

PV Climate

Project Idea Note

Panda Blue Carbon

Lamu County, Kenya

PIN Version 1.3

PIN Template Version 1.1

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Association for Coastal
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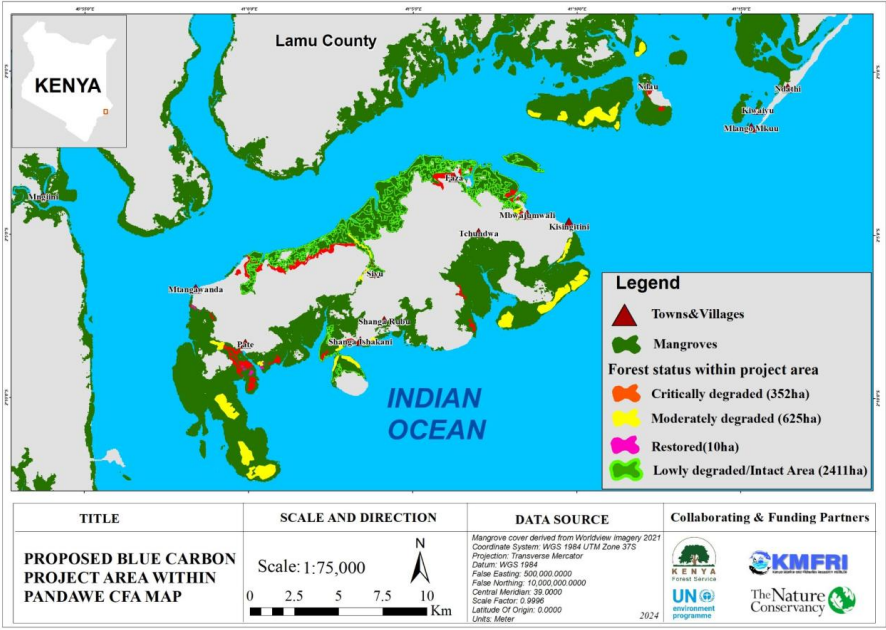
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OVERVIEW

Project Title:	PANDA Blue Carbon
Location:	Country - Kenya County - Lamu Sub-county: Lamu East
Project Coordinator:	Kenya Marine and Fisheries Research Institute Contact person: Dr James Kairo Contact details: jkairo@kmfri.go.ke
Project Area:	Panda Blue Carbon project is located within the mangrove area co-managed by Kenya Forest Service (KFS) and Pate Ndaui Awer Community Forest Association (PANDAWE CFA) of the North Central, Pate Island, and Mongoni-Dodori mangrove management blocks in Lamu County, Kenya. The KFS-PANDAWE CFA co-managed area comprises 12,342 ha of mangroves, out of which 3,398 ha has been set aside for the Panda Blue Carbon project. 
Project Participants:	The project will directly engage approximately 17,375¹ local community members residing in ten (10) Sub-locations within the PANDAWE CFA co-management area: Kiangwe, Kwatongani, Shanga, Siyu, Kwatini, Pate, Tchundwa, Kizingitini, Myabogi and Ndaui.

¹ Kenya National Bureau of Statistics [2019. Kenya National Population and Housing Census. Volume II](#)

Project Intervention(s):	i. This project will restore 352 ha of degraded mangrove areas. Restoration strategies including reforestation, enrichment planting, and hydrological restoration, will be informed by detailed assessments of biophysical and socio-economic factors at each site. ii. Avoided deforestation efforts will focus on protecting 3,036 ha of mangroves experiencing low-moderate degradation. Strategies include community monitoring, enhanced surveillance, public education, and promoting alternative livelihoods (e.g., woodlots, efficient cooking technologies). iii. This project will safeguard 10 ha of recovering mangroves, previously restored through community-led efforts in collaboration with KFS. It will also support sustainable livelihoods through the development of nature-based enterprises such as ecotourism, apiculture, and mariculture.
Expected Benefits:	i. Carbon Sequestration and Emissions Reduction: After adjusting for a 20% permanence buffer and a 5% leakage risk, the project interventions anticipate generating 42,300 tCO₂e/year² through carbon removals and emissions avoidance. ii. Community: The project will contribute to community development by fostering sustainable livelihoods through employment opportunities (e.g., restoration stewards, community scouts, ecotourism guides, project staff), supporting community development programmes, conserving cultural heritage sites, ensuring equitable access to traditional medicinal resources, and enhancing fisheries while diversifying income sources, all while respecting and upholding traditional rights to sustainable resource use. iii. Biodiversity Conservation: This project will enhance the ecological health of mangrove habitats, benefiting a diverse array of fauna, including fish, birds, and other mangrove-associated species. By improving habitat quality, the project will mitigate the threat for

² [IPCC 2014](#), 2013 Supplement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories: Wetlands, Hiraishi, T., Krug, T., Tanabe, K., Srivastava, N., Baasansuren, J., Fukuda, M. and Troxler, T.G. (eds). Published: IPCC, Switzerland.

	at risk species identified during the ecological baseline assessments and enhance fisheries productivity. Furthermore, mangrove restoration will enhance ecosystem services offered by adjacent seagrass beds and coral reefs while providing crucial coastal protection against floods, erosion, and other climate related hazards.
Methodology:	The project will apply Agriculture and Forestry Carbon Benefits Assessment Methodology (PM001) to assess and quantify its outcomes
PIN Version:	Version 1.3
Date Approved:	05/10/2026

1. General Information

1.1. Project Interventions

Table 1.1: Project Interventions

Intervention Type	Project Intervention	Expected Benefits
Restoration	Mangrove restoration will target 352 ha of degraded mangrove sites using interventions that are tailored to align with the unique ecological characteristics of the area including species-site matching. Under this intervention, the local communities with technical support from KFS, KMFRI, CGL, KEFRI and other key stakeholders will conduct a thorough restoration potential assessment in the mangrove degraded areas to determine site appropriate restoration approaches.	- Climate: This project is expected to sequester approximately 3,960 tCO₂e annually, significantly contributing to climate regulation within the region. Long-term restoration impacts result in healthy mangrove ecosystems that are resilient to rising sea levels and extreme weather events, by stabilising coastlines and reducing erosion. - Community: This project will conduct capacity development for the local communities through mangrove restoration training, equipment provision, create employment opportunities, and improve food security through enhanced fisheries from restored areas. Mangrove restoration will be conducted in a manner that the preservation of cultural and spiritual values is considered. The Forest Adjacent Communities (FACs) will also benefit from enhanced coastal

		protection against storm surges and reduced incidence of floods. iii. Biodiversity: biodiversity within restored and adjacent mangrove ecosystems will improve, benefiting local fisheries. Restored mangroves will provide critical habitat, regulate water quality, and nutrient cycles, thereby supporting trophic diversity.
Avoided deforestation	Project efforts will focus on preventing mangrove degradation across 3,036 ha by strengthening community-led monitoring, supporting alternative livelihoods (apiculture, ecotourism, woodlots), and raising public awareness about the ecological and socio-economic benefits of mangrove conservation.	i. Climate: approximately 38,314 tCO₂e/yr of carbon emission will be avoided in addition to enhancement of ecosystem services. ii. Community: The initiative will create employment opportunities for surveillance, monitoring, woodlot management, and ecotourism activities. Project activities and initiatives will improve food security, diversify income opportunities and reduce dependency on mangrove extractive livelihood practices. iv. Biodiversity: By reducing human pressure this will allow recovery of the mangrove forest, resulting in an ecosystem balance and enhanced habitat functions for

		marine and terrestrial biodiversity.
Improved forest management for Carbon enhancement	An area of 10 ha currently undergoing natural recovery will be safeguarded for natural regeneration and protected from future disturbances.	1. Climate: The protected area for carbon enhancement will yield about 130 tCO₂e/yr carbon removals. 2. Biodiversity: Protecting the areas undergoing recovery from past degradation will restore critical habitat for various species and improve forest resilience. 3. Community: Recovering degraded mangroves offers benefits for future generations, such as reducing the vulnerability of communities to the impacts of climate change, which include sea-level rise and extreme weather events.

1.2. Project Boundaries

Table 1.2 Project Boundaries

Location:	Country: Kenya County: Lamu Sub-County: Lamu East.
Project Region(s):	Proposed project area 3,398 ha of mangroves within the 12,342 ha of PANDAWE CFA mangrove co-management area in mangrove ecosystem of Lamu County.
Project Area(s):	The mangrove area under PANDAWE CFA management is 12,342 ha, with the proposed carbon project area of 3,398 ha in ten (10) sub locations within the PANDAWE CFA co-management area: Kiangwe, Kwatangoni, Shanga, Siyu, Kwatini, Pate, Tchundwa, Kizingitini, Myabogi, and Ndau, constituting designated areas for reforestation

	(352 ha), avoided deforestation (3,036 ha), and improved forest management (10 ha).
Protected Areas:	Protected areas within the project region include: i) Kiunga Marine National Reserve (KMNR: 1.9777° S, 41.2891° E), which was established in 1979 and incorporates 51 offshore islands, coral reefs, mangroves, and seagrasses. The reserve covers 250 km² south of the Kenya-Somali border within Lamu County. The reserve is also designated as a UNESCO Man and Biosphere Reserve (1980). ii) Kinyika Joint Co-Managed Marine Area (JCMA; 2.429828° S, 40.841514° E), an initiative comprising beach management units under a community-based organization (CBO), Lamu Marine Conservation Trust. It lies 4 km from the coastline and is situated 17 km South-west from Shella Village in Lamu town. iv) Dodori National Reserve (1.8253° S, 41.0797° E) was established in 1976 and comprises Dodori 877 km² and Boni 1,339 km². Also designated as a UNESCO Man and Biosphere Reserve (1980). The reserve is also an Important Bird Area (IBA) owing to the unique woodland and forest areas that support large and diverse wildlife and also serve as a cultural heritage area.

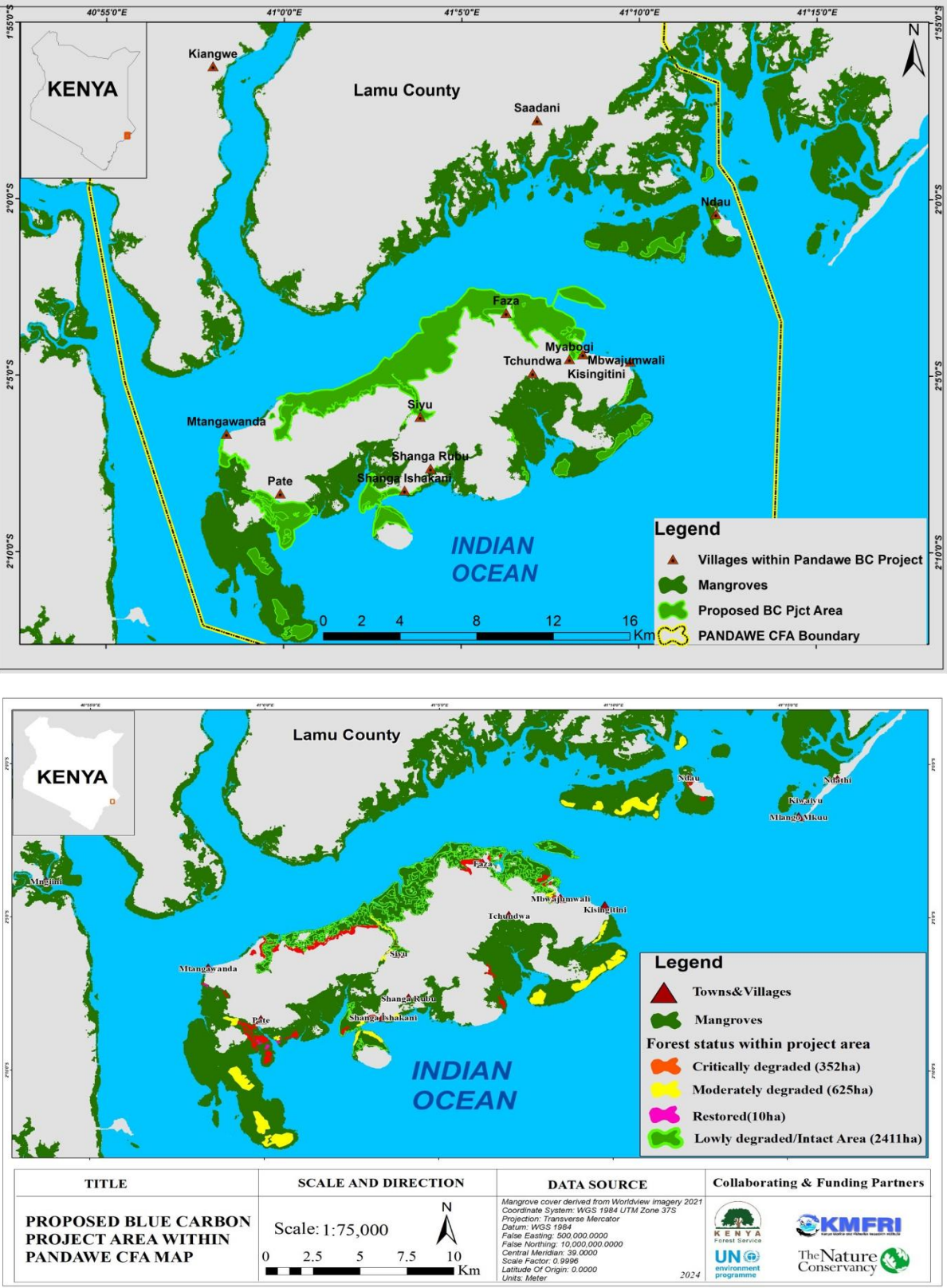


Figure 1: Maps of the project area indicating the participating villages (top) and the status of the mangrove forest

1.3. Land and Carbon Rights

Describe the ownership, tenure, user rights or management rights of the project area(s), and how these relate to the carbon rights of project participants.

