



**SUOMI
FINLAND**

FORESTRY AND VALUE CHAINS DEVELOPMENT PROGRAMME (FORVAC)

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SEMI-ANNUAL REPORT

**FOR THE PERIOD FROM 1 JULY 2023
TO 31 DECEMBER 2023**



January 2024

PREFACE

Contact:

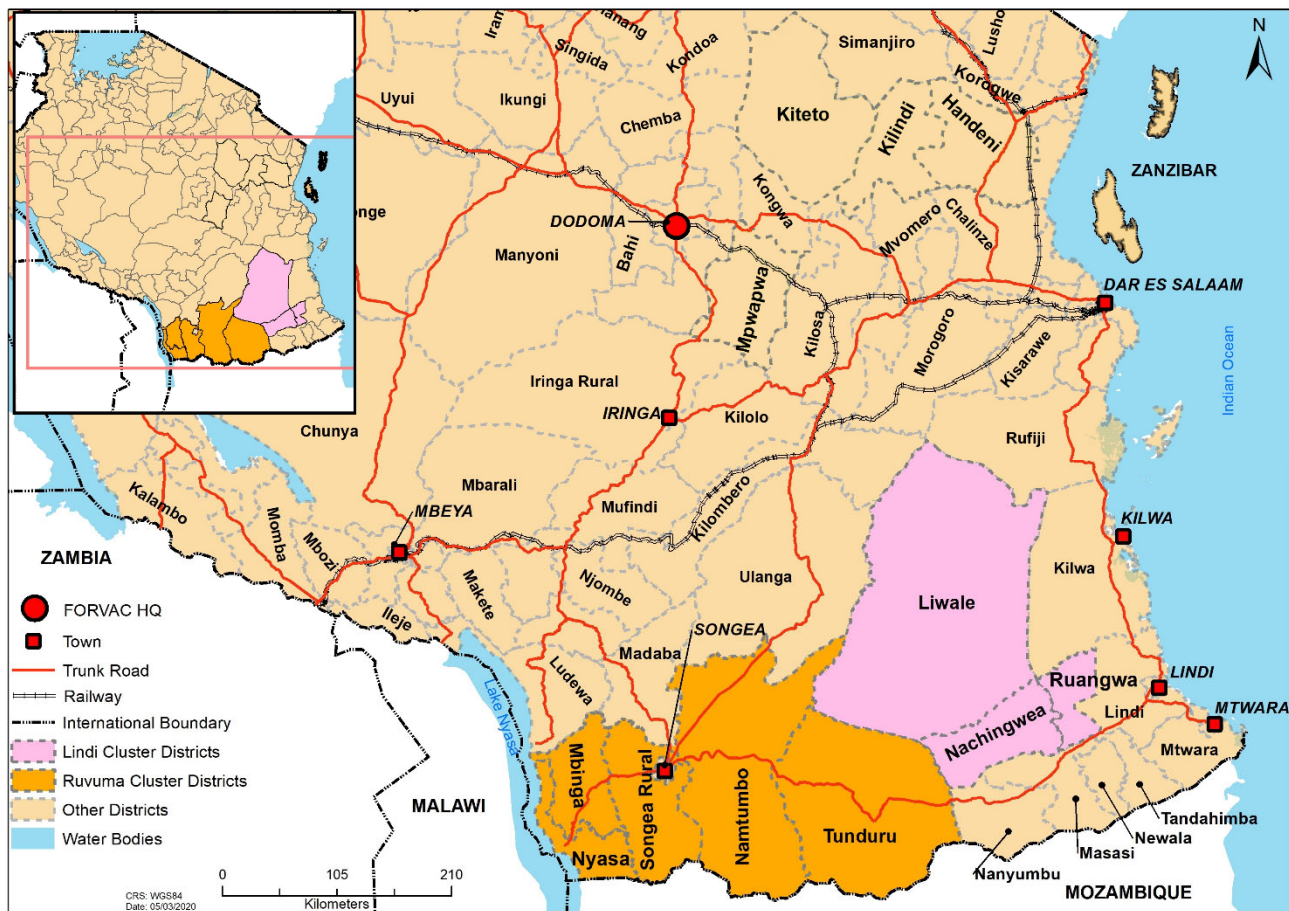
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PROGRAMME AREA



PROGRAMME FACT SHEET

Document:	Semi-Annual Report for the period from 1 July 2023 to 31 December 2023
Programme title:	Forestry and Value Chains Development Programme (FORVAC)
Sub-sectors:	Forestry Development, Private Sector Development
Geographical coverage:	Tanzania – institutional development nationwide Lindi Cluster: Liwale, Ruangwa and Nachingwea Districts Ruvuma Cluster: Namtumbo, Tunduru, Songea, Mbinga and Nyasa Districts Headquarters in Dodoma
Duration:	Six years (7/2018–7/2024)
Programme financing:	Government of Finland: € 14,150,000 Government of Tanzania in kind contribution (salaries, operating expenses and office space): € 200,000 Programme total budget: € 14,350,000
Competent authorities:	Ministry for Foreign Affairs, Finland Ministry of Natural Resources and Tourism, Tanzania
Consultant:	FCG Finnish Consulting Group Ltd till November 2023, from December 2023 onwards Cowater International
Impact:	Reduced deforestation and increased economic, social and environmental benefits from forests and woodlands
Results of the Programme:	Expected outcome: Sustainably managed forests and forest-based enterprises generating income for community members and revenue for community social service Output 1: Sustainable forest management mechanisms established, forest-based value chains developed and private sector Involvement in the forest sector increased Output 2: Stakeholder capacity on CBFM and forest value chain development enhanced Output 3: Extension, communication, and monitoring systems developed Output 4: Legal and policy frameworks for CBFM and forest value chains strengthened
Distribution:	Steering Committee, Supervisory Board Programme website: https://forvac.or.tz/publications/administrative-and-management-reports/

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ABBREVIATIONS

AAC	Annual Allowable Cut
AWP	Annual Workplan
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
FBD	Forest and Beekeeping Division (of the MNRT)
FGLG	Forest Governance Learning Group
FITI	Forest Industries Training Institute
FTI	Forestry Training Institute
FLEGT	Forest Law Enforcement, Governance and Trade
FMP	Forest Management Plan/Planning
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
LKTS	Lesser-known Timber Species
LUP	Land use plan
MCDI	Mpingo Conservation & Development Initiative
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
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 1	Private Forestry Programme – Panda Miti Kibiashara
PFP 2	Participatory Plantation Forestry Programme
PFM	Participatory Forest Management
PIM	Programme Implementation Manual
PFM	Participatory Forest Management
PFP	Private Forestry Programme
PiVP	Persons in Vulnerable Positions
PLWD	Person Living with Disability
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
RALG	Regional Administration and Local governments
SC	Steering Committee
SVB	Supervisory Board
SHIVIMITA	Tanzania Forest Industries Federation
SUA	Sokoine University of Agriculture
TA	Technical Assistance
TFS	Tanzania Forest Services Agency
TFCG	Tanzania Forest Conservation Group
TFS	Tanzania Forest Service Agency
TFWG	Tanzania Forestry Working Group
TGA	Tree Growers Association
TLAS	Timber Legality Assurance System
TNRF	Tanzania Natural Resources Forum
TP	Transit Pass
TRA	Tanzania Revenue Authority
TZS	Tanzanian shilling
UNDP	United Nations Development Programme
VCDA	Value Chain Development Advisor (FORVAC)
VC	Village Council
VICOBA	Village Community Bank
VLFR	Village Land Forest Reserve
VLUP	Village Land Use Plan
VNRC	Village Natural Resource Committee

EXECUTIVE SUMMARY

Forestry and Value Chains Development (FORVAC) is a 6-year Programme (7/2018-7/2024) funded by the Ministry for Foreign Affairs of Finland (MFA Finland) and implemented under the Ministry of Natural Resources and Tourism of Tanzania (MNRT). FORVAC contributes to increasing economic, social and environmental benefits from forests and woodlands. It does this through two pillars, strengthening the legal control communities have over the forest, both rights and responsibilities, whilst enhancing the income from sustainable forest management and use. This legal control and benefits combined incentivizes the protection and sustainable management of forests that was previously prone to clearance and unsustainable use.

The Programme supports commercialization and improvement of the forest value chains together with the government, private sector, local communities and NGOs to increase the benefits the CBFM communities generated from the community forests – called Village Land Forest Reserves (VLFRs). The expected outcome of the Programme is “Sustainably managed forests and forest-based enterprises generating income for community members and revenue for community social services”. The programme has two key outcomes, one related to the amount of natural forest under sustainable forest management within CBFM, and the second outcome relates to increasing the amount of benefits flowing to the community from the VLFRs.

The FORVAC Annual Workplan and Budget (AWP) for the final year of the Programme from July 2023 to July 2024 was reviewed in the PSC meeting in June 2023, revised and resubmitted and approved by the Steering Committee (SC) on 17 August 2023. This document is a Semi-Annual Progress Report of the implementation of this workplan over the period from 1 July 2023 to 31 December 2023. It presents the progress towards the achievement of the expected results (Impact, Outcome and Outputs) defined in the Programme results framework.

Impact and Outcome

The Programme will implement an end impact assessment during the final months of FORVAC. Hereby, the achievements of Impact level indicators will be reported in the Annual Report 2023-2024. However, most of the Outcome level indicators have already been measured, for example, during the reporting period, FORVAC has contributed to the addition of 48,472 hectares of forest area to sustainable forest management by supporting production and approval of 10 Forest Management Plans (FMPs).

During the reporting period, 37 FORVAC-supported villages sold sustainably harvested timber a total of 6,035 m³ with a value of TZS 1,521,258,300 (EUR 608,503). Additionally, four (4) villages produced approximately 439 m³ of sawn timber worth TZS 234,012,900 (EUR 97,925) as set out in the table below. The villages used a remarkable part of the timber revenue to improve social services in the villages, approximately TZS 1 billion (EUR 400,000).

Cluster	District	Timber sales, July - December 2023							
		Standing timber				Sawn timber			
		No of villages	m3	TZS	EUR	No of villages	m3	TZS	EUR
Ruvuma	Tunduru	2	163	50,900,500	20,360	2	163	50,900,500	20,360
Lindi	Ruangwa	5	274	61,044,100	24,418	1	41	10800000	4,320
	Liwale	23	5,288	1,311,103,700	524,441	1	276	183,112,400	73,245
	Nachingwea	7	310	98,210,000	39,284	-	-	-	-
TOTAL		37	6,035	1,521,258,300	608,503	4	439	234,012,900	97,925

These achievements as well as other major results of the Programme implementation are given by Outputs below.

Output 1: Sustainable forest management mechanisms established, forest-based value chains developed and private sector involvement in the forest sector increased

The main results for Output 1 are listed below.

<p>Output 1 Sustainable forest management mechanisms established, forest-based value chains developed and private sector involvement in the forest sector increased</p> <p><u>Support to establishment & mobilization of VLFRs (base activities)</u></p> <ul style="list-style-type: none"> • 10 forest management and harvesting plans, covering 48,475 ha of VLFR, approved and 1 plan (3,475 ha) is waiting for the District level approval. • Cluster-wise cumulative annual allowable cut (AC) for sustainable community timber is 24,200 m³ in Ruvuma, 106,808 m³ in Lindi and 10,537 m³ in Tanga, totaling almost 141,545 m³. • 5 Government Notices (GN) for the 5 bee reserves (5,059 ha) prepared and endorsed by the Office of the Attorney General. The 5 GNs are waiting for the final signature from the MNRT.

- **Gazettement of 4 VLFRs** (ha) completed in Songea District in Ruvuma Cluster.

Support to value chains development

- **Timber trade:** 37 villages (35 villages in Lindi and 2 in Ruvuma Cluster) sold a total of 6,035 m³ of timber with the value of TZS 1,521,258,300 (EUR 608,503).
- **Sawmilling:** Four community owned portable sawmills were used in 2 villages in Ruvuma Cluster and in 2 villages in Lindi Cluster generating income of TZS 244,812,900 (EUR 97,925) in total.
- **Solar timber drying kilns:** The solar kiln established in Liwale District has been used by Mtawatawa village which received an order for 7,000 (375 m³) dried planks. The other solar kiln, established in Ruangwa District, has not yet been used.
- **Timber value chain** has created temporary employment for a total of 1,599 (1,356M/243F) villagers.
- The development of **CBFM Market Information System** was finalized www.trcm.or.tz.
- FORVAC supported the establishment of **2 CBFM Village Associations** in Ruangwa and Liwale Districts. 4 more associations will be established in Nachingwea, Tunduru, Namtumbo, and Songea.
- **Honey value chain:** FORVAC contracted 2 consultants to support building a successful and sustainable honey value chain in Ruvuma Cluster in December 2023.

Output 2: Stakeholder capacity on CBFM and forest value chain development enhanced

FORVAC works on increasing the capacities in CBFM and related value chain development from the community level to districts and further the national level and the scientific community and educational institutions. Main results under output 2 are listed below.

Output 2 Stakeholder capacity on CBFM and forest value chain development enhanced

Community level

- **1,077 (679M/398F) members of Village Natural Resource Committees (VNRCs) and Village Councils (VCs)** in various subjects related to timber business planning, financial management, sawn timber measurements, volume calculation, and harvesting operations, logging supervision, and fire management.
- **Gender Action Learning System (GALS) manual** produced based on the experience gained during the pilot in the FORVAC operational area in early 2023.

District, regional and national level authorities

- 8 (4/4) District officers trained on **timber business plan** development.
- 11 (10M/1F) Local Government Authorities attended a one-week short course on **timber grading**.
- 8 (8M) Local Government Authorities drafted a **business plan for the timber drying solar kilns**.

Education, training institutions

- Supported 4 **MSc dissertations** (although final two will be submitted by April 2024.)

Output 3. Extension, communication, and monitoring systems developed

Major results of Output 3 during the reporting period are set out in the textbox below.

Output 3 Extension, communication, and monitoring systems developed

- FORVAC supported 5 villages from Ruangwa District to participate in the **Lindi Investment Forum**.

Joint monitoring

- In August 2023, the Programme supported District authorities to conduct monitoring and technical backstopping visit to FORVAC interventions in a total of 25 villages in Liwale, Nachingwea and Ruangwa Districts.
- In September 2023, The Embassy of Finland (EoF) conducted a field visit to Lindi Cluster.
- In October 2023, The MNRT conducted a monitoring trip to Liwale and Nachingwea Districts in Lindi Cluster and Songea and Nyasa Districts in Ruvuma Cluster.
- In November 2023, Programme has supported District authorities to conduct monitoring and technical backstopping visit to FORVAC interventions in a total of 15 villages in Nachingwea and Ruangwa Districts.

Output 4 Legal and policy frameworks for CBFM and forest value chains strengthened

Output 4 is implemented through two interventions, namely 4.1 Support training to increase understanding of policies and laws relevant for CBFM development; and 4.2 Forest law enforcement, forest governance and trade of legally sourced timber. The main results of this Output are listed below.

Output 4 Legal and policy frameworks for CBFM and forest value chains strengthened

- In July 2023, FORVAC supported **technical review of GN 417**, involving participants from MNRT, LGAs, TFS, Attorney General, and other key stakeholders.

- In October 2023, FORVAC, in collaboration with FBD/MNRT, organized a **multistakeholder workshop** to enhance enabling environment for VLFR timber organized. The workshop identified barriers hindering VLFR timber sales and prepared action plans on how to overcome the challenges. Currently, the action plans are under review with concrete outcomes targeted in improving the enabling policy environment in the remaining 6 months of the programme.

Cross cutting - Lessons learnt, conclusions and recommendations from operational and management issues

After supporting village land use planning and forest management planning, 45 FORVAC-supported villages have started timber sales. Results are encouraging: 29,555 m³ of standing timber, up to a total value of TZS 8,024,780,947 (EUR 3,209,912), was sold by the end of December 2023. Additionally, four (4) community owned portable sawmills and one (1) timber drying solar kiln have commenced production, and the cumulative value of the sale of sawn timber was TZS 577,699,070 (EUR 231,080).

To reach the Programme's outcomes and more efficiently support timber and other forest value chains, some findings and recommendations for the future are listed below.

- 1) **Lesson- Need to create VLFR associations at district level.** A key lesson that emerged during the half year was lots of questions around sustainability of the VLFRs post FORVAC, including how will disbursed communities coordinate on marketing and sales? How will disbursed communities manage communication and procedural approvals with district officials? How will disbursed communities manage the mobile sawmills and solar kilns and ensure that other parties do not use them without their consent? How will the communities attain an economy of scale to invest in ways to climb up the value chain on their own? All of these questions and many others led the project to be responsive and focus more on prioritizing the formation of more district level VLFR associations.

Recommendation: Increase target from 2 district level VLFR associations to 6 VLFR associations and reallocate resources accordingly in the AWP and budget. In the approved annual workplan for 2023 to 2024 there was a target of 2 district level VLFR associations formed. However timber harvesting and sales are happening in 6. It is therefore recommended to prioritize the formation of 6 district level VLFR associations. In addition to the forming the associations as part of the exit strategy to enhance capacity building activities of these associations/community members and also to the district government on all aspects of timber management and care, marketing and maintenance of equipment. This will require a proposed revision in the AWP to reallocate funds away from lesser priority activities and towards these priority activities.

- 2) **Lesson - Even with the 4 mobile sawmills operating communities need more options to move up the value chain, as still selling too much timber as standing trees.** A key lesson is that although the introduction and operation of the full 4 mobile sawmills has increased the amount of timber the communities can process and therefore add value to, they still sell at least 95% of the timber as standing trees to buyers. Even with the mobile sawmills operating at full efficiency, the amount of wood processed will only be a fraction of the total sales. It is therefore important to look at other options for communities to add value. An interesting lesson is that sometimes buyers hire local villagers as legal pitsaw teams, to process the wood, however this means that the villagers only benefit in the form of daily labour payments, whereas the buyers capture the added value of processing. If the communities conducted the legal pitsawing themselves this would mean they get the added value, and with increased income it would be a shorter time frame before they could invest in other options for adding value, like renting/ buying a mobile sawmill or renting trucks for transport. Although the programme should not promote pit sawing, it must live in the real work, it is happening, it is legal, and it is better that the villagers get the benefits from it, rather than buyers. Also it is clear with FORVAC exit imminent that leaving communities with only one option to add value – Norwood Sawmills (which are relatively expensive) does not provide the safety of several options for communities post programme. Note that in the last 6 months although communities are appreciated of the money they are making from timber, even selling standing timber, there have been increasing interest in ways to add value, notably exploring establishing timber yards at district level to help market VLFR timber and also looking into transport hiring and other options for processing – linking up with stationary sawmills or looking at buying or renting cheaper equivalents to Norwood (such as Wood Mizers).

