, reduction of emissions through community-based ER activities, and improvement of community livelihoods through a system of incentives and rewards.

For the avoidance of doubt and confusion, the BSP makes a distinction between stakeholders and beneficiaries in the ER Program area as outlined in Annex III. Stakeholders are government institutions, CSOs, NGOs and/or private sector companies who will provide technical services and capacity building to enhance reduction of emissions among the local level implementors of ER activities. For their facilitative roles, stakeholders will receive financial support in form of direct allocations to enhance implementation of the ER activities. Beneficiaries, on the other hand, are the local-level implementors of ER activities at Chiefdom level. Beneficiaries will receive performance-based allocations as rewards for their direct involvement with ER activities and livelihood improvements at community level.

2.1. Roles, Responsibilities and Criteria for inclusion in the ER Program

Roles and responsibilities refer to the activities and services (direct or indirect) which the stakeholders and beneficiaries will actually engage in to reduce emissions and generate ER credits as outlined in Annex III. At community level, beneficiaries' activities will include the adoption of CSA, reforestation, the use of improved cook stoves, agroforestry and protection of standing forests. For stakeholders as service providers, their roles and responsibilities will include provision of technical assistance and capacity building to facilitate adoption of sustainable land use practices, SFM, provision of organic fertilizers or training of farmers in CSA, provision of efficient cookstoves and training local users in their application

On the other hand, the criteria for inclusion in the ER Program refer to the basic conditions which each stakeholder and beneficiary must satisfy to enable them participate in ER activities under the CERPA or NERPA. The rationale behind the Chiefdom Emissions Reduction Performance Agreements (CERPAs) is to enter into an agreement with the Chiefdoms for the EP-JSLP and the Nested Emissions Reduction Performance Agreements (NERPAs) is to enter into an agreement with existing carbon projects in the Eastern Province Landscape. The EP-JSLP will operate in accordance with the regulatory framework for forest carbon stock management and operation of a jurisdictional Programme in Eastern Province. Under a centralised nested approach, agreements (CERPAs and CERPAs) will be entered into between the communities and ER related projects already operating in the province. The beneficiaries will be recognised and incentivised to deliver ERs based on performance

indicators as defined the Chiefdom Emission Reduction Performance Agreement (CERPA) and Nested Emission Reduction Performance Agreement (NERPA) respectively. A Chiefdom Emissions Reduction Performance Agreement (CERPA) negotiated, will set out the profile of the Chiefdom, identify the key ER issues and drivers of deforestation and forest degradation and other unsustainable land management and cultivation practices. It will identify the key forest assets and allocate responsibilities including permitted and non-permitted practices which contribute to GHG emissions in the Chiefdom. The Agreement will form the basis of assigning performance criteria and responsibilities as well as the benefit sharing mechanism. The BSP Performance Based Payments will, therefore, only be paid to beneficiaries for delimited geographic areas within the Province under a NERPA or CERPA. Nested Projects with a NERPA may receive either a cash payment or an allocation of VERs once monitoring and verification has taken place and the agreed number of VERs are deposited in the buyer's Registry. The agreed ER allocation will be placed in a specific individual Nested Project account from where the Nested project can assess the ERs and use them as they deem appropriate. Full documents of CERPA and NERPA will be provided in the project implementation manual.

For all the stakeholders and beneficiaries in a Chiefdom, it is a mandatory requirement for them to operate under a CERPA in the Chiefdom where they are located. But for Nested legacy projects operating under the jurisdictional arrangement, each ER proponent, i.e. COMACO and BCP will sign a NERPA with the PIU. As such, the NERPA will be the key governance instrument for not only benefit sharing purposes but for harmonization of legacy project activities under the centralized nesting approach in the jurisdictional landscape.

3.0. EMISSIONS REDUCTION PERFORMANCE AT CHIEFDOM LEVEL

The performance-based benefit sharing mechanism at Chiefdom level will be guided by the eligible activities under ISFL categories of GHG emissions from the GHG baseline. Because the bulk of emissions in the Eastern Province are in Chiefdoms, the required ER activities are to be concentrated at Chiefdom level. Therefore, SFM, sustainable land use and management, CSA and an increase in the adoption of improved cookstoves at Chiefdom level will be the core of generating ERs in the Province.

As such, the focus of benefit sharing at Chiefdom level will be the recognition and allocation of responsibilities to reduce emissions based on the GHG baseline of each Chiefdom area, and guided by the provisions of a CERPA. The CERPA in a non-nested area will have three signatories; (i) the Chief (ii) Government and (iii) the PIU. The CERPA in a nested area will include the nested legacy projects as signatories. In this case, the CERPA in the Nested legacy areas will be signed by (i) the Chief (ii) legacy projects – COMACO/BCP and (iii) Government and the PIU as one signatory [**See Annex VI**].

For these agreed and defined geographic areas, a measure of the performance and ability to deliver ERs will be agreed and monitored for effectiveness through the monitoring system. The PIU managing the EP-JSLP and the DMT under which respective Chiefdoms fall, will engage all the relevant stakeholder groups and beneficiaries in each Chiefdom to negotiate a CERPA. The CERPA will set out the profile of the Chiefdom, identify the key drivers of emissions particularly deforestation and forest degradation, unsustainable land use and management, unsustainable agriculture and cultivation practices as well as the ER issues

related to these drivers. It will also identify the key forest assets in the Chiefdom area and allocate roles and responsibilities to different Chiefdom actors and players. The roles and responsibilities will include permitted and non-permitted practices which directly contribute to emissions in the Chiefdom.

In this way, the CERPA will form the basis of assigning performance criteria for performance-based benefit sharing. The CERPA will take cognizance of any existing land management agreements and contracts in force among different parties within the Chiefdom such as the CFM Agreements, GMPs in GMAs or other designations generated through the Participatory Land Use Plans forming part of the District level Integrated Development and Land Use Plans. It will also recognize locally agreed BSMs between and among beneficiaries, beneficiary groups and private sector operating within the Chiefdoms.

The CERPA will include accountability and reporting requirements to ensure transparent use of the EP-JSLP support measures, the monetary benefits in particular. This process is key to ensuring that benefits are distributed equitably among the targeted constituent beneficiary groups, households, gender groupings including vulnerable and marginalized people in a given their local area.

The eligible ISFL categories of GHG emissions from the GHG baseline include the following key sources of emissions:

- **Forest remaining Forest -** Emissions resulting from fires and carbon removals;
- **Forest loss to cropland -** Emissions from forest loss through land use change and encroachments, and;
- **Cropland remaining cropland:** Emissions through poor soil and crop residue management in agriculture.

As such, the Performance Effectiveness Index will relate to ISFL subcategories as follows:

- **Forest remaining Forest -** Reduced incidences from late seasonal fires and improved control and protection of forests, efficient cookstoves and restoration of previously degraded areas;
- **Forest loss to cropland -** Reduced area of forest loss through land use change and encroachments against a baseline projection, plus restoration of previously cleared areas or new planting at scale, and;
- **Cropland remaining cropland:** based on increase in the use of the 5 categories of CSA with weighting to the key ones of agroforestry and management of crop residues.

3.1. Chiefdom level Performance

ER at Chiefdom level will be a contribution from ER activities undertaken within the Chiefdom on CSA, CFM, efficient cookstoves and management of National and Local forests. Essentially, ER performance of a Chiefdom will be based on the aggregate emissions from the said activities, i.e. CSA, CFM, efficient cookstoves and the integrity of National and Local forests. These interventions may be done through the following avenues;

3.1.1. Protected Areas: National Parks, National and Local Forests

ER interventions and performance for protected areas that fall within the Chiefdom boundaries will include SFM in National forests, Local Forests and National Parks, to be assessed through carbon uptake through avoided deforestation, reduced fire disturbances, removals for commercial wood and use of fuel wood.

3.1.2. Community level

ER interventions at community level will incorporate CFM to promote sustainable use of forest products, fuel wood, to reduce conversion of forests to other land uses, to prevent and manage wild fires. ER performance at community forest level will be assessed through carbon uptake, avoided deforestation and degradation, and reduced fire disturbances. Reduced removals for commercial wood and fuel wood consumption will also be considered.

3.1.3. Household Emissions reduction

At household level, ER interventions will incorporate the use of efficient cookstoves whose performance will be measured through stove efficiency and consistent use. Overall adoption rates in a community, Chiefdom and District as a whole will be an essential factor in assessing performance. Oversight of the cookstove program within a Chiefdom will be managed by a designated community institution such as CFMG, CRB or a Cooperative to be determined by the community and the DMT.

3.1.4. Farm Level

At farm level, ER interventions will incorporate the adoption of CSA and use of CSA technologies such as conservation farming, agro-forestry and the use of organic manure. These practices are designed to reduce emissions through soil carbon sequestration and a reduced application of inorganic fertilizers.

Farm level performance will be assessed through adherence to conservation farming and agro-forestry practices, use of organic fertilizers and overall adoption rates of CSA technologies at farm level, in the community, at Chiefdom level and in the District as a whole.

3.2. Performance Effectiveness

Performance effectiveness at Chiefdom level will cover the following aspects:

- **Good governance –** to incorporate efficiency, equity, transparency, accountability, inclusiveness and financial benefit sharing within projects and between institutions and beneficiary groups, and;
- **Environmental and Social Safeguards**
  - Social – livelihood support, beneficiary participation and satisfaction
  - Environmental – measures to promote the integrity of the natural environment and ecosystems, conservation of biodiversity and enhancement of ecosystem services
  - FGRM – an effective and efficient roll out and awareness of the FGRM in addressing stakeholders and beneficiaries' concerns, fears, worries, anxieties, complaints or grievances; this includes a timely provision of feedback to these concerns, and how satisfied stakeholders are with the feedback.

Therefore, the performance-based allocation of payments will comprise a 2-part monitoring system:

- Measurement of performance against the ISFL subcategories within their defined geographic area of responsibility through remote sensing methodologies by the EP-JSLP MRV system. The current land use change assessment using collect earth will be refined to provide future assessment of vegetative cover quality as opposed to land use change only. This is important in respect of the fact that the major emissions come from the sub-category of forests remaining forest, and;
- Measurement of performance against the ISFL subcategories following agreed proxy indicators set out in the Performance Effectiveness Index for each Chiefdom as part of the negotiated CERPA. This will include an assessment of performance on environmental and social safeguards.

Annex VI illustrates how the roles and responsibilities of different stakeholders and beneficiaries may overlap in relation to ER activities and performance at Chiefdom level.

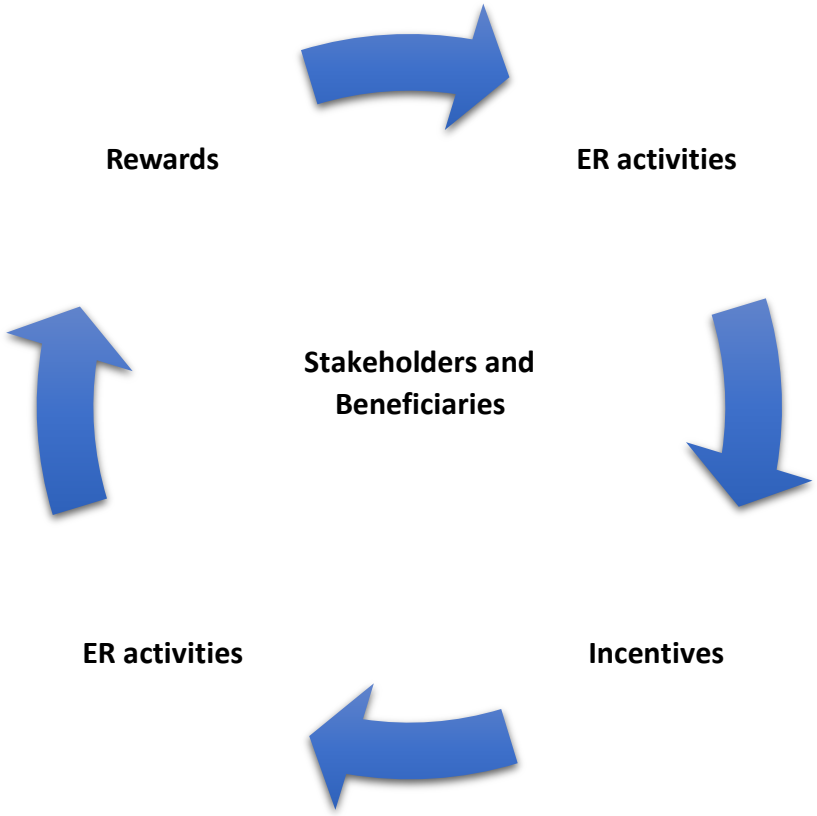
4.0. BENEFITS

The EP-JSLP is an RBF Program designed to provide monetary and non-monetary incentives and rewards for emissions reduction. Therefore, the BSP defines a benefit as an incentive and/or a reward which must be provided based on measurable, verifiable and reportable results. The system of incentives and rewards aims at; (i) enhancing ER activities at Chiefdom level, (ii) improving the livelihoods of local communities, and (iii) improve the effectiveness, efficiency, transparency and accountability of service providers operating at Chiefdom level.

Essentially, monetary and non-monetary benefits paid to stakeholders and beneficiaries should not be used to; (i) undermine ER activities by increasing emissions, (ii) worsen the socioeconomic vulnerability of local communities especially women, children and persons with disabilities, and (iii) undermine the effectiveness, efficiency, transparency and accountability of service providers operating in the Chiefdoms.

The beneficiation system is designed to be a mutually reinforcing system where incentives and rewards reinforce each other as follows;

Fig 1: The interaction between rewards, incentives and ER activities



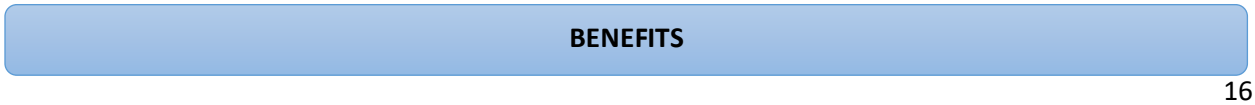
4.1. Types of Benefits

The BSP deals with two forms of carbon benefits, i.e. benefits deriving from the sale of measurable, verifiable and reportable ER credits generated as a result of effective implementation of ER activities at Chiefdom level. Carbon benefits are either monetary or non-monetary.

- **Monetary carbon benefits** are defined as cash payments received by beneficiaries under the ERPA. Monetary benefits will be available to all landscape level implementors of ER activities in the Chiefdoms.
- **Non-monetary carbon benefits** are defined as goods and services which beneficiaries will receive for their ER performance under the ERPA. Like monetary carbon benefits, non-monetary carbon benefits will also be available to all landscape level implementors in the Chiefdom.

The determination of carbon beneficiaries is based upon the identification of stakeholder groups that play a direct role creating ERs and that have the legal right, including under statutory and/or customary law to determine land use practices.

Fig 2: Types of Benefits covered under the BSP



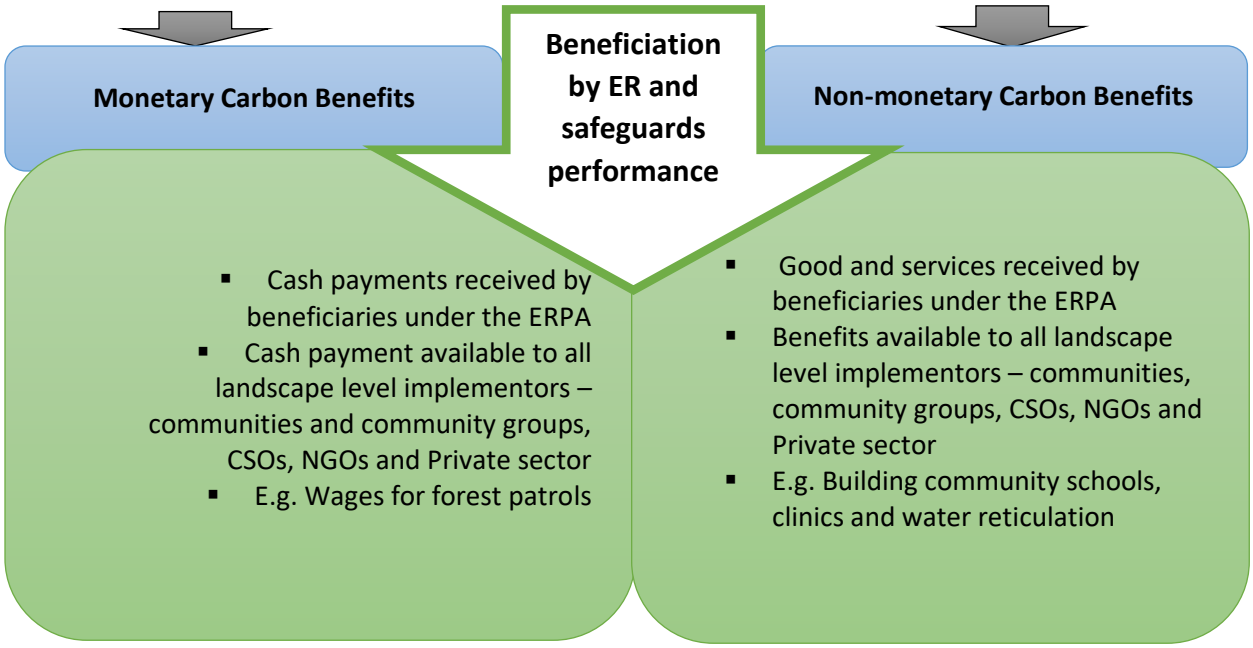


Table 2: Beneficiaries and their Potential Benefits

Categories	Recipients of Monetary Carbon Benefits	Recipients of non-monetary Carbon Benefits
Beneficiaries: Landscape Implementers		
Traditional Authorities	✓ Performance-based allocations	✓ Performance-based allocations
Farmer Groups	✓ Performance-based allocations	✓ Performance-based allocations
Resource Management Groups	✓ Performance-based allocations	✓ Performance-based allocations
Village Action Groups	✓ Performance-based allocations	✓ Performance-based allocations
Private sector in Nested areas [BCP/COMACO]	✓ Performance-based allocations	
Stakeholders: Service providers		
CSOs and NGOs	✓ Direct allocations	

Potential/anticipated Private sector companies in non-nested areas	✓ Direct allocations	
Government institutions	✓ Direct allocations	

In aiming to avoid worsening the socioeconomic vulnerability of local communities especially women, children and persons with disabilities, this Benefit Sharing Plan directly targets these groups of people with benefits through low carbon community investments (Subgrants). One criterion for community groups eligibility to receive community grants from the carbon monetary benefits will be participation of women, children and persons with disabilities in the community groups applying for grants. The Gender Based Violence Action Plan under the Environmental and Social Framework (ESF) is in place and protects these venerable groups and helps to reduce social economic vulnerability.

The performance-based payments given to Farmer groups, Village Action Groups and Resource Management Groups directly targets Women, Children and persons with disabilities. Women group for example are targeted and prioritized. The program has also a Gender Strategy and Gender integration tool which can be accessed on www.ziflp.org.zm . through this benefit sharing plan distribution of benefits to women will be both direct and indirect.

Community investments will be and are according to land use plans. These investments shall and will be put up in already settled areas and no new areas are opened up for community infrastructure investment. As per project environmental and social framework (ESMF) there is an environmental assessment or subproject environmental screening which makes sure that potential environmental and social impacts are identified and addressed before start of any project and alternatives are provided in case of scale negative impact.

5.0. BENEFIT DISTRIBUTION

The overall objective of the JSLP is to distribute benefits to key beneficiaries and stakeholders whose roles and responsibilities in the Program are directly and indirectly linked to reduction of emissions through management of land use, forest loss and degradation, unsustainable agriculture and wildlife. This fits within the vision and mission of the National Strategy to Reduce Deforestation and Forest Degradation to, among others, coordinate efforts aimed at reducing deforestation and forest degradation through improved management of forests and livelihoods. The distribution approach also takes full cognition of the two main sources of GHG emissions in Eastern Province, i.e. 54% from forest degradation and 32% from forest loss through conversion to crop land.

- ER Gross Payments refer to the revenue generated from the sale of the entire volume of ERs that are sold in a given MRV period;
- ER Net Payments refers to revenue that remains after deducting Fixed Costs and Performance Buffer from Gross Payments;
- Fixed Costs refer to the management and transactional costs incurred in managing the ER Program, and;
- Performance Buffer refers to the amount of money set aside from the gross ERPA payments to offset under-performance or non-performance at Chiefdom level.

