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MINISTRY OF NATURAL  
RESOURCES AND TOURISM



Ulkoministeriö  
Utrikesministeriet  
Ministry for Foreign  
Affairs of Finland

# **FORESTRY AND VALUE CHAINS DEVELOPMENT PROGRAMME (FORVAC)**

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## **SEMI-ANNUAL REPORT**

### **FOR THE PERIOD FROM 1 JULY 2019 TO 31 DECEMBER 2019**

6 March 2020

## **PREFACE**

Contact:

Chief Technical Advisor (CTA), Forestry and Value Chains Development (FORVAC) Programme

Tanzania Finland Cooperation

P.O. Box 1351, Kilimani Street, 40472 Dodoma, Tanzania

Email: [juhani.harkonen@forvac.or.tz](mailto:juhani.harkonen@forvac.or.tz); [info@forvac.or.tz](mailto:info@forvac.or.tz)

## PROGRAMME AREA



## PROGRAMME FACT SHEET

Programme title:	<b>Forestry and Value Chains Development Programme (FORVAC)</b>
Sub-sectors:	Forestry Development; Private Sector Development
Geographical coverage:	Tanzania - institutional development nationwide Tanga cluster: Handeni and Kilindi districts, and the district of Mpwapwa located in Dodoma region Lindi cluster: Liwale, Ruangwa and Nachingwea districts Ruvuma cluster: Namtumbo, Songea, Mbinga and Nyasa districts
Duration:	Four years (7/2018–7/2022)
Programme financing:	Government of Finland € 9.95 million Government of Tanzania in kind contribution (salaries, operating expenses and office space) € 200,000 Programme total budget € 10,150,000 Additional potential funding: max € 10 million (to be agreed)
Competent authorities:	Ministry for Foreign Affairs, Finland Ministry of Natural Resources and Tourism, Tanzania
Impact:	Increased economic, social and environmental benefits from forests and woodlands
Results of the Programme	Expected outcome: Improved forest sector market / value chains contributing to sustainable forestry and forest-based livelihoods Output 1: Improved value chains and increased private sector involvement in the forest sector Output 2: Stakeholder capacity to implement and promote forestry value chain development enhanced Output 3: Functional extension, communication, monitoring systems and Management Information System in place Output 4: Supportive legal and policy frameworks to forest value chain and sustainable forest management developed

## EXECUTIVE SUMMARY

Forestry and Value Chains Development (FORVAC) is a 4-year programme (7/2018 – 7/2022) funded by the Ministry for Foreign Affairs of Finland (MFA Finland). It aims to contribute in increasing economic, social and environmental benefits from forests and woodlands. The expected outcome of the Programme is “Improved forest sector market / value chains contributing to sustainable forestry and forest-based livelihoods”. FORVAC focuses on forest value chain development based on production of timber, charcoal and Non-Wood Forest Products (NWFP)/Non-Timber Forest Products (NTFP) in ten districts located in the three Programme clusters, Tanga, Lindi and Ruvuma, and forests allocated there to local communities (Community-Based Forest Management, CBFM, within Village Land Forest Reserves).

The FORVAC Annual Workplan and Budget (AWP) from July 2019 to June 2020 was approved by the Steering Committee on 19 June 2019. This document is the Semi-Annual Progress Report of the implementation of this workplan over the period from 1 July to 31 December 2019. It presents the progress towards the achievement of the expected results (Impact, Outcome and Outputs) defined in the Programme Results Framework. Under Outputs, it also discusses implementation of the related activities. Moreover, it specifies resources and budget used during the reporting period as well as assumptions and risks. Furthermore, it briefly discusses sustainability of the intervention and lessons learnt, conclusions and recommendations made based on the Programme implementation.

### ***Impact and outcome***

The achievement of Impact and Outcome level indicators will mainly be measured closer to end of the programme. However, during the reporting period, FORVAC has contributed to adding forest area by 58,170 under the 20 approved land use plans for the new Village Land Forest Reserves (VLFRs). This first step will be followed by forest management planning to ensure the legal ownership of the resource within the community. The average size of VLFR is only about 2,900 ha, rather small area in terms of natural wood production. However, the area very much varies, the larger VLFRs being concentrated in Lindi cluster and some in Ruvuma, and small ones in Tanga cluster. These different VLFRs need different approaches in terms of making them financially viable. Charcoal could be a solution for this viability issue. In fact, we recommend piloting Kilosa model in Tanga, where charcoal market is booming and forests are too small for CBFM to increase community income and livelihoods through timber trade.

Institutional support was given to the Ministry of Natural Resources and Tourism (MNRT) in terms of financing review and large edition of CBFM books, natural forest management guidelines, and inception report for charcoal policy preparations.

Improving access to finance has for now only been done through forming Village Saving and Loan Associations (VSLAs), which operate at the community level as a financing instrument for small-scale businesses. These VSLAs have not yet transformed into forest-based businesses, but have already collected savings of TZS 21 million in total in Liwale, which potentially will be financing such enterprises in the future. Other groups that have been formed for forest-based business are the 5 Tree Growers' Associations (TGAs) in Nyasa, which start teak plantations, and 41 newly formed or remobilized Village Natural Resource Committees (VNRCs), which represent the whole community in sustainably managing/harvesting/selling wood from VLFRs. The gender balance within these groups has not quite been reached: women members cover 35% of VNRCs in average, 23% of the TGAs and 59% of the VSLAs.

### ***Output 1: Improved value chains and increased private sector involvement in the forest sector***

The results under Output 1 area concentrate on base activities, land use and forest management planning, to ensure the legal ownership of the forest resource under communities. A partnership was formed with the National Land Use Planning Commission (NLUPC) for quality assurance and coordination of Land Use Planning: by the end of 2019, 20 new Village Land Use Plans (VLUPS) have been approved by relevant District Councils, and the gazettelement by Ministry of Lands, Housing and Settlements Development is in process.

Another significant step was to form the partnership with Mpingo Conservation and Development Initiative (MCDI, based in Kilwa) in Lindi cluster, being the most promising area for community timber trade. Regarding CBFM, villages to start with have been strategically selected, keeping an eye on the accessibility for buyers and cluster-wise location so that it would be easier to cooperate with neighboring VLFRs to increase volumes and reduce the cost of processing, marketing etc.

Unfortunately, formerly established forest management plans were found expired and villages not having funds to pay for updates. Hence, FORVAC needs to support updates to villages, where CBFM will potentially be financially viable. Additionally, planning and analyzing the situation has revealed some bottlenecks, which severely harm communities' ability to enter into trade. In these conditions, FORVAC has not many tangible results yet to contribute to the achievement of indicators measuring the end of the timber value chain.

### ***Output 2: Stakeholder capacity to implement and promote forestry value chain development enhanced***

Community institutions received training mainly as part of the LUP and CBFM processes, and in terms of teak planting in Nyasa (5 TGAs). The responsible authorities (district and regional authorities, NLUPC) are involved in every step in order to strengthen their monitoring role, especially in CBFM. Some knowledge gaps have been identified in terms of data analysis and service contracts are now being prepared to get a targeted training session to respond to the need.

Local politicians are a key in creating the local business environment, hence full council meetings were held in November – early in December almost in all target districts to get land use plans approved, but also to inform and train councilors in CBFM, forest based businesses and their roles in creating the environment for the community enterprises. These nearly 500 decision makers had very relevant questions regarding possibilities of the smaller VLFRs to benefit from the forest and gave good feedback of the information session. By far the best practical positive result from this effort was that Ruangwa District Full Council made a decision to procure timber for public development projects in Ruangwa district only from community forests. This means a significant increase in demand and could give a positive example to surrounding districts.

FORVAC cooperated with Sokoine University of Agriculture (SUA) in order to add value chain related contents to the curricula. Something what was first planned to be a BSc curricula, grew into a MSc program "Forest Value Chain and Business Development". The first course of students should start this MSc program in 2020. FORVAC also supports two value chain related MSc studies (Dissertations) at SUA. The students and topics have been selected and the thesis should be ready and related data available by the end of current programme year.

### ***Output 3: Functional extension, communication, monitoring systems and Management Information System in place***

Regarding Output 3, the Programme procured an IT company to develop the FORVAC website ([www.forvac.or.tz](http://www.forvac.or.tz)). This website was taken into use in September/October 2019 and gradually further developed thereafter, also to facilitate recruitments and calls for proposals for different FORVAC supported activities.

The FORVAC Management Information System (MIS) was designed by 2 short term consultants and launched in the end of October. The MIS is used to facilitate planning, monitoring and reporting of the Programme (also used to support formulation of Semi-Annual Reports as well as Monthly and Quarterly Reports).

A specific training course to enhance journalists' capacities to report on Participatory Forest Management (PFM)/CBFM and development of related value chains was organized in November 2019. Following this training, 25 articles were published on newspapers. Additionally 6 reports were broadcasted through TV and radio channels.

#### ***Output 4: Supportive legal and policy frameworks to forest value chain and sustainable forest management developed***

As for the work in legal and policy frameworks, FORVAC has supported a Task Force on developing the specific Charcoal Policy and Implementation Strategy. A report “Assessing Potential and Identifying Optimal Strategies for National Charcoal Sub-sector Development in Tanzania” was finalized earlier in 2019. An Inception Report for preparation of the National Charcoal Policy (NCP) and Implementation Strategy was drafted by September 2020 and submitted to decision makers during the reporting period.

Furthermore, FORVAC supported MNRT to develop Natural Forest Management Guidelines through facilitating operation of a specific Task Force - a draft of the guidelines was made available in November 2019.

FORVAC also contributed to reviewing CBFM books, and printing a new edition of ten separate documents sets (4500 pieces in total). This is a set of books, partly guidelines and partly tools, designed to help communities to manage their Village Land Forest Reserves (VLFRs).

#### ***Summary of Expenditure***

A total budget of the FORVAC implementation, excluding Technical Assistance (TA) costs, for the duration of the AWP from July 2019 to June 2020 covers EUR 2,729,713,00 (TZS 6,824,282,500). The related expenditure in the middle of the planning period (in the end of December 2019) is EUR 886,271 (TZS 2,215,677,000). This makes 32.5 % of the total annual budget allocated for the fiscal year 7/2019 – 6/2020.

#### ***Programme management & logistics***

The logistics is a main challenge for an efficient implementation of the Programme taking into consideration the geographical coverage, the distances and the poor infrastructure in most rural areas in the Programme districts. Field visits during the period and interaction with key stakeholders as well as with potential service providers have been time-consuming due to the distances from the head office in Dodoma to the clusters’ regions and to Dar es Salaam where most of key stakeholders are based. This challenge is partially addressed with the permanent presence of the cluster Coordinators in their respective regions.

In the above-mentioned conditions, the efficient use of Programme resources is of utmost importance. However, we see a need for additional staff/resources necessary to fulfill gaps in the implementing organization.

*Regarding FORVAC staffing, we recommend the following supplements in addition to the National Junior Expert position (Junior Value Chain Development Expert will join the Programme in February 2020):*

- *Recruitment of an International Junior Expert (M&E) and related additional fund allocation by the donor agency for this recruitment for about 2 ½ years.*
- *Remarkable extension for the International Value Chain Development Advisor position, instead of 14 months (with intermittent inputs) originally allocated, we request the donor agency to finance 6 – 10 additional months for this position.*
- *We also request finance for 8 additional short-term consultancy months (4 months for the national consultants and 4 additional months for the international ST consultants).*
- *Additional finance to the Programme or reallocation of the existing budget to support recruitment of Assistants for the Cluster Coordinators.*

The vehicle procurement has been done and the (8) cars arrived in Dar es Salaam in April 2019. At the time of writing this report, the vehicles are still kept in a bonded warehouse waiting either for a tax exemption certificate or a receipt for paid taxes. This issue is not in the hands of the PMT. However, the MNRT has approached the pertinent authorities and trying to solve this problem soon.

## Abbreviations

AAC	Annual Allowable Cut
BTI	Beekeeping Training Institute
CBFM	Community-Based Forest Management
CBO	Community-Based Organization
CC	Cluster Coordinator (FORVAC)
DFO	District Forest Officer
EAWLS	East African Wildlife Society
EoF	Embassy of Finland
EU	European Union
FGLG	Forest Governance Learning Group
FITI	Forest Industries Training Institute
FTI	Forestry Training Institute
FLEGT	Forest Law Enforcement, Governance and Trade
FMVCE	Forest Management and Value Chain Development Expert (FORVAC)
FSC	Forest Stewardship Council
FORVAC	Forestry and Value Chains Development (Programme)
GoF	Government of Finland
GoT	Government of Tanzania
HRBA	Human Rights Based Approach
KVTC	Kilombero Valley Teak Company
LAMP	Land Administration and Management Programme
LGA	Local Government Agency
LIMAS	Lindi and Mtwara Agribusiness Support
LUP	Land use plan
MFA	Ministry for Foreign Affairs (of Finland)
MNRT	Ministry of Natural Resources and Tourism
MMC	Mama Misitu Campaign
MSA	Market Systems Analysis
NAFOBEDA	National Forestry and Beekeeping Database
NAFORMA	National Forest Resources Monitoring and Assessment
NAPA	National Adaption Plan of Action
NEP	National Environmental Policy
NFBKP II	National Forestry and Beekeeping Programme Phase II
NFP	National Forest Programme
NGO	Non-Governmental Organization
NPC	National Programme Coordinator (FORVAC)
NTFP	Non-Timber Forest Product
NWFP	Non-Wood Forest Product
PAF	Performance Agreement Framework



PD	Programme Document
PFP	Private Forestry Programme – Panda Miti Kibiashara
PFM	Participatory Forest Management
PIM	Project Implementation
PFM	Participatory Forest Management
PFP	Private Forestry Programme
PMO	Prime Minister's Office
PMT	Project management team
PO-RALG	President's Office Regional Administration and Local Government
PMT	Programme Management Team
PPP	Public Private Partnership
REDD+	Reducing Emissions from Deforestation and Forest Degradation SB
RALG	Regional Administration and Local governments
RS	Regional Secretariat
SC	Steering Committee
SHIVIMITA	Tanzania Forest Industries Federation
SUA	Sokoine University of Agriculture
TA	Technical Assistance
TEITI	Tanzania Extractive Industries Transparency Initiative
TFS	Tanzania Forest Services Agency
TFCG	Tanzania Forest Conservation Group
TFS	Tanzania Forest Service
TFWG	Tanzania Forestry Working Group
TLAS	Timber Legality Assurance System
TNRF	Tanzania Natural Resources Forum
TP	Transit Pass
TRA	Tanzania Revenue Authority
TSh	Tanzanian shilling
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
VCA	Value Chain Development Advisor (FORVAC)
VAC	Value-Added Chain
VC	Village Council
VFMA	Village Forest Management Area
VICOBA	Village Community Bank
VLFR	Village Land Forest Reserve
VLUP	Village Land Use Plan
VNRC	Village Natural Resource Committee
WB	World Bank
WWF	World Wildlife Fund for Nature
VPA	Voluntary Partnership Agreement

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# 1 Introduction and the Programme description

## 1.1 Background

Forestry and Value Chains Development (FORVAC) is a 4-year programme (7/2018 – 7/2022) funded by the Ministry for Foreign Affairs of Finland (MFA Finland). It aims to contribute in increasing economic, social and environmental benefits from forests and woodlands. The expected outcome of the Programme is “Improved forest sector market / value chains contributing to sustainable forestry and forest-based livelihoods”.

The FORVAC builds on the activities, experiences and lessons learned from three bilateral programs in Tanzania financed by Finland: National Forest and Beekeeping Programme (NFBKP II, 2013–2016), Lindi and Mtwara Agribusiness Support (LIMAS, 2010–2016), and Private Forestry Programme (PFP, 2014–2019). NFBKP II and LIMAS have worked under the Community-based Forest Management regime to advance sustainable forest management and generate income and employment to communities from declared Village Land Forest Reserves. The Private Forestry Programme is working solely in plantation forests but has created valuable experiences to share in value chain development, mobilization of rural communities for economic activities, and developing training and extension services for small-scale forest enterprises.

FORVAC focuses on forest value chain development based on production of timber, charcoal and Non-Wood Forest Products (NWFP)/Non-Timber Forest Products (NTFP) in the project districts and areas allocated there to local communities (CBFM within Village Land Forest Reserves). The Programme also supports the development of forest law enforcement, as it is relevant to the development of CBFM, and improvements of conditions for the trade of legally sourced timber, charcoal and other forest products originating from the project area. Legal and policy frameworks are improved and harmonized to guide and improve sustainable forest management and trade procedures.

## 1.2 Institutional framework

The Programme competent authorities are the Ministry for Foreign Affairs of Finland (MFA) and the Ministry of Natural Resources and Tourism of Tanzania (MNRT). The implementing agency is the Forest and Beekeeping Division (FBD) in close collaboration with the President's Office Regional Administration and Local Government (PO-RALG) District authority, responsible for Village Land Forest Reserves (VLFR), and the Tanzanian Forest Services Agency (TFS), which is responsible for state forests. In addition, communities have a main implementation responsibility, together with districts under the PO-RALG, private sector entities and NGOs as service providers. VLFRs are managed by Village Natural Resource Committees (VNRCs) and are accountable to the Village Councils.

The decision-making system of the Programme includes the Supervisory Board (SB), the Steering Committee (SC) and the Programme Management Team (PMT). At the local level coordination arrangements are managed by the Cluster Coordinator (CC) in the respective regions/clusters in close collaboration with District Councils, through appointed officers, and Village Councils, through Village Natural Resource Committees (VNRC) at the village level.

