



POLICY BRIEF

Advancing Equitable Benefit Sharing in Zambia's REDD+ Carbon Projects



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Executive Summary

Zambia is expanding its participation in carbon markets, particularly through REDD+ initiatives, yet local communities remain marginalized in benefit-sharing mechanisms. The Interim Guidelines for Carbon Markets and Trading (2022) outline approval frameworks for carbon projects but lack provisions ensuring equitable distribution of benefits to host communities.

Forestry and land use sectors generate significant carbon credits, with rural communities playing a central role in resource management. Despite their contributions, 70% of rural households in Eastern Province—home to multiple REDD+ projects—remain in poverty, indicating that payments do not sufficiently compensate for land use opportunity costs. Inadequate financial incentives undermine community participation and threaten the legitimacy of REDD+ mechanisms.

To enhance sustainability and fairness, Zambia must strengthen benefit-sharing frameworks that ensure equitable compensation, incentivize local engagement, and scale up community-driven emission reduction efforts.

Key Messages

- Communities managing forests must receive a fair share of REDD+ revenue to incentivize conservation and improve livelihoods
- Establish clear, inclusive governance structures to oversee benefit-sharing and empower local stakeholders in decision-making
- Formalizing land rights will enable communities to claim ownership over carbon resources and access REDD+ benefits fairly

- Equip communities with negotiations, legal, and technical skills to strengthen their participation in carbon marketing argreements
- Use blockchain-based MRC system to track carbon credits transparently and ensure just revenue distribution



Context and Policy Framework

Carbon markets serve as a mechanism for states to meet climate targets by acquiring carbon credits generated through emission reduction activities, while also unlocking financial support for developing countries. These markets operate within compliance and voluntary frameworks, initially introduced under the Kyoto Protocol and now formalized in Article 6 of the Paris Agreement.

Designed to channel carbon finance to the Global South, carbon markets enable companies in developed nations to offset emissions while supporting mitigation efforts in developing countries. However, with rising demand for highintegrity carbon credits, investors now require real, verifiable, and socially responsible credits. Ensuring transparency in governance and equitable benefitsharing is critical to generating credible carbon credits that contribute to sustainable development.

Zambia's Policy Alignment and Challenges

Zambia has made significant strides in aligning its carbon market policies with Article 6 of the Paris Agreement. Forestry and land use remain priority

sectors for achieving its Nationally Determined Contributions (NDCs), leveraging nature-based solutions for carbon sequestration and ecosystem protection.

In 2016, Zambia adopted the National Strategy to Reduce Deforestation and Degradation, aiming to reduce GHG emissions through improved forest and land management. The strategy prescribes equity, transparency, accountability, and sustainability as guiding principles for benefit-sharing. Monetary benefits are performance-based, rewarding traditional leaders and local communities based on their role in emissions reductions.

However, Zambia lacks a comprehensive benefitsharing framework, creating gaps that disenfranchise local communities. While national policies align with global frameworks, operational challenges remain, particularly in ensuring inclusive governance and fair distribution of carbon revenues. Addressing these gaps is critical for strengthening REDD+ implementation and maximizing co-benefits for climate adaptation and community development.

Challenges in Equitable Benefit Sharing

Zambia has been an active participant in REDD+ initiatives, hosting multiple carbon projects in Eastern Province since 2012. These projects focus on forest conservation and sustainable livelihoods across twelve chiefdoms. The Eastern Province Jurisdictional Sustainable Landscape Programme (EPJSLP), covering over 5 million hectares across 14 districts, is the largest of these initiatives. However, inequities in benefit-sharing persist, limiting the effectiveness and legitimacy of **REDD+ implementation.**

Challenge	Description
Persistent Poverty Amid REDD+ Efforts	Despite REDD+ initiatives, 70% of the Eastern Province population remains in poverty, indicating significant gaps in the distribution of monetary and non-monetary benefits.
Land Tenure & Exclusion from Benefits	Unclear land tenure systems and overlapping claims prevent many communities from accessing REDD+ revenues, limiting their ability to benefit from conservation efforts.
Insufficient Performance-Based Payments	Payments based on performance fail to offset opportunity costs of land use changes, weakening incentives for communities to engage in conservation activities.
Lack of a Standardized Benefit-Sharing Framework	The absence of clear guidelines and distribution mechanisms prevents equitable access to financial and non-financial benefits, creating disparities in carbon market participation.