Recommendation: As part of the exit strategy for FORVAC it will be important to provide a range of options to communities to add value. These include communities taking on legal pit sawing activities themselves rather than being only labour for buyers, exploring timber yards and transport hiring options (cost benefit analysis) and other options for sawmilling, links with stationary sawmills and other types of mobile saw mill(cost benefit

analysis). It is recommended a consultant is hired to help communities explore these options, the Short Term Expert is in the AWP but requires some modification of their role.

- 3) **Lesson - Policy barriers are still the priority barriers to communities getting more revenue from timber sales.** There are numerous policy related barriers and these are listed on the AWP, with many still pending – that are highlighted in the AWP. A workshop was held in October in Dar e Salaam bringing together, buyers, VLFR producers and a whole range of government stakeholders where a whole range of policy barriers were stated and analyzed. To give an example of these policy barriers. The total approved harvesting volume for the year 2023-2024 in 33 FORVAC-supported communities (that communities can harvest and process by themselves, standing timber sales straight to buyers have been excluded from the following figures) is almost 35,000 m3. Out of the approved volumes, only 7,000 m3 is for the two well-known species, the rest are lesser known species (LKTS). However government procurement guidance restricts the use to only the two well-known species. There are a full range of other policy barriers listed within the AWP, some of these could be solved as simply as providing circulars with updated information.
- 4) **Recommendation: Need to focus on tackling the low hanging fruit ‘policy barriers’ in the remaining time of the programme.** As the programme draws to a close, it is important to deal with the pending policy issues, especially those with high impact on timber sales and adding value, whilst being relatively straight forward to address (with circulars etc.). This should be a priority of FORVAC with of course MNRT in the driving seat as these are policy matters. The policy issues and actions are highlighted in the AWP.
- 5) **Lessons – potential risks from carbon finance to sustainable forest management and utilization.** One important lesson that can have relevance to the future is the case of Suledo, FORVAC started to scale down activities in Tanga Cluster in 2022, and the FMP of SULEDO was approved by the District in April 2023. There had been considerable support to Suledo since 1994 from other programmes and considerable support to supporting Sustainable Forest Management there. After FORVAC ended its support to SULEDO, a new carbon offset project approached SULEDO, and it seems that they have made an agreement to stop sustainable timber utilization totally from the forest. This potentially causes all sorts of problems, it means that timber demands will now have to be found from other sources, often illegal. It also means that rather than the community and community forest being economically self-sufficient, they are instead forced into dependency on outside financial support. What will happen to the motivation of the community to maintain and manage the forest if the carbon finance benefits stop or they do not meet their expectations?

Recommendation: Urgently need to be clear that if carbon finance comes into communities where sustainable timber harvesting is ongoing, carbon finance should not require the cessation of sustainable harvesting of timber but rather be seen as a complement. With FORVAC phasing out, to avoid what happened in Suledo happening elsewhere it is imperative that where carbon finance supports CBFM where timber harvesting is taking place, that it must be combined with timber harvesting not preclude it. Communities should not be forced to choose between either timber harvesting or carbon finance. Also it will be important to ramp up the benefits that communities get from timber harvesting, as this will create a strong rationale for them not to forego timber based revenues for carbon finance, and rather place them in a much stronger negotiating position. Government should ensure that carbon finance schemes should not be allowed to stop timber utilization and sales in CBFM areas and make this clear to carbon financiers and the various intermediaries that this will not be tolerated, and that carbon finance scheme modalities must accommodate sustainable timber utilization. Additionally, SULEDO would offer now an area to monitor what is the influence of a carbon offset project, e.g., if it reduces illegal activities more or less compared to CBFM with sustainable timber utilization.

- 6) **Lessons – you cannot push enterprises be successful when there are issues such as low market prices and far transport distances making the enterprises unviable.** FORVAC has struggled in engaging external market actors/industry in NTFP value chains, for example, due to low production volumes of honey and the far distance from traders of the suppliers. For example Swahili honey most of its honey needs from Njombe, why should they travel further to Ruvuma to buy honey? Also another issue is that many of the NTFPs supported by FORVAC have turned out to be not well linked to VLFRs, including honey production. This was highlighted by ERET and is something that has to be considered in the future, FORVAC was not only focused on helping livelihoods of local people – but in helping livelihoods of people FROM sustainably managed VLFRs. The idea being to strengthen the livelihood link between sustainably managed VLFRs and the communities so the communities will not ‘bite the hand that feeds them’. There are many many development programmes that generally support communities with livelihoods – regardless of the source of the livelihood, the added value of FORVAC

is that it is designed to support livelihoods via the VLFRs, thus incentivizing forest management, ‘the forest that pays is the forest that stays’.

Recommendation. Need to assess both cost effectiveness of NTFP enterprise support, viability of enterprises and whether they are linked or not to VLFRs. There need to be an honest review both of what is viable and not in terms of NTFP enterprises that have been supported by FORVAC, as well as a look at the cost/benefit analysis of the various NTFP enterprise support. Also the fundamental question as to whether the NTFPs selected actually incentivize VLFRs or not, FORVAC is not a general livelihood support programme, it is a livelihood support programme of livelihoods linked to the VLFRs. In this regard a review of the various NTFP enterprises also must take into consideration links with the VLFRS and if links with the VLFR are indeed practical. As a recommendation these reviews must be conducted in the remaining months of the programme, as an example FORVAC contracted two (2) experienced consultants to assess the viability of the honey chain enterprises established by FORVAC and to examine ways to improve the viability of the enterprises as well as to look at the fundamental issue of whether it is practical to link honey production to the VLFRs or not.

1 Introduction and the Programme description

1.1 Background

Forestry and Value Chains Development (FORVAC) is a 6-year Programme (7/2018-7/2024) funded by the Ministry for Foreign Affairs of Finland (MFA Finland) and implemented under the Ministry of Natural Resources and Tourism of Tanzania (MNRT). It contributes to increasing economic, social and environmental benefits from forests and woodlands. The expected outcome of the Programme is *“Sustainably managed forests and forest-based enterprises generating income for community members and revenue for community social services”*.

FORVAC builds on the activities, experiences and lessons learned from three bilateral programs in Tanzania financed by Finland: National Forest and Beekeeping Programme II (NFBKP II, 2013–2016), Lindi and Mtwara Agribusiness Support (LIMAS, 2010–2016), and Private Forestry Programme (PFP 1, 2014–2019). NFBKP II and LIMAS have worked for the Community-Based Forest Management regime to advance sustainable forest management and generate income and employment to communities from declared Village Land Forest Reserves (VLFRs). Participatory Plantation Forestry Programme (PFP 2, 2019-2023) is working solely in plantation forests but, together with PFP 1, has created important 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.

The key assumptions of the ‘problems’ underpinning the FORVAC approach is that the vast majority of natural forest is lost, not from use, but from conversion particularly to agriculture and that ‘de facto’ open access where communities have no legal responsibility or gain few legal benefits from the forests, was contributing to the motivation to clear the forest. The programme is therefore designed to strengthen Community Based Forest Management (CBFM) which is where the control and sustainable management of natural forests are devolved to local communities. With this local control comes a mixture of legal responsibilities and rights, the responsibilities include not converting the forest to agriculture and ensuring that harvesting of products is done on a sustainable basis according to management plans.

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 Programme 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 (CAs) are the Ministry of Natural Resources and Tourism of Tanzania (MNRT) and the Ministry for Foreign Affairs of Finland (MFA). The Implementing Agency is the Forestry and Beekeeping Division (FBD) of the MNRT, and the Programme is carried out 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). Communities have a main implementation responsibility together with Districts under the PO-RALG, and private sector entities and NGOs as service providers. VLFRs are managed by Village Natural Resource Committees (VNRCs), and they 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 is managed by the Cluster Coordinators (CCs) in the respective Regions/Clusters in cooperation with District Councils, through appointed officers, and Village Councils, through Village Natural Resource Committees (VNRC) at the village level.

After phasing out support in Tanga Cluster (Tanga, Dodoma and Manyara Regions) in 2022-2023, FORVAC is now working in two regions of Tanzania:

- Lindi Cluster: Liwale, Ruangwa and Nachingwea Districts;
- Ruvuma Cluster: Namtumbo, Tunduru, Songea, Mbinga and Nyasa Districts;

By the end of June 2023, FORVAC has operated in 128 villages, including supported villages in Tanga Cluster. The operational area of FORVAC is presented in Figure 1 below.



Figure 1. Map of FORVAC target areas.

1.3 Results framework

The FORVAC results framework and the Programme Document (PD) were amended during the planning process for the Programme extension in 2021-2022. Reporting in this document takes place against the amended framework, indicating results (Impact, Outcome and Outputs), related indicators, baselines, annual targets, end of Programme targets, means of verification and assumptions. Additionally, the Programme results are given below:

- Impact: Reduced deforestation and increased economic, social and environmental benefits from forests and woodlands;
- Outcome: Sustainably managed forests and forest-based enterprises generating income for community members and revenue for community social services.

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

- Output 1: Sustainable forest management mechanisms established, forest-based value chains developed and private sector involvement in the forest sector increased;
- Output 2: Stakeholder capacity on CBFM and forest value chain development enhanced;
- Output 3: Extension, communication, and monitoring systems developed; and
- Output 4: Legal and policy frameworks for CBFM and forest value chains strengthened.

1.4 Annual Workplan 2023-2024 and the Semi-Annual Report 07/2023-7/2024

Annual Workplan 2023-2024

The Annual Workplan and Budget for the Year 6 (July 2023-July 2024) is in line with the overall workplan and budget included in the amended Programme Document and follows the established results framework as well as having a cross cutting focus on the Human Rights Based Approach. The final year workplan of the programme was developed in a way to 'catch' any remaining issues as well as to be responsive and prioritize so that the workplan could contribute as efficiently and effectively to the programme outcome and sustainability post programme as possible.

The workplan was developed in a very participatory way first engaging a sample of VLFR managing communities in every district of the programme, then bringing district teams in cluster level review and planning workplans, and finally a national multi-stakeholder review and planning workshop was held. This process was not only intended to engage a wide range of stakeholders to ensure a range of views were considered, but also to engender ownership over the workplan. In addition to this comprehensive and participatory review two evaluations were carefully considered, from the External Review and Evaluation Team (ERET) conducted in March/April 2023 and the second from an evaluation conducted by MNRT in March 2023.

The Annual Workplan and Budget (AWP 2023-2024), also including Cluster workplans and a plan for the Programme coordination/PMT, was approved by the FORVAC Steering Committee on 14th June 2022. "PMT" herewith refers to activities implemented under direct coordination of the FORVAC Programme Management Team (PMT). The annual targets set out during the planning process are presented in a tabular form in Annex 1 (Workplan 7/2023-7/2024).

Semi-Annual Report 07/2022-6/2023

The implementation of the above-discussed Workplan started on 1 July 2023. This document is a Semi-Annual Progress Report of the implementation over the period from 1 July 2023 to 31 December 2023. 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 and cross-cutting objectives 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 – Reduced deforestation and increased economic, social and environmental benefits from forests and woodlands

Operational area

By the end of the reporting period, FORVAC has operated in 128 villages, including Tanga Cluster, from where FORVAC phased out in 2022-2023. The operational coverage of the Programme is set out in Table 1 below.

Table 1. Operational coverage of FORVAC in each District.

Cluster	District	Output 1 / Output Area 1.1:					Output 1 / Output Area 1.2:	Output 2 / Output Area 2.1:		Total No of Villages where FORVAC Operates
		VLUPs by FORVAC	FMPs by FORVAC		VNRCs Formed/Remobilized		Value Chain Development by FORVAC	Capacity Building at the Village Level by FORVAC	Support of Fund Raising Activities by FORVAC (VICOBAs & VSLAs)	
		Implemented	Implemented	Ongoing	Implemented	Ongoing				
		No of Villages								
RUVUMA	NAMTUMBO	6	4	1	6		6	8		8
	SONGEA	4	4	2	6		7	7		7
	MBINGA	6			6		7	7	7	7
	NYASA	4			4		7	15	4	15
	TUNDURU	1	3		3		3	4		4
LINDI	RUANGWA	5	5		5		5	11	6	11
	LIWALE	5	25	1	26	1	11	27	8	27
	NACHINGWEA	2	11		11	1	4	12	7	14
TANGA	HANDENI	2	4		3		5	5	1	5
	KILINDI	3	1		3		8	5	1	8
	MPWAPWA	3			3		9	6	1	9
	KITETO		13*					13*		13
Total No of Villages		41	70	4	76	2	72	120	35	128

* SULEDO Community Forest Reserve in Kiteto District covers 13 villages.

The progress taken (achievements) by FORVAC against the Impact indicators will be measured in the End Impact assessment in 2024 and reported in the Annual Report 2023-2024. Annual targets and end of the Programme targets are presented in Table 2 below and, and further discussed in the Annual Workplan 2023-2024 (Annex 1).

Table 2. Impact level indicators and achievements.

Indicators	Annual target 7/2023-7/2024	End of the Programme target 7/2018-7/2024	Achievement (7/2023-12/2023)	Cumulative achievement since the beginning of the Programme
Differences in changes in forest cover area (and GHG emissions) between FORVAC and other public forest areas	Deforestation and GHG emission reduced. Analysis shall take place during the year 2023.	Deforestation (and GHG emissions) in FORVAC covered villages reduced compared to public forest area	Hiring consultants to conduct a deforestation (and GHG emission) analysis was ongoing in December 2023, the consultants will start working in February 2024.	
Percentage of households having assets: - livestock - motorcycles - bicycles - bee hives - pesticide sprayers	Assets increased	- 70% (+5%) - 23% (+5%) - 54% (+5%) - 23% (+20%) - 29% (+10%)	The progress will be measured in the End Impact Study in 2024	
Percentage of households being income poor	Percentage of income poor household decreased	<25%	The progress will be measured in the End Impact Study in 2024	

Indicators	Annual target 7/2023-7/2024	End of the Programme target 7/2018-7/2024	Achievement (7/2023-12/2023)	Cumulative achievement since the beginning of the Programme
Percentage of households that find service delivery systems well-functioning (disaggregated by sex, age categories and disability)	Percentage of households finding service delivery systems well-functioning increased	25% for all categories	The progress will be measured in the End Impact Study in 2024	

2.2 Outcome – Sustainably managed forests and forest-based enterprises generating income for community members and revenue for community social services

In the results framework, Impact refers to the higher-level development policy objectives. The direct Programme goals (outcome) should contribute towards achieving this impact. Table 3 below indicates progress taken against Outcome indicators defined in the Programme Document.

Table 3. Outcome level indicators and achievements. Traffic light indicators: green=accomplished, yellow=progressed, red=no progress, white=not measured with explanation of any deviations.

Indicators	Annual target 7/2023-7/2024	End of the Programme target 7/2018-7/2024	Achievement (7/2023-12/2023)	Cumulative achievement since the beginning of the Programme	Annual deviation and reasons for deviation
Area in hectares under Sustainable Forest Management regime	5 villages supported with the FMPs, VLFR area of 10,000 ha. Gazettement completed and GN prepared for the 4 villages	450,000 ha (based on 69 FMPs)	<ul style="list-style-type: none"> - 10 villages supported with FMPs have obtained approved plans at the District and/or Ministry level, covering a total VLFR area of 48,472 ha. - 1 village (3,475 ha) is waiting for District level approval - Forest management planning is ongoing in 2 villages - Gazettement of 4 VLFRs completed in Songea District, Ruvuma Cluster 	<ul style="list-style-type: none"> - 70 villages (including SULEDO) supported with FMPs have obtained approved plans at the District and/or Ministry level, covering a total VLFR area of 460,518 ha - 1 village (3,475 ha) is waiting for District level approval - 31 VLFRs gazetted, 200,588 ha in total 	On target.
Percentage of total income increase from households involved in forest-based businesses sourced legally from VLFRs	Income increased (final review in the context of Programme End Impact Study)	10% increase of HH income from forest-based enterprises/businesses	The progress will be measured in the End Impact Study in 2024		Although this will be measured in 2024, progress seems to be variable, good progress from timber sales standing and processed through mobile sawmills which are strongly connected to VLFRs however more work is required in strengthening the connections between other enterprises such as carpentry and VLFR products.