The Programme field working area is divided into three regions with three clusters covering a total of ten districts as follows:

- Tanga cluster: Handeni and Kilindi districts in Tanga Region, and Mpwapa district located in Dodoma Region;
- Lindi cluster: Liwale, Ruangwa and Nachingwea districts; and
- Ruvuma cluster: Namtumbo, Songea, Mbinga and Nyasa districts.



Figure 1. Map of FORVAC target areas.

### 1.3 Results framework

The FORVAC Results Framework is set out in the Programme Document. It is also presented in this paper as part of Annex 1 (Planning Matrix for Annual Targets), indicating results (Impact, Outcome and Outputs), related indicators, baselines, annual targets, end of Programme targets, means of verification and assumptions. Furthermore, the Programme Results are given below:

- Impact: Increased economic, social and environmental benefits from forests and woodlands.
- Outcome: Improved forest sector market / value chains contributing to sustainable forestry and forest-based livelihoods.

The outcome is achieved through the accomplishment of the following four outputs:

- Output 1: Improved value chains and increased private sector involvement in the forest sector;
- Output 2: Stakeholder capacity to implement and promote forestry value chain development enhanced;
- Output 3: Functional extension, communication, monitoring systems and Management Information System in place; and
- Output 4: Supportive legal and policy frameworks to forest value chain and sustainable forest management developed.

#### **1.4 Annual Workplan 2019 – 2020 and the Semi-Annual Report 07/2019 - 06/2020**

FORVAC Cluster Coordinators (CCs) for the Tanga, Lindi and Ruvuma regions were mobilized in April 2019, and the CCs started their assignments in the corresponding clusters by developing proposals for cluster workplans, covering 3 districts in Tanga cluster, 3 districts in Lindi and 4 districts in Ruvuma cluster, in cooperation with local stakeholders in May – June 2019. The Annual Workplan and Budget (AWP) from July 2019 to June 2020, also including Workplan for the Programme coordination/PMT, was approved by the FORVAC Steering Committee on 19 June 2019, and endorsed without changes by the Supervisory Board on 24 October 2019. “Coordination/PMT” herewith refers to activities implemented under direct coordination of the FORVAC Programme Management Team (PMT).

Taking into account a rather late mobilization of the CCs, the AWP 2019 – 2020, presented by Outputs in Annex 2 of this report, is ambitious. Still it is in line with the Overall Workplan and Budget included in the approved Programme Document, and it follows the established results framework.

This document is the Semi-Annual Progress Report of the implementation of this workplan over the period from 1 July to 31 December 2019. It presents the progress towards the achievement of the expected results (Impact, Outcome and Outputs) defined in the Programme Results Framework. Under Outputs, it also discusses implementation of the related activities. Moreover, it specifies resources and budget used during the reporting period as well as assumptions and risks. Furthermore, it briefly discusses sustainability of the intervention and findings and recommendations made based on the Programme implementation.

## 2 Progress towards the achievement of the expected results

### 2.1 Impact – increased economic, social and environmental benefits from forests and woodlands

Herewith we are describing progress taken (achievements) by FORVAC against Impact indicators given in the Planning Matrix for Annual Targets in Annex 1 of this document and further discussed in the Annual Workplan 2019 – 2020. Impact level indicators and related achievements are set out in Table 1 below.

**Table 1. Impact level indicators and achievements.**

Indicators	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 7/2022	Achievement (7/2019 – 12/2019)	Cumulative achievement since the beginning of the Programme
Increased household incomes derived from forests (Disaggregated by age, sex, disability)	3%	+15%	n/a, complementary baseline study to be completed early 2020, impact assessment to be done towards the end of the Programme	
Less deforestation in the area where FORVAC works	Deforestation reduced	Deforestation significantly lower by the Programme end in the VLFRs where FORVAC works compared to other VLFRs of the region	Additional forest reserve area 58,170 ha, under sustainable management (20 villages)	Additional forest reserve area 58,170 ha, under sustainable management (20 villages)
Improved services for villages, e.g. water services, health services, RE solutions, village office	Services improved	Villager's opinions of the related services is improved during the project lifetime (disaggregated by sex, age and disability)	n/a, complementary baseline study to be completed early 2020, impact assessment to be done towards the end of the Programme	
VLFRs' increased contribution to national level sustainable woodland and forest management	36 VLFRs, including 2 CFRs both involving 2 villages established under FORVAC's support Around 120,000 ha	National target 2,4 million ha	Formation and mobilization of 44 VNRCs in total supported (Lindi cluster 15; Ruvuma 29) 58,170 ha of forests in 20 villages allocated to new VLFRs (in villages where FORVAC supported LUP was completed during the reporting period)	Formation and mobilization of 44 VNRCs in total supported (Lindi cluster 15; Ruvuma 29) 58,170 ha of forests in 20 villages allocated to new VLFRs
Improved institutional support for the forest sector through regulations and legislation in place	Updates/amendments of forest legislation (Forest Act and regulations) Draft Beekeeping Policy outlined Charcoal Policy and Implementation Strategy in place	Supportive regulations and legislation revised for sustainable forest management by Programme end	Forest Act & regulations: - Natural Forest Management Planning guideline draft produced - Printing of 4500 pieces of reviewed CBFM books to support VLFR management (10 different books) Charcoal Policy and Implementation Strategy: - Inception Report for Preparation of the National Charcoal Policy (NCP) developed by the Task Force and submitted to decision makers in September 2019	Forest Act & regulations: -CBFM books reviewed and amended -natural forest management guideline draft produced -printing of 4500 pieces of reviewed CBFM books to support VLFR management (10 different books) Charcoal Policy and Implementation Strategy: - Report for 'Assessing Potential and Identifying Optimal Strategies for Nat. Charcoal Sub-sector Development in Tanzania finalized - Inception Report for Preparation of the National Charcoal Policy (NCP) developed by the Task Force and submitted to decision makers in September 2019

## 2.2 Outcome – improved forest sector value chains contributing to sustainable forestry and forest-based livelihoods

In a results framework, Impact refers to the higher-level development policy objectives. The direct programme goals (outcomes) should contribute towards achieving these impacts. Table 2 below indicates progress taken against Outcome indicators defined in the Programme **Output 4: Supportive legal and policy frameworks to forest value chain and sustainable forest management developed.**

Results Framework.

**Table 2. Outcome level indicators and achievements.**

Indicators	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 7/2022	Achievement (7/2019 – 12/2019)	Cumulative achievement since the beginning of the Programme
Improved business environment in forestry sector related to - Taxes and royalties - Standards - Forest value chains	Progress made to establish a transparent and just system for levying taxes and royalties.  Drafting construction / technical standard for a number tree species (timber) from natural forests commenced  Improvements in forest value chains related regulations, improved benefit sharing modalities in use	Transparent and just system for levying taxes and royalties in place  Construction/technical standard developed  The number of forest value chains related regulations revised, benefit sharing modalities in use (the number to be defined during the course of FORVAC)	To be addressed in 2020	n/a
Supporting functions/ Service provision for: - Improved market information system  - Improved forest value chain financing  - Enhancing capacities in VC	Forest sector businesses better linked with financing alternatives  VC included in the curricula of forestry training institutions (SUA 2019 – 2020)	Market information system in place  Forest sector businesses linked with financing alternatives  Better functioning forest value chains in Tanzania benefitting forest sector and including participation of women and disadvantaged groups (data disaggregated by sex, age, disability)  VC included in the curricula of forestry training institutions	32 Village Saving and Loan Associations (VSLAs) formed with 600 members to facilitate financing through savings (352F/248M)  MSc Curricula for Forest Value Chain and Business Development formulated in SUA  2 forest value chain dev. related MSc studies (Dissertations) supported by FORVAC at SUA (ongoing)	32 VSLA formed with 600 members to facilitate financing through savings (352F/248M)  MSc Curricula for Forest Value Chain and Business Development formulated in SUA  2 forest value chain dev. related MSc studies (Dissertations) supported by FORVAC at SUA (ongoing)
Increased number of community producer groups and their members engaged in wood and NWFP harvesting, processing and marketing (per products/ district/ year, by sex, age and potential disability)	36 producer groups established	70 groups of 30 women/ men; totaling 2100 members (figures to be revised on the basis of the baseline)	Teak plantation, Nyasa District, 2019, reactivation of 5 TGAs in total of 240 members (54F/184M)  Natural wood production: Village Natural Resource Committees (VNRCs) have been formed/remobilized in 44 villages	Teak plantation, Nyasa District, 2019, reactivation of 5 TGAs in total 240 members (54F/184M)  Natural wood production: VNRCs have been formed/ remobilized in 44 villages



Indicators	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 7/2022	Achievement (7/2019 – 12/2019)	Cumulative achievement since the beginning of the Programme
Social fund distribution from forest produce sales (e.g. school uniforms, school desks, dispensary building, benefitting vulnerable; by gender, age and disability) and number of people benefiting	+15 %	+75 %	n/a, complementary baseline study to be implemented early 2020, impact assessment to be done towards the end of the Programme	
AAC - Annual Allowable Cut defined in harvesting plans, and logging done according to plans	15 % (to be adjusted against harvesting plans)	xx % increase	2 harvesting plans developed in Nachingwea, but AAC will be reviewed in 2020	2 harvesting plans in Nachingwea
Increased areas under sustainable forest management (CBFM)	36 VLFRs, including 2 Community Forest Reserves (CFR) both of them involving 2 villages established under the FORVAC support Around 120,000 ha (area to be known after VLUPs) 25 VLUP produced	+ 60 % (additional 151,149 ha)	Formation and mobilization of 44 VNRCs in total supported (Lindi cluster 15; Ruvuma 29) 58,170 ha in 20 villages where LUP was completed 20 LUPs produced for new VLFRs and approved in DC	Formation and mobilization of 44 VNRCs in total supported (Lindi cluster 15; Ruvuma 29) 58,170 ha in 20 villages where LUP was completed 20 LUPs produced for new VLFRs and approved in DC
Improved Forest Law enforcement and Governance system to replace trade of illegal timber with legally produced timber	Progress taken in establishment of components of Forest Law enforcement and Governance system	Key Forest Law enforcement and Governance system components in place	No concrete results yet, discussions with TFS, MNRT, TRAFFIC and TNRF on-going	No concrete results yet, discussions with TFS, MNRT, TRAFFIC and TNRF on-going

## 2.3 Implementation and achievements by Outputs

### 2.3.1 Output 1. Improved value chains and increased private sector involvement in the forest sector

The FORVAC implementation takes place under four Outputs: i) Improved value chains and increased private sector involvement in the forest sector; ii) Stakeholder capacity to implement and promote forestry value chain development enhanced; iii) Functional extension, communication, monitoring systems and Management Information System in place; and i) Supportive legal and policy frameworks to forest value chain and sustainable forest management developed. The following Sections describe activities conducted under these Outputs during the reporting period as well as achievements against the Programme Results Framework and related Indicators.

Herewith we present FORVAC's achievements in relation to the indicators of Output 1.

**Table 3. Indicators and achievements under Output 1.**

Indicators	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 7/2022	Achievement (7/2019 – 12/2019)	Cumulative achievement since the beginning of the Programme
Number of VLFRs declared and operational, including village land use plans and forest management plans	36 VLFR, including 2 Community Forest Reserves (CFR) both of them involving 2 villages established under the FORVAC support, 25 VLUP produced	85 VLFR functional (number of new VLFRs to be established 28) 52 LUP	20 new VLFRs allocated in LUP but not established yet through CBFM, activities initiated in 12 already formed VLFRs in Lindi cluster.  Formation and mobilization of 44 VNRCs in total supported (Lindi cluster 15; Ruvuma 29).	20 new VLFRs allocated in LUP but not established yet through CBFM, activities initiated in 12 already formed VLFRs in Lindi cluster.  By the end of 2019, formation and mobilization of 44 VNRCs in total supported (Lindi cluster 15; Ruvuma 29).
Number of forest harvesting contracts contributing to the timber value chain managed in VLFRs (species, volume sold and unit prices) villages/district / year	5 new harvesting plans by June 2020	At least for 25 % of the VLFRs established during FORVAC +200%	2 harvesting plans developed in Nachingwea, (but AAC will be reviewed in 2020)	2 harvesting plans developed in Nachingwea,
Lesser known species with market potential identified and researched	10 – 15 identified (service contract)	at least 10 with potential for market/business dev.	2020  However, several lesser known species are included in the inventory by MCDI - FORVAC partnership	n/a  However, several lesser known species are included in the inventory by MCDI/FORVAC partnership
Advocacy on lesser known species	Information (technical qualities) and availability of 3 – 5 species disseminated by June 2020	x species of lesser known species disseminated	2020	n/a
Honey producer or other NWFP/NTFP producer groups linked with traders and other value chain actors (by sex) and their income increased	+ 5% + kg 1000 + 250 kg + 15% + 20%	+ 30% + 100%  + 100% + 100%	2020	n/a
Increased efficiency of timber processing (e.g. use of efficient sawmills contra pit sawing)	No contribution in year 1 and 2 (but later during the Programme years 3 and 4)	5 – 10% increase	2020 - 2021	n/a
Number of new institutional arrangements/ business models with market linkages (e.g. MoUs, joint ventures, PPP & other partnerships)	+ 3 – 5	10 – 15	Partnership with MCDI on long term presence for CBFM in Lindi	Partnership with MCDI on long term presence for CBFM in Lindi
Number of private business actors engaged in legal timber processing (per district/year) increased	+20%	+150%	n/a, complementary baseline study to be implemented early 2020, impact assessment to be done towards the end of the Programme	

Indicators	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 7/2022	Achievement (7/2019 – 12/2019)	Cumulative achievement since the beginning of the Programme
Increased employment (# of persons getting income) in harvesting and transportation, processing, pit sawing and saw milling; by gender.	+ 300 (15 % women)	+1000 people (at least 20 % women)	n/a, complementary baseline study to be implemented early 2020, impact assessment to be done towards the end of the Programme	
Total income from charcoal sales within FORVAC VLFRs	+20%	+200%	n/a, complementary baseline study to be implemented early 2020, impact assessment to be done towards the end of the Programme	
Reduction in annual illegal forest harvesting cases in FORVAC supported forests	<5 cases	<25 cases	2020 onwards	n/a

### **Support to establishment and mobilization of Village Land Forest Reserves (VLFR)**

Most of FORVAC activities carried out during the reporting period relate to Key Intervention 1.1 “*Establishment and Mobilization Village Land Forest Reserves, VLFR*” under Output 1 “*Improved value chains and increased private sector involvement in the forest sector*”. At this point, the Programme mainly supported land use planning, which is a participatory process at the village level for a community to agree the area to be allocated for the VLFR. This land use planning progressed slightly faster than was foreseen (20 Village Land Use Plans approved by relevant District Councils by December 2019).

Village Land Forest Reserves are managed by Village Natural Resource Committees (VNRCs). These committees are elected by the villagers, and they report to Village Councils (VC). The Programme has supported the formation and mobilization of 44 VNRCs in Lindi and Ruvuma clusters: 29 VNRCs have been formed in Ruvuma and 15 in Lindi cluster (of these 15 VNRCs in Lindi, 12 have been mobilized in partnership with MCDI). The formed and mobilized VNRCs were trained on CBFM practices, and roles and responsibilities and composition of VNRC. The tenure and good governance were also covered. The breakdown of the VNRC members, also indicating disaggregation by gender is set out in Table 4 below.

**Table 4. Mobilized and formed Village Natural Resource Committees (VNRCs) by clusters and districts.**

Cluster	District	Village	Total VNRC members	# Females	% Females	# Males
Ruvuma	Namtumbo	Kumbara	17	4	24	13
		Limamu	17	6	35	11
		Suluti	17	6	35	11
		Chengena	17	6	35	11
		Kilangalanga	17	5	29	12
		Masuguru	17	4	24	13
	Songea	Liweta	18	8	44	10
		Litowa	13	5	38	8
		Kituro	14	6	43	8
		Matimila A	19	6	32	13
		Kikunja	13	6	46	7
		Ndongosi	14	6	43	8
		Mhukurulilahi	10	4	40	6
	Mbinga	Ndongosi	12	5	42	7
		Kindimba juu	12	5	42	7
		Kindimba chini	11	5	45	6
		Barabara	12	4	33	8
		Amani makoro	12	5	42	7
		Kiwombi	12	4	33	8

Cluster	District	Village	Total VNRC members	# Females	% Females	# Males
Ruvuma	Nyasa	Litumbakuhamba	12	4	33	8
		Ngingama	12	5	42	7
		Lituhi	12	3	25	9
		Mwerampya	12	4	33	8
		Ndumbi	12	3	25	9
		Liweta	12	2	17	10
		Mbaha	12	4	33	8
		Lundu	12	6	50	6
		Hinga	12	3	25	9
		Litolomelo	12	3	25	9
Lindi	Ruangwa	Lichwachwa	16	4	25	12
		Mmawa	10	5	50	5
		Ng'au	16	7	44	9
		Nandenje	16	8	50	8
		Nahanga	15	6	40	9
		Chingumbwa	13	6	46	7
	Liwale	Mikunya	15	3	20	12
		Mtawatawa	18	5	28	13
		Nangano	13	5	38	8
		Mtungunyu	17	5	29	12
		Nahoro	17	5	29	12
	Nachingwea	Nanjihi	15	3	20	12
		Likwela	8	1	13	7
		Nahimba	10	4	40	6
Kiegei A		10	6	60	4	
Total		44	603	210	35	395

In July 2019, the Programme hired a national short-term consultant to train District Participatory Land Use Management (PLUM) Teams on spatial mapping using high-resolution satellite images for LUP, support and advice on LUP activities and provide linkage between FORVAC and the National Land Use Planning Commission (NLUPC).

