Tree Aid and carbon finance

Unlocking potential with integrity and community at the centre

Executive summary

Carbon credits and private finance can be an immensely powerful tool in the fight against the climate crisis, desertification and drought. Like all powerful tools however, they can have devastatingly adverse effects when placed in the wrong hands and used incorrectly. At Tree Aid we harness carbon markets to ensure the people we serve can reap the benefits from this new form of financing in an equitable and transformative way – whilst guarding against the potential pitfalls we've seen across the world when carbon market interventions go wrong.

Global emissions and the transformative role of forests

Urgent and bold action is needed to combat climate change. The latest IPCC report underscores an immediate imperative: without rapid, deep emissions cuts across energy, agriculture, and transport sectors, the impacts of climate change will become irreversible[i]. Forests, through afforestation, reforestation, and revegetation (ARR), provide powerful natural solutions, absorbing a net 7.6 billion metric tonnes of CO_2 annually[ii]. However, degradation through unsustainable practices can rapidly reverse this benefit, releasing stored carbon and diminishing future sequestration potential.

Implementing sustainable land management and restoration is vital to enhance carbon sequestration and mitigate climate change impacts. Investing in these initiatives is not merely beneficial—but crucial.

Championing community-led carbon finance

At Tree Aid, we believe that companies should have robust net-zero policies, prioritising deep emissions reductions before turning to offsets.

Whilst carbon markets hold significant promise, we recognise that its success critically hinges on stringent integrity standards and ethical practices. Without robust governance, clear accountability, and rigorous adherence to best practices, carbon finance can easily be exploited by harmful intermediaries, leading to compromised environmental outcomes and diminished community benefits.

A key part of Tree Aid's strategic vision is to unlock financial resources for local communities in African drylands through carbon finance. Our mission is to build climate resilience for local communities, and empower long-term environmental and economic sustainability.

Through the voluntary carbon market (VCM), we envision carbon finance as a transformational tool capable of catalysing funding for climate action in Africa's drylands. Integrating carbon finance into land restoration enables governments and organisations in the Sahel and sub-Saharan Africa to secure additional funding streams for mitigation and adaptation efforts; particularly within a context that is currently under funded. Expanding the VCM in the region provides an opportunity to unlock investment for scaling up climate action, restoring ecosystems, and ensuring that local communities benefit from sustainable land management practices that enhance their resilience to climate change.

In our view, the VCM operates like a value chain, and we actively engage at every step to ensure it is robust, equitable, and provides tangible benefits to communities. Our targeted interventions in Burkina Faso, Ethiopia, Ghana, Mali, Niger and Senegal exemplify how carbon finance can empower communities economically and environmentally.

The Tond Tenga project – an innovative carbon model that puts communities first

Tree Aid's Tond Tenga is the first project registered[iii] in Verra's Verified Carbon Standard (VCS) Program that uses a VCS methodology approved by The Integrity Council for the Voluntary Carbon Market (ICVCM) as meeting the Core Carbon Principles (CCPs)[iv].

Tond Tenga in Burkina Faso is an innovative approach to carbon finance that prioritises community involvement and equitable benefit-sharing. Launched in 2023, this 40-year initiative aims to restore 12,950 hectares of degraded land by planting over six million native trees by 2025. The project is expected to capture approximately 2.97 million tonnes of CO_2 over its duration[v], contributing significantly to climate change mitigation.

The project ensures that local communities receive a fair share of the revenue generated from the sale of carbon credits. This model provides financial benefits —estimated at over $30 million over 40 years—and fosters a sense of ownership among community members, including women, thereby enhancing the project's sustainability. By integrating carbon finance with community-led land restoration, Tond Tenga offers a scalable model for addressing environmental degradation and poverty in Africa's drylands.

