

Synthesis Report

External Review and Evaluation Services of Forestry Programmes in Tanzania



EVALUATION

External Review and Evaluation Services of Forestry Programmes in Tanzania

Synthesis Report

July 2023

Henk Remme (team leader)

Kahana Lukumbuzya

Isaac Malugu

Paula Tommila



This evaluation was commissioned by the Ministry for Foreign Affairs of Finland to Particip. This report is the product of the authors, and responsibility for the accuracy of the data included in this report rests with the authors. The findings, interpretations, and conclusions presented in this report do not necessarily reflect the views of the Ministry for Foreign Affairs of Finland.

© Ministry for Foreign Affairs of Finland 2023

This report can be downloaded through the home page of the Ministry for Foreign Affairs

<https://um.fi/development-cooperation-evaluation-reports-project-and-programme-evaluations>

Contact: ALI-20@gov.fi

Contents

Acronyms and Abbreviations	iii
Executive Summary	vi
1 Introduction	1
1.1 Background and methodology of the ERET evaluation services	1
1.2 The Synthesis report	5
2 Main Findings of the ERET Reviews	6
2.1 Relevance	6
2.2 Coherence	18
2.3 Efficiency	21
2.4 Effectiveness	32
2.5 Impact	44
2.6 Sustainability	45
2.7 Aid effectiveness	49
2.8 Conclusions and lessons learnt	50
3 Recommendations for the current programmes	54
3.1 PFP2	54
3.2 FORVAC	55
3.3 TOSP	56
4 Recommendations for the new programme	57
4.1 Overall principles and aspects to be considered	57
4.2 Support to treeplantations in the Southern Highlands	59
4.3 Support to CBFM in Lindi and Ruvuma Regions	60
5 Lessons learnt from the ERET approach	62
5.1 The ERET model	62
5.2 Experiences of ERET 2 and lessons learnt	63
5.3 Conclusions and recommendations	69
References and documents consulted	72
Annex 1: Terms of Reference and ERET mission 2023	77
Annex 2: Overview of programmes	97
Annex 3: Detailed key findings and recommendations from ERET 2023	105
Annex 4: The ERET Team	122
List of figures	
Figure 1 Schematic overview of Impact area 2 of the Finland-Tanzania country programme	8
Figure 2 Reconstructed simplified Theory of Change FORVAC	16
Figure 3 Woodlot management	34
Figure 4 Participatory mapping of fire risk areas and infrastructures in Kidete village	35
Figure 5 SME support	36
Figure 6 Newly constructed VC office and VEO house in Chigugu Village from timber revenue	39
Figure 7 NTFP Value chain.....	40
Figure 8 Saw milling	42
Figure 9 Action taken on recommendations.....	68
Figure 10 Programme Area FORVAC.....	99
Figure 11 Programme Area PFP2	102
Figure 12 Results chain PFP2.....	103
List of tables	
Table 1 Key topics and focus of the reviews.....	3
Table 2 Plantation area by ownership in Southern Highlands.....	10

Table 3	Extent of CBFM in mainland Tanzania.....	14
Table 4	Budget and expenses PFP2 in Euros.....	23
Table 5	Financial performance until December 2022.....	26
Table 6	Advantages and risks/disadvantages of the ERET model.....	63
Table 7	ERET 2 experiences.....	64
Table 8	Factsheet FORVAC.....	97
Table 9	Factsheet PFP2	101

Acronyms and Abbreviations

Acronym	Meaning
AAC	Allowable Annual Cut
AGM	Annual General Meeting
AWP	Annual Work Plan
AWPB	Annual Work Plan and Budget
BOP	Best operating practices
CBFM	Community Based Forest Management
CCA	Copper Chrome Arsenic
CCO	Cross-Cutting Objectives
CCRO	Certificate of Customary Right of Occupancy
CDO	Community Development Officer
CTA	Chief Technical Advisor
DFO	District Forest Officer
DSA	Daily Subsistence Allowance
DTSP	Directorate of Tree Seed Production
EC	Executive Committee
EMS	Evaluation Management Services
ERET	External Review and Evaluation Team
EU	European Union
EUR	Euro
EWP	Engineered Wood Products
FDT	Forestry Development Trust
FGD	Focus Group Discussions
FHP	Forest Harvesting Plans
FITI	Forest Industries Training Institute
FLEGT	Forest Law Enforcement, Governance and Trade
FMP	Forest Management Plans
FORVAC	Forestry and Value Chain Development Programme
FSC	Forest Stewardship Council
FTI	Forest Training Institute
FWITC	Forest and Wood Industries Training Centre
FYDP	Five-Year Development Plan
GALS	Gender Action Learning System

Acronym	Meaning
GN	Government Notice
GPS	Global Positioning System
HAMK	Häme University of Applied Sciences
HIV/AIDS	Acquired Immunodeficiency Syndrome / Human Immunodeficiency Virus
HRBA	Human rights-based approach
IFPPE	International Forest Products and Processing Expert
IFM	Integrated fire management
IGA	Income Generating Activity
KII	Key Informant Interviews
KVTC	Kilombero Valley Teak Company
LGA	Local Government Authority
LIMAS	Lindi and Mtwara Agribusiness Support
LKTS	Lesser Known Timber Species
M&E	Monitoring and Evaluation
MAST	Mobile Application to Secure Tenure
MCDI	Mpingo Conservation and Development Initiative
MFA	Ministry for Foreign Affairs
MIS	Management Information System
MJUMITA	The Community Forest Conservation Network of Tanzania
MNRT	Ministry of Natural Resources and Tourism
MTE	Mid-term evaluation
NCCRS	National Climate Change Response Strategy
NDC	Nationally Determined Contributions
NFBKPII	National Forest and Beekeeping Programme
NFC	New Forest Company
NGO	Non-governmental organisation
NLUPC	National Land Use Planning Commission
NTFP	Non-Timber Forest Products
ODK	Open Data Kit
OECD-DAC	Organisation for Economic Co-operation and Development's Development Assistance Committee
PD	Project Document
PFM	Participatory Forest Management
PMT	Programme Management Team
PO-RALG	President's Office Regional Administration and Local Government

Acronym	Meaning
PSB	Programme Supervisory Board
PSC	Project Steering Committee
QA	Quality assurance
RBMF	Results-based management framework
SEA	Socio-Economic Assessment
SHIVIMITA	Tanzania Forest Industries Federation
SME	Small and medium-sized enterprise
SUA	Sokoine University of Agriculture
SVB	Supervisory board
TA	Technical assistance
TAFORI	Tanzania Forest Research Institute
TASAF	Tanzania's Social Action Fund
TFS	Tanzania Forest Service
TFWG	Tanzania Forest Working Group
TGA	Tree Growers' Association
TOR	Terms of Reference
TOSP	Tree Outgrowers Support Programme
TTGAU	Tanzania Tree Growers' Association Union
TZS	Tanzania Shilling
UNFCCC	United Nations Framework Convention on Climate Change
VC	Value chain
VCDA	Value Chain Development Advisor
VLFR	Village Land Forest Reserves
VLUM	Village Land Use Management
VLUP	Village Land Use Plans
VNRC	Village Natural Resources Committees
VSLA	Village Savings And Lending Association
WWF	Worldwide Fund for Nature

Executive Summary

This synthesis report presents the findings and recommendations of the External Review and Evaluation Team (ERET), which was contracted for three years (2021-2023) to conduct annual reviews and mid-term evaluations of three forestry programmes in Tanzania¹. As the current programmes will come to an end in 2024, the Ministry of Foreign Affairs of Finland in collaboration with the government of Tanzania, is considering providing further support to the forestry sector in Tanzania through a new programme, which will build on the results of PFP2 and FORVAC and be implemented in the Southern Highlands (plantation forestry) and Ruvuma and Lindi Regions (community based forest management (CBFM)). The synthesis report provides recommendations for the current programmes as well as for the possible future cooperation on the forestry sector in Tanzania (hereafter referred to as the ‘new programme’).

Main conclusions and recommendations²

The ERET findings of the programmes indicate that especially PFP2 and FORVAC were relevant, and achieved some good results, showing high levels of adoption of improved practices in some key areas, which contributed to increased revenue and income for the beneficiaries and additional employment from forestry.

However, both programmes have struggled with establishing effective value chain development strategies, putting main focus on primary and secondary production/processing but less on the marketing end of the value chain and value addition aspects. While the existing programmes are still expected to make some improvements and put more emphasis on the value chain aspects, this is especially an area that needs further strengthening in the new programme.