The project area is within the mangrove forests, which are gazetted in Kenya as public forests, managed by KFS. The Forest Conservation and Management Act (2016) provides for participation of local communities in the conservation and management of public forests through a participatory forest management (PFM) framework. The processes involve establishment and registration of a community forest association (CFA) through which the local community signs a Forest Management Agreement (FMA) with KFS to co-manage a particular adjacent public forest. Kenya Forest Service works with communities through structured governance systems that include developing strategic Participatory Forest Management Plans (PFMPs) that define roles and responsibilities for every stakeholder, and feedback mechanisms. Activities in the management agreements may include, but are not limited to forest restorations and protection, and the establishment of nature-based enterprises (NBEs) within the designated forest area. PANDAWE CFA developed a PFMP 2022-2026 and signed a FMA with KFS in 2022, granting the community user rights including participating in restoration and protection of mangrove forests, and development of livelihood and income generating activities such as ecotourism, beekeeping and other NBEs in the designated mangrove management area. Under this agreement, activities related to PANDAWE CFA aim to enhance local livelihoods so as to not compromise the integrity of the adjacent mangrove forests, promoting sustainable conservation and management of the resource.

The Kenyan Climate Change (Amendment) Act (2023) provides for mechanisms for trading of carbon credits through the existing carbon markets. Section 23A of the Act gives prescriptions to all carbon markets aimed to trade carbon for emission reduction including removal or sequestration credits to either use or store it through afforestation, reforestation or nature-based solutions.

2. Stakeholder Engagement

2.1. Stakeholder Identification

Local stakeholders are the local communities adjacent to the PANDAWE CFA mangrove management area who reside in 10 sublocations, with estimated population of 17,375 people comprising 50.87% and 49.13% male and female, respectively³. The ethnic communities include the

³ Kenya National Bureau of Statistics [2019. Kenya National Population and Housing Census. Volume II](#)

Bajuni, Swahili, and Awer being predominant while other ethnic groups such as Orma and Sanye forming the minorities in the area. The Bajuni are predominant in all the sublocations except in Kiangwe, which is dominated by the Awer community. Nearly all the native ethnic groups in Lamu County are recognised nationally as marginalized groups in Kenya and must be accorded special attention in all aspects. Key local stakeholders from the local communities are mangrove licensees and mangrove cutters who derive their livelihood from mangrove wood harvesting. The fisherfolk who manage their fishing activities through Beach Management Units (BMUs) are also key local stakeholders who utilize mangrove ecosystem for fisheries resources. Other local stakeholders include local communities in Lamu who reside outside PANDAWE CFA management areas, but utilize mangrove resources in the county for various purposes. These also include community groups or associations such as Lamu Mangrove Community Forest Association (LAMACOFA), Mkunumbi Community Forest Association (MKUCOFA), Kiunga Community Wildlife Association, Beach Management Units (BMUs), among others.

Secondary stakeholders include the National Environment Management Authority (NEMA), the designated national authority for registering and monitoring carbon projects, other government agencies involved in marine resource management and research government agencies are key secondary stakeholders. Kenya Wildlife Service (KWS) that manages the adjacent Kiunga Marine National Reserve and the Doodori National and Biosphere Reserve. Kenya Fisheries Service is a government entity mandated to oversee management and development of fisheries resources in Kenya; and will oversee restoration and protection of mangrove fish habitats in the project area. Kenya Forestry Research Institute (KEFRI) and Kenya Marine and Fisheries Research Institute (KMFRI) are mandated to provide scientific and evidence-based data and information as well as facilitate capacity development of stakeholders involved in marine resources conservation. The County Government of Lamu, which implements policies and plans related to the environment, is a key secondary stakeholder to the project. Lamu Mangrove Community Forest Association (LAMACOFA) and Mkunumbi Community Forest Association (MKUCOFA) managing adjacent mangrove areas in Lamu County are also key secondary stakeholders. Other secondary stakeholders include, The Nature Conservancy (TNC), UNEP, IUCN, WorldWide Fund-Kenya (WWF-K), Wetlands International (WI), Northern Rangeland Trust (NRT), Fauna & Flora (FF), Edinburgh Napier University, Association for Coastal Ecosystem Services (ACES), Save Lamu, and Lamu Environmental Organisation and Lamu Marine Conservation Trust (LaMCoT) among others.

2.2. Project Coordination and Management

Kenya Marine and Fisheries Research Institute (KMFRI) will serve as the project coordinator organization for the time being until PANDAWE establishes or identifies an entity that will be the project coordinator. With support from Kenya Forest Service, the County Government of Lamu (CGL) and other key stakeholders, KMFRI will build capacity for PANDAWE to effectively implement the project activities. To enhance the project governance a local secretariat will be established comprising PANDAWE CFA, KFS, KMFRI, KEFRI, and CGL. The secretariat will establish a Project Office staffed by qualified technical experts, including a project manager, technical, and administrative personnel who will coordinate implementation of project activities including direct reporting to Plan Vivo on behalf of the Trust.

Already KMFRI supported the development of two blue carbon offset projects in Kenya; Mikoko Pamoja and Vanga Blue Forest. The Institution is recognised at national, regional and international levels as a centre for excellence in blue carbon research and conservation, and its team of blue carbon scientists have provided expertise regionally and globally in blue carbon innovative solutions and initiatives.

Association of Coastal Ecosystem Services (ACES), a charity registered in Scotland (SC043978), will be responsible for marketing and selling Plan Vivo Certificates, overseeing the transfer of funds to the Panda Blue Carbon entity of PANDAWE CFA. ACES will hold an independent and transparent account from which payments for carbon credits can be transferred to the Panda Blue Carbon project.

The Pate-Ndau-Awer community forest association (PANDAWE CFA) is a registered legal entity under the Societies Act Cap 108 1968 (revised edition 2012) to facilitate participation of forest adjacent communities (FACs) in mangrove forest management as provided for by Article 48 of the Forest Conservation and Management Act, Cap 385. The CFA coverage area include forest adjacent communities in ten (10) sublocations of Kiangwe, Kwatongani, Shanga, Siyu, Kwatini, Pate, Tchundwa, Kizingitini, Myabogi and Ndau. The formation of the CFA grew out of the community engagement in conservation of mangrove for many years. The formalization of the communities' efforts in mangrove conservation started in around 2015, but received support from the Nature Conservancy (TNC) and other key development partners to register the CFA in 2020. This was followed by a launch of a participatory forest management plan and a signing of forest management agreement (FMA) with Kenya Forest Service (KFS) in 2022⁴.

⁴ [KFS 2022: PANDAWE PFMP](#)

Table 2.2: Responsibility for Project Coordination and Management Functions

Project Coordination and Management Function	Responsible Party/Parties
Stakeholder engagement during project development and implementation	KFS, KMFRI, PANDAWE CFA, Local secretariat
Ensuring conformance with the Plan Vivo Carbon Standard (PV Climate) and compliance with applicable policies, laws and regulations	ACES, PANDAWE CFA, Local secretariat
Developing technical specifications, land management plans and project agreements with project participants	ACES, PANDAWE CFA, Local secretariat
Ensuring that the PDD is updated with any changes to the project	ACES, PANDAWE CFA, Local secretariat
Registration and recording of land management plans, project agreements, monitoring results, and sales agreements	KFS, PANDAWE CFA, Local secretariat
Managing project finances and dispersal of income to project participants as described by the benefit sharing mechanism	ACES, PANDAWE CFA, Local secretariat
Managing Plan Vivo Certificates in the Plan Vivo Registry	ACES
Preparing annual reports and coordinating validation and verification events	ACES, PANDAWE CFA, Local secretariat
Securing certificate sales and other means of funding the project	ACES, Local secretariat
Assisting Project Participants to secure any legal or regulatory permissions required to carry out the project	Local secretariat, PANDAWE, KFS
Providing technical assistance and capacity building required for project participants to implement project interventions	KMFRI, Local secretariat, PANDAWE CFA
Monitoring progress indicators, livelihood indicators and ecosystem indicators and providing ongoing support to project participants	PANDAWE CFA, Local secretariat
Measurement, reporting and verification of carbon benefits	PANDAWE CFA, Local secretariat, ACES

2.3. Project Participants

The project participants for this project are the mangrove FACs residing in the villages within ten (10) sub-locations of Kiangwe, Kwatini, Shanga, Siyu, Kwatangani, Pate, Tchundwa, Kizingitini, Myabogi and Ndau, within the PANDAWE CFA co-management area. The population of the people residing in the project area estimated at 17,375 individuals in 2019 (KNBS 2019⁵) is projected to be

⁵ Kenya National Bureau of Statistics [2019. Kenya National Population and Housing Census. Volume II.](#)

20,127 in 2025. The project area is within the jurisdiction of the mangrove management unit, under the Lamu Forest Station of Kenya Forest Service. The project participants are drawn from the user groups that form the CFA structure, comprising the following user groups mangrove restoration, fisheries, and various nature-based enterprises including beekeeping, ecotourism, among others, which comprise at least 70 registered forest user groups, across the ten locations⁶. All the user groups are registered community-based groups such as self-help groups. This form of CFA structure is provided for in the forest regulations which envisage a CFA to be an umbrella body of registered user groups drawn from the forest adjacent communities.

2.4. Participatory Design

The project interventions are built around the active participation of the forest adjacent communities within the PANDAWE CFA mangrove co-management area which also is considered to be the pearl of Lamu as it holds some of the county's rich fishing grounds. All the participants will be involved in all the project interventions, especially on protection and improvement forest management. However, site specific interventions such as restoration of degraded areas will involve the immediate adjacent participants only due to logistical and cost considerations. The process for developing the PFM framework for the co-management mangrove area of PANDAWE CFA followed a comprehensive consultative approach which involved meetings with the local people across the 16 villages of the FACs. The consultation meetings were organized by grouping common interest groups, including village *barazas* (village residents' public meetings), leaders of CFA user-groups, the CFA executive committee members, local leaders, and relevant government agencies. The community representatives consulted comprised the existing CFA leadership which included the executive and management committee members, and the leaders of user groups who had been elected as per the CFA constitution and user group regulations. Similar approach of using existing leadership structures and village barazas will be employed throughout the project development and implementation stages.