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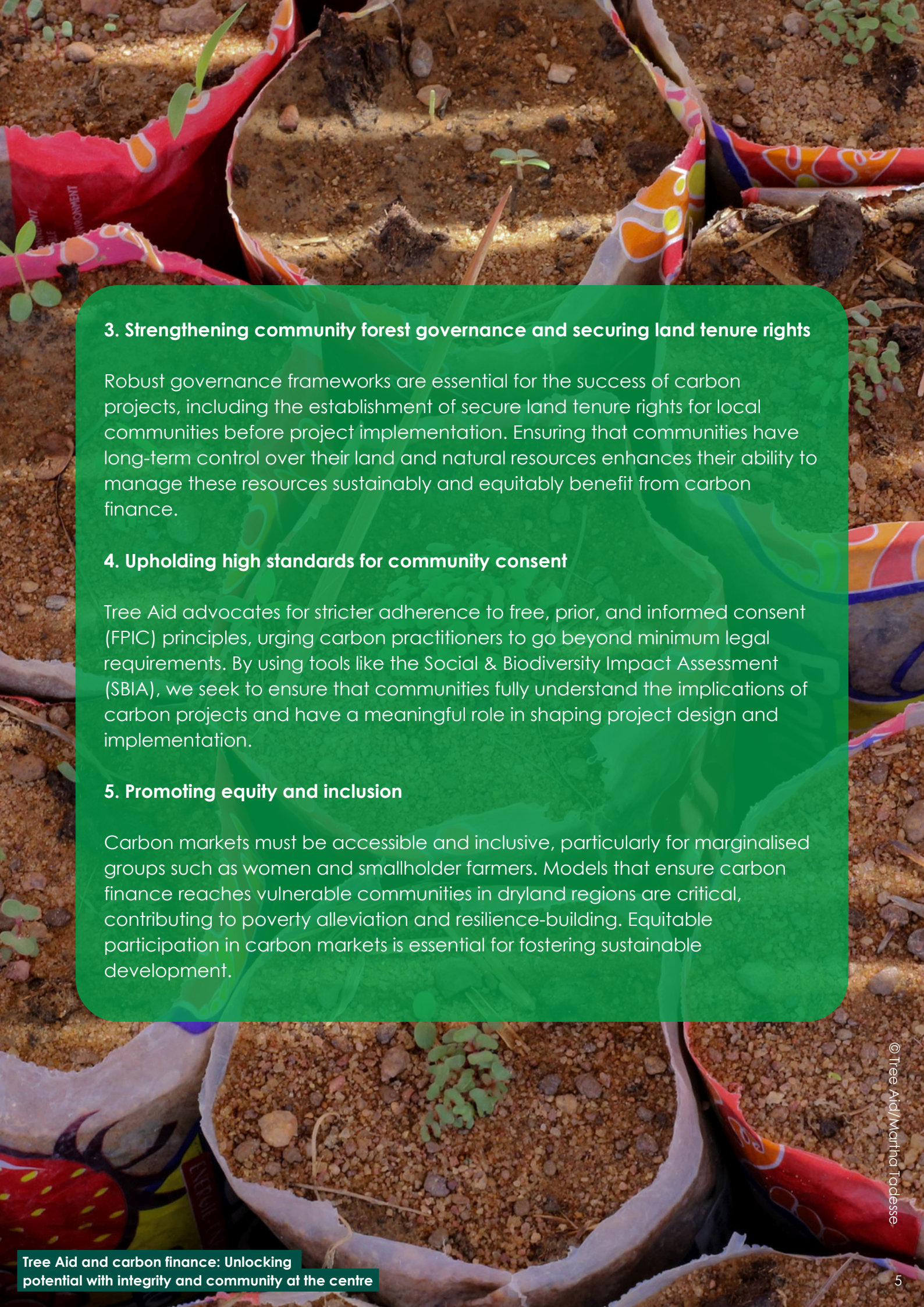
Principles for high integrity carbon finance for nature-based solutions

We know that carbon markets alone cannot solve the climate crisis, however, through strong integrity and robust safeguards, we have seen tangible and positive impacts on both climate and communities that carbon markets can have. That is why Tree Aid champions the ICVCM's ten CCPs, and advocates for the development of carbon markets to adhere to such. However, our advocacy does not stop here. Through platforms such as COP and international forums, we advocate for even higher standards of integrity in carbon finance, raising the bar for all stakeholders.

Therefore, we adhere to—and encourage all stakeholders to uphold—the following principles when participating in carbon markets:

1. Carbon credits should not be seen as a 'right to pollute'
Forests, trees, and agroforestry are critical in regulating the global carbon cycle and mitigating climate change. Offsets from these ecosystems should serve as a tool to support businesses and production systems in their transition to net zero.