Although many recommendations are applicable to both the existing programmes and the ‘new’ programme, given the limited time remaining for PFP2 and FORVAC, the recommended actions that can be realistically implemented are more specific and can be summarised as follows³:

- Increase emphasis on effective strategies for value chain development and SME support.
- Further operationalise and implement the human rights-based approach (HRBA) strategy.
- Focus on sustainability of approaches and results. Although sustainability of all outputs cannot be fully achieved within the remaining timeframe, the programmes should strengthen the foundations that the new programme can further build on.
- Given the limited budget, prioritise most cost-effective activities and avoid spreading the support too thin.
- Improve collaboration between programmes on specific relevant aspects.
- Make some minor improvements to the Results Based Management Framework (RBFM) and improve monitoring and evaluation (M&E), especially FORVAC

¹ Forestry and Value Chain Development Programme (FORVAC), Participatory Plantation Forestry Programme phase 2 (PFP2), and Tree Outgrowers Support Programme (TOSP).

² See table on conclusions and recommendations and for details the main text of chapters 2, 3, and 4.

³ See chapter 3 and Annex 3 for details for each programme.

The new programme should build on the lessons learnt from PFP2, FORVAC and their predecessor programmes (PFP1, NFBKPII, and LIMAS). The recommendations for the new programme include further emphasis on the following aspects: sustainability of approaches and results; increased focus on biodiversity conservation; strengthening governance and the enabling environment of the forestry sector; improved strategies for mainstreaming HRBA; mainstreaming climate change resilience and mitigation; improved and sustainable land use planning; emphasis on M&E, research and forest inventories, using remote sensing technologies; establishment of a logical and meaningful RBMF; building on existing practices and new market opportunities; practical skills development; and cost-effectiveness, prioritising interventions that are most relevant and effective with least costs.

It is recommended that MFA, if the resources are available, supports the implementation of an impact study of its support to the plantation sector (PFP1, PFP2 and possibly TOSP) and to CBFM (FORVAC, LIMAS, NFBKPII) that can also serve as a baseline for the new programme.

Lessons learnt from the ERET approach

The ERET approach, conducting annual reviews can be very useful and effective. Feedback from programme management and other stakeholders indicate that the model was perceived positively. The main added value of ERET is the increased frequency of reviews which contribute to a better understanding of the programme developments by the ERET team, and consequently the provision of most relevant findings and recommendations, which can be integrated in the programme's Annual Work Plans and Budgets (AWPBs). This contributes to increased efficiency and effectiveness of programme implementation.

However, for replication of the ERET model or a similar approach the following recommendations were made:

Recommendations
1. MFA must allocate adequate time and resources for ERET or any similar approach to undertake field work, consultations with stakeholders, and reporting. In case of multiple programmes to be evaluated, sufficient time is required for the review of each programme.
2. The planning of the ERET or any similar review must be undertaken at an early stage and programmes must be encouraged to prepare their semi-annual progress reports and other relevant data on time to ensure that ERET can start the relevant desk work prior to the field work. Consultations with key stakeholders could be undertaken before the start of the field work, through online meetings or by national consultants.
3. The (new) programme(s) must put adequate M&E systems in place, including remote sensing methods that would enable improved forest resource monitoring to complement the findings of ERET or any similar approach. In addition, the Ministry for Foreign Affairs of Finland (MFA) could decide to support the implementation of independent outcome/impact surveys, or as part of the ERET contract.
4. ERET should review the conceptual design and M&E and if necessary, provide technical support at the early stage of programme implementation, provided that the team includes a highly qualified and experienced M&E specialist. ERET would only have an advisory role and must avoid a conflict of interest between combining TA and independent evaluation. The same applies to any similar approach.
5. ERET or any similar approach should put major emphasis on the evaluation criteria that are most relevant for the particular phase of programme implementation and only address other criteria for which some changes have occurred. The reporting requirements should be reduced to avoid lengthy reports.
6. ERET or any similar approach should have a good balance of national and international experts with complementary expertise and substantial (field) experience, preferably in Tanzania (or any other country of the review). Measures should be put in place to encourage the continuity of the same core team, while experts on specific aspects could be contracted on a part time basis, depending on the specific needs during the period of review.

Main conclusions and recommendations as per evaluation criteria

Conclusions ⁴	Recommendations ⁵
Specific findings and recommendations	
<p>RELEVANCE</p> <p>Conclusion 1: The programmes are highly relevant. They are well aligned with the Tanzania’s and Finland’s policy priorities and respond well to the needs of the beneficiaries. They adhere to the HRBA and cross-cutting objectives (CCO) principles, but varied in their approaches and level of integration.</p> <p>Conclusion 2: The programmes’ designs were based on a solid analysis of the sector although not all assumptions were valid and some strategies were not clearly elaborated.</p>	<ol style="list-style-type: none"> 1. Improve strategies for mainstreaming and operationalising HRBA, especially with respect to involvement of people in vulnerable positions (PiVP) and increased influence of women in the decision-making processes through targeted actions. Set realistic targets and strategies. 2. Increase focus on biodiversity conservation, including in the land use planning and in the forest management plans. 3. Support improved and sustainable land use planning to make the Village Land Use Plans (VLUP) approach more sustainable. Improve monitoring of VLUPs and support landscape (cluster) level planning and integrated approaches. 4. Mainstream climate change resilience and mitigation. Especially for CBFM (for communities with no options for timber production), opportunities of climate mitigation, carbon offsets, biodiversity credits or payment for environmental services could be explored. The risks and possible implications of carbon initiatives must be well assessed and the programme should focus on facilitation and capacity building of the government, districts and NGOs in Tanzania to better understand the dynamics of the carbon project proponents.
<p>Conclusion 3: All programmes had shortcomings in their RBMF, of which some were addressed but not all.</p>	<ol style="list-style-type: none"> 5. Ensure the design of a strategic, high quality RBMF with SMART indicators through including experienced and well trained logframe analysis experts in the formulation and appraisal teams.
<p>Conclusion 4: Several challenges in the enabling environment were identified, including low reinvestment of central government and districts in forestry extension, impromptu taxes, lack of consensus and support to Community Based Forest Management (CBFM) (especially by the Tanzania Forest Service - TFS on timber and sustainable charcoal production), and several other constraints related to marketing, price setting, and government notices hampering CBFM.</p>	<ol style="list-style-type: none"> 6. Support strengthening the enabling environment in terms of governance and policy implementation and increase the capacity of institutions to implement and enforce the policies and regulations. Support the Ministry of Natural Resources and Tourism of Tanzania (MNRT) and main stakeholders in the timber value chain in organising a national dialogue. Encourage central government and local government authorities (LGAs) to increase reinvestment of revenue obtained from forestry into the forest sector.

⁴ The presented conclusions in the table are a summarized version of the ones presented in chapter 2.6 and hence the numbers do not exactly match.

⁵ The recommendations are related to the current programmes as well as the possible future programme. For the common recommendations, the action to be taken by the existing programmes is very specific, given their limited resources and time left. For the future programme the recommendations are more strategic. The detailed recommendations for the existing programmes are included in chapter 3 and for the possible future programme in chapter 4.

<p>COHERENCE</p> <p>Conclusion 5: Despite the thematic interlinkages, the level of collaboration between the programmes varied but was generally low.</p> <p>Conclusion 6: In terms of external coherence, the programmes have collaborated with many other stakeholders and participated in several fora and platforms.</p>	<p>7. The existing programmes should strengthen their collaboration on strategic aspects.</p> <p>8. The new programme must build on the best practices initiated by PFP2 and FORVAC and liaise closely with relevant stakeholders in the forestry and environmental sector in Tanzania.</p>
<p>EFFICIENCY</p> <p>Conclusion 7: All programmes experienced substantial delays in the start-up phase and the first year of implementation. Although they caught up, both FORVAC and PFP2 required extensions as part of the same contract to enable them to achieve their intended results. Four year programmes are effectively implemented for maximum three years.</p>	<p>9. Provide adequate time for programme implementation. MFA could consider extending the programme period to five years, or reduce the expected results and outcomes, considering that one year is needed for start-up and exit arrangements.</p>
<p>Conclusion 8: The programmes showed uneven expenditure levels throughout the years, with low expenditure at the start, followed by substantial expenditures in the following years, leaving a low budget for the last year, which requires strategic planning.</p>	<p>10. PFP2 and FORVAC must be very strategic in their final AWPB, focusing on most cost-effective interventions.</p> <p>11. Plan the new programme realistically and strategically, considering the increased costs of DSAs and price inflations.</p>
<p>Conclusion 9: The cost-effectiveness of the value chain development support by PFP2 and FORVAC, has been relatively low.</p>	<p>12. (see recommendation 18 emphasizing increased efforts on value chain development)</p>
<p>Conclusion 10: Despite some specific issues, PFP2 and FORVAC have been reasonably well managed, even though that FORVAC has seen two replacements of the Chief Technical Advisor (CTA).</p>	<p>13. The combination of plantation forestry and CBFM in one programme, requires a highly experienced programme management team.</p>
<p>Conclusion 11: The PSCs of PFP2 and FORVAC have been active but showed a tendency of micro-managing the programmes at the expense of playing a more strategic role. This was partly corrected.</p>	<p>14. The PSCs should continue playing a strategic role, focusing on major issues in the programme design, implementation and enabling environment.</p>
<p>Conclusion 12: While PFP2 has contracted a relatively large number of staff, FORVAC mostly relied on the support of service providers. Whereas PFP2 showed higher internal technical capacity, the approach of FORVAC may prove more sustainable, depending on the quality and continuation of the service providers.</p>	<p>15. The advantages and disadvantages of both approaches need to be well analysed for the next programme. Probably a mix of good technical assistance, high quality and sustainable service providers, and integration and support of LGAs and linkages to private sector have to be found.</p>