Similarly, a series of meetings involving all stakeholder groups have been conducted for the development of the blue carbon project. An inclusive approach has also been employed to ensure the adequate representation of women, the youth and marginalised groups including persons with disability (PWD). This approach was done by ensuring all the community engagements were planned with the CFA leadership constituted based on the inclusive representation envisioned in Kenya's policy framework. The Constitution of Kenya 2010 advocates for inclusive public participation, this includes at least 30% of gender representation in decision making forums. The constitution also

⁶ [KFS 2022: PANDAWE PFMP](#)

stipulates youth participation in social economic development of which the project will adhere to. Due to the cultural norms in public and decision-making forums, separate meetings for women may be held where deemed appropriate to ensure equal participation and contribution. Local staff employed under the project will be trained on cultural practices and norms that may hinder inclusion in regard to gender, ethnicity, disability and socio-economic status, and the steps to be undertaken to ensure equal opportunity for all demographic groups through the collaboration of the State Department of Social Protection and Senior Citizen Affairs.

PANDAWE CFA with the support of technical teams from KFS, KMFRI, KEFRI, CGL and other key stakeholders, will establish a strong and effective governance structure to implement the project activities. The establishment of the governance structure will ensure compliance with inclusive and equal representation of all groups of the local communities.

Thus far, these equal and inclusive participation principles have been applied in conducting community meetings on blue carbon, sustainable forest management, carbon financing, and ecosystem management of fisheries. These meetings have succeeded in raising awareness of the blue carbon project, localised mangrove forest management challenges, and potential NBE interventions including payment for ecosystem services (PES) mechanisms.

2.5. FPIC Process

Panda Blue Carbon project will follow a rigorous FPIC process to ensure collective decision-making by local communities with statutory or customary rights to the resource being conserved. Continuous community consultations will be undertaken to engage with communities and all relevant stakeholders ensuring their perceptions are included in all decision-making processes. These consultations will provide platforms for open dialogue, enabling community members to voice their concerns, aspirations and priorities regarding the project. Meetings will involve local community representatives drawn from existing leadership of CFA and any other community-based entity, relevant government agencies, other key stakeholders, and project coordinator to align project objectives with the community's interests and collaboratively establish frameworks for project design, implementation, monitoring, and evaluation. Information about the project's goals, potential impacts and expected outcomes will be communicated in easily accessible and understandable formats to all stakeholders including non-technical summaries and local language translations. Consent from stakeholders will be formally documented before any project activities begin. This documentation will serve as a record of community decisions and agreements, fostering

transparency and accountability. To ensure inclusivity in decision-making, local communities will be allowed to:

- a. Consider the proposed project by providing an opportunity to assess its alignment with their priorities and livelihoods.
- b. Engage in the project design process through participatory mechanisms, ensuring that their knowledge, needs and concerns are incorporated into the project framework.
- c. Grant or withhold consent for the implementation of the project based on agreed-upon conditions that safeguards their rights, promotes sustainable livelihoods and mitigate potential risks.

3. Project Design

3.1. Baseline Scenario

The project area consists of mangroves, designated as public forests under the management of the Kenya Forest Service. The current land use of the project area is unlikely to change since it is gazetted as a public forest. The utilization by the local communities is characterized by reliance on mangrove resources for wood, fuel, and lime production, with significant illegal logging contributing to habitat degradation and loss. Livestock grazing, coastal development, and settlement expansion are also exerting pressure on the mangrove areas. Governance is fragmented, and enforcement inadequate, allowing overexploitation and encroachment to persist.

However, in the absence of targeted interventions, mangrove forests of Lamu County are expected to face continued degradation due to persistent and increasing human pressure. These pressures threaten ecological integrity such as carbon sequestration capacity, and livelihoods supported by mangroves, while increasing vulnerability of coastal communities to climate-related impacts. Without targeted interventions, ecological, cultural and socio-economic value of these critical habitats will be undermining both conservation goals and well-being of dependent communities.

3.2. Livelihood Baseline

Approximately 17,375 people are living within the PANDAWE CFA project area, with approximately 50% having attained primary education⁷. In terms of livelihood, 17% of the population gets their income from the business enterprise, 16% rely on fishing, 16% are casually employed, 8% livestock farmers, and 8% agriculture related activities. Harvesting of wood products from mangroves is the dominant livelihood activity, with 79% of the households directly depending on mangrove extractable goods for sustenance^{8,9}. The products are also traded with the neighbouring coastal counties of Tana River, Kilifi, and Mombasa. As the population increases, the demand for mangrove wood products rises, which, if unchecked, will negatively affect both resource availability and fish stocks.

Approximately 35% of the community has an average of 1-5 acres of land, mostly used for subsistence farming. This availability of land makes farm forestry a viable option for preventing mangrove deforestation. About 82% of the community members own houses, with the main building materials used consisting of thatched or makuti roofs (69%) and mud bricks (70%) for the walls. The selection of roofing and wall materials is likely influenced by their suitability for Lamu's harsh climate, rather than solely by cost.

Fresh water access is a significant challenge in Lamu County. The primary water source for communities is wells (39%), which are vulnerable to contamination from nearby septic systems, especially with increasing sea level rise. Limited access to basic amenities may contribute to the low population density in the archipelago's remote islands, leading to overpopulation in areas with better access. As the population grows in the project area, diversifying livelihood options becomes increasingly important to alleviate pressure on mangrove resources.

The project will address these issues by promoting alternative livelihood opportunities, such as ecotourism, apiculture, and mariculture, while reducing dependency on mangrove resources. Finance generated from carbon credit sales will be used to support community development projects in sectors identified from a needs assessment such as education, health, water and sanitation, and environmental conservation. Benefits beyond carbon, include increased fishery and biodiversity, and enhanced shoreline protection.

⁷ Kenya National Bureau of Statistics [2019. Kenya National Population and Housing Census. Volume II](#)

⁸ [KFS 2022: PANDAWE PFMP](#)

⁹ Hamza et al 2020: Past and present utilization of mangrove resources in eastern Africa and drivers of change. *Journal of Coastal Research*, 95(SI), 39–44. <https://doi.org/10.2112/SI95-008.1>

3.3. Ecosystem Baseline

The project area comprises mangrove forests with differing ecological conditions including low to highly degraded areas. At least 7 of the 9 mangroves species in Kenya have been identified in the project area, with *Rhizophora mucronata* and *Ceriops tagal*, comprising approximately 70% of the formation, which is consistent with mangrove species distribution along the Kenyan coast. Other mangrove species include *Avicennia marina* occurring as moderate to dwarf vegetation at the landward side or as large trees in association with *R. mucronata*, *Bruguiera gymnorhiza* and *Xylocarpus granatum* in flanking creeks and channels. *Lumnitzera racemosa* occurs fringing the landward mangrove extent, while *Sonneratia alba* occurs at the seaward side. These mangroves provide critical habitats and feeding grounds for species like fish, crustaceans, molluscs, migratory birds (e.g., herons, egrets, and osprey), and marine mammals, including dugongs and dolphins. The broader implications would undermine Kenya's ability to fulfil its climate commitments and biodiversity conservation targets. Local communities, whose livelihoods depend heavily on these mangrove services would face increased vulnerability to climate change impacts, reduced economic opportunities and deteriorating living conditions.

Other critical habitats within the project area include adjacent seagrass meadows and coral reefs, which occur sparsely near the mangroves, as well as coastal forests such as the Boni National Reserve. An ecological baseline survey, along with documentation of indigenous knowledge, will be conducted to establish a benchmark for measuring conservation impacts and to identify any endemic or migratory at-risk species within these conservation areas.

These mangrove ecosystems have been shown to experience annual decline at an annual rate of 0.16%¹⁰, equivalent to carbon emissions of 30,000 tCO₂e/year carbon emissions. Approximately 40%, of mangrove forests in Lamu are degraded; and considering that at least 25 tCO₂e/ha/yr has been documented to be released from mangrove sediments experiencing small-scale cutting in Kenya¹¹, this would conservatively be equivalent to approximately 360,000 tCO₂e/yr. Projections under a business-as usual scenario forecast estimate a further 16% decline in carbon stocks over the next 30 years, contributing to escalating greenhouse gas emissions. Beyond climate implications, degradation of mangrove forests would result in significant biodiversity loss and impaired ecosystem services including coastal protection, fisheries support and water filtration.

¹⁰ Kairo et al., 2021. Total Ecosystem Carbon Stocks of Mangroves in Lamu, Kenya; and Their Potential Contributions to the Climate Change Agenda in the Country. [Front. For. Glob. Change 4:709227. doi: 10.3389/ffgc.2021.709227](https://doi.org/10.3389/ffgc.2021.709227)

¹¹ Lang'at et al., 2014. Rapid Losses of Surface Elevation following Tree Girdling and Cutting in Tropical Mangroves. <https://doi.org/10.1371/journal.pone.0107868>

A number of interventions have been conducted to address mangrove ecosystem degradation. These include the development of a participatory management plan (PFMP) for PANDAWE co-managed areas¹². The PFMP has outlined a suite of management programmes including community programmes aimed at enhancing mangrove protection while ensuring improved livelihood of the local communities. Other interventions include restoration activities and the development of management strategies for sustainable utilization of mangrove resources.

3.4. Project Logic

Table 3.4 Initial Project Logic

Aim		
Loss and degradation of mangrove forests due to overexploitation of resources, habitat conversion, pollution and poor resource governance		
	Description	Assumptions/Risks
Outcomes – Intended overall project aim		
Climate Benefit	At least 42,404 tonnes of CO₂e/yr will be captured and stored as a result of avoided deforestation, reforestation, and protection of recovering areas	- Project activities, such as avoided deforestation, reforestation, and protection, will be effective in reducing emissions and enhancing carbon sequestration. - There will be continued participation of local communities in conservation efforts and the effective enforcement of protection measures. - There will be no major unforeseen disturbances, such as large-scale natural disasters or human-induced destruction, that could negatively impact the carbon stocks.

¹² [KFS 2022: PANDAWE PFMP](#)

Livelihood Benefit	The restored habitats will result in enhanced food security in terms of increased fisheries, honey from apiculture activities, and job creation	- Political environment remains conducive during project duration - Carbon market will be non-volatile and carbon prices stable, which will result in the continuous generation of the carbon income
Ecosystem Benefit	Improved mangrove cover and biomass, increased fisheries, carbon sequestration, and coastal protection.	- Ecosystem conditions of the currently degraded area will remain, enabling for project interventions during the project duration. - Unforeseen natural disasters will not negatively influence the project work plan or cause significant loss in mangroves. - Without project intervention, mangroves in the proposed project area will continue to be lost and natural regeneration will be impaired. - Increased knowledge and understanding of BC ecosystems, which will result in their sustainable management.
Outputs		
Output 1		
Restoration	352 ha of degraded mangroves restored through planting and assisted natural regeneration.	Negative community perception towards mangrove conservation changed through continuous awareness campaigns that will highlight positive conservation impacts of the project, to gain community agreement and support of project initiatives.