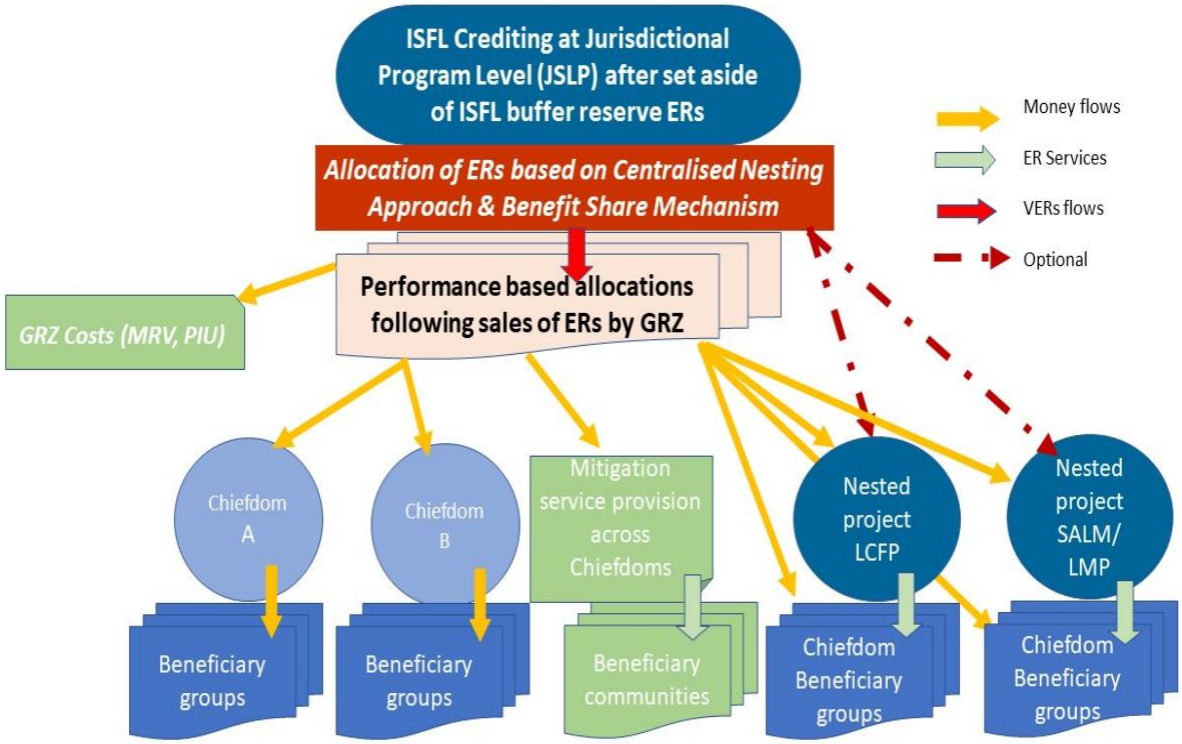
These payments are calculated as indicated below;

Fig 3: Equation 1. Calculation of Net ER Payments

Gross Payments - (Fixed Costs + Performance Buffer) = Net Payments

These payments will be triggered once reductions in deforestation and forest degradation are validated and verified, and tons off ER credits are issued. The payment will also be triggered upon the verification of performance on safeguards in accordance with environmental and social safeguard instruments developed for the Program. The following diagram illustrates how the funds will flow to the beneficiaries;

Fig 4: Flow of Funds



5.1. Benefit Allocation

After concerted stakeholder engagement and consultation processes outlined in the BSP Annex I, the agreed system of benefit allocation shares is outlined in table 2 below;

Table 2: Benefit Allocation of Percentage shares

Stakeholder/Consultation	Rationale	% allocation
GRZ and the PIU	Allocation for; ▪ Program implementation and Management of day-to-day activities according to the PIM ▪ MRV ▪ Performance buffer ▪ Provision of policy and legal regulation ▪ Facilitation of conflict and grievance redress	**15%**
Private sector in nested areas [COMACO and BCP] and GRZ, NGOs or CSO Services in Non-nested areas	Allocation for; ▪ The Nested Private sector legacy projects to continue their operations as service providers under a centralized jurisdictional arrangement; ▪ Focus on the priorities as allocated by the nested projects in line with the NERPA	**30%**

	▪ Provision and facilitation of mitigation services through SFM, CSA and improved cookstoves ▪ Mobilization of communities for NRM and expansion of protection activities and land use planning ▪ Capacity building and knowledge transfer to enhance communities' roles in ER through AFOLU-related activities ▪ Provide extension support services to farmers and farmer groups for the adoption and acceleration of CSA ▪ Build Capacity in communities to innovate synergies and solutions to climate change ▪ Provide support to community groups in developing the NTFP value chain and related community forest enterprises ▪ Facilitate Grievance Redress at community level and report accordingly ▪ Meeting their management costs including payment to company shareholders, payment of salaries and other statutory obligations for staff, facilitation of MRV in Nested Chiefdoms, data collection and sharing to enhance MRV processes	
Chiefdoms [Local communities and Chiefs	Allocations subdivided for the following;	**55%**
▪ The Chief as an individual	Allocations paid to the Chiefs as traditional royalty for being custodians and administrators of traditional land in their Chiefdoms, for their role in facilitating CERPAs, and for providing leadership in the enforcement of CERPAs and protection of natural resources in the Chiefdom	5% of 55%
▪ The Chief as an institution	Allocation paid to a local institution such as a Chiefdom Development Trust under the supervision of the Chief; comprising traditional leaders, community members, local authority, NGOs and CSOs operating within the community. The allocation is to provide transport needed for addressing drivers of deforestation and degradation and to attend to the issues that may arise therefrom; facilitate in the Chiefdom Enforcement of compliance with CSA Practice and land uses, as well as follow up on the utilisation of funds as stipulate below;	5% of 55%
▪ Community construction	Allocation for the construction of community infrastructure such as schools, clinics, bridges and other development needs the community may choose. Caution is given to ensure that construction works should not increase emissions at community level	32% of 55%

▪ Conservation	Allocation for enhancing the Chiefdom AFOLU sector through NRM and CFM (payment of village scouts and support to honorary forest officers, resolution of, and support to, human and animal conflict, fire management, development and updating of FMPs, procurement of vehicles and servicing of the vehicles for NRM through patrols); promoting and enhancing the adoption of CSA and expansion of community forests and CSA practices.	30% of 55%
▪ Community livelihood support	Allocation for Chiefdom low carbon investments at both Chiefdom and household levels; to support increased household incomes and contribute to improvements in social safety nets; increase household and Chiefdom resilience as well as reduce vulnerability to climate change impacts (guided Community subgrants, Procurement of small-scale processing equipment and development of community value addition center to add value and develop value chains for CSA Produce), and to increase the procurement of small livestock (Chickens, Goats and Pigs) for the pass-on scheme, to promote alternative livelihoods such as aquaculture for the purpose of increasing household disposable income. The allocation will also seek to address local livelihoods needs based on assessed community socioeconomic vulnerabilities and any shocks that may arise from natural or man-made disasters, especially women, children and persons with disabilities this will be done through direct grants to these groups	20% of 55%
▪ Traditional activities	Allocation towards support for preservation and promotion of cultural heritage through, for instance, funding towards annual traditional ceremonies and the maintenance of scared shrines.	5% of 55%
▪ CRBs/CFMGs/Farmer Groups	Allocations for supporting the day-to-day management and administrative needs of the CRBs, CFMGs and DFAs ▪ It must be noted that in some areas, the CRB and the CFMG are constituted by the same persons but operate differently according to whether it is a wildlife or forestry matter, respectively.	3% of 55%

5.2. Performance Buffer

The allocation towards performance buffer (of generally 5%) is money set aside as a percentage from the ERPA payment (for the net ERs) to cover potential under-performance of the ER program at Chiefdom level in a given reporting period. This money could be used, for example, to reward potential beneficiaries such as a Chiefdom village groups or

community producers who have effectively reduced deforestation in their respective areas yet the ER program as a whole under-performs.
The buffer also relates to the amount of ERs that would have to be set aside for uncertainty and reversal risks. It refers to the amount of ERs which would be appropriately determined by the ISFL risk rating of the Program. As such, ERs to receive payments will be the net ERs to be established after subtracting the buffer ERs from the gross ERs as an ISFL requirement.[6] This is more akin to risk buffer than performance buffer.

5.3. Benefit Sharing Mechanism

The BSM in this BSP is performance and results-based. The performance of the Chiefdom will be determined periodically according to the MRV process using monitoring tools developed by Zambia's Forestry Department as part of Zambia's NFMS. Performance will be measured in two ways; (i) by monitoring the performance of actions implemented at the Chiefdom level, and (ii) by assessing adherence to environmental and social safeguards in order to ensure that the reduction of emissions does not worsen poverty and the vulnerability of already the already poor and vulnerable people – especially women, children and persons with disability.

The commitments and targets to be used to measure the performance from the Chiefdom will be set in the CERPA as outlined in section III and in the NERPA for the nested areas.

Distribution of the allocated benefit shares outlined in table 2 above will be monitored and administered by the Jurisdictional Benefit Sharing Committee working with all stakeholders and beneficiaries in the Program area. Benefit sharing at Chiefdom level will follow provisions of the CERPA, and for Nested projects operating under a Chiefdom, a NERPA will apply for them. Essentially, both CERPAs and NERPAs will serve as the key governance instrument for benefit sharing at Chiefdom level given that Nested projects will not operate outside of a Chiefdom. As such, the Nested legacy projects will be signatories, together with the Chief, Government and the PIU, to both CERPAs and NERPAs in Nested areas only. Nested legacy projects will not be signatories to CERPAs in non-nested areas.

The CERPAs and NERPAs will set out the profiles of the Chiefdom under which ER activities are implemented, identify the key ER issues and drivers of deforestation and forest degradation and other unsustainable land management and cultivation practices. The CERPAs and NERPAs will identify the key forest assets and allocate specific roles and responsibilities, including permitted and non-permitted practices which contribute to GHG emissions in the Chiefdom. The CERPAs and NERPAs will also form the basis of assigning performance criteria based on the defined roles and responsibilities of stakeholders and beneficiaries operating at Chiefdom level.

Signatories to the CERPAs and NERPAs the signatories to the CERPAs shall be Chiefs on Behalf of the Chiefdom and EP-JSLP on behalf of government with Community Forest

[6] https://biocarbonfund-isfl.org/sites/isfl/files/2020-04/ISFL%20Buffer%20Requirements_2020_Final.pdf, page 3.

Management Groups (CFMG) Witnessing and consenting. The Signatories of the NERPs shall be the Private Sector/Service Provider and EP-JSLP on behalf of government with Chiefs as Community Representative Consenting and Witnessing.

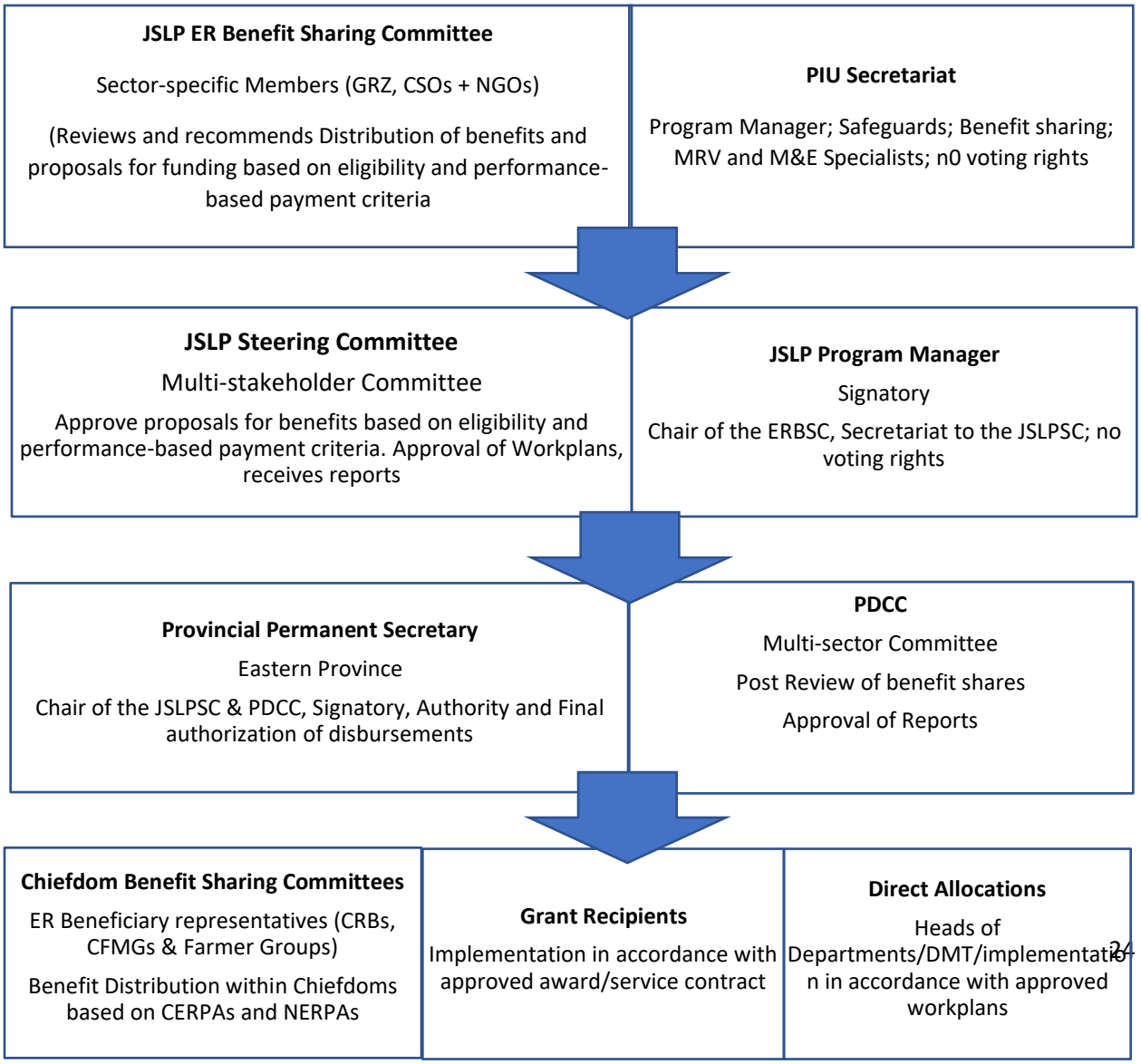
For the purpose of addressing and respecting safeguards, the CERPAs and NERPAs will also include commitment of the JSLP to deliver livelihood improvements, community empowerment, capacity building and enhanced service delivery to livelihood support and related community development programs.

5.4. Governance and Decision-making

Other than the NERPAs and CERPAs which will serve as key governance instruments for the BSM, the process of distributing and sharing benefits will be administered and monitored by BSC with the PIU serving as the Secretariat. The various roles and responsibilities of the BSC and the PSC are outlined in Annex IV which also forms part of the operational manual for the BSP.

The general governance framework for benefit sharing arrangements are illustrated and summarized below;

Fig 5: Governance framework for Benefit Sharing Arrangements



6.0. SAFEGUARDS

The ER Program is designed to have positive impacts on the lives of the rural communities and on the integrity of the environment, i.e. conservation of ecosystems and biodiversity in the Program area. Therefore, the BSP is designed in alignment with the National REDD+ Strategy Framework, the outcomes of the SESA process and the principles the World Bank ESF instruments prepared under this program.[7] The BSP is also aligned with the Safeguards Information System established by the Republic of Zambia to assess the extents to which all REDD+ projects or programs in the country adhere with the UN Cancun safeguards.

The implementation of the BSP will also be monitored using the environmental and social standards under the regulatory framework of ZEMA to ensure that the integration of social and environmental considerations in the implementation of REDD+ interventions is done in full compliance with provisions of the Environmental Management Act, 2011 and the World Bank ESF.

As such, the management of environmental and social impacts of the program is fully integrated in the design of the BSP, identification of benefit sharing issues, grievances and concerns, assessment of benefit sharing risks and conflicts, monitoring, and evaluation of the overall BSP implementation. Essentially, the aim is to ensure that ER activities and the beneficiation therefrom do not negatively impact local communities' livelihoods nor undermine the integrity of the environment.

Consequently, all ER activities in the Program area will be required to comply with the requirements of the World Bank ESF as outlined in the ESCP. Hence, the environmental and social risk management including implementation and monitoring of the FGRM will follow the procedures outlined in the safeguard's documents. The Environmental and Social Safeguards Specialist based in the PIU and the MGEE will be responsible for ensuring the implementation of the agreed environmental and social risk management aspects of the ERPA.

6.1. Feedback and Grievance Redress Mechanism

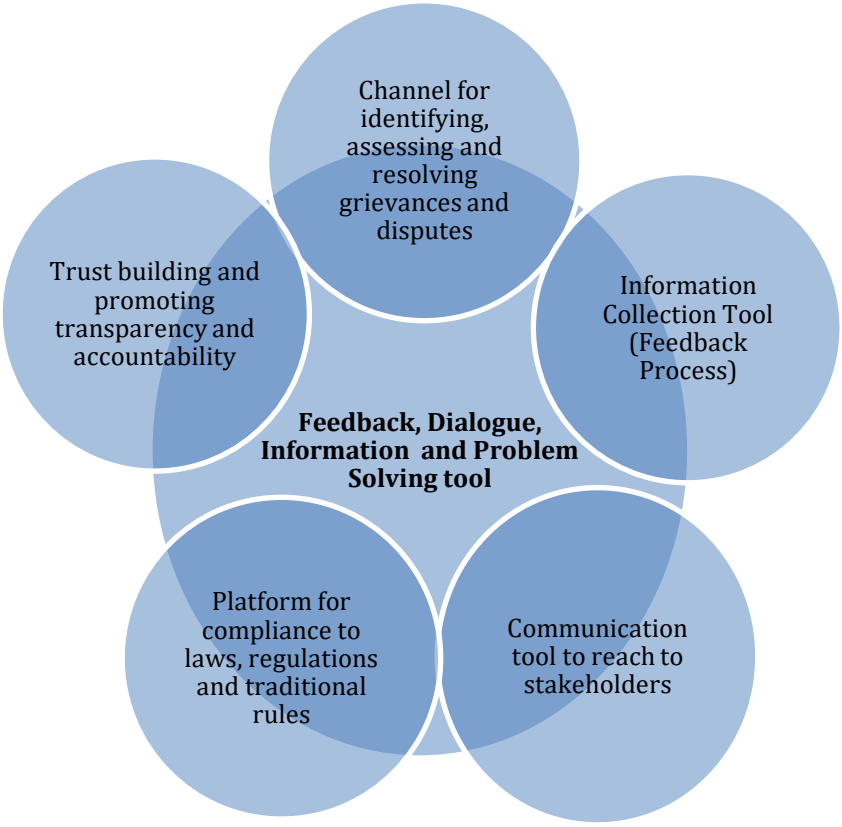
The FGRM is specifically designed to achieve the following objectives;

- To be responsive to the stakeholder and beneficiary needs insofar as channeling concerns, complaints and grievances is concerned;

[7] A SESA Report, Updated ESMF Report VER06 22Nov21, Updated Process Framework Report Nov 21, Updated Resettlement Policy Framework Report Nov 21, Environmental and Social Commitment Plan – ESCP, Labor Management Plan –LMP, Stakeholder Engagement Plan – SEP, Gender Based Violence Action Plan – GBVAP and a Feedback Grievance Redress Mechanism < http://ziflp.org.zm >

- To be responsive to stakeholder and beneficiary needs insofar as feedback to their concerns, complaints and grievances is concerned;
- To be responsive to stakeholder and beneficiary needs insofar as conflict/dispute redress in concerned; i.e. to provide a fair and objective avenue for dispute resolution and prevent matters from escalating into more serious issues;
- To be a data collection and data analysis avenue that uses collected and collated information to improve Program performance and enhance continuous mitigation risks in the Program area;
- To be responsive to stakeholder and beneficiary needs insofar as facilitation of effective communication between the Program and the affected/interested parties is concerned;
- To enhance the Program's legitimacy among stakeholders by promoting transparency and accountability, and deterring fraud and corruption;
- To provide a platform for ensuring compliance with the provisions of the laws, regulations, and cultural and traditional rules in the project area [See Annex I on legal underpinnings]

Fig 6: Purpose and Objective of the FGRM



The FGRM is designed to provide a timely, responsive and effective system of resolving community or individual grievances in the project areas including those related to implementation of this BSP (e.g. delayed disbursements of funds, concerns of unfairness in the distribution and sharing of benefits, etc.). The mechanism is a multi-stage process that

starts from the Chiefdom level, to the District, Provincial and to the National Level. The detailed operationalization of the FGRM is set in the operational manual as in Annex V.

However, the fact that the BSP will be dealing with money and huge financial transactions, the risk of financial crimes, fraud, corruption and money laundering cannot be underestimated. Therefore, the FGRM committee will refer all matters related to financial crime, money laundering, corruption and fraud to the BSP Arbitration Committee (BSAPAC) for further assessments and investigation. The composition of the BSPAC and the referral system is illustrated as part of Annex V.

The legal mandate and jurisdiction over financial crimes, money laundering, fraud and corruption, as well as the requisite expertise to handle such matters are beyond what is permissible for the FGRM to handle under the laws of the Republic of Zambia.

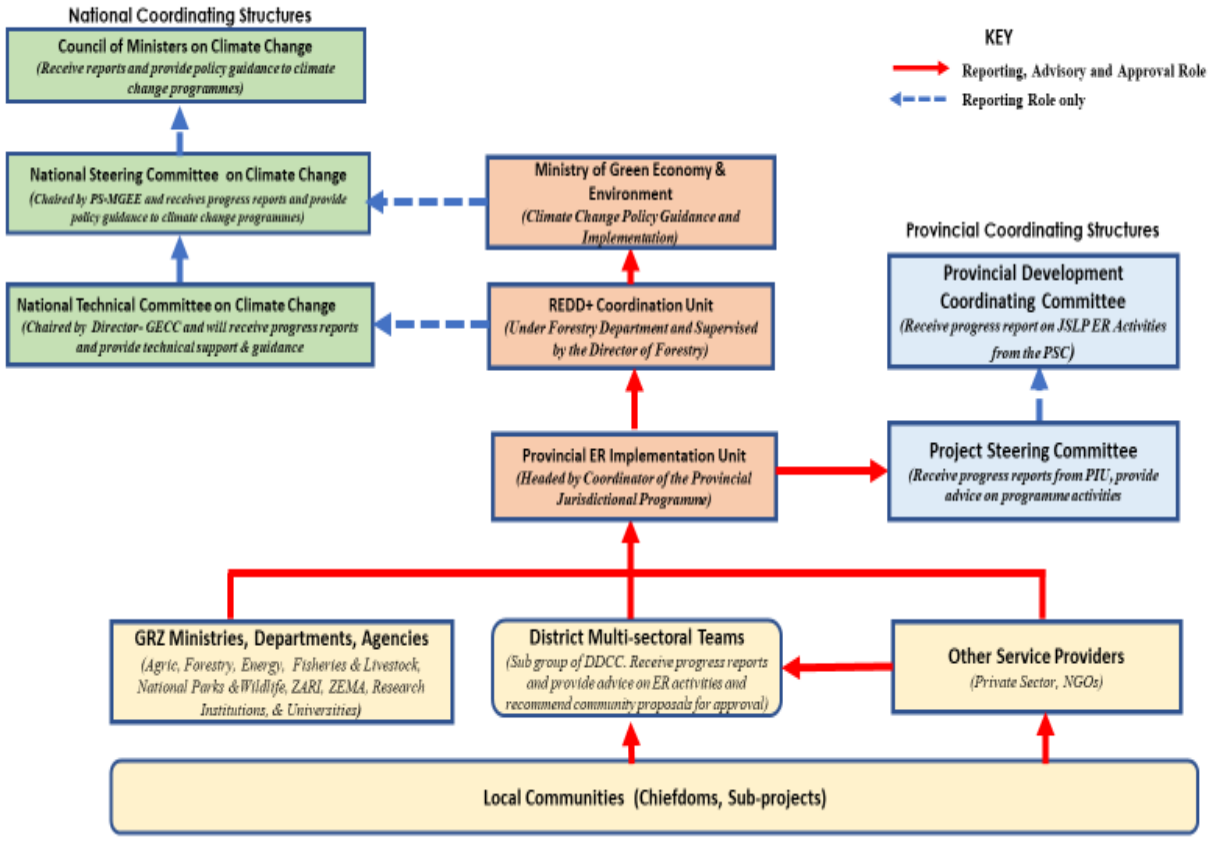
7.0. INSTITUTIONAL ARRANGEMENTS

Institutional arrangements in a jurisdictional approach are crucial because of the many different actors and players operating in the entire Province having different interests and claims, and playing different roles and responsibilities. Therefore, institutional arrangements will be crucial for;

- Enhancing effectiveness of the different actors and players towards the twin goal of reducing emissions and improving livelihoods;
- Preventing and minimizing intra-institutional tensions and stakeholder conflicts;
- Preventing and minimizing misinformation, managing expectations and building consensus among the different actors and players;
- Enhance effective MRV of ER activities across the entire Province;
- Building positive leverages on experiences of the different actors and players, and;
- Expanding the scope and reach of ER activities as effectively and as efficiently as possible through the system of incentives and rewards across the entire jurisdiction.

Foregoing, the effectiveness of the BSP will also be guaranteed by the effectiveness of institutional arrangements from Chiefdom level to the Province.