<p>Conclusion 13: M&E has been relatively weak for FORVAC and TOSP. Although the system of PFP2 was slightly better, it still fell short on providing key data on outcomes and impact.</p>	<p>16. Adequate emphasis must be put and resources must be provided for M&E. As the forestry sector is mostly devoid of good data that can be used for effective planning, monitoring, and advocacy for good practices, the programme should support relevant research and forest resources monitoring (including of forest management plans) through the use of innovative approaches and remote sensing of (open source) high resolution satellite imagery data.</p>
<p>Conclusion 14: The efficiency of the TOSP projects varied. The KVTC TOSP was prematurely ended. Due to limited capacity, the TTGAU TOSP output targets were drastically reduced. NFC TOSP was most efficient and showed the best results, although reaching less beneficiaries.</p>	<p>(no action needed since no plans are known of extension of TOSP).</p>
<p>EFFECTIVENESS</p> <p>Conclusion 15: The main programmes, PFP2 and FORVAC, have been quite effective, showing high levels of adoption in some key areas but less in others:</p> <ul style="list-style-type: none"> a. PFP2 has been most effective with respect to result area 1 (tree growers), showing some strong TGAs, high levels of adoption of good silvicultural practices, integrated fire management, and management of seed orchards. The outcomes of result area 2 are less pronounced, although some positive results were achieved. b. FORVAC has been successful in promoting and supporting CBFM and the timber production, especially in villages that have adequate forest resources, resulting in good governance systems well managed Village Land Forest Reserves (VLFRs). The Village Natural Resources Committees (VNRCs) are active, motivated and have a good gender balance. However, the support to non-timber forest products (NTFP) value chains and micro-businesses has been less effective, and not well linked to sustainable forest management. Moreover, the effect of the support provided on the policy documents appear to be limited. c. Both programmes have struggled establishing effective value chain development strategies, putting main focus on primary and secondary production/processing but not so much on the marketing end of the value chain and value addition aspects. 	<p>17. The current programmes and the new programme should further consolidate and upscale the achievements to make them more sustainable:</p> <ul style="list-style-type: none"> a. PFP2: the support to smallholder plantation development (TGAs, capacity building on good silvicultural practices, institutionalisation of integrated fire management (IFM), seed production, seedling production) and also explore and support the establishment of quality assessments and grading). b. FORVAC: support to CBFM and timber (and possibly charcoal) value chain (establishment/support to VLFRs, Forest Management Plans (FMPs), governance systems/VNRCs, promotion of lesser known timber species (LKTS), creating access to markets, sawmills, and supporting national dialogue). <p>18. Increased emphasis should be put on <u>value chain development</u>. The existing programmes and especially the new programme should follow a market-led approach, focusing on the integration in the markets and linkage to value addition and processing enterprises.</p> <ul style="list-style-type: none"> c. For the plantation forestry the emerging engineered wood products (EWP) market could offer opportunities. Much of the support will be provided through FWITC, while some training can be provided through extension and field based courses. The support will combine improving existing practices as well as introducing new technologies, relevant to the SMEs. d. For CBFM, the support to NTFPs and micro-enterprises must incentivise communities to sustainably manage the forest. Hence there must be a clear link to the forest. Second, a market-driven approach must be followed, facilitating linkages in the value chain with the industry, adopting the model of Swahili honey. Only micro-enterprises should be supported that have good potential. See also recommendation 4 for communities with less forest resources.

	<p>19. On skills development, options must be further explored on how to strengthen more practical training, preparing actors in the value chain with the skills that are required in the industry. Developing internships and apprenticeships programmes with woodworks and construction private sector should be developed.</p> <p>20. The new programme must contribute to supporting the government and other stakeholders in improving the enabling environment for the forestry sector, especially relevant to smallholder tree growers and communities involved in CBFM.</p>
<p>Conclusion 16: FORVAC and PFP2 have contributed to increased revenue and income from forestry and additional employment. The high revenue obtained from CBFM timber provides direct and indirect benefits to community members, including PiVP.</p>	(see recommendations 17 and 18)
<p>Conclusion 17: In terms of HRBA, the programmes, and especially FORVAC has been successful in promoting gender equality with women being increasingly involved in decision-making processes. However, both PFP2 and FORVAC had difficulties involving PiVP.</p>	(see recommendation 1)
<p>Conclusion 18: Regarding TOSP, NFC beneficiaries showed relatively good adoption of best operating practices (BOP) but the quality of the TGAs varies and the involvement of women was low. For TTGAU, adoption rates were lower, but the representation of women higher.</p>	(no action needed since no plans are known of extension of TOSP)
<p>IMPACT</p> <p>Conclusion 19: Although many impact indicators are not yet measured, both PFP2 and FORVAC are expected to contribute to high impact with respect to area under improved plantation/forest management and improved livelihoods.</p>	(see most other recommendations above)
<p>SUSTAINABILITY</p>	<p>21. Overall recommendation: Apart from financial, environmental and social sustainability, a focus on institutional sustainability would be key for the new programme. This would include supporting and strengthening existing institutions and service providers and linking up with the private sector, especially in relation to business development.</p>
<p>Conclusion 20: For FORVAC, the results of the CBFM governance and timber harvesting are considered sustainable, due to substantial revenue from timber production, which is an important motivational factor. The sustainability of the micro enterprises is less secured.</p>	(see recommendation 18)

<p>Conclusion 21: For PFP2, tree growers are likely to continue applying BOP, depending on their perception of the costs and benefits of producing high quality wood, which is largely determined by the market conditions and price factors and opportunities arising, such as the EWP.</p>	<p>22. Put increased efforts on enhancing the sustainability of all interventions (IFM, TGAs, SMEs, extension support LGAs, seed and seedling production, VLUPs) – see also other recommendations.</p>
<p>Conclusion 22: Although measures for sustainability are embedded in PFP2's approach, the sustainability of several established mechanisms, including FWITC and seed orchards/stands is not secured yet.</p>	<p>23. In close consultation with MNRT and main stakeholders, support enhancing the sustainability of the established mechanisms, in particular FWITC and the seed orchards/stands.</p>
<p>Conclusion 23: Land use planning can be an important means to ensure environmental sustainability and safeguarding biodiversity concerns but the current VLUP approach has many weaknesses.</p>	<p>(see recommendation 3)</p>

1 Introduction

1.1 Background and methodology of the ERET evaluation services

1.1.1 ERET Terms of Reference

The External Review and Evaluation Team (ERET) was contracted for three years (2021-2023) to conduct annual reviews and mid-term evaluations of three forestry programmes for accountability and learning purposes, and for supporting strategic and adaptive management of Ministry for Foreign Affairs (MFA) funds. The following three programmes were assessed:

- Forestry and Value Chain Development Programme (FORVAC),
- Participatory Plantation Forestry Programme phase 2 (PPF2)⁶, and
- Tree Outgrowers Support Programme (TOSP)⁷.

A description of the programmes is included in Annex 2.

The ERET comprised a team leader, and three experts covering the relevant expertise with respect to plantation forestry management, Community Based Forest Management (CBFM), value chain and marketing systems, and Human Rights Based Approach (HRBA) and Cross-Cutting Objectives (CCO)⁸.