Indicators	Annual target 7/2023-7/2024	End of the Programme target 7/2018-7/2024	Achievement (7/2023-12/2023)	Cumulative achievement since the beginning of the Programme	Annual deviation and reasons for deviation
Percentage of adult community members employed in VLFR management and forest-based enterprises (disaggregated by sex, age categories and disability; and differentiated for timber and other VCs)	Percentage increased	Timber VC: 15% of adult community members: 20% M / 10% F NTFP VCs: 15% of adult community members: 15% M / 15% F To be disaggregated by age categories and disabilities	Through sustainable timber harvesting, villages have offered temporary employment for a total of 1,599 (1,356M/243F) villagers	The percentages will be measured during the End Impact Study 2024	Although will be measured at the end impact study, again there has been good progress on employment particularly on the timber value chain.
Volume (m3) and value (income, TZS) of legal timber sold from VLFRs: i) total; ii) lesser-known species; and iii) primarily processed (e.g. for sawmilling)	i) 10,000 m ³ / TZS 2,700,000,000 (total volume/value) ii) 1,500 m ³ / TZS 300,000,000 (LKTS) iii) 250 m ³ / TZS 320,000,000 (primarily processed)	20,000 m ³ / TZS 4,000,000,000 (total volume/value) 2,000 m ³ / TZS 400,000,000 (LKTS) 2,000 m ³ / TZS 800,000,000 (primarily processed)	i) Standing timber: 6,035 m ³ / TZS 1,521,258,300 (EUR 608,503) ii) LKTS: 825 m ³ / TZS 176,964,100 (EUR 70,786) iii) Sawn timber: 480 m ³ / TZS 244,812,900 (EUR 97,925)	i) Standing timber: 29,555 m ³ / TZS 8,024,780,947 (EUR 3,209,912) ii) LKTS: 4,277 m ³ / TZS 847,157,932 (EUR 338,863) iii) sawn timber: 734 m ³ / TZS 577,699,070 (EUR 231,080).	FORVAC has put efforts into VLFR timber sales and, e.g., facilitated the approval of annual harvesting quotas for 38 villages in Lindi Cluster and 11 villages in Ruvuma Cluster, totaling 105,000 m ³ to be allowed to be harvested during the final year of the FORVAC. Although 37 villages sold timber, timber sales and sawmilling have not yet progressed well in Ruvuma, where the stock of well-known and highly valued timber species, such as Mninga and Mkongo, is low. Additionally, timber sales in Ruangwa District in Lindi Cluster are lower than in the past.
Value of (income derived from) NTFP, total/per household involved in the Programme supported producers' groups and/or microbusiness support, disaggregated by gender and disability	Total value of NTFP: TZS 50,000,000 Total income/household: TZS 625,000 Women 40%, PLWD 5%	TZS 125,000,000 / TZS 625,000 Women 40%, PLWD 5%	Will be reported in the Annual Report 2023-2024	Total approximate income through beekeeping (638M/477F, 22 PLWD), honey processors (9M/15F, 1 PLWD), mushroom (10M/56F, 2 PLWD), bamboo (39M/52F, 1 PLWD) & pottery (18F): TZS 121,206,812 (EUR 48,483) Women 47%, PLWD: 2%	

Indicators	Annual target 7/2023-7/2024	End of the Programme target 7/2018-7/2024	Achievement (7/2023-12/2023)	Cumulative achievement since the beginning of the Programme	Annual deviation and reasons for deviation
Amount (TZS/EUR) of social funds from forest produce sales used/distributed from FORVAC supported VLFRs (specified for types of support, including to vulnerable people)	EUR 680,000 / TZS 1,700,000,000	EUR 470,000 / TZS 1,175,000,000	In average, 60% of the income of standing timber sales and 35% of the income of sawn timber sales (the whole profit) is used for social development, totaling TZS 998,439,495 / EUR 399,376	In average, 60% of the income of standing timber sales and 35% of the income of sawn timber sales (the whole profit) is used for social development, totaling TZS 4,952,973,903 / EUR 1,981,190 The fund has been used for different development purposes, e.g., health care, education, and village offices.	59% achieved in the middle of the AWP year.
Number of students that are and have been enrolled in FORVAC-supported curricula/training contents	0	100	0	0	Various bureaucratic challenges getting full curriculum approved, efforts will continue.
Enabling policy environment and forestry extension services available supporting establishment and management of sustainable CBFM and related VCD	Enhanced policies, improved extension services	Enabling policy environment available supporting establishment and management of sustainable CBFM and related VCD: 69 VLFRs established and operational; 200 new microenterprises/ businesses operational	In July 2023, FORVAC supported technical review of GN 417, involving participants from MNRT, LGAs, TFS, Attorney General, and other key stakeholders. In October 2023, FORVAC, in collaboration with FBD/MNRT, organized a multistakeholder workshop to enhance enabling environment for VLFR timber organized. The workshop identified barriers hindering VLFR timber sales and prepared action plans on how to overcome the challenges. Currently, the action plans are under review.	Several key policy documents developed which directly contributed to the outcome related to establishment and management of sustainable CBFM and micro-enterprise support notably the Charcoal Strategy and Action Plan and the Timber Legality Framework Handbook.	FORVAC is collaborating with FBD/MNRT and other relevant stakeholders to implement the key action plans prepared in the multistakeholder workshop organized in October 2023.

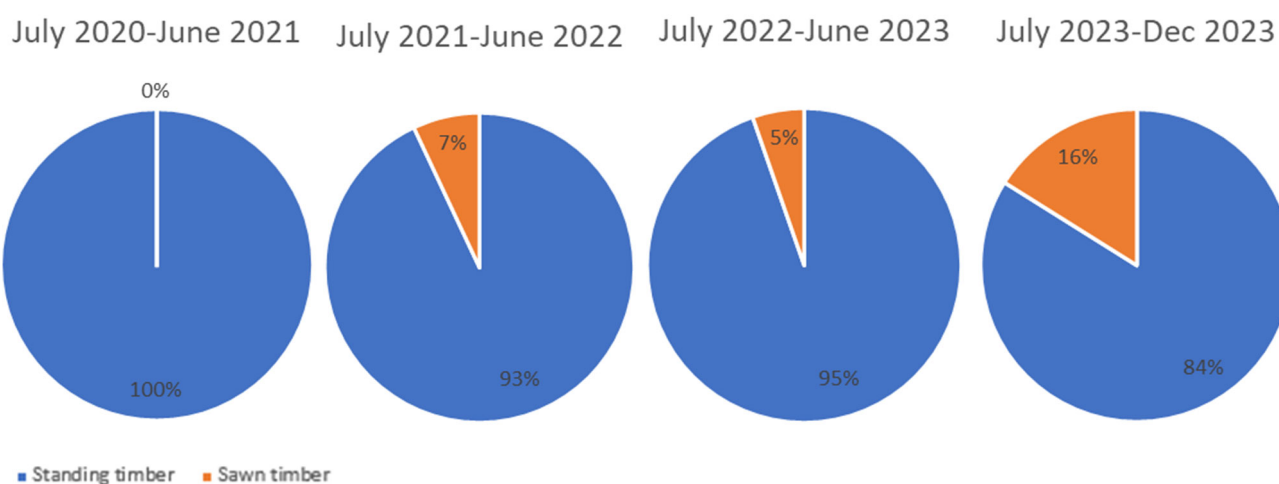
2.2.1 Cumulative Outcome level achievements

FORVAC has supported the Forestry and Beekeeping Division (FBD) under the Ministry of Natural Resources and Tourism (MNRT) in the development of several key policy documents that enhance the development of enabling policy environment of Community Based Forest Management (CBFM) and related value chains in Tanzania. In its final year, the Programme has concentrated to solve some specific policy barriers it has identified with its stakeholders:

- i) Understanding of the GN 417 varies among stakeholders, additionally, the particular GN may have some bottlenecks that affect the implementation/development of CBFM and CBFM enterprises;
- ii) The Participatory Forest Resource Assessment (PFRA) is costly and complicated;
- iii) The harvest licensing process for VLFRs is inflexible and slow;
- iv) The public procurement system only considers Mninga (*Pterocarpus angolensis*) and Mkongo (*Azelia quanzensis*) tree species; and
- v) Only mobile sawmills are allowed to be used in the timber processing within Village Land Forest Reserves (VLFR).

Despite the policy barriers mentioned above, FORVAC has managed to bring under a sustainable forest management regime 460,518 ha of community-owned forest by supporting 73 villages to implement forest management plans (FMPs) by the end of December 2023. This is already sufficient to reach the target set for the end of the Programme. However, forest management planning is still ongoing in two (2) villages, and one (1) village is waiting for District level approval. Additionally, FORVAC has supported the gazettement of 31 Village Land Forest Reserves (VLFRs) with a total forest area of 200,588 ha to guarantee the strongest possible tenure for the forest area.

Based on the approved FMPs, 45 villages have sold 29,555 m³ of standing timber worth TZS 8,024,780,947 (EUR 3,209,912). Out of this harvested volume, 4,277 m³ were so-called lesser-known timber species (LKTS) worth TZS 847,157,932 (EUR 338,863). These harvesting volumes already exceed the targets set for the Programme. Sawn timber production and sales have also progressed well during the final year when all four (4) purchased sawmills have been in use. Herewith, 72% of the cumulative target set for the processed timber value has been reached. Evaluating the volume of processed timber has turned out to be tricky and the reported volumes do not show the progress as reliably as the value of timber sales. The below chart shows how the share of the sawn timber sales (monetary value) from standing timber sales has developed in FORVAC-supported villages from July 2020 to December 2023. Sawn timber sales include only the sales of timber processed and sold by the VLFR communities themselves.



The good progress in timber sales has resulted in the target amount communities have used for social development purposes has been exceeded.

In addition to the timber value chain, FORVAC has supported honey, mushroom, bamboo, and pottery (improved cooking stoves made from clay) producers' groups/micro-businesses, involving 1,314

(696M/618F) entrepreneurs to develop their businesses. During the reporting period, FORVAC implemented back-stopping visits for some of the businesses and contracted two (2) experienced consultants to support building a successful and sustainable honey value chain in Ruvuma Cluster. The annual income, that the supported businesses derived from the NTFP sales, will be reported in the Annual Report 2023-2024.

The progress of other Outcome level indicators will be measured in the End Impact Study in 2024. More narration for the above-discussed indicators follows in the next Section 2.3, where achievements and activities implemented by FORVAC are discussed in more detail by Outputs.

2.3 Implementation and achievements by Outputs

The FORVAC implementation takes place under four Outputs: i) Sustainable forest management mechanisms established, forest-based value chains developed and private sector involvement in the forest sector increased; ii) Stakeholder capacity on CBFM and forest value chain development enhanced; iii) Extension, communication, and monitoring systems developed; and iv) Legal and policy frameworks for CBFM and forest value chains strengthened. 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. In Annex 1, implementation follow-up against FORVAC Annual Workplan 2023-2024 has been presented.

2.3.1 Output 1. Sustainable forest management mechanisms established, forest-based value chains developed and private sector involvement in the forest sector increased

Herewith we present FORVAC's achievements in relation to the indicators of Output 1 "sustainable forest management mechanisms established, forest-based value chains developed and private sector involvement in the forest sector increased". The presentation covers the following Output areas (Interventions):

1.1 Establishment and mobilization of Village Land Forest Reserves (VLFR)

1.2 Support to value chain development

Indicators and achievements under Output 1 are set out in Table 4 below.

Table 4. Indicators and achievements under Output 1. Traffic light indicators: green=accomplished, yellow=progressed, red=no progress, white=not measured.

Indicators	Annual target 7/2023-7/2024	End of the Programme target 7/2018-7/2024	Achievement (7/2023-12/2023)	Cumulative achievement since the beginning of the Programme	Annual deviation and reasons for deviation
Number and area of operational VLFRs: - Number and area of village land use plans prepared - Number and area of forest management plans prepared/ updated - Number of VNRCs formed/remobilized and percentage of women membership - Volume of AAC in FORVAC covered VLFRs	VLFRs 5 / 10,000 ha: -FMPs 5 / 10,000 ha -AAC in FORVAC covered VLFRs 3000 m ³ -1000 ha strictly protected (10% of VLFR area)	VLFRs 69 / 450,000 ha: - LUPs 41 / 620,000 ha - FMPs 69 / 470,000 ha - VNRCs established/ mobilized 69; membership 30% women - AAC in FORVAC covered VLFRs 175,000 m ³ Area of strictly protected forest in VLFRs 10%	VLFRs 10 / 48,472 ha: - MNRT offered final endorsement for 9 FMPs (45,232 ha) - 1 FMP (3,240) approved up to District level - 1 FMP / 3,475 ha waiting for District level approval - Forest management planning is ongoing in 2 villages - Establishment/ remobilization of 2 VNRCs is ongoing	VLFRs 73 / 460,518 ha: - Approved VLUPs 39 / 590,790 ha (additionally, 2 VLUPs / 29,297 ha waiting for approval) - Approved FMPs 59 / 460,518 ha (additionally, 1 village / 3,475 ha waiting for District level approval) - 76 VNRCs formed/ remobilized, 35% of women membership - AAC in FORVAC covered VLFRs 141,545 m ³ - 52,609 ha strictly protected (11% of VLFR area)	All planned forest management planning activities should be completed up to endorsement by MNRT by March 2024.

Indicators	Annual target 7/2023-7/2024	End of the Programme target 7/2018-7/2024	Achievement (7/2023-12/2023)	Cumulative achievement since the beginning of the Programme	Annual deviation and reasons for deviation
Area of strictly protected forest in VLFRs					
Number of established Bee reserves	The GN prepared, after which the establishment and gazettelement of 5 bee reserves (5059 ha) completed	5 Bee reserves established and gazetted (5059 ha)	5 Government Notices (GN) prepared and endorsed by the Office of the Attorney General. The 5 GNs are waiting for the final signature from the MNRT.	5 bee reserves established and the gazettelement approved, totaling the reserve area of 5,059 ha. The 5 GN are waiting for the final signature from the MNRT.	Completed.
Number of lesser-known species with market potential identified, studied and marketing commenced	14	14	Miombo timber species database will be relaunched under the MNRT's website, discussions are ongoing on how to implement this.	<ul style="list-style-type: none"> - Technical properties and commercial value/marketability analyzed for 14 species - Miombo timber species database will be relaunched under the MNRT's website. 	FORVAC has started discussions with the FBD/MNRT on how to integrate the miombo timber species database, in addition to other important data and documents FORVAC has produced, under MNRT's website to secure the existence of the data after FORVAC ends.
Number of forest-based businesses supported and linked with traders (disaggregated by type of enterprise, sex, and vulnerability)	<p>Beekeeping :30 enterprises linked with traders</p> <p>Carpentry: 5 enterprises exposed on different market channels to reach buyers e.g., social medias.</p> <p>Carving: 2 enterprises exposed on different market channels to reach buyers e.g., social medias</p> <p>Bamboo: 1 enterprise exposed on different market channels to reach buyers e.g., social medias</p>	<p>200 enterprises / micro-businesses</p> <p>1,000 beneficiaries (40% women)</p> <p>At least 10 % of FORVAC supported businesses involve directly vulnerable people or indirectly people living with disabilities (PLWD)</p>		<ul style="list-style-type: none"> - Charcoal: 2 Charcoal Making Groups: 60 members, 38% women, 14 PiVP (age over 60) - Beekeeping: 61 enterprises, 312 (157M/155F) beneficiaries, 50% women, 6 PLWD - Pottery (improved cooking stoves): 2 enterprises, 18 beneficiaries, 100% women, 3 indirectly PLWD - Carving: 1 enterprise, 9 beneficiaries (9M) - Carpentry: 1 enterprise, 5 beneficiaries (5M) 	In December 2023, FORVAC contracted two (2) consultants to support building a successful and sustainable honey value chain in Ruvuma Cluster. The consultants will look at possibilities of linking beekeepers with external traders.

2.3.1.1 Establishment and mobilization of Village Land Forest Reserves (VLFR), Output area 1.1

The programme is designed to strengthen Community Based Forest Management (CBFM) which is where the control and sustainable management of natural forests are legally devolved to local communities. FORVAC was specifically designed to address ‘secondary’ CBFM issues, notably enhancing the direct benefits that communities generate from their forests – improving the direct financial value communities get from forest product value chains. This income covers the management costs and responsibilities of protecting and sustainable management whilst generating significant revenue for the communities to help the forest under CBFM ‘pay its way’.

However, during the first years of the Programme, significant support was required by FORVAC on ‘primary issues’ related to the establishment of CBFM, as in many of the FORVAC sites CBFM had not yet been established. Establishing VLFRs and developing Village Land Use and Forest Management Plans are a prerequisite required for communities to legally harvest forest products from VLFRs.

The focus of FORVAC operations started to be shifted from ‘primary’ issues to the ‘secondary’ issues, development of timber, charcoal, and non-wood forest products value chains, during the AWP 2020-2021. For example, new Village Land Use Plans (VLUPs) have not yet been developed since the AWP 2021-2022, but still, at the end of the year 2023, two (2) VLUPs are pending approvals from the relevant Districts, even though FORVAC has tried to influence the process to get them approved. One of the VLUPs belongs to Masuguru village in Namtumbo District, and the approval of VLUP is pending due to a boundary conflict with a village that is not under the FORVAC Programme. The process of solving the conflict was started with a former District Commissioner (DC), but unfortunately, he was transferred to another District, and now the process should be started again with the current DC. Another pending VLUP belongs to Matimila A village in Songea District. The Regional Forest Officer has requested the District Forest Officer to organize the approval of this VLUP in a normal District Full Council meeting, as it has been done in other Districts, instead of FORVAC financing an additional meeting for the Council.

Forest Management Planning (FMP)

During the reporting period, forest management planning was completed up to approval by relevant District Councils and/or MNRT in ten (10) villages in Lindi Cluster. These approved ten Forest Management Plans (FMPs) cover a total VLFR area of 48,472 ha. Additionally, Kikunja village in Ruvuma Cluster, with a VLFR area of 3,475 ha, is waiting for District level approval, and forest management planning is still ongoing in two (2) villages in Ruvuma Cluster. The current situation of forest management planning is summarized in Table 5.

Most of the FORVAC-supported FMPs include around 10% of the VLFR area that is fully protected, and no utilization of forest products is allowed. The ten (10) new FMPs, that were approved at District and/or Ministry level within the reporting period in Lindi Cluster, cover a total protected area of 4,875 ha (10%).

Table 5. Summary of the FORVAC-supported Forest Management Plans (FMPs) approved at village, district and/or national level.

Forest Management Planning	Clusters		FORVAC Clusters in total
	Ruvuma	Lindi	
7/2023-12/2023: Approved FMPs at the District/Ministry level, No of FMPs	0	10	10
7/2023-12/2023: Approved FMPs at the District/Ministry level, area covered, ha	0	48,472	48,472
7/2022-12/2023: Protected area covered by the FORVAC supported approved FMPs, ha	0	4,875	4,875
12/2023: FMPs pending approvals at the District level, No of FMPs	1	0	1
12/2023: FMPs pending approvals at the District level, area covered, ha	3,475	0	3,475

Annual Allowable Cut (AAC)

All Forest Management Plans (FMPs) include a calculation of the sustainable off-take, the amount of wood that can be harvested on a sustainable basis without depleting the forest resource. This is called the Annual Allowable Cut (AAC), with the wood harvested being replenished by forest growth.

So far, the FORVAC-supported 60 Forest Management Plans (approved by the relevant District Council and/or MNRT) have produced a total annual allowable cut (AAC) volume of **141,545 m³** in the Programme area. This logging quota is given per Cluster and relevant District in Table 6. However, after FORVAC ended its support to SULEDO Community Forest in Kiteto District, Tanga Cluster in 2022, a new carbon offset project approached SULEDO, and it seems that they have made an agreement to stop sustainable timber utilization totally from the forest. The AAC of SULEDO was as big as 8,586 ha.

Table 6. Annual Allowable Cut (AAC) generated by the FORVAC supported and approved FMPs.

Cluster	Ruvuma Cluster	Lindi Cluster	Tanga Cluster	Total AAC generated
District	Namtumbo: 15,161 m ³	Ruangwa: 3,537 m ³	Handeni: 796 m ³	141,545 m³
	Songea: 5,237 m ³	Liwale: 90,384 m ³	Kilindi: 1,155 m ³	
	Tunduru: 3,802 m ³	Nachingwea: 12,887 m ³	Kiteto: 8,586 m ³	
Total AAC:	24,200 m³	106,808 m³	10,537 m³	

Gazettement of Village Land Forest Reserves (VLFRs)

Forest gazettement, a public notification at the national level through an announcement by the Minister in the Government Gazette that a forest has been reserved, is not necessary for a VLFRs to be legally recognized. However, it guarantees a strong tenure for the related areas. In September 2023, the gazettement of four (4) VLFRs in Songea District in Ruvuma Cluster was finalized. These VLFRs are located in Liweta (1,408 ha), Litowa (1,397 ha), Ndongosi (4,174 ha), and Mhukurulilahi (7,698 ha) villages.

In total, FORVAC has supported the gazettement of 31 Village Land Forest Reserves (VLFRs) with a forest area of 200,588 ha in total. Four (4) of the gazetted VLFRs locates in Tanga Cluster, four (4) in Ruvuma Cluster and 23 in Lindi Cluster.