		• The community's heritage of mangrove logging can be addressed through continuous awareness campaigns highlighting the long-term benefits of mangrove conservation, promotion of livelihood diversification initiatives, and incorporating traditional knowledge and practices into sustainable management plans. • Occurrence of extreme weather events that may result in mangroves loss or degradation can be averted through successful implementation of restoration efforts, increasing ecosystem resilience to climatic disturbances. • Mangrove management strategies¹³¹⁴ have been developed to ensure effective restoration of mangroves
Output 2 Avoided deforestation	Protection of 3,036 ha of mangroves from deforestation and illegal activities through enhancing public awareness and education, surveillance and provision of alternative sources of wood and energy.	• Local communities who have traditionally relied on the mangroves for resources may resist conservation and protection efforts. Conflicts and illegal activities may be minimized by obtaining FPIC of FACs, and involving them in the planning, implementation, and

¹³ KFS 2025. National Mangrove Ecosystem Restoration Guidelines. <https://www.kenyaforestservice.org/wp-content/uploads/2025/07/national-mangrove-ecosystem-restoration-guidelines.pdf>

¹⁴ KEFRI 2025. [Mangrove Tree Nursery Manual](#).

		monitoring of the no-access zone. - Effectively enforcing the no-access zone may be challenging due to limited resources, capacity, or geographical constraints. This can be addressed by implementing routine patrols, involving community members in monitoring and surveillance activities, and collaborating with relevant authorities such as KFS, to ensure effective enforcement. - A mangrove harvest management plan for Lamu County has been developed outlining mangrove areas for sustainable harvesting. The harvest plan also provides demarcation of mangrove utilization zones including protected areas, conservation zone, blue carbon project sites and development zone¹⁵
Output 3 Improved forest management	Safeguarding 10 ha of recovering mangrove forest for carbon storage enhancement and other co-benefits	The recovering mangrove area may still be subject to degradation pressures, hindering carbon storage enhancement. This can be mitigated by Implementing robust monitoring and surveillance plans that engage local communities to detect and prevent illegal activities, and by clearly

¹⁵ KFS 2025. [Mangrove Harvest Management Plan for Lamu County](#).

		demarcating the protection areas. • The recovering mangrove area may take longer than anticipated to reach its full carbon storage potential due to various environmental factors. This can be assisted by conducting ecological assessments to understand the specific recovery needs and implementing appropriate restoration activities to support and accelerate recovery.
Output 4 Carbon trading	Securing a 20-year permission to trade carbon in the voluntary market. The project has sought permission and no object from Kenya Forest Service and NEMA, respectively to implement the project in the mangrove area. KFS has granted the permission to the project, while NEMA is reviewing the project concept note (PCN) submitted as per the Climate Change (Carbon Markets) Regulations 2024.	• Volatile markets and unstable carbon prices are risks, even though the demand for blue carbon has so far been higher than the supply. The project will use adaptive management approaches to diversify revenue streams through ecotourism ventures, secure long-term contracts for carbon credit sales where possible, and bundle ecosystem services.
Output 5 Mangrove community forest field school	Mangrove community forest field school that will systematically capacitate community members to be mangrove forest conservation champions	• Community members may lose interest over time due to competing priorities, lack of immediate benefits, or the time commitment required. This can be mitigated by designing engaging and participatory

		training programs that incorporate local knowledge and needs, recognising participation in meaningful ways, and conducting training sessions at times convenient for community members. • Training opportunities may be disproportionately captured by more influential community members, excluding marginalized groups. The project will ensure transparent and inclusive selection criteria for participants, and actively target and encourage participation from diverse groups within the community, including women, youth, and marginalized individuals.
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3.5. Additionality

Table 3.5 Initial Barrier Analysis

Project Intervention	Main Barriers	Activities to Overcome Barriers
Restoration	• Most of the restoration activities have been done by the project participants on voluntary basis with limited compensation and reward • Limited knowledge in appropriate ecological	• Allocation of activity-based conservation incentives for community volunteers • Hands-on training will be undertaken on appropriate reforestation approaches

	restoration approaches ● Interference by destructive human activities i.e., livestock grazing ● The cultural perception that mangroves self-regenerate and are resilient, regardless of human or natural disturbances. ● Inadequate logistic support and facilitation ● Cultural right of use ● Limited prioritisation of mangrove initiatives in the national and county plans	● Increase forest patrols ● Awareness & sensitization through public meetings (barazas) ● Advocation for integrating mangrove activities into national and sub-national plans
Avoided deforestation	● Dependence on mangrove for wood fuel and house construction by surrounding communities ● Historical trade in mangrove timber ● Limited funding restricts communities from initiating PES schemes. ● Capacity gaps in project management, monitoring, and	● Promote establishment of woodlots as alternative sources of timber and wood fuel ● The project will partner with institutions like KFS, KMFRI, KEFRI, universities, and NGOs, to provide relevant training for the successful implementation of project activities.

	mangrove protection hampers implementation efforts. ● CFA inability to effectively enforce rules or manage resources within its management area. ● Cultural and Knowledge Barriers: Poor understanding of other mangrove benefits aside from wood, weakens community buy-in.	● The project will empower CFAs by establishing effective local governance systems that assist the CFA to fulfill its co-management obligation within the project areas. ● The project will collaborate with relevant institutions in participatory planning for education initiatives to foster community ownership of conservation efforts. ● Carbon credit revenues will fund essential community development projects in education, healthcare, and alternative livelihood initiatives, such as beekeeping and eco-tourism, reducing pressure on mangrove ecosystems.
Improved forest management	● Insufficient financial resources to sustain routine community-led patrol and surveillance activities	● Collaborating with development partners, the private sector, government agencies, and other partners can provide funding for initial

	● High dependence on mangrove for sustenance ● Communities and local institutions often do not have adequate necessary technical skills for effective mangrove restoration, carbon stocks measurement, and forest management. ● Mangrove forest management is majorly at the national level with limited engagement of key stakeholders at the grassroots level, impacting the effectiveness of conservation efforts. ● Duplicating mandates of state management agencies may limit the ability to implement effective forest management and conservation strategies. ● Resource use conflicts arising from issuance of user rights from different state agencies (BMUs vs CFAs).	project implementation costs and support continuous restoration efforts. Establishing carbon credit sales can also generate sustainable income streams for project interventions including employment of community scouts. ● Continued sensitization on mangrove benefits and community involvement in protection and management. ● Forging partnerships with relevant institutions to build capacity of project participants to undertake recommended restoration and conservation activities. ● Tailored Restoration and Protection Plans: Addressing local environmental challenges, such as coastal erosion and saltwater intrusion, by using adaptive
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		management strategies. Site-species matching can support quick recovery of degraded areas, to promote coastal protection and enhance carbon sequestration. ● Strengthening Local Governance and Institutional Capacity: Empowering the CFA and aligning management plans with national policies can facilitate effective co-management. Legal frameworks like the Forest Act and other environmental regulations should be leveraged to ensure local community involvement.
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3.6. Exclusion List

The project does not include any activities listed in the Plan Vivo Exclusion List (see Annex 3 for more detail).

3.7. Environmental and Social Screening

Add project coordinator responses to the social screening report in Annex 4.

Complete Table 3.7 to provide a summary of potential environmental and social risks. For each risk area, add a brief summary of potential risks, or explain why there are no risks.

Table 3.7 Environmental and Social Risks

Risk Area	Potential Risks
Vulnerable Groups	There might be potential risks of access restrictions to particular areas and activities impacting the livelihoods of vulnerable groups. Some of these groups/individuals might lack the ability to respond to the impact through managing risk and impacts and devising new effective activities or strategies
Gender Equality	Religion could be limiting gender inclusions. The safeguards of these are the National Constitution that promotes one third gender rule where at least one third of project participants and beneficiaries are from either gender.
Human Rights	Rights of communities are enshrined in the Kenyan constitution and there is no likelihood of human rights violation including forced community displacement from the project area.
Community, Health, Safety & Security	The main means of transport in the project area is by sea. Many boats do not have life jackets and first aid equipment, which can help save lives in case of accidents and weather hazards. -Community scout may risk being exposed to health and safety risks during surveillance. A safeguard approach will involve assessing sea worthiness of any boat to be used in field activities
Labour and Working Conditions	The community perceives mangrove planting as a stewardship activity suitable for all residents, regardless of age, which poses a risk

	of the project being implicated in child labour during these activities. - In situation in which children will be involved in environmental activities, the consent of the parents/guardians and education personnel will be sought as per education regulations in Kenya. -Community scouts might be exposed to risks of violence from individuals or criminal groups in the course of their duties in the forest. -Project workers also risk being exposed to accidents and attacks from dangerous wildlife within the mangrove forests. There have been no reported incidents of attacks by criminals or wildlife within mangrove forests, however, the project will work with maritime security agencies including KFS and KWS rangers, and Kenya Coast Guards
Resource Efficiency, Pollution, Wastes, Chemicals and GHG emissions	The project has no risks of releasing pollutants, generating significant amounts of waste, or use of chemicals or other hazardous materials. Furthermore, there will not be any project activities involving a significant consumption of energy, water or other resources, neither will the project activities lead to significant increases of greenhouse gas emissions or to a substantial reduction of carbon pools.
Access Restrictions and Livelihoods	The project will result in access and activity restrictions in particular areas which might impact on the affected community's livelihoods. The restricted activities would mostly be on extraction of wood resources in the project area. Other activities such as fisheries would not be impacted. A mangrove harvest

	management plan for Lamu County ¹⁶ has been developed outlining the sustainable harvesting of mangroves in demarcated harvesting zones.
Cultural Heritage	There are no potential risks to the cultural heritage situated within the project area
Marginalized-minority Peoples	The Awer and Sanye minority groups are experiencing land insecurity, have lower than average education levels, and limited access to other basic services and facilities. The Constitution of Kenya 2010 provide for deliberate Affirmative Actions for marginalised and/or minority groups, therefore, the project will comply with this constitutional directive
Biodiversity and Sustainable Use of Natural Resources	The project will not implement activities that pose a risk to either biodiversity within protected/ conserved areas or areas with high biodiversity value, or the functioning of an ecosystem
Land Tenure Conflicts	Lack of land tenure is a common problem in the County as the majority of Lamu residents do not possess title deeds nor allotment letters for the land they live on or draw their livelihoods from. Despite this, there has been no reported land conflicts which have affected access to mangrove resources by the community. Mangrove ecosystems are gazetted reserves considered public land.
Risk of Not Accounting for Climate Change	KMFRI has conducted climate change variability assessments along the coastline, including Lamu County, and will advise the project on appropriate measures to mitigate identified risks within the project area.

¹⁶ [Kenya Forest Service 2025](#). Mangrove Harvest Management Plan for Lamu County 2025-2035

Other – e.g. Cumulative Impacts	The combination of environmental degradation and social disruption can reduce the overall resilience of the mangrove ecosystem and the communities that depend on it, making them more vulnerable to climate change and other stressors.
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3.8. Double Counting

In the project area, there is no other project that is undertaking a greenhouse gas emission project hence no double counting.

There is no other programme for carbon emission reduction and removals in the proposed project area.

Table 3.8 National Level Legislation, Policies and Instruments

	Yes/No/Unsure	Details
Is there a national registry for land-based carbon projects?	Yes	A National Carbon Registry has been established by the Climate Change (Amendment) Act 2023 of the Laws of Kenya
Are carbon rights defined in national legislation?	Yes	Carbon rights in mangrove areas are vested in the state. However, the participatory forest management framework provides a mechanism for CFAs to access these rights.
Are there any carbon pricing regulations existing or in development (e.g. emissions trading scheme or carbon tax)	No	The Climate Change (Carbon Markets) Regulations 2024, does not prescribe carbon prices.
Does the country receive or plan to receive results-based climate finance through bilateral or multilateral programs?	No	The government has yet to announce any initiative relating to using mangrove forests for carbon trading in bilateral or multilateral programmes.
Are there any other relevant regulations, policies or instruments?	Yes	4. National Mangrove Ecosystem Management Plan (2017-2027) 5. Forest Conservation and Management Act (2016)

		6. Environmental Management and Coordination Act (EMCA, 1999) 7. Kenya Vision 2030 8. Mangrove Forest Management Technical Order, 2025 9. National Mangrove Ecosystem Restoration Guidelines, 2025 10. Mangrove Harvest Management Plan for Lamu County (2025-2035) 11. Mangrove Tree Nursery Manual 12. National Blue Economy Strategy 2025 13. Kenya's Blue Carbon Ecosystems- Nationally Determined Contributions Implementation and Investment Plan 2025-2035 14. Kenya's commitment to the Ramsar Convention 15. Wetlands Regulation (draft) 2025 16. Wildlife (Conservation and Management) Act (Rev. 2012) 17.
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4. Governance and Administration

4.1. Governance Structure

Governance Composition

Initially, KMFRI will serve as the interim project coordinator. During this period, PANDAWE CFA will establish a governing entity, Panda Blue Carbon, that will eventually assume the role of the official project coordinator. Panda Blue Carbon will include representatives from the CFA, KMFRI, KFS, KEFRI, and CGL as an advisory body.

The project coordinator will have broad responsibilities, including all project administrative duties, reporting to Plan Vivo, implementing project activities, managing staff, organizing community engagements, and liaising with other stakeholders to ensure successful project implementation and communication of its impacts.