ERET was expected to carry out annual reviews and strategic evaluations at mid-term to facilitate *constant learning and assessment* of Finland's forest programmes in Tanzania. ERET would support programme leadership and MFA with feedback and analysis of different approaches. ERET would support strategic learning in the programmes and produce recommendations for strengthening sustainability. In that regard, ERET should provide programme leadership and MFA with long term strategic recommendations on how to best continue and direct support to the Tanzanian forestry sector in a sustainable, strategic and comprehensive way.

The overall ERET Terms of Reference (TOR) include the following objectives of the assignment:

- Support the Finnish and Tanzanian decision-makers by assessing the relevance, impact, effectiveness, efficiency and sustainability, coherence and strategic aspects of the programmes.
- Provide technical advice to the Programme Management Teams of PFP2 and FORVAC in the development and improvement of internal monitoring and evaluation systems for continuous learning and programme management, and for providing periodically important data on the results and outcomes for the external annual evaluations.
- Support the Programme Management Teams of PFP2 and FORVAC with feed-back and analysis that can be utilised in the annual planning.

⁶ PFP2 comprises the second phase of an initially conceived sixteen-year intervention. The title was changed from the first phase, which was known as the Private Forestry Programme. In this report the first phase is referred to as PFP1.

⁷ Although the TOSP is referred to as a single programme, in fact it comprises different projects, initially carried out by New Forest Company (NFC), Kilombero Valley Teak Company (KVTC) and Tanzania Tree Growers Association Union (TTGAU). The TOSP is different from FORVAC and PFP2 and does not have an overarching Programme Document (PD) that guides the design and implementation strategies. Instead, the TOSP institutions applied through a bidding process. Although the proposals followed a fixed format, they are much more condensed than the PDs.

⁸ The team leader and two Tanzanian experts comprised the core team that remained the same over the years. The international (Finnish) consultants changed every year due to various reasons.

- Analyse the programmes in terms of vocational education and skills development and provide recommendations for strengthening this area further.
- Assess the synergies, coherence and level of collaboration between the programmes and of the sector support in Tanzania.
- Provide support for successful implementation, including risk management, and recommendations for improvements.
- Provide analysis and insights for the Supervisory Boards of PFP2 and FORVAC to support strategic dialogue about programme risks, synergies and directions forward.
- Ensure that the cross-cutting objectives of Finland’s development policy are considered and applied.

In addition to the overall ToR, each year MFA also prepared specific ToR that emphasised certain aspects that were considered relevant for the programme reviews during that period of implementation.

The overall ToR further stipulates that the assessments should be based on selected and relevant OECD/DAC evaluation criteria. The reviews would preferably be conducted in the months of February-March to allow programmes to incorporate the recommendations from ERET in their annual planning. The reviews would comprise desk studies and field missions to verify and validate the reported achievements on a sample basis.

1.1.2 Reviews and other assessments undertaken

Three reviews were undertaken in the period 2021 to 2023. The first review implemented in 2021, included an MTE of FORVAC and annual reviews of PFP2 and TOSP. Because of the COVID-19 pandemic, no field visits could be undertaken and the reviews were conducted remotely, using video conferencing tools and phone calls. Representatives of selected communities and beneficiaries were brought to central places where they could interact with the ERET through a video conference connection.

The second review, conducted in 2022, involved an MTE of PFP2 and annual reviews of FORVAC and TOSP. Only NFC and TTGAU made use of TOSP funds, KVTC did not continue to utilize them. In addition, prior to the ERET review, a socio-economic assessment (SEA) of FORVAC was undertaken in 2022⁹. The findings of the SEA provided useful information for the FORVAC review with respect to aspects of inclusion and gender equality, and the success of the programme’s HRBA strategy.

Furthermore, in 2022 a forestry identification mission was undertaken by the core ERET members and a Finnish consultant (although under a different contract) that among the different options looked at the possibility of continuing or further building on the results of the Finnish supported programmes, especially FORVAC and PFP2¹⁰. Although this exercise was not an evaluation, further consultations were held with relevant stakeholders that were taken into consideration for the third round of reviews conducted in 2023.

In 2023, annual reviews of PFP2, FORVAC, and TTGAU TOSP were undertaken, and an ex-post evaluation of sustainability of the achieved outputs and outcomes of the NFC TOSP was conducted. The annual reviews put specific emphasis on the assessment of outcomes, indicative impact and sustainability. In addition, the 2023 ERET ToR included an appraisal of the PFP2 Extension Phase Plan to be conducted by the ERET team leader and the preparation of a final synthesis report of the three ERET reviews (e.g. this report).

1.1.3 Methodology applied by ERET

The approach was guided by the objectives and expectations as stated in the overall ToR and the specific topics listed in the additional annual ToR. The external evaluation serves both planning and decision-making

⁹ The SEA team involved the ERET team leader, one of the ERET Tanzanian experts and two other experts.

¹⁰ The forestry identification team included the ERET team leader and the two ERET Tanzanian experts.

needs. The following operating principles were applied: (i) Utilisation-focused evaluation (practical but also strategic), (ii) Human rights and gender sensitive, (iii) Objective, impartial but also participatory, consultative and inclusive, (iv) Flexibility, (v) Context sensitive, (vi) Theory based evaluation, (vii) Triangulation and (viii) Taking advantage of existing data sets, evaluation reports¹¹ and M&E records.

Consistent with the ToR, the analysis covered the OECD/DAC evaluation criteria (Table 1). The assessment of most criteria integrated aspects of HRBA and CCOs including gender equality, climate resilience and low emission development. In addition, for the synthesis report also an assessment of aid effectiveness was included.

Table 1 Key topics and focus of the reviews

Evaluation criteria	Topics
Relevance - <i>is the intervention doing the right things?</i> The extent to which the objectives of the programme are consistent with- and respond to the beneficiaries' needs, country priorities and Tanzania's and Finland's policies.	1. Alignment- and responsiveness to development objectives/priorities of the Government of Tanzania (GoT)
	2. Alignment- and responsiveness to development policies of MFA Finland (including HRBA and CCOs)
	3. Responsiveness to conditions and needs of the beneficiaries.
	4. Adequacy of design, strategizing the objectives and issues logically in the intervention approach.
Coherence - <i>how well does the intervention fit?</i> Compatibility with other interventions. Internal and external coherence of the different programmes, their approaches, methods, goals and implementation.	5. Coherence with country programme and other MFA supported programmes (internal coherence)
	6. Coherence with other initiatives/ policies (external coherence)
Efficiency - <i>how well are resources being used?</i> Have the activities transformed the available resources into the intended results in an economically and timely manner? Quality of management and administrative arrangements.	7. Progress against work plan target and time schedule (implementation progress).
	8. Cost-effectiveness
	9. Management, M&E and risk analysis
Effectiveness - <i>is the intervention achieving its objectives?</i> To what extent have the programme outputs and direct effects furthered the achievement of the programme purpose (outcome).	10. Achievement of intermediate outcomes and adoption of good practices
	11. Achievement of outcomes
Sustainability – <i>will the benefits last?</i> The extent to which the programme achievements will continue or are likely to be continued, based on financial, economic, social, environmental, and institutional capacities.	12. Sustainability of results and approaches - ownership/commitment, institutional, technical and financial capacities, socio-economic conditions, governance and environmental/climate resilience risks and potential trade-offs
Impact - <i>what difference does the intervention make?</i> Contribution to overall objective (positive or negative), higher level, potentially transformative effects.	13. Impact (indicative) on final beneficiaries, including human rights, gender equality, reduction of inequalities and contribution to climate resilience and low emission development.

¹¹ Including other MFA evaluations commissioned in the sector, including Talvela & Mikkolainen. (2019). Tanzania country case study. Evaluation of the Agriculture, Rural Development and Forest Sector (ARDF); Laaksonen et al. (2021). Tanzania country case study. Evaluation of Economic Development, Job Creation and Livelihoods

Evaluation criteria	Topics
Aid effectiveness – how effective is aid management and delivery? This was only assessed in the synthesis report, although many aspects were also covered in ERET reviews.	14. Implementation of the commitments to promote ownership, alignment, harmonization, management for development results and mutual accountability.

An appropriate mix of qualitative and quantitative methods and tools was used to gather and analyse primary and secondary data. Most quantitative data derived from the programme records and M&E systems.

The following data collection methods/tools were used:



Documentary review. A desk study of main documents and other materials (such as relevant evaluation reports) was undertaken before the start of the annual review and MTE, but also during the actual data collection process.



Key Informant Interviews (KII) and meetings with key stakeholders. Semi-structured interviews were conducted with key respondents, including Steering Committee members, national, regional and district government officers, service providers, and representatives from relevant public and private institutions.