Establishment and gazettement of bee reserves

Bee reserve is an area of land administered and managed for the purpose of sustainable development of beekeeping and bee fodder resources. To ensure the sustainability of these resources, the National Beekeeping Policy of 1998 encourages the establishment and management of bee reserves. It emphasizes setting aside sufficient forest areas for the purpose of developing and managing honeybees as well as maximizing the production and utilization of bee products. The bees and bee fodder resources are at high risk due to illegal human activities such as livestock keeping, tree felling, mining, and crop cultivation. Hereby, FORVAC supported National Beekeeping Policy Implementation Strategy (2021- 2031) directs to gazette Bee Reserves of 114,000 ha by June 2031.

FORVAC started supporting the establishment of bee reserves in five (5) villages in Tanga Cluster in 2021, totaling a bee reserve area of 5,059 ha. The establishment is almost completed as the Office of the Attorney General has endorsed the five (5) Government Notices (GN) and sent them back to the Ministry of Natural Resources and Tourism for final signature. The approved bee reserve areas are as follows:

- Three (3) villages in Mpwapwa District
 - Ikuyu 104 ha
 - Chiseyu 3951 ha
 - Chitemo 760 ha
- Two (2) villages in Kilindi District
 - Mnkonde 190 ha
 - Kwamwande 54 ha

2.3.1.2 Support to value chain development, Output area 1.2

Timber harvest and sales

After approval and endorsement of Forest Management Plans (FMP), CBFM communities must annually apply an approval for harvesting quota from the respective District Harvesting Committee meeting before

they can harvest and sell timber from the respective Village Land Forest Reserves (VLFR). FORVAC facilitated the approval of annual harvesting quotas for the year 2023-2024 for 38 villages in Lindi Cluster and 11 villages in Ruvuma Cluster. The approved harvesting quotas by District for the year 2023-2024 are presented in Table 7.

Table 7. Approved harvesting quotas for the year 2023-2024 by District.

Cluster	District	No of villages	Approved quota m ³
Lindi	Liwale	25	81,544
	Ruangwa	5	1,877
	Nachingwea	8	9,288
Sub Total Lindi		38	92,709
Ruvuma	Songea	4	4,447
	Namtumbo	4	6,318
	Tunduru	3	2,375
Sub total Ruvuma		11	13,140
Total		49	105,849

During the reporting period, out of the 38 villages that have obtained approved harvesting quota for the year 2023-2024, 35 villages harvested and sold timber in Lindi Cluster (five villages in Ruangwa, 23 villages in Liwale, and seven villages in Nachingwea). The villages in Ruangwa District sold 274 m³ of timber (standing tree volume), up to a total value of TZS 61,044,100 (EUR 24,418); the total sale in Liwale District was 5,288 m³ with a worth of TZS 1,311,103,700 (EUR 524,441); and in Nachingwea District the timber sale of 310 m³ generated an income of TZS 98,210,000 (EUR 39,284) to forest communities.

In Ruvuma Cluster, the stock of well-known and highly valued timber species, such as Mninga (*Pterocarpus angolensis*) and Mkongo (*Afzelia quanzensis*), is low, which has partly caused that the timber sales in Ruvuma has not progressed as well as in Lindi Cluster. During the reporting period, the harvesting took place only in two (2) villages in Tunduru District, where 163 m³ of standing timber (Mninga, Mkongo, and Mpingo (*Dalbergia melanoxylon*) species) was harvested for sawmilling, as discussed in the next chapter. The value of harvested standing timber was TZS 50,900,500 (EUR 20,360).

In Tanga Cluster, the CBFM villages, FORVAC supported in the past, didn't manage to sell any timber due to a lack of buyers.

The timber sale volumes and values by district and village during July-December 2023 are presented in Table 8. The total volumes and value of timber sales in the FORVAC-supported villages are the following:

<i>No of villages</i>	<i>Timber sold in total, m³</i>	<i>Value, TZS</i>	<i>Value, EUR</i>
• 37	• 6,035	• 1,521,258,300	• 608,503

Box 1 – Monitoring harvesting operations

Forest Officers from the District Council and TFS frequently monitor timber harvesting occurring in Village Land Forest Reserves (VLFR). In November 2023, the officers visited Kajima and Mkowela villages in Tunduru District, where harvesting was taking place mostly under the supervision of Village Natural Resource Committee (VNRC) members. Herewith, the forest officers saw it necessary to verify the volumes harvested so that the timber buyers get what they had paid for. During the verification process of the harvested mpingo logs in Kajima village, the VNRC members were also retrained on timber measurement and volume calculation by using a simplified formula.

The verification process revealed that the Kajima village had harvested 62 m³ of mpingo logs instead of the ordered 20 m³. The buyer was requested to pay an additional TZS of 14,700,000 (EUR 5,880), which he agreed. The value of the total contract was thus TZS 21,700,500 (EUR 8,680).

In Mkowela village, the forest officers verified timber volumes harvested by two private buyers, 101 m³ in total. The harvesting was done properly, but the officers used the opportunity to conduct refresher training on timber measurement and volume calculation also for the VNRC members of Mkowela village.



Figure 2. Forestry officers from Tunduru District Council and TFS inspecting the amount of mpingo (*Dalbergia melanoxylon*) logs harvested from the Village Land Forest Reserve of Kajima village.

Table 8. Data of the sold standing timber by district and village during July - December 2023, including timber that has been used for sawmilling.

Cluster	District	Village	Standing timber sales, July - December 2023		
			m3	TZS	EUR
Ruvuma	Tunduru	Mikowela	101	29,200,000	11,680
		Kajima	62	21,700,500	8,680
		TOTAL RUVUMA	163	50,900,500	20,360
Lindi	Ruungwa	Lichwachwa	77	13,315,000	5,326
		Mchichili	27	7,830,000	3,132
		Nahanga	78	20,034,100	8,014
		Nandenje	62	11,165,000	4,466
		Ng'au	30	8,700,000	3,480

SUB TOTAL RUANGWA		274	61,044,100	24,418
Liwale	Nanjegeja	60	14,600,000	5,840
	Mahonga	20	300,000	120
	Chimbuko	430	124,700,000	49,880
	Barikiwa	242	70,199,700	28,080
	Naujombo	120	34,800,000	13,920
	Luwele	272	78,880,000	31,552
	Darajani	70	14,600,000	5,840
	Nahoro	523	140,070,000	56,028
	Mtungunyu	46	13,340,000	5,336
	Nangano	110	31,900,000	12,760
	Mtawatawa	903	241,944,000	96,778
	Kitogoro	205	43,200,000	17,280
	Mikuyu	369	49,455,000	19,782
	Chigugu	165	42,950,000	17,180
	Litou	105	21,750,000	8,700
	Ngongowe	107	25,430,000	10,172
	Kibutuka	170	39,200,000	15,680
	Mihumo	252	43,940,000	17,576
	Likombora	327	66,990,000	26,796
	Lilombe	120	34,800,000	13,920
	Ngunja	270	67,275,000	26,910
	Kiangara	127	36,830,000	14,732
	Turuki	275	73,950,000	29,580
SUB TOTAL LIWALE		5,288	1,311,103,700	524,441
Nachingwea	Mbondo	73	18,320,000	7,328
	Majonanga	171	59,850,000	23,940
	Kilimarondo	21	6,990,000	2,796
	Nanjihi	15	4,350,000	1,740
	Namatunu	10	2,900,000	1,160
	Kiegei 'B'	10	2,900,000	1,160
	Lipuyu	10	2,900,000	1,160
SUB TOTAL NACHINGWEA		310	98,210,000	39,284
TOTAL LINDI		5,872	1,470,357,800	588,143
TOTAL		6,035	1,521,258,300	608,503

FORVAC, together with Mpingo Conservation & Development Initiative (MCDI), has promoted the lesser-known timber species (LKTS), and during the reporting period, 8 different LKTS, namely Msufipori (*Bombax rhodognaphalon*), Mtondoro/Myombochai (*Brachystegia glaberrima*), Njiligwi (*Maprounea africana*), Mgongachuma/Mjembe (*Erythrophleum africanum*), Mgongachuma (*Amblygonocarpus andongensis*), Mpangapanga (*Millettia stuhlmannii*), Mtondo (Jubernadia globiflora), and Mtondo / Mtondoro (*Julbernadia globiflora*) were sold with the following amount and value:

- Sold timber of lesser-known species: 825 m³
- Value: TZS 176,964,100 (EUR 70,786)

More efforts on the promotion of VLFR timber and especially LKTS will be given during the end of the period of the FORVAC Programme. Additionally, FORVAC is trying to influence the Government, as the Government requests for tenders only consider Mninga or Mkongo currently. Notice that the line between lesser-known and well-known species is not straightforward. For example, Mpangapanga (*Millettia stuhlmannii*) was not well utilized earlier, but after successful promotion, the demand for the species increased, and in August 2020, the Government changed its price classification from TZS 260,000/standing tree m³ to the highest category (TZS 290,000). Though in this report, the Mpangapanga is considered as LKTS as its stock in the VLFRs is good, and the general public is not aware of the properties of the species yet.

Establishment of community-owned mobile sawmills and solar timber drying kilns

FORVAC has been partnering with Mpingo Conservation & Development Initiative (MCDI) in supporting Community Based Forest Management (CBFM) since 2019. FORVAC and MCDI have set targets to improve forest-based income, livelihoods, and environmental benefits deriving from CBFM. One strategy that the partners are pursuing to achieve this is to increase the income of the rural communities through value-added sawn timber production.

To improve the sawn timber production, FORVAC purchased the first two (2) community owned portable sawmills in 2021 and two (2) more in 2022. Additionally in 2022, the Programme purchased two (2) units of solar timber drying kilns which are located in Liwale and Ruangwa District in Lindi Cluster. During the reporting period all four (4) sawmills were in use but the sawmill, owned by the CBFM communities from Nachingwea, was temporarily transported to Chimbuko village in Liwale where the demand for sawn timber was high while there were no orders in Nachingwea (See Text Box 2). Additionally, the solar kiln located in Liwale District started operating. The solar kiln in Ruangwa District is still waiting for timber buyers who want quality timber processed by forest communities.

Box 2 – Progress of sawmilling and solar timber drying in Liwale District

Sawmilling and solar timber drying has progressed well in Liwale District, where the demand for quality sawn timber was so high that the respective communities and Districts agreed to transport the sawmill that FORVAC had purchased for CBFM communities in Nachingwea, where there were currently no orders, to Liwale District. In Liwale District, Mtawatawa and Chimbuko villages have received big orders for quality dried sawn timber as stated in the table below.

Village	No of planks ordered	Estimated m3	Value, TZS	Value, EUR
Mtawatawa	7,000	375	271,000,000	151,200
Chimbuko			213,000,000	85,200

Heavy rains stopped harvesting and processing in Mtawatawa village after they had processed 276 m3. The work will continue after the rains, and meanwhile, the sawmill that was used in Mtawatawa village was transported to Chimbuko village, where two portable sawmills were operating in December 2023. The Chimbuko village managed to produce almost 90 m3 of sawn timber, but because this timber was not yet accounted for, it has not been included in the figures of this Semi-Annual Report. The sawmills will be transported to Mtawatawa when the weather condition allows it.



Figure 3. Transporting the mobile sawmill from Nachingwea to Liwale District, and solar kiln in use in Liwale.

The sawmills produced approximately 480 m³ of sawn timber worth TZS 244,812,900 (EUR 97,925) during July-December 2023, as presented in Table 9. The sawn timber produced in Mtawatawa village in Liwale District (276 m3), which required drying, was transported from the village to the District center to be seasoned in the solar kiln before transporting to the buyer.

Table 9. Sawn timber volume estimation, and value of sawn timber produced by FORVAC supported community-owned portable sawmills during July – December 2023.

Cluster	District	Village	Sawn timber sales, July - December 2023		
			m3	TZS	EUR
Ruvuma	Tunduru	Kajima	62	21,700,500	8,680
		Mkowela	101	29,200,000	11,680
Lindi	Ruangwa	Nahanga	41	10800000	4,320
	Liwale	Mtawatawa	276	183,112,400	73,245
TOTAL			480	244,812,900	97,925

Box 3 – Sustainability of the sawmills and solar kilns

All four (4) mobile sawmills and two (2) solar timber drying kilns are owned by CBFM communities, and all the operations are overseen by the District Authorities in partnership with FORVAC/MCDI. The communities have a signed joint ownership agreement, where running costs and all related information have been agreed, for example, each village set aside 5% of the revenues from sawn timber sales for maintaining the facilities. Additionally, the FORVAC-supported VLFR villages have developed Village Timber Business Plans (approved by the Village General Assemblies) to ensure that the villages achieve financial autonomy and hence, reduce donor reliance through sustainable timber sales. The costs of ongoing harvesting, processing, and solar kilning are 100% covered by the revenues from timber sales.

Regarding the sawmills, in 2021, the FORVAC Programme commissioned Forest Industries Training Institute (FITI) to conduct a 12-day short course training on the operations and maintenance of the mobile sawmill for a total of 38 community members from Songea, Namtumbo, and Ruangwa Districts. These qualified sawmill operators and saw doctors have been using the sawmill also in Liwale and Tunduru Districts where the training has not been conducted yet. Plans are underway to train the sawmill operators in other Districts also before the end of the Programme.

Regarding the solar kilns, district staff representatives in Ruangwa and Liwale Districts have been trained on solar kiln operation and management. These are the key persons who will be responsible for ensuring the smooth run, management, and maintenance of the solar kilns during and after the Programme timeframe as the solar kilns are established at the district offices' yard. Additionally, MCDI will be training the selected village members to operate the kilns before the end of the FORVAC Programme.

Currently, FORVAC is supporting CBFM communities to establish CBFM village associations for each of five (5) Districts, where FORVAC has supported the development of the VLFR timber value chain (Liwale, Ruangwa, Nachingwea, Tunduru, Namtumbo, and Songea) as discussed in the chapter below "Establishment of CBFM village associations". Once the CBFM associations are formed the ownership of assets is transferred to the CBFM village associations to further enhance the issue of maintenance and other related matters.

After the FORVAC Programme ends, MCDI, which receives funding from multiple sources, will continue supporting communities and sustainable timber production in the long term. MCDI has even done MoUs with all District Authorities to ensure MCDI provides

Timber harvest and sawmilling – employment opportunities and community benefits

The timber value chain offers employment and livelihoods at a community level. VNRCs are responsible for organizing and monitoring forest harvesting operations. During the reporting period, harvesting was conducted in two (2) villages in Ruvuma Cluster and 35 villages in Lindi Cluster. Harvesting, processing, and skidding logs to a landing site offered temporary employment for 360 (336M/24F) people, monitoring of harvesting was conducted by 621 (418M/203F) VNRC members, transportation employed 290 (288M/2F) and sawmilling 328 (314M/14F) people. The number of people employed in forest harvesting-related activities in FORVAC-supported villages is presented per District in Table 10.

From July to December 2023, the timber harvesting and processing provided the following total number of temporary employment for the community members:

<i>Total number of villagers employed</i>	<i>Male, total</i>	<i>Female, total</i>
1,599	1,356	243

Table 10. Number of persons employed in forest harvesting- and sawmilling-related activities in the villages within July – December 2023.

Cluster	District	Harvesting, processing and skidding logs to landing site			Monitoring of harvesting (done by VNRC)			Transportation			Sawmilling		
		M	F	Total	M	F	Total	M	F	Total	M	F	Total
Ruvuma	Tunduru (2 villages)	21	0	21	19	14	33	13	0	13	12	0	12
Lindi	Ruangwa (5 villages)	26	0	26	53	27	80	14	0	14	33	1	34
	Liwale (23 villages)	246	23	269	271	121	392	221	2	223	213	11	224
	Nachingwea (8 villages)	43	1	44	75	41	116	40	0	40	56	2	58
TOTAL		336	24	360	418	203	621	288	2	290	314	14	328

VLFRs are often located far from the villages. Therefore, engaging people living with disabilities (PLWD) is difficult. Through VNRCs, women participate in monitoring activities, but work tasks requesting more muscular strength are still mainly done by men, as shown in Figure 4, where men load the trailer in the forest and unload it manually on the roadside/sawmill site. On the other hand, forest workers need additional commodities and services, such as catering, which has offered business opportunities for several women in the villages.



Figure 4. Villagers transporting timber from the forest to the roadside.

During July – December 2023, 37 villages under FORVAC support sold sustainably harvested timber (standing and sawn timber) and earned approximately TZS 998,439,495 / EUR 399,376 for community development purposes that benefit all community members. The approximation is based on Forest Management Plans that include also the decision on how the income of timber sales will be used. The division of the income varies between villages but on average the income is divided as follows:

- 1) 30% is for VNRC for forest management purposes, including forest patrolling, renewal of FMP and supervision of timber harvesting;
- 2) 60% is for Village Council for village development projects (e.g. health care and education) and other social services such as medical health insurance. The decision making process on the use of the revenue is transparent with the Village Assembly having the final say.; and
- 3) 10% is reserved for the District Council to cover extension services and technical support expenses.

Establishment of CBFM village associations

The VLFR communities operate individually and because of this, there are many bottlenecks to sustainability both in terms of organizational skills and economies of scale for value addition. Therefore, FORVAC started supporting the establishment CBFM/VLFR market-driven bottom-up associations that are expected to enable communities to ‘climb up the value chain’ and significantly increase forest-based income generation through CBFM wood value chain development as well as offer a stronger voice to lobby. In total six associations will

be established, one in each District where FORVAC has supported the CBFM activities and timber value chain development (Songea, Namtumbo, Tunduru, Nachingwea, Ruangwa, and Liwale Districts). By the end of the reporting period, associations were established in Ruangwa and Liwale Districts, involving 7 villages in Ruangwa District and 26 villages in Liwale District.

Development of CBFM market information system

FORVAC has collaborated with MCDI also to develop a CBFM market information system. The market information system will help to connect rural communities with timber buyers/customers. The system is web-based, but only timber buyers need to have access to the online marketplace, as the villages receive orders through text messages with full information about customers' requirements. The system has been designed in a way that an average literate villager will be able to use it.

The villages can market both the standing timber and sawn timber stocks through the marketplace. In addition to the community that receives the timber order, the relevant District Forest Officer (DFO) and MCDI will receive the email of the order to assist the community in doing the business if required.

The marketplace is now fully functioning on the website address www.trcm.or.tz. However, some improvements are still in progress, such as the propagation of the website in the Google Search Engine and selecting the keywords for searching the marketplace.