Fig 6: EP-JSLP Institutional Arrangement



7.1. Operational Outlook of Institutional Arrangements at Chiefdom level

In practice, there are overlapping institutional set-ups such as CRBs, VAGs, CFMGs and DFAs at very lowest operational level. All farmers are community members found in a VAG which is an establishment of the CRB under the Wildlife Act, 2015. CRBs are allowed to register as a CFMG for the purpose of participating in forest carbon ER activities under the Forests Act, 2015. While the Wildlife Act provides for this duo functionality of the institutions, the Forests Act does not. Meanwhile, all community members constituting a CRB and CFMG are active farmers in a VAG by virtue of belonging to a village. Farmer groups like DFAs draw their members from the same pool of VAG participants who also constitute an IC at the lowest structure of the DFA.

From the local government perspective, all these local institutions are found in a Ward which is the lowest political and development institution in the hierarchical set-up of governance in Zambia. Therefore, the WDCs are mostly composed of the same personnel as the people in CRBs, CFMGs, DFAs and government departments operating at Ward level in accordance with the provisions of the Local Government Act, 2019. Chiefdoms are basically a composition of different Wards made up of a number of villages in a particular District. Annex VI illustrates the outlook of this institutional arrangement in practice. Attention must be paid to the different stakeholders' roles and responsibilities outlined in annexes III A and III B when considering this institutional arrangement.

7.2. Monitoring of Performance

Current estimates show that about 96 percent of all land in the Eastern Province is traditional/customary land. Secondly, the largest pool of emission stocks and sinks in the Province is on traditional land. As such, traditional land forms the largest pool of sources of emissions in the entire Province. Therefore, successful implementation and monitoring of the ER Program activities will be determined by the extent to which drivers of deforestation and degradation, land use change and unsustainable agriculture are addressed at Chiefdom level. The institutional arrangement for the BSP is designed to ensure that roles and responsibilities of all players and actors from various institutions across the Province, Districts and Chiefdoms are harmonized into the twin goal of reducing emissions and improving lives at community level.

This also entails that monitoring of performance will be fundamental at Chiefdom level, i.e. monitoring how all the actors and players in the different local, district, provincial and national institutions play their roles and undertake their responsibilities towards ER activities and improvement of livelihoods at Chiefdom level. As such, ER payments for landscape-level implementers will be according to the performance of the Chiefdom in implementing the landscape management activities.

ANNEXES

- BSP Annex I: Stakeholder Engagement
- BSP Annex II: Legal Underpinnings
- BSP Annex III: Stakeholder Analysis
    - Annex III A: Stakeholders and Beneficiaries Roles and Responsibilities
    - Annex III B: Stakeholders and Beneficiaries Criteria for Inclusion in the ER Program
- BSP Annex IV: Roles and Responsibility of the PSC and BSC
- BSP Annex V: FGRM and the BSPAC Referral System
- BSP Annex VI: Outlook of Institutional Arrangements at Chiefdom level

BSP Annex I: Stakeholder Engagement and Consultation Process

1. FIRST ROUND

The first round of stakeholder consultations for the BSP took place in February and March of 2020 with national stakeholders in Lusaka, and with Provincial, District and local stakeholders in Eastern Provinces. The consultations were structured as FGDs and structured interviews which included government representatives, CSOs, the private sector, traditional authorities and local community groups including, i.e. farmers, CRBs and CFMGs. The first round saw a total of 147 stakeholders and beneficiaries consulted [40 females and 87 males.

The first round of consultations was mainly intended to inform the initial draft of the BSP. Information gathered in this round included:

- The roles and responsibilities of the stakeholders and potential beneficiary groups in the implementation of Program activities to reduce emissions, generate ER credits and contribute to improvement of livelihoods;
- The types of benefits that could go into incentivizing and rewarding the stakeholders and beneficiaries to make changes in land use practices and/or to invest in the protection of forests;
- The existing national, provincial, district and local institutions and processes through which benefits could be distributed to the targeted beneficiaries;
- Lessons around positive practices and challenges with the different benefit sharing models currently in use within the EP to bench mark the design of the EP-JSLP BSP, and;
- The potential risks and issues which could ensue from implementation of the BSP, risks and issues would necessarily need to be linked to the safeguard's framework

Table 1 below summarizes the first round of stakeholder consultations;

Table 1: Summary of First Round Consultations

Stakeholder	Type	Location	#*	Date
PDCC and DDCC Meetings	FGD	Chipata District	26 – 26 Male 0 Female	02 March 2020
Chisitu Farm School Lead Farmers	FGD	Chipata District	45 - 17 Male 28 Female	02 March 2020
Banki Community Forest Management Group (CFMG)	FGD	Kasenengwa District	18 - 15 Male 3 Female	02 March 2020
COMACO	Informational Interview	Chipata District	4 – 4 Male 0 Female	03 March 2020
Land Alliance	Informational Interview	Chipata District	4 – 1 male 3 Female	03 March 2020
Meeting with HRH Chief Kazembe	Informational Interview	Kazembe Chiefdom, Lundazi District	1 Male	04 March 2020
Meeting with Kazembe Community Resource Board (CRB)	FGD	Kazembe Chiefdom, Lundazi District	17 – 16 Male 1 Female	04 March 2020
BioCarbon Partners	Information Interview	Lusaka	2 – 2 Male 0 Female	28 February 2020
Meeting with HRH Chief Jumbe and Community Resource Board (CRB)	Informational Interview	Jumbe Chiefdom, Mambwe District	1 Male	05 March 2020
Meeting with Jumbe Community Resource Board (CRB)	FGD	Jumbe Chiefdom, Mambwe District	12 10 Male 2 Female	05 March 2020
Indicates number of participants. Note that attendance was not taken at the meetings with Chiefs; therefore, these are not included in the total # of participants.				

2. SECOND ROUND

Additional stakeholder consultations were conducted from November 23rd – December 1st 2020, throughout Eastern Province. The goals of the second round of consultations were to broaden and consolidate the consultations for the development of an advanced version of the BSP in line with national requirements and ISFL guidelines. The process was driven by GRZ and involved consultations with communities, traditional authorities, CRBs, CFMGs, CSOs, provincial government units and private sector operating at Provincial, District and Chiefdom levels. The second-round consultations were achieved through FGDs and structured interviews with each of the categories of beneficiaries identified to review feedback on the initial design of the BSP.

From this round of consultations, issues, concerns, fears and worries raised by stakeholders were collected for the purpose of determining how they would be addressed in the BSP. In broad terms, the stakeholders and beneficiaries consulted welcomed the idea of having both carbon monetary and carbon non-monetary benefits as they expected to come through the JSLP. But as expected, monetary benefits drew the greatest interest from all stakeholders and beneficiaries. Proposals for sharing monetary benefits varied across beneficiary groups and community institutions participating in the consultation.

In summary the following observations were made across the Chiefdoms:

I. Where community development committees had been set up in villages with responsibilities for natural resources protection, there was a view that these committees could also guide on benefit sharing. The initial community preference was to use CRBs. The rationale was that the CRBs were existing institutions that were doing similar fund administration in the Chiefdoms, and their composition was inclusive at village level;
II. Some community members expressed serious misgiving regarding the role of CRBs to administer benefit distribution at Chiefdom level. It was reiterated that the use of CRBs for such a purpose had previously divided the Chiefdoms with grievances regarding lack of transparency and accountability. Within the CRBs. Therefore, the fear that these performance-based payments made through CRBs would increase already existing conflict in Chiefdoms was daunting. Suggestions were made to this effect; that there was a strong need to put in place measures that will address conflict and promote change in the manner in which CRBs were governed. It was also suggested to put in place an independent board that would ensure that benefits trickle down to the intended community targets in order to motivate them into sustainable behavior.

The second round of consultation was interrupted by the COVID-19 pandemic which restricted travelling and public gatherings under lock-down regulations. Notwithstanding, this round of consultations was geared towards validation of the draft BSP towards the end of 2022.

The second round of consultations is summarized in table 2 below:

Table 2: Summary of Second Round Consultations

Stakeholder	Type of Group	Location	#*	Date
Ngoni Headmen at Epheduken Palace.	Traditional leaders	Epheduken Palace, Chipata	30 – 22 men and 8 Women	23rd November 2020
Gogo Mazimawe	Traditional leaders	Mazimawe Palace, Kasenengwa	1 Male	23rd November 2020
Ngoni Headmen at Mazimawe Palace	Traditional leaders	Mazimawe Palace Kasenengwa	44 – 25 men and 19 Women	23rd November 2020
Senior Chief Luembe, Headmen and CRB Members	CRB and Headmen	Luembe Palace Nyimba	21 – 12 men and 9 women	24th November 2020
HRH Chief Nyalugwe and Headmen	Traditional leaders	Chief Nyalungwe's Palace, Nyimba	1 Male	25th November 2020
Nyalugwe, Nyimba	CRB/CFMG	Chief Nyalungwe's Palace, Nyimba	33 – 20 men and 13 Women	25th November 2020
Her Royal Highness Chieftainess Mwanya	Traditional Leader	Lumezi (part of former Lundazi)	1 Female	28th November 2020
Headmen and Women, and CRB members of Mwanya Chiefdom	Traditional leaders and CRB	Lumezi (part of former Lundazi)	43 – 25 men and 18 Women	28th November 2020
Jumbe and Kakumbi CRBs	CRB	Mkhanya Chiefdom, M'fuwe, Mambwe	9 – 6 men and 3 Women	26th November 2020
Headmen and Headwomen Nsefu Chiefdom	Traditional Leaders	Nsefu Chiefdom, M'fuwe, Mambwe	52 – 30 men and 22 Women	26th November 2020
Headmen of Mwase Lundazi Chiefdom	Traditional Leaders	Lundazi	Men – 26, Women - 0	30th November 2020

Group Headmen, Headmen and Chitungulu CRB	Traditional Leaders and CRB	Chief Chitungulu, Lumezi	Men -21, Women - 2	1st December 2020
Kazembe CRB	Traditional Leader	Lumezi (part of old Lundazi)	1 Male	2nd December 2020

Table 2: Feedback from Government-led consultations in the Second Round

Beneficiaries	Eligibility Criteria	Types of Benefits	Benefits Distribution	Benefit Sharing Mechanism
Ngoni Headmen at Epheduken Palace Feni.				
Individuals with personal forests; Forest guards; Farmer groups; Headmen; Those who would provide technical assistant to the farmers		Monetary: Money Non-Monetary: Inputs: fertilizer and seed Skills training: carpentry, brick laying Capacity building in CSA, fish farming, poultry etc Increased access to clean and safe water through drilling and equipping of boreholes Fish pond construction High crop yield and increased productivity Lowering of production costs	80% to the community 20% to the headmen Each beneficiary village to give 5% out of its share to the Paramount Chief	Carbon credits should be channel through the village committees. Headmen should also be included in these committees. Refused to have middlemen such as board for fear of significant benefits not trickling down to the grassroots Inclusion of government officers in the committees not conclusive
Gogo Mazimawe His Royal Highness alluded to the fact that there was Benefit Sharing in his chiefdom. He welcomed the Program idea since Chiefdom had been earmarked for protection of forests. As such, village committees had been set up in his Chiefdom to spearhead the implementation of forest protection activities. He was of the view that these committees could also guide on benefit sharing in practice. He hoped that guidelines will be developed to mitigate the challenge of mistrust in relation to benefit sharing between communities and the Chiefs.				

	His Royal Highness also indicated that non-monetary benefits such as mushrooms and wildlife are already being realized through the protection of forests in his chiefdoms	As such committees had been set up in villages in his chiefdom to spearhead the implementation of forest protection. He was of the view that these committee could also guide on benefit sharing.	His Royal Highness also indicated that a chiefdom cooperative was created in his chiefdom to spearhead development in his chiefdom. The cooperative already had a bank account through which resources mobilized for the chiefdom was channeled. Moreover, controls have also been put in place to ensure accountability
Ngoni Headmen at Mazimawe Palace			
Individuals with personal forests; **Chiefs- for his leadership and designation of a chiefdom forest;** **Forest guards for guarding the forests;** **CSA Lead Farmer;** **Headmen- for their leadership and protection of village forests;**	Monetary: Money Non-Monetary: Inputs: fertilizer and seed Skills training: carpentry, brick laying Knowledge in CSA, fish farming, poultry etc Increased access to clean and safe water through drilling and equipping of boreholes Alternative livelihoods- Fish Pond construction,	80% to the community 20% to the chief	

Communities for taking care of forests at different levels (chiefdom and village level) CFMGs (participating villages); Vulnerable and marginalized members of the communities (orphans, disabled, children etc) Those engaged in tree planting; Chiefdom		irrigation schemes through construction of dams High crop yield and increased productivity Lowering of production costs Clean air		
Senior Chief Luembe, Headmen and CRB Members				
Benefit sharing was identified as a key motivating factor to emissions reduction. Senior Chief Luembe pointed out that the Chiefdom has an experience of benefit sharing for DNPW, COMACO and BCP Communities dwelling in areas near the protected forests;	Those directly involved in law enforcement. Those in climate smart Agriculture. In case of communities and individual's eligibility for benefits to be based on their active	Key to benefits the chief said is money and non-monetary benefits are not very recognized and this needs awareness among people to appreciate these. The Actual Cash is the popular benefit He noted that in the chiefdom fields have not changed much meaning people are not cutting to extend their fields and the link of cutting of trees to emissions reduction was	From experience benefits have been distributed through the chief agreeing with the people when the money comes on what to procure. This has been through the CRB.	The idea of the board managing the fund was welcomed. The initial community preference was to use the CRB as the board to manage the fund. The rationale was that the CRB was ideal as it was already in place and its composition was inclusive. However, upon further reflection some community members expressed serious misgiving about the earlier submission of CRB to be the fund manager. In this regard, the second submission was to put in place an independent board.

Individuals practicing activities that help in ER such as those engaged in CSA, protecting forests, involved in agroforestry and using improved cook stoves **Chiefdom Headmen** **Lead farmers** **Implementors on the ground included DNPW, BCP and COMACO who have project-based model** **Fire was identified as a major threat to the forest and sustainable land management** **The key issues expected from private sector was to bring about mindset change in people. He also said it is important for implementors to listen to the people and address their needs and help them focus on performance.**	and verifiable participation/contributions in ER Headmen eligibility to be based on their leadership of promoting ER activities in their communities	not so much in the chiefdom. There is more explanation needed for this to change people's mindset. Inputs (fertilizer and seed) Capacity building Knowledge transfer Skills development (brick laying Alternative livelihoods Seed money for enterprises (capital) Women empowerment Mitigation measures to reduce human-wildlife conflicts (installation of solar fences) Intensification of agricultural practices (agricultural production/cultivation on small parcels of land) Increased productivity and high crop yields Reduction	They also have a group of elders who have been receiving benefits and the have a grinding meal. They also have fishing revenue which is very small but also shared Views were on how benefits from ER should be channeled were varied and included the following: Headmen; The CRB as it was an already existing organized structure which	It was therefore resolved that the communities should do further consultation and submit a written proposal to ZIFLP of the consensus about who should be the fund manager

		was known Forest user groups such as CFMG Governm ent impleme nting sectors such as agricultu re, forestry, DNPW Three existing models being impleme nted from proceeds from the sale of wildlife, fisheries and carbon funds were highlight ed. The preferre d model was the one by DNPW for the sale of wildlife which was deemed transpar ent and fare

			DNPW and Fisheries models: government 50 % and community 45% and chief 5%. The 45% community share was further distributed into Administration- 25%, community projects- 35% and conservation- 40% Carbon fund model: the distribution of the community share after deducting the operational and other fixed costs is distributed as follows: Patron (chief)-	

			10%, administration- 5%, community projects- 80%, and conservation- 5%.	
HRH Chief Nyalugwe and Headmen Chief Nyalugwe felt that benefits could come to the community though headmen, CRBs, through forest user groups or through government departments. He emphasized the point that benefit sharing must be guided by the community and that there is no need to form other groups to handle these benefits as it will just bring confusion. Nyalugwe Chiefdom has conserved its resources from time immemorial and their main target has been forest protection which is animal habitat and a livelihood for community members in the Chiefdom. He pointed out the problem of unsustainable charcoal production which has caused deforestation mainly along the Great East Road. The consultation saw a decree being given by Chief Nyalugwe to stop unsustainable charcoal production by 30th of December. By this date there should be no charcoal displayed on the roadside along the great east road from Mchimazi to Luangwa. The Chiefdom has established VAGs to reduce poaching as this is a problem from the neighboring Chiefdoms and not Nyalugwe chiefdom. Benefits need to cascade to the household level to incentivize performance.				
Chief Indunas/ Headmen Community Groups Individual households	Chief- his role as leader, owner of the land, conservation efforts Headmen- their role as leader in facilitation ER in their villages Communities – the actual conservers through engagement of ER activities such as	The idea shared were that there were long-term (Public Infrastructure and Health service provision) and short-term benefits (The money given) and all of them need to be guided to get performance Chicken Rearing General Farming Fish Farming Gardening Employment creation through forest guards Skills training tailoring, carpentry	Below are the proposals of how the benefits should be shared which are given.: For options 1,2, 4 and 5 where administration was not categorically allocated a percentage because it was felt that the communities	Options considered to administer the benefit sharing included the CRB because it comprises many parts; the CFMG because it would help CFMG members appreciate the benefits of ER; community groupings to allow for collective disbursement of benefits to the membership, independent organization, executive committees of the identified community groups, satellite committee. The preference for community grouping was in order to mitigate adverse effects associated with high employee

	conservation efforts, CSA Ceasing undertakings/activities that contribute to emissions Proven record of participation in activities that promote ERs	all these at community level Actual cash/money, Grants Clean air Alternative livelihoods Irrigation schemes through construction of dams Other infrastructure developments such as construction of schools, health facilities, irrigation schemes, fish pond production Improved access to clean and safe water through drilling and equipping of boreholes Behavioral change of those involved in activities that contribute to emissions; Food security Collective benefits through public good such as drilling of boreholes for domestic use and livestock consumption Inputs (seed, fertilizer) Reduction in over dependence on rain-fed agriculture to all-year production through provision of irrigation schemes Increased income at household level Infrastructure Capacity building and knowledge transfer	would cater for it; Option 4 was arrived at through consensus and was the ultimately preferred benefit sharing distribution; HRH informed the meeting that he would surrender his share to the headmen if they perform satisfactorily on ER efforts especially with respect to stopping illegal charcoal production; The rationale for allocating a huge chank to the communities is intended to reflect the fact that improvement of the lives of communities should be the primary purpose of whatever development initiatives that are undertaken	turnover in government institutions due mostly transfers The traditional leaders were of the view that the use of middlemen/agents to administer the fund should not be entertained as it would reduce the benefits that would finally be received by the communities if handlers increase

		Improvement of road network to facilitate access to markets Increased fish and livestock production		
Nyalugwe, Nyimba				
Those engaged in illegal activities like charcoal production (Youth and Adults) **The whole community** **Timber producers** **Poachers** **Chief** **Perpetrators of destructive and illegal activities which contribute to emissions with the view of transforming them by engaging in activities that instead contribute to forest protection and emission reduction.** **Communities- who would benefit from public goods that are provided such as drilling of boreholes which will improve access to safe and**	Those who contribute to ER by undertaking activities which reduce emissions	Actual Money Alternative livelihood such as poultry, beekeeping, fish farming Employment creation such forest guards and scouts Vocational Skills development such as tailoring Knowledge transfer inputs	The rationale for allocating resource protection/conservation significantly higher amount was on the basis that it was the core business of venturing in ERs thus it required sizeable allocation. Additionally, the huge allocation was to curb the challenge of misappropriation of fund as from experience the participants had observed that allocating less resource protect/conservation resulted in misappropriation of funds Remuneration for scouts	The participants were of the view that the CRB should be the fund manager of the ER benefits due to the following reasons: proven record of administering similar funds in the chiefdoms, currently spearheading development activities in communities have in place fiduciary controls to ensure proper utilization of collectively earned resources

clean water to communities. Chief CRB- an already established institution in charge administration	would be catered for under conservation component	
Her Royal Highness Chieftainess Mwanya		
	HRH highlighted the benefit sharing under BCP as follows: Chief- 7%; Community projects- 78%; and CRB Administration 15%. In addition, she also said she received 5% from the Hunting revenues collected by the Department of National Parks and Wildlife. She said being the person to whom the poor and vulnerable people in her chiefdom run to for help, consultations on reviewing her share of	Currently both hunting and funds from BCP were being managed by the local CRB. In her view it could also manage and administer the ER funds

			the carbon credits from BCP were done and it was agreed to increase her share to 10%. In this regard, she was hopeful that consideration could be made to allocate her a reasonable share in the benefit sharing Plan being developed by ZIFLP.	
Headmen and Women, and CRB members of Mwanya Chiefdom The community is in partnership with BCP and has already set aside 81,000 hectares of forest for conservation. To enable them continue harvesting some forestry products such as fuel wood, fiber among others, a development zone was set aside for this purpose. An area (whose size was not yet known) which was annually water logged and where no agriculture activities could be undertaken for that reason will be considered for conservation for ER with support from Program Additionally, the CRB was of the view that community efforts in conserving the national parks should be recognized and incentivized.				
Landscape level implementers: **Households** **School going children- bursaries** **Headmen/women** **Chief** **Women groups cooperatives**	Proven contribution to ER through CSA, forest protection and conservation	Actual cash teaching/education materials infrastructure development projects such as mothers' shelter provision of transport (e.g. the vehicle and motor cycle donated to DNPW and Ministry of Agriculture extension officers) livelihood projects e.g. poultry	The participants resolved that avoid a situation of double dipping by headmen/women and indunas as they were part of the community, they should not be allocated	Two proposals were given regarding the who should manage and administer the ER funds: CRB- the rationale behind this choice was that the CRB was the existing structures which was spearheading and managing development funds in the chiefdom. Moreover, it was organized and was working well through the VAGs at grassroots level Establishment of an independent group: this suggestion was to avoid co-

	Recreation support-supporting the football league to preoccupy people with football instead of engaging in illegal and destructive activities	any share individually. Moreover, there were more than 200 headmen/women thus giving them individual allocations would result in significant reduction in resources for community projects as resources would be thinly spread. Proposals for benefit sharing distribution were first provided by three categories of the participants-women, youth and men. Votes were done to establish the most preferred of the three proposals. The women's proposal was most preferred and was adopted by consensus.	mingling of resources from different sources

Jumbe and Kakumbi CRBs Senior Chief Nsefu pointed out that conservation was key on the Chiefdom agenda. He also pointed out the importance of sensitization on how performance-based payments operate. He stated that in their current benefit sharing arrangement Chiefdoms with small trees are getting more than Chiefdoms with big trees in their forests. He wondered whether benefits were measured on the size of the forest protected or the size of the trees in the protected forest? Communities need to be guided to know what is supposed to be done and how it should be done.				
Landscape level implementers: **Community Members engaged in illegal activities which include charcoal burning, poachers, destructive farming practices, fishermen engaged in unsustainable fishing practices- which contribute to emissions, the idea behind this is that when they begin to see the rewards, they can stop the illegal activities and focus on alternatives provided under the benefits.** **Community Members/Villagers- this can**	Community member who are engagement in illegal activities and practices- which contribute to emissions e.g. charcoal burners, poachers, destructive farming practices, fishermen engaged in unsustainable fishing. The rationale was to facilitate behavioral change of such people upon making then appreciate benefits of conservation /protection Being a community members/villager, this should	Sub-Grants for emissions reduction interventions in the communities Actual money being given out Capacity building in entrepreneurship skills Farming Inputs Livelihood skills development such as beekeeping, gardening Bursaries Increased yields Skills gained by community member in carpentry, gardening, beekeeping and bricklaying Increased rainfall and good weather	The agreed distribution of benefits to the identified beneficiaries was as follows: Chief-5% CRBs- 10% VAGs- 10% Communities- 50% Conservation/protection - 25%	The main focus is the benefits that are given to the communities they have less concern on what happens at other levels. Benefits should reach the community member for them to be motivate to engage in sustainable behavior. They made mention that this monetary benefit has divided chiefdom and brough gradiences. Most chiefdoms after tasting the money given want to extend into other chiefdoms to get more benefits. These performance-based payments will raise conflicts and therefore there is need to put in place measures that will address conflict and promote change.