Furthermore, the Programme signed MoU with NLUPC on 21 August, to support establishment of VLUPs in the Programme clusters/districts and secure necessary quality assurance. The collaboration started by providing training to District PLUM teams the respective clusters and the representatives from the regional offices. The two-day training was conducted in each cluster (Lindi, Ruvuma and Tanga; number participants in each event is given in Table 5). The socialization/training workshop aimed at sharing LUP experience from the already completed VLUPs and giving fresher courses on steps of conducting LUP, VLUP report writing format, new improvements and spatial mapping using high resolution satellite images.

**Table 5. Number of participants to the socialization/training workshop of LUP.**

Cluster name	District	Total number of participants	Number of female participants	Number of male participants
Ruvuma	Namtumbo	14	2	12
	Songea	16	2	14
	Mbinga	14	2	12
	Nyasa	13	1	12
	Regional Office	2	0	2
Lindi	Liwale	15	1	14
	Ruangwa	14	2	12
	Nachingwea	14	1	13
	Regional Office	1	0	1

Cluster name	District	Total number of participants	Number of female participants	Number of male participants
Tanga	Handeni	13	3	10
	Kilindi	12	3	9
	Mpwawa	11	0	11
	Regional Office	1	0	1
<b>Total</b>		<b>140</b>	<b>17</b>	<b>123</b>

Land use planning provides a basis for demarcation of VLFRs and implementation of Community-Based Forest Management (CBFM). The Programme had a target to prepare 25 Village Land Use Plans (VLUP) during the AWP 2019 – 2020.

Instead of 17 VLUPs planned to be completed and approved by December 2019, FORVAC was able to achieve this stage a bit faster so that finally twenty (20) VLUPS were completed and approved by relevant District Councils by 31 December 2019.



**Figure 2. Training to PLUM teams from Mpwawa, Kilindi and Handeni districts of Tanga cluster.**

A specific 5-day GIS training course to the District PLUM team members responsible for GIS/mapping was held in Morogoro on 16 – 20 September. A total of 20 participants attended this training, involving two (2) participants from each Programme target district. Five (5) participants were also invited from the National Land Use Planning Commission to share experiences and recent updates of the LUP process and VLUP reporting standards including mapping.

Additionally, the Programme provided a laptop, GPS receivers, a scanner and LUP guidelines to each PLUM team in all ten (10) target districts. The provided tools and guidelines support the PLUM teams to work more efficiently in village land use planning and other forest related tasks.



**Figure 3. Participants learning on mapping land use zones using satellite images during LUP-GIS training.**



The work on the ground and meetings have been completed by Village Land Use Management Committees, facilitated by District PLUM team and NLUPC for 22 village land use plans, all 22 village land use plans have been approved at village level (village assembly meeting) and 20 village land use plans have been approved by respective District Full Council meetings.

These VLUPS were scrutinized by NLUPC in November and currently they are with NLUPC waiting for the gazettment processes by the Ministry of Lands, Housing and Human Settlements Development.

Key figures of the LUP results and related approval dates of the VLUPS are summarized below and presented in more detail in Table 6.

Use of Satellite image when conducting Village Land use plan acted as a catalyst for people to participate and interact actively especially when drawing and identifying different land use parcels for different uses e.g. Forest land, Agricultural land, Settlements, Grazing land, Land for Community services, etc. This were observed in Ndongosi village in Mbinga district when doing LUP and during the FORVAC Socialization and Training Workshop to Head of Departments, PLUM team and members of District Facilitating Teams on Land Use Planning Approach. Moreover, use of Satellite Image in conducting VLUP gave an opportunity to all village members to participate actively in the process regardless their gender, disabilities or ethnic background and in so doing fully filling FORVAC objective on Human Rights and Cross cutting Approach when implementing programme activities.



Photo: Women and men participating in locating different land uses at Ndongosi Village, Mbinga district.

- 20 VLUPS (Tanga cluster 7; Lindi cluster 5 and Ruvuma cluster 8) with the area of 218,187 ha
- 58,170 ha allocated to VLFRs (average 2,909 per VLFR)
- Beneficiaries: 45,237 villagers

**Table 6. FORVAC supported VLUP (as of 31 December 2019).**

Cluster	District	Village	Date of approval at the village level (Village Assembly meeting)	Date of approval at District Council level (District Full Council meeting)	Total Village Area (ha)	Total VLFR Area (ha)	VLFR (% of the total village area)	Total house hold (#)	Total Population (#)	Total Males (#)	Total Females (#)
Ruvuma	Songea	1) Liweta	24/07/2019	14/12/2019	13,488	1,449	11	383	1,331	575	756
		2) Litowa	3/09/2019	14/12/2019	17,100	1,190	7	313	1,418	673	745
		3) Kikunja	15/10/2019	14/12/2019	21,692	4,498	21	372	1,417	667	750
	Mbinga	4) Kindimba Chini	9/09/2019	11/12/2019	11,162	4,766	43	420	2,170	1,183	987
		5) Kindimba Juu	4/10/2019	11/12/2019	10,389	1,618	16	818	2,928	1,424	1,504
	Nyasa	6) Litumbakuhamba	13/08/2019	28/11/2019	3,536	1,004	28	382	1,530	660	870
		7) Litoromelo	6/09/2019	28/11/2019	3,306	256	8	138	474	230	244
		8) Hinga	9/10/2019	28/11/2019	5,343	2,663	50	474	1,903	901	1,012
Lindi	Liwale	9) Likombora	17/09/2019	4/12/2019	16,947	11,006	65	342	1,925	863	1,062
		10) Turuki	21/10/2019	4/12/2019	14,625	9,001	62	157	552	265	287
	Ruangwa	11) Machang'anja	17/07/2019	28/11/2019	8918	2460	28	302	1,065	502	563
		12) Mmawa	30/09/2019	28/11/2019	1,416	446	31	127	314	154	160
		13) Chingumbwa	21/10/2019	28/11/2019	4,507	1,690	37	752	2,083	1,081	1,002
Tanga	Handeni	14) Kitumbi	22/08/2019	18/11/2019	27,215	7,828	29	2,232	10,453	4,155	6,298
		15) Kwamsundi	22/08/2019	18/11/2019	5,023	460	9	372	1,724	851	873
	Kilindi	16) Turiani Kwedijero	7/08/2019	20/11/2019	17,431	565	3	405	1,486	814	672
		17) Komnazi	7/10/2019	20/11/2019	5,117	353	7	579	1,907	887	1020
		18) Mnkonde	13/10/2019	20/11/2019	12,743	1,508	12	329	1,882	947	935

Cluster	District	Village	Date of approval at the village level (Village Assembly meeting)	Date of approval at District Council level (District Full Council meeting)	Total Village Area (ha)	Total VLFR Area (ha)	VLFR (% of the total village area)	Total house hold (#)	Total Population (#)	Total Males (#)	Total Females (#)
	Mpwapwa	19) Chiseyu	15/10/2019	29/11/2019	9,046	4,041	45	680	4,472	2,072	2,400
		20) Ikuyu	12/10/2019	29/11/2019	9,183	1,368	15	1,159	4,203	1,967	2,236
<b>Total (20 villages):</b>					<b>218,187</b>	<b>58,170</b>	<b>27</b>	<b>10,736</b>	<b>45,237</b>	<b>20,871</b>	<b>24,376</b>

Additional two (2) VLUPS, one for the Ndogosi village in Mbinga district and another for the village of Limamu in Namtumbo District, both located in Ruvuma cluster, are waiting for the next District Full Council meeting for approval. These meetings will be held early in 2020.

As for timber, this output area has no results yet, as base work to ensure the supply is not yet done. Only very few harvesting plans are still valid – even most recent plans supported by LIMAS and NFBKPII came to the end of their validity in 2019. A few forest management plans, which were drafted by District Councils under FORVAC support in 2019, had quality problems in terms of the inventory data analysis, and if taken into use, would have resulted in unsustainable harvesting - need for capacity building was identified, but again no supply for timber was secured. Towards the end of the reporting period, FORVAC started to partner with MCDI to facilitate forest management, harvesting and community business planning. District and village introductory meetings have been held under this partnership, and inventory work will commence in 2020 after rainy season (which has been exceptionally disastrous this year).

During planning for MCDI/FORVAC cooperation and village selection, weight was put into ensuring increase in trade by strategically selecting villages, which have potential to provide significant volumes of timber, honey, other forest products. Training curricula for village institutions have been updated and community business planning incorporated in the curricula – something that ensures communities' longer term planning, both in preparing for update in forest management plans after the first 5-year period, and also giving the scale on what community should be able to invest in case of value addition in the timber trade. Criteria further discussed in the Box below.

During planning for timber trade with MCDI, some bottle necks were identified: 1) communities do not get many customers for stumpage trade due to previously (by LIMAS and NFBKPII) reported volume issue, and 2) communities have difficulties in starting to process timber, because due to procedural reasons they have to buy the raw material from themselves.




**MCDI - FORVAC Partnership**

*Way towards sustainability*

MCDI (Mpingo Conservation and Development Initiative) has created a unique partnership with forest communities in Kilwa. They help communities in managing their VLFR and processing and selling FSC certified timber.

MCDI is well known in Lindi cluster, especially Liwale, where they facilitated forest management planning and wood business with LIMAS support.

The aim of the FORVAC – MCDI partnership is that MCDI establishes a long- term presence in Liwale, Ruangwa and Nachingwea and a lasting relationship with forest communities and host-districts. MCDI is introduced to communities as technical assistance, whose margin will be calculated in village business plans for the coming five-year planning period. This margin will allow MCDI to provide assistance to communities also post-FORVAC. MCDI is also establishing their presence in the area by setting up an office in Liwale town.

### Selecting villages strategically

In order to make CBFM a real business and bring significant income to the communities, villages for support are selected with following criteria to reach larger volumes for marketing and easier access for buyers. This approach will create the needed success stories and encourage other communities to allocate enough land for VLFRs in later stage.

- i. Logistics: Access by road needed for timber and other products to be easier to market.
- ii. Location: The selected villages should be rather “cluster-wise” located than remote from each other. This will ease up the marketing, as close by villages can market larger volumes together to the same buyer. This also reduces field costs during the Programme – trainings and logistics can be combined.
- iii. No boundary conflicts: Boundary conflicts are common in villages, where borders are drawn without village participation. FORVAC will first support villages without conflicts, rather than invest time and money in villages with lengthy conflicts. Potential villages with conflicts are given a chance to invite FORVAC/MCDI back to the village to reassess the situation after they have solved the conflict.
- iv. Availability of Forest Management, Harvesting and Land Use Plans: Several villages in the area have already been invested in in terms of inventories and capacity of VNRCs by previous programmes. These villages will be kept on board with FORVAC in order to further develop value addition and income and work opportunities to the communities.
- v. Size of VLFRs and volume of timber: FORVAC will first target villages, who are willing and able to allocate financially viable area under CBFM. Very small VLFR area does not cover the cost of the management, however important the existing forest would be for the community. The idea behind it is that financially viable VLFRs that benefit the community serve as an example and encourage near-by villages to allocate enough area under CBFM in the future.
- vi. Potential timber: Areas which have already been logged empty, will not be financially viable in the short-term. FORVAC/MCDI will first target villages with readily available timber species, preferably well-known species, but also lesser known species.



**Figure 4. Teak nursery in Nyasa District.**

FORVAC has continued work PFP started in Nyasa District in five (5) villages by encouraging individuals to establish wood lots. During land use planning in total 700 ha was allocated for Tree Growers' Associations (TGAs) in these villages. Access to membership of Tree Growers' Association is open to anyone in the community above 18 years. Each member is given 0.8-1 ha of land in the allocated area, and teak seedlings. Membership of TGA secures access to land for the whole rotation of trees. Concrete activities during Q1-Q2 cover the following:

- Need assessment for teak seedlings demand for the 2019/20 planting season -> 150,000 teak stumps needed and ordered from TFS.
- TGAs in 5 villages (Mango, Nkalachi, Liuli, Mkali A and Lipingo) trained on land preparation, plot measurement and alignment, planting pit dimensions and fire management techniques.
- By the end of 2019, 224 ha land cleared and prepared for teak planting in 3 villages in Liuli (80 ha), Lipingo (60 ha) and Mkali A (84 ha).



Honey is widely produced in the Programme clusters, and several honey groups operate in the area. Identifying the honey producers and volumes they produce, and possible market is on-going. During the reporting period, beekeepers from Kilindi and Handeni sold their products in Nane Nane exhibition in Morogoro (see the below Box).

#### BEEKEEPERS IN NANE NANE EXHIBITION

FORVAC supported a total of 30 beekeepers (13M/17F) from Kilindi and Handeni districts to participate in the Nane Nane exhibition in Morogoro on 7 – 9 August 2019. Participants sold honey products, but the main take home was peer-learning from other beekeepers and tips from professionals to improve production/ marketing/sales.



Figure 5. Honey producers selling products.



Figure 6. Beekeeping expert from SUA explaining about modern hives.

### 2.3.2 Output 2. Stakeholder capacity to implement and promote forestry value chain development enhanced

Table 7. Indicators and achievements under Output 2.

Indicators	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 7/2022	Achievement (7/2019 – 12/2019)	Cumulative achievement since the beginning of the Programme
Number of government staff trained in forest management and value addition techniques, disaggregated by sex (inclusive VETA training programme)	100 district officers + 20 regional & central government officers 20% + women	To be defined in TNA	Full Council members and key district officers trained in forestry value chain, total 491 (119F/372M)  DFO, RNO, other key officers trained in CBFM techniques in Lindi cluster, tot. 36 (26 M/ 10 F)	Full Council members and key district officers trained in forestry value chain, total 491 (119F/372M)  DFO, RNO, other key officers trained in CBFM techniques in Lindi cluster, tot. 36 (26 M/ 10 F)

Indicators	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 7/2022	Achievement (7/2019 – 12/2019)	Cumulative achievement since the beginning of the Programme
Number of individuals trained in forest management and value addition techniques, disaggregated by sex, age and disability/ by category (village level, SMEs, service providers)	<ul style="list-style-type: none"> <li>1600 village leaders (40 villages: 20 Village Councils + 20 VNRCs)</li> <li>100 SMEs</li> <li>20 staff members of Service Providers</li> </ul>	To be defined in TNA	Village level: <ul style="list-style-type: none"> <li>5 TGAs: 240 members (54F/184M),</li> <li>44 VNRCs /VCs in FMP: 603 (395 M and 210 F)</li> <li>LUP 20 VCs (520 members)</li> </ul>	Village level: <ul style="list-style-type: none"> <li>5 TGAs: 240 members (54F/184M)</li> <li>44 VNRCs /VCs in FMP: 603 (395 M and 210 F)</li> <li>LUP 20 VCs (520 members)</li> </ul>
Value chain related efficiency in decision making and in administrative procedures increased	Steps taken to improve efficiency of VC related decision making and administrative procedures, average time for getting permits reducing	Average time for getting permits reduced procedures simplified	2020 - 2022	n/a
Forest value chain development incorporated in University and FTI/FITI curricula	VCD included in the curricula of SUA	Curricula developed and in use Issues of gender, age and disability considered in learning materials	MSc Curricula for Forest Value Chain and Business development developed in SUA	MSc Curricula for Forest Value Chain and Business development developed in SUA

In the context of implementing Output 2, awareness raising and training were addressed to enhance capacities and understandings of Village Councils and VNRC of CBFM and rights and responsibilities of Village Land Forest Reserves (VLFRs) as well as related benefit sharing.

Additionally under Output 2, FORVAC objectives and approach, also regarding methodologies applied to land use planning, were socialized to relevant district offices in the end of August and during early days of September and a specific training course on mapping/GIS held for the selected District Participatory Land Use Management (PLUM) team members in Morogoro on 16 – 20 September.

The Programme also supported establishment of Village Saving and Loan Associations (VSLA). Additionally, FORVAC supported Sokoine University of Agriculture (SUA) in Morogoro to develop the Curricula for Mainstreaming Forest Products Value Chains and commenced implementation of two (2) M.Sc. studies (Dissertations) in the FORVAC operational area.

#### *2.3.2.1 Improved institutional and management capacities of Village Councils and VNRC to implement CBFM and develop forest value chains*

Village Natural Resources Committees (VNRC) were formed/re-activated in all villages where land use planning took place. Awareness creation meetings for Village Councils and VNRCs took place in all villages at the commencement of the VLUP process.

In Tanga cluster community members were trained in CBFM. The training was facilitated by TFS District Manager in Kilindi and Handeni districts and aimed at improving stakeholders understanding of policies and laws related to CBFM development including harvesting procedures, transportation and sale of forest products. In Lindi cluster, MCDI trained VC & VNRC members on CBFM, roles and responsibilities and forest certification in 12 villages within the 3 target districts.

In addition, MCDI started harvesting related trainings to VNRC in Nanjihi Village in Nachingwea district. These trainings will continue in all target villages in Lindi cluster. So far it has covered the following subjects:

- Efficient and safe harvesting practices
- Logging supervision
- Log and sawn timber measurement, volume calculation and conversion to a standing tree volume
- Quota management and harvesting record keeping

FORVAC is piloting Village Saving and Loan Associations (VSLA) concept as a booster for value chain development in terms of financing of small-scale enterprises. 10 VSLAs were established in Nachingwea, 4 in Ruangwa and 14 in Liwale. All newly formed groups received initial training and basic start-up packages consisting of materials and stationery needed for running the group. Each VSLA has about 20 members, so that a total of 600 members (352F/248M) have been reached through this activity.