2. Ensuring fair and transparent benefit sharing mechanisms
Carbon projects must incorporate fair and transparent benefit-sharing mechanisms. Revenue generated from carbon credits must directly benefit local communities, ensuring they receive an equitable share of financial returns. These benefits should take the form of direct payments, green jobs, or in-kind investments in local infrastructure, all aimed at improving livelihoods and fostering long-term economic resilience.



3. Strengthening community forest governance and securing land tenure rights

Robust governance frameworks are essential for the success of carbon projects, including the establishment of secure land tenure rights for local communities before project implementation. Ensuring that communities have long-term control over their land and natural resources enhances their ability to manage these resources sustainably and equitably benefit from carbon finance.

4. Upholding high standards for community consent

Tree Aid advocates for stricter adherence to free, prior, and informed consent (FPIC) principles, urging carbon practitioners to go beyond minimum legal requirements. By using tools like the Social & Biodiversity Impact Assessment (SBIA), we seek to ensure that communities fully understand the implications of carbon projects and have a meaningful role in shaping project design and implementation.

5. Promoting equity and inclusion

Carbon markets must be accessible and inclusive, particularly for marginalised groups such as women and smallholder farmers. Models that ensure carbon finance reaches vulnerable communities in dryland regions are critical, contributing to poverty alleviation and resilience-building. Equitable participation in carbon markets is essential for fostering sustainable development.

Exemplifying our vision: driving change through programmes, policy and partnerships

At Tree Aid, we leverage our deep carbon expertise to drive systemic change, ensuring long-term impact at both programmatic and policy levels. We achieve this by supporting all stakeholders throughout this process, providing the following technical expertise and contributing to key initiatives:

1. Monitoring, reporting and verification (MRV)

Tree Aid is currently working on using cutting-edge drone technology to collect new metrics of forest and ecosystem health and resilience. By regularly surveying our restoration sites, we can train convolutional neural networks (CNNs) that automatically identify tree species, segment them from the canopy, and measure their crown diameter.

We will also be able to make assessments of the forest's health overall through multispectral sensors and identify planted trees as well as observe them through time and map aridity hotspots in the forest that pose a risk of bushfire.

2. Community-led land restoration

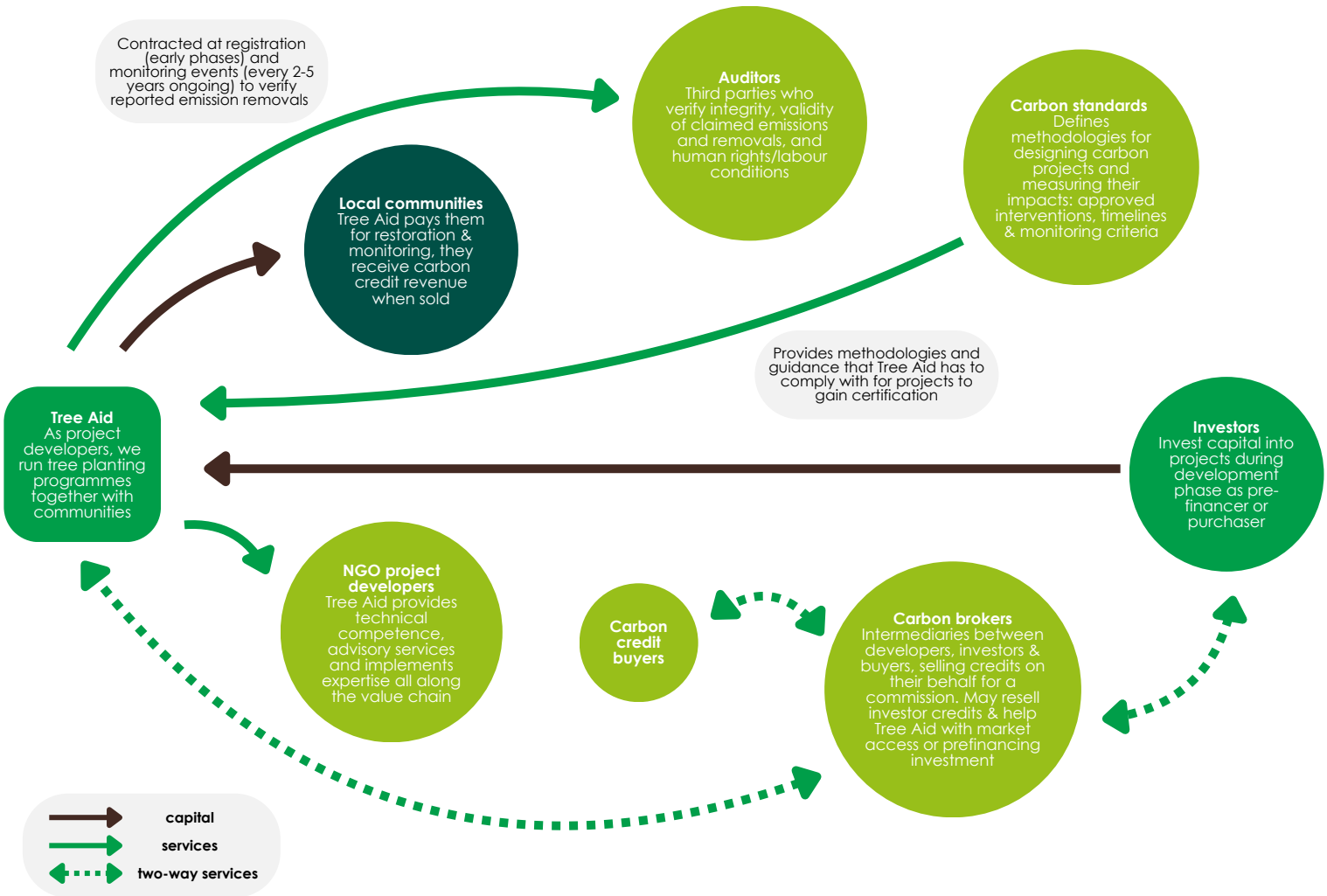
We work to restore degraded land across Burkina Faso, Mali, Senegal, Ethiopia, Ghana and Niger. Our projects integrate tree planting, agroforestry, and sustainable land management practices, including soil and water conservation, assisted natural regeneration (ANR), and farmer-managed natural regeneration (FMNR). By growing and protecting trees, we enhance soil fertility, prevent erosion, and boost biodiversity while combating desertification and further land degradation. Our efforts directly support the Great Green Wall's mission to restore 100 million hectares of land across the Sahel and sequester 250 million tons of carbon.