Panda Blue Carbon project governance framework will be built on principles of fairness, inclusiveness, and gender balance, ensuring diverse representation from all key PANDAWE community members. Support in technical and operational areas will be provided by the Kenya Forest Service, Kenya Marine and Fisheries Research Institute, Kenya Forestry Research Institute, County Government of Lamu, and other relevant partners as needed. To advance gender equity, the project will prioritize the active involvement and equal representation of women, youth, and marginalized groups in leadership, management, decision-making, and implementation roles. This approach will harness a variety of skills and viewpoints, promoting a cooperative and comprehensive strategy for mangrove conservation and the overarching goals of Panda Blue Carbon.

With support from the relevant government agencies and other key stakeholders, PANDAWE CFA will establish a registered community-based entity to be its vehicle for project implementation. The entity will be established as per the Community Groups Registration Act 2022 and its operations will be governed by a constitution developed as provided by the Act. The governance framework of the community-based entity will comprise the central governing body (or council), village level committees and the general assemblies at each village level (Figure 2). The central governing body and the village level committees will be composed of duly elected members with consideration for gender equity, youth, persons living with disabilities (PWDs), minority groups any other vulnerable groups that may require special consideration for representation. The general assemblies at the village level will comprise all the community members in each village. Subsidiary committees of the CGC may be established to oversee critical tasks such as financial management, project implementation and reporting, grievance redress mechanisms and any other task that may deem necessary. In addition, ad hoc committees may be established for short-term tasks on need basis. The respective roles and the operational framework of each level of governance will be clearly defined by the constitution of the entity.

The local secretariat will provide technical and capacity support to this project governance structure. Through this structure, the entity will liaise with other frameworks related to the project including the CFA governance structure, the community development agreement committee (CDAC), and key stakeholders (KFS, KMFRI, CGL, KEFRI, ACES, among others). CDAC is an independent community body established under the Climate Change (Carbon Markets) Regulations, 2024, to oversee development projects funded by carbon revenues. The composition of CDAC is outlined in the Regulation and it include a representative of the project proponent.

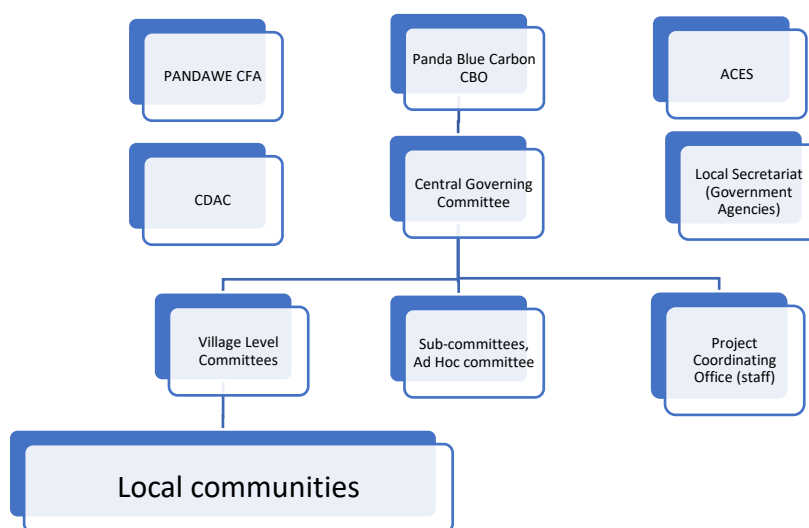


Figure 2. Generalised governance structure of the proposed Panda Blue Carbon entity

Decision-Making Process

The decision-making framework of Panda Blue Carbon will emphasize participation and consensus, aiming to harmonize stakeholder interests while focusing on sustainable results. It will involve structured consultations where stakeholders can share their knowledge and perspectives, fostering a process that is transparent, accountable, and responsive to both local priorities and wider conservation goals. The decision-making process at each level of the governance structure will prioritise consensus building and by majority vote in case consensus is not reached.

Benefit-Sharing Mechanism

A clear benefit-sharing structure will be formulated through public participation to ensure proportionate benefits to the identified 10 sub locations in the project area. Community development projects will be based on community prioritization in a clear, equitable, and transparent manner, under the oversight of community development agreement committees as prescribed in the carbon market regulations. The BSM framework will be developed through a wide consultative process to ensure inclusive participation across the project area.

The benefit sharing mechanism will include the annual social contribution of at least 40% (less cost of doing business) stipulated by the Climate Change (Carbon Markets) Regulations 2024 which is managed by a community development agreement committee (CDAC). CDAC members will be

elected as provided for by the regulations after which it will enter into agreement with Panda Blue Carbon project.

Grievance Redress Mechanism

To maintain stakeholder trust and address issues effectively, Panda Blue Carbon will incorporate a strong grievance redress system within its governance structure. This mechanism will offer a transparent and formal process for handling complaints, resolving conflicts, and ensuring accountability. By providing an accessible avenue for stakeholders to express concerns, it aims to reduce disputes, uphold ethical practices, and strengthen the project's credibility and long-term sustainability. The GRM will employ principles including accessible, fair, transparent, and culturally grounded frameworks, while maintaining compliance with both community governance and national legal frameworks

4.2. Legal and Regulatory Compliance

Kenya Forest Service

The Kenya Forest Service promotes the sustainable utilization and preservation of mangrove ecosystems in Lamu and other coastal areas through comprehensive forest management strategies and restoration efforts. As the primary authority for managing, conserving, and safeguarding Kenya's forest resources, including mangroves, KFS operates under the Forest Conservation and Management Act of 2016, which designates mangroves as public forests. The agency plays an essential role in overseeing their governance and ensuring their long-term ecological health. KFS has been involved in all project development phases from inception and will be involved in various aspects of governance and implementation of project activities.

National Environmental Management Authority

The National Environmental Management Authority serves as Kenya's leading agency for enforcing environmental compliance, with a focus on protecting coastal ecosystems like mangroves. Under the Environmental Management and Coordination Act (EMCA) of 1999, NEMA is charged with supervising environmental protection and management, including conducting environmental impact assessments (EIAs) for projects affecting mangrove areas. The authority implements EMCA guidelines to regulate EIAs, promote sustainable land use, and oversee environmental standards, permitting, and reporting processes tied to mangrove conservation, as well as the management of

carbon projects and emissions. NEMA is also the Designated National Authority (DNA) charged with registering and monitoring carbon projects. The project has notified NEMA directly, and through its submission of a Project Concept Note in March 2025. Once registered, one of the project's national obligations will be to submit annual reports to the DNA to assist with the monitoring and evaluation process.

The Panda Blue Carbon Project is aligned with Kenya's national priorities, as outlined in its environmental policies, which focus on addressing climate goals, preserving biodiversity, fostering environmental care, restoring ecosystems, and advancing sustainable development. These priorities are supported by a strong policy and legal structure, along with strategic and sectoral plans that emphasize ecological health, collaboration with stakeholders, and broad-based participation. Additionally, the project contributes to socio-cultural and economic goals, such as improving livelihoods and expanding tree cover. Crucially, these national objectives are in sync with Kenya's global commitments, as outlined in the accompanying table.

Policies and legislations	Project linkage
National	
Constitution of Kenya 2010 <i>(Environmental rights, sustainable livelihoods, and public participation)</i>	Supports the right to a clean environment through mangrove restoration, promotes sustainable livelihoods, and enhances community involvement in environmental governance
Vision 2030 Medium-Term Plan IV (2023–2027) <i>(Economic growth, environmental sustainability, and community-based restoration)</i>	Addresses mangrove restoration, climate change mitigation, and sustainable utilization of mangrove resources, aligning with Vision 2030 goals Implements community-driven conservation strategies, sustainable forest management, and climate resilience through mangrove restoration
Bottom-Up Economic Transformation Agenda (BETA) <i>(Economic growth, inclusive development, and sustainable livelihoods)</i>	Addresses mangrove protection to sustain fisheries, creates alternative income opportunities, fosters entrepreneurship, and

	promotes carbon trade for community development projects
Environmental Policies, Legislations and Strategic/Sectoral Plans <i>(Forest Conservation and Management Act (2016), National Mangrove Ecosystem Management Plan (2017–2027)).</i>	Address mangrove management, supports participatory forest management, and promotes sustainable mangrove utilization and conservation under legal frameworks
Climate Change Policies <i>(Climate Change (Amendment) Act, 2023; National Climate Change Action Plan (NCCAP); National Landscape Ecosystem Restoration Strategy (2022–2032)</i>	Promotes carbon sequestration enhancement and forest restoration strategies, emission reduction, while promoting community resilience and sustainable livelihood initiatives
Kenya's Nationally Determined Contributions (NDCs) <i>(Commitments to the Paris Agreement and GHG reduction targets)</i>	Contributes to GHG reduction targets, avoided deforestation commitments, and enhancement of carbon stocks through mangrove restoration
Kenya's Biodiversity Strategy and Action Plan (NBSAP) <i>(conservation of biodiversity, equitable benefit-sharing, and sustainable practices)</i>	Outlines Restoration of mangrove ecosystems, supports biodiversity, and promotes sustainable enterprises like ecotourism and aquaculture, empowering local communities
Lamu County Integrated Development Plan (CIDP) <i>(Mangrove planting and environmental conservation priorities)</i>	Outlines increased forest cover, food security, and improved livelihoods targets through mangrove restoration.
Lamu County Spatial Plan <i>(Mangrove protection, sustainable harvesting, and carbon revenue generation)</i>	Addresses mangrove conservation through sustainable use, fish habitat protection, and carbon trading initiatives
International Commitments	
Sustainable Development Goals (SDGs) <i>(SDG 1 (No Poverty), SDG 13 (Climate Action), SDG 14 (Life Below Water), and SDG 15 (Life on Land))</i>	Advocates for mangrove restoration to enhance biodiversity, mitigate climate change, and diversify coastal community income through nature-based enterprises
Convention on Biological Diversity (CBD) <i>(Conservation, sustainable use, and mitigation of biodiversity loss)</i>	Outlines mangrove conservation, and biodiversity targets, and promotes community-led conservation strategies aligned with global biodiversity goals

Other international commitments include Human rights and labour laws: United Nations Declaration on Rights of Indigenous Peoples (UNDRIP) International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and ILO Indigenous and Tribal Peoples Convention (ILO 169)	Save guard the rights of indigenous people and local communities, especially minorities and marginalised groups in relation to the identity, culture, rights to land and resources, as well as to socioeconomic development and livelihoods. Save guard rights of work including prevention of forced work, child labour among other violation of working conditions.
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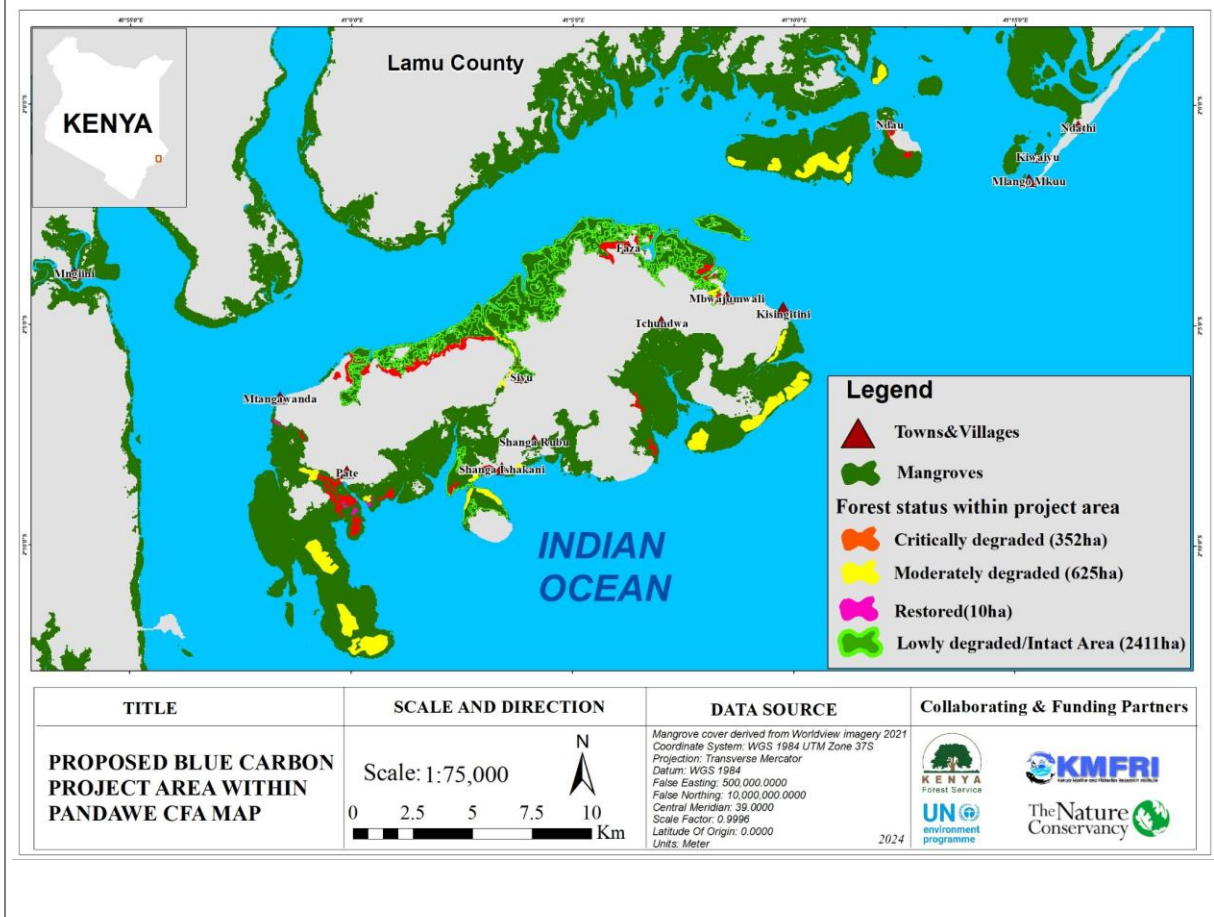
4.3. Financial Plan