Improved honey value chain and increased private sector engagement

FORVAC has provided 2,867 modern beehives (1,863 beehives in Ruvuma cluster, 364 beehives in Lindi cluster and 727 beehives in Tanga cluster) for 135 beekeeping businesses, which received micro-business support in phases I or II. These supported businesses reported harvesting 3,543 kg of honey within July-December 2022, with an estimated monetary value of TZS 31.1 million (around EUR 12,500), which is fairly low. Yields ranged widely, with an average of 4.7 kg of honey harvested per hive, while the highest yield being 13 kg from one hive.

There have been numerous challenges identified which include

- Honey production is not popular or fully practices in all the areas supported by the programme and reasons for this not fully understood.
- Production volumes have been low and variable with unsatisfactory coordination and links between producers and buyers, meaning the full potential for sales has not been reached. Although attempts to link producers to buyers have been tried, they have sometimes failed, partly because of the lack of sufficient economies of scale, low organization between producers and prices sometimes not being attractive.
- Although FORVAC is designed to increase value of products from the VLFRs, the VLFRs are often quite far away from the village and community members prefer to place modern hives closer to their homes for ease of management. This has weakened the link between honey production and the VLFRs.
- Colonization rates of modern beehives has sometimes been low, and the reasons behind this and practical solutions have not been fully identified.
- It is planned that beekeeping associations might help increase economies of scale and create better links to buyers, an association has been set up in Ruvuma, however a challenge is to ensure the association is driven by the producers themselves, add value for community members and are fit for purpose and self-sustaining.

To overcome these challenges, FORVAC contracted two (2) experienced consultants to support building a successful and sustainable honey value chain in Ruvuma Cluster. The consultants started working in December 2023. Additionally, FORVAC submitted honey samples from five (5) Districts (Tunduru, Namtumbo, Nyasa, Songea, Mbinga) in Ruvuma Cluster to Swahili Honey company for lab testing. FORVAC collaborated with Swahili Honey also within years 2021-2022 in Tanga Cluster, where the results were promising even though in 2023, Swahili Honey couldn't purchase any honey from Kilindi, Handeni, and Mpwapwa Districts

due to the low production volumes. The results of the submitted honey samples didn't match the quality standards of the company, but the company offered a possibility to first arrange training for the beekeepers on the production of quality honey and greater volumes, after which they could start purchasing honey in the coming harvesting seasons. The company would cover all the costs of the training. The hired consultants will explore this and other possible collaborations in Ruvuma Cluster.

Miombo timber species database

FORVAC supported the Department of Forest Engineering and Wood Sciences of Sokoine University of Agriculture (SUA) to create a catalog for miombo timber species. The catalog introduces the technical properties, characteristics, and recommended uses of the species. FORVAC has started discussions with the FBD/MNRT on how to integrate this database, in addition to other important data and documents FORVAC has produced, under MNRT's website to secure the existence of the data after FORVAC ends.

2.3.2 Output 2. Stakeholder capacity on CBFM and forest value chain development enhanced

In this Section, we present FORVAC's achievements in relation to the indicators of Output 2 "stakeholder capacity on CBFM and forest value chain development enhanced". The presentation covers the following Output areas (Interventions):

- 2.1 Improved institutional and management capacities of Village Councils and VNRC to implement CBFM and develop forest value chains;
- 2.2 Improved capacities to support and monitor CBFM/forest and related value chains and incorporating HRBA aspects; and
- 2.3 Forest products value chain/market systems and business development skills incorporated in relevant training institutes.

Indicators and achievements of Output 2 are set out in Table 11 below.

Table 11. Indicators and achievements under Output 2. Traffic light indicators: green=accomplished, yellow=progressed, red=no progress, white=not measured.

Indicators	Annual target 7/2023-7/2024	End of the Programme target 7/2018-7/2024	Achievement (7/2023-12/2023)	Cumulative achievement since the beginning of the Programme	Annual deviation and reasons for deviation
Benefit sharing guideline for VLFRs, addressing the issues of HRBA (e.g. vulnerable groups, people living with disabilities, gender equality, elder people and youth)		Benefit sharing guideline for VLFRs established, disseminated and in use.		-	Consultant(s) will be hired in 2024 to study CBFM benefit sharing mechanisms and offer recommendations based on the FORVAC site experiences.
Number of CBFM/VLFR community members trained in forest management and value addition techniques, disaggregated by sex	VC, VNRC: 2,000 (35% women) Community members / Individuals: 600, >40% women	Vcs, VNRCs: 15,000 (35% women) Individuals / community members: 2,000 (40% women)	Vcs & VNRCs: 1,077 (679M/398F), 37% women	VC, VNRC: 15,218 (10,098M/5120F), 34% women Individuals / community members: 2,274 (1,452M/822F), 36% women *Cumulative total participation in different training events: - Business planning - Forest value chains - CBFM techniques - Plantation forestry - Tree nursery	54% achieved in the middle of the AWP year.
Number of VSLAs/ VICOBA's established and operational, amount of savings (membership, disaggregated by gender and PLWD)	Target: All No new groups to be established, the information will be collected through CDOs and TOTs.	80 micro-saving groups (VSLAs, VICOBA's) formed and operational Women >50% PLWDs 2%	Will be reported in the Annual Report 2023-2024.	79 micro-saving groups (VICOBA's & VSLAs) formed and operational, 1,717 members (614M/1,103F, 33 PLWDs) Women 64%, PLWD 2%	Collecting the required data consumes a lot of resources, thus this indicator will be reported annually. However, during the reporting period, FORVAC has implemented monitoring and backstopping visits to some of the established groups, and those groups have been performing well.

Indicators	Annual target 7/2023-7/2024	End of the Programme target 7/2018-7/2024	Achievement (7/2023-12/2023)	Cumulative achievement since the beginning of the Programme	Annual deviation and reasons for deviation
Number of government staff trained in forest management and value addition techniques, disaggregated by sex and main subject/field	300 (22% women)	1,300 (22% women)	<ul style="list-style-type: none"> - 8 (4M/4F) District officers, 50% women, were trained on timber business planning - 11 (10M/1F) District officers and, 9% women, were trained on timber grading - 8 (8M) District officers, 0% women, were supported in preparing business plan for the timber drying solar kilns 	<ul style="list-style-type: none"> - 1,023 (784M/239F) District officers, 23% women - 62 (48M/14F) Regional & Central Government officers - Training and events: <ul style="list-style-type: none"> - CBFM Annual Stakeholder Forum - International Scientific Conference - Forest inventory planning, implementations and inventory data analysis - Forest value chains - CBFM techniques 	9% achieved in the middle of the AWP year.
MSc Curricula for Forest Value Chain and Business Development formulated in SUA	MSc: The developed (2019-2022) Forest Value Chain and Business Development related curricula to be endorsed by the Senate of Sokoine University of Agriculture (SUA)	i) MSc Forest Value Chain and Business Development related curriculum and ii) BSc Forest Value Chain and Business Development related curriculum established for SUA and under implementation	MSc curriculum is awaiting the approval decision of the University Senate of SUA	BSc and MSc Curricula for Forest Value Chain and Business Development formulated in SUA under FORVAC support during the AWP 2019-2020 i) MSc curricula approved by the Post-Graduate Committee in August 2020. In Nov 2022 the curriculum was submitted to the University Higher Authority ii) BSc curricula was approved by the Collage of Forestry and Wildlife and Tourism (CFWT) board, but hereafter, a stakeholder meeting refused it	Political will among SUA decision-makers has delayed the process of finalization of the curriculum.
Number of forest training institutes that have integrated VC aspects in their training contents		2 institutes: SUA and FTI	SUA: MSc curriculum is awaiting the approval decision of the University Senate of SUA	SUA: i) MSc curriculum approved by the Post-Graduate Committee in August 2020. In Nov 2022 the curriculum was submitted to the University Higher Authority ii) BSc curriculum was approved by the Collage of Forestry and Wildlife and Tourism (CFWT) board, but hereafter, a stakeholder meeting refused it	

2.3.2.1 Improved institutional and management capacities of Village Councils and VNRC to implement CBFM and develop forest value chains, Output area 2.1

Community level training under MCDI partnership

The key task of Mpingo Conservation and Development Initiative (MCDI) is to improve the capacity and competence of VCs and VNRCs to sustainably manage their VLFRs. Besides village representatives, MCDI collaborates closely with Regional Authorities, District Forest Officers, and TFS. MCDI considers human rights-based approach (HRBA), gender equality, and non-discrimination in all its activities.

In August-September 2023, MCDI capacitated members of Village Natural Resources Committee (VNRCs) and Village Councils (VCs) from four (4) villages (Mtawatawa, of Likombora, Luwele, and Chimbuko) on timber business planning. During the training, all the villages managed to prepare timber business plans. The business plans will guide timber sales from the respective VLFRs. The training involved a total of 130 (80M/50F) VNRCs' and VCs' members.

Additionally, refresh training to a total of 148 (92M/56F) VNRCs' and VCs' members on harvesting operations, logging supervision, safe and efficient harvesting practices from Barikiwa, Mtawatawa, Kitogoro, Nangano, Nahoro, and Chimbuko villages in Liwale District and Kajima and Mkowela villages in Tunduru District was arranged. The repeat training was important as it was observed that villages were failing to measure and record timber records properly. Wrongly harvested timber volumes had led some villages into problems with buyers, such as what happened for Kajima village which received a timber order of 20 m³, but the village accidentally harvested 62 m³, as discussed in the chapter 2.3.1.2 (Support to value chain development) above.



Figure 5. Training of VNRC and VC members on timber measurements and volume calculation.

Financial management and record keeping training

After the approval of 2023-2024 harvesting quotas of over 13,000 m³ from VLFRs in Songea, Namtumbo, and Tunduru Districts, FORVAC supported District Forest Officers and District Council Finance Department to conduct training for VNRC members and representatives of Village Councils on financial management and record keeping. The training was urgent as the trained six (6) villages (Kilangalanga, Chengena, and Masuguru villages from Namtumbo District; and Kajima, Mkowela, and Liwangula villages from Tunduru District) hadn't done timber sales earlier. After the training, two (2) of the villages conducted timber sales successfully. The villages have been reminded to allocate sufficient funds for the renewal of the Forest Management Plans (FMP) after five (5) years.

The same financial training was organized also in Liwale District, where seven (7) villages (Kiangara, Litou, Kibutuka, Kitogoro, Lilombe, Chigugu, and Nanjegeja), and Nachingwea District, where six (6) villages (Ngunichile, Lipuyu, Kiege 'B', Nanjihi, Namatunu, Kilimarondo, Majonanga & Mbondo) were capacitated to keep proper timber sales records.

Fire management training

In Liuli, Mkali A, Mkali B, Lipingo, and Nkalachi villages in Nyasa District, where FORVAC has supported the establishment and management of teak plantations, the programme collaborated with TFS in the formation and training of a fire crew for each village in August 2023. 75 (63M/12F) fire crew members were recruited and trained in their roles and responsibilities of controlling indiscriminate dry season fires, which are one of the main threats to teak plantations, especially in the dry season. The training also facilitated the fire crews to prepare bylaws to control fire incidences in the villages.

The training was based on the training manual "Integrated Fire Management for Commercial Forestry in Tanzania" developed by the Participatory Plantation Forestry Programme (PFP2), and the lead facilitator was the PFP2's Project Manager of Njombe region. At the end of each training, TFS donated ten (10) fire beaters to help newly formed fire crews in controlling fires. TFS will also support the preparation of an integrated Fire Management Plan for the five (5) villages in the near future.



Figure 6. Trained fire crew members with new fire beaters from Lipingo village.

Gender Action Learning System (GALS) handbook

FORVAC activities are mainly conducted at group or community level, including communication and decision-making processes. However, not all community members are active and assertive. In particular, women and people living with disabilities (PLWD), widows, elderly, persons affected by illness and other groups, face socio-cultural norms that tend to exclude them from community processes, especially in village meetings and forest management activities. In November 2022, FORVAC planned a consultancy to pilot GALS as a tool to address this. The Gender Action Learning System (GALS) was developed in Uganda and replicated in many countries. There has been only limited use in Tanzania until now.

During 2023, FORVAC implemented a consultancy piloting the GALS approach in three communities, aiming for empowerment of women and persons in vulnerable positions (PIVPs) and strengthened integration in FORVAC activities in selected communities. It was led by Ms Grace Murungi, who is one of the early developers of GALS. The manual was produced from that experience (adapting the earlier manuals of GALS), and the tools are explained and made available for further development and replication. The original plan was to follow this up with field level monitoring, but there was insufficient funding available. The stakeholders and FORVAC staff found the workshops valuable and it is hoped that the process can be

replicated in the future. The manual is available on the FORVAC's website <https://forvac.or.tz/wp-content/uploads/2024/01/GALS-Manual.pdf>.

2.3.2.2 Improved capacities to support and monitor CBFM/forest and related value chains incorporating HRBA aspect, Output area 2.2

Timber business planning

In September 2023, FORVAC, in collaboration with MCDI, conducted Training of Trainers (ToT) to Liwale District Facilitating Team on timber business plan development. A total of eight (4M/4F) Facilitating Team members were trained on how to use the latest village timber business planning template, which includes the calculations of revenues, variable costs, and fixed costs. The training was guided by lessons and experience in implementing village timber business plans in Ruangwa and Kilwa Districts.

Timber grading

Through MCDI-partnership, 11 (10M/1F) Local Government Authorities (LGA) attended a one-week short course on timber grading in November 2023. The training was organized in Mtawatawa village in Liwale District, where timber processing was ongoing. The trained officers have now the capacity to support CBFM communities in timber grading to ensure the quality of timber delivered to buyers.

Solar kiln business planning

In November 2023, FORVAC in collaboration with MCDI, supported eight (8M) Local Government Authorities (LGA) to draft a business plan for the timber drying solar kilns purchased by the Programme in 2022. Additionally, the participants were trained in timber harvesting, processing, and marketing.

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

MSc and BSc curriculums for forest value chain and business development and support to MSc dissertations

Starting from the beginning of the Programme, FORVAC has cooperated with the College of Forestry, Wildlife and Tourism (CFWT) of Sokoine University of Agriculture (SUA) from Morogoro. MSc curriculum for Forest Value Chain and Business Development were formulated in SUA under FORVAC support during the AWP 2019-2020. The MSc curriculum was submitted to the University Higher Authority in November 2022, and it is waiting to be presented to the University Senate of SUA. If the Senate approves the curriculum, it will be submitted to the Tanzania Commission for Universities (TCU) for review and final approval. Political will among SUA decision-makers has delayed the process of finalization of the curriculum.

During the AWP 2021-2022 and 2022-2023, FORVAC collaborated with SUA and supported in total four (4) dissertations related to forest products value chains/market systems and business development relevant to CBFM. These studies and relevant postgraduates are as follows:

- Analysis of institutions and power relations along timber value chain in Liwale and Nachingwea Districts, Tanzania, by Magiri, Mary C; and
- Impact of community forest-based projects on livelihoods and conservation of village land forest reserves, by Angela A. Mlawa. Her dissertation-based article was published in the International Journal of Natural Resource Ecology and Management 8 (2), June 2023: 70-77, the article is available online www.sciencepublishinggroup.com/journal/paperinfo?journalid=207&doi=10.11648/j.ijnrem.20230802.15
- The role of small and medium enterprises for forest based value chain development in Ruvuma Region by Doreen K. Rubaratuka; and
- Value chain analysis of spices, fruits, and nuts from miombo woodlands and their impact on communities' livelihoods in Lindi, by Fatma Abdulla Al-Harthy.

2.3.3 Output 3. Extension, communication, and monitoring systems developed

This Section described FORVAC's achievements in relation to the indicators of Output 3 "extension, communication, and monitoring systems developed". The presentation covers the following Output areas (Interventions):

3.1 Enhanced extension and communication services; and

3.2 Monitoring and Management Information System (MIS) established.

Indicators and achievements of Output 3 are set out in Table 12 below.

Table 12. Indicators and achievements under Output 3. Traffic light indicators: green=accomplished, yellow=progressed, red=no progress, white=not measured.

Indicators	Annual target 7/2023-7/2024	End of the Programme target 7/2018-7/2024	Achievement (7/2023-12/2023)	Cumulative achievement since the beginning of the Programme	Annual deviation and reasons for deviation
Number of implementation Strategies and Extension Manuals of Forestry and Beekeeping Policies developed through FORVAC support and in use		Beekeeping Policy Implementation Strategy and Forest Policy Implementation Strategy developed and disseminated 4 extension manuals		<ul style="list-style-type: none"> - FBD/MNRT upgraded the English and Swahili versions of the Grassroots Level Manual for Forest Based Value Chains (developed under FORVAC support in 2020) to be government manuals, 100 pcs of the English and 1,000 pcs of the Swahili versions printed and disseminated in Nov-Dec 2022 - National Forest Policy Implementation Strategy (2021-2031) produced in 2020-2021, and printed and distributed in July 2021 - National Beekeeping Policy Implementation Strategy (2021-2031) produced in 2020-2021, and printed and distributed in July 2021 - CBFM Apex Body approach defined during AWP 2020-2021 	
FM Facts and Figures 2020 developed and the VLFR database established	The VLFR database taken into use	PFM Facts and Figures published and disseminated The VLFR database updated and taken into use	FORVAC is leading the discussions with the MNRT and the consultants who created the VLFR database to take the VLFR database into active use by establishing it under MNRT's website.	<ul style="list-style-type: none"> - PFM Facts and Figures formulated and the VLFR database established 2020, during AWP 2021-2022, updated to be "PFM Facts and Figures 2022" and published by MNRT/FBD, 1,000 pcs printed and disseminated in September 2022 	FORVAC has started discussions with the FBD/MNRT on how to integrate the VLFR database, in addition to other important data and documents FORVAC has produced, under MNRT's website to secure the existence of the data after FORVAC ends.

2.3.3.1 Enhanced extension and communication services, Output area 3.1

Lindi Investment Forum

FORVAC supported five (5) villages from Ruangwa District to participate in the Lindi Investment Forum. The event was used as a platform for marketing and showcasing available timber from the Village Land Forest Reserves (VLFRs). The event was also an opportunity for VLFR villages to demonstrate their capacity to produce high-quality sawn timber by using the mobile sawmills FORVAC has purchased. As a result of the event, ten (10) timber buyers indicated interest in sourcing timber from VLFRs in the future.



Figure 7. Communities showcasing timber value addition and quality of products in an exhibition forum in Ruangwa District.

FORVAC in media

The main event that got wide range of media visibility for FORVAC and CBFM in Tanzania in traditional and social media during the reporting period was the multistakeholder meeting organized in Dar es Salaam in October 2023 (see the chapter 2.3.4.1 Improved policy and regulatory framework for forest value chain development, Output area 4.1). Online publications (YouTube videos and Blog texts) related to this event in addition to other news can be found from the Programme's website (<https://forvac.or.tz/forvac-in-media/>). Some of the broadcasted TV news are also available at the same address.