3. Policy and technical support

We have partnered with organisations such as the World Economic Forum (WEF) to produce a report on the carbon potential of the Great Green Wall with a set of recommendations for private and public sector stakeholders[vi].

Tree Aid also provides technical assistance on MRV for national climate policy development, working closely with governments to identify opportunities for strengthening capacity, improving data transparency and accuracy, and support locally led initiatives.

Diagram: Tree Aid's role in carbon



Boldly towards a future of climate resilience

Our commitment to carbon finance is clear: transform the voluntary carbon market from a potential source of risk into a catalyst for sustainable, community-led environmental and social change. Our proactive advocacy and rigorous standards ensure that carbon markets genuinely serve communities and ecosystems, securing a resilient future for all.

As a programme implementor, we carry out nature-based solutions through reforestation and agroforestry, grounded in locally driven restoration efforts. We plant native trees that produce non-timber forest products (NTFPs) such as fruit, nuts, and leaves for the benefits of people and the environment. At the centre of our ethos is the dual mission of restoring degraded landscapes and reducing poverty—two goals that are deeply interconnected in the drylands of the Sahel and sub-Saharan Africa.

For Tree Aid, forest governance is the core component to navigating the unique contexts for which we work[vii]. It can mitigate and manage risks associated with environmental factors, including social ones such as access to land and natural resources. For example, in many parts of the Sahel and sub-Saharan Africa, rights to land and natural resources are unclear, contested, or inequitably distributed. Without strong, inclusive governance systems in place, even well-designed restoration or carbon projects risk excluding local people, reinforcing existing inequalities, or failing to deliver long-term impact.

That's why we work with communities and local authorities to strengthen forest governance structures that are transparent, participatory, and rooted in local realities. By doing so, we help create the enabling conditions for land restoration efforts to succeed—ensuring that communities can access, manage, and benefit from the natural resources they depend on, now and into the future. Building resilience and reducing poverty requires action across ecological, social, and economic dimensions. We support communities to adapt to climate change by strengthening their access to natural resources, diversifying incomes, enhancing food and water security, and restoring degraded landscapes.

Acknowledgements

This document was developed by the Tree Aid advocacy team.

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