Financial resources to support project implementation for the first year have been secured from the development partners (UNEP and TNC) supporting the project development. Thereafter, subsequent project operations would be financed from the proceeds of the project carbon certificates.

Annexes

Annex 1 – Project Boundaries

Provide geospatial data files for project region and project area boundaries.



Annex 2 –Registration Certificate

Provide a copy of the project coordinator registration certificate.

Kenya Marine and Fisheries Research Institute Registration Certificate



PANDAWE CFA (Project Implementer) Registration Certificate

SOC/80767

REPUBLIC OF KENYA

FORM C



THE SOCIETIES RULES, 1968

(Rule 4)

CERTIFICATE OF REGISTRATION R.53968

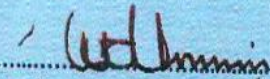
I, **MARIA GORETTI NYARIKI,** **DEPUTY** Registrar of Societies, hereby certify

that I have this day registered the **PATE-NDU-AWER MANGROVE COMMUNITY**

FOREST ASSOCIATION.

under section 10 of the Societies Act.

Dated at **NAIROBI** this **16TH** day of **AUGUST** 20**21**


Deputy Registrar of Societies

Proof of Incorporation for ACES (Project Partner)

**THIS DOCUMENT IS IMPORTANT
PLEASE RETAIN IT FOR YOUR RECORDS**
Please ensure all charity trustees are aware of this document



Professor Mark Huxham
The Association For Coastal Ecosystem
Services
17 Bruntsfield Crescent
Dunbar
East Lothian
EH42 1QZ

Your ref:
Our ref: RS/STA/13-0060

02 May 2013

Dear Professor Huxham

Decision on your application for Incorporation as a Scottish Charitable Incorporated Organisation (SCIO)

I am pleased to tell you that your application for incorporation as a Scottish Charitable Incorporated Organisation (SCIO) has been successful. The Office of the Scottish Charity Regulator (OSCR) is satisfied that the organisation meets the charity test and the legal requirements for being a SCIO, and has entered it in the Scottish Charity Register. This means it is now is an incorporated body having charitable status under the Charities and Trustee Investment (Scotland) Act 2005.

The details of your charity's entry in the Register are set out below.
Please check these details and let us know of any errors.

Your SCIO's registered name is:	The Association For Coastal Ecosystem Services
Your charity number is:	SC043978
Your SCIO was registered on:	30 April 2013
Your SCIO's 'known as' name is:	
Your principal contact address is:	17 Bruntsfield Crescent Dunbar East Lothian EH42 1QZ
Your charitable purposes are:	A - the prevention or relief of poverty B - the advancement of education G - the advancement of the arts, heritage, culture or science M - the advancement of

Annex 3 – Exclusion List

Complete the exclusion list by responding 'Yes' if the activity is included in the project and 'No' if the project does not include the activity.

Activities	Included in Project ('Yes' or 'No')
Any project activities leading to or requiring the destruction [1] of critical habitat [2] or any forestry project which does not implement a plan for improvement and/or sustainable management.	No
Any activity which could be associated with the significant impairment of areas particularly worthy of protection of cultural heritage (without adequate compensation in accordance with international standards).	No
Trade in animals, plants or any natural products not complying with the provisions of the CITES/Washington convention [3].	No
Illegal, harvesting or trading in any wildlife resources.	No
Destructive fishing methods or drift net fishing with a net more than 2.5 km in length, explosives and/or poison.	No
Large-scale commercial logging operations for use in primary tropical moist forest.	No
Production or trade in wood or other forestry products other than from sustainably managed forests [4].	No
Exploitation of diamond mines and marketing of diamonds where the host country has not adhered to the Kimberley Process, and exploitation of other conflict minerals [5]	No
Activities involving harmful or exploitative forms of forced labour, [6] harmful child labour [7], modern slavery and human trafficking [8].	No
Projects that include involuntary physical displacement and/or forced eviction.	No
Production or activities that encroach on lands owned, or claimed or occupied by Indigenous Peoples, without full documented Free, Prior and Informed Consent (FPIC) of such peoples [9].	No
Harmful and unsafe production, use, sale or trade of pharmaceuticals, ozone layer depleting substances [10], and other toxic [11] or dangerous materials such as asbestos or products containing PCB's [12], wildlife or products regulated under CITES, including all products that are banned or are being progressively phased out internationally	No

Production or trade of arms, ammunition, weaponry, controversial weapons, or components thereof (e.g., nuclear weapons and radioactive ammunition, biological and chemical weapons of mass destruction, cluster bombs, anti -personnel mines, enriched uranium).	No
Procurement and use of firearms.	No
Provision of finances to military institutions involved in conservation or security activities.	No
Production or trade of strong alcohol intended for human consumption or other alcoholic beverages (excluding beer and wine).	No
Production or trade of tobacco and other drugs	No
Gambling, gaming establishments, casinos or any equivalent enterprises and undertaking [13].	No
Any trade related to pornography, prostitution or sexual exploitation of any form.	No
Production or trade in radioactive material. This does not apply to the procurement of medical equipment, quality control equipment or other application for which the radioactive source is insignificant and/or adequately shielded	No
Production or trade in unbound asbestos. This does not apply to the purchase or use of cement linings with bound asbestos and an asbestos content of less than 20%.	No
Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals. Hazardous chemicals include gasoline, kerosene, and other petroleum products.	No
Transboundary trade in wastes, except for those accepted by the Basel Convention and its underlying regulations [14].	No
Any activity leading to an irreversible modification or significant displacement of an element of culturally critical heritage [15].	No
Production and distribution, or investment in, media that are racist, antidemocratic or that advocate discrimination against a part of the population.	No
Projects involving the planting or introduction of invasive species	No
Projects that increase the dependency of primary participants and other stakeholders on fossil fuels.	No

Notes:

[1] Destruction means (1) the elimination or severe reduction in the integrity of a habitat/area caused by a major and long-term/prolonged change in land-use or water resources or (2) the modification of a habitat such that this habitat's ability to fulfil its function/ role is lost.

[2] The term critical habitat encompasses natural and modified habitats that deserve particular attention. This term includes (1) spaces with high biodiversity value as defined in the IUCN's classification criteria, including, in particular, habitats required for the survival of endangered species as defined by the IUCN's red list of threatened species or by any national legislation; (2) spaces with a particular importance for endemic species or whose geographical range is limited; (3) critical sites for the survival of migratory species; (4) spaces welcoming a significant number of individuals from congregatory species; (5) spaces presenting unique assemblages of species or containing species which are associated according to key evolution processes or which fulfil key ecosystem services; (6) and territories with socially, economically or culturally significant biodiversity for local communities. Primary forests or high conservation value forests must also be considered as critical habitats

[3] <https://cites.org/eng/disc/text.php>

[4] Sustainably managed forests are forests managed in a way that balances ecological, economic and socio-cultural needs.

[5] Conflict minerals, including tin, tungsten, tantalum and gold, can be used to finance armed groups, fuel forced labour and other human rights abuses, and support corruption and money laundering. See the EU Regulation on conflict minerals:

https://policy.trade.ec.europa.eu/development-and-sustainability/conflict-minerals-regulation/regulation-explained_en

[6] Forced labour means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty.

[7] Harmful child labour means the employment of children that is economically exploitive, or is likely to be hazardous to, or to interfere with, the child's education, or to be harmful to the child's health, or physical, mental, spiritual, moral, or social development. Employees must be at least 14 years of age, as defined in the ILO's Declaration on the Fundamental Principles and Rights at Work (C138 – Minimum Age Convention, Article 2), unless local laws require compulsory school

attendance or a minimum working age. In such circumstances, the highest age requirement must be used.

[8] Modern slavery is comprised of two key components: forced labour and forced marriage. These refer to situations of exploitation that a person cannot leave or refuse due to threats, violence, deception or coercion. (https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---ipec/documents/publication/wcms_854733.pdf)

[9] <https://www.fao.org/indigenous-peoples/our-pillars/fpic/en/>

[10] Any chemical component which reacts with, and destroys, the stratospheric ozone layer leading to the formation of holes in this layer. The Montreal Protocol lists Ozone Depleting Substances (ODS), their reduction targets and deadlines for phasing them out.

[11] Including substances included under the Rotterdam Convention, Stockholm Convention, and WHO "Pharmaceuticals: Restrictions in Use and Availability".

[12] PCBs (polychlorinated biphenyls) are a group of highly toxic chemical products that may be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950 to 1985.

[13] Any direct financing of these projects or activities involving them (for example, a hotel including a casino). Urban improvement plans which could subsequently incorporate such projects are not affected.

[14] Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their disposal (1989).

[15] "Critical cultural heritage" is considered as any heritage element recognised internationally or nationally as being of historical, social, and/or cultural interest.

Annex 4 - Environmental and Social Screening

Complete the table below by answering each risk question. Where relevant include details of any activities that will be carried out to better understand or mitigate potential risks.