Focus Group Discussions (FGD) were conducted with local government officers and beneficiaries. In consultation with the programme management teams, a representative sample of beneficiary groups and areas were selected that provided the team with the most valuable and relevant information.



Observations were undertaken during field visits to assess the quality of nurseries, woodlots, forest management and value chain activities, but also to check interactions and group dynamics.



Direct interviews with beneficiaries. In addition to FGDs, especially during field visits discussions with individual beneficiaries were conducted to obtain further information or clarifications on the implementation process and outputs.

The information provided through the consultations were recorded by the team members. Key questions/topics were prepared and a summary of the answers recorded while in the field. Field notes were prepared and put on a Google Drive that could be accessed by all team members.

For efficiency purposes, the team split up for most of the field visits and worked in pairs of two experts (one Tanzanian and the other international). Through this approach the team could cover more communities. For example, in the 2023 review, ERET covered 29 villages in 10 districts.

Based on M&E data provided by the programmes and the field observations further analysis was done to validate the reported achievements.

The approach and methodology of the annual reviews and mid-term evaluation (MTE) did not significantly differ, except for the fact that the MTEs required a more strategic focus and in-depth analysis, that would also feed into the decision-making process of possible future forestry sector support by the MFA, taking into account Finland's role in the sector, Tanzanian needs, and Finnish expertise and resources. During data collection major emphasis was put on the 'main' programmes, e.g. PFP2 and FORVAC, while relatively less time was spent on the TOSP.

The data collection process in Tanzania was usually conducted in the months of February and March. The findings were presented to the Programme Management Teams (PMT) of PFP2, FORVAC, and TOSP (KVTC, NFC and TTGAU), MFA, MNRT and the Programme Steering Committees (PSC) and Programme Supervisory Board (PSB) of FORVAC and PFP2. At the end of each review, a comprehensive report, including the findings and recommendations was prepared.

1.2 The Synthesis report

At the end of the ERET assignment (2023) this synthesis report was supposed to be prepared that summarizes the analysis, recommendations and lessons learned throughout the ERET consultancy. Lessons learned will provide final information for the planning of a possible new programme or next phase of Finland's forest sector support to Tanzania. Moreover, the result will inform the MFA regional departments and evaluation unit about the suitability and feasibility of this type of monitoring and evaluation system in other sectors and contexts.

Box 1 Main topics mentioned in ToR for the preparation of the synthesis report

1. **Summarize the analysis, recommendations and lessons learned throughout the three years of ERET consultancy.** Assess the trends in the progress and level of achievements in the programmes and projects. Include Aid effectiveness in the analysis.
2. **Provide strategic recommendations and priority list of issues to be addressed during the remaining time of the ongoing programmes.**
3. **Provide recommendations that can be used in the planning of a new intervention or phase:**
 - a. Focus on strategic questions of forest sector support in Tanzania, identifying possible gaps, thematic areas, actors and processes where MFA support would be most needed and bring most added value.
 - b. Feed information into the planning of a new forest sector intervention - identify the critical activities or processes within PFP2 and FORVAC to be addressed in the new programme, possible risks, and best practices to continue applying and/or scaling up.
 - c. Identify where and how the next programme could better strengthen synergies with and advance the growth of trade between Finland and Tanzania.
 - d. Provide recommendations and identify best practices, lessons learnt, and areas to focus on in the future forestry sector support in Tanzania.
4. **Provide suggestions or recommendations on development of systems to review and evaluate development co-operation programmes** - how such long term evaluation and review assignments can be best designed and made use of.

Source: ToR ERET 2023

Following this introductory section, the report comprises the following main chapters:

- Chapter 2 provides an analysis of the main findings and lessons learned of the ERET reviews of the three programmes. A summary of the findings of the various evaluation criteria is provided, starting with common aspects for all programmes, followed by a brief discussion of programme-specific findings. As KVTC stopped using MFA funds for TOSP in 2021, the synthesis report does not include KVTC specific findings on most evaluation criteria.
- Chapter 3 briefly summarises the main issues to be addressed and strategic recommendations for the remaining time of the ongoing programmes. The detailed recommendations are included in Annex 3.
- Chapter 4 provides the key aspects to be considered and recommendations for a possible next phase of support by MFA.
- Chapter 5 discusses the lessons learnt from ERET - what worked and what did not work well, were there any information gaps, was the timing right to feed into annual workplans and budgets of the programmes, and were there any other gaps or issues that affected the quality and utilisation of the reviews? Finally, some recommendations are provided for the best design and use of reviews and evaluations for future programmes.

2 Main Findings of the ERET Reviews

2.1 Relevance

2.1.1 Common aspects for all programmes

Alignment and responsiveness to development objectives and priorities of the Government of Tanzania

All programmes are well aligned with the Tanzanian national policies and priorities by focusing on poverty reduction, job creation and climate resilience through the development of the forestry sector. Most of the policies and guiding legislative frameworks combine relevant aspects related to CBFM as well as plantation forestry:

- The **National Forest Policy** of 1998, the **Forest Act** of 2002, the **National CBFM Action Plan** of 2021 and the recently enacted **National Forest Policy Implementation Strategy 2021-2031**, are the key policy and legal frameworks, which guide the forestry sector in Tanzania. The main target areas identified by the implementation strategy are forest land management, forest-based industries and products, ecosystem conservation and management, and institutions and human resources. The strategy has taken-up cross cutting issues such as HIV/AIDS, gender and governance. The **National Community Based Forest Management (CBFM) Action Plan 2021-2031**, which covers aspects related to community involvement in the management and improvement of value chains from the village areas, is particularly relevant and aligned with the FORVAC objectives and strategies. This is also the case for the enacted **National Beekeeping Policy Implementation Strategy (2021-2031)**, providing guidance to beekeeping interventions.
- The **Five-Year Development Plan (2020/21-2025/26)** (FYDP III), which was recently approved in 2021, is the supreme economic, industrial development and poverty reduction planning document in Tanzania. The plan commits the government to investing TZS 83.1 billion at the local government level towards promoting small and medium scale industrialisation through improving value addition in local produce, including forestry. The assessed forestry programmes contribute to many of the FYDP III's objectives. While the FYDP III confirms the country's allegiance to PFM and CBFM as the main strategies for sustainable forest management, it also lists several targets with relevance to PFP2 and TOSP, including for smallholder tree farmers and SMEs engaged in forestry value chain businesses and area of land planted and managed by small holder tree farmers in the Southern Highlands.
- In addition, Tanzania's **Nationally Determined Contributions (NDC)** under UNFCCC was approved in 2021 and the **National Climate Change Response Strategy (NCCRS)** was also launched in the same year. In 2022, the government further promulgated the **National Environmental Master Plan for Strategic Interventions** and was a signatory to the Southern African Development Community (SADC) **Declaration on the Integrated Management of the Miombo Woodlands** of Maputo from August 2022. All these strategies, reiterate the country's allegiance to forestry in general, and CBFM in particular, as the main strategies for sustainable forest management, climate change mitigation and emissions reductions through activities that benefit communities economically.
- MNRT in collaboration with the Tanzania National Business Council's (TNBC) Forest Working Group (2021) have prepared the **National Engineered Wood Sector Development Framework 2021-2031** and its **Action plan of 2021-2031**. The framework is aimed at enhancing the development and trade of Engineered Wood Products (EWP) development and trade in Tanzania.

The framework tries to address challenges related to lack of value addition of forest products from forest plantations and other related challenges in the wood industries. In addition, MNRT prepared a **new technical order of 2021** to guide the promotion of best silvicultural practices and thus proper establishment and management of plantations and woodlots resulting in high quality and productivity. **Integrated fire management guidelines** to address the issues of forest fire have also been prepared. These frameworks and guidelines are mostly related to plantation forestry and are especially relevant and aligned with the support provided through PFP2 and TOSP.

The relevance of the programmes was also highlighted in the ERET consultations with decisionmakers at national level, especially from the Forest and Beekeeping Division of MNRT. The importance of PFP2 and FORVAC in particular, has been repeatedly confirmed as they address major gaps in the forestry sector development. Although the Tanzanian government considers that the smallholder plantation industry has high potential, there are several constraints that hamper its development, including inadequate capacity of tree growers and SMEs, contributing to low quality products. PFP2's approach in addressing those constraints are considered extremely important as they provide a model that can be used for upscaling. FORVAC plays a similar role with respect to CBFM. Although CBFM is considered a key strategy for sustainable management and conservation of natural forest resources at community level, there are several challenges for its successful implementation. Especially FORVAC's focus on value chain development related to CBFM is considered important. It is realised that a focus on conservation alone is not sufficient and adequate incentives are needed for communities to sustainably manage their forest resources. In addition, value chain activities will contribute to poverty reduction, which is an important policy objective.