be done through access to public goods provided through infrastructure projects constructed from proceeds of ER, the only issue raised here was that these rewards also go to those involved in illegal activities. For example, the children who would attend school and health post build will be form both the homes of performers and non-performers, you cannot chose.	inevitably make them access benefits from public goods provided such as infrastructure projects constructed from proceeds of ER in their communities /villages. Participation in activities and practices which promote ER
Chief- to support the ER efforts in the chiefdom and as custodian of the land	A Chief in a chiefdom that is involved in ZIFLP Activities- based on their support for ER efforts in the chiefdom and as custodian of the land
Community Resources Boards- to facilitate and administer benefits sharing in the community	CRBs in Chiefdoms participating in ER- for their role as facilitators and administration of benefits sharing in the community
Village Action Groups- community mobilization	

Farmer Groups, Cooperatives Individual Farmers who are practicing Climate smart Agriculture and performing according to agreement in place Children who perform exceptionally well in school but cannot afford to pay school fees Civil Society & Private Sector **District Multisectoral Teams**	Village Action Groups involved in mobilizing of communities Farmer groups, cooperatives - Participation in activities			
Headmen and Headwomen Nsefu Chiefdom				
Landscape level implementers: **Community members Community members who will plant trees The Senior Chief as guardian of resources being protected. Individual CSA farmers Vulnerable and marginalized members of the communities such as children, the**	Chief- as custodian of the land Participation in activities and practices which promote ER in order to facilitate behavioral change of the perpetrators of illegal activities and destructive practices to mend their ways and start	Actual money given to communities and individuals performing. Increased access to clean and safe water through drilling and equipping of boreholes in communities Infrastructure development to supplement government efforts such as construction of schools, housing units for health workers Improved livelihoods through access to water provided through dam construction for	Proposals for benefit sharing distribution were first provided by three categories of the participants- women, youth and men. Votes were done to establish the most preferred of the three proposals. The men's proposal was most preferred it	Three proposals of who should administer and manage the funds were shared as follows: The VAGs- due to their touch with grassroot The Counselor- based on his track record of being accountable Establishment of independent group which should comprise the chief, headmen/women and the Counselor who will also be the chairperson

aged, chronically ill, Orphans and vulnerable Children **Civil Society & Private Sector** **Technical assistance providers**	contributing to ER Compliance to ER guidelines and practices	gardening activities and livestock consumption Farming Inputs	was then adjusted to build consensus.	
Headmen of Mwase Lundazi Chiefdom				
Landscape level implementers: **Chief** **Headmen** **Indunas** **Communities (vulnerable groups such as widows, the aged, orphans among others; small scale farmers etc)**	Proven record of performance of contribution to ER	Actual cash infrastructure development – e.g. irrigation systems with tread pumps due rather fuel pumps, construction of housing units provision of transport (e.g. bicycles to headmen) inputs such as fertilizer and seed livelihood projects e.g. fish farming, beekeeping (provision of beehives) farming implements	Three proposals for benefit sharing distribution were provided Votes were done to establish the most preferred of the three proposals. The participants settled for option 4 which was arrived at through consensus.	The participants preferred the establishment of an independent group to manage and administer the ER funds. The participants were of the view that the Induna being the chief's representative should be included in the group to be established in order to keep the chief informed
Group Headmen, Headmen and Chitungulu CRB The participants were of the view that penalties such as subtraction from benefits were inevitable if the communities were found to have abrogated the ERs agreement by undertaking activities which are forbidden in the agreement. The participants also stressed that the other party to the agreement should also adhere to what is agreed with the communities without taking advantage of the communities e.g. the agreed size of the proposed Community Forest should not be extended thereby disadvantaging the communities The Acting Chief Chitungulu wanted to know the time frame for the ER agreement				
Landscape Level implementers	Proven record of participation	Actual cash/money	The participants agreed to	The participants unanimously resolved that Chitungulu CRB being the group in the

Chief **Group Headmen and Headmen/women** **Communities** **Indunas** **Vulnerable members of the communities such as the disabled** **CRB** **Community Groups/cooperatives**	in activities that promote ER	Infrastructure development projects Improved access to clean and safe water through drilling and equipping of boreholes Food security Inputs (seed and fertilizer) in all the 6 VAGs in the chiefdom Capacity building and knowledge transfer (e.g. CSA)	distribute the benefits as indicated below: Chief: 10% Community development: 30% CRB administration: 20% Resource management: 30% Group headmen: 5% Headmen/women: 5%	chiefdom with works with communities on development projects should administer and manage the ER benefits that will accrue to the chiefdom. Moreover, the participants were of the view that the CRB was credible given the way it has managed community development funds in the past.
Kazembe CRB HRH Chief Kazembe was of the view that monetary benefits should be invested in projects which will provide communities with return on investment in order to achieve sustainable development in the chiefdom				
Chief **CRB** **Communities (individual farmers, livelihoods related clubs** **Cooperatives**	Verifiable record of contribution to ER through various activities such as CSA, forest protection and conservation among others	Actual money Infrastructure development (e.g. construction of health facilities, schools, housing units for teachers, drilling and equipping of boreholes, maintenance and rehabilitation of roads) Construction of bush camp as an income generating venture Supply of inputs (e.g. fertilizer & inputs Production of artifacts, curios	The Benefits sharing distribution were proposed were first received from three categories of groups: the Indunas; CRB; and a community which was recently resettled in the chiefdom. The induna's proposal was most preferred and was	CRB - reason being it was the existing structure that was currently spearheading and managing development funds in the chiefdom. Moreover, it was organized and was working well through the VAGs at grassroots level

	adopted by consensus.

3. THIRD ROUND

3.1. 5-6th December 2022 – The Lusaka Legacy Meeting

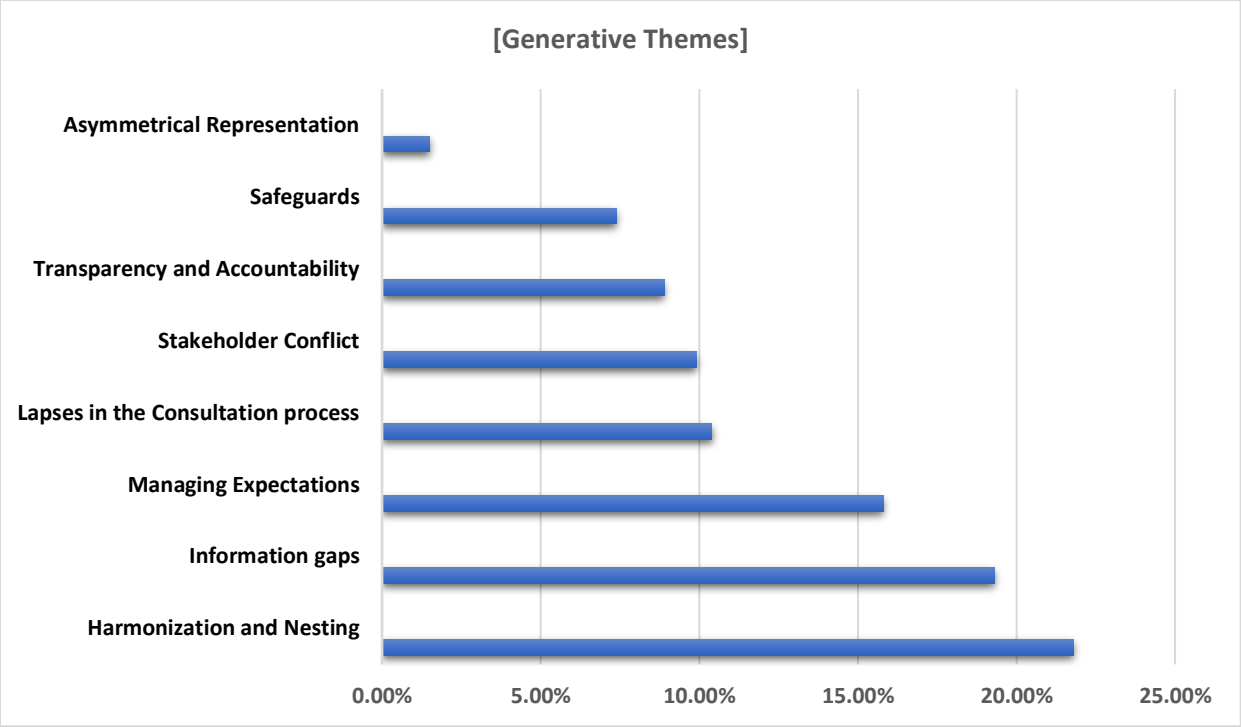
The third round of consultations aimed at concretizing consultations at an advanced stage using a clustered approach to; (i) advance the draft the BSP to validation stage, (ii) iron out any teething issues which the draft BSP could have brought forward thus far, and (iii) galvanize consensus over benefit allocation and percentage shares – which remained, by far, the most contentious issue among stakeholders and beneficiaries.

The third round of consultations commenced with a two-day high-level BSP consultative workshop in Lusaka on 5-6th December, 2022. The workshop attracted a high-power delegation of 37 participants from;

- Government [FD,[8] MoE,[9] MGEE,[10] MoT[11] – DNPW[12] and MoA[13]]
- Regulatory authorities – ZEMA[14]
- CSOs – ZCBNRMF[15] and Chalimbana Head Waters Association
- Community representatives – CFMGs[16] and ZCRBA[17]
- Traditional Authorities – Two Chiefs[18] from EP
- World Bank Consultants [3] and 3 World Bank Staff

From the two-day workshop, outcomes were coded in form of generative themes which the final version of the BSP needed to address. The themes were coded and ranked as follows;

[8] Forestry Department
[9] Ministry of Energy
[10] Ministry of Green Economy and Environment
[11] Ministry of Tourism
[12] Department of National Parks and Wildlife
[13] Ministry of Agriculture
[14] Zambia Environmental Management Agency
[15] Zambia Community Based Natural Resources Management Forum
[16] Community Forest Management Groups
[17] Zambia Community Resource Board Association
[18] Senior Chief Lwembe of Nyimba and Chief Jumbe of Mambwe Districts.



From the workshop, there were still some information gaps among stakeholders which raised misunderstandings. Part of the significant missing information was in regard to the actual harmonization of legacy REDD+ projects and Nesting them into the jurisdictional arrangement using a centralized approach as required by law. This marked the highest-ranking stakeholder concern from the meeting. The gist of the main stakeholder contestations pointed to the crucial role of the Harmonization Technical Working Group (HTWG).

Information gaps among stakeholders also constitute a significant high-ranking issue. This theme consisted of lack of information and misinformation. It was from this gap in information that a lot of anxiety, fears and doubts had been generated and fed into different expectations among stakeholders. As such, the need to manage these expectations ranked third in the order of the coded issues and concerns from the meeting.

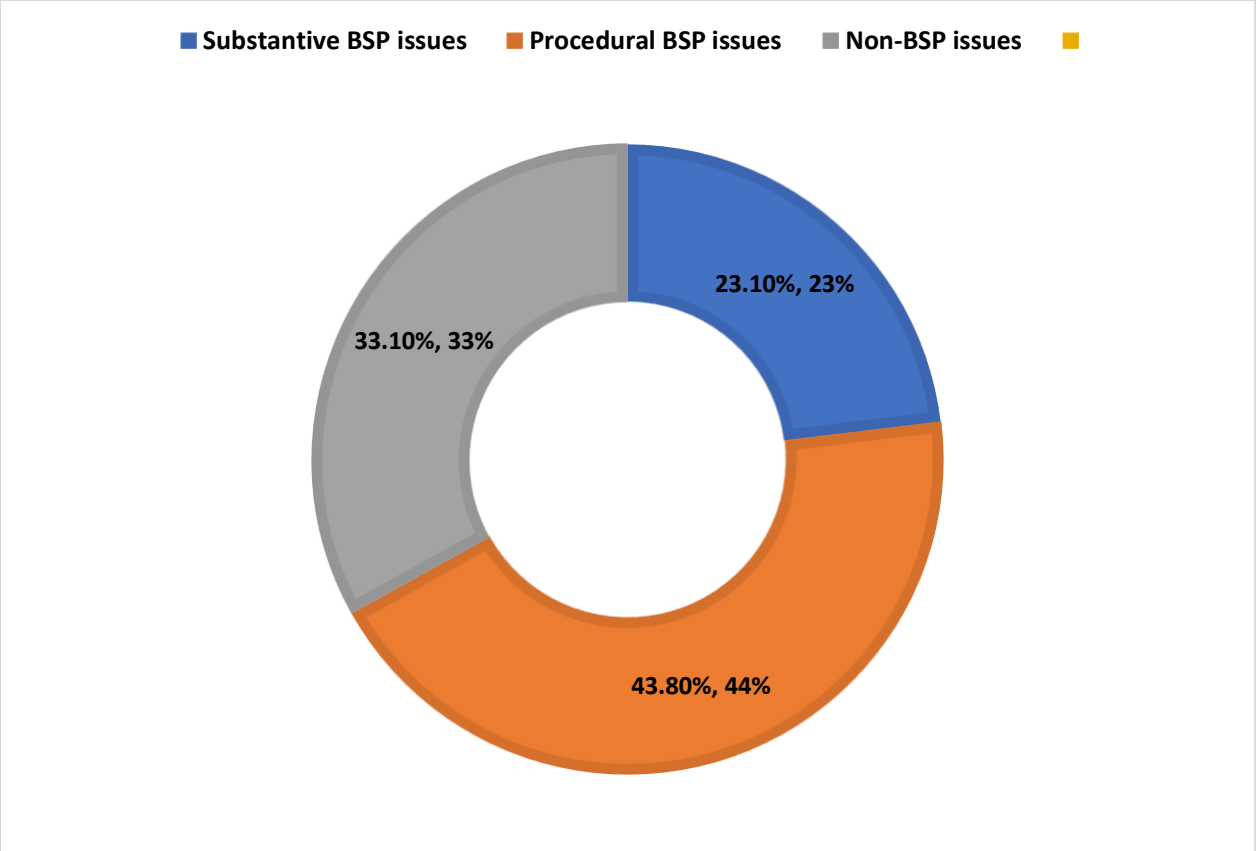
Part of what the meeting revealed were potential conflicts among stakeholders arising from misunderstandings, varied interests and disagreements over harmonization and centralized Nesting, definition of a beneficiary and benefit sharing percentages. It meant that the BSP consultation going forward needed to provide clarity over these issues before the draft BSP could be deemed a final/advanced draft.

Concerns were also raised regarding environmental and social safeguards. But because the BSP was intricately tied to the performance on safeguards, the issue was easily addressed and could not pause a very big risk to the consensus over the final BSP. Therefore, indications from the meeting pointed to the need for reconciling all these issues in order to

establish consensus over the final form of the BSP, a document which appeal to all stakeholders at all levels.

From the meeting, the pie chart below illustrates the following salient conclusions;

- What was the ratio of substantive issues which the draft BSP needed to address directly?
- What was the ratio of procedural issues which the draft BSP needed not to necessarily address, but would be crucial for the purpose of establishing consensus over the final form of the BSP, and;
- What was the ratio of non-BSP issues which the draft BSP needed to ignore?



3.2. 2-3rd February, 2023 – The Petauke Meeting

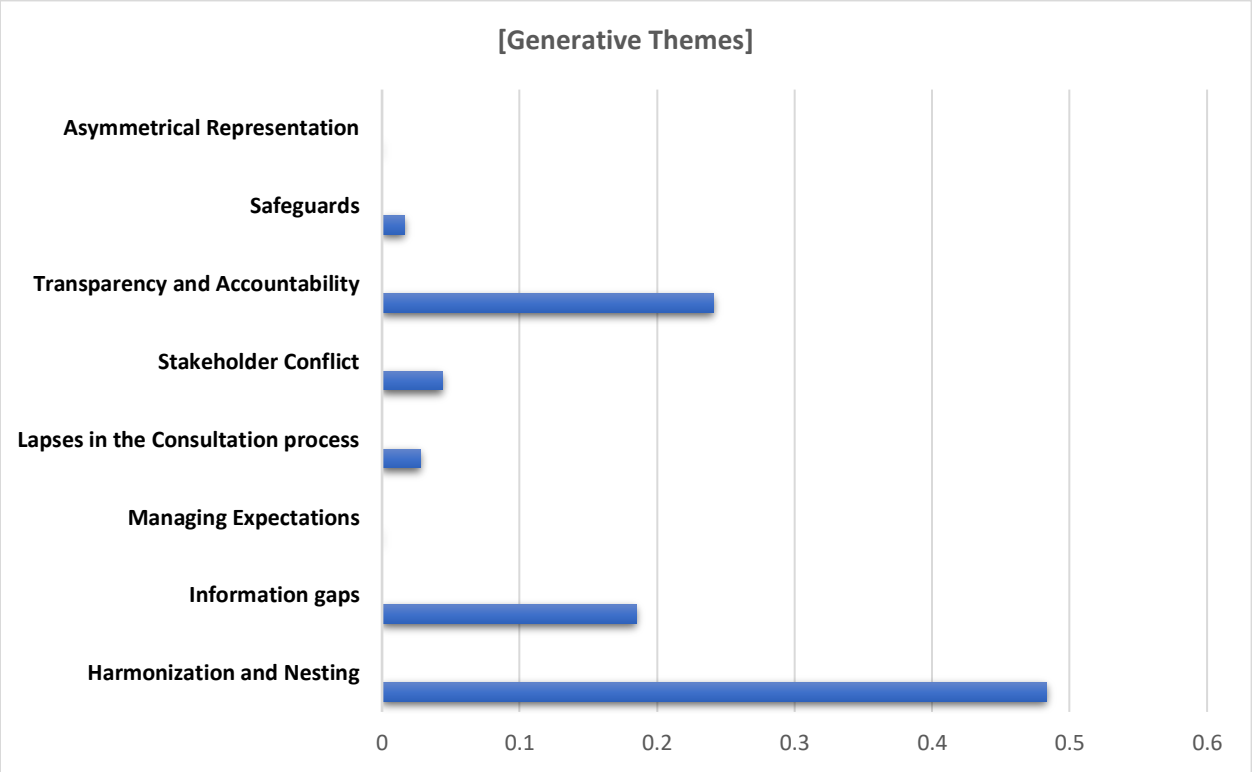
The HTWG met Petauke District, EP, to, among other things, address technical issues of harmonization and centralized Nesting emanating from the Lusaka national meeting; to discuss the elephant in the BSP room, i.e. benefit allocation of percentage shares, and to agree on roadmap for the technical group going forward. The HTWG is a group of multi-sectoral experts appointed by the GRZ to provide technical recommendations to the MGEE regarding the practical issues of harmonization and centralized Nesting. In Petauke, the group consisted of;

- The PIU
- Government [Dept of FD,[19] MoE,[20] MGEE,[21] Dept of Agriculture, Provincial Planning]
- Regulatory authorities – ZEMA[22] [The Chair]
- Representative of the Chiefs from Chief Affairs
- Community representatives, also representing the chiefs in their respective CRBs and CBNRM Forums – CRBA[23] and ZCRBA[24]
- Private sector and Legacy Projects – BCP and COMACO.

Other stakeholders in attendance included;

- World Bank STC-BSP Consultant
- The GhG Emissions Expert
- Snr. Chief Lwembe [by virtual connection]
- FD Hq in Lusaka [by virtual connection]
- Private sector; COMACO and BCP [by virtual connection]

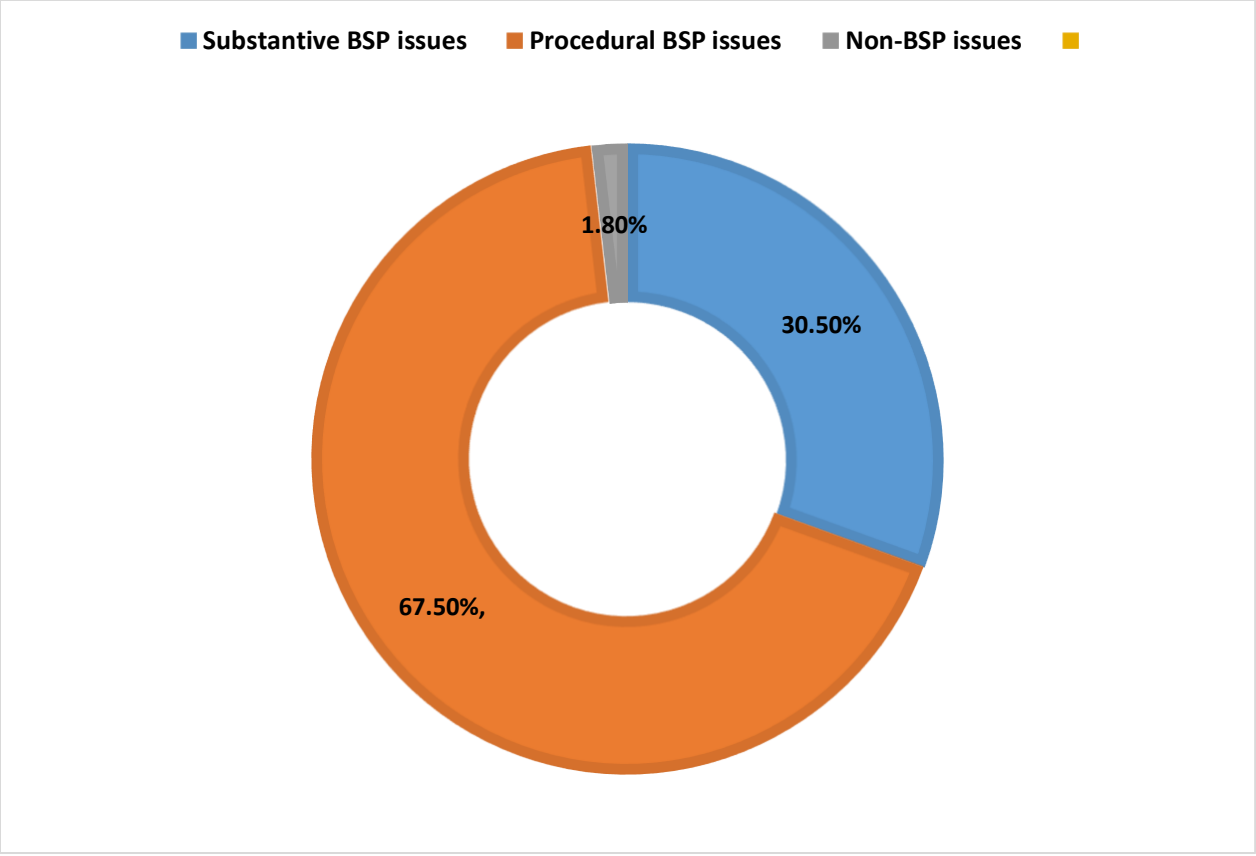
The outcomes of the meeting were coded in a summary of generative themes as follows;



[19] Forestry Department
[20] Ministry of Energy
[21] Ministry of Green Economy and Environment
[22] Zambia Environmental Management Agency
[23] Community Forest Management Groups
[24] Zambia Community Resource Board Association

The Petauke HTWG meeting raised a lot of issues around the need for transparency and accountability not only in the actual implementation of the BSP but in the consultation process as a build-up to the final BSP. Essentially, the lack of transparency and accountability was a picture painted by lack of information (misinformation and information gaps) regarding many aspects, questions and unsettled queries regarding the jurisdictional approach and what it was bringing to the fore. The meeting also highlighted the huge need for the HTWG to expedite its mandate towards working as a committee that was instituted to harmonize all conflicting issues and interests into solutions for the challenge of harmonization.