***Liwale district reports (Annex 4):***

***“VSLAs already accumulated 21 million (appr. € 9,000) in Liwale***

*With the support of FORVAC Programme, a total of 14 VSLAs have been established in Liwale district to support the loans and savings interventions. Progress so far is promising. Until December 2019, a total of TZS 21,409,280 was accumulated as savings in all 14 groups.*

*Three VSLAs have started issuing soft loans to their members for establishment of individual and group income generating activities since early December 2019. Some group members are now at the stage of **developing business plans** (e.g. for beekeeping/ honey production and sale) before taking the soft loans. We anticipate more members to start taking loans and invest in businesses in January 2020.”*

### *2.3.2.2 Improved capacities to support and monitor CBFM/forest and related value chains and incorporating HRBA aspect*

Throughout the stakeholders of CBFM, it is very common to think that business and conservation are two different things. Our message, however, has been that business = conservation in the context of CBFM. This has been the core message in all our capacity building.



FORVAC trained District Full Councils (DFCs) and key officers in the districts in the value chain concept and their roles in creating the enabling business environment. In Lindi cluster, this was done in cooperation with MCDI, who are now a key partner in the area. One key success was that in Ruangwa DFC decided to procure timber from local VLFRs for the several district development projects.

Additionally, trainings related to CBFM were held for district, TFS and regional key officials in Lindi cluster. During these workshops Participatory Forest Resource Assessment (PFRA) methodology and village business planning facilitation guide were commented and adjusted for use in Lindi cluster.

Capacity building to district land use planning teams (PLUM teams) is reported in Section 2.3.1.

### *2.3.2.3 Forest products value chain/market systems and business development skills incorporated in relevant training institutes*

#### ***Support to development of the Curriculum for Mainstreaming Forest Products Value Chains***

FORVAC and Sokoine University of Agriculture (SUA), represented by FORCONSULT in Morogoro, signed a MoU on 21 August 2019 on i) developing of Curriculum for Mainstreaming Forest Products Value Chains and Business Development and ii) coordination of 3 – 5 CBFM value chains related M.Sc. studies.

Existing curriculum was reviewed during the reporting period, and an Internal Stakeholder Workshop organized in September 2019. Fifteen (15) members from academic staff from the College of Forestry, Wildlife and Tourism of SUA and forest officers based in Morogoro Municipality participated in this meeting. The draft curriculum was presented and inputs for improvement were incorporated.

The curriculum development continued with stakeholder workshop held at Eastern Africa Statistical Training Centre, Dar Es Salaam, whereby the draft curricula was shared to participants. The workshop brought together a diverse audience of stakeholders from different institutes within Tanzania. 38 participants representing relevant government agencies, students, academicians, bankers, small-scale tree growers, entrepreneurs, business experts, forest service providers, NGOs and wood-based industries. The recommendations from the workshop came up with the following outputs:

- Formulate MSc. Forest Business Development Degree Programme using comments raised in the workshop;
- Develop and implement an Executive Masters Programme (evening classes) in forest business development to capture employees who cannot attend full time studies; and
- Formulate modules and establish short courses as “low hanging fruits” from the curriculum discussed to quickly address existing business and value chain development challenges in the forest sector. The short course should be used to re-tool stakeholders in the forest sector.

Finally, the curriculum was developed for the Master level, and introduced and reported in the end of November 2019.

### **MSc Dissertations**

Selection, jointly by SUA and FORVAC, of the subjects/topics for the Mater thesis studies to be supported by the Programme was initiated in September 2019 and completed by early November. Selected studies are relevant to the content and approaches of FORVAC and its geographical coverage.

The selection involved the following steps:

- In collaboration involving FORVAC, FORCONSULT, Department of Forest and Environmental Economics (DFEE), and the Facilitator, five (5) themes/topics were developed. The topics covered broad areas related to forest value chains and business development.
- A call for applications was organized (posted to and circulated in various media) after consultation with stakeholders, also involving FORVAC.
- Based on applications, 6 candidates were shortlisted, four of them were interviewed and three candidates pre-selected.

Finally Lilian Magafu (“*Market System Analysis of Bamboo Products in Ruvuma Region*”) and Patricia Msolla (“*Honey Production and Value Chain Development in Ruvuma*”) were selected and supported studies started in November 2019. Their implementation continues up to completion in 2020.

### **2.3.3 Output 3. Functional extension, communication, monitoring systems and Management Information System in place**

**Table 8. Indicators and achievements under Output 3.**

Indicators	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 7/2022	Achievement (7/2019 – 12/2019)	Cumulative achievement since the beginning of the Programme
Extension strategy developed, aiming for synergies with FBD, on the principles of HRBA, incorporating value chain development	Extension strategy formulated and taken into use (service contract or ST consultancy)	Strategy developed and put in use	Communication strategy (developed in December 2019 – January 2020), with outlines for the Extension strategy, taken into use and applied to implementation of AWP 2019 – 2020.	Outlines of Extension strategy included in the Communication strategy developed through a short-term consultancy (1 international and 1 national expert) in December 2018 – January 2019.



Indicators	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 7/2022	Achievement (7/2019 – 12/2019)	Cumulative achievement since the beginning of the Programme
Communication strategy mobilized	Communication strategy mobilized and applied to FORVAC Programme mgt, supported activities and communication with stakeholders  FORVAC website established and taken into use.	FORVAC communication according to strategy	Website <a href="http://www.forvac.or.tz">www.forvac.or.tz</a> established and taken into use Facebook page Training held for 27 journalists on CBFM and forest value chains. 25 articles were published on newspapers and 6 reports aired through TV and radio channels. FORVAC visual image designed, leaflet printed.	Communication strategy outlined in December 2018 – January 2019, taken into use in 2019. Website <a href="http://www.forvac.or.tz">www.forvac.or.tz</a> established in August – September 2019 and taken into use. November 2019, training held for 27 journalists on CBFM and forest value chains. Following this training, 25 articles published on newspapers and 6 reports broadcasted on TV and radio channels. FORVAC visual image designed, leaflet printed.
Programme MIS (management information system) unit established contributing to FBD MIS development	MIS established and taken into use (ST consultancy)	Functional MIS Unit	FORVAC MIS developed in August – October 2019 and launched and taken into use in the end of October 2019.	FORVAC MIS developed and taken into use

Regarding Output 3, the Programme procured an IT company to develop the FORVAC website ([www.forvac.or.tz](http://www.forvac.or.tz)). This website was taken into use in September/October 2019 and gradually further developed thereafter, also to facilitate recruitments and calls for proposals for different FORVAC supported activities.

In September – October 2019, FORVAC facilitated a team of MNRT to evaluate Participatory Forest Management (PFM) in Kagera region, also to draw lessons learned from NFBKP II (a former MFA Finland funded project implemented in 2014 – 2015) interventions to support implementation of the FORVAC programme. The FORVAC Management Information System (MIS) was designed by 2-short term consultants and launched in the end of October. The MIS is used to facilitate planning, monitoring and reporting of the Programme (also used to support formulation of this Semi-Annual Report).

A specific training course to enhance journalists' capacities to report on PFM/CBFM and development of related value chains was organized in November 2019. 27 journalists were trained. Following this training, 25 articles were published on newspapers. Additionally 6 reports were broadcasted through TV and radio channels.

### 2.3.4 Output 4 Supportive legal and policy frameworks to forest value chain and sustainable forest management developed

**Table 9. Indicators and achievements under Output 4.**

Indicators	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 7/2022	Achievement (7/2019 – 12/2019)	Cumulative achievement since the beginning of the Programme
FORVAC development support for Guidelines: CBFM books	Update, printing and dissemination of 5 CBFM books (guidelines, accounting / bookkeeping materials for VLFRs, etc., edition of 3500 pcs. in total	Books updated and distributed to CBFM actors Issues of gender, age and disability considered in visual materials	CBFM books reviewed and amended, 4500 pieces printed (10 different books)	CBFM books reviewed and amended, 4500 pieces printed (10 different books)

Indicators	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 7/2022	Achievement (7/2019 – 12/2019)	Cumulative achievement since the beginning of the Programme
Updated forest legislation (Forest Act and regulations) approved	Progress made in amendments of Forest Act and regulation Translation in Swahili and dissemination	Forest Act approved; related information disseminated in project area (with consideration to accessibility for all potential users)	2020 - 2021	n/a
Updated Forest Policy disseminated	1000 copies of the new Forest Policy and implementation strategy printed and disseminated	Forest Policy approved; related information disseminated in project area (with consideration to accessibility for all potential users)	Forest Policy not approved yet.	n/a
National Assessment on the Charcoal sector results supported by FORVAC	Support to preparation of Charcoal Policy and Implementation Strategy - Charcoal Policy and Implementation Strategy approved by June 2020	Strategy in use	Charcoal Policy and implementation strategy: -Report for 'Assessing Potential and Identifying Optimal Strategies for Nat. Charcoal Sub-sector Development in Tz' finalized - Inception Report for Preparation of the National Charcoal Policy (NCP) developed by the Task Force and submitted to decision makers in September 2019	Charcoal Policy and implementation strategy: -Report for 'Assessing Potential and Identifying Optimal Strategies for Nat. Charcoal Sub-sector Development in Tz' finalized - Inception Report for Preparation of the National Charcoal Policy (NCP) developed by the Task Force and submitted to decision makers in September 2019
Timber legality assurance system (TLAS) established	Establishment of national working group on developing forest law enforcement (Timber Legality Assurance System) Process for reducing a number of checkpoints by merging TFS and District council checkpoints initiated and further supported Review the feasibility of the electronic timber tracking system introduced Tanzanian Timber Legality Manual produced in cooperation with TFS and the FBD (partnering with TRAFFIC). Stakeholders trained on law enforcement / legality issues In cooperation with the Tanzania Forestry Working Group (TFWG), an awareness raising workshop against illegal logging and charcoal production in in the Programme area	TLAS developed and in use, efficient country-wide timber tracking system piloted and taken into use	No concrete results, discussion with TFS, MNRT, TRAFFIC, TNRF on-going	Review of Forest Law Enforcement, Governance and Support to Trade of Legally Sourced Timber (FLEGT) implemented in Nov. – Dec. 2018 and reported ("FORVAC – Approach to the Development of Forest Law Enforcement, Good Forest Governance and Trade of Legally Sourced Timber")

Task Force for the Development of Charcoal Policy finalized a background study and related report "Assessing Potential and Identifying Optimal Strategies for National Charcoal Sub-Sector Development in Tanzania" early in 2019. During the Annual Workplan 2019 – 2020, the Task Force has still operated under FORVAC's support

producing an Inception Report for the policy and related implementation strategy development (September 2019). This activity continues in 2020.

Furthermore, FORVAC supported MNRT to develop Natural Forest Management Guidelines through facilitating operation of a specific Task Force - a draft of the guidelines was made available in the end of November 2019. Additionally, FORVAC partnering with TRAFFIC and Tanzania Natural Resource Forum (TNRF), has commenced discussions with the Tanzania Forest Service Agency (TFS) and MNTR to establish a national working group on developing forest law enforcement (Timber Legality Assurance System, development of timber tracking).

In December 2019, FORVAC facilitated printing of 4500 pcs of CBFM documents (10 separate booklets) to support VLFRs in their operation. These documents will be disseminated to stakeholders during early months of 2020.

### 3 Resources and budget

#### 3.1 Human resources in the FORVAC framework

The main human resources used for the FORVAC implementation during the reporting period are presented by categories in Table 10 below.

**Table 10. Human resources.**

Type	Human Resources / Roles	Comments
PMT / Programme Management Unit (FORVAC core team)	Technical Assistance: <ul style="list-style-type: none"> <li>Chief Technical Advisor, CTA (Int.)</li> <li>Finance and Administration Manager (Nat.)</li> <li>Forest Manager Expert (Nat.)</li> <li>Value Chain Development Advisor (Int., with intermittent inputs)</li> </ul>	<ul style="list-style-type: none"> <li>National Junior Expert ("Junior Value Chain Dev. Expert") selected in December 2019 (commencement of the assignment 1 February 2020).</li> <li>International Junior Expert ("Junior M&amp;E Expert") position advertised in December 2020 (selection in 2020, after confirmation for the necessary finance by the donor agency).</li> </ul>
	National Programme Coordinator (NPC)	<ul style="list-style-type: none"> <li>Seconded by FBD</li> </ul>
	Support staff: <ul style="list-style-type: none"> <li>Assistant Financial Manager (full time)</li> </ul>	<ul style="list-style-type: none"> <li>Assistant Financial Manager (AFM) made available on a permanent basis from the beginning of the AWP (July 2019 onwards).</li> </ul>
Clusters	Cluster Coordinators (CCs): <ul style="list-style-type: none"> <li>Tanga CC</li> <li>Lindi CC</li> <li>Ruvuma CC</li> </ul>	<ul style="list-style-type: none"> <li>Cluster Coordinators are based in the following districts: i) Tanga cluster: Kilindi; ii) Lindi cluster: Ruangwa; and iii) Ruvuma cluster: Songea.</li> </ul>
Drivers and other support staff	Over the period from July to December 2019: <ul style="list-style-type: none"> <li>6 drivers: 2 employed by the Programme, 1 by the Government (MNRT); 3 drivers from PFP</li> </ul> Other support staff: <ul style="list-style-type: none"> <li>2 security guards for the office (24 h)</li> <li>2 cleaners</li> </ul>	<ul style="list-style-type: none"> <li>Three more drivers are expected to be contracted as soon as the new vehicles are available after clearing the tax issue.</li> </ul>
FCG Support	<ul style="list-style-type: none"> <li>Home Office Coordinator</li> <li>Technical Backstopper</li> </ul>	<ul style="list-style-type: none"> <li>Mainly from Home Office, with periodic interaction with PMT and regular visits to the Programme</li> <li>During the reporting period, holding the Interim CTA position up to 24 July 2019</li> </ul>
Focal Persons	<ul style="list-style-type: none"> <li>Two persons representing TFS and PO-RALG respectively, to liaison with FORVAC aiming at facilitating interaction among key partners.</li> </ul>	<ul style="list-style-type: none"> <li>Appointed.</li> </ul>
Service Providers	<ul style="list-style-type: none"> <li>Pulsans Technology Limited: Service provision contract to establish and maintain the FORVAC website</li> <li>FORCONSULT: MoU to support establishment of forest value chain and business development curriculum for Sokoine Agriculture University (SUA) and facilitate VLFR/CBFM value chains related Master studies (Dissertations)</li> <li>National Curriculum Development Expert: to support value chain curriculum development in SUA</li> <li>National Land Use Planning Commission (NLUPC): MoU signed to support</li> </ul>	<ul style="list-style-type: none"> <li>Website developed in August – September 2019 and taken into use: <a href="http://www.forvac.or.tz">www.forvac.or.tz</a>; regarding maintenance and technical support the related contract continues to the end of the Programme</li> <li>MoU signed on 15 August 2019, curriculum developed; procurement of equipment to support training remains to 2020; support to 2 Master thesis continues in 2020.</li> <li>1-month input in November 2019.</li> </ul>
Service Providers		



Type	Human Resources / Roles	Comments
	establishment of VLUPs in the clusters/districts and secure necessary quality assurance.	<ul style="list-style-type: none"> <li>Signed on 21 August 2019, valid to the end of June 2020, but will probably be extended to end of 2020 (support to LUP continues during AWP 2020 – 2021).</li> </ul>
Technical short term support	<ul style="list-style-type: none"> <li>Short-term Land Use Planning Consultant to secure cost-efficient and participatory implementation of the VLUP process and assist to set-up the FORVAC Management Information System (MIS).</li> <li>International ST consultancy on Establishment of the FORVAC Management Information System (MIS), training and maintenance.</li> </ul>	<ul style="list-style-type: none"> <li>Contract signed on 22 July, full-time input to the end of December 2019</li> <li>MIS established in September – October 2019, taken into use in the end of October. Total input by international consultants: 2 ½ TA months in total.</li> </ul>

### 3.2 Summary of Expenditure

Table 11 below summarizes the FORVAC expenditure for Operations (Outputs 1 – 4), Programme Management, Contingency, and Studies and Short-term Consultancies against the Annual Workplan and Budget 2019 – 2020. It also gives the total budget of the FORVAC for the entire duration of the Programme (7/2018 – 7/2022) and related Outstanding balances as of 31 December 2019. The financial report, additionally covering costs of Technical Assistance (TA), is given in more detail in Annex 3 of this document (Budget follow-up, July – December 2019).

A total budget of the FORVAC implementation, excluding TA costs, for the duration of the AWP from July 2019 to June 2020, covers EUR 2,729,713,00 (TZS 6,824,282,500). The related expenditure in the middle of the planning period, by the end of December 2019, is EUR 886,271 (TZS 2,215,677,000). This makes 32.5 % of the total annual budget of 7/2019 – 6/2020.