The approaches of PFP2 and FORVAC, strengthening the capacity of local government and assisting them in providing extension, is also considered relevant. However, challenges are observed with the low reinvestment of districts in forestry extension and the issue of taxes. While forestry generates substantial revenue for the districts, only a fraction is reinvested in the sector. Although this does not decrease the relevance of the programmes' strategies, questions can be asked about the sustainability and whether the programmes are not substituting for government services.

Despite the fact that the objectives of the programmes are well aligned with the forest policies and their relevance is underscored by MNRT, there are also some challenges in the enabling environment, especially related to CBFM timber (and charcoal) production. This aspect is discussed in more detail in the FORVAC specific paragraphs. However, it is important to note that while the forest policies are very clear and supportive to CBFM, the concept, and especially the timber and charcoal production is not supported by the Tanzania Forestry Services (TFS), one of the largest government executive agencies that is also represented at the Programme Steering Committees (PSC) of FORVAC and PFP2. ERET noted many complaints about the lack of TFS support from the consultations with the Local Government Authorities (LGAs) and communities and this was also confirmed by discussions with TFS officials who believe that CBFM will contribute to deforestation. It is a bit worrying that within the same government different voices are heard. These issues might be based on the mandate of TFS, which ERET feels has a conflict of interest, as it combines commercial activities with regulatory functions¹². Although this is most obvious with respect to CBFM, even for plantation development the commercial interest might become an issue if smallholders start producing good quality logs and timber for the high-end market, and compete with the TFS produce from the government plantations. +

The specific relevance of the programmes is further discussed in section 2.1.

¹² In other countries, like Zimbabwe, this issue was resolved by separating these functions with the regulatory and extension functions remaining directly under the government.

Alignment and responsiveness to development objectives and priorities of the Government of Finland

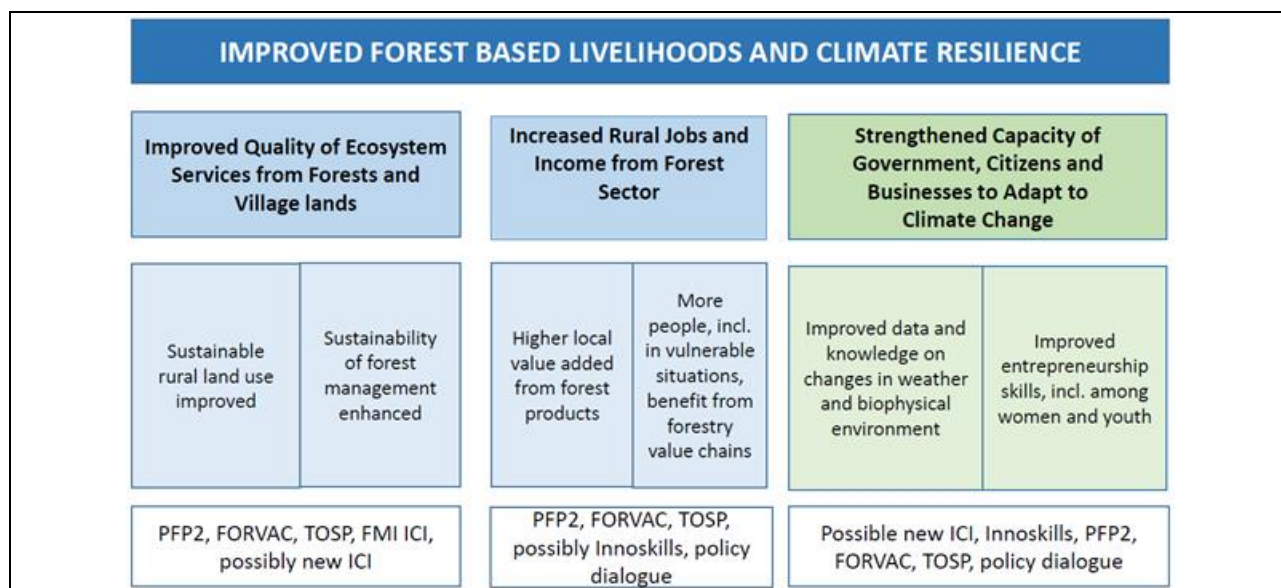
Finland’s development policy is guided by the 2030 Agenda for Sustainable Development. The core goal of the policy is to eradicate extreme poverty and to reduce poverty and inequality. Finland’s development policy priorities include the rights of women and girls; training and education; sustainable economy and decent work; peaceful, democratic societies; and climate change, biodiversity and sustainable management and use of natural resources.

The Human rights-based approach (HRBA) and the cross-cutting objectives (CCOs) are key aspects of Finland’s development cooperation. The Development Policy defines the following five CCOs: gender equality, non-discrimination with an emphasis on disability inclusion, climate resilience, low emission development, and protection of the environment, with an emphasis on safeguarding biodiversity.

Finland and Tanzania have a long history of cooperation in the forestry sector. The three programmes that were assessed by ERET built on the lessons learnt from earlier support that was provided to the National Forest and Beekeeping Programme (NFBKP II, 2013–2016), Lindi and Mtwara Agribusiness Support (LIMAS, 2010–2016), and Private Forestry Programme (PFP, 2014–2018).

In May 2021, the MFA published “Finland’s country strategy for Tanzania 2021-2024” (MFA, 2021)¹³ and the country programme for development cooperation Tanzania 2021–2024, which focuses on two impact areas: (i) inclusive development through active citizenship, and (ii) improved forest-based livelihoods and climate resilience. The current programmes (and the newly formulated programme) fall under impact area 2 (Figure 1).

Figure 1 Schematic overview of Impact area 2 of the Finland-Tanzania country programme



Source: MFA (2022) Updated ToC of Tanzania country programme

The assessed programmes are well aligned with and responsive to the development objectives and priorities of the Government of Finland, as well as the Finland country strategy and country programme for Tanzania.

All programmes focus on poverty reduction through income and job creation and aim at the sustainable use of tree/forest resources and climate resilience. All programmes also adhere to the HRBA and CCO principles, but vary in their approaches and level of integration. While PFP2 and FORVAC have integrated strategies for HRBA (and to some extent CCOs) in their programme documents, TOSP mostly focuses on gender equality but less on the involvement of persons in vulnerable positions (PiVP). Whereas PFP2 aims at applying a human rights progressive approach, FORVAC labels its support as human rights sensitive.

¹³ Country strategy: <https://um.fi/documents/35732/0/finlands-country-strategy-for-tanzania-2021-2024.pdf/ed608df4-421c-5926-8de3-8b1d7221f5db?t=1624283951266>

However, in practice there is little difference between the approaches. Both programmes have struggled in operationalising their HRBA strategies and the ERET reviews show a clear evolution over the years. Yet, despite improved strategies, the involvement of PiVP remains challenging.

Climate resilience becomes increasingly important given the climate change projections in Tanzania (Box 2). The approaches and activities of the programmes are in line with the nationally determined contributions (NDC) to the adaptation, in particular enhancing sustainable forest management. For the plantation projects the focus on improved silvicultural practices, tree planting for a longer rotation cycle, fire management, and diversification of species of better provenance is expected to contribute to climate resilience and carbon sequestration.

Box 2 Climate change projections for the Southern Highlands

Climate change projections in Tanzania indicate a consistent change in key climate variables, including warming from 0.5°C in 2025 up to around 4°C in 2100, with more warming over the Southwestern part of the country. Mean seasonal rainfall is projected to decrease consistently and progressively for the most parts of the country, but more significantly over the North-eastern highlands, where rainfall is projected to decrease by up to 12% in 2100. Parts of the southern highlands may, however, face decreased rainfall and this, together with increased temperatures, will affect the harvests of most common crops. There is also high risk of pests and diseases in tree species: the outbreaks could be facilitated by prolonged drought reducing the resilience of trees.

Source: ERET 2022

Land use planning at both village and landscape level could be an important mechanism for advancing the issues of environmental sustainability and climate change adaptation. However, ERET found various shortcomings in the village land use plans (VLUPs) approach. The VLUP do not adequately cover all forest ecosystem services (including watershed management) that are essential for the resilience and adaptation. In addition, environmental and biodiversity concerns are not adequately integrated. Except for NFC, the TOSP projects have not supported the development of VLUPs.