The meeting had shown concerted positive effort to answer the key question raised from the Lusaka meeting of December 2022, i.e. percentage shares, the matter that had also created more questions towards the rationality behind the proposed percentage shares. The Petauke HTWG meeting simply threw the matter back to further consultations. At the end, the Petauke meeting had the following salient conclusions regarding matters that constituted substantive BSP issues, procedural matters and non-BSP issues;



Foregoing, and just like the picture of the Lusaka meeting in December 2022, there were more of procedural BSP issues that needed to be addressed than substantive issues which the BSP needed to address in the design of its structure. Essentially, there are hurdles to the process of gaining consensus over the BSP which need to be addressed before all parties can

agree to the final form of the BSP. From the Petauke meeting, there are very few non-BSP issues particularly because the meeting was primarily focussed on harmonization and the BSP itself.

3.3. 6-8th February, 2023 – Private Sector Meetings with Legacy Projects; COMACO and BCP in Lusaka

The meetings were meant to be open discussions guided by open-ended questions so the respondent(s) could be free and open to provide as much information as possible. The meeting was only guided by five questions as the agenda:

A. What is your overall impression about the Jurisdictional landscape ER program in EP? The aim of the question was to assess how the two companies feel and/or envision to fit in to the program;
B. How do you see your profitability within the jurisdictional program? Deriving from the above, and knowing how crucial profitability is to the private sector, this question was aimed at further assessing how the two companies envision themselves to fit within the jurisdictional program but specifically from a profit-making perspective;
C. What would you propose as the best approach to doing things in the jurisdictional program? The question was meant to be a follow-up seeing how the companies seemingly resented the jurisdictional approach in the Petauke meeting a few days ago;
D. What would be your ideal BSP, allocation and distribution in the jurisdictional approach? Knowing that beneficiation is a crucial part of the companies' profitability and in their relationships with the communities, the question was aimed at assessing the companies' self-reflection either on their own BSP models or the prospective jurisdictional model presented to them a few days ago in Petauke, and;
E. Is there anything else you would like to add to this discussion? The question was aimed at making the respondent(s) feel free and comfortable to express themselves in all honesty, and to capture as much more information than what was provided in small portions in the Petauke meeting.

The overall objective of these meetings was to gain a clear and independent view of the private sector's legacy projects towards the EP-JSLP. The specific objective was to gain their clear and independent view regarding benefit sharing. Outcomes of the meetings were summarized in the table below;

Table 3: Summary of outcomes from the Private Sector Meetings with Legacy Projects – COMACO and BCP

Company Impressions	COMACO	BCP
1. Clarity of Responses	Unclear and flexible	Clear and firm
2. Areas of agreement with the EP-JSLP	▪ The central focus of the business is the community ▪ Should the EP-JSLP maintain or increase benefits to the communities, it is guaranteed to succeed. But should it reduce benefits to the communities, it is guaranteed to fail.	▪ The central focus of the business is the community ▪ Should the EP-JSLP maintain or increase benefits to the communities, it is guaranteed to succeed. But should it reduce benefits to the communities, it is guaranteed to fail.
3. Common issues between the two companies	▪ The companies are not homogenous. They should not be treated nor seen as the same under the umbrella of private sector. ▪ Separate MoU into individual MoUs ▪ The centralized nesting approach is resented ▪ A lot of time is still needed	▪ The companies are not homogenous. They should not be treated nor seen as the same under the umbrella of private sector. ▪ Separate the MoU into individual MoUs ▪ The centralized nesting approach is resented ▪ A lot of time is still needed.
4. Generative themes	▪ Harmonization and nesting ▪ Transparency and accountability ▪ Information gaps	▪ Harmonization and nesting ▪ Transparency and accountability ▪ Information gaps ▪ Lapses in the consultation process ▪ Stakeholder conflicts
5. Major concerns	▪ Resentment over the centralized nesting approach ▪ Allow COMACO to upscale its model to the entire EP while PIU plays an oversight role ▪ The program is rushed with little information ▪ Proposed BSP percentage shares have no clear rationale ▪ There haven't been enough investments in growing the pie	▪ Resentment over the centralized nesting approach ▪ Vague/meaningless consultations over issues which government has already decided; centralized nesting was never an option from the beginning ▪ There is too much confusion regarding information among decision-makers ▪ The proposed BSP percentage shares do not make commercial sense

	▪ Benefit shares will only be realistic depending on the size of the pie ▪ The company will wait to see how this unfolds.			▪ The program approach is too risky, and the company needs more time to do a thorough risk assessment		
6. Acceptability of the EP-JSLP	High	✓ **Med**	Low	High	Med	✓ **Low**
7. Company's risk perception of the program	High	✓ **Med**	Low	✓ **High**	Med	Low
8. Key proposals	▪ Support the company to upscale its operations using its own model to the entire EP while supervised by the PIU ▪ Create rules to regulate the allocation of monetary benefits to the chiefs as the communities so that communities can receive more money than the chiefs ▪ A lot is still at stake and more time is needed to understand things			▪ Decentralize the nesting approach within a jurisdictional arrangement ▪ Allow the company to continue its 11% portion of enterprise within the jurisdiction using its established model, standards and methodologies ▪ Address and agree on the approach first before anything else, including BSP ▪ The company still needs time to do its own risk assessment of the program.		

3.4. 3rd March, 2023 - Katete Meeting with NCRBA, CBNRMF AND Chiefs

A consultative meeting was held with nine Chiefs and the nine CRBs attached to the nine Chiefdoms where the Chiefs are CRB patrons as provided by the Wildlife Act, 2015. The meeting was also attended by the CBNRMF, the Regional CRB Association and the PIU. The nine Chiefs included Senior Chief Luembe, Chief Nyalugwe, Chief Sandwe, Chief Tembwe, Chief Kazembe, Chieftainess Mwanya, Chief Chitungulu, Chief Jumbe and Chief Munkhanya.

The meeting resolved to welcome the EP-JSLP noting that the Program was promising to bring the much-needed transparency, accountability and sanity to the emissions reduction in the Province as the whole Province. The design of the benefit sharing arrangements was also deemed encouraging to the concerned stakeholders.

The elephant in the meeting was benefit sharing allocations [percentage shares]. The meeting finally settled on one proposal regarding benefit sharing among communities, government and existing private sector carbon projects;

SN	Description	% Share	Rationale
1	Private Sector and Government to share	40%	To be shared in whatever way between Government and exiting Private Sector Carbon Projects may agree
2	The Community	60%	This to be shared as indicated below
2.1	Their Royal Highnesses	10%	Payment to the Chiefs
2.2	Chiefdom Construction Projects	32%	These are infrastructure projects for the Chiefdoms
2.3	Conservation Works	30%	This will go towards Chiefdom AFOLU sector Natural Resource Management and Protection (Community Forest Management and Protection, Climate Smart Agriculture emissions reduction
2.4	Livelihood Support	20%	This was for Chiefdom low carbon investments for household income improvement and social safety nets
2.5	Traditional Activities	5%	This was mainly for support to Traditional Ceremonies and other traditional and culture support activities
2.6	Community Based Natural Resources Management Associations	3%	This was foreseen for the Chiefdom local governance structures that support and administer natural resource management the Regional CRB Association, Chiefdom CRBs, Community Forest Management Groups and Village Action Groups

3.5. 15th March, 2023 – The Chipata Meeting

A Provincial consultative meeting was held for Provincial Planning units from all the Districts of EP. The meeting was attended by the following clusters of 40 participants;

- PPU [25] (District and Provincial Planning Officers), FD[26] (District and Provincial Forestry Officers), MCDSS[27] (District and Provincial Social Welfare Officers, Socio-economic Planners), Local Authorities (District Councils and Town, Urban and Environmental Planners), DNPW,[28] ZIFLP-PIU and MoA[29] (Provincial and District Agricultural Officers).

Meeting Objectives; (1) To share information on the Draft BSP, (2) To gather more information and feedback regarding beneficiation and benefit-sharing in the EP jurisdiction, (3) Consolidate stakeholder consultation around the Draft BSP, and; (4) Improve the Draft BSP with information from Provincial stakeholders.

The jurisdictional arrangement of the EP-JSLP was presented as part of information sharing. The Draft BSP was also presented with an emphasis on the three current benefit allocation proposals, i.e. (i) GRZ[30] proposal – model 1, (ii) NCRBA[31] and CBNRM[32] proposal – model 2 and (iii) NCRBA, CBNRM and Chiefs' Proposal – model 3.

The participants were clustered into three groups, each of which was asked to assess the three models as follows:

- Group 1: Dealing with model 1
- Group 2: Dealing with model 2
- Group 3: Dealing with model 3

Plenary Group presentations

- **Group 1** [Dealing with Model 1; the GRZ Proposal]

GRZ PROPOSAL			**GROUP 1**	
Sn	**Description**	**% Share**	**% Share**	**Rationale**
1	GRZ and PIU Program costs (MRV)	15%	20%	Justifies the lumping of GRZ together with the PIU roles of MRV and Program

[25] Provincial Planning Unit
[26] Forestry Department
[27] Ministry of Community Development and Social Services
[28] Department of National Parks and Wildlife
[29] Ministry of Agriculture
[30] Government of the Republic of Zambia
[31] National Community Resource Boards Association
[32] Community-based Natural Resource Management Forum

				management. For that reason, the allocation should be increased to 20%
2	Community Groups and Trad. Authority	55%	50%	Justifies the reduction of the allocation by 5% to be added to GRZ and PIU
4	Mitigation activities and safeguards services ▪ Nested REDD+ projects ▪ GRZ services in non-nested areas	30%	30%	There is GRZ involvement here which increases the roles and responsibility of government. For that reason, the group feels that this allocation is justifiable.
5	**Total**	**100 %**	**100%**	

Group 1 was of the view that GRZ had a lot of roles and responsibilities which will be crucial for generating the necessary emission reductions across the entire Province. The group was mindful of the vast areas of the Province not covered by the Nested legacy projects. The group outlined these roles as follows;

- Monitoring and evaluation;
- Insurance and performance buffer for the emissions credits;
- Implementation of the program;
- Capacity building and trainings;
- Addressing and respecting safeguards;
- Conservation and protection of natural resources;
- Conflict resolution, and;
- Climate change adaptation.

Group 2 [Dealing with Model 2; the NCRBA and CBNRM Proposal]

NCRBA/CBNRM PROPOSAL			**GROUP 2 PROPOSAL**	
Sn	**Description**	**% Share**	**% Share**	**Rationale**
1	Program costs (MRV and PIU)	10%	15%	Justifies increasing the allocation to PIU considering the roles of the PIU in MRV across the whole Province

2	Community Groups and Trad. Authority	55%	55%	Group feels this is a fair and sufficient allocation as long as the Chiefs do not get the lion's share at the expense of the community
3	GRZ	5%	10%	Government has too many roles including to be allocated 5%. Group considers insurance and performance buffer. Therefore, the group suggests GRZ allocation be increased to 10%
4	Mitigation activities and safeguards services: ▪ Nested REDD+ projects ▪ GRZ services in non-nested areas	30%	20%	Group justifies this reduction because government services will still be required both in the Nested project areas and the vast non-nested areas.
5	**Total**	**100 %**	**100%**	

Group 2 was of the view that 55% allocation to the communities was sufficient and fair considering the fact that the large bulk of emissions reduction will be attributed to the communities. The group justified the increase of allocation to the cluster of GRZ but proposed to separate the two owing to the assertion that the local government authorities were normally neglected and overshadowed by the broad categorization of government. As such, there was a group proposal that 10% allocation to GRZ be further sub-divided to delineate the different allocation areas that should constitute the 10%.

- **Group 3** [Dealing with Model 3; the NCRBA, CBNRM and CHIEFS' Proposal]

NCRBA/CBNRM/CHIEFS PROPOSAL			**GROUP 3 PROPOSAL**	
Sn	**Description**	**% Share**	**% Share**	**Rationale**
1	GRZ and PIU Program costs (MRV)	40%	40%	Justifies the allocation but proposes to separate local authorities from central government
2	Community Groups and Trad. Authority	60%	60%	Justifies the allocation but with different rationality to the breakdown of the 60%
Breakdown of Community 60%				

4	Royal Highnesses	10%	5%	The group proposes that this should be an unquestionable pocket money for the Chief as an individual
			5%	The group proposes that this should allocation to the Chiefdom Development Trust to be administered, monitored and accounted for by the Chief for Chiefdom administrative duties [Chief as an institution]
5	Construction works	32%	30%	The group proposes to renames these works to sustainable works in order to avert the risk of using monetary benefits for works that may increase emissions afterwards
6	Conservation works	30%	30%	Justifies this allocation
7	Livelihoods	20%	20%	Justifies this allocation
8	Traditional activities	5%	5%	Justifies this allocation
9	CBNRM Associations	3%	3%	Justifies this allocation
			2%	The group proposes to consider an added allocation for the administration of CRBs and CFMGs as opposed to the Association. It is suggested that money should go to the CRBs and CFMGs and not the Association
	Total	**100 %**	**100%**	

Group 3 did not dispute the general framework of allocation in the **40/60** approach but was of the view that there was need to separate local authorities from the umbrella of GRZ and to further create a break-down of how the 40% allocation would be shared among;

- The central government
- Local government or local authorities
- The PIU, and;
- Private sector entities within the jurisdiction.

The group also expressed the need to desegregate the 10% allocation to the Chiefs into two equal parts; firstly, a 5% share that should go to the Chief as an individual in the form of pocket money, i.e. money over which the Chief should not be questioned, and secondly,

another 5% that should go to what the group proposed as a Chiefdom Development Trust for the sole purpose of financing the day-to-day administrative duties, roles and responsibilities of the Chief as an institution, and over which the Chief is overseer. This was in order to address ongoing concerns from some communities who were expressing displeasure over the seemingly unfair and disproportional sharing between Chiefs and their community members.

Salient Conclusions

	Community Allocation	**GRZ and PIU Allocation**	**Private sector Allocation**
GROUP 1	There is a general consensus that the largest allocations should go to communities and the traditional authorities mainly because of the large attribution of emissions reduction t community level	There is a general consensus that GRZ and the PIU may need more allocations given the nature of the roles and responsibilities attached to the two entities in the entire jurisdiction	There is uncertainty around what allocation would be ideal, fair and justifiable for the private sector entities.
GROUP 2	There is a general consensus that the largest allocations should go to communities and the traditional authorities mainly because of the large attribution of emissions reduction t community level	There is a general consensus that GRZ and the PIU may need more allocations given the nature of the roles and responsibilities attached to the two entities in the entire jurisdiction	There is uncertainty around what allocation would be ideal, fair and justifiable for the private sector entities.
GROUP 3	There is a general consensus that the largest allocations should go to communities and the traditional authorities mainly because of the large attribution of emissions reduction t community level	There is a general consensus that GRZ and the PIU may need more allocations given the nature of the roles and responsibilities attached to the two entities in the entire jurisdiction	There is uncertainty around what allocation would be ideal, fair and justifiable for the private sector entities.

3.6. 16th March, 2023 – Chipata Meeting with CSOs and NGOs

A total of 30 participants attended the consultative meeting representing the following CSOs and NGOs operating in EP;

- SNV,[33] Land Alliance, SHDP,[34] Kachele Development Trust, Chipata DFA,[35] WILDAF,[36] YDF,[37] Caritas, NGOCC,[38] YWCA,[39] ZNWL,[40] Enlight Abilities Organization, COPECRED,[41] CSPR,[42] and APC.[43]

Meeting Objectives; (1) To share information on the Draft BSP, (2) To gather more information and feedback regarding beneficiation and benefit-sharing in the EP jurisdiction, (3) Consolidate stakeholder consultation around the Draft BSP, and; (4) Improve the Draft BSP with information from Provincial stakeholders.

The jurisdictional arrangement of the EP-JSLP was presented as part of information sharing. The draft BSP was presented with an emphasis on the three current benefit allocation proposals, i.e. (i) GRZ proposal – model 1, (ii) NCRBA and CBNRM proposal – model 2 and (iii) NCRBA, CBNRM and Chiefs Proposal – model 3.

Because the number of participants was relatively smaller than the number of Provincial units on Day 1, the CSOs and NGOs were clustered into two groups, each of which was asked to assess all the three models as follows:

- Group 1: Dealing with models 1, 2 and 3
- Group 2: Dealing with models 1, 2 and 3

Plenary Group presentations

- **Group 1** [Dealing with Models 1, 2 and 3]

The group adopted and justified the Government Proposal [Model 1] and proposed minor adjustments to the same model as follows;

[33] Netherlands Development Organization
[34] Save Humanity Development Program
[35] District Farmers' Association
[36] Women in Law and Development in Africa
[37] Youth Development Forum
[38] Non-Governmental Organizations' Coordinating Council
[39] Young Women Christian Association
[40] Zambia National Women's Lobby
[41] Chimwemwe Organization for Promotion of Early Childhood Rights Education and Development
[42] Civil Society for Poverty Reduction
[43] Action for Positive Change

GRZ PROPOSAL			GROUP 1	
Sn	**Description**	**% Share**	**% Share**	**Rationale**
1	GRZ and PIU Program costs (MRV)	15%	15%	Justifies the allocation given the crucial role that GRZ and PIU will have to play in monitoring and verifying the ERs
2	Community Groups and Trad. Authority	55%	55%	Justifies the allocation on the premise that communities constitute the largest cohort of people who have a direct role in reducing emissions
3	Mitigation activities and safeguards services ▪ Nested REDD+ projects ▪ GRZ services in non-nested areas	30%	15%	Nested REDD+ projects
			15%	Non-nested areas including CSOs should be segregated from the umbrella of private sector and be allocated their own % share with consideration of the facilitative role CSOs and NGOs can play in the non-nested areas
4	**Total**	**100 %**	**100%**	

Group 1 was of the view that allocation to Nested REDD+ projects should be separated from the allocation to non-nested areas. The group sees CSOs and NGOs as crucial players in addressing and respecting safeguards to enhance the full beneficiation of local communities [especially women, children and people with disabilities] across the entire jurisdiction, especially in non-nested areas. This is the premise upon which the group felt that the 30% allocation for mitigation activities and safeguard services under nested REDD+ project areas should be split into two equal parts of 15/15%.

- **Group 2** [Dealing with Models 1, 2 and 3]

The group adopted the Model 3 – NCRBA/CBNRM/Chiefs' Proposal and proposed somewhat significant changes to the Model as follows;

NCRBA/CBNRM/CHIEFS PROPOSAL			GROUP 2 PROPOSAL	
Sn	**Description**	**% Share**	**% Share**	**Rationale**
1	GRZ and PIU Program costs (MRV)	40%	20%	
2	Community Groups and Trad. Authority	60%	80%	
Breakdown of Community % share				
3	The Royal Highness	10%	5%	The justification for this reduction is that the Chief has an unfair and disproportionate share of benefits - an issue which has left a lot of communities dissatisfied with the benefits that eventually reach them
4	Construction works	32%	25%	No comments
5	Conservation works	30%	25%	The group feels that conservation works and CBNRM Association should be lumped together and receive the same allocation. The group does not see logic in having the two allocations separate.
6	Livelihoods	20%	15%	The justification for this reduction is that livelihoods can still benefit in kind from the construction and conservation works
7	Traditional activities	5%	3%	The justification for this reduction is that the chief still has benefit allocation from the 5% above, and in addition, the Chief will be responsible for this 3% allocation. This ideally gives the Chief a total of 8% allocation under his/her control.
8	CSOs and Media		7%	The group proposes that the CSOs and Media outreach be given special attention given the common experience with all programs and projects in Zambia - they are short-lived without sustainability plans due to lack of information, misinformation and community ownership

	Total	**100 %**	**100%**	

Group 2 chose to focus on Model 3 specifically to dispute the general framework of allocation in the **40/60** approach. The group felt that more money should go to communities and community programs than anywhere else. The fundamental premise of group 2 was what the group saw as unfairness in the intra-Chiefdom allocation and sharing between Chiefs and their people.

Stakeholder issues and concerns from the meeting

Concerns/issue	**Generative Themes**
1. Do not assume that these stakeholders know about the technicalities of emissions reduction. It is important to make information available and comprehensible in a clear and concise manner	▪ Information gaps
2. Lack of community ownership of projects and programs is increasingly becoming a serious problem especially in EP – a Province which arguably consists of the highest number of NGOs ad CSOs operating in Zambia. A large part of this problem is created by the fact that communities are not part of project/program design right from inception. They are simply passive recipients of a project/program designed and developed outside their reach without their knowledge and input. As such, community participation in most of these projects and programs is only active to the end of the project/program. After which, communities revert to their traditional ways of life. Therefore, sustainability of most projects and programs is equals to zero.	▪ Information gaps ▪ Lapses in consultation processes ▪ Safeguards ▪ Institutional arrangements
3. Inclusion of the vulnerable and disabled people is a very big challenge in most of the programs and projects.	▪ Safeguards
4. Traditional leaders have an unfair and disproportional share of benefits at Chiefdom level. It is a demotivating factor to local communities' participation in projects and programs. Part of the problem stems from ignorance and lack of information regarding the sell and price of ERs. Communities simply do not know the total of what their percentage share is derived from.	▪ Safeguards ▪ Information gaps ▪ Transparency and accountability
5. The rate at which farmers are adopting CSA is worrying because farmers tend to adopt the many new practices as they come but later revert to their traditional ways of doing things after the project/program. One of the ways of improving this is to fund already existing infrastructure such as training centers and farmer schools which have been lying idle as white elephants. This poor adoption of project/program innovations is an indication either that people are	▪ Harmonization ▪ Information gaps ▪ Institutional arrangements

not appreciating these interventions or they are just attracted to the temporal benefits that come with these interventions.	
6. There is a concern that the BSP may worsen the already existing Chiefdom boundary conflicts if not well articulated in view of the 1958 Chiefdom boundaries which government is currently relying on.	▪ Stakeholder conflict
7. How transparent will be the process of verifying the percentages? The percentage share is a share of what? From previous experiences with the legacy projects, communities have never known the total share of which they derive their share. This concern was addressed; that government had promulgated the Forest Carbon Management Regulations under the Forests Act to cure such historical concerns. The law enforces a centralized nesting approach to the generation and sell of ERs in order to increase the regulation, coordination and transparency around this enterprise in Zambia	▪ Transparency and accountability
8. There is a feeling that the law does not outline principles of benefit sharing mechanism. As such, benefit sharing is done haphazardly in a manner that anyone decides to do it. This notion was corrected during the presentation of the Draft BSP. The Forests Act, 2015 and the Forests Carbon Management Regulations of 2021 lays adequate standards and principles for benefit sharing of revenues deriving form carbon stock management. The law further provides for stakeholder consultations in the development of benefit sharing mechanisms.	▪ Information gaps
9. Do not treat COMACO, BCP and CSOs the same way under the same umbrella. These are all different entities which need to be respected and given the attention they deserve for their roles and responsibilities in the jurisdiction. This was well noted, and there are efforts to separate the harmonization MoU for BCP and COMACO.	▪ Harmonization
10. There is a concern that the construction of roads in the Province is causing serious damage to the environment. Stakeholders are wondering why road contractors don't follow environmental safeguards. This was noted and it was agreed that RDA,[44] having the mandate to supervise the construction of road construction in Zambia, should be engaged by the PIU.	▪ Safeguards

[44] Road Development Agency

Salient Conclusions

	Community Allocation	GRZ and PIU Allocation	Private sector Allocation
GROUP 1	There is a general consensus that the largest allocations should go to communities although the communities do not receive the allocation they deserve due to the unfair and disproportional allocations which go to the Chiefs.	The allocation to GRZ and PIU is justifiable given the nature of the roles and responsibilities attached to the two entities in the entire jurisdiction	Firstly, there is a general feeling that allocation to the private sector should be reduced because they only cover a small portion of the Province. Secondly, there is a general consensus that Nested and non-nested areas should be split and treated separately.
GROUP 2	There is a general consensus that the largest allocations should go to communities although the communities do not receive the allocation they deserve due to the unfair and disproportional allocations which go to the Chiefs.	The allocation to GRZ and PIU is justifiable given the nature of the roles and responsibilities attached to the two entities in the entire jurisdiction	There is uncertainty around what allocation would be ideal, fair and justifiable for the private sector entities.