FORVAC continued raising awareness about the Programme and its interventions as well as development cooperation and its importance on its Facebook page. The activity on Facebook and publicity of FORVAC also in other media have increased the number of the Facebook page followers from 1,502 to 1,633.

2.3.3.2 Monitoring and Management Information System (MIS) established, Output area 3.2

Joint monitoring mechanism

The FORVAC PMT monitors implementation of service contracts and consultancies, and specifically Cluster Coordinators monitor implementation of the field activities. The Programme also applies a joint monitoring mechanism to monitoring and evaluation (M&E). During the reporting period, the relevant District officers, also involving representatives of PO-RALG and TFS, conducted monitoring visits to the target Districts to assess Programme-supported activities and report findings. Periodically also representatives of central level authorities and the Embassy of Finland (EoF) participate in the M&E and workplanning missions.

The main joint monitoring missions during the reporting period were the following:

- In August 2023, the Programme supported District authorities to conduct monitoring and technical backstopping visit to FORVAC interventions in a total of 25 villages in Liwale, Nachingwea and Ruangwa Districts.

- In September 2023, the counselor for forestry and innovation cooperation accompanied by the coordinator of development cooperation from EoF conducted a field visit to FORVAC Lindi Cluster. The EoF team had meetings with the Regional and District authorities and programme beneficiaries from Nandenje village in Ruangwa, Mtawatawa village in Liwale and Mbondo village in Nachingwea.
- In October 2023, The MNRT conducted a monitoring trip to Liwale and Nachinwea Districts in Lindi Cluster and Songea and Nyasa Districts in Ruvuma Cluster.
- In November 2023, Programme has supported District authorities to conduct monitoring and technical backstopping visit to FORVAC interventions in a total of 15 villages in Nachingwea and Ruangwa Districts.

2.3.4 Output 4. Legal and policy frameworks for CBFM and forest value chains strengthened

This Section describes FORVAC's achievements in relation to the indicators of Output 4 "legal and policy frameworks for CBFM and forest value chains strengthened". The presentation covers the following Output areas (Interventions):

4.1 Improved policy and regulatory framework for forest value chain development; and

4.2 Forest law enforcement, forest governance and trade of legally sourced timber.

Indicators and achievements of Output 4 are presented in Table 13 below.

Table 13. Indicators and achievements under Output 4. Traffic light indicators: green=accomplished, yellow=progressed, red=no progress, white=not measured.

Indicators	Annual target 7/2023-6/2024	End of the Programme target 7/2018-7/2024	Achievement (7/2023-12/2023)	Cumulative achievement since the beginning of the Programme	Annual deviation and reasons for deviation
Number of methodologies and guidelines for VLFR management developed, printed, and disseminated	4-6 concrete improvements in terms of policy instruments (GN, directives, guides etc.) that demonstrably improve the enabling environment for VLFR enterprises.	10 different guidelines	<ul style="list-style-type: none"> - In July 2023, FORVAC supported technical review of GN 417, involving participants from MNRT, LGAs, TFS, Attorney General, and other key stakeholders. - In October 2023, FORVAC, in collaboration with FBD/MNRT, organized a multistakeholder workshop to enhance enabling environment for VLFR timber organized. The workshop identified barriers hindering VLFR timber sales and prepared action plans on how to overcome the challenges. Currently, the action plans are under review. 	<ul style="list-style-type: none"> - Guidelines for the Preparation of Management Plan for National, Local Government Authority and Private Natural Forest Reserves in Tanzania produced and 3,500 pcs printed - Guidelines for Establishment and Management of Bee Reserves and Apiaries in Tanzania, produced, printed and disseminated in July 2021 - Guideline for Management and Use of Honeybee Colonies for Pollination Services in Tanzania prepared, approved, printed and disseminated within AWP 2021-2022 - MNRT taskforce supported to commence preparation of an investment profile and guidelines for the national forest industries in May-June 2022 (taskforce workshop in June 2022) - CBFM Action Plan reviewed and amended, and published in 2022 (process mainly financed by TFCG). In April 2023, FORVAC supported the printing of 600 pcs of the document - CBFM books reviewed and amended, 4,500 pieces printed (10 different books/guidelines) 	FORVAC is collaborating with FBD/MNRT and other relevant stakeholders to implement the key action plans prepared in the multistakeholder workshop organized in October 2023. Next steps are identified in the AWP and are proposed to be address in the first quarter of 2024.

Indicators	Annual target 7/2023-6/2024	End of the Programme target 7/2018-7/2024	Achievement (7/2023-12/2023)	Cumulative achievement since the beginning of the Programme	Annual deviation and reasons for deviation
Forest legislation (Forest Act and regulations) updated and approved	Completed	Forest Act approved; related information disseminated in project area (with consideration to accessibility for all potential users)		<ul style="list-style-type: none"> - Beekeeping Act No: 15 of 2005 translated into Swahili, Dec. 2021 - Stakeholders working sessions on improving Assessment Document to the review of the Forest Act No: 14 (2002), held at the Forestry Training Institute – Olmotonyi Arusha, December 2020 	
National Charcoal Strategy developed through a multi- stakeholder process, printed and disseminated	Completed	National Charcoal Strategy developed 750 pcs of National Charcoal Strategy printed and disseminated		<ul style="list-style-type: none"> - National Charcoal Strategy and action plan approved by MNRT in 2023 and 945 pcs printed in April 2023 - Report for “Assessing Potential and Identifying Optimal Strategies for Nat. Charcoal Sub-Sector Development in Tanzania” finalized in 2020 - Inception Report for Preparation of the National Charcoal Policy (NCP) developed by the Task Force and submitted to decision makers in September 2019 	
Tanzanian Timber Legality Framework established to contribute to the development of the National Timber Legality Assurance	0	Tanzanian Timber Legality Framework established		<ul style="list-style-type: none"> - FBD/MNRT reviewed and approved the Timber Legality Framework Handbook to be part of the government documents, 1,000 pcs printed and disseminated in November 2022 - Tanzania Timber Legality Framework report and handbook submitted in June 2022 - 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”) 	
Chain of Custody for TZ community timber defined	Evidence that timber can be tracked to its VLFR of origin.	Chain of Custody for TZ community timber established			

2.3.4.1 Improved policy and regulatory framework for forest value chain development, Output area 4.1

In July 2023, the technical review of GN 417 was conducted involving participants from FBD/MNRT, LGAs, TFS, Attorney General -AG, and other key stakeholders as required and directed by the MNRT Management. As a result, GN 255 was prepared to improve some challenges stakeholders had identified when implementing the GN 417. Most of the identified issues were mainly based on mere translation rather than legal sentiments, for example, one of the concern of stakeholders was that harvesting committee should be convened more than once per annum, hence the issue is now stated in the GN 255 as following: "District Harvesting Committee should be convened at least once per year".

Multi-stakeholder workshop to enhance enabling environment for VLFR timber

Communities selling timber is a relatively new approach in Tanzania. FORVAC, together with its stakeholders, had identified a need to reshape policy instruments to enhance the enabling environment for VLFR timber harvesting, processing, and marketing. Herewith, FORVAC, in collaboration with the Forestry and Beekeeping Division (FBD) of the Ministry of Natural Resources and Tourism (MNRT), organized a multi-stakeholder workshop, which involved representatives from the government, relevant NGOs, villages, and private sector in October 2023.

As a result of the workshop, action plans were prepared to overcome the challenges and barriers identified during the workshop for the following themes:

- 1) The legality of VLFR timber harvesting, processing, and transportation;
- 2) Forest management plan and harvesting application processes;
- 3) Harvesting and processing of VLFR timber; and
- 4) Transportation and marketing of VLFR timber.

Furthermore, the workshop was used as a platform to connect and engage the most prominent timber dealers/buyers from Lindi, Ruvuma, and Dar Es Salaam with the communities in the FORVAC area. Additionally, the representatives of the Government were requested to familiarize themselves with the properties of Lesser-Known Timber Species (LKTS) and consider substitute species for Mkongo (*Azelia quanzensis*) and Mninga (*Pterocarpus angolensis*) to be used for public procurement, as currently, government tenders accept only these two species.



Figure 8. Group working ongoing in the multistakeholder workshop.



Figure 9. Government representatives discussing suitable species for public procurement

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 14 below.

Table 14. Human resources.

Type of resources	Human Resources / Roles	Comments
PMT - Programme Management Team (FORVAC core team)	<u>Technical Assistance:</u> Chief Technical Advisor (Int.) Finance and Administration Manager (Nat.) Forest Management Expert (Nat.) Value Chain Advisor (Int.), intermittent input Two Cluster Coordinators (Nat.)	Support staff is financed through the operational/management & admin. budget.
	<u>Support staff:</u> Assistant Financial Manager (AFAM) National Junior Expert, NJE (VCD) Monitoring, Evaluation and Communication Expert (Int.)	
	National Programme Coordinator, NPC	
	five (5) drivers	
Home office Support	Home Office Coordinator Technical Backstopper	From Home Office, with periodic interaction with PMT and regular visits to the Programme. The consultancy company / home office was FCG Finnish Consulting Group Ltd till November 2023, from December 2023 onwards Cowater International
Focal Persons	Two persons representing TFS and PO-RALG respectively, to liaison with FORVAC aiming at facilitating interaction among key partners	Appointed
Service Providers	Of different kind (NGOs, private actors, research institutions, etc.) depending on the specific needs to support actions in the field/at the institutional level	To be engaged based on specific terms of references and/or MoUs or Service Contracts
Technical short-term support	Pool of experts (Int. and Nat.) to provide key support on specific actions, through short-term assignments or studies	Based on specific terms of references after needs identification
Type	Human Resources / Roles	Comments
Service contracts	<ul style="list-style-type: none"> Pulsans Technology Limited: Service provision contract to establish and maintain the FORVAC website 	<ul style="list-style-type: none"> www.forvac.or.tz Signed on 12 September 2019. Regarding maintenance and technical support the related contract continues to the end of the Programme.
	<ul style="list-style-type: none"> FORVAC – MCDI Partnership Agreement on Support to Develop CBFM and Related Value Chains in Ruvuma Cluster (Phase 3) 	<ul style="list-style-type: none"> 21 September 2022 - 15 July 2023 Completed
	<ul style="list-style-type: none"> FORVAC – MCDI Partnership Agreement on Support to Develop CBFM and Related Value Chains in Lindi Cluster (Phase 4) 	<ul style="list-style-type: none"> 21 September 2022 - 15 July 2023 Completed
	<ul style="list-style-type: none"> FORCONSULT – SUA, Service Contract for Support to MSc Dissertations 	<ul style="list-style-type: none"> 15 December 2022 - 31 October 2023 MSC thesis pending submission (estimated April 2024)
	<ul style="list-style-type: none"> FORVAC – MCDI Partnership Agreement on Support to Develop CBFM and Related Value Chains in Lindi and Ruvuma Clusters (Phase 5) 	<ul style="list-style-type: none"> 21 August 2023 – 31 December 2024, with the option for extension

Type of resources	Human Resources / Roles	Comments
Technical short-term support (Short-term Consultancies)	<ul style="list-style-type: none"> ST consultancy on improving honey value chain especially in Ruvuma Cluster 	2 working days, during the period of December 2023.

3.2 Summary of expenditure

Table 15 below summarizes the FORVAC expenditure for Operations (Outputs 1-4) and management until the end of December 2023 against the Annual Workplan and Budget 2023-2024. It also gives the total Programme budget (23/7/2018-22/7/2024) and related accumulated usage as of 31 December 2023.

The overall operational spending is on target with 49% of the budget used in the middle of the implementation year. The TA expenditure is low (24%) as most consultancies planned to be implemented in the final year have not been contracted yet. The planned consultancies will be hired in the first months of the year 2024 which will ‘consume’ more of the TA budget in the remaining time of the Programme.

The financial report, covering costs of Operation and Management (OP) and Technical Assistance (TA), is given in more detail in Annex 2 of this document.

Table 15. Total and annual budget and realized expenditure by main categories (OP & TA).

Budget category	Total budget 23/7/2018-22/7/2024	Accumulated usage 23/7/2018-31/12/2023	Annual budget for 7/2023-7/2024	Accumulated usage 7/2023- 12/2023	% of the usage from the AWP 23-24 budget	% of the usage from the budget 23/7/2018- 22/7/2024
OP - Operations & management	EUR 10,111,899 (TZS 25,279,747,625)	EUR 9,680,299 (TZS 24,200,748,625)	EUR 839,427 (TZS 2,098,566,925)	EUR 407,827 (TZS 1,019,567,925)	49%	96%
TA - Technical Assistance (also including ST consultancies)	EUR 4,038,101 (TZS 10,095,252,380)	EUR 3,424,590 (TZS 8,561,474,613)	EUR 811,400 (TZS 2,028,500,525)	EUR 197,889 (TZS 494,722,202)	24%	85%
TOTAL	EUR 14,150,000 (TZS 35,375,000,000)	EUR 13,104,889 (TZS 32,762,222,500)	EUR 1,650,827 (TZS 4,127,067,500)	EUR 605,716 (TZS 1,514,290,000)	37%	92%

4 Assumptions and risks

The risk matrix and risk analysis of the Programme Document were updated during the first half of 2022. The main assumptions identified and presented in the amended Programme Document remain, and they are not commented on in this Semi-Annual Report of Year 6. However, below we present some additional specific critical issues, including assumptions and response measures.

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

- New interventions like carbon offsetting are supportive of the continued development of Sustainable Forest Management and wood extraction-based enterprises in natural forests within CBFM and do not restrict or preclude it. For example, during the year 2022 – 2023, the SULEDO community forest in Tanga Cluster joined a carbon offsetting scheme that precluded timber harvesting, despite the considerable support from FORVAC to enable the community to harvest timber sustainably according to a management plan.
- Costs of implementation do not rise significantly in the final year.
- Political will for CBFM and sustainable timber utilization with CBFM remains strong.
- The enabling policy environment is conducive to timber utilization in CBFM and profitable enterprises

The timely and efficient implementation of FORVAC includes the following new **risks**:

- Costs of implementation may significantly change due to changes in government DSA rates, inflationary pressures and unexpected complexity and costs of processes on the ground, which can all create unexpected budgetary constraints.
- Especially in Lindi Cluster, elephants are a safety risk for forest workers.
- Pastoralists, who are now moving from other areas to Lindi, do not respect VLFRs and their boundaries, which causes conflicts between pastoralists and communities.

5 Cross-cutting objectives

Ministry for Foreign Affairs (MFA) has guidelines for supporting mainstreaming of cross-cutting objectives and human rights-based approach in MFA financed development cooperation. As Finland's development policy bases on the Agenda 2030 and Paris Agreement, climate aspects through low emission development, climate resilience, and environmental protection have been emphasized in addition to the gender equality, and non-discrimination (especially PLWD rights).

5.1 Gender equality

FORVAC works with both officially elected structures (Village Council, Village Natural Resources Committees, Village Land Use Management Teams) and non-official non-elected groups (VICOBAs, VSLAs, different business groups). Female engagement is encouraged throughout the activities, but with the elected, formal structures, FORVAC has less power to have an impact on the composition.

Forestry is typically a very male-dominated field, and women are in several areas not considered to be strong enough e.g. to take part in long patrols which require sleeping in the forest. Regardless of this prejudice, in average 35% of the members of the VNRCs, which FORVAC is working with, are female. FORVAC has directed capacity building to VNRCs that are responsible of managing village forests. Female members of VNRCs have been encouraged to be active and, for example, the females are equally operating the two mobile-sawmills FORVAC has supported in Ruvuma and Lindi Clusters.

At the time of land use planning, female engagement is of utmost importance. In all FORVAC project areas, women are typically mainly responsible for fetching water, collecting firewood, and farming for family's needs. Therefore, almost all land-related decisions affect the daily lives of women more than men. To ensure that female community members' needs and views are taken into account during the village land use planning process, Government of Tanzania guides at least 30% of the team members to be female. In the FORVAC supported land use planning processes, the formed VLUM teams have in average 41% female members.



Figure 10. FORVAC supports the development of the mushroom value chain, which is a female-dominated business area.

FORVAC supports several forest-related businesses, either individuals or groups involving them. Even though forestry related activities are rather male-dominated, e.g. carpentry, some NTFPs are collected and marketed mainly by women, e.g. mushrooms. When selecting the businesses for the micro-business support Phase I and Phase II, female-owned enterprises or female members in the group businesses were rewarded in the scoring, resulting in a total of 37% of the supported entrepreneurs were women in Phase I and 48% in Phase II. Additionally, the formed VICOBA and VSLA savings groups include more women (64 %).

5.2 Non-discrimination

Typically, the forestry sector is dominated by men but through communication and Programme activities FORVAC encourages women and vulnerable groups to participate in forest value chains and works on the decision-making processes to be non-discriminatory. Non-discrimination is in the heart of human rights-based approach (HRBA). HRBA concerns the right to the process, rather than to the outcome: all human beings have the right to participate in their social, political, economic, and cultural development. Within the base activities (CBFM, LUP), government guidelines for non-discrimination are followed, and important decisions are shared in the village assemblies transparently.

The whole community, including the vulnerable groups, benefit from FORVAC Programme indirectly when villages with VLFRs get income from harvesting operations. This income is used for financing sustainable forest management and social services such as water, sanitation, health care services, and schools in the villages. In average, 60% of the income of standing timber sales and 35% of the income of sawn timber sales (the whole profit) is used for social development. By the end of December 2023, 45 villages under FORVAC-support have sold sustainably harvested timber, and they spent approximately TZS 5 billion / EUR 2 million for community development purposes.

When considering the CBFM derived funds to the community, awareness-raising and community involvement are required, so that the village assembly knows that they can choose how to use the funds. As discussed in the “Participatory Forest Management in Tanzania: 1993- 2009” paper by FBD, if communities are not aware of their rights, CBFM benefits can disappear due to elite capture, and the poorer parts of the community do not benefit or even suffer from the CBFM regime. Through service providers and District officers, FORVAC supports training to improve CBFM related governance and awareness in the village level and promotes the involvement and empowerment of women and persons in vulnerable positions (PiVP).

It is also in the focus for FORVAC to foster gender equality, the inclusion of vulnerable groups and work on making forest value chains equally inclusive to all groups. During the selection of micro-businesses for the support scheme, it has been noticed that even if vulnerability grouping was added as a weighted characteristic in the scoring, many of the applications by the people living with disabilities (PLWD) did not fill other criteria that were set for the businesses selected for the support. A direct linkage between PLWD and value chain development has been found challenging also in other projects worldwide. Instead, the secondary/indirect impact (impact on family/household members) is easier to reach and more effective in numbers. Examples of FORVAC’s inclusive activities and impact are given below:

- Through micro-business support, 24 PLWD have been directly supported, and indirect beneficiaries are in total 36. Additionally, the support reached 321 PiVP who are either PLWD beneficiaries, single parents, or age over 60 years old.
- The poorest households and mostly women are active in the mushroom value chain. FORVAC has supported a total of 66 mushroom collectors of which most are women (10M/56F). FORVAC has concentrated to develop the mushroom value chain in Mbinga and Songea Districts, where the collectors have been trained on wild mushroom collection and processing and additionally, all the collectors have been trained on an exotic mushroom farming to sustain their income generation through the year.
- Also, honey has been identified as an accessible value chain for poorer households, although it requires more skills and investment as compared to mushroom business. FORVAC supports the development of honey value chain from the grassroots to the extension services. A total of 1,115 beekeepers (43% of women) have received support from FORVAC.