It can be concluded that the programmes, especially PFP2 and FORVAC, have integrated Finland's key development cooperation policies and priorities, including HRBA and CCOs into their design, but the level of implementation and effectiveness of the applied strategies vary. This is further discussed in the section on effectiveness.

Responsiveness to conditions and needs of the beneficiaries

ERET's consultations with supported tree growers, SMEs and community members have clearly confirmed the relevance of the programmes for the beneficiaries. The programmes respond well to the needs of the beneficiaries, as further detailed in the programme-specific sections.

Adequacy of design, strategizing the objectives and issues logically in the intervention approach

The programmes' design was based on a solid analysis of the sector and constraints, supported by several studies, but the strategies on some aspects were not clearly explained or detailed in the programme documents (and certainly TOSP proposals). Based on ERET's recommendations several updates and improvements were made, including on the HRBA strategies.

ERET also found several weaknesses in the programmes' Results Based Management Frameworks (RBMF), of which some were addressed (FORVAC, PFP2, TOSP/TTGAU). The shortcomings referred to unclear cause-effect relationships (vertical logic), duplication and overlapping activities/outputs (horizontal logic), indicators reflecting the wrong intervention level and not being SMART, and several others. As a lesson learnt it is important that the RBMFs are validated by experts who have been trained in logical framework analysis to avoid such errors. Although for the assessed programmes the issues did not influence the implementation much, the M&E systems that were based on the RBMFs, were clearly affected.

2.1.2 PFP2

Programme rationale

Commercial plantation forestry is a major economic activity and is a significant contributor to government revenue and employment, and a supplier of raw material and wood products for numerous downstream industries. The Southern Highlands is the centre of the plantation forestry sector in Tanzania, including also a large part of the timber processing industry. It presents a unique opportunity for economic growth and poverty reduction, especially for smallholder tree growers and small and medium-sized enterprise (SMEs). The establishment of tree plantations by individuals and groups, and timber trade and production by SMEs are part of a well-established tradition, especially in Iringa, Njombe, Morogoro, and Mbeya Regions.

Smallholders own the largest plantation area. Studies conducted by the Forest Development Trust (FDT) and PFP (2017) estimated that the land of plantations owned by smallholder tree growers comprise about 150,000 ha, or almost 73% of the total plantation area in the southern Highlands (Table 2).

Table 2 Plantation area by ownership in Southern Highlands

Ownership	Total (ha)
Smallholder	150,159
Company owned	20,573
Government- owned	36,182
Total	206,914

Source: PFP 2017

In addition, small and medium-sized enterprises (SMEs) are the main producers of sawn wood in the Southern Highlands, mostly through AMEC/ding-dong operations¹⁴.

However, the smallholder tree growers and SMEs face several challenges that hamper their economic growth. These challenges are presented in Box 3.

Box 3 Challenges for smallholder tree growers

While growing conditions are generally favourable, the plantations are usually poorly managed, providing low quality logs, which are often harvested before reaching maturity, thereby providing low value. Many tree-growers perceive their production as a safety net that provides additional income in times of need, rather than a commercial enterprise that is managed professionally aiming at the highest quality and productivity.

In addition, the price setting and marketing of trees do not favour smallholder producers. Unlike in government and some large forest company plantations, trees at the farmer level are priced per individual tree rather than by volume. These stumpage sales do not provide a fair price to the tree-grower as the trees are visually valued by the traders who take a large share of the revenue.

Although SMEs are the main producers of sawn wood in the Southern Highlands, they produce mostly through inefficient processes, resulting in low-quality products. Their production is characterised by the following:

- Low level of capital investment and challenges in accessing equipment, services and capital.

¹⁴ SUA estimates national sawn wood production to be around 600,000 CBM / year. According to PFP2, Africa Forestry members (NFC, KVTC and Sao Hills Industries) produced only 11,598 CBM during 2019/2020. Apart from TANWAT the balance is being made up from AMEC/ding dong operations, and a few bandsaw operations in and around Mafinga. It is estimated that in Makete District alone they produce around 100,000 CBM/year.

- Low processing technology, mostly through AMEC/ding-dong operations.
- Rarely having bank accounts or business plans.
- No social support system for employees.
- No considerations on work safety.
- Poor quality produce, which is difficult to market and hence having marginal profitability.

Smallholder tree-growers and SMEs are underserved in training, extension, infrastructure, financial services, research, and innovation support and, consequently, do not achieve their potential. The training institutes (FTI, FITI) do not provide the practical skills training that are demanded in the sector, such as hands-on skills for the sawing machines and equipment used by SMEs.

In addition, there are challenges with the availability of improved seed for decentralized commercial nurseries and improved seedlings for rural tree-growers.

The focus on smallholder plantation forestry and small entrepreneurs is highly relevant as smallholders own the largest plantation area and SMEs are the main producers of sawn wood in the Southern Highlands, though mostly operating through inefficient processes, resulting in low-quality products. The programme's focus on improved silvicultural practices and wood processing technologies is therefore highly relevant.

In addition, forest value chains are based on a few tree species of unknown provenance. It is in the country's interest that the source base of plantation forestry is diversified and widened with different species and provenance to avoid a risk of losing large areas of plantations in case of disease or effects of climate change. The support provided to the seed orchards is considered highly relevant by national stakeholders. According to programme estimates, improved seed should increase productivity and consequently also carbon sequestration by 10% - 20% above the current production levels.

PFP2 built on PFP1's achievements, but made some changes in the approach in order to increase its impact, sustainability and inclusiveness:

- The programme shifted from direct operations to facilitation to increase sustainability. PFP2 works directly through the district councils and involves the District Forestry Officer and Agricultural Extension Workers in the programme extension activities.
- PFP2 changed from supporting plantation establishment to plantation management, based on the fact that many smallholder tree growers are already involved in tree production but applying sub-optimal silvicultural practices. Whereas in PFP1 the support was mostly related to the establishment and management of large TGA plots, in PFP2 the focus is changed to woodlots that are mostly already established and owned by individuals (organised through a TGA).
- The programme puts greater emphasis on inclusiveness and developed clearer strategies for promoting gender equality and involvement of people in vulnerable positions, including people with disabilities.
- PFP2 implements a more systematic TGA strengthening approach. In PFP1 the sustainability of the TGAs was in doubt as many were formed to get access to free seedlings and other incentives through the programme. Although such risk still exists in PFP2, a more systematic capacity building and institutional strengthening approach is followed based on the established TGA guideline and a list of over 20 milestones that is used for monitoring of the TGA status.
- Major emphasis is put on fire management. Fire is a serious threat that has destroyed many plantations in the Southern Highlands, contributing to carbon emissions. The programme supports a jurisdictional approach with the LGAs and facilitates setting up mechanisms for fire management at district and village level.

HRBA

PFP2 attempts to be human rights progressive, aiming to mainstream and contribute directly to the realization of human rights. According to the Programme Document, the implementation of HRBA into the day-to-day development work of PFP2 also complements the objective of Do-No-Harm. PFP2 undertook a Human Rights and Gender Situation Assessment (HRGSA) in 45 project villages in Mafinga, Makete and Njombe clusters to complement earlier work which had been done in October 2020 solely in Makete District. Based on the study, a HRBA strategy was developed that guides the operationalisation of HRBA in PFP2 (November 2021). For each group of rights-holders, issues are presented and followed up with corresponding strategies. The operationalisation is mostly well conceived; however the majority of strategies remain overly general, giving all-purpose guidelines.

The needs of PiVP have been recognized in the strategy in terms of addressing the situation, but the claiming of rights has received less attention in the programme design and activities. Gender disparities is one of the human rights issues that PFP2 is addressing. The ERET 2022 report concluded that the updated HRBA strategy is an improvement but the operationalization strategy, especially for rights claiming of PiVP remains general. The evaluation shows that PFP2 can be human rights progressive, but it needs commitment by all implementors and continuous adaptive management. As a response to the ERET findings, PFP2 AWPB 2022/23 states that 'The HRBA strategy will be strengthened and operationalised to include suggestions from the ERET review'. However, the document does not further elaborate on how this would be done. The programme's socio-economist informed ERET (2023) on the activities undertaken, which were mostly related to gender.

Climate resilience, carbon forestry and biodiversity

The revised PFP2 Programme Document (PD) describes how PFP2 is intended to work towards climate change resilience, carbon forestry and biodiversity conservation.