3.7. 18th March, 2023 – Meeting in M'fuwe

The consultative meeting targeted the private sector operating in the wildlife space of the EP, particularly in M'fuwe tourist area of Mambwe District. The meeting was preceded by a courtesy call to His Royal Highness Chief Kakumbi of Mambwe District. The meeting was attended by a total of 15 participants representing tour operators, private lodge owners and safari companies];

- LSA,[45] Flat Dog Lodge, CCT,[46] CSL,[47] DNPW,[48] Mambwe Town Council and a courtesy call to His Royal Highness Chief Kakumbi of Mambwe District.

[45] Luangwa Safaris Association
[46] Chipembele Conservation Trust
[47] Conservation South Luangwa
[48] Department of National Parks and Wildlife

Courtesy call to HRH Chief Kakumbi

The Chief asked for clarification regarding the sale of carbon credits and how the trading was executed in practice. The Chief wondered whether trading in carbon could be compared with the different forms of enterprises such as what the DNPW and the Safari companies in his Chiefdom were engaged in. Using this analogy, the Chief lamented the following issues;

1. The rampant Human Wildlife Conflict (HWC) in the area compounded by the fact that there was no compensation for his subjects who suffer loss and damage caused by game animals in the face of the growing conflict. He wondered how his subjects would be involved in the conservation of a resource [wildlife] which in reality, (i) was their cheapest source of food, (ii) a resource with which his subjects were increasingly having conflict, and (iii) a resource whose conservation the people in the Chiefdom were not deriving tangible benefits from;

2. The lack of tangible benefits flowing from the wildlife enterprises in his Chiefdom to the Chiefdom in general and to his subjects in particular, and;

3. The failure of any sort of benefits to trickle down to the households. The Chief contended that there was no incentive for his subjects to get involved in any sort of conservation enterprise when they were not seeing the effective beneficiation of such enterprises in their homes. The little reported form of benefits to his communities were some transport and lunch allowances paid to the CRB officials for attending meetings.

In his final appeal, the Chief emphasized the need for livelihood improvements of the poor people in his communities by simply ensuring that benefits trickled down to the household level.

Consultation session with tour operators, lodge owners and Safari companies

Meeting Objectives; (1) To share information on the Draft BSP, (2) To gather more information and feedback regarding beneficiation and benefit-sharing in the EP jurisdiction, (3) Consolidate stakeholder consultation around the Draft BSP, and; (4) Improve the Draft BSP with information from Provincial stakeholders.

The jurisdictional arrangement of the EP-JSLP and the Centralized Nesting arrangement were presented as part of information sharing. The draft BSP was presented with an emphasis on the three current benefit allocation proposals, i.e. (i) GRZ proposal – model 1, (ii) NCRBA and CBNRM proposal – model 2 and (iii) NCRBA, CBNRM and Chiefs Proposal – model 3.

That the group smaller than the two previous groupings, an open FGD was used for stakeholder feedback which mainly revealed came in form of the following questions and concerns;

Stakeholder questions and concerns	Generative Themes
11. How will the jurisdictional arrangement affect independent organizations operating in the EP? Example was cited – how will the improved cook stoves be incorporated into the EP-JSLP? It was clarified that the EP-JSLP being a performance-based program with a results-based benefit sharing plan was being designed to incentivize all players actors in the EP to play a direct and/or indirect role in reducing emissions. Recognition will be given to the specific roles and responsibilities of each actor/player in the entire jurisdiction, and the type of incentive or reward that should accrue to them. This also explains why the consultation process had to cover as many stakeholders in the EP as possible.	▪ Information gaps ▪ Harmonization and Nesting
12. Was there a possibility for GRZ to fund CSOs and NGOs for ERs through the EP-JSLP? In other words, could this category of players be regarded as beneficiaries? It was clarified that GRZ was not necessarily funding anybody in the sense of the conventional way NGOs and CSOs are funded. Rather, the role of GRZ was to facilitate the flow of rewards and incentives (benefits) to all the beneficiaries whose roles and responsibilities were either directly or indirectly linked to emissions reduction.	▪ Information gaps ▪ Institutional arrangements
13. How much revenues were expected or estimated to be generated from the sell of ERs in the EP through the EP-JSLP? It was clarified that this level of detail would be finalized as GRZ and the World Bank negotiate the ERPA in the due time. However, estimates have already been made that the entire EP has a total of 12.5 million tons of carbon emissions to be sequestrated.	▪ Information gaps
14. Land use planning is very critical to the sustainability of wildlife and in the management of HWC. This stems from the fact that unsustainable land use change, particularly the conversion of forested land to agriculture was the single major threat to wildlife habitats in the area. Unfortunately, land use plans were just on paper and never enforced because the authorities mandated to enforce these plans are always citing lack of resources and capacity for their failure to enforce the land use plans. Secondly, the majority of land use plans are not incorporating provisions for present wildlife corridors and expansion of future wildlife corridors. How was the EP-JSLP designed to address this issue? It was clarified that mandated institutions and authorities like the Provincial Planning Authority responsible for enforcing Land use plans will be incentivized by the Program through necessary allocations to enable them do their legally mandated work of enforcing Land use plans. In that way, such institutions will be benefiting from the Program on the one hand, and the	▪ Information gaps ▪ Harmonization and nesting ▪ Institutional arrangements

enforcement of Land use plans will also be contributing to the reduction of emissions on the other hand.	
15. Will BCP and COMACO get to sell their ERs through GRZ or independently the way they have always been doing it? It was clarified that BCP and COMACO will continue with their operations as they have always been working, but the sell of their ERs will be harmonized under the centralized jurisdictional approach, regulated and monitored by the state. Essentially, all the BCP and COMACO ERs will be accounted for under the Program and monetized through the same as mandated by the Forest Carbon Management Regulations of 2021.	▪ Harmonization and nesting ▪ Transparency and accountability ▪ Institutional arrangements
16. Will the EJ-JSLP promote and/or incentivize the mushrooming of different players and actors wishing to engage in ERs across the entire jurisdiction? Exactly, the Program is designed to provide incentives to anyone who would like to work under the centralized jurisdictional arrangement as a service provider, and anyone whose roles and responsibilities would directly or indirectly contribute to emissions reduction. This is aimed at enhancing effectiveness of emissions reduction at jurisdictional scale in tandem with government policy and in line with emerging international practice.	▪ Harmonization and nesting
17. Can there be some high-level entity like the PIU to provide oversight and monitoring for compliance with land use plans? It was clarified that the GRZ under the current legal and policy frameworks will play that role. The PIU will also work closely with the GRZ in the same way the ZIFLP – PIU has been working to enhance MRV of all activities under the Program.	▪ Institutional arrangements
18. We need more focused funding to local activities where the destruction is mainly happening. One of the main problems is lack of funding to institutions who must perform certain crucial activities. It was clarified, firstly, that the funding being referred to is actually an incentive or reward to beneficiaries whose role and responsibilities will directly or indirectly contribute to emissions reduction. It will not be funding in the conventional sense of disbursing money to institutions / organizations for its own sake – but it will be incentivizing or rewarding different institutions for the roles and responsibilities in reducing emissions. Secondly, it has been noted that local communities have the largest pool of carbon stocks which means that the highest level of carbon emissions will derive from the local communities. As such, all efforts must be tailored to community level activities to reduce emissions and improve local livelihoods.	▪ Institutional arrangements

19. Will players in the wildlife sectors benefit from this program? It was well noted, taking the case of M'fuwe into consideration, that the wildlife sector's main threat arose from increasing human encroachments into natural wildlife habitats. Particularly, the expansion of agricultural land into forested lands. The EP-JSLP beneficiation system is designed to incentivize institutions and communities to find alternative ways of minimizing the pressure of agricultural expansion towards sustainable ways of farming, as well as rewarding innovative ways of farming that had a direct effect on reducing emissions. That way, agricultural expansion into wildlife natural habitats would be reduced. Secondly, the private sector players in the wildlife sector were free to position themselves as service providers in emission reduction activities and attract incentives and rewards through the Program for their measurable and verifiable ER activities.	▪ Information gaps
20. Is there a mechanism to ensure that revenue comes to the Province rather than stuck with Central government in Lusaka? Yes, the BSP benefit distribution mechanism is being designed to address that matter. For that reason, this consultation meeting was aimed at getting feedback from stakeholders regarding how this can be enhanced to work effectively in practice.	▪ Information gaps ▪ Institutional arrangements
21. There should be a way of ensuring that benefits trickle down to the household level. Otherwise, there will be no incentive for communities to engage or continue engaging in ER activities. There are two working assumptions to address that concern; (i) it is a very complex matter to distribute benefits to household level, (ii) the local institutions like CFMGs, CRBs and farmer groups, were better placed to distribute benefits to their individual members who constitute the different households in every Chiefdom.	▪ Safeguards
22. What will happen to the benefits when and if the carbon markets fail or fall drastically? It was clarified that this matter could be addressed in two ways; (i) forward payments for ERs where money for estimated ERs is paid in advance, and (ii) the benefits of the initial ZIFLP investments generates reasonably good non-carbon benefits to the communities. For that reason, the BSP will not be dealing with non-carbon benefits and no money will be paid for such benefits. Otherwise, the monetary carbon and non-monetary carbon benefits are market and results-driven.	▪ Information gaps
23. How long will the benefits flow to the communities? If the communities will have to wait for more than a year to receive their benefits, they will be discouraged to commit to ER activities.	▪ Information gaps ▪ Safeguards

The flow of benefits to the beneficiaries will be determined by MRV. If the MRV can be done annually, then benefits can also flow annually. But because of the complexities involved with MRV, it normally takes more than a year. Otherwise, GRZ and all those involved in designing the Program are trying to make sure that the annual payment system can work effectively to avoid keeping communities waiting for too long. On the other hand, the payment of benefits will be strictly tied to performance on safeguards, making sure that women, children, persons with disability and the vulnerable peoples' lives are not worsened by the beneficiation.	
24. At the close of the session, a strong concern was raised regarding the use of CRBs as locally-existing institutions for channeling community benefits. The concern derives from historical precedence that CRBs governance has been marred in lack of transparency and poor accountability. Doubts have been strongly raised whether such institutions could be trusted for this task when they had historically failed to be accountable over financial matters and in their dealings with the community. This concern generated a secondary debate regarding the need to propose new institutional arrangements for the administration of community benefits or the maintenance of existing ones? Two prominent proposals pointed to the need for the WDCs[49] under the Local Government Act, 2019, and the establishment of a Chiefdom Development Trust, for the management of community benefit allocations as opposed to CRBs and their Association.	▪ Transparency and accountability ▪ Institutional arrangements

From the presentation of the three current benefit allocation proposals, i.e. (i) GRZ proposal – model 1, (ii) NCRBA and CBNRM proposal – model 2 and (iii) NCRBA, CBNRM and Chiefs' Proposal – model 3, the following were the outcomes of the session after assessing the three proposed models;

A. Model 1

GRZ PROPOSAL			**SECONDMENTS, COUNTER-PROPOSALS AND OPPOSERS**	
Sn	**Description**	**% Share**	**% Share**	**Rationale**
1	GRZ and PIU Program costs (MRV)	15%		Seconded by one participant only
2	Community Groups and Trad. Authority	55%		Seconded by one participant only

[49] Ward Development Committees

3	Mitigation activities and safeguards services ▪ Nested REDD+ projects ▪ GRZ services in non-nested areas	30%		Seconded by one participant only
				Seconded by one participant only
4	**Total**	**100 %**		

The GRZ model 1 was supported and adopted by one participant only while the rest of the other participants did not comment on the model.

B. Model 2

NCRBA/CBNRM PROPOSAL			**SECONDMENTS, COUNTER-PROPOSALS AND OPPOSERS**	
Sn	**Description**	**% Share**	**% Share**	**Rationale**
1	Program costs (MRV and PIU)	10%		No comments
2	Community Groups and Trad. Authority	55%		No comments
3	GRZ	5%		No comments
4	Mitigation activities and safeguards services: ▪ Nested REDD+ projects ▪ GRZ services in non-nested areas	30%		No comments
5	**Total**	**100 %**		

The Model-2 NCRBA and CBNRM proposal received no comments at all. It was neither adopted nor rejected by any of the 15 participants.

C. Model 3

NCRBA/CBNRM/CHIEFS' PROPOSAL			SECONDMENTS, COUNTER-PROPOSALS AND OPPOSERS	
Sn	**Description**	**% Share**	**% Share**	**Rationale**
1	GRZ and PIU Program costs (MRV)	40%	???	One specific question raised: was the implementation cost of the PIU fixed [non-negotiable or negotiable]? How would the PIU know that this allocation was enough to meet its implementation costs?
2	Community Groups and Trad. Authority	60%	???	Raised a lot of concerns and heavily questioned; ▪ The ineffectiveness of the BCP BSP model has been attributed to lack of transparency and accountability. This proposal mirrored the BCP model; ▪ Existing local institutions, especially the CRBs and CBNRM Association, cannot be trusted to handle this money because of the inefficiencies marred by their historical governance challenges, lack of transparency and poor accountability systems; ▪ As such, there is a tight rope to be walked between the use of locally existing institutions or creation of new institutions to administer this money at chiefdom level; ▪ Two prominent suggestions for new institutions point to WDCs[50] under the Local Government Act, 2019 and Chiefdom Development Trusts [whose composition should include all stakeholders operating in the area, i.e. traditional authorities, local authorities, private sector, NGOs

[50] Ward Development Committees [Section 36 of the Local Government Act, 2019].

				and CSOs], to administer, monitor and provide oversight over this money.
Breakdown of Community % share				
3	The Royal Highness	10%	???	It was proposed that this allocation be split into two; 5% to Chief as an individual and 5% to Chief as an institution (Traditional Authorities)
4	Construction works	32%	???	▪ It is not clear who will administer, control and provide oversight over this money; ▪ The sort of construction anticipated here could raise emissions instead of reducing them. There is also a fear raised that this money may be mismanaged; ▪ There are formal institutions mandated with construction works and not the communities; ▪ It is not clear who procures these construction works and which procedure will be followed to procure them; ▪ The Chief may still be involved to control the procurement of these constructions; ▪ There is a high risk of elite capture through these construction works.
5	Conservation works	30%	???	▪ It is not clear who will administer, control and provide oversight over conservation works.
6	Livelihoods	20%	???	▪ It is not clear how this money will actually flow to the community to improve their livelihoods; ▪ Who will administer this money;

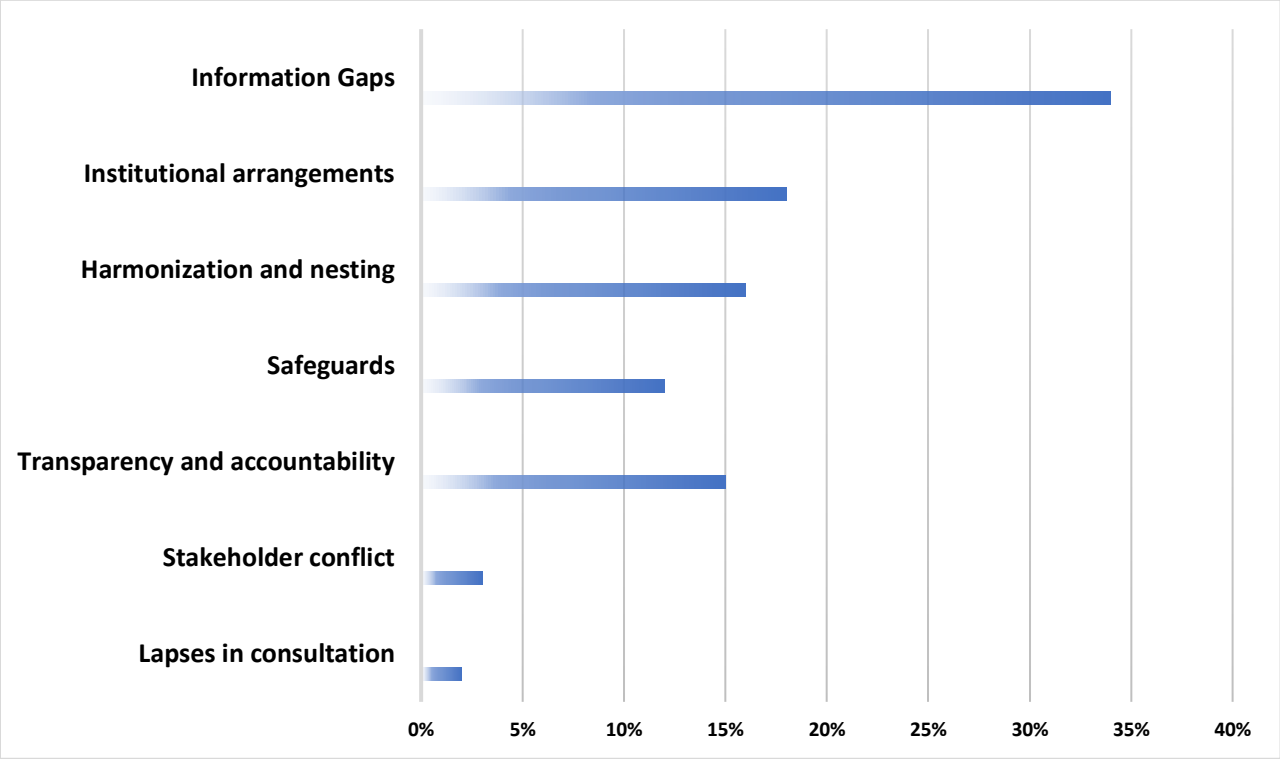
				▪ Which local institutional arrangement will be used to administer this money; ▪ What guarantee is there that community households will actually benefit from this money, and depending on the institutional arrangement that will administer it.
7	Traditional activities	5%	???	▪ The Chief will have sole control over this allocation in addition to his/her 10% allocation; ▪ The Chief will most certainly have control of the construction works; ▪ The Chief will also have a strong control over the 3% CBNRM Association allocation because he/she is the Patron; ▪ In total, the Chief alone has 50% of the community allocation under his/her control; ▪ There is a high risk that the flow of benefits to the community members will be drastically be reduced due to elite capture.
8	CBNRM Association	3%	???	▪ It would be better for the CRBs themselves to administer this money [if they can be trusted] as opposed to the Association; ▪ There is need to dissociate the CRB Bank accounts from the CFMG financial transactions – as the case is, CRBs [under the Wildlife Act, 2015] do operate as CFMGs for carbon trade [under the Forests Act]
	Total	**100 %**		

Model 3 was heavily contested raising more questions than answers. As such, none of the participants proposed or seconded this model. Essentially, model 3 raised three crucial issues which were seen as risks for the EP-JSLP benefit sharing:

- **Elite capture**
- **Lack of transparency and accountability, and**
- **Institutional ineffectiveness**.

The participants' feared that the three issues put together may jeopardize the ability of benefits flowing to the communities as the primary beneficiaries, and consequently undermine community commitment to ER activities. As such, the elephant in the meeting was the debate around the creation of new local institutions to administer community allocations or to rely on the existing institutions for the same purpose?