Figures in Table 11 indicate that commencement of the first operational year with the cluster organization has taken time. This is due to the following reasons:

- Late establishment of the FORVAC field organization: Cluster Coordinators mobilized to their bases just two months before the start of implementation of the AWP 7/2019 – 6/2020;
- FORVAC field activities have very much focused on Land Use Planning, Output 1/Intervention 1.1 (Establishment and mobilization of Village Land Forest Reserves, VLFR), which is a key activity at the village level for a community to agree the area to be allocated for the VLFR (Village Land Use Planning completed in 20 villages in total);
- Valid VLFR Management Plans and Timber Harvesting Plans have not been available in the Programme area: these either have not been developed yet, or have expired (Management Plans valid for 5 years). This results in delay in commencement of timber sale and support to related value chains (Call for Proposals facilitated for the service provision for VLFR Management Planning and Harvesting Planning, commencement foreseen to take place in February – March 2020);
- Output 3: FORVAC Management Information System (MIS) was established through a short-term consultancy (EUR 34 286) and reported accordingly (the related costs not visible in Output 3 but in a specific budget line of “Studies and short-term services”); and
- Bulk of Outputs 2, 3 and 4 activities have been planned for the second half of the planning period (1-6/2020).

**Table 11. Summary of Expenditure.**

Description	Total Project Budget EUR	Budget Year 2 (Jul 19-Jun 20)	Accumulated Usage Year 2	% Usage Budget Year 2	Outstanding Balance Y2 EUR	Total Outstanding Balance (from 7/2018) EUR
<b>Output 1. Improved Value Chains and increased Private Sector Involvement in the forest sector</b>						
1.1 Establishment and mobilization of Village Land Forest Reserves (VLFR)	1 034 200	737 345	357 915,10	48,54 %	379 429,90	676 284,90
1.2 Support to value chain development	1 223 000	300 399	54 196,89	18,04 %	246 202,11	1 168 803,11
<b>Subtotal Output 1</b>	<b>2 257 200,00</b>	<b>1 037 744,00</b>	<b>412 111,99</b>	<b>39,71 %</b>	<b>625 632,01</b>	<b>1 845 088,01</b>
<b>Output 2. Stakeholder capacity to implement and promote forestry value chain development enhanced</b>						
2.1 Improved institutional and management capacities of Village Councils and VNRC to implement CBFM and develop forest value chains	770 000	240 236	46 120,94	19,20 %	194 115,06	703 328,22
2.2 Improved capacities to support and monitor CBFM/forest and related value chains and incorporating	750 000	225 010	35 316,44	15,70 %	189 693,56	674 118,44
2.3 Forest products value chain/market systems and business development skills incorporated in relevant training institutes	490 000	139 254	0,00	0,00 %	139 254,00	490 000,00
<b>Sub-total Output 2</b>	<b>2 010 000,00</b>	<b>604 500,00</b>	<b>81 437,38</b>	<b>13,47 %</b>	<b>523 062,62</b>	<b>1 867 446,66</b>
<b>Output 3. Functional extension, communication, monitoring systems and Management Information System in place</b>						
3.1 Enhanced extension and communication services	410 000	124 404	11 437,62	9,19 %	112 966,38	398 562,38
3.3 Monitoring and Management Information System (MIS) established	480 000	116 154	0,00	0,00 %	116 154,00	480 000,00
<b>Subtotal Output 3</b>	<b>890 000,00</b>	<b>240 558,00</b>	<b>11 437,62</b>	<b>4,75 %</b>	<b>229 120,38</b>	<b>878 562,38</b>
<b>Output 4. Legal and policy frameworks in forestry supported</b>						
4.1 Improved policy and regulatory framework for forest value chain development	480 000	210 577	55 920,81	26,56 %	154 656,19	354 563,88
4.2 Forest law enforcement, forest governance and trade of legally sources timber	380 000	139 581	0,00	0,00 %	139 581,00	380 000,00
<b>Subtotal Output 4</b>	<b>860 000,00</b>	<b>350 158,00</b>	<b>55 920,81</b>	<b>15,97 %</b>	<b>294 237,19</b>	<b>734 563,88</b>
<b>Programme Management, Total</b>	<b>1 052 000,00</b>	<b>157 000,00</b>	<b>187 681,28</b>	<b>119,54 %</b>	<b>-30 681,28</b>	<b>358 915,74</b>
<b>Contingency and TA-briefing</b>						
Contingency (2,5% )	242 566	77 253	18 395,98	23,81 %	58 857,02	224 170,02
International TA-briefing	4 800	0,00	0,00		0,00	1 454,34
<b>Total contingency and international TA-briefing</b>	<b>247 366,00</b>	<b>77 253,00</b>	<b>18 395,98</b>	<b>23,81 %</b>	<b>58 857,02</b>	<b>225 624,36</b>
Studies and short-term services	435 000	262 500	119 285,74	45,44 %	143 214,26	191 891,46
Other support staff	0		0,00		0,00	0,00
Bridging period PFP May - June	0		0,00		0,00	-214 977,80
Teak plantation in Ruvuma	0		0,00		0,00	-28 786,00
<b>Total</b>	<b>435 000,00</b>	<b>262 500,00</b>	<b>119 285,74</b>	<b>45,44 %</b>	<b>143 214,26</b>	<b>-51 872,34</b>
<b>TOTAL CONTRACT</b>	<b>7 751 566,00</b>	<b>2 729 713,00</b>	<b>886 270,80</b>	<b>32,47 %</b>	<b>1 843 442,20</b>	<b>5 858 328,69</b>

The geographical coverage of the Programme results in additional costs in logistics. In the end of 2019, FORVAC is managed through the HQ based in Dodoma, other offices in Dar es Salaam been closed now. Clusters are far and many stakeholders, including service providers, are based in Dar es Salaam, and rather high travel costs remain increasing costs of the Programme support staff and Technical Advisors. Moreover, instead of using brand new cars of FORVAC (these are still waiting for the tax clearance in the bonded warehouse at the harbor) the Programme has used old cars of MNRT and the PFP Programme. Services and maintenance of these cars have proven to be rather costly.

### **3.3 Office facilities**

FORVAC left the office at the premises of Scan Tanzania in Dar es Salaam and moved to a new office in Dodoma (Kilimani Street, 40472 Dodoma) in September 2019. The Programme's temporary office at University of Dodoma (UDOM) was closed in this context. FORVAC used an additional office in Dar es Salaam in Mpingo compound for October – November but also closed this office by the end of November. At this moment, a separate office in Dar is not seen necessary.

## **4 Assumptions and Risks**

The main assumptions previously identified and presented in the Programme Document remain, and they are not commented in this Semi-annual Report for the Year 2. However, below we present some new specific critical issues including assumptions and response measures.

The timely and efficient implementation of FORVAC include the following new assumptions:

- Utilisation of procured vehicles that today are in a bonded warehouse awaiting tax exemption.
- Minimizing utilisation of funds in unexpected (non-planned) initiatives.
- Political will and support in application of legal framework based on clear roles and mandates.
- Political environment remains friendly to CBFM, referring to GN417, which has been criticized for narrowing the rights of communities and willingness to tackle challenges in trade of timber from VLFRs.

## 5 Sustainability

### 5.1 Ecological sustainability of forest management – key to sustainable business

In order for CBFM to help communities in building their livelihoods long-term, it is of utmost importance to ensure that forest management and harvesting plans lead to sustainable forest management. To ensure this FORVAC analyzes any harvesting quotas produced with FORVAC support. In the current reporting period, only two harvesting plans were produced, and harvesting quotas checked.

Additionally, it is important that FBD has the capacity to check the quality of management and harvesting plans as part of the endorsement. Once forest management plans will be renewed, a comparison will be made between the previous plans supported by LIMAS and NFBKPII to check whether the stock in any one village has remained the same, increased or decreased during the last 5-year forest management planning period. If stock in target villages has decreased, there is a need to reassess the sustainability of the used inventory, calculation, and quota management methods. There is a possibility that illegal logging affects the stock in some villages, and this is not taken into account when calculating the stock and managing the Annual Allowable Cut (AAC) at the village level. In this case, there is a need to develop method to consider the impact of illegal logging to ensure sustainability of forest management plans.

### 5.2 Economic sustainability of CBFM

CBFM can bring significant income to communities. However, it also incurs costs. Where the breakeven point for a VLFR lies, is very difficult to determine, because it depends on several factors, e.g. area, stock and capacity of the VNRC. It was now found out that in Liwale and Nachingwea, where forest management and harvesting plans were supported by LIMAS and NFBKPII, plans are to most part expired (plans are valid for 5 years). Hardly any village has saved funds for the renewal of the plans. It has been announced in Lindi cluster that renewal of management plans will not be funded by outsiders after FORVAC, and budgeting will be carried out at the village level. This budget also includes allocation for renewal of the Forest Management Plans (significant cost) after 5-year period and will hopefully lead to sustainability in this aspect.

It must be noted that not all VLFRs bring such economic benefit to community, either because of a small size or because there is hardly anything to sustainably harvest. In this case forest is still important to the community: firewood, ecosystem services, beekeeping by individuals, medicinal plants, cultural values, etc. However, none of these values brings funds to community account to save for renewal of forest management plan or to finance VNRC's work. If renewal of plans is also demanded from this kind of communities after the five-year period, CBFM will not be financially viable for these small/non-business oriented VLFRs. Therefore, categories for different VLFRs should be established.

### 5.3 Capacity in monitoring and technical assistance

Whether it is land use planning, forest management planning, harvesting planning or any support to communities to develop business around VLFRs, it is important to do this hand in hand with local organizations. FORVAC has partnered with NLUPC to produce land use plans and trained district staff in 10 districts in GIS and other LUP related skills. Additionally, hardware (computers, GPS, A3 printers and scanners) have been handed over to districts natural resource offices. FORVAC has partnered with MCDI in Lindi cluster for them to include Liwale, Nachingwea and Ruangwa communities under the similar scheme, which MCDI is applying in Kilwa. In this scheme communities pay MCDI for the technical assistance (% of income). DFO has a monitoring role in CBFM, which is strengthened during FORVAC by 100% involvement.

## 6 Lessons learnt, conclusions and recommendations

### Outputs 1 - 2

Two forest management and harvesting plans were prepared by a district team in Lindi cluster. The harvesting plan was found to contain heavily over estimated quotas, which would lead to unsustainable harvesting. This indicates a gap in capacity in analyzing inventory data and calculating sustainable harvesting quotas.

*Recommendation: A capacity building session should be held for DFOs in the target clusters and use the collected inventory data as a real-life example. The training session would include data analysis and possibly an excel tool for aiding calculations could be developed as part of this service contract.*

*Recommendation: For this kind of quality issues to be noticed before starting to implement a possibly unsustainable harvesting plan, there must be a structure for quality assessment. FBD endorsement teams' capacity should be built to fill this gap.*

Several of the forest management plans supported by LIMAS and NFBKPII have come to end of their validity by this time. Forest management plans are only valid for a five-year period, where after a new full inventory and PFRA process is needed. This in theory applies to all the VLFRs, whether they are small or big, earn any money with the resource or not. Endorsed forest management plan is the document ensuring community ownership over the forest area. This five-year cycle in planning, is in some cases very short, and reassessments are unbearable cost for many of the VLFRs.

FORVAC will have access to two sets of detailed inventory data for the same VLFRs five years apart, as part of the forest management planning will be supported in former LIMAS / NFBKPII supported villages. This is a unique opportunity to assess whether CBFM is ecologically sustainable in the target villages by comparing the stock now and five years ago. Increase in stock indicates sustainable quotas and good stock management, decrease in stock could indicate different issues, which in the case of this result should be identified and worked on.

*Recommendation: categories should be created for different types of VLFRs. For small VLFRs, without harvesting, the planning cycle should be longer than five years and renewal possible with a lighter assessment/report.*

*Recommendation: Full re-inventory after only five years is justified in villages, which practice harvesting. However, in order to increase financial viability (especially for small harvesting VLFRs), it is recommended to consider a lighter method for this reassessment of stock. This could include smaller sample size for inventory combined with calculative assessment of stock (outtake and intake are known), at least in communities where no cases of illegal harvesting have been reported during the planning period.*

*Recommendation: FORVAC will make a comparison of stock in the CBFM villages according to data from LIMAS (5 years ago) and inventory data to be received in Q3 and Q4.*

Timber harvesting and sales is the most important income generating activity in CBFM villages in Lindi cluster, due to its potential scale and the fact that it benefits the whole community and generates income to village account, which allows improvements in community services. This equally benefits every community member, whereas other value chains (like e.g. honey) usually only benefit the individual / group involved in this business. This is the reason, FORVAC has first concentrated on getting the wood/timber trade on-going and put less weight on other value chains.

Some bottle-necks to the trade were identified, all of them, seriously harming the possibilities of the communities to sustainably harvest, sell and generate income (first two well documented by LIMAS and NFBKII, but still remain, the third a new finding):

1. Higher pricing for timber from VLFRs as compared to timber from general land: Communities don't get many customers for standing trees (stumpage sales) due to the difference in price on timber from

different sources. This is a serious problem, because stumpage sale demands least investment and capacity from the community, and hence is often the access point to community forestry business. Although communities and TFS follow the same minimum pricing and both in theory charge for (calculative) whole tree volume, due to differences in volume calculation methods price per piece of timber is lower when buying from TFS.

2. Different levels of monitoring: communities push each felled tree to be used efficiently, as it reduces their annual allowable cut and hence possibility to earn. Therefore, each available log is charged from the buyer (after first calculatively having converted the log volume to whole tree volume). Communities do not have the right to go under the minimum price (which has become the fixed price) for this smaller less wanted log. In general land, where there is less monitoring, a buyer can fell as many trees as he/she feels like to get the same amount of timber pieces - many prefer processing and, hence, paying for only the best lowest log.

These challenges that have been well known by everyone since 2014 but have not changed till date. The approach of FORVAC was to, instead of advocating a solution, to start promoting processing at the community level, as the aforementioned challenges do not affect selling processed goods. Although demanding more capacity and investment from the community, this method also increases the income at the village and creates employment.

However, recently, another bottleneck in selling processed goods, has been identified:

3. The community is required to pay for the wood from their own forest (VNRC account to VC account) in order to get the permit for harvest, process the logs and sell processed goods (e.g. sawn timber). This makes processing (and any value addition) very difficult at the village level, as communities rarely have investment capacity for this. Bluntly, this could be compared to a situation where an individual farmer was demanded to pay for her crop to herself first in order to get a permit to process and send the crop to market for sale. In some communities, who already have cash flow, this is no problem, as they can move the cash from account to another, but this hinders new communities to enter directly into selling processed goods instead of stumpage sales.

*Recommendation: FORVAC repeats LIMAS recommendations: 1. Villages should be allowed to sell log volume to be able to compete with general land timber and 2. the determination of volumes should be based on measured log volume also on general land (instead of planks). This would in long term encourage loggers in investing to more efficient harvesting and sawing techniques.*

*Recommendation: partners to urgently solve the bottleneck no 3 by pushing for a GN to release communities from this procedure or in any relevant method to remove this bottleneck.*

*Recommendation: To increase market, Tanzanian Community Timber should be differentiated from any other timber in the market. There is more investment to ensure the sustainability of community timber (detailed inventories, harvesting plans), and hence it is a different product, which could also have a different price. FORVAC should work on branding of community timber and pilot a reliable method for showing the chain of custody.*

There is a need to expand the support to other value chains and parts of natural timber value chain as well as for the supply of community timber and its sale.

*Recommendation: Call for business proposals to be published to include category for small village-based businesses and another category for larger businesses e.g. sawmills.*

*Recommendation: a capacity assessment should be carried out to buyers of community timber in the cluster areas (processors) and the easiest ways to increase their capacity and quality assessed.*

*Recommendation: some VLFRs are heavily degraded (e.g. Tanga Region, where large areas have been logged for charcoal production). In such areas planting fast growing exotic trees for income generation should be allowed also within VLFR.*



*Recommendation: Kilosa model for charcoal production should be piloted also in Tanga Region where market for charcoal seems to be booming (as a lot of forest cover burned into charcoal). The rumors regarding the model not being sustainable should be well investigated and documented under the pilot.*

### **Output 3**

Availability of information, forest management and harvesting plans, land use plans, GIS information (shape files of VLFRs, village boundaries, LUP) are not available. There is no central database for such information.

*Recommendation: Short term solution is that FORVAC saves everything (including shapefiles) to a Google Drive, to which access can easily be granted towards the end of the project. Google Drive is not ideal final solution, but momentarily it is the cheapest alternative, and also possible to include in budgets of relevant authorities (NLUPC, FBD) post-FORVAC as an intermediate solution to keep the produced data until more advanced databases are created.*

*Recommendation: everyone producing LUPs or forest management plans to save the final shapefiles in any one agreed open source GIS library. FORVAC is mapping the libraries.*

### **Programme management & logistics**

The logistics is a main challenge for an efficient implementation of the Programme taking into consideration the geographical coverage, the distances and the poor infrastructure in most rural areas in the Programme.

The location of the head office in Dodoma in relation to the Programme field operations has had implications when it comes to an efficient use of time, funds and logistics. Field visits during the period and interaction with key stakeholders as well as with potential service providers have been time-consuming due to the distances from the head office in Dodoma to the clusters' regions and to Dar es Salaam where most of key stakeholders are based. This challenge is partially addressed with the permanent presence of the cluster Coordinators in their respective regions.

In the above-mentioned conditions, the efficient use of Programme resources is of utmost importance. However, we see a need for additional staff/resources necessary to fulfill gaps in the implementing Programme organization.