- All village members, age above 18, have had an equal right to apply a plot for teak plantation in five (5) villages in Nyasa District. At the moment, around 22% of woodlot owners are female and additionally, six (6) PLWD own a woodlot. Moreover, youth have been encouraged to participate in teak plantation activities to be woodlot owners in the future.



Figure 11. A carving entrepreneur, who is living with a disability, received a tricycle from FORVAC to assist his moving.

5.3 Climate resilience

Ensuring the existence of natural forest cover through sustainable forest management and supporting forest-derived livelihoods is linked to climate resilience in multiple ways. Adaptation is improved through ecosystem services like watershed management, micro-climate stabilization, and control of land erosion, but also, forest livelihoods add to the household income and reduce dependency on agriculture, which is highly at risk to face climate change-related challenges like extreme weather events, droughts, and pests.

Fire has been identified as a risk factor to the VLFRs and to the teak plantations in Nyasa. In Nyasa, the TGA members have established fire breaks and lines to protect the plantations from fire and fire crews have been formed. Additionally, fire control/management training has been held to VNRCs in Ruvuma and Tanga Clusters.

Beekeeping is prone to climate effects, especially fire and pests. In the training, the resilience actions focus on the placement of hives (shadow, high, close to water) and timely and frequent checking for pests.

5.4 Low-emission development

In Tanzania, 72.7 % of the carbon emissions stem from land use change and forestry (USAID Greenhouse Gas Emissions Fact Sheet, 2018), and according to the Center for International Forestry Research (CIFOR), the proportion of Tanzania's deforestation that is directly related to wood fuel production is as high as 70 %. Despite the forest management and harvesting plans, illegal logging may still occur in Village Land Forest Reserves. The type of illegal logging depends on the area and existing market: in remote areas forest degradation is a likelier option through the extraction of valuable timber species by selective logging, whereas closer to market centers in addition to the demand for timber, also demand for charcoal is a driver for deforestation. An analysis of deforestation and greenhouse gas emissions in the operational area of FORVAC will be implemented in 2024.

In addition to increasing communities' motivation in keeping the forest intact through increased income flow, FORVAC has addressed illegal logging through MJUMITA partnership by establishing a platform for reporting

illegalities in VLFRs in Ruvuma and Tanga Clusters. VNRCs' capacity to patrol has been supported through training, and by providing motorbikes and gear. FORVAC has also co-facilitated the development of Tanzanian Timber Legality Framework with TRAFFIC and is in discussions to support the development of a technological solution for tracking VLFR timber from stump to market.

Charcoal is a major driver for deforestation, but also a potential source of income for forest communities. The reality is that the annual demand of over 2.3 million tons (figure for 2012, a quantity predicted to double by 2030, Ministry of Energy and Minerals, 2014) of charcoal is not going to disappear and parallel to shifting to alternative fuels, also models for sustainably producing charcoal are needed. TFCG has been piloting sustainable charcoal production in Kilosa. FORVAC has piloted an additional more intensive model for the CBFM context together with TAFORI and SUA. The goal is to ensure scalability through simplified startup and low initial investment. By raising the recovery rate from the current appr. 15% to 47%, requires only around one third of the biomass burned currently to answer to the same market demand, hence directly reducing the harvested timber volumes.

5.5 Environmental Protection

Environmental aspect is an integral part of Village Land Use Planning and Forest Management Planning processes. The land is the main source of livelihood for rural people, which causes pressure on land resources. The Village Land Use Plan (VLUP) secures that the village land area is used sustainably. In the VLUP, the land area is shared between different activities such as water protection. Land preparation, cutting, or other activities that affect microclimate are not allowed in the protected areas, but, for example, beekeeping can be practiced (Figure 15). FORVAC has supported the development of 41 VLUPs with a land area of 620,087 ha.

The Forest Management Plan (FMP) describes how the forest should be sustainably managed by taking into consideration its ecological and economic importance. FORVAC has supported 73 villages to develop FMPs for the forest area of 460,518 ha. Strictly protected areas, where forest management activities are not allowed, are optional within Village Land Forest Reserves, but 11% (52,609 ha) of the FORVAC-supported forest management area is protected to protect biodiversity.

Additionally, FORVAC has supported the establishment and gazettment of five (5) bee reserves (5,059 ha), which are protected for the purpose of sustainable development of beekeeping and bee fodder resources.



Figure 12. The area in the picture has been protected for water source and beekeeping.

6 Lessons learnt, conclusions and recommendations

After supporting village land use planning and forest management planning, 45 FORVAC-supported villages have started timber sales. Results are encouraging: 29,555 m³ of standing timber, up to a total value of TZS 8,024,780,947 (EUR 3,209,912), was sold by the end of December 2023. Additionally, four (4) community owned portable sawmills and one (1) timber drying solar kiln have commenced production, and the cumulative value of the sale of sawn timber was TZS 577,699,070 (EUR 231,080).

To reach the Programme's outcomes and more efficiently support timber and other forest value chains, some findings and recommendations for the future are listed below.

- 1) **Lesson- Need to create VLFR associations at district level.** A key lesson that emerged during the half year was lots of questions around sustainability of the VLFRs post FORVAC, including how will disbursed communities coordinate on marketing and sales? How will disbursed communities manage communication and procedural approvals with district officials? How will disbursed communities manage the mobile sawmills and solar kilns and ensure that other parties do not use them without their consent? How will the communities attain an economy of scale to invest in ways to climb up the value chain on their own? All of these questions and many others led the project to be responsive and focus more on prioritizing the formation of more district level VLFR associations.

Recommendation: Increase target from 2 district level VLFR associations to 6 VLFR associations and reallocate resources accordingly in the AWP and budget. In the approved annual workplan for 2023 to 2024 there was a target of 2 district level VLFR associations formed. However timber harvesting and sales are happening in 6. It is therefore recommended to prioritize the formation of 6 district level VLFR associations. In addition to the forming the associations as part of the exit strategy to enhance capacity building activities of these associations/community members and also to the district government on all aspects of timber management and care, marketing and maintenance of equipment. This will require a proposed revision in the AWP to reallocate funds away from lesser priority activities and towards these priority activities.

- 2) **Lesson - Even with the 4 mobile sawmills operating communities need more options to move up the value chain, as still selling too much timber as standing trees.** A key lesson is that although the introduction and operation of the full 4 mobile sawmills has increased the amount of timber the communities can process and therefore add value to, they still sell at least 95% of the timber as standing trees to buyers. Even with the mobile sawmills operating at full efficiency, the amount of wood processed will only be a fraction of the total sales. It is therefore important to look at other options for communities to add value. An interesting lesson is that sometimes buyers hire local villagers as legal pitsaw teams, to process the wood, however this means that the villagers only benefit in the form of daily labour payments, whereas the buyers capture the added value of processing. If the communities conducted the legal pitsawing themselves this would mean they get the added value, and with increased income it would be a shorter time frame before they could invest in other options for adding value, like renting/ buying a mobile sawmill or renting trucks for transport. Although the programme should not promote pit sawing, it must live in the real world, it is happening, it is legal, and it is better that the villagers get the benefits from it, rather than buyers. Also it is clear with FORVAC exit imminent that leaving communities with only one option to add value – Norwood Sawmills (which are relatively expensive) does not provide the safety of several options for communities post programme. Note that in the last 6 months although communities are appreciated of the money they are making from timber, even selling standing timber, there have been increasing interest in ways to add value, notably exploring establishing timber yards at district level to help market VLFR timber and also looking into transport hiring and other options for processing – linking up with stationary sawmills or looking at buying or renting cheaper equivalents to Norwood (such as Wood Mizers).

Recommendation: As part of the exit strategy for FORVAC it will be important to provide a range of options to communities to add value. These include communities taking on legal pit sawing activities themselves rather than being only labour for buyers, exploring timber yards and transport hiring options (cost benefit analysis) and other options for sawmilling, links with stationary sawmills and other types of mobile saw mill(cost benefit analysis). It is recommended a consultant is hired to help communities explore these options, the Short Term Expert is in the AWP but requires some modification of their role.

- 3) **Lesson - Policy barriers are still the priority barriers to communities getting more revenue from timber sales.** There are numerous policy related barriers and these are listed on the AWP, with many still pending – that are highlighted in the AWP. A workshop was held in October in Dar e Salaam bringing together, buyers, VLFR producers and a whole range of government stakeholders where a whole range of policy barriers were stated and analyzed. To give an example of these policy barriers. The total approved harvesting volume for the year 2023-2024 in 33 FORVAC-supported communities (that communities can harvest and process by themselves, standing timber sales straight to buyers have been excluded from the following figures) is almost 35,000 m3. Out of the approved volumes, only 7,000 m3 is for the two well-known species, the rest are lesser known species (LKTS). However government procurement guidance restricts the use to only the two well-known species. There are a full range of other policy barriers listed within the AWP, some of these could be solved as simply as providing circulars with updated information.
- 4) **Recommendation: Need to focus on tackling the low hanging fruit ‘policy barriers’ in the remaining time of the programme.** As the programme draws to a close, it is important to deal with the pending policy issues, especially those with high impact on timber sales and adding value, whilst being relatively straight forward to address (with circulars etc.). This should be a priority of FORVAC with of course MNRT in the driving seat as these are policy matters. The policy issues and actions are highlighted in the AWP.
- 5) **Lessons – potential risks from carbon finance to sustainable forest management and utilization.** One important lessons that can have relevance to the future is the case of Suledo, FORVAC started to scale down activities in Tanga Cluster in 2022, and the FMP of SULEDO was approved by the District in April 2023. There had been considerable support to Suledo since 1994 from other programmes and considerable support to supporting Sustainable Forest Management there. After FORVAC ended its support to SULEDO, a new carbon offset project approached SULEDO, and it seems that they have made an agreement to stop sustainable timber utilization totally from the forest. This potentially causes all sorts of problems, it means that timber demands will now have to be found from other sources, often illegal. It also means that rather than the community and community forest being economically self-sufficient, they are instead forced into dependency on outside financial support. What will happen to the motivation of the community to maintain and manage the forest if the carbon finance benefits stop or they do not meet their expectations?
- Recommendation: Urgently need to be clear that if carbon finance comes into communities where sustainable timber harvesting is ongoing, carbon finance should not require the cessation of sustainable harvesting of timber but rather be seen as a complement.** With FORVAC phasing out, to avoid what happened in Suledo happening elsewhere it is imperative that where carbon finance supports CBFM where timber harvesting is taking place, that it must be combined with timber harvesting not preclude it. Communities should not be forced to choose between either timber harvesting or carbon finance. Also it will be important to ramp up the benefits that communities get from timber harvesting, as this will create a strong rationale for them not to forego timber based revenues for carbon finance, and rather place them in a much stronger negotiating position. Government should ensure that carbon finance schemes should not be allowed to stop timber utilization and sales in CBFM areas and make this clear to carbon financiers and the various intermediaries that this will not be tolerated, and that carbon finance scheme modalities must accommodate sustainable timber utilization. Additionally, SULEDO would offer now an area to monitor what is the influence of a carbon offset project, e.g., if it reduces illegal activities more or less compared to CBFM with sustainable timber utilization.
- 6) **Lessons – you cannot push enterprises be successful when there are issues such as low market prices and far transport distances making the enterprises unviable.** FORVAC has struggled in engaging external market actors/industry in NTFP value chains, for example, due to low production volumes of honey and the far distance from traders of the suppliers. For example Swahili honey most of its honey needs from Njombe, why should they travel further to Ruvuma to buy honey? Also another issue is that many of the NTFPs supported by FORVAC have turned out to be not well linked to VLFRs, including honey production. This was highlighted by ERET and is something that has to be considered in the future, FORVAC was not only focused on helping livelihoods of local people – but in helping livelihoods of people FROM sustainably managed VLFRs. The idea being to strengthen the livelihood link between sustainably managed VLFRs and the communities so the communities will not ‘bite the hand that feeds them’. There are many many development programmes that generally support communities with livelihoods – regardless of the source of the livelihood, the added value of FORVAC is that it is designed to support livelihoods via the VLFRs, thus incentivizing forest management, ‘the forest that pays is the forest that stays’.

Recommendation. Need to assess both cost effectiveness of NTFP enterprise support, viability of enterprises and whether they are linked or not to VLFRs. There need to be an honest review both of what is viable and not in terms of NTFP enterprises that have been supported by FORVAC, as well as a look at the cost/benefit analysis of the various NTFP enterprise support. Also the fundamental question as to whether the NTFPs selected actually incentivize VLFRs or not, FORVAC is not a general livelihood support programme, it is a livelihood support programme of livelihoods linked to the VLFRs. In this regard a review of the various NTFP enterprises also must take into consideration links with the VLFRS and if links with the VLFR are indeed practical. As a recommendation these reviews must be conducted in the remaining months of the programme, as an example FORVAC contracted two (2) experienced consultants to assess the viability of the honey chain enterprises established by FORVAC and to examine ways to improve the viability of the enterprises as well as to look at the fundamental issue of whether it is practical to link honey production to the VLFRs or not.

ANNEXES

Annex 1 Workplan 7/2023-7/2024 and Implementation Follow-up July-December 2023

Code (#)	Main Activity	Sub Activity	Schedule 7/2023- 6/2024				Units/ results	Target		Responsibilities		Budget (and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4			L	R	Lead	Support	EUR
1	Sustainable forest Management mechanisms established, forest-based value chains developed and private sector involvement in the forest sector increased												
1.1	Establishment and mobilization of Village Land Forest Reserves (VLFR)												
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)	I. Support finalization and submission of 12 VLFR Management Plans for final endorsement at the Ministry level (3 in Liwale & 1 Nachingwea District, 1 Namtumbo, and 2 Songea District). Also ensure support sustainability of this activity in subsequent years post FORVAC.					FMPs	4	3	CCs	MCDI, DFOs, MCDI,	7,072 COMPLETED	17,680,0000 COMPLETED
		II. Support from MNRT to facilitate endorsement of remaining Forest Management Plans and help streamline the process of FMP approval and endorsement and ensure sustainability of this activity in subsequent years post FORVAC.					FMPs	10	8	NPC, CTA FME	MCDI,CCs, DFOs, MNRT, TFS DNRECO, MCDI (if required)	8,278	20,692,307
		III. Support the facilitation and fast tracking of the application and approval of harvesting licences/quotas for all eligible VCs/VLFRs and VNRCs through the entire license application approval process in July 2023, to harvest in year ahead (sawn & stand tree volume) in 43 villages					Harvesting licence	43	11	CCs	MCDI, DFO, RFO, TFS, FME	Work started in June so funded from 2022-2023 budget COMPLETED	

FORVAC – SEMI-ANNUAL REPORT FOR THE PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023

Code (#)	Main Activity	Sub Activity	Schedule 7/2023-6/2024				Units/ results	Target		Responsibilities		Budget (and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4		L	R	Lead	Support	EUR	TZS
		(26 Liwale, 5 Ruangwa & 12 Nachingwea) and 11 in Ruvuma (Namtumbo 4, Songea 4, Tunduru 3). Capacity built so can be self-financed after the final year.											
1.2	Support to value chain development												
1.2.4	Wood products, NTFP/NWFP, Charcoal: Business plans and business skills development in all areas	I. Exit strategy for wood products and NTFPs, tailing off the capacity development of micro businesses to ensure sustainability through improved marketing and market linkages, and linking to finance (e.g. CRDB Embeju product) so that they can be profitable and self-sustaining before end of programme.					No. of businesses	70	NJE, VCA	FME, CCs, potentially service provider		12,000	27,692,307
		II. Consultancy: Honey value chain consultant(s) will look at ways to strengthen honey value chain support, improve links to VLFRs where possible, improve colonization, improve marketing – more deals done with buyers and improve associations etc. and ensure sustainability and exit strategy.					Honey value chain improved in Lindi and Ruvuma		VCA	FME, CCs, Consultant		Ongoing (50%)	Ongoing (50%)
1.2.6	Support institutional arrangements/business models with market	I. Operational support to viable carpentry businesses on the development of carpentry associations to help create economies of scale for marketing and sourcing timber from VLFRs. Must be self-sustaining by the end of the programme					Viable carpentry associations	2		FME, CCs	DFOs, DNRECOs and consultant (see below)	4,200	10,500,00

Code (#)	Main Activity	Sub Activity	Schedule 7/2023-6/2024				Units/ results		Target		Responsibilities		Budget (and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4			L	R	Lead	Support	EUR	TZS
	linkages (e.g. MoUs, joint ventures, PPP & other partnerships, groups/association/cooperative initiatives												association formation.	
		II. Consultancy: support to enhance the viability of carpentry businesses and the development of carpentry associations closely linked to the VLFRs that also have economies of scale and can better access wood supply, credit, climb the value chain and access markets etc.					Viable carpentry associations				FME, CCs	VCA, consultant	Proposed reallocated to other consultant inputs	
		III. Support establishment of demand driven bottom up CBFM/VLFR village associations to oversee timber trade, marketing, communication and advocacy. Must be self-sustaining and profitable by end of programme.					Viable CBFM/VLFR village associations	2			FME, CCs	DFOs, DNRECOs and consultant (see below)	6,800 2 Completed Proposal to increase to 6 in total	17,000,000 Completed
		IV. ST consultancies: Institutional development consultant(s) to support the formation of bottom up VLFR associations to create economies of scale, ability to climb up the value chain and have stronger voice					Viable CBFM/VLFR village associations	2			FME, CCs	DFOs, DNRECOs and consultant	TA budget ONGOING	

Code (#)	Main Activity	Sub Activity	Schedule 7/2023-6/2024				Units/ results		Target		Responsibilities		Budget (and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4			L	R	Lead	Support	EUR	TZS
		V. Supporting a forum to link VLFRs with the existing National Timber Traders Association to promote links and timber deals					Event		1		CTA, M CCs	FME, DFOs, MNRT, National Timber Traders Association, TAWOFE, SHIVIMITA and others	6,800 Completed	17,000,000 Completed
		VI. To support capacity building to beekeeping association at District level and links to national organisations and to change to be oriented to a profitable self- sustaining community driven association					No. of associations		5		CCR, NJE	PCCs, DFOs, API-Support, VCA	3,800 Ongoing	9,500,000 Ongoing
1.2.7	Assist communities to improve the quality of timber harvested from community forests and link their production	I. Explore and support installation of timber yard at best locations for timber yards in consultation with District Councils and timber buyers working with wood value chain consultants. This should be cost effective and then easy to scale up to other places.					No. of yards		1	1	CCs	VCA, FME NJE, DFOS, VNRCs and potential consultant support (PFP2 or MCDI or other)	14,403 Proposed to cancel as requires more steps first with new VLFR	36,007,692