Summary of Generative Themes from all three stakeholder consultative meetings



BSP Annex II: Legal Underpinnings

Both the consultative process through which the BSP was developed, and the subsequent operationalization of the document to guide overall beneficiation in the EP-JSLP are premised on laws of Zambia:

- The Constitutional principles, rights and privileges provided for the people of Zambia regarding (i) environmental and natural resources management and development in Article 255, (ii) protection of environmental and natural resources in Article 256, and (iii) the utilization of natural resources in Articles in Article 257. In addition, it is by the Constitutional privileges, rights and duties provided for Chiefs under Articles 166-67 that Chiefs may sign up to the CERPA;
- The need to respect and enforce these Constitutional rights in practice as provided by section 4 of the Environmental Management Act, 2011, the duties to protect the environment and the principles of environmental management in sections 5 and 6 of the Act;
- The principles of SFM as enacted by section 8 of the Forests Act, 2015, and the rights, duties and obligations of the community towards forest resources as stipulated by the Community Forests Management Regulations of 2018, including the right to benefit from the management of community forests. The Forests Act characterizes Carbon as a major forest produce whose ownership, like the ownership of all other major forest produce on all types of forests in Zambia, is vested in the President for, and on behalf, of the Republic. Therefore, ownership rights over Carbon remain vested in the President under the state jurisdiction of the Director of Forestry until lawfully transferred or assigned to other entities such as communities under the provisions of the Act. The procedural rules for the transfer of Carbon rights to the Communities are stipulated in the Community Forest Management Regulations of 2018 and the Carbon Forest Management Regulations of 2021;
- Upon lawful transfer of Carbon rights to the Community Forest Management Groups (CFMG) under the legal principle of Community Forest Management (CFM), the exercise of the Carbon rights, the obligations and responsibility to engage in forest carbon stock management, and to benefit from proceeds of carbon stock management through a benefit sharing mechanism, the communities' rights to earn their revenues from carbon stock management at gross rather than at net, and the duty for any proponent of carbon stock management project or program to outline a stakeholder engagement plan, are provided by the Forest Carbon Management Regulations of 2021 and the Community Forest Management Regulations of 2018;
- Insofar as the ownership of, and rights to, carbon in the agriculture sector is concerned, the Ministry of Agriculture Administrative Order provides the required guidance [Annexed below as IIB]
- That the definition and delineation of forest in the Forests Act, 2015, is linked to land, the Lands Act Cap 184 of the Laws of Zambia provides for the legal recognition and protection of customary land holding, i.e. land on which the majority of the EP-JSLP ER activities will actually take place in the different chiefdoms of EP. Therefore, while the Community Forests Management Regulations provides chiefdoms with resource tenure rights over community forests and forest resources, the Lands Acts provides them with customary rights over the land;

- Flowing from the foregoing, the chiefdom will serve as the functional unit for the generation of ERs. Consequently, the jurisdiction of the Chiefs prescribed by the Chiefs Act Cap 287 of the laws of Zambia will prevail, especially in respect to the redress of benefit-related conflicts under the powers, duties and responsibilities of the chief enacted by section 11. In addition, it is by the privileges, rights, power, duties and functions of the Chiefs under the Statute that Chiefs may sign up to the CERPA;
- The Tourism and Hospitality Act, 2015, provides a legal safeguard to ensure that tourism activities do not deprive local communities of access to wildlife, land and water resources in the tourist areas, and that tourism activities should be incentivized to utilize green designs or technologies to promote sustainable livelihoods and poverty reduction as enacted in section 7;
- For the GMAs under the Wildlife Act, 2015, the law stipulates a mandatory benefit allocation system through which the CRB receives monetary benefits which the Wildlife Authority is mandated to pay into the CRB fund under the Wildlife (Community Resource Boards Revenue) Regulation of 2004 (Statutory Instrument No.89);
- The foregoing legal and regulatory framework brings into focus the inevitable need for effective institutional arrangements that must work from the lowest community structures to the jurisdictional and national levels. Section 36 of the Local Government Act, 2019, enhances the much-needed institutional collaboration across different sector players at the ward level which is the lowest functional structure of a community in every chiefdom;
- Where security for huge financial transactions deriving from the monetary benefits of ERs may be necessitated in the face of financial risks, specific provisions of the Financial Intelligence Center Act, 2010, will be invoked. The functions of the FIC in relation to investigating, analyzing and assessing suspicious financial transactions may necessarily be invoked under section 5 of the Act in the spirit of reducing risks of financial crimes, fraud and money laundering, and;
- Given the possibility of corruption and corrupt practices related to financial transactions, the Anti-Corruption Act, 2010, provides important safeguards against corruption and corrupt practices through its object to, among other things, provide for the prevention, detection, investigation, prosecution and punishment of corruption and related offenses.

Essentially, the legal framework that forms the legal underpinnings of the BSP is detailed in categorized in summary as follows;

- The legal framework that enhances collaborative stakeholder engagement, mandates consultations and stakeholder participation;
- The legal framework that enhances stakeholder beneficiation by mandating safeguards;
- The legal framework that enhances conflict and dispute redress, and;
- The legal framework that enhances institutional frameworks.

LEGAL AND REGULATORY FRAMEWORKS:	**Enhancing collaborative stakeholder engagement, mandates consultation and stakeholder participation**	**Enhancing stakeholder beneficiation by mandating safeguards**	**Enhancing conflict and dispute redress**	**Enhancing institutional frameworks**
The Constitution of Zambia [Amendment Act] No.1, 2016, Arts 255-56	✓	✓		
The Environmental Management Act, 2011, Sec 4	✓	✓		✓
The Forests Act, 2015, Preamble, Sec 8	✓	✓		✓
The Lands Act CAP 184 of the Laws of Zambia, Sec 7		✓		
The Chiefs Act CAP 287 of the Laws of Zambia, Sec 11	✓		✓	
The Tourism and Hospitality Act, 2015, Sec 7		✓		
The Arbitration Act CAP 40 of the Laws of Zambia			✓	
Financial Intelligence Center Act, 2010, Sec 5		✓	✓	
Local Government Act, 2019, Sec 36	✓			✓
The Anti-Corruption Act, 2010			✓	
The Forests Act (Community Forest Management Regulations) of 2018	✓	✓		✓
The Forests Act (Forest Carbon Stock Management Regulations) of 2021	✓	✓		✓

The Wildlife Act (Community Resource Boards Regulations) of 2004		✓		✓

Annex IIB

Draft Administrative Order

Ministry of Agriculture Letterhead

ADMINISTRATIVE ORDER: ASSIGNMENT OF CARBON RIGHTS IN THE AGRICULTURAL SECTOR IN THE CONTEXT OF MONETISING EMISSIONS REDUCTIONS

It is widely recognized that climate change poses a significant and serious threat to sustainable development of Zambia. Evidence shows that the country has experienced a number of climate hazards including droughts and dry spells, seasonal and flash floods and extreme temperatures. These directly impact our cropping cycles and ultimately food security of farming households and the nation as a whole. Emissions of greenhouse gases which impact our local, regional and global climate requires action through mitigation and adaptation. The Ministry through its mandate, aims to support interventions that improve agricultural productivity and resilience resulting from adoption of climate-smart agriculture (CSA) practices.

Government is putting in place a regulatory framework relating to carbon emission reduction arising from the agricultural sector and related activities. In the absence of the approved framework, this Administrative Order is issued to clarify the provisions for the transfers of Verified Emissions Reductions related to Agricultural activities and Soils in Eastern Province.

The information contained within this Administrative Order is of importance to those who wish to monetize agricultural related carbon emission reductions and engage in carbon stock management projects and programmes including the trade in greenhouse gas emission reductions or removals in Eastern Province. Persons or projects wishing to monetize agricultural carbon in Eastern Province must obtain and receive permission to do so to allow the transfer of agricultural carbon emissions reductions on all categories of agricultural carbon.

Interpretation

The Government is in the process of establishing a Jurisdictional Sustainable Landscape Program covering Eastern Province (EP-JSLP). This initiative aims to incentivize and reward climate change mitigation actions to reduce emissions coming from the unsustainable land management practices of primarily rural communities and households in the Province. Through the Jurisdictional Program, the Government will secure carbon financing for interventions that increase agricultural productivity, enhance agro and forest ecosystem resilience, reduce GHG emissions, and sequester carbon using a landscape approach.

Regulation of Carbon Emission Reduction Trading in Eastern Province

In accordance with the Laws of Zambia, specifically the Lands Act, Chapter 184, as well as relevant provisions of the Constitution of Zambia (Amendment) Act, 2016, Government has the responsibility to regulate the management and development of Zambia's environment and natural resources such as carbon. In the context of the Jurisdictional Sustainable Landscape Program in Eastern Province, the trading in agricultural carbon will only be allowed with prior permission of the Ministry of Agriculture, following consultation with the Ministry of Green Economy and Environment, indicated as the legal entity for the EP-JSLP by the Ministry of Justice.

Further information may be obtained from the Director of the Department of Agriculture.

BSP Annex III: Stakeholder Analysis

Annex IIIA below distinguishes stakeholders from beneficiaries. Stakeholders are the institutions [government, CSOs or NGOs] who will receive direct allocations for their facilitative role in enhancing ER activities. Beneficiaries are local landscape implementors of ER activities at Chiefdom level who will receive performance-based allocations.

Annex IIIB outlines the criteria for inclusion in the ER Program and eligibility for beneficiary performance-based allocations and stakeholder direct allocations.

- **IIIA: Stakeholder and Beneficiary Roles and Responsibilities**

STAKEHOLDERS	ROLES IN ER PROGRAM	CRITICAL ROLE IN THE EP-JSLP
Government Stakeholders		
Ministry of Finance & National Planning	• Oversees resource mobilization for national development, development planning, funding for policy implementation and Climate Change mitigation and adaption	• Management of funds from the ER sells
Ministry of Green Economy and Environment (MGEE), Climate Change & ZEMA	• Oversees implementation of all climate change projects and programs; has the overall responsibility for environmental protection and sustainability • Holds the overall responsibility for environmental policy formulation and implementation • Secretariat to the Steering Committee of Permanent Secretary on Climate Change • UNFCCC focal point and NDA for the CDM • Houses ZEMA and supervise the Authority's role in the EP-JSLP MRV and enforcement of the Environmental Management Act, 2011 • Provides overall supervision over the PIU • Will sign the ERPA with the World Bank	• Supervisory responsibility over the PIU • Signing the ERPA as GRZ representative in the ERP

Forestry Department in the MGEE	• Responsible over all forestry matters in the country; directly in charge of National Forests, Local Forests, Botanical Reserves, and provides oversight over Community forests • Responsible for the provision forestry extension services and research • Provincial Forestry Officers in every Province the head representative of the Forestry Department and acts in the stead of the Director of Forestry • Responsible for the issuance of all sorts of licenses and permits for all minor and major forest resources and products, including carbon • Houses the REDD+ Coordination Unit and the National REDD+ Registry • Responsible for the implementation of the National Forest Policy, 2014 and enforcement of the Forests Act, 2015, through the Director of Forestry • Provides the National FREL and monitoring system • Responsible for controlling and monitoring the conveyance of charcoal from along the Zambian roads	• Promotion of SFM • Implementation and enforcement of Forestry policy, laws and regulation • Provision of extension services to Community forests • Conservation and protection of National forests, local forests and botanical reserves • Monitoring and regulation of ER projects through the national Registry • Monitor and control the extraction of timber and charcoal production form concessional areas • Reduce the consumption of charcoal by controlling its conveyance so as to disincentivize its unsustainable production from community and local forests
Chiefs & Traditional Affairs, Ministry of Local Government and Rural Development	• Responsible for the safeguarding of the affairs, interests and privileges of Chiefs as a Constitutional office under the Constitution of the Republic of Zambia • Chiefs Affairs Officer serve as the link between the GRZ and traditional leaders • They play an important role in conflict resolution between Chiefs, GRZ and local communities, including benefit sharing-related disputes • They will play a crucial role in facilitating the signing of the CERPAs, clarifying issues, allaying misconstrued notions and providing clear information in the process	• Facilitate the signing of the CERPA • Dispute and conflict resolution between the Program and the Chiefs • Mouth piece for the Chiefs

Ministry of Tourism, DNPW	• Responsible for all matters of wildlife in Zambia • Responsible for the management and protection of all the legally designated wildlife areas such as national parks, Community Partnership Parks and GMAs • Responsible for formulation, implementation and enforcement of national wildlife policy, law and regulations • Provides oversight over CRBs in relation to the management of GMAs including responsibility for regulating the use of wildlife resources in GMAs • Responsible for the issuance of all sorts of licenses and permits related to the consumptive and non-consumptive tourism, utilization of wildlife resources and development of tourism infrastructure in wildlife protected areas	• Conservation and protection of wildlife areas • Enforcement and implementation of wildlife policy, law and regulation • Enhance ER activities in GMAs
Ministry of Agriculture	• Responsible for agriculture and agriculture development including the different subsectors in agriculture such as livestock, fisheries, crop farming and dairy production • Responsible for the provision of agricultural extension services through Agricultural Blocks and Extension Camps across Wards, Districts and Provinces in Zambia • Responsible for the promotion and training of farmers in CSA, agroecology, farm forestry, and conservation farming through agricultural extension services; Camp Agricultural Officers provide training and extension services for Climate Smart Agriculture (CSA) for ZIFL-P, serve as conduit for provision of inputs, linkages to markets • Responsible for the provision of agronomical, agribusiness and land/soil management through	• Provide extension services for CSA, agroecology, conservation farming and farm forestry • Promote the adoption and use of organic fertilizers • Formulate and promote agriculture policy that incentivizes sustainable agriculture • Monitor and control land use change due to agricultural expansion

	extension services and the delivery of farming inputs such as seeds and fertilizers • Responsible for the provision and development of irrigation services and facilities to Districts and farming Blocks across Districts in all Provinces • Responsible for the development, formulation and implementation of national agricultural policies, programs and plans	
Ministry of Fisheries & Livestock	• Similar structure to Agriculture (above) • Responsible for the development and formulation of Livestock and fisheries policies, laws and regulations • Responsible for the development and formulation of livestock and fisheries programs • Responsible for the development of livestock and fisheries diseases control and prevention programs • Responsible for the development of small-medium livestock and fisheries enterprises such as goats and pigs, fish farming and aquaculture as alternative livelihood options	• Promote fish farming and aquaculture as alternatives to unsustainable agriculture and forest-based livelihoods • Promote breed and feed technology to reduce emissions from livestock
Ministry of Community Development & Social Welfare	• Responsible for community development and social welfare • Responsible for the overall welfare and well-being of local communities, especially the vulnerable women, children and persons with disabilities • Responsible for the promotion alternative livelihoods targeting most vulnerable groups • Responsible for the identification and assessment of social vulnerabilities, needs and risks in communities especially among the most vulnerable groups of people • Responsible for developing and implementing community development and social welfare programs	• Enhance social safeguards by reducing the vulnerability of the most vulnerable groups of people • Enhance beneficiation of the most vulnerable from the ER Program by ensuring that women, the aged, children and people with disabilities have unimpeded access to carbon benefits

	to cushion the vulnerability of the most vulnerable people in communities	
Town Council, Local Authorities – Ministry of Local Government	• Responsible for the provision of local government services at District and ward levels • Responsible for the provision of development and municipal services in Towns, Districts and Ward levels, including water and sanitation, land and land use planning, public health and hygiene, waste disposal, reticulation, trade and accommodation • Responsible for passing, implementing and enforcing bye-laws within the jurisdiction of the Local authority, i.e. Towns and Districts • Responsible for the development and enforcement of integrated land use plans • Serves as Secretariat to the District Development Coordinating Committee (DDCC)	• Promote bye-laws that have a direct and indirect positive impact on land use • Develop integrated land use plans • Enforcement of land use plans • Monitor and supervise the WDCs at Ward level • Control the conveyance and sell of illegal charcoal in towns as a way of disincentivizing production in communities
Coordinating Committees and Stakeholder Platforms		
Provincial Development Coordinating Committee (PDCC)	• Responsible for the administration of PDCC; the Platform that brings together authorities from different sectors (agriculture, wildlife, forestry, livestock & fisheries, and others) to meet in committee and make decisions for the province in the spirit of integrated development	• Plays a crucial role in the FGRM
District Development Coordinating Committee (DDCC)	• Responsible for the administration DDCC; the Platform that brings together authorities from different sectors (agriculture, wildlife, forestry, livestock & fisheries, and others) as well as Ward Councilors and Chiefs to meet in committee and make decisions for the District	• Plays a crucial role in the FGRM

FGRM Committee	• Ensure that the FGRM works effectively as a process of collecting and collating information related to stakeholder/beneficiary grievances, complaints, fears and concerns • Correct and counteract, allay and cure misconceptions of the Program created by misinformation, lack of information and any seemingly malicious intent to discredit the Program • Provide timely, adequate and objective feedback to the concerns, fears and anxieties characterized by stakeholder/beneficiaries' grievances and complaints • Assess and analyze Program risks associated with stakeholder/beneficiary grievance, complaints and concerns • Refer to the BSPAC all issues impinging on financial crimes, fraud, corruption and money laundering	• Conflict resolution • Public relations • Program Risk management
BSPAC	• Responsible for investigating, assessing and analyzing issues impinging on financial crimes, fraud, money laundering and corruption as referred from the FGRM • Make appropriate recommendations to the BSC, PSC, PIU and the MGEE regarding its findings on all resolved cases of financial crime, fraud, money laundering and corruption • Commit to the Courts of Law under the Arbitration Act all unresolved cases of financial crimes, fraud, money laundering and corruption for possible Arbitration • Commit to the Police, ACC and/or DEC all confirmed cases of financial crimes, money laundering, fraud and corruption in accordance with the applicable laws of Zambia	• Conflict resolution • Prevention of financial crimes, corruption, money laundering and fraud
Civil Society Organizations		

Land Alliance	• Provides lobby and advocacy for land rights • Provides training and empowerment for local community groups in strengthening their land rights and security of tenure • Conducts empirical research on land use and land rights • Provides evidence-based information on land rights and land tenure challenges in customary lands	• Provides evidence-based information on community challenges around land tenure security and land use practices
District Farmers Associations (DFAs)	• A designated member the Zambian National Farmers' Union at District level • Provides farming information services to its farmer members through the lead farmers to the Information Centers across the Chiefdoms • Provides extension services to its farmer members on new products and services available on the market • Provides timely agriculture information regarding market trends, weather and climate, prices and financial trends • Supports its farmer members through trainings including lobby and advocacy programs • Promotes market linkages for its farmer members • Acts as a bulking and distribution center for farmer input support goods and services such as seeds and fertilizer	• Serves as an important local institution for benefit distribution to the farmer members • Serves as an important information gathering center for farmers participating in ER activities • Serves as an important entry point for farmers' adoption of CSA and other sustainable farming technologies in a Chiefdom
BENEFICIARIES	**ROLES IN THE ER PROGRAM**	**CRITICAL ROLE IN THE EP-JSPL**
Traditional Authority (TA)	• Responsible for the administration, adjudication and enforcement of customary law, order and justice in the Chiefdom • Responsible for dispute and conflict resolution, and the maintenance of peace in the Chiefdom to the village level	• Important local institution for the administration and distribution of community benefits to the households • Dispute and conflict resolution as part of the FGRM • Control and regulate land use and land use change

	• Responsible for the allocation and administration of land in the Chiefdom, including the approval and/or alienation of the land for different land uses • Responsible for the safeguarding and transmission of custom and traditional practices from one generation to the other • Responsible for the preservation of tangible and intangible cultural heritage and heritage sites in the Chiefdom • Comprises the Senior Chief, Chiefs, Sub-chiefs, Indunas, and Headmen at village level • Provide guidance and oversight over community development projects and programs	• Enhance respect for, or adherence to, environmental and social safeguards at Chiefdom level • Approve and facilitate the signing of CERPAs
Chiefs	• Custodians of customary lands • Responsible for the administration, alienation and preservation of customary land • Responsible for conflict and dispute resolution at Chiefdom level • Legally designated Patrons for CRBs under the Wildlife Act, 2015 • Constitutional representatives of the people through the house of Chiefs • Provides consent for creation of Community Forest Management Areas (CFMAs) and Community Resource Boards (CRBs)	• Sign the CERPA • Important for conflict and grievance redress in the FGRM • Enforcement of customary land laws, control and monitor land use and exploitation of land-based resources • Provide consent to facilitate establishment of CRBs and CFMGs and strengthen already existing ones • Enhance environmental and social safeguards at Chiefdom level
Community Structures		
Lead Farmers	• Coming from different farmer groups, they will provide leadership over demonstration farms for the adoption of CSA	• As stated

	• Will serve as conduits for information sharing to other farmers through Information Centers across the Chiefdom • Will serve as an entry point for incentivizing farmers with non-monetary or non-monetary benefits	
Community Forest Management Groups (CFMGs)	• The legally designated local institution for forest management at community level • Designated to act for, and on behalf of, the Director of Forestry, with consent of the Chief in accordance with the Forests Act, 2015. • They provide leadership in the implementation and enforcement of the Forests Act, 2015, Community Forest Management Regulations, 2018 and the Forest Carbon Management Regulations, 2021. • They mobilize the rest of the community members towards SFM using the rights/responsibilities/duties/obligations legally transferred to them the Director of Forests, including carbon rights • They have exclusive rights, powers and duties to restrict access to the community forest to all others (non-community members) in protecting the community forests • They power, duties and obligations to control and regulate the utilization of forest resources in a community forest in accordance with their rights and obligations	• They can provide a good entry point for the control and regulation of charcoal production from community forests • They are crucial in curtailing land use change from forestry to agriculture
Community Resource Boards (CRBs)	• They are legally designated local entity for wildlife management at community level in a GMA • They have devolved powers and responsibilities to participate in the wildlife management and protection as provided by the Wildlife Act	• They are an important local institution for the distribution of benefits to community households

	• They have a right to share in the benefits accruing from the issuance of wildlife licenses in a GMA • The Chief is the Patron of the CRB and provides significant oversight over activities of the CRBs • Works with the DNPW to manage wildlife and wildlife resources in GMAs as a buffer for the National parks • Role restricted to the relevant Chiefdom portion of the declared game management area.	• They are an important avenue for information sharing and dissemination at village level
Village Action Groups (VAGs)	• They are a creation of the CRBs and serve as the fundamental functional units of CRBs at the village level • They are directly involved in supporting livelihood improvement programs and implementation of CRB plans at village level	• They are an important entry point for the adoption of CSA activities at village level across Chiefdoms • They are an important avenue for benefit distribution to households at village level • They are an important avenue for information sharing and dissemination
Nested Private Sector		
COMACO	• The company is a private sector social enterprise (non-profit) mainly dealing with farmers through enhanced product marketing • It promotes the adoption and implementing of CSA, forest regeneration, improved cook stoves, marketing links with communities throughout Eastern Province • It has diversified its business model to ER and carbon trading and desires to upscale to larger parts of Eastern • It has grown its farmer base in its operational areas in EP • Its business model has generated interest for ER among farmers	• Draws important lessons for the EP-JSLP • Its important to maintain the momentum of ER activities initiated by the company • Increases the scope of ER activities and impact within the company's operational area • It has practical lessons of benefit sharing from its experiences so far • Its potential upscale to wider areas of EP is a good opportunity to increase

		the impact of the company as a service provider
BioCarbon Partners (BCP)	• Developed the Luangwa Community Forests Project (LCFP), through USAID support, validated and verified by the Verified Carbon Standard (VCS) and Climate, Communities & Biodiversity Alliance (CCBA) • LCFP is a partnership between Government, 12 Chiefdoms (with a population of 173,000 people) to protect the biodiversity corridor between the Lower Zambezi and Luangwa National Parks • The project is funding forest protection and community development through the sale of carbon offsets	• Same as COMACO

- **IIIB: Criteria for Inclusion in the ER Program and Eligibility for Allocation**

BENEFICIARIES	• ELIGIBILITY CRITERIA FOR PEREFORMANCE-BASED ALLOCATIONS
Landscape Level Implementers	

Traditional Authorities (Chiefs, Headmen, Indunas)	• The Chief is the signatory to the CERPA with the EP JSLP for the Chiefdom to participate in the creation of ERs. The CERPA includes:
	  ○ Commitment of the Chiefdom to produce ER through the CERPA under the ERPA
	  ○ Types of ER activities that will be undertaken under the CERPA
	  ○ Roles & Responsibilities of each of the actors and players in the Chiefdom
	  ○ The local institutional arrangement outlining how the benefits [funds]will be managed at a community level
	• Because ER Program will fundamentally operate at Chiefdom level, there is a requirement to demonstrate ER results through monitoring data
	• Headmen and Indunas must show commitment to the Chiefdom to facilitate ER activities in their village(s)
	• The Chiefdom will be under obligation to show commitment to social and environmental safeguards
	• There will be a requirement to refer to the inclusion of existing agreements with CRBs, CFMGs and any other relevant organization as additional layer of governance instruments

Registered Farmers (Lead Farmers, District Farmer Associations)	• Will be included in the CERPA to be monitored by the PIU • Will operate within the Chiefdom where they are located with respect to that Chiefdom's allocated RBF based on performance • Must be registered as a Farmer Group with the Ministry of Agriculture or any other relevant registration authority such as Cooperative • Will be required to have a bank account and financial management protocols for the purpose of administering monetary benefits [funds]

Registered Community Groups – CFMGs	• Included in the CERPA as above and will be monitored by the PIU for activities to produce ERs (e.g. land use planning, forest management, etc.) • It must operate under the Chiefdom where it is located with respect to the allocated RBF based on performance • It must be registered as a CFMG with the Department of Forestry with a valid legal transfer of rights and a commitment to ER activities within the community forest • Should be able to submit annual workplans, budget and auditable activities • Should be able to submit plans for livelihood benefits and respect to safeguards • Must have a bank account with financial management protocols for the purpose of administering monetary benefits [funds]
Registered Community Resource Boards Groups - CRBs	• Included in the CERPA as above and will be monitored by the PIU for ER activities (e.g. land use planning, forest management, control within GMP etc.) • It will operate in a Chiefdom where it is located with respect to allocated RBF based on performance • It must be registered as a CRB with the Department of National Parks and Wildlife (DNPW) • It should be able to submit annual workplan, budget and audited activities • It should be able to submit plans for the VAGs livelihood improvements and benefits • It msut have a bank account and financial management protocols for the purpose of administering monetary benefits (funds).
Village Action Groups (for public goods and on behalf of Community groups)	• It will operate in a Chiefdom where it is located under the CERPA • It must be registered as a VAG under the umbrella of the CRB • It should be able to submit plans to the CRB or CFMG for projects that have public benefit to the community and are aligned with larger development objectives (i.e. support provision of clean water, education, health, etc.) • It should focus on the protection/provision of benefits to vulnerable & marginalized community members (widows, children, elderly, chronically ill, disabled, orphans etc.)