Topic	Risk Questions	Project Coordinator Response
		Project coordinator includes responses here. In addition to answering the specific question, please include a description of any

		likely risks or impacts, and notes you think relevant.
Environmental and Social Risks		
Vulnerable Groups	Are there vulnerable or disadvantaged groups or individuals, including people with disabilities (consider also landless groups, lower income groups less able to cope with livelihood shocks/stresses) in the project area, and are their livelihood conditions well understood by the project?	Yes, the project area includes vulnerable groups, including those often excluded from finance-related activities. The project has a clear understanding of their livelihood conditions and has implemented strategies, such as social screening and benefit-sharing mechanisms, to ensure equal opportunities for their participation in these activities.
	Is there a risk that project activities disproportionately affect vulnerable groups, due to their vulnerability status?	No, the project will thoroughly assess potential adverse impacts on vulnerable groups. It will also, together with the vulnerable groups, design mitigation measures that are differentiated and targeted to different groups to ensure that risks and impacts do not fall disproportionately on vulnerable individuals or groups
	Is there a risk that the project discriminates against vulnerable groups, for example regarding access to project services or benefits and decision-making?	No. The project promotes equitable access to services, benefits, and decision-making for vulnerable groups through stakeholder engagement and inclusion throughout the project cycle.
Gender equality	Is there a risk of adverse gender impacts due to the project/ project activities, including for example discrimination or	Yes. Cultural norms may create inequalities, but these will be mitigated through gender-sensitive approaches, inclusive governance, and

	creation/exacerbation or perpetuation of gender-related inequalities?	monitoring representation and participation of women in decision-making.
	Is there a risk that project activities will result in adverse impacts on the situation of women or girls, including their rights and livelihoods? Consider for example where access restrictions disproportionately affect women and girls due to their roles and positions in accessing environmental goods and services?	Yes, there is a risk, particularly concerning where access restrictions disproportionately affect women and girls due to their roles and positions in accessing extractable goods. To combat this impact, the project will promote alternative livelihood and wood resource initiatives.
	Is there a risk that project activities could cause or contribute to gender-based violence, including risks of sexual exploitation, sexual abuse or sexual harassment (SEAH)? Consider partner and collaborating partner organizations and policies they have in place. Please describe.	No. Gender equity is a core principle of the project, which incorporates safeguards to eliminate risks of SEAH and foster a safe working environment.
Human Rights	Is there a risk that the project prevents peoples from fulfilling their economic or social rights, such as the right to life, the right to self-determination, cultural survival, health, work, water and adequate standard of living?	No. The project supports economic and social rights through community consultation, capacity building, and livelihood improvement initiatives, guided by the Constitution of Kenya 2010 that guarantees these rights for every citizen
	Is there a risk that the project prevents peoples from enjoying their procedural rights, for example through exclusion of individuals or groups from participating in decisions affecting them?	No. the project does not prevent people from enjoying their procedural rights, in anyway the project increases the rights to improved livelihood
	Are you aware of any severe human rights violations linked to project partners in the last 5 years?	No. There are no known human rights violations associated with project partners.

Community, Health, Safety & Security	Is there a risk of exacerbating existing social and stakeholder conflicts through the implementation of project activities? Consider for example existing conflicts over land or natural resources, between communities and the state.	No. There are no reported incidents of conflict between the government and the community regarding access to mangrove areas and resources. However, should there be a need, the project will aim to reduce conflicts by fostering collaboration among stakeholders and promoting equitable benefit-sharing.
	Does the project provide support (technical, material, financial) to law enforcement activities? Consider support to government agencies and to Community Rangers or members conducting monitoring and patrolling. If so, is there a risk that these activities will harm communities or personnel involved in monitoring and patrolling?	Yes. The project supports co-surveillance with community scouts and rangers (KFS & KWS). Proper training and equipping mitigate risks of harm to communities or personnel.
	Are there any other activities that could adversely affect community health and safety? Consider for example exacerbating human-wildlife conflict, affecting provisioning ecosystem services, and transmission of diseases.	Yes. There are risks associated with transport by sea, as well as attacks from wildlife in areas adjacent to wildlife areas such as Boni and Doodori forest reserves.. The project will emphasize safety by training participants in safe practices, minimizing risks, and promoting awareness of potential hazards. The project will also comply with maritime security including provision of life jackets, first aid kits, involving security personnel such as KFS and KWS rangers and the Kenya Coast Guards in areas with insecurity risks,

		among other security and safety measures.
Labour and working conditions	Is there a risk that the project, including project partners, would lead to working conditions for project workers ¹⁷ that are not aligned with national labour laws or the International Labor Organization's (ILO) Declaration on the Fundamental Principles and Rights at Work (discriminatory working conditions, lack of equal opportunity, lack of clear employment terms, failure to prevent harassment or exploitation, failure to ensure freedom of association etc.)?	No. The project ensures alignment with labour laws and ILO standards, providing fair working conditions, transparent processes, and a safe work environment.
	Is there an occupational health and safety risk to project workers while completing project activities?	Yes. Risks exist while undertaking field activities in marine environments, but they are mitigated through safety training, provision of safety tools and equipment, and leveraging indigenous knowledge of the local environment. The project will also comply with maritime security measures such as provision of life jackets when using boat transport, and adhering to travel advisories from the maritime security agencies.
	Is there a risk that the project support or be linked to forced labour, harmful child labour, or any other damaging forms of labour?	No. The project strictly adheres to ethical labour practices and incorporates awareness campaigns to prevent forced or harmful labour.
Resource efficiency, pollution,	Is there a risk that project activities might lead to releasing pollutants to the environment, cause significant	No. The project will not produce toxic waste or emissions but rather the project prevents the production of

¹⁷ Project workers include project coordinator staff, staff of other project partners, third party groups fulfilling core functions of the project, and community volunteers or contracted workers.

wastes, chemicals and GHG emissions	amounts of waste or hazardous waste or materials?	toxic waste and emissions through prevention of further forest degradation. The project will promote activities in sensitization on proper waste disposal including reduce, recycle and reuse principle.
	Is there a risk that the project will lead to significant consumption of energy, water or other resources, or lead to significant increases of greenhouse gases?	The project activities may require the use of boats due to the geography of the conserved areas. This will be managed by localising MCS activities to optimise resource use.
Access restrictions and livelihoods	Will the project include activities that could restrict peoples' access to land or natural resources where they have recognised rights (customary, and legal). Consider projects that introduce new access restrictions (e.g. creation of a community forest), reinforce existing access restrictions (e.g. improve management effectiveness and patrolling of a community forest), or alter the way that land and natural resource access restrictions are decided (e.g. through introducing formal management such as co-management).	Yes. Existing access restrictions, such as those outlined in the Forest Conservation and Management Act, will be reinforced, but sustainable use will be permitted in designated areas. In addition, mangrove harvest management plan has been developed for Lamu to guide sustainable harvesting in areas demarcated for harvesting.
	Is there a risk that the access restrictions introduced /reinforced/alterd by the project will negatively affect peoples' livelihoods?	No, any restrictions will adhere to existing regulations to prevent illegal use without impacting designated utilization zones.
	Have strategies to avoid, minimise and compensate for these negative impacts been identified and planned?	Yes, strategies include clear demarcation, sustainable mangrove harvesting plans, promotion of nature-based enterprises (e.g.,

		mariculture, ecotourism), capacity building, and community involvement.
Cultural heritage	Is the Project Area officially designated or proposed as a cultural site, including international and national designations?	No, but the project enhances mangrove conservation for the community and cultural benefits
	Does the project site potentially include important physical cultural resources, including burial sites and monuments, or natural features or resources of cultural significance (e.g. sacred sites and species, ceremonial areas) and is there risk that the project will negatively impact this cultural heritage?	Yes, mangroves are culturally significant resources. The project presents NO RISK to these heritage sites and is expected to positively impact them by strengthening efforts toward their protection and conservation.
	Is there a risk that the project will negatively impact intangible cultural heritage? Consider for example cultural practices, social and cultural norms in relation to land and natural resources.	No. The project has community buy-in. The project uphold the existing socio-cultural norms and practices and further improves on livelihoods.
Indigenous Peoples	Are there marginalised, vulnerable and minorities Peoples living within the Project Area, using the land or natural resources within the project area, or with claims to land or territory within the Project Area?	Yes, there are marginalised, vulnerable and minorities people in the project area e.g. Awer, and Sanye. The project will comply with affirmative action for marginalised and minority groups outlined in the Constitution of Kenya 2010, as well as international commitments on indigenous people and local communities
	Is there a risk that the project negatively affects marginalised, vulnerable and minority Peoples through economic displacement, negatively affects their rights	No. The project upholds inclusivity and cooperation with all stakeholders including all local communities through engagements throughout the process of project development and

	(including right to FPIC), their self-determination, or any other social or cultural impacts?	establishment, guided by legal and regulatory frameworks in place.
	Is there a risk that there is inadequate consultation of Indigenous Peoples, and/or that the project does not seek the FPIC of Indigenous Peoples, for example leading to lack of benefits or inappropriate activities?	No. The project employs a comprehensive and inclusive consultative process as well as using the FPIC approach. In addition, the project has been implementing measures to ensure meaningful consultation and consent processes through involving all stakeholders through inclusive engagements in all phases of the project processes following a bottom-up approach.
Biodiversity and sustainable use of natural resources	Is there a risk that project activities will cause adverse impacts on biodiversity (both in areas of high biodiversity value, and outside of these areas) or the functioning of ecosystems? Consider issues such as use of pesticides, construction, fencing, disturbance etc.	No. The project enhances biodiversity by conserving mangroves and promoting sustainable practices.
	Is there a risk that the project will introduce non-native species or invasive species?	No, project activities all follow best practices in ecological mangrove restoration and sustainable management guided by sound science
	Is there a risk that the project will lead to the unsustainable use of natural resources? Consider for example projects promoting value chains and natural resource-based livelihoods.	No. Sustainable resource use is ensured through proper frameworks and guidelines for nature-based enterprises.
Land tenure and conflicts	Has the land tenure and use rights in the project area been assessed and understood?	Yes. Land tenure and user rights are documented under existing legal frameworks.
	Is there a risk that project activities will exacerbate any existing land	Yes, the intervention areas for leakage may be susceptible to some risks that will be mitigated through stakeholder

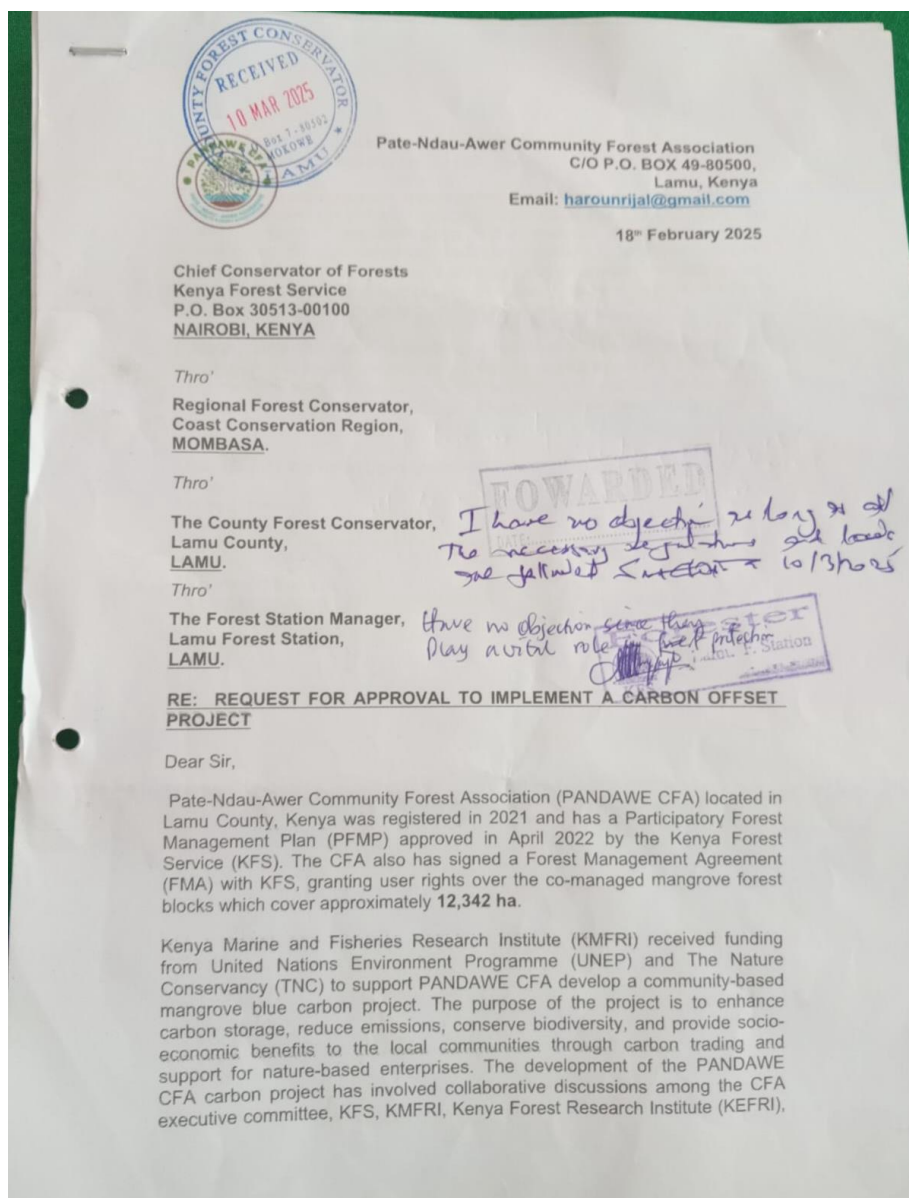
	tenure conflicts, or lead to land tenure or use right conflicts?	engagements and involvement in project activities.
Risk of not accounting for climate change	Have trends in climate variability in the project areas been assessed and understood?	Yes. Climate variability and its effects have been assessed and incorporated into project planning
	Has the climate vulnerability of communities and particular social groups been assessed and understood?	Yes, climate change vulnerability assessment has been undertaken with a quantification of sensitivity and exposure variables that determine risk levels.
	Is there a risk that climate variability and changes might influence the effectiveness of project activities (eg. undermine project-supported livelihood activities) or increase community exposure to climate variation and hazards? Consider floods, droughts, wildfires, landslides, cyclones, etc.	No. the main influence to the project is mostly human based compared to climate variability.
Other – eg. cumulative impacts	Is there a risk that the project will contribute cumulatively to existing environmental or social risks or impacts, for example through introducing new access restrictions in a landscape with existing restrictions and limited land availability?	No. The project follows the frameworks, regulations and requirements needed to ensure it mitigates and helps the community adapt to the already existing risks.
	Are there any other environmental and social risks worthy of note that are not covered by the topics and questions above?	Governance issues arising from multiple users is a shifting social dynamic risk. However, the frameworks and safeguards in place reinforced by the constitution of Kenya are sufficient and efficient in addressing this dynamic.
Safeguard Provisions		
Stakeholder engagement	Has a stakeholder analysis been conducted that has identified all	Yes. A stakeholder identification and mapping has been undertaken by the