*Recommendation: regarding staffing, we recommend the following supplements in addition to the National Junior Expert position (Junior Value Chain Development Expert, joining the Programme in February 2020):*

- *Recruitment of an International Junior Expert (M&E) and related additional fund allocation for this recruitment for about 2 ½ years.*
- *Remarkable extension for the International Value Chain Development Advisor position, instead of 14 months (with intermittent inputs) originally allocated, we request the donor agency to finance 6 – 10 additional months for this position.*
- *We also request finance for 8 additional short-term consultancy months (4 months for national consultants and 4 additional months for international ST consultants).*
- *Additional finance to the Programme or reallocation of the existing budget to support recruitment of Assistants for the Cluster Coordinators.*

The vehicle procurement has been done and the (8) cars arrived in Dar es Salaam in April 2019. However, at the time of writing this report, the vehicles are still kept in a bonded warehouse waiting either for a tax exemption certificate or a receipt for paid taxes. This issue is not in the hands of the PMT, but the MNRT has approached the pertinent authorities trying to solve this problem.

## **ANNEXES**



## Annex 1 Planning matrix for annual targets.

Results	Indicators	Baseline	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 6/2022	Means of verification	Assumptions
<b>Impact</b>						
<b>Increased economic, social and environmental benefits from forests and woodlands</b>	Increased household incomes derived from forests (Disaggregated by age, sex, disability)	Special study – baseline sample of HH incomes in Programme area	3%	+15%	District and VNRC records, and PPI (Poverty Probability Index) survey or similar methods	GoT Land and other NR related policy improve or at least remain favourable for development of the forestry sector
	Less deforestation in the area where FORVAC works	Deforestation rate in FORVAC regions	Deforestation reduced	Deforestation significantly lower by the Programme end in the VLFRs where FORVAC works compared to other VLFRs of the region	National Carbon Monitoring Centre statistics	GoT allocates sufficient resources for forestry development
	Improved services for villages, e.g. water services, health services, RE solutions improved services of the village office for villagers, e.g. regarding land registry	Baseline defined in the assessment report by the CCs	Services improved	Villager's opinions of the related services is improved during the project lifetime (disaggregated by sex, age and disability)	FORVAC reports	Political commitment for sustainable forest management and value chain development in CBFM
	VLFRs increased contribution to national level sustainable woodland and forest management	247,789.2 ha (NFBK II & LIMAS)	36 VLFRs, including 2 Community Forest Reserves (CFR) both of them involving 2 villages established under FORVAC's support  Around 120,000 ha (exact area known after LUP)	2,4 million ha	NAFORMA MNRT statistics	NR and land related law enforcement is in place and is being enforced  Policy harmonization contribute to sector development

	Improved institutional support for the forest sector through regulations and legislation in place	Existing regulations and legislation at baseline	Updates/amendments of forest legislation (Forest Act and regulations) Draft Beekeeping Policy outlined Charcoal Policy and Implementation Strategy in place	Supportive regulations and legislation revised for sustainable forest management by Programme end	Forest related regulation	
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Outcome	Indicators	Baseline	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 6/2022	Means of verification	Assumptions
<b>Improved forest sector value chains contributing to sustainable forestry and forest-based livelihoods</b>	Improved business environment in forestry sector related to <ul style="list-style-type: none"> <li>- taxes and royalties</li> <li>- standards</li> <li>- forest value chains</li> </ul>	Poor transparency of taxes and royalties  Non existing standards in place Poorly functioning forest value chains	Progress made to establish a transparent and just system for levying taxes and royalties.  Drafting construction / technical standard for a number tree species (timber) from natural forests commenced  Improvements in forest value chains related regulations, improved benefit sharing modalities in use	Transparent and just system for levying taxes and royalties in place  Construction/technical standard developed  The number of forest value chains related regulations revised, benefit sharing modalities in use (the number to be defined during the course of FORVAC)	Programme reports Published Standard Revised Regulations published; Programme reports	Political commitment for sustainable forest management and value chain development in CBFM  Favourable political, legal and policy framework for Public Private Partnerships (PPP) and towards private sector and civil society engagement in business development  Institutional stability within MNRT
	Supporting functions/ Service provision for: <ul style="list-style-type: none"> <li>- Improved market information system</li> </ul>	Non-existent market information system Low awareness on business financing options	Development of Market information System initiated Forest sector businesses better	Market information system in place	Project reports	Good cooperation between MNRT / FBD, TFS and PO-RALG; all having clear

Outcome	Indicators	Baseline	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 6/2022	Means of verification	Assumptions
<b>Improved forest sector value chains contributing to sustainable forestry and forest-based livelihoods</b>	<ul style="list-style-type: none"> <li>- Improved forest value chain financing</li> <li>- Enhancing capacities in VC</li> </ul>	Low capacity in place in Tanzania for value chain development	linked with financing alternatives VC included in the curricula of forestry training institutions (SUA 2019 – 2020)	Forest sector businesses linked with financing alternatives Better functioning forest value chains in Tanzania benefitting forest sector and including participation of women and disadvantaged groups (data disaggregated by sex, age, disability) VC included in the curricula of forestry training institutions	Data collected from forestry training institutes	<ul style="list-style-type: none"> <li>roles on how to support communities and private sector</li> <li>Domestic market available for sustainably harvested timber, charcoal, honey and other NWFP products</li> <li>Increasing international market access for FSC certified timber</li> </ul>
	Increased number of community producer groups and their members engaged in wood and NWFP harvesting, processing and marketing (per products/ district/ year, by sex, age and potential disability)	The exact Baseline and targets to be defined by the CCs	36 producers groups established	70 groups of 30 women / men; totaling 2100 members (Figures to be revised on the basis of the baseline)	Survey on NWFPs, group records	Level of forest encroachment does not increase
	Social fund distribution from forest produce sales (e.g. school uniforms, school desks, dispensary building, benefitting vulnerable; by gender, age and disability) and number of people benefiting	65 000 000 TSh / ~46 000 people	+15 %	+75 %	VNRC book keeping, Village records	
	AAC - Annual Allowable Cut defined in harvesting plans, and logging done according to plans	To be established	15 % (to be adjusted against harvesting plans)	xx % increase	VNRC records, District records	

Outcome	Indicators	Baseline	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 6/2022	Means of verification	Assumptions
<b>Improved forest sector value chains contributing to sustainable forestry and forest-based livelihoods</b>	Increased areas under sustainable forest management (CBFM)	247,789 ha	36 VLFRs, including 2 Community Forest Reserves (CFR) both of them involving 2 villages established under the FORVAC support  Around 120,000 ha (area to be known after VLUPs)  25 VLUP produced	+ 60 % (additional 151,149 ha)	Management plans; District and VNRC records, and survey	
	Improved Forest Law enforcement and Governance system to replace trade of illegal timber with legally produced timber	Situation in 2018	Progress taken in establishment of components of Forest Law enforcement and Governance system	Key Forest Law enforcement and Governance system components in place	Project and FBD/TFS/district records	

Results	Indicators	Baseline	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 6/2022	Means of verification	Assumptions
<b>Output 1. Improved Value Chains and increased Private Sector Involvement in the forest sector</b>	Number of VLFRs declared and operational, including village land use plans and forest management plans	57 VLFRs (NFBKP II 20 + LIMAS 24) 24 LUP	36 VLFR, including 2 Community Forest Reserves (CFR) both of them involving 2 villages established under the FORVAC support  25 VLUP produced	85 VLFR functional (number of new VLFRs to be established 28) 52 LUP	District register (DFO) VLFR Mgt Plans Programme reports VNRC reports	Law enforcement is sufficiently efficient to make legally harvested timber viable  Management plans fulfilled and are implemented

Results	Indicators	Baseline	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 6/2022	Means of verification	Assumptions
<b>Output 1. Improved Value Chains and increased Private Sector Involvement in the forest sector</b>	Number of forest harvesting contracts contributing to the timber value chain managed in VLFRs (species, volume sold and unit prices) villages/district / year	to be established Income level 150 000 000 TSh/a	5 new harvesting plans by June 2020	At least for 25 % of the VLFRs established during FORVAC +200%	VNRC records, district records, Programme report	according to sustainability criteria Strong leadership and equitable participation of villagers in CBFM is maintained
	Lesser known species with market potential identified and researched	process (0)	10 – 15 identified (service contract)	at least 10 with potential for market/business dev.	Assessment Report on Lesser Known Species, Programme reporting	FBD and PO-RALG take active stance in solving the coordination and monitoring issues
	Advocacy on lesser known species	process (0)	Information (technical qualities) and availability of 3 – 5 species disseminated by June 2020	x species of lesser known species disseminated	TFS/districts records, market study on species and their market potential assessed and promoted, Programme reporting	PO-RALG allocates sufficient resources to districts
	Honey producer or other NWFP/NTFP producer groups linked with traders and other value chain actors (by sex) and their income increased	70 groups Kg 21 000 / a honey Kg 5250 / a bees wax NTFP: to be established % women producers	+ 5% + kg 1000 + 250 kg + 15% + 20%	+ 30% + 100% + 100% + 100%	District statistics/records, Programme reporting  survey on honey sales and / or NWFP sales	Villages, private sector and civil society are committed to interact with GoT institutions
	Increased efficiency of timber processing (e.g. use of efficient sawmills contra pit sawing)	Current recovery rate 25 -30 % (to be confirmed)	No contribution during the planning period (but later during the Programme years 3 and 4)	5 – 10% increase	Survey on recovery rates	Political will to support CBFM exists at District level
	Number of new institutional arrangements/ business models with market linkages (e.g. MoUs, joint ventures, PPP & other partnerships)	process (0)	+ 3 – 5	10 – 15	TFS, District and Programme records	A sufficient number of qualified Service providers available Domestic market demand increases for lesser-known timber

Results	Indicators	Baseline	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 6/2022	Means of verification	Assumptions
<b>Output 1. Improved Value Chains and increased Private Sector Involvement in the forest sector</b>	Number of private business actors engaged in legal timber processing (per district/year) increased	to be established	+20%	+150%	VNRC (VLFR), TFS, District and Programme records	species; for quality honey and other honey products produced in Tanzania
	Increased employment (# of persons getting income) in harvesting and transportation, processing, pit sawing and saw milling; by gender.	to be established	+ 300 (15 % women)	+1000 people (at least 20 % women)	VNRC records, employment study, processing and transportation firm records, district records	Other NWFPs (other than honey products) with commercialization potential are available
	Total income from charcoal sales within FORVAC VLFRs	to be established	+20%	+200%	District forestry offices	Private sector, villagers and VNRC exist in the districts and are interested to participate in value chain development
	Reduction in annual illegal forest harvesting cases in FORVAC supported forests	120 cases (check)	<5 cases	<25 cases	Forest threat (illegal tree cutting) assessment, VNRC records, District records, TFS records	
<b>Output 2. Stakeholder capacity to implement and promote forestry value chain development enhanced</b>	Number of government staff trained in forest management and value addition techniques, disaggregated by sex (inclusive VETA training programme)	Government staff not having or possessing inadequate knowledge and skills on forest mgt and VCD	100 district officers + 20 regional & central government officers 20% + women	To be defined in TNA	FBD/NFBKP II/LIMAS records from previous phase and service provider records	Government organisations willing to implement capacity development results Villages, districts, private sector, civil society actors and other organizations willing and able to implement capacity development and are committed to interact with GoT institutions Equitable participation of
	Number of individuals trained in forest management and value addition techniques, disaggregated by sex, age and disability/ by category (village level, SMEs, service providers)	Village Councils and VNRCs, villagers involved in timber harvest & processing, charcoal production and trade with totally lacking or inadequate knowledge and skills on forest mgt & VCD	<ul style="list-style-type: none"> <li>1600 village leaders (40 villages: 20 Village Councils + 20 VNRCs)</li> <li>100 SMEs</li> <li>20 staff members of Service Providers</li> </ul>	To be defined in TNA	Records kept by the project and service providers	

Results	Indicators	Baseline	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 6/2022	Means of verification	Assumptions
<b>Output 2. Stakeholder capacity to implement and promote forestry value chain development enhanced</b>	Value chain related efficiency in decision making and in administrative procedures increased	Status/baseline as of situation in 2018	Steps taken to improve efficiency of VC related decision making and administrative procedures, average time for getting permits reducing	Average time for getting permits reduced procedures simplified	Procedures defined and used as a reference for assessing the performance	villagers in CBFM related capacity development FBD/TFS and PO-RALG take active stance in promoting capacity building at all levels Willingness and ability of relevant educational institutes to include forest value chain development in their curricula
	Forest value chain development incorporated in University and FTI/FITI curricula	No existing VC related education	VCD included in the curricula of SUA	Curricula developed and in use  Issues of gender, age and disability considered in learning materials	Programme reports; existing curricula	
	Communication strategy mobilized	Established (ST consultancy in 2018)	Communication strategy mobilized and applied to FORVAC programme mgt, supported activities and communication with stakeholders  FORVAC website established and taken into use.	FORVAC communication according to strategy	Programme reports	



Results	Indicators	Baseline	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 6/2022	Means of verification	Assumptions
<b>Output 3. Functional extension, communication, monitoring systems and Management Information System in place</b>	Extension strategy developed, aiming for synergies with FBD, on the principles of HRBA, incorporating value chain development	Non existent	Extension strategy formulated and taken into use (service contract or ST consultancy)	Strategy developed and put in use	Programme reports	MNRT and PO-RALG take active stance in extension and communication services along the VC at all levels
	Programme MIS unit established contributing to FBD MIS development	Non existent	MIS established and taken into use (ST consultancy)	Functional MIS Unit	Programme reports	Villages, districts, private sector, civil society actors and other organizations willing to develop extension and communication  TFS and FBD and other concerned governmental parties including research institutions, as well private sector and NGOs are committed to set up functional monitoring and MIS systems and provide inputs on regular basis  Districts, villagers and VNRCs cooperate in collecting data for village monitoring system

Results	Indicators	Baseline	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 7/2022	Means of verification	Assumptions
<b>Output 4. Supportive legal and policy frameworks to forest value chain and sustainable forest management developed</b>	FORVAC development support for Guidelines: CBFM books	Version outdated	Update, printing and dissemination of 5 CBFM books (guidelines, accounting / bookkeeping materials for VLFRs, etc., edition of 3500 pcs. in total	Books updated and distributed to CBFM actors  Issues of gender, age and disability considered in visual materials	Programme reports	Political will exist for updating and endorsing the sector level policy and legal documents  GoT committed to support Forest Law and Governance enforcement, as well as implementation of Charcoal Policy and Implementation Strategy  Private sector and civil society are committed to interact with GoT institutions in legal and policy revision processes, and GoT takes due recognition
	Updated forest legislation (Forest Act and regulations) approved	Updated Forest act needed for Forest policy	Progress made in amendments of Forest Act and regulation  Translation in Swahili and dissemination	Forest Act approved; related information disseminated in project area (with consideration to accessibility for all potential users)	MNRT reports and records	
	Updated Forest Policy disseminated	Final draft exist	1000 copies of the new Forest Policy and implementation strategy printed and disseminated	Forest Policy approved; related information disseminated in project area (with consideration to accessibility for all potential users)	Programme reports	
	National Assessment on the Charcoal sector results supported by FORVAC	Draft in progress	Support to preparation of Charcoal Policy and Implementation Strategy - Charcoal Policy and Implementation Strategy approved by June 2020	Strategy in use	MNRT records on National Charcoal Strategy	

Results	Indicators	Baseline	Annual target 7/2019 – 6/2020	End of Programme target 7/2018 – 7/2022	Means of verification	Assumptions
<b>Output 4. Supportive legal and policy frameworks to forest value chain and sustainable forest management developed</b>	Timber legality assurance system (TLAS) established	Initiated, with development of timber tracking sub- component of TLAS, electronic device piloted in selected checkpoints	Establishment of national working group on developing forest law enforcement (Timber Legality Assurance System) Process for reducing a number of checkpoints by merging TFS and District council checkpoints initiated and further supported Review the feasibility of the electronic timber tracking system introduced Tanzanian Timber Legality Manual produced in cooperation with TFS and the FBD (partnering with TRAFFIC). Stakeholders trained on law enforcement / legality issues In cooperation with the Tanzania Forestry Working Group (TFWG), an awareness raising workshop against illegal logging and charcoal production in the programme area	TLAS developed and in use, efficient country-wide timber tracking system piloted and taken into use	TFS reports, MNRT report, Programme reporting	