Code (#)	Main Activity	Sub Activity	Schedule 7/2023-6/2024				Units/ results		Target		Responsibilities		Budget (and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4			L	R	Lead	Support	EUR	TZS
	with market (demand)												association s.	
		II. To accelerate sales of VLFR Lesser known Timber Species through links to timber traders as well as District Councils for public procurement by phone / social media, meetings, media promotion, and marketing training. (Depending with achievement of 4.1.2.)					Event	6	FME, CCs	VCA, NJE, DFOs, TBS	22,893	57,232,500	Done	Done
		III. ST consultancy: Consultant with background in marketing and suitable experience in private sector provides hands on support to marketing events and social media marketing					No. of districts with enhanced marketing techniques in place	3	3	FME, CCS	Consultant	TA budget	CANCELLED – combined with other consultancy	
		IV. Training VNRCs in timber volume calculations and simple appropriate seasoning/drying techniques and simple business planning					VNRC	4	3	FME, CCs	VCA, NJE, PFP2 or MCDI or other	7,200	18,000,000	Done by MCDI

Code (#)	Main Activity	Sub Activity	Schedule 7/2023-6/2024				Units/ results		Target		Responsibilities		Budget (and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4			L	R	Lead	Support	EUR	TZS
		V. ST consultancy: Support on exit strategy for 4 mobile sawmills and 2 solar dryers – must be viable self-sustaining businesses with maintenance costs and responsibilities etc. clear in long term plan					Strategy developed				FME, CCs	MCDI, DFOs	TA budget – To be started.	
		VI. To identify and Train Sawmiller operators in Sawmill operation & maintenance, management, Saw doctoring					Event		1	1	CCs	FME, DFO, PFP2 or MCDI	8,000 Done by MCDI	20,000,000 Done by MCDI
		VII. Consultancy: Technical support for above activities and related activities by wood value chain extensionists/consultants to support fast tracking wood value chain in programme sites – role to maximize returns in practical site specific ways and promote sustainability of VLFR wood value chains to communities before end of FORVAC. Operational funds activities undertaken by MCDI					Good value chain improved and sustained				CTA, FME	CCs VCA, NJE, Either PFP2 extensionist, MCDI or other consultants (TBC later)	10,000 Operational part complete but consultant to be hired.	25,000,000
1.2.15	Improved capacities of VNRCs, tree growers and SMEs within the value chain so	Technical support on Teak plantations management with a focus on Fire Management and tending					No. of villages			5	CCR	FME, DFO	4,000 Done	10,000,000 Done

Code (#)	Main Activity	Sub Activity	Schedule 7/2023-6/2024				Units/ results		Target		Responsibilities		Budget (and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4			L	R	Lead	Support	EUR	TZS
	that management of VLFRs, volume, quality of tree growing and processing will be improved													
1.2.23	Development of CBFM Market Information System	'Fit for purpose' system that improves marketing of CBFM products based on assessing what is most appropriate, practical and cost effective.						Marketing of CBFM products improved			CTA, FME, M&E	Possible consultant support	5,848 Cancelled as included in MCDI contract	14,620,000 Cancelled as included in MCDI contract
Output 1. Total Budget													121,301	303,252,500

Output 2. Sustainable forest management mechanisms established, forest-based value chains

Code (#)	Main Activity	Sub Activity	Schedule 7/2023- 6/2024				Units/ Results	Target		Responsibilities		Budget (and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4		L	R	Lead	Support	EUR	TZS
2	Sustainable forest management mechanisms established, forest-based value chains												
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	Support training to VNRC & VC on laws and regulations related to VLFR right and responsibilities in the management plan, forest bylaws, forest management, harvest licensing application, harvesting, processing and transport etc.					VNRCs & VCs trained	5	4	CCs	FME, DFO, TFS	8,436 Done	21,090,000 Done
2.1.4	Training of VNRCs in financial aspect (feasibility calculations, business planning)	Training of VNRCs & VCs in financial management and record keeping (feasibility calculations, simple business planning,) – ensure sufficient funds are allocated for FMP renewal, harvesting license application, forest management plan renewal and patrolling operations and finally investing in ways to move up the value chain for VLFR products					VNRCs & VCs	5	4	CCs	FME, DFO, District Treasurer	6,400 Done	16,000,000 Done
2.1.7	Support fund raising activities for the development of new value adding	As part of exit strategy strengthen/create microfinance groups (VICOPA/VSLA) prioritizing those directly linked to VLFR products and product processing, including					Groups	4	5	CCs	FME, DFO, CDO	5,848 Done	14,620,000 Done

Code (#)	Main Activity	Sub Activity	Schedule 7/2023-6/2024				Units/ Results	Target		Responsibilities		Budget (and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4		L	R	Lead	Support	EUR	TZS
	activities (grants and loans from existing service providers, such as TaFF, VICOBA/VS&L/SACC O)	processors and carpenters that are linked to VLFR wood provision to incentivize the VLFRs. Groups must be self- sustaining by end of programme.											
2.2	Improved capacities to support and monitor CBFM/forest and related value chains and incorporating HRBA aspect												
2.2.12	Support district facilities during implementation of FORVAC activities	I. As part of exit strategy to support training of district staff on timber seasoning, grading, storing so that they can then advise the VCs and VNRCs after FORVAC					No of LGA staff trained	3	3	CCs	FME, TFS, MCDI	11,336 Done	28,340,000 Done
		II. As part of exit strategy support to capacitate district council to provide technical support to villages in harvesting, processing and marketing (sawn timber business and new villages in CBFM)					No of VNRCs & VCs trained by LGA staff	42	11	CCs	FME DFOs, MCDI	21,389 Ongoing and proposed to increase	53,472,500
		III. As part of Exit strategy training of Bee-Keeping Officers and lead beekeepers as Training of Trainers to provide post FORVAC support to beekeepers. (Focusing on facilitation skills)					Event	3	3	CCs	FME, FOs, TFS	5,544 Covered by consultancy	13,860,000 Covered by consultancy.

Code (#)	Main Activity	Sub Activity	Schedule 7/2023-6/2024				Units/ Results	Target		Responsibilities		Budget (and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4		L	R	Lead	Support	EUR	TZS
2.3	Forest products value chain/market systems and business development skills incorporated in relevant training institutes												
2.3.2	Support training institutions to develop/mainstream forest products value chain/market system and business development in undergraduate curricula	Follow up on the previous support and troubleshoot any bottlenecks regarding the status of MSc. curriculum at SUA and fasten the approval process					Curriculum MSc.	1		CTA	NPC, SUA, M&E	Will require some funding for the final payment – see proposed revised workplan and budget(sent separately)	
2.3.3	Support studies and thesis/dissertations related to forest products value chain/market system and business development relevant for CBFM	Explore possibility of fully funded post graduate students from the UK to conduct studies relevant to the research and lesson learning needs of the programme. Students have been attached to MCDI and the same institution in the UK has approached FORVAC. Learn from MCDI experiences first.					Research students and relevant research papers shared/pub lished?	1		CTA	PMT, MCDI, FME and CCs	Ongoing – to start 1 st of March until 30 th of May.	
Output 2. Total Budget												82,533	206,332,500

Output 3. Extension, communication, and monitoring systems developed

Code (#)	Main Activity	Sub Activity	Schedule 7/2023- 6/2024				Units/ Results	Target	Responsibilities		Budget(and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4			Lead	Support	EUR	TZS
3	Extension, communication, and monitoring systems developed											
3.1	Enhanced extension and communication services											
3.1.1	Supporting Districts & FBD on Forest and beekeeping related events (marketing events)	Marketing strategy to support VLFRs to promote VLFR products including LKTS at national platforms resulting in increased sales					Increased sales (revenue) of VLFR products	10%	FME, CCs, VCA, PMT	Other consultant support as required	9,000 Done – Tanga investment event	22,500,000
3.1.2	Assist 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	ST Consultancy: Produce five short films for website and social media and other users highlighting the link between VLFR income and sustainable forest management and improved livelihoods within the key theme of the ‘Forest that pays is the forest that stays’ highlighting the win win win for forests, communities and governments and also key lessons learned. Also for lesson learning workshop Also newspaper and TV pieces through journalists					Short films and articles or broadcasts	5	M&E, VCA, CTA	Appropriate consultants working closely with programme stakeholders	13,600 Planned 3rd quarter	34,000,000
3.1.4	Develop Implementation Strategies and	Miombo timber species, VLFR database and other info from FORVAC integrated in to MNRT website in user friendly accessible					Website addition to MNRT website		NPC, CTA,	MNRT IT, SUA, possible	8,400	21,000,000

Code (#)	Main Activity	Sub Activity	Schedule 7/2023-6/2024				Units/ Results	Target	Responsibilities		Budget(and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4			Lead	Support	EUR	TZS
	Extension Manuals of Forestry and Beekeeping Policies	format as part of exit strategy/ sustainability – maintenance of website and cost long term agreed.							M&E	consultant support	Planned 3 rd quarter	
3.2	Forest products value chain/market systems and business development skills incorporated in relevant training institutes											
3.2.1	Support district & national authorities in monitoring of FORVAC interventions	I. Quarterly technical review meetings/backstopping in clusters to review lessons learned to feed into responsive planning					Review and planning undertaken	6	CTA	FME, CCs, DFOs, RFOs	Management costs – conducted once in last 6 months only	
		II. To support quarterly monitoring & technical backstopping to FORVAC interventions by district authorities troubleshooting any problems and responding with action to any concerns raised					Monitoring and responsive actions	6	CCs	FME, DFOs	16,380	40,950,000 ONGOING
		III. To support quarterly monitoring and backstopping of FORVAC interventions by regional authorities responsively dealing with any issues or concerns					Monitoring and responsive actions	6	CCs	FME, RFO	7,200	18,000,000 ONGOING
		IV. National monitoring visits by MNRT – twice a year					Monitoring and responsive actions	2	NPC, CTA	MNRT, FME, CCs	10,080	25,200,000 Done – on MNRT

Code (#)	Main Activity	Sub Activity	Schedule 7/2023-6/2024				Units/ Results	Target	Responsibilities		Budget(and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4			Lead	Support	EUR	TZS
												monitoring assignment
		V. FORVAC Results and lesson sharing Workshop and all associated publications/information materials (hard copy and digital)					FORVAC results widely shared	1	M&E, CTA	MNRT, FME CCs	20,000	50,000,000 Planned for June 2024
3.2.5	End of programme impact assessment	VST consultancy Outcome – Impact level Assessment: Assessing and Communicating through appropriate media the relationship between higher income / lower deforestation in VLFRs etc.					Clear communication of FORVAC approach/impact		CTA, M&E	Appropriate consultant	4,800 Planned for 3 rd quarter	12,000,000
3.2.6	Monitoring forest cover in the Programme area (target villages)	ST consultancy: Develop and pilot a satellite image -based monitoring of forest cover (deforestation) in the Programme area VLFR sites versus control sites outside VLFRs					Deforestation rates compared in VLFRs and controls		CTA, M&E FAM	Appropriate consultant	TA budget Recruited to start 3 rd quarter.	
3.2.7	Development and maintenance of FORVAC Management Information System (MIS)	ST consultancy: Develop a GIS-based tool for to support monitoring of the Programme activities and results and demonstration of the activities on the map, including data input.					Clear demonstration of all programme data		CTA, M&E	FME, Appropriate consultant	TA budget Proposed to cancel as was planned as monitoring tool but too late now	

Code (#)	Main Activity	Sub Activity	Schedule 7/2023- 6/2024				Units/ Results	Target	Responsibilities		Budget(and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4			Lead	Support	EUR	TZS
Output 3. Total Budget											65,880	164, 700,000

Output 4. Legal and policy frameworks for CBFM and forest value chains strengthened

Code (#)	Main Activity	Sub Activity	Schedule 7/2023- 6/2024				Units/ Results	Target	Responsibilities		Budget(and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4			Lead	Support	EUR	TZS
4	Legal and policy frameworks for CBFM and forest value chains strengthened											
4.1	Improved policy and regulatory framework for (VLFR) forest value chain development											
4.1.1	Support to development of Natural Forest Management Planning Guidelines and CBFM books and their dissemination	I. Consultancy: Study on the simplification/more cost-effective approach to the PFRA process drawing on FORVAC sites and linking with other actors to aim to collaborate on development of national simplified guidelines					Study and workshop	2	CTA, NPC	Appropriate Consultant, FME, CCs, M&E	8,000 Hired to start 3 rd quarter.	20,000,000
		II. Consultancy: Study and guidance on VLFR benefit sharing mechanisms in FORVAC					Study	1	CTA, NPC,	FME, M&E	4,000	10,000,000

Code (#)	Main Activity	Sub Activity	Schedule 7/2023- 6/2024				Units/ Results	Target	Responsibilities		Budget(and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4			Lead	Support	EUR	TZS
		sites and aim to collaborate with others on national guidance.								Appropriate consultant	Combined with impact assessment consultancy to hire 3rd quarter	
4.1.2	Capacity building to increase understanding of policies and laws relevant for CBFM and VCD development	<p>I. Based on reviews by MNRT, ERET and AWP process consultations various issues identified that require MNRT support/directives/communication to stakeholders to improve policy environment for VLFR enterprises and alleviate key identified barriers to CBFM/VLFR enterprises. Notably – but may also be others;</p> <p>1. Communicate the importance of operating the 2 new mobile sawmills and solar dryers ASAP.</p> <p>2. Clarification that mobile sawmills can enter inside VLFRs.</p> <p>3. Local government should procure timber from VLFRs as a first preference where available.</p>					Directives issued and communicated to all programme sites and nationally to resolve around 4 to 6 issues – often as outputs of other activities but requiring refinement meetings or dissemination.		NPC, CTA	MNRT, Regional and District authorities, CCs	8,680 Planned for 3 rd quarter – led by MNRT	21,700,000

Code (#)	Main Activity	Sub Activity	Schedule 7/2023- 6/2024				Units/ Results	Target	Responsibilities		Budget(and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4			Lead	Support	EUR	TZS
		<p>4. Local government must specify in procurement that the desirable species are not only the 2 most common but also other lesser-known species.</p> <p>5. Clarification that no royalties paid on local wood use from the VLFR in the VLFR managing communities.</p> <p>6. To ensure that there is complete clarity regarding the issuance of harvesting licenses in VLFR community forests (including roles between TFS, DFO regarding license and TP).</p>										
		II. ST consultancy: Study on GN 417 and its effect on the implementation/development of CBFM and CBFM enterprises in Tanzania - can support meetings below.					Study to identify bottlenecks	1	CTA, NPC	MNRT, Appropriate consultant	4,800 Cancelled – work done without consultant and GN now updated	12,000,000 Cancelled
		III. Technical Review of GN 417 involving team from MNRT, LGAs, TFS, Attorney General -AG, and other key informants as required and directed by MNRT Management – with a specific focus on					Bottlenecks in GN417 or its understanding ironed out		NPC, CTA	MNRT and supporting stakeholders	20,000 Done by MNRT team	

Code (#)	Main Activity	Sub Activity	Schedule 7/2023- 6/2024				Units/ Results	Target	Responsibilities		Budget(and notes if complete/done or ongoing or yet to start by December 2023)	
			Q1	Q2	Q3	Q4			Lead	Support	EUR	TZS
		barriers to CBFM enterprises and revisions/practical steps to solve the barriers.										
		IV. Collaborate with relevant actors to establish MoU between MNRT, PMO, PO-RALG and private sector on roles and responsibilities to clarify, streamline and expedite the harvest licensing process for VLFRs.					VLFR harvesting and licensing process/procedures streamlined		NPC, CTA	MNRT, PMO, PO-RALG	6,000 Planned for 3 rd quarter	15,000,000
		V. Ascertain key institutions pertaining to facilitating LKTS procurement. Engagement with PPRA and TBS and key institutions to ascertain procurement and Marketing procedures to support legal LKTS with aim of developing a new GN to guide procurement.					PPRA and TBS revised to support LKTS – specific GN number		NPC, CTA	MNRT, PMO, PO-RALG and key institutions	9,336 Planned for 3 rd quarter	23,340,000
		VI. Organize a full multi stakeholder forum to discuss the challenges in the enabling environment hindering timber production and trade from VLFR and exploring opportunities (marketing strategies – mechanisms) and challenges on the private sector involvement in VLFR value chains-					Full multi-stakeholder workshop and actions committed to	1	CTA, NPC, M&E	MNRT, MJUMITA, TFCG, SHIVIMITA, TAWOFE other private sector etc.	20,000 Done Oct 2023	50,000,000

		can be combined with the support for the national CBFM forum.							
		VII. Consultancy: To move communities away from selling the majority of VLFR timber as standing trees to examine of full range of options for communities to process timber and assess according to cost effectiveness, maintenance (parts availability), sustainability, suitability for communities and efficiency/recovery rate practical for VLFR forests – should examine all options to provide information for communities to decide what they might purchase.			Full range of options identified and analyzed with recommendations	NPC, CTA, FME	VCA and/or potential consultants PFP2 / FWITC	9,200 Combined – reallocated to 1.2.7 VII	23,000,000
Output 4. Total Budget								90,016	225,040,000

Annex 2 Budget follow-up, July-December 2023

FORESTRY AND VALUE CHAINS PROGRAMME					
BUDGET VS EXPENDITURE TO DECEMBER 2023					
		Eur			% of spending
Code	Description	Budget for 2023/24	Expenditure July 2023 - December 2023	Variance	
Output 1	Improved VCs & increased PS involvem. in Forest sector	121,294	59,140	62,154	49
Output 2	Stakeholder capacity to implement & promote forestry value chain development enhanced	58,953	58,350	603	99
Output 3	Functional extension, communication, monitoring systems & MIS	89,460	15,161	74,299	17
Output 4	Legal and policy frameworks in forestry supported	90,016	37,056	52,960	41
	Programme Management	303,144	156,153	146,991	52
	Support Staff (AFM, M&E and NJE)	176,560	81,967	94,593	46
Total OP Budget & Expenditure for FY 2022/23		839,427	407,827	431,600	49
Total TA Budget & Expenditure for FY 2023/24		811,400	197,889	613,511	24
Grand total budget & Expenditure for 2023/24		1,650,827	605,716	1,045,111	37