Methodological Approach

This policy brief employs a multi-dimensional research approach to ensure that recommendations for equitable benefit-sharing in Zambia's REDD+ projects are evidence-based and practical. The approach includes:

- Legal and Policy Analysis: Reviews Zambia's Forest Act (2015) and Community Forestry Guidelines (2018) to identify policy gaps.
- Comparative Insights: Draws lessons from REDD+ initiatives in Zambia (EPJSLP), Kenya, and the DRC to highlight best practices.
- **Data-Driven Analysis:** Uses socioeconomic and environmental data from the ISFL Programme and REDD+ evaluations to inform policy recommendations.
- **Stakeholder Engagement:** Incorporates perspectives from local communities, traditional leaders, government agencies, and the private sector.
- **Inclusivity & Transparency:** Emphasizes gender equity and explores blockchain-based MRV systems to enhance transparency.

Key Findings

The analysis highlights key challenges and opportunities in Zambia's REDD+ implementation, particularly regarding equitable benefit-sharing and forest governance.

- Forest Carbon Ownership: Under the Forest Act (2015), forest carbon is classified as a major forest product, with ownership vested in the President. While this framework streamlines REDD+ regulation, community interests must be better integrated to ensure fairness.
- Revenue and Benefit Sharing: Communities receive 55% of revenues from Verified Emission Reductions (VERs), with 30% allocated to service providers and 15% for operational costs. However, revenue disparities highlight the need for greater transparency and inclusivity in benefit-sharing.
- Land Tenure Ambiguities: Unclear land tenure systems and overlapping claims in Eastern Province create conflicts that exclude some communities from REDD+ benefits. Clarifying tenure rights is crucial for equitable participation.

- Community Forest Management (CFM): Since 2018, over 55 Community Forest Management Groups (CFMGs) have registered, managing 1 million+ hectares of forest. Despite progress, further capacity building is needed to strengthen community governance and negotiation power.
- Deforestation Drivers: Agricultural expansion, unsustainable charcoal production, and illegal logging are primary causes of forest loss. Targeted interventions and incentives are needed to reduce deforestation and enhance REDD+ effectiveness.

Discussion

Zambia's Nationally Determined Contribution (NDC) 2021 outlines a USD 50 billion climate finance requirement by 2030. REDD+ projects play a key role in closing this gap by compensating for land use opportunity costs. However, their success depends on equitable benefit-sharing and strong stakeholder legitimacy.

Key Discussion Points:

- Negotiation Imbalances: Current performance agreements often favor external actors, leaving local communities without the negotiation skills or legal support needed to secure fair contracts. This imbalance undermines the legitimacy of **REDD+** agreements.
 - **Procedural Justice & Capacity Building:** Strengthening community negotiation capacities through training, legal support, and informed participation is essential. Community Forest Management Groups (CFMGs) and traditional leaders must be equipped to navigate carbon markets effectively.
- Land Tenure Security: Equitable land tenure systems are critical for determining REDD+ beneficiaries. Women, in particular, face exclusion due to a lack of formal ownership rights. Clear land demarcation and legal recognition can reduce conflicts and ensure fair distribution of benefits.

Recommendations for Policy Action

Immediate Priorities:

- 1. Secure Land Tenure Rights: Establish a national land registry and reinforce customary land governance to address overlapping claims and tenure insecurity in REDD+ landscapes.
- 2. Legislate Transparent Benefit-Sharing: Develop a legal framework with clear mechanisms for equitable revenue distribution, ensuring mandatory valuation, disclosure, and compliance measures.

Strategic Enhancements:

- 3. Embed Human Rights and Gender Equity: Integrate inclusive governance into REDD+ policies, ensuring women and marginalized groups benefit from carbon revenues and decision-making.
- 4. Leverage Technology for Transparency: Adopt blockchain-based MRV systems to improve accountability and trust in Zambia's carbon market governance.
- 5. Strengthen Community Engagement: Enhance local participation in REDD+ governance, learning from successful models in Kenya and the DRC to reduce conflicts and improve project sustainability.

Long-Term Investments:

- 6. Expand Co-Benefit Assessments: Establish guidelines to measure land restoration, resiliencebuilding, and livelihoods as integral components of REDD+ impact.
- 7. Enhance Institutional Capacity: Implement training programs for regulatory bodies, local organizations, and communities to strengthen carbon market compliance and governance.

Conclusion

Equitable benefit-sharing is essential for the sustainability and legitimacy of Zambia's REDD+ initiatives. Addressing negotiation imbalances, strengthening procedural justice, and securing land tenure rights will enhance community participation and ensure fair compensation for conservation efforts. By implementing transparent governance frameworks and capacity-building programs, Zambia can maximize REDD+ benefits while supporting climate goals and local livelihoods.