## **Annex 2 Workplan 7/2019 – 6/2020**

Code (#)	Project output/main Activity description	FORVAC (in total)					Unit	Quantity / target (in total)	Programme coordination, PMT	Clusters		
		Targets for activities (total in words)	Schedule							Tanga	Lindi	Ruvuma
			07-09/2019	10-12/2019	01-03/2020	04-06/2020			Quantity / target			
1	Improved Value Chains and increased Private Sector Involvement in the forest sector							-				
1.1	Establishment and mobilization of Village Land Forest Reserves (VLFR)							-			-	-
1.1.1	Establishment of VNRCs (awareness raising, forming the VNRC, training)	36 VNRCs established					VLFR	36		12	12	12
1.1.2	Agreement & demarcation of village boundaries (Identifying village land and its use; agreeing village boundaries; Obtaining legal authority; Demarcating village boundaries)	13 of villages with Land Certificates					Village	13		3	6	4
1.1.3	Support to Establishment of Village Land Use Plan (VLUP) Production of (Village Land Use Plan (VLUP), Forest Area Demarcation)	25 VLUPs produced (Service Contract) + meetings with the Land Use Planning Commission					Village	25		7	6	12
		ST consultancy to support VLUP (budgeted separately)										
1.1.4	Demarcation of the forest area, forest inventory and production of VLFR/CFR Management Plans (Participatory Forest Timber Inventory; Analyzing the Inventory Data; Drafting the VLFR Management Plan)	36 VLFR Mgt Plans established					VLFR Mgt Plan	36		8	16	12
1.1.5	Support writing the Bylaws and legal registration of VLFRs/CFR (Writing the Bylaws; M. Village Council Approval; Village Assembly Approval; Ward Approval; Approval by the District Forestry Officer; Approval by the District Council; Declaring the VLFR, approval of FMP at district level then the VLFR is legally registered by DFO; approval of Forest management plan at FBO. At this point the village can demand the license for any forest produces in the VLFR/CFR as set out under the management plan)	36 VLFRs with approved bylaws					VLFR	36		8	16	12
1.1.6	Support gazetting of selected VLFR/CFR	36 VLFRs/CFRs gazetted					VLFR	36		8	16	12
1.1.7	Facilitate development of Timber Harvesting Plans	5 harvesting plans developed					Harvesting Plan	5		1	4	-
1.1.8	Joint venture support on facilitating patrolling as part of VLFR/CFR: equipment, motorbikes in selected VLFRs/CFR	20 motorbikes to most advanced / promising VLFRs (1 per VLFR)					Motorbike	20		6	6	8
		Field equipment (uniforms, measurement tools etc.)					VLFR	36		8	16	12
1.1.9	Promote equitable benefit sharing of timber sales, charcoal and NTFP/NWFP income	Integrated with 1.1.1					Event	-		-	-	-
1.1.10	Introduce and pilot information dashboard for reporting illegal activities involving communities and private sector as informants in selected districts – workshops, focal groups (FG), TA support to related investments	1 information dashboard introduced and piloted in Songea					District	1		-	-	1

Code (#)	Project output/main Activity description	FORVAC (in total)						Programme coordination PMT	Clusters		
		Targets for activities (total in words)	Schedule				Unit		Quantity / target (in total)	Tanga	Lindi
			07-09/2019	10-12/2019	01-03/2020	04-06/2020		Quantity / target		Quantity/ target	Quantity/ target
1.2	Support to value chain development							-		-	-
1.2.1	Identification of Value Chains (VC) with high potential, selection of VCs to be developed (from production to end-consumer), incl. business potential and feasibility assessment	Service contract: Value Chains (VC) with high potential identified, incl. business potential and feasibility assessment					District	10	3	3	4
1.2.2	Assessment of the demand, supply and prices of forest products in domestic and international markets, including lesser known species	Budgeted in ST consultancies					Study	-	-	-	-
1.2.4	Wood products, NTFP/NWFP, Charcoal: Business plans and business skills development in all areas: training and workshops	Training events on business plans and skills development for wood & NWFP					Training event	6	2	2	2
1.2.6	Support institutional arrangements/business models with market linkages (e.g. MoUs, joint ventures, PPP & other partnerships, groups/association/cooperative initiatives) in processing and storage facilities	Landscape Investment Forum					Event	1	1	-	-
		Support mobilization of beekeepers groups / associations business agreements with potential buyers, cooperation with regional Chambers of Commerce, Industry and Agriculture (TCCIA)					Group / association	6	2	2	2
1.2.7	Assist communities to improve the quality of timber harvested from community forests and link their production with market (demand) – training events, FGDs, workshops/village meetings	Trainings events/meetings					Event	-	-	-	-
1.2.8	Assist communities to improve the quality of timber and other forest products harvested from community forests and link their production with market (demand) – support for better equipment	3 portable sawmills, including user training					Sawmill	3	1	1	1
		Other equipment, for 1 VLFR/district					VLFR	10	3	3	4
1.2.9	Support to timber processing entities to improve efficiency of timber processing (e.g. use of efficient sawmills contra pit sawing, saw doctoring, improved recovery and quality of production): FGDs, training/workshops, mentoring, access to finance	Training events/workshops conducted					Event	6	1	3	2
1.2.10	Support to timber processing entities to improve efficiency of timber processing (e.g. use of efficient sawmills contra pit sawing, improved recovery and quality of production): equipment, investments (for piloting/demos)	Investments in efficient production					Investment	4	4	-	-
1.2.11	Identification of lesser known species	Service contract for identification & laboratory testing of 10 - 15 lesser known species					Study	1	1	-	-
		4 taskforce meetings to develop Tanzania tree species list					Event	4	4		
1.2.13	Support piloting production of bamboo and manufacturing of products from bamboo in FORVAC districts	2 bamboo production pilot sites					Bamboo pilot	2		1	1
		2 bamboo product pilots / demos					Pilot/ demo	2		1	1
1.2.15	Improved capacities of VNRCs, tree growers and SMEs within the value chain so that management of VLFRs, volume, quality of tree growing and processing will be improved.	Training, meetings with VNRCs, TGAs & SMEs; tree planting 120 ha in 4 villages in Nyasa District					Village	4	-	-	4



Code (#)	Project output/main Activity description	FORVAC (in total)							Unit	Quantity / target (in total)	Programme coordination	Clusters		
		Targets for activities (total in words)	Schedule				Quantity / target	Tanga				Lindi	Ruvuma	
			07-09/2019	10-12/2019	01-03/2020	04-06/2020		Quantity / target			Quantity/ target	Quantity/ target	Quantity/ target	
2	Stakeholder capacity to implement and promote forestry value chain development enhanced								-		-	-		
2.1	Improved institutional and management capacities of Village Councils and VNRC to implement CBFM and develop forest value chains								-		-	-	-	
2.1.1	Capacity building in VLFRs/CFRs, LUP, laws and regulations related to value chain	Training events conducted for VLFRs/CFRs, LUPs on laws and regulations						Training event	36		8	16	12	
2.1.3	Train/educate communities on their rights and benefits of sustainable forest management	Training events for community members on rights and benefits of sustainable forest management						Training event	36		8	16	12	
2.1.4	Training of VNRCs in financial aspect (feasibility calculations, business planning)	Training events facilitated						Training event	16		10	-	6	
2.1.5	Capacity building in Forest management plan development & implementation	New VNRCs/VCS trained						Training event	36		8	16	12	
2.1.7	Support fund raising activities for the development of new value adding activities. (grants and loans from existing service providers, such as TaFF, VCOBAs/VS&I/SACCO)	Production groups established/ supported						Production group	36		8	16	12	
2.1.9	Exchange visit to area of successful interventions in CBFM and value chains	Exchange visits for community members facilitated						Visit	10		3	3	4	
2.2	Improved capacities to support and monitor CBFM/forest and related value chains and incorporating HRBA aspect								-		-	-	-	
2.2.2	Capacity building in PFM, LUP, laws and regulations related to Value chain	Training events for district level authorities on PFM, VLFR/CFR, LUPs, laws and regulations						Training event	10		3	3	4	
2.2.3	Capacity building to districts staff on forest value chain (value links) development	Training events on VCD						Training event	10		3	3	4	
		ST consultancy on value links training (budgeted separately)												
2.2.5	Cooperation with Tanzania Forest Industries Federation (SHIMMITA)	Forest Industry's training on procurement and marketing timber from VLFRs						Training event	3	3	-	-	-	
2.2.6	Study visits on selected interventions to sub-Saharan Africa Countries for experiences exchange and lessons learned -	Exchange visit to Cameroon (FLEGT, VCD)						Exchange visit	1	1	-	-	-	
2.2.9	Exchange visit to area of successful interventions in CBFM and value chains (local)	Exchange visits						Exchange visit	3		1	1	1	
2.2.10	Build capacity of District Authorities to resolve conflicts on land and related natural resources use	Conflict management training						Training event	10		3	3	4	
2.3	Forest products value chain/market systems and business development skills incorporated in relevant training institutes								-		-	-	-	
2.3.1	Support Tutors and Lecturers of training institutes (SUA and FTI/FITI/TBI) to participate on forest value chain/market systems and business development related trainings/short courses	4 - 6 Tutors & Lecturers supported to participate in relevant training events (3)						Training event	3	3	-	-	-	

Code (#)	Project output/main Activity description	FORVAC (in total)					Unit	Quantity / target (in total)	Programme coordination, PMT	Clusters		
		Targets for activities (total in words)	Schedule							Tanga	Lindi	Ruvuma
				07-09/2019	10-12/2019	01-03/2020			04-06/2020	Quantity / target	Quantity/ target	Quantity/ target
2.3.2	Support training institutions to develop/mainstream forest products value chain/market system and business development in undergraduate curricula	Curricula for mainstreaming forest products value chains developed, workshops, FGDs, equipment and training material, involvement of a Finnish University (1 expert)					Curricula	1	1	-	-	-
2.3.3	Support studies and thesis/dissertations related to forest products value chain/market system and business development relevant for CBFM	3 - 5 MSc studies / thesis supported					Study, thesis	5	5	-	-	-
2.3.4	Support scientific workshops for sharing research results relevant to CBFM and value chains development	Scientific workshop/ seminar supported					Workshop	1	1	-	-	-
3	Functional extension, communication, monitoring systems and Management Information System in place							-		-	-	-
3.1	Enhanced extension and communication services							-		-	-	-
3.1.1	Supporting Districts & FBD on Forest and beekeeping related events (Sabasaba, Beekeeping & Tree planting day, Nanenane)	Events participated					Event	4	1	1	1	1
3.1.2	Assists active journalists committed to forest issues to be further involved in forestry related activities to report and learn new concepts emerging in the forest sector – workshops and other forums, dialogues.	Training events for journalists / reporters on basics of CBFM and value chain development approach					Training event	3	1	-	1	1
3.1.4	Develop Extension strategy that taking principles of HRBA and value chain aspect	ST consultancy (budgeted separately)					Extension strategy	-		-	-	-
3.1.5	Support development of National PFM Apex body	Workshops/ FGDs on establishment and operation of the Apex body					Workshop	5	5	-	-	-
3.1.6	Support FBD to develop Extension materials and documentary packages	VCD / CBFM related extension material and documentary packages developed					Package	3	3			
3.1.7	Launching of the FORVAC programme in Ruangwa district	Stakeholder workshop in Ruangwa district also involving key officials and media, 100 PPs					Workshop	1	1			
3.1.8	High level retreat regarding FORVAC and PFM to Government top officials by July - August 2019	Workshop on PFM					Workshop	1	1			

Code (#)	Project output/main Activity description	FORVAC (in total)					Unit	Quantity / target (in total)	Programme coordination	Clusters		
		Targets for activities (total in words)	Schedule							Tanga	Lindi	Ruvuma
			07-09/2019	10-12/2019	01-03/2020	04-06/2020			Quantity / target	Quantity/ target	Quantity/ target	Quantity/ target
3.2	Monitoring and Management Information System (MIS) established						-		-	-		
3.2.1	Support district & national authorities in monitoring of FORVAC interventions	Biannual district/regional monitoring tours					Monitoring visit	20		6	6	8
		Support FBD's team of foresters to review VLFR Mgt Plans					WVG meeting	4	4			
3.2.2	Develop and introduce the Management Information System	Short-term consultancy to establish the FORVAC MIS (budgeted separately)					Consultancy	-		-	-	-
3.2.4	Update facts and figures of PFM across Tanzania	Service contract to update PFM facts and figures (biannually)					Update	2	2	-	-	-
4	Legal and policy frameworks in forestry supported							-		-	-	-
4.1	Improved policy and regulatory framework for forest value chain development							-		-	-	-
4.1.1	Support to development of Natural Forest Management Guidelines and CBFM books and their dissemination	Working group meetings / workshops (Natural Forest Mgt Guidelines)					Workshop	3	3			
		Printing and dissemination, 3500 pcs.					Package (print)	1	1			
4.1.2	Support training to increase understanding of policies and laws relevant for CBFM development	Training events conducted					Training event	4	1	1	1	1
4.1.3	Updated forest legislation (Forest Act and regulations)	Workshops/ focus group discussions (quarterly) on the update of Forest Act and regulations					Event	4	4	-	-	-
4.1.4	Support dissemination of New Forest Policy	1000 copies of the new Forest Policy and implementation strategy printed and disseminated					Package (print)	1	1	-	-	-
4.1.5	Support development of Charcoal Policy and its Implementation Strategy	Taskforce (13 members) meetings / workshops on development of Charcoal Policy and its Implementation Strategy					Event	6	6	-	-	-
4.1.7	Support finalization of Beekeeping Research Master Plan	Workshops / FGDs					Event	4	4	-	-	-
4.1.8	Facilitate translation of forest related legislation into Kiswahili/popular version and disseminate in the Districts and FORVAC villages.	1000 popular versions printed and disseminated					Package (print)	1	1	-	-	-

FORVAC – SEMI-ANNUAL REPORT FOR THE PERIOD FROM 1 JULY 2019 TO 31 DECEMBER 2019

Code (#)	Project output/main Activity description	FORVAC (in total)						Unit	Quantity / target (in total)	Programme coordination	Clusters		
		Targets for activities (total in words)	Schedule				Tanga				Lindi	Ruvuma	
			07-09/2019	10-12/2019	01-03/2020	04-06/2020							
4.2	Forest law enforcement, forest governance and trade of legally sources timber								-		-	-	
4.2.1	Capacity building – workshops and focus group discussions to set-up a national action plan for developing the Timber Legality Standards that also cover timber production in natural forests including VLFRs	Support to establishment of national working group on developing forest law enforcement (Timber Legality Assurance System)						Workshops, working group meetings	6	6	-	-	
		Workshops and FGDs conducted						Event	-				
		ST consultancy (budgeted separately)											
4.2.2	Support timber tracking systems: Contribute to a process of reducing number of checkpoints in major highways (option: merging TFS and District council checkpoints) –focus group discussions, workshops.	Workshops and FGDs conducted						Event	3	2	-	1	
4.2.3	Support to monitor movement of timber (electronic tracking system); review the feasibility of the electronic timber tracking system introduced and piloted by TRAFFIC in 5 checkpoints (Kibiti, Vikindu, Ikwiriri, Nangurukuru and Nyangao)	2 check point pilots facilitated in 2019 - 2020						Pilot	5	5	-	-	
		Checkpoint guidelines developed and disseminated (workshops, wg meetings, print 1000 psc., dissemination)						Process	1	1			
4.2.5	Comprehensive Capacity Development of relevant stakeholders and development of law enforcement related training material	Co-facilitating production of Timber Legality Manual in cooperation with TRAFFIC						Manual	1	1	-	-	
		Training events on timber legality standards and Timber Legality Assurance System at national						Training event	1	1			
		Support to the Tanzania Forestry Working Group (TFWG) on national seminar on illegal logging						Event	1	1			

## **Annex 3 Budget follow-up, July – December 2019**

**Budget Follow-up December 2019**

Project Task No.	Description	Total Project Budget EUR	Accumulated Usage Year 1	Total Annual Budget Year 2	Usage of the month December 2019	Accumulated Usage Year 2	Usage in % Year 2	Total Accumulated Usage EUR	Usage in % of total budget	Total Outstanding Balance EUR
2010	Chief Technical Advisor (Int)	609 000,00	152 252,39	152 250,00	13 809,52	80 095,24	52,61 %	232 347,63	38,15 %	376 652,37
2020	Value Chain Development Advisor (Int)	196 000,00	90 000,29	84 000,00	4 000,00	42 000,00	50,00 %	132 000,29	67,35 %	63 999,71
2030	National Forest Management Expert	210 000,00	57 024,46	52 500,00	3 095,24	29 047,62	55,33 %	86 072,08	40,99 %	123 927,92
2040	Financial Manager	210 000,00	54 048,22	52 500,00	3 333,33	29 285,71	55,78 %	83 333,93	39,68 %	126 666,07
2041	Financial Accountant		10 571,56		0,00	2 190,48		12 762,04		-12 762,04
2050	Cluster Coordinator Tanga	126 000,00	13 500,15	38 500,00	1 500,00	20 000,00	51,95 %	33 500,15	26,59 %	92 499,85
2060	Cluster Coordinator Ruvuma	126 000,00	15 666,83	38 500,00	1 833,33	20 500,00	53,25 %	36 166,83	28,70 %	89 833,17
2070	Cluster Coordinator Lindi	126 000,00	15 663,83	38 500,00	1 666,67	20 333,33	52,81 %	35 997,16	28,57 %	90 002,84
2080	Home Office Cordination Fee	48 000,00	11 000,00	12 000,00	1 000,00	6 000,00	50,00 %	17 000,00	35,42 %	31 000,00
<b>2099</b>	<b>Long-Term Experts Total</b>	<b>1 651 000,00</b>	<b>419 727,73</b>	<b>468 750,00</b>	<b>30 238,10</b>	<b>249 452,38</b>	<b>53,22 %</b>	<b>669 180,11</b>	<b>40,53 %</b>	<b>981 819,89</b>
<b>3000</b>	<b>PROJECT EXPENSES</b>									
<b>3001</b>	<b>Reimbursables costs, TEAM</b>									
3010	Home office visits	43 000,00	9 610,94	8 600,00	0,00	0,00	0,00 %	9 610,94	22,35 %	33 389,06
3015	Relocation costs (long term personnel)	14 100,00	12 143,18	0,00	0,00	0,00	0,00 %	12 143,18	86,12 %	1 956,82
3020	Housing costs (CTA)	100 800,00	3 566,81	25 200,00	96,84	14 573,12	14,46 %	18 139,93	18,00 %	82 660,07
3025	Housing costs (Forest/Financial experts)	48 000,00	14 621,25	12 000,00	446,88	11 285,55	23,51 %	25 906,80	53,97 %	22 093,20
3030	Housing costs (Cluster Coordinators)	32 400,00	0,00	10 800,00	1 752,26	9 749,88	30,09 %	9 749,88	30,09 %	22 650,12
3035	Local travel transport	110 521,00	54 316,06	28 260,00	294,42	27 407,83	96,98 %	81 723,89	73,94 %	28 797,11
3040	Daily allowance local travel				0,00			0,00		
3045	Hotel costs (long term TA)				2 349,41			0,00		
3050	International Travel	28 000,00	5 465,87	8 400,00	0,00	6 240,68	22,29 %	11 706,55	41,81 %	16 293,45
3055	Daily allowance international	49 885,00	22 350,94	13 200,00	0,00	22 819,74	172,88 %	45 170,68	90,55 %	4 714,32
3056	Daily allowance national				0,00			0,00		
3057	Weekend travel compensation				165,00			0,00		
3060	Hotel cost Value Chain Advisor				29,47			0,00		
3065	Education of children	24 000,00	0,00	12 000,00	0,00	0,00	0,00 %	0,00	0,00 %	24 000,00
	Travel to/from duty station for family	15 428,00	0,00	0,00	0,00	0,00	0,00 %	0,00	0,00 %	15 428,00
3070	Repatriation costs (long term personnel)	14 100,00	0,00	0,00	0,00	0,00	0,00 %	0,00	0,00 %	14 100,00
3075	Support staff	67 200,00	0,00	24 000,00	1 689,79	11 319,04	16,84 %	11 319,04	16,84 %	55 880,96
<b>3099</b>	<b>Reimbursables costs, TEAM. Total</b>	<b>547 434,00</b>	<b>122 075,05</b>	<b>142 460,00</b>	<b>6 824,07</b>	<b>103 395,84</b>	<b>72,58 %</b>	<b>225 470,89</b>	<b>41,19 %</b>	<b>321 963,11</b>
	<b>Grand Total</b>	<b>2 198 434,00</b>	<b>541 802,78</b>	<b>611 210,00</b>	<b>37 062,17</b>	<b>352 848,22</b>	<b>57,73 %</b>	<b>894 651,00</b>	<b>40,69 %</b>	<b>1 303 783,00</b>