	stakeholders that could influence or be affected by the project, or is this still to be completed? Please describe.	community to identify and analyse all stakeholders within their localities to ensure that any stakeholder relevant to the project and its activities is fully engaged in the process.
	Are the local community and indigenous peoples statutory or customary rights to land or resources within the project area already clear and documented, or is further assessment required? Please describe.	Yes. The constitution of Kenya 2010 upholds citizen's rights to land and resources. The project area is co-managed by PANDAWE CFA and KFS as provided for under the forest Act, FMA, and PFMP frameworks.
	Are local governance structures and decision-making processes described and understood (including details of the involvement of women and marginalized or vulnerable groups), or is further assessment required? Please describe.	Yes. The project is formulating governance and benefit sharing structures and further stakeholder engagements are required to ensure agreement.
	Are past or ongoing disputes over land or resources in the project area known and documented, or is there need for further assessment? Please describe.	Yes, however there needs to be further assessments.
Stakeholder consultation	Does the project have a Stakeholder Engagement Plan with clear measures to engage Vulnerable Groups, or is this plan still to be developed? Please describe.	Yes. A preliminary stakeholder engagement plan has been developed, and it will be updated when further stakeholder consultations have been completed.
	Has the Project Coordinator informed all stakeholders of the project, through providing relevant project information in an accessible format, or does this still need to be completed? Please describe.	To be completed. The project coordinator has communicated project boundaries, interventions, participation to relevant stakeholders, but the benefit sharing and grievance mechanisms are still in the formulation stage.

Free, Prior and Informed Consent	Has the project analysed and understood national and international requirements for Free Prior and Informed Consent (FPIC)? Please describe.	The project has thoroughly reviewed and understood both national and international Free, Prior, and Informed Consent requirements.
	Has the project identified potential FPIC rightsholders and potential representatives in local communities and among indigenous peoples, or is this still to be completed? Please describe.	Yes. All rights holders and representatives have been identified through the stakeholder identification process.
	Has the project worked with rightsholders and representatives of local communities and indigenous peoples to understand the local decision-making process and timeline (ensuring involvement of women and vulnerable groups), or is this still to be completed? Please describe.	Yes. The project has worked with all stakeholders and their leadership and are all aligned in timeframes and process of successfully establishing a blue carbon offset project within the mangrove ecosystem of Lamu County.
	Has the project sought consent from communities to 'consider the proposed Project', and if so, where is this in principle consent documented? Please describe.	Yes. Since inception, the project has had community consent through PANADE CFA. The project has consistently engaged the local community throughout the process of establishing a Blue carbon offset project within the PANDAWA CFA-KFS co-managed forest area. A number of stakeholder engagement and consultation reports have been produced.
Grievance Mechanism	Does the project already have a Grievance Mechanism, or is this still to be established? Please describe.	The grievance mechanism is in its draft stage and has yet to undergo validation by project participants to ensure inclusivity and agreement.
	For projects with a GRM, is this accessible to project affected people? Please describe.	The GRM will be made accessible to affected people in the project area once it is completed.

Annex 5 – Notification of Relevant Authorities

Notification of Kenya Forest Service (agency mandated to manage public forests in Kenya) for project approval and implementation



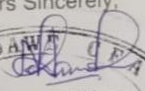
and the County Government of Lamu, alongside extensive public sensitization and consultations across the relevant villages.

The proposed project area is approximately **3,398 ha**, which will comprise 977 ha for restoration, 2,411 ha for avoided deforestation and 10 ha for improved forest management. Implementation of the proposed project will not only enhance mangrove conservation, it will also contribute to reduction of **56,400 tCO₂e/year** as well as improve livelihood of approximately **17,375** people living adjacent to the proposed project area, many of whom depend heavily on mangroves for their livelihoods.

I hereby write this letter to seek your approval to develop processes for registration and implementation of the carbon project within our project area. The development of the project will comply with relevant policies and legislations, in particular the Climate Change (Carbon Market) Regulations 2024, LN 84.

I look forward to a favorable response from you.

Yours Sincerely,



 Mohammed Haroun
 Chairman PANDAWA

Authorisation by Kenya Forest Service for the Project implementation



Kenya Forest Service Hqs
Karura, Off Kiambu Rd
P.O. Box 30513 - 00100
Nairobi, Kenya

Ref: No..... LIC/1/KFS/VOL. XXXI

Date:..... 2nd May 2025

Mr. Mohammed Haroun
Chairman
PANDAWE CFA
P O BOX 49-80502
LAMU.

RE: REQUEST FOR APPROVAL TO IMPLEMENT A CARBON OFFSET PROJECT IN LAMU MANGROVE FOREST, LAMU COUNTY

Reference is made to your letter dated 18th February 2025 regarding the proposed implementation of a carbon offset project within the Lamu mangrove forest.

We commend your continued dedication to the co-management of mangrove forests in collaboration with the Kenya Forest Service (KFS), and your proactive efforts towards mangrove restoration in Lamu Forest Station. Your initiative reflects a commendable commitment to environmental sustainability and community-led conservation.

While KFS supports community participation in forest conservation and climate action, we would like to emphasize the need for prior and continuous engagement with the Service when exploring the development of carbon credit projects, especially within mangrove areas, which are designated public forests under the management of KFS. These engagements are essential to assess the technical feasibility, ensure policy alignment, and define the roles and responsibilities of all stakeholders involved.

We note with no objection your intention to explore the development of a blue carbon project, provided that all applicable legal and policy requirements are fully adhered to. Specifically, any carbon market activity must comply with the Climate Change Act, 2016 (and its 2023 amendments), and the Carbon Markets Regulations, 2024, as well as other relevant subsidiary legislation and guidelines.

Trees for better lives

Tel: (254)020-3754904/5/6, (254)020-2014663, (254)020-2020285, Fax: (254)020-2385374
Email: info@kenyaforestservice.org. Web: www.kenyaforestservice.org

Additionally, we advise that the CFA establish a separate legal entity, such as a company, which will be eligible to engage in commercial ventures including carbon credit trading. This is necessary as the current CFA framework does not permit engagement in business activities. The newly registered entity shall be required to engage with KFS to establish a benefit-sharing arrangement prior to the formal registration of the carbon offset project.

We appreciate your cooperation and look forward to continued collaboration in advancing the sustainable restoration and conservation of mangroves, for the benefit of Kenya's coastal ecosystems and the well-being of local communities.

A.L. Lemarkoko EBS, 'ndc' (K)
CHIEF CONSERVATOR OF FORESTS

Copy to:

Regional Forest Conservator
Coast Regional Conservancy
County Forest Conservator
Lamu County

PS/

Notification to the National Environment Management Authority (the Designated National Authority mandated to regulate carbon markets and host national carbon registry in Kenya)



Subject Re: Submission of copy of PCN for PANDAWE CFA

From Kipkorir Sigi Langat <jlangat@kmfri.go.ke>

To Jusper Omwenga <jomwenga75@gmail.com>

Date Thursday March 13, 2025 11:07:54 AM

Thanks

*Kipkorir araap Sigi Lang'at (PhD)
Blue Carbon Ecology and Conservation
Alternative email: kisigilang@yahoo.com; kisigilang@gmail.com
+254 723 404156*

From: Jusper <jomwenga75@gmail.com>
To: Kipkorir <jlangat@kmfri.go.ke>
Date: Thursday, 13 March 2025 10:14 AM EAT
Subject: Re: Submission of copy of PCN for PANDAWE CFA

This is to acknowledge receipt of a Project Concept Note (PCN) from PANDAWE CFA in which the applicant intends to start a carbon offset project in Lamu County. The application will be reviewed as guided by the Carbon Market Regulations 2024 and the verdict given within the stipulated timelines. Thank you.

Jusper M. Omwenga, PhD
Principal Environmental Planning and Climate Change Scientist
National Environment Management Authority
P.O. Box 67839 00200
Nairobi, Kenya
Email: jomwenga75@gmail.com; jomwenga@nema.go.ke
Tel: +254 721473901; +254 735396670

On Wed, 12 Mar 2025 at 17:06, Kipkorir Sigi Langat <jlangat@kmfri.go.ke> wrote:
Dear Sir/Madam

Kenya Marine and Fisheries Research Institute is supporting Pate-Ndau-Awer Community Forest Association (PANDAWE CFA) to develop a blue carbon project with aim of conservation and restoration of mangroves through the sale of carbon credits. The development of the project follows the processes prescribed in the Climate Change (Carbon Markets) regulations and will seek accreditation from the Plan Vivo Standard.

Please find attached a copy of the Project Concept Note for the project.

Attached herewith the PCN are the minutes and request letter to KFS for approval.

Hard copy of the PCN is being sent along with the supporting documents comprising i)



PANDAWA COMMUNITY FOREST ASSOCIATION (CFA)

P.O. Box 23 Faza, Lamu, Kenya

Tel: 0713009776

Date: 28/10/2025

TO:

The Director General

Kenya Marine and Fisheries Research Institute (KEMFRI)

P.O. Box 81651-80100

Mombasa, Kenya

**RE: CONFIRMATION OF AUTHORISATION TO DELIVER THE MANGROVE
CARBON PROJECT PROJECT IDEA NOTE (PIN) ON BEHALF OF PANDAWA
COMMUNITY FOREST ASSOCIATION (CFA)**

We, Pandawe Community Forest Association (CFA), a duly registered community Forest Association working in partnership with the Kenya Forest Service (KFS) in the management and conservation of the Mangrove Forest, hereby confirm that we have authorized the Director General of the Kenya Marine and Fisheries Research Institute (KEMFRI) to deliver and officially present the Mangrove Carbon Project Project Idea Note (PIN) on our behalf.

This confirmation is issued in recognition of our ongoing collaboration with KEMFRI in promoting community-based mangrove conservation, blue carbon initiatives, and climate resilience. We fully endorse KEMFRI's representation and submission of the PIN as part of our joint efforts to advance sustainable forest management and community development.



We appreciate KEMFRI's continued technical guidance, scientific expertise, and institutional support in this important partnership.

This confirmation is issued upon our mutual agreement and remains valid for the duration of the PIN delivery and related processes.

Sincerely,

For and on behalf of Pandawe Community Forest Association (CFA):

Name: MOHAMED HARUN

Chairperson, Pandawe CFA

Signature: For

Name: ZULFA

Secretary, Pandawe CFA

Signature: For 

Official Stamp: _____