Households & Individuals	• They must have demonstrated participation / contribution to ERs within their villages/communities under a Chiefdom
	• Their qualifying activities will include;
	  ○ Own small plots and are willing to set aside these areas as protected forests
	  ○ Engaged in tree planting and/or Agroforestry activities
	  ○ Utilizing improved cook stoves
	  ○ Practicing CSA (out of a registered Farmer Groups)
	  ○ Involvement in law enforcement to prevent illegal activities or activities that contradict agreements under the ER Program
	• Benefits will be provided through membership of recognized community institution indicated in the respective CERPA.

ER Related Projects, CSOs and Private Sector	
CSOs	• Should be able to submit a proposal to the PIU to provide technical support to communities including ER performance-based deliverable criteria; • Must be an organization legally registered in Zambia
Private Companies	• Should be able to propose to the PIU along with demonstration of a percentage of matching requirements • Must be classified as forestry, agriculture, or livestock and / or implementing activities in the landscape that could result in ERs (i.e. improved charcoal, cook stoves, alternative energy, support value chains, investments into CSA, etc.) • Must be legally registered in Zambia
Nested ER projects	• Must be a signatory to a NERPA in the context of a centralized nested arrangement as mandated by the Law • Must include a commitment to environmental and social safeguards including FPIC and FGRM • Must be legally registered in Zambia holding an appropriate permit or license for engaging in forest carbon management as required under the Forest Carbon Stock Management Regulations, 2021
STAKEHOLDERS	**ELIGIBILITY CRITERIA FOR DIRECT ALLOCATIONS**

All stakeholders listed in Annex IIIA	• CSOs, NGOs and private sector actors who wish to play the role of a stakeholder should submit their valid registration certificates • All stakeholders should be able to submit their workplans and annual budgets • Clearly outline, in their work plans, which activities require direct allocations of funds • Demonstrate, in their work plans, how their planned activities will facilitate the enhancement of ER activities at Chiefdom level • Demonstrate, in their work plans, how their activities will contribute to achievement of the overall objectives of ER Program in the Province; particularly, in reducing emissions, improving local livelihoods at Chiefdom level, grievance redress related to benefit sharing and building consensus towards the implementation of CERPAs • Demonstrate, in their work plans, the kind of technical support and capacity building related to the objectives of the ER they will be offering to local implementors at community level.

BSP Annex IV: Roles and Responsibilities of the PSC and BSC

1. THE PROJECT STEERING COMMITTEE [PSC]

The role of the PSC is to assess and approve work plans and budgets, providing performance monitoring, ensuring coordination and co-operation between different institutions. Essentially, the PSC will be the link between the Program and GRZ.

As such, the PSC will provide guidance for the ER Program implementation in order to guarantee transparency and accountability, effectiveness and efficiency. The PSC will ensure that the Program's expected outputs are achieved and funds are managed efficiently and effectively, in accordance with the ERPD.

Where deviations from the ERPD are considered necessary, the PSC will review proposals made by the Program Manager and recommend to the MGEE for their approval. However, the PSC will be able to make minor adjustments and/or reformulations of Program activities as long as such adjustments do not create material deviations from Program objectives outlined in the ERPD. Any such adjustments will be reported to the MGEE through the PIU and to the National REDD+ Coordination Unit.

The PSC will not be expected to intervene in the day-to-day management and implementation of Program activities and other interventions as this will be the mandate of the PIU. In this regard, specific tasks of the PSC at Provincial level will include:

A. The provision of oversight, guidance and support to the Project Manager and his/her implementing teams (PIU and DMTs) in all Program activities, including stakeholder engagement, benefit allocation and distribution, conflict resolution and grievance redress in the Province.
B. Promote the Program, its goals, objectives and activities to relevant stakeholders and beneficiary groups, agencies and other interested parties as a way of ensuring coordination and cooperation between and among the agencies, institutions and stakeholders.
C. Review, assess and evaluate work plans and budget as prepared by the PIU for implementing the Program; make variations, adjustments and recommendations as necessary to the proposed plans and budgets.
D. Review, assess, evaluate and approve quarterly progress and financial reports of the PIU; monitor and evaluate progress of the Program against approved workplans, milestones, budgets and objectives; address issues and/or deviations from the approved workplans and budgets.
E. Review, assess and approve MRV reports to authorize disbursement of Performance-based allocations to all beneficiary groups and grants for CSOs and Private Sector;
F. Review and evaluate decisions made by the PIU and any appeals coming from the FGRM; appeals will be dealt within a maximum period of two weeks, unless the issue needs to be referred to the BSPAC if it borders on financial crimes, money laundering, fraud or corruption.

G. Review, assess, evaluate and approve the Program's Procurement Plans, and in particular, procurement contracts in accordance with thresholds set out in the PIM.

1.1. Composition of the PSC

The Provincial Permanent Secretary will chair the PSC, and the committee will be meeting initially each quarter of the year. The PSC will be composed of the following members:

- Provincial Permanent Secretary, Chairperson
- Provincial Officers from Forestry Department, ZEMA, MoA, DNPW, MLGRD, Department of Chiefs Affairs, Department of Community Development and Social Services;
- Private sector representatives (2) (non-permanent members to be invited)
- CSO representatives (2) (non-permanent members to be invited)
- Independent experts (non-permanent members to be invited)
- PIU as a secretariat

1.2. Selection of invited members of the PSC

Procedure and criteria for selecting and inviting non-permanent (adhoc) members of the PSC will be determined by the permanent PSC members in the first PSC meeting.

The permanent members will annually review the composition of the PSC and make necessary changes either to composition of permanent members of to the composition of non-permanent members as need may arise in due time.

In doing so, the PSC will ensure to maintain good and functional representation of the PSC for the sake of effectiveness and efficiency of the ER Program.

2.0. THE BENEFIT SHARING COMMITTEE (BSC)

In addition to the PSC, the EP-JSLP will also have a Provincial Steering Committee comprising of representatives from the Chiefs, CRBs, CBNRMF, Government, Private Sector, CSOs and NGOs. This committee will be sitting as the BSC to;

- Deliberate on issues that require deliberation regarding benefit allocation and the actual sharing to Chiefdoms based on performance as guided by the MRV and the CERPA;
- Deliberate on any benefit sharing issues that require deliberations arising out of the 76 Chiefdoms, and;
- Deliberate on any benefit sharing issues that require deliberation from the Nested NERPAs regarding the Nested existing carbon projects in the Province.

BSP Annex V: FRGM and the BSP Arbitration Committee [BSPAC]

The Feedback and Grievance Redress Mechanism (FGRM) is designed to provide a timely, responsive and effective system of resolving community or individual grievances in the project areas including those related to implementation of this Benefit Sharing Plan (e.g. delayed disbursements of funds, etc.). The mechanism is a multi-stage process that starts at the district level and then goes through the Provincial to the National Level.

The FGRM stages are as follows:

- **Step 1: Identifying Focal Points**

Staff in charge of grievance redress should be skilled and professional. Therefore, the ER Program management will identify high-caliber staff (Focal Points) at all levels of their projects and assign them responsibility for handling (receiving and registering) grievances. GRMs can have multiple focal points to receive and register grievances.

This FGRM is designed to give the aggrieved parties access to seek redress to their perceived or actual grievance using this mechanism or other existing mechanisms such as the National legal system (i.e. local Courts, magistrate courts, High court and Supreme Court), various tribunals (e.g. Land tribunal), mediation boards, District Development Committees and Provincial Development Committees and traditional systems (village courts). It is equally important to have someone who has overall responsibility for tracking and following up on issues and complaints raised. The descriptions of the FGRM functions should clearly stipulate the official designations and the roles of the focal points so that they can really be held accountable for performing their functions. The FGRM for the ER Program has identified the focal point persons from community to national level and their tasks have been formulated.

At community level, the project grievance redress structure will be linked and interface to the existing traditional authority structure as this already provides for resolving conflicts in the communities. This will ensure accessibility to the FGRM as the traditional structures are close to the people. The Focal Point in the community will be the Village Secretary and supported by the Project Committee Chairperson. The Focal Person will be someone with knowledge of the local and/or official language of communication and should be able to record the grievances where need be.

The Project will implement a training program to teach staff, Focal Points, community members and other stakeholders how to handle grievances and why the FGRM is important to the project's success. This training should include information about interacting with beneficiaries about grievances, the organization's internal policies and procedures in relation to grievance redress. It will also be useful to establish or build on local and community-based FGRMs by providing grievance redress training for stakeholders at the local level. This greatly reduces FGRM costs while enhancing beneficiary satisfaction with, and ownership of, the grievance redress process.

- **Step 2: Registration of Grievances**

A register of grievances, which will be held by the Community Liaison Officer (CLO) or any other appointed person by the project. The AP must register their grievances with the CLO, the District Planner within the District Monitoring Team (DMT) in the district.

To register the grievance, the AP will provide information to the CLO to be captured in the Grievances Registration Form. The FGRM will accept complaints from the Affected Parties (APs) submitted through verbal, email, phone, Facebook, WhatsApp, meeting or letter to the office of the CLO, in English or any local language spoken in that region or District. The focal point persons handling grievances will transcribe verbal submissions. Receipt of grievances shall be acknowledged as soon as possible, by letter or by verbal means.

When a complaint is made, the FGRM will acknowledge its receipt in a communication that outlines the grievance process; provides contact details and, if possible, the name of the CLO who is responsible for handling the grievance; and notes how long it is likely to take to resolve the grievance. Complainants will receive periodic updates on the status of their grievances. This FGRM has established clearly defined timetables for acknowledgment and follow-up activities. And to enhance accountability, these timetables will be disseminated widely to various stakeholders, including communities, civil society, and the media.

- **Step 3: Assessment and Investigation**

This step involves gathering information about the grievance to determine its validity and resolving the grievance. The merit of grievances should be judged objectively against clearly defined standards. Grievances that are straight-forward (such as queries and suggestions) can often be resolved quickly by contacting the complainant.

Having received and registered a complaint, the next step in the complaint-handling process is for the focal points to establish the eligibility of the complaint received. The CLO, who is the Grievances Registration Officer once a complaint or grievance is registered, shall within 5 days assess the registered complaint or grievances to determine its validity and relevance i.e. is it within the scope of the Program Implementation Unit (PIU)-FGRM as defined in this document. The following criteria can be used to assess and verify eligibility:

- The complainant is affected by the project;
- The complaint has a direct relationship to the project;
- The issues raised in the complaint fall within the scope of the issues that the FGRM is mandated to address.

Having completed the complaint assessment, a response can be formulated on how to proceed with the complaint. This response should be communicated to the complainant. The response should include the following elements:

- Acceptance or rejection of the complaint
- Reasons for acceptance or rejection
- Next steps – where to forward the complaint
- If accepted, further documents and evidence required for investigation e.g. field investigations

Once the registered grievance or complaint has been determined as falling within the scope of this FGRM, the CLO shall investigate the complaint. Investigation of the complaint may include the following:

- On site visit and verification;
- Focus Group discussions and interviews with key informers;
- Review of secondary records (books, reports, public records); and
- Consultations with local government and traditional authorities.

The ER Program will ensure that investigators are neutral and do not have any stake in the outcome of the investigation. At the end of the field investigation, the CLO shall compile a Grievance Investigation Report (GIR) using a standard template on the outcomes of the investigations and the specific recommendation to resolve the grievance or complaint.

- **Step 4: Recommendations and Implementation of Remedies**

After the investigations, the CLO shall inform the AP of the outcome of the investigations and the recommended remedies if any. The AP shall be provided with written response clearly outlining the course of action the project shall undertake to redress the grievances and the specific terminal date by which the recommended remedies shall be completed. Potential actions will include responding to a query or comment, providing users with a status update, imposing sanctions, or referring the grievance to another level of the system for further action. The project will take some action on every grievance. If the recommended remedy involves monetary compensation, the CLO must then seek the approval of the Grievance Committee through the National Project Manager.

The Aggrieved Party shall, provide a response agreeing or disagreeing with the proposed course of action within a minimum reasonable period after receiving the recommended actions as provided for in the FGRM Policy.

- **Step 5: Referral to the Provincial Office**

In the event that the AP is not satisfied with the recommended remedy, the CLO shall forward the copy of Grievance Registration Form (GRF) and GIR to the Provincial Focal Point Person (PFPP), who in this case shall be the PPM.

The PFPP shall once has received the GRP and the GIR from the District must conduct own investigations and complete his own GIR and communicate to the AP within 30 working days (i.e. repeat stages 2-3). The PFPP in his recommendation shall take into consideration the reasons why the AP rejected the remedies offered by the District Focal Point Person (DFPP). He may decide to offer the same remedies as the CLO or different and improved offer.

Once the PFPP has concluded the investigations and communicated to the AP. The AP shall have 7 days or less to agree or disagree with the proposed remedies. If the AP is agreeable to the remedy the PFPP shall ensure that the remedy is implemented within the agreed time frame.

For a remedy that requires monetary compensation the PFPP will submit the information to the relevant government department through the National Project Manager for action.

- **Step 6: Referral to Grievances Committee**

If and when the AP disagrees with the recommendation of the PFPP, the PFPP shall within 7 days of receiving the notice of rejecting the offer from the AP compile all the necessary documents regarding the grievance from district and the province to the Grievance Committee through the grievance Chairperson who will be elected by the Committee.

The Environmental and Social Inclusion Officer with other staff from government implementing partners at the national level shall investigate the matter further and taking into consideration the recommendation of the CLO and PPM. The Environmental and Social Inclusion Officer shall compile the GIR and submit to the Grievance Committee for

consideration. Once the Grievance Committee arrives at a decision it is the responsibility of the ER Program to implement the remedies within the agreed time. If the AP disagrees with the remedy offered by the Grievance Committee, the AP reserves the right to appeal to other external GRMs outside ER Program.

The above-described steps and timeframes will be followed to address grievances emanating from implementing of project activities. For grievances that need quick and urgent attention, the described steps will be adhered to. However, in terms of timeframe, the grievances will be addressed in the shortest feasible period based on a case-to-case basis.

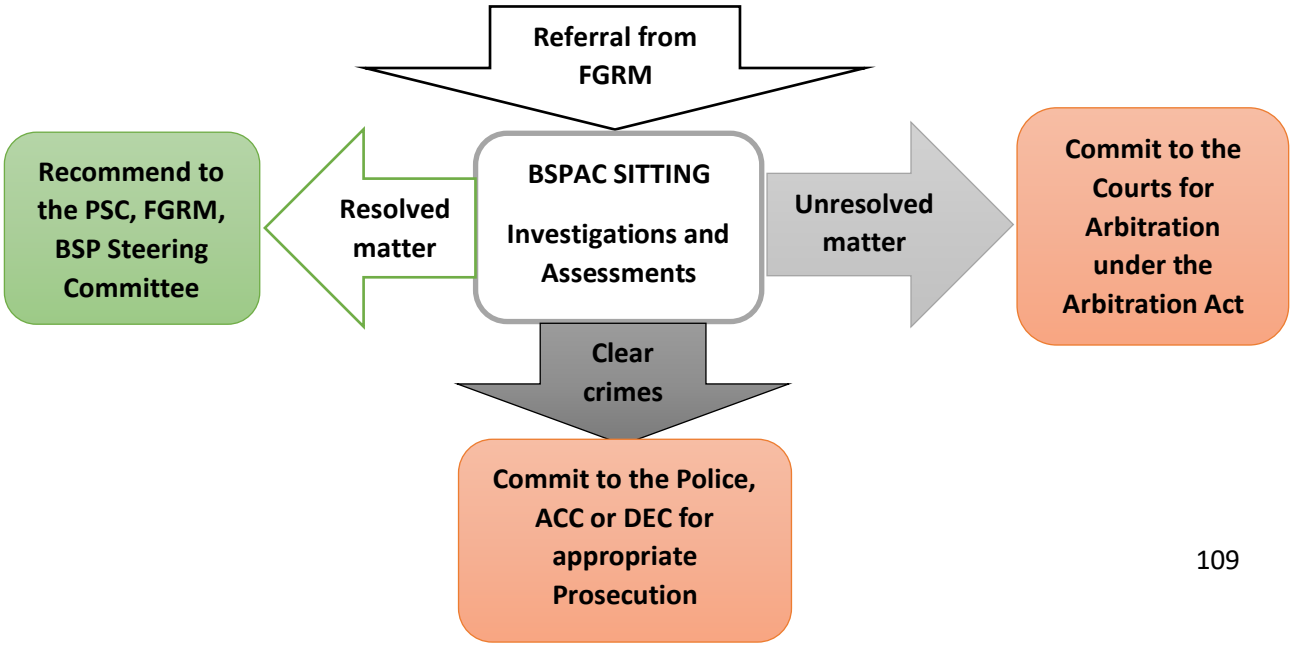
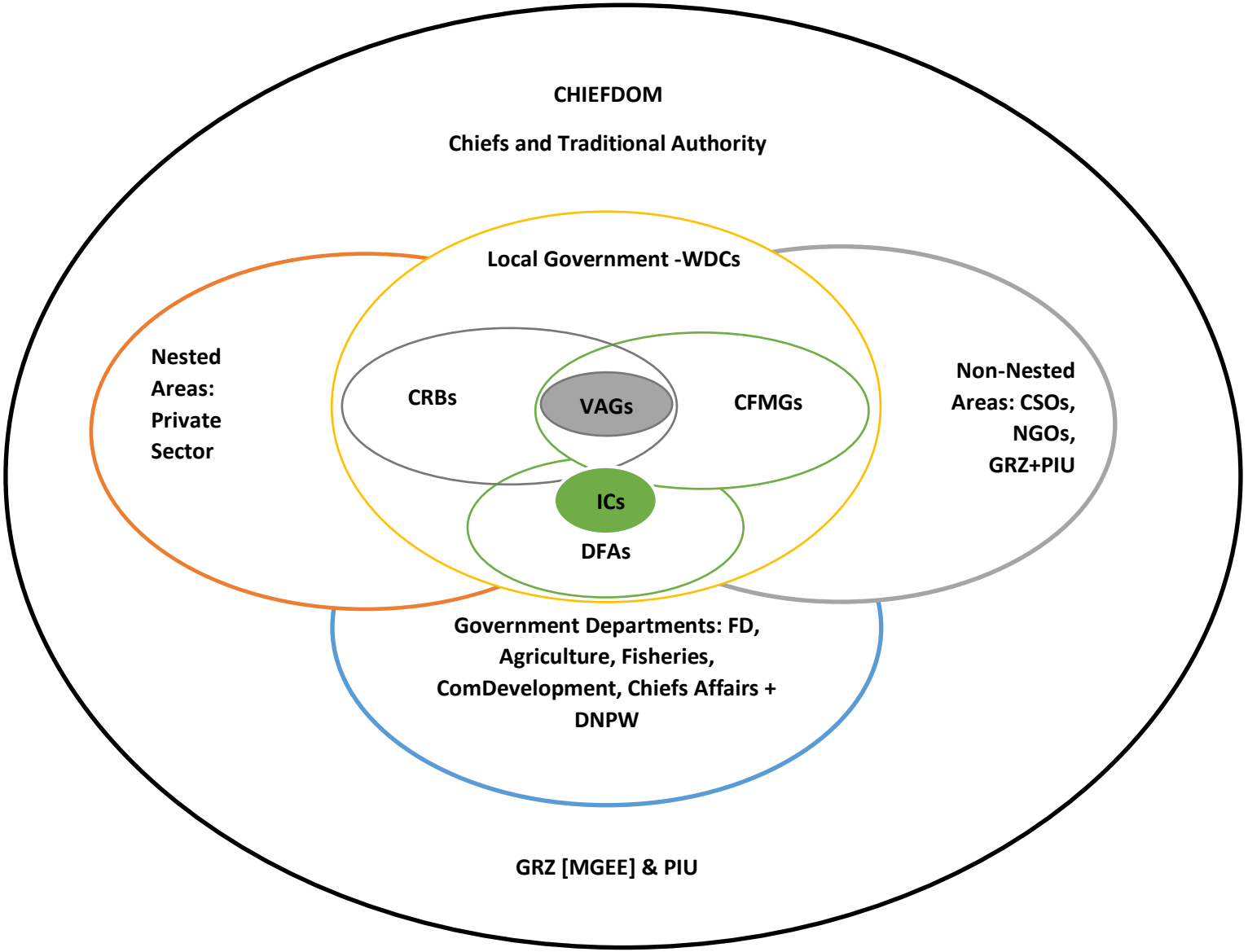
For grievances that cannot be resolved at the project level, these will be reported and directed to World Bank Management through the GRS for further redress.

- **FGRM Referral to the BSP Arbitration Committee (BSPAC)**

For matters impinging on financial crimes, money laundering, fraud and corruption, the FGRM shall refer such cases to the BSPAC. Under the laws of Zambia, the FGRM and its staff may not have appropriate jurisdiction, authority an expertise to handle serious matters impinging on financial crimes, fraud, money laundering and corruption. The BSPAC will be composed of the following officials;

- The Provincial Permanent Secretary – Chairperson
- Representative of the Attorney General's Chambers [Government Lawyer] – Vice Chairperson
- Provincial Police Commissioner – Secretary
- Official from the Anti-Corruption Commission - Member
- Official from Drug Enforcement Commission (DEC) Anti-Money Laundering Unit – member
- Official from Transparency International Zambia (TIZ) – Member
- Official from the Financial Intelligence Center – Member
- GRZ official from the Chief's Affairs Office – Member

BSPAC Resolution Process



BSP Annex VI: Outlook of institutional arrangements at Chiefdom level