Budget follow-up December 2019

Project Task No.	Description	Total Project Budget EUR	Total Usage Y1 (Jul 18-Jun 19) EUR	Budget Year 2 (Jul 19-Jun 20)	Usage of the month December 2019	Accumulated Usage Year 2	% Usage Budget Year 2	Outstanding Balance Y2, EUR	Total Accumulated Usage EUR	Total Outstanding Balance EUR	% Total Usage
<b>5001</b>	<b>1 Improved VCs &amp; increased PS involvem. in Forestr</b>										
5010	1.1 Establishment and mobilization of VLFRs	1 034 200	0,00	737 345	32 144,40	357 915,10	48,54 %	379 429,90	357 915,10	676 284,90	34,61 %
5012	1.2 Support to value chains	1 223 000	0,00	300 399	54 196,89	54 196,89	18,04 %	246 202,11	54 196,89	1 168 803,11	4,43 %
<b>5013</b>	<b>Subtotal Output 1</b>	<b>2 257 200,00</b>	<b>0,00</b>	<b>1 037 744,00</b>	<b>86 341,29</b>	<b>412 111,99</b>	<b>39,71 %</b>	<b>625 632,01</b>	<b>412 111,99</b>	<b>1 845 088,01</b>	<b>18,26 %</b>
<b>5100</b>	<b>2 Stakeholder capac. to imple. &amp; promote forest VC</b>										
5105	2.1 Impr. inst. & mgmt capacity for villages VNRC	770 000	20 550,84	240 236	0,00	46 120,94	19,20 %	194 115,06	66 671,78	703 328,22	8,66 %
5115	2.2 Improved capacities of forest national level	750 000	40 565,12	225 010	0,00	35 316,44	15,70 %	189 693,56	75 881,56	674 118,44	10,12 %
5135	2.3 Forest products VC/market systems & BD skills	490 000	0,00	139 254	0,00	0,00	0,00 %	139 254,00	0,00	490 000,00	0,00 %
	<b>Subtotal output 2</b>	<b>2 010 000,00</b>	<b>61 115,96</b>	<b>604 500,00</b>	<b>0,00</b>	<b>81 437,38</b>	<b>13,47 %</b>	<b>523 062,62</b>	<b>142 553,34</b>	<b>1 867 446,66</b>	<b>7,09 %</b>
<b>5160</b>	<b>3. Functional extension, comm., monitoring &amp; MIS</b>										
5165	3.1 Enhanced extension and communication services	410 000	0,00	124 404	11 437,62	11 437,62	9,19 %	112 966,38	11 437,62	398 562,38	2,79 %
5170	3.2 Monitoring and Management Information System	480 000	0,00	116 154	0,00	0,00	0,00 %	116 154,00	0,00	480 000,00	0,00 %
<b>5179</b>	<b>Subtotal output 3</b>	<b>890 000,00</b>	<b>0,00</b>	<b>240 558,00</b>	<b>11 437,62</b>	<b>11 437,62</b>	<b>4,75 %</b>	<b>229 120,38</b>	<b>11 437,62</b>	<b>878 562,38</b>	<b>1,29 %</b>
<b>5180</b>	<b>4 Legal and policy frameworks in forestry supporte</b>										
5185	4.1 Improved policy and regulatory framework for f	480 000	69 515,31	210 577	30 624,81	55 920,81	26,56 %	154 656,19	125 436,12	354 563,88	26,13 %
5190	4.2 Forest law enforcement, forest governance and	380 000	0,00	139 581	0,00	0,00	0,00 %	139 581,00	0,00	380 000,00	0,00 %
<b>5199</b>	<b>Subtotal output 4</b>	<b>860 000,00</b>	<b>69 515,31</b>	<b>350 158,00</b>	<b>30 624,81</b>	<b>55 920,81</b>	<b>15,97 %</b>	<b>294 237,19</b>	<b>125 436,12</b>	<b>734 563,88</b>	<b>14,59 %</b>
<b>5200</b>	<b>Programme Management</b>										
5210	Investments	430 000	382 716,88		2 052,33	68 430,29	-	68 430,29	451 147,17	-21 147,17	104,92 %
5215	Vehicle fuel and maintenance costs (all vehicles)	200 000	44 468,94		6 495,56	35 368,93	-	35 368,93	79 837,87	120 162,13	39,92 %
5216	Drivers	72 000	29 772,83		5 075,38	36 180,53	-	36 180,53	65 953,36	6 046,64	91,60 %
5220	Communication	32 000	7 551,03		1 051,31	5 521,19	-	5 521,19	13 072,22	18 927,78	40,85 %
5225	Media & publishing	16 000	1 187,89		370,55	2 680,40	-	2 680,40	3 868,29	12 131,71	24,18 %
5230	Translations	40 000	0,00		0,00	0,00	-	-	0,00	40 000,00	0,00 %
5235	Banking & financial management	8 000	2 262,00		4,78	2 848,22	-	2 848,22	5 110,22	2 889,78	63,88 %
5238	Running office costs	0	6 096,65		643,27	6 589,66	-	6 589,66	12 686,31	-12 686,31	
5240	Books, periodicals & stationary	7 000	3 280,42		44,55	1 647,65	-	1 647,65	4 928,07	2 071,93	70,40 %
5245	Maintenance of devices & equipment	18 000	977,11		0,00	1 630,26	-	1 630,26	2 607,37	15 392,63	14,49 %
5250	Monitoring and auditing	229 000	6 688,45		0,00	2 737,77	-	2 737,77	9 426,22	219 573,78	4,12 %
5251	Facilitation by NPC and Stakeholders	0	18 962,78		2 386,30	20 516,87	-	20 516,87	39 479,65	-39 479,65	
5255	Steering Committee and Supervisory Board Meetings	0	1 438,00		0,00	3 529,51	-	3 529,51	4 967,51	-4 967,51	
<b>5299</b>	<b>Programme Management, Total</b>	<b>1 052 000,00</b>	<b>505 402,98</b>	<b>157 000,00</b>	<b>18 124,03</b>	<b>187 681,28</b>	<b>119,54 %</b>	<b>-30 681,28</b>	<b>693 084,26</b>	<b>358 915,74</b>	<b>65,88 %</b>

## Budget follow-up December 2019

Project Task No.	Description	Total Project Budget EUR	Total Usage Y1 (Jul 18-Jun 19) EUR	Budget Year 2 (Jul 19-Jun 20)	Usage of the month December 2019	Accumulated Usage Year 2	% Usage Budget Year 2	Outstanding Balance Y2, EUR	Total Accumulated Usage EUR	Total Outstanding Balance EUR	% Total Usage
5300	Contingency and TA-briefing										
5310	Contingency (2,5% )	242 566	0,00	77 253	0,00	18 395,98	23,81 %	58 857,02	18 395,98	224 170,02	7,58 %
5320	International TA-briefing	4 800	3 345,66	0,00	0,00	0,00		0,00	3 345,66	1 454,34	69,70 %
5330	Total contingency and international TA-briefing	247 366,00	3 345,66	77 253,00	0,00	18 395,98	23,81 %	58 857,02	21 741,64	225 624,36	8,79 %
	Studies and short-term services	435 000	123 822,80	262 500	13 571,43	119 285,74	45,44 %	143 214,26	243 108,54	191 891,46	55,89 %
	Other support staff	0	0,00		0,00	0,00		0,00	0,00	0,00	#DIV/0!
	Bridging period PFP May - June	0	214 977,80		0,00	0,00		0,00	214 977,80	-214 977,80	
	Teak plantation in Ruvuma	0	28 786,00		0,00	0,00		0,00	28 786,00	-28 786,00	
	Total	435 000,00	367 586,60	262 500,00	13 571,43	119 285,74	45,44 %	143 214,26	486 872,34	-51 872,34	111,92 %
7999	TOTAL CONTRACT	7 751 566,00	1 006 966,51	2 729 713,00	160 099,18	886 270,80	32,47 %	1 843 442,20	1 893 237,31	5 858 328,69	24,42 %

## Annex 4 Report of Liwale district, July – December 2019

### LIWALE DISTRICT COUNCIL

Fax No: 0732933131/0732933118  
E-mail:ded@liwaledc.go.tz



P.BOX. 23,  
LIWALE.  
16/ 01/2020

### FORVAC PROGRAMME IMPLEMENTATION REPORT FROM JUNE - DECEMBER 2019

#### 1.0 INTRODUCTION

Liwale District has 3 types of forests which are National Forest Reserves, Village Land Forest Reserves and Unreserved Forests in the village land. According to the forest inventory carried out by the Ministry of Natural Resources and Tourism in 2005, the area covered by forests in Liwale District is estimated to be 2,594,470 hectares out of which the National Forest Reserves covers 98,420 ha; Village Land Forest Reserves 186,321 ha; and the Unreserved Forests in the Village Land 2,309,729 ha (TFS, 2016).

#### 2.0 PFM STATUS IN LIWALE DISTRICT (2013 – 2016)

Ministry of Foreign Affairs of Finland (MFA), has been supporting PFM activities in Liwale District for a long time now. Great achievements have been realized so far and we would like to extend our heartfelt vote of thanks for the support and work well done. Of recently through LIMAS and FINIDA support; the district has managed to establish CBFM interventions in 24 villages. These villages are Mtungunyu, Nahoro, Nangano, Kibutuka, Kiangara, Litou, Kitogoro, Mtawatawa, Legezamwendo, Mikunya, Tuungane, Mahonga, Nanjegeja, Ngongowe, Lilombe, Ngunja, Mikuyu, Darajani, Luwele, Chigugu, Likombora, Luwele, Barikiwa and Mihumo.

However, of all these villages only 17 (*Mtungunyu, Nahoro, Nangano, Kiangara, Litou, Kitogoro, Mtawatawa, Turuki, Legezamwendo, Mikunya, Mikuyu, Ngunja, Mihumo, Ngongowe, Mikuyu, Barikiwa and Likombora*) have started timber harvesting processes and the progress so far is good and promising. They have Forest Management Plans, Timber Harvesting Plans and forest bylaws which had been endorsed at district level. The rest 7 villages (*Mahonga, Tuungane, Nanjegeja, Lilombe, Chigugu and*



Luwele) requires some technical and financial support through FORVAC for them to start timber harvesting.

Village Land Use Planning processes which initiated during LIMAS were not completed. The reasons behind were village land boundary conflicts and sub-division of some villages. Therefore this activity and other activities which were not completed during LIMAS will be carried out through the support of FORVAC programme.

### **3.0 FORVAC PROGRAMME IMPLEMENTATION PROGRESS FOR YAER 2019/2020.**

FORVAC Programme in Liwale district are implementing in 27 villages. These villages are; Mtungunyu, Nahoro, Nangano, Kibutuka, Ngumbu, Kiangara, Litou, Naujombo, Kitogoro, Mtawatawa, Legezamwendo, Mikunya, Tuungane, Mahonga, Nanjegeja, Turuki, Likombora, Mihumo, Darajani, Ngongowe, Mikuyu, Ngunja, Chigugu, Luwele, Lilombe, Barikiwa and Chimbuko. Since the programme was launching in June, 2019 a number of activities has been carried out as follows:

#### **3.1 Awareness creation about the FORVAC Programme**

The Programme was introduced at all levels in the district. Starting with awareness creation through the district full council meeting followed by awareness creation to the Village Council and Village assembly meetings in 27 villages which implementing the programme activities.

#### **3.2 Preparation of the Annual Work Plan and Budget**

Liwale district staff were involved in the preparation of the annual work plan and budget for year 2019-2020.

#### **3.3 Village Land Use Planning Processes**

According to the programme work plan for 2019 / 2020 the district target to develop 4 VLUPs. The district so far has managed to develop 2 out of the 4 and the remaining 2 will be developed before June 2020. The district has managed to develop 2 VLUPs for Likombora and Turuki villages. The Village Land Use plans have been endorsed by village assemble, district council and submitted to National Land Use Commission for scrutinize and gazzettement.

Moreover, 2-district staff was trained on GIS in order to give full support in the land use planning processes while the PLUM team was also trained by the National Land Use Planning Commission to improve their capacity in land use planning processes.



### **3.4 Supports for Village Savings and Loans Associations (VSLAs)**

FORVAC programme support 7 villages at Tuungane, Mahonga, Nanjegeja, Legezamwendo, Mikunya, Barikiwa and Chimbuko to undertake the loans and savings intervention through establishment of 14 Village Savings and Loan Associations (VSLAs). Progress so far is good and promising where until December 2019, a total of Tshs **21,409,280** was accumulated as savings in all the groups.

Currently, about four VSLAs have started to issue soft loans to their members for establishment of Income Generating Activities (IGA). Example two VSLAs at Turuki and Mikunya villages practice rice business, one VSLAs practice dried fish business at Mahonga village and one VSLAs practice soap business at Nanjegeja village.

The VSLAs members are now at the stage of developing business plans and taking the soft loans. Today many members are being helped by VSLAs fund for solving social and economic problems. The council anticipates more members to start taking loans and invest in IGA this January 2020. The plan was to develop 14 VSLAs by June 2020, so far the target has been achieved.

### **3.5 PFM and Business Plan interventions / activities**

FORVAC programme has supported capacity building to the district staff on Participatory Forest Resources Assessment methodology and Business planning. Village Council (VC) members and Village Natural Resource Committee (VNRC) members from 5 villages (i.e. Mtawatawa, Nahoro, Mtungunyu, Nangano and Mikunya) capacitated on PFM concepts, Participatory Forest Resource Assessment, Forest Certification processes, Business Planning, Development of Forest Management Plan and Timber Harvesting Plan. This training was facilitated by MCDI as a Service Provider.

### **4.0 PLANNED ACTIVITIES FOR JANUARY TO JUNE 2020**

From January to June, 2020, district planning to carrier out the following activities:

1. To facilitate formation of VNRCs in 4 villages by raising awareness to village assemble and training the VNRC members.
2. To facilitate demarcation of 6 Village Land boundaries at Tuungane, Mahonga, Nanjegeja, Chigugu, Luwele and Lilombe villages.
3. To develop 2 Village Land Use Plans at Nanjegeja and Ngumbu villages.
4. To establish CBFM processes in 6 villages at Ngumbu, Tuungane, Darajani, Chimbuko, Mahonga and Nanjegeja.
5. To support gazzettelement of 7 VLFRs at the MNRT / FBD.

6. To support timber business entities in improving efficiency of timber processing (e.g. use of efficient sawmills contra pit sawing, saw doctoring, improved recovery and quality of production, Focus Group training/workshops, mentoring and access to finance).
7. To build capacity to VNRCs in Certification of Forest Reserves, Land Use Plans, laws and regulations related to value chain in 8 villages.
8. To build capacity to VNRCs in forest management plan development and its implementation in 8 villages.
9. To carries out exchange visit to area of successful interventions in CBFM and value chains.
10. To build capacity to districts staff on forest value chain (value links) development through study tour trip.
11. To build capacity to district authorities on resolving conflicts related to land and natural resources uses.

## 5. CHALLENGES

Lack of reliable transport for implementing programme activities. Some of the district vehicles are grounded and the few which running are so challenging in the implementation of programme activities. For easier implementation of programme activities, District should have at least one car (Toyota Hardtop) specifically committed for the programme activities. However, this challenge has been reported to the Programme National Coordinator. So it is our hope that Programme will work on it very soon.

Prepared by:



Damas M. Mumwi

For District Executive Director

**Liwale District Council**

DISTRICT  
LIWALE

MKURUGENZI MTENDAJI  
HALMASHAURI YA WILAYA  
LIWALE