The PD recognizes the susceptibility of the popular exotic, fast-growing species *Pinus patula* and *Eucalyptus grandis* to climate change and hypothesized that in several areas, species and provenance choice of seed material will have to be changed to sustain the productivity of plantations. The programme, together with FDT, and the Directorate of Tree Seed Production (DTSP) of TFS contributed to the development of improved germplasm through seed orchards. According to programme estimates, improved seed should increase productivity and consequently also carbon sequestration by 10% - 20% above the current production levels.

Studies in Makete District indicated that productivity (and atmospheric carbon sequestration) could be almost doubled through improved silviculture practices. The semi-annual progress report July-December 2021 compared the above-ground carbon stocks by site index and plantation age for *Pinus patula*. According to the estimates, increasing rotation age from 9 to 18 years would increase mean above ground carbon by 121% from 26.3 tonnes per ha to 58.5 tonnes per ha.

In addition to carbon sequestration through longer plantation cycle, fire management is the area where the programme could seriously impact carbon emissions positively.

The programme has also supported charcoal and bio char production from plantation and industry waste but until now the scale is negligible.

Some of the interventions have not been implemented, including the development of a carbon forestry project, an update of biodiversity guidelines, and the promotion of biodiversity at the landscape level through landscape planning (only limited landscape land use planning was undertaken for a IFM pilot). Biodiversity is clearly an area that did not get much attention, but which is still relevant especially in the Southern Highlands where most of the land is taken by either agriculture or exotic tree plantation and natural vegetation is basically only left in the few Village Land Forest Reserves (VLFRs).

RBMF

The programme results chain with an overall objective, one outcome, two major results areas and related outputs is quite logical. The programme proposed some changes to the RBMF in the first year. Most changes reflected improvements of indicators, but a major change was to remove Output 2.5 “Policy and partnership support” due to lack of substance and overlap with other outputs. The ERET 2021 review stated that the justification for the proposed changes appeared valid, but also found that the programme seemed to shy away from playing a role at the policy level, which can still be considered relevant. The PD states that policy support should focus on those policies that have a direct impact on the efficiency and viability of the plantation forestry sector and increasing the transparency of regulations so that those having a negative effect can be amended and those having a positive effect can be strengthened. The focus areas mentioned are ensuring raw material supply to SMEs, grading of forest products, and taxation of timber flows. ERET 2021 also found that the RBMF was too detailed with a large number of indicators, especially at output level, which reflected milestones that would be more appropriate to be included in the AWPB.

ERET 2022 found that while the quality of the revised RBMF was better, there were still some areas that needed to be improved. With respect to PiVP, different definitions were used, including vulnerable people (or vulnerable households), female headed households and TASAF beneficiaries. Other indicators did not have specific targets for PiVP but are disaggregated by gender, age, elected/public official, disability, and vulnerability. Many indicators did not include targets or included very general ones, such as “increased proportion of ...” without specifying the numbers or percentages needed to quantify the expected change. ERET 2023 found that not all issues were addressed.

In addition, one of the identified weaknesses is that the very first impact indicator refers to the area of plantation forests in the Southern Highlands, which, without further qualifications on the quality of the plantations is actually irrelevant to the approach and Theories of Change of PFP2 (which is not a plantation project). The main focus of PFP2 is to improve the silvicultural practices of smallholder tree growers so that they get higher revenues from quality timber. The impact indicator should therefore reflect the increased quantity of improved timber or wood products deriving from smallholder tree growers, i.e. the end product, not the means. The outcome should reflect the area of plantations of smallholder tree growers under good silvicultural management. This could be measured at the end of the programme and reflect the level of adoption of good silvicultural practices. It is not within the mandate of the PFP2 Programme Management Team (PMT) to make changes to the impact indicators, but for a possible next phase this should be addressed.

2.1.3 FORVAC

Programme rationale

Participatory Forest Management (PFM) has a long history in Tanzania and has recorded an impressive expansion since the early nineties¹⁵. Since the introduction of PFM through the National Forest Policy (1998) and the Forest Act No. 14, 2002, PFM has been considered as one of the main strategies for improving forest management, governance and livelihoods.

According to Participatory Forest Management Facts and Figures (2020), 1,225 villages in mainland Tanzania are involved in Community Based Forest Management (CBFM), covering a forest area of 2,689,342.31 hectare.

¹⁵ PFM includes Joint Forest Management (JFM) and CBFM. JFM takes place on “reserved land” land that is owned and managed by either central or local government (through management agreements) whereas CBFM takes place on village land (usually) or private land, and the trees are owned and managed by either a village council (through a village natural resource committee), a registered group, or an individual.

Table 3 **Extent of CBFM in mainland Tanzania**

CBFM Parameter	Value
Number of villages with CBFM established or in process	1,225
Forest area covered by CBFM (ha)	2,689,342.31
Number of declared village forest reserves	685
Number of CBFM gazetted forests	67
Number of villages with certified forests under FSC group certification	15
% of villages with CBFM in Mainland Tanzania	9.39%

Source: PFM Facts and Figures 2020

Initially, the main focus of CBFM has been on conservation but at a later stage value chain aspects have become more important. Under CBFM, communities are direct beneficiaries of the revenues from the selling of timber and other forest products.

FORVAC aims at strengthening CBFM towards sustainable utilisation of forest resources and development of forestry value chains. The success and sustainability of CBFM largely depends on the tangible benefits it provides to its implementers and villagers for improvement of their livelihoods. Currently, very little value addition is created at village level and communities face many obstacles that hinder unlocking the business potential available from VLFRs, apart from raw timber and log sales, which account to less than 1% of the available stock.

FORVAC builds on the lessons learned from other programmes that supported CBFM, especially NFBKPII and LIMAS but puts increased emphasis on the forestry value chain development. Consultations of ERET with MNRT and other public and private institutions at national, regional and district level confirmed that the main added value of FORVAC is considered its focus on the value chain development. In the ERET 2023, through consultations with villages that were previously supported by LIMAS, this was confirmed by some village leaders who said that it was much more complicated to do timber harvesting under LIMAS.

Global experience with CBFM shows that FORVAC’s approach is highly relevant – linking forest management to livelihood improvement and income as a key incentive for sustainable use – and can be considered the best option for conservation.

Interviews conducted with beneficiaries at community level confirmed the relevance of the programme. Reference was made to the importance of land use planning, VLFR establishment and governance aspects. However, major feedback was provided on the value chain aspects especially on timber harvesting, providing substantial revenue for the village government, contributing to improved social services in the villages. The relevance of the approach is clear in Liwale District where there is great demand from other villages to start CBFM. According to the district officers, after seeing the benefits of other communities that are involved in CBFM, many villages have asked the district to support them in establishing a VLFR and set-up CBFM systems. Reportedly, some tried to resist concessions on their general village land issued by TFS to ensure that the resources remain intact for establishing a VLFR and starting to practice CBFM.

The support to micro-enterprise groups, especially beekeeping groups is also considered relevant by the beneficiaries although ERET found several issues with respect to the design of the value chain strategies (see section on effectiveness).

The programme is highly relevant for communities that have adequate forest resources, especially for timber production, but this is less the case for villages that have less resources and fewer options for income generation. Initially, this created some tension in some areas, especially when initially identified villages were dropped because of the unsuitability of their VLFRs for value chain development (small, degraded forests, or mainly ecological functions), especially in Ruangwa and Nachingwa Districts. The resources and timeframe were not enough to follow a landscape approach but the focus on villages with good forest

resources also had some negative effects and leakages in neighbouring villages. FORVAC still supported some communities with few forest resources (or degraded VLFRs that were previously not well managed) but without clear strategies. Areas with degraded or less commercially attractive forest resources lend themselves to the development of sustainable charcoal compartments that then allow revenues to be generated even while forest vegetation is regenerated over time. However, the negative prevailing attitude towards charcoal production among some authorities has meant that this avenue was not really available to FORVAC. For a next phase, the options for villages without commercially attractive forest resources must be assessed.

Finally, ERET found the rationale for supporting teak plantations in Nyasa District, which were inherited from PFP1 not clear. The plantations have a different dynamic, requiring a specific expertise which is not in line with the approach of FORVAC focusing on the management of natural forests through CBFM. However, the PSC decided not to adopt ERET's 2021 recommendation to transfer the teak plantations support to PFP2.

HRBA

Although the original PD included references to the HRBA, the ERET MTE of 2021 found that the strategies for its operationalisation were not well defined and the RBMF did not adequately include disaggregated indicators with respect to gender and PiVP.

In addition, the MTE of 2021 found that the baseline analysis is not gender-disaggregated and does not include an analysis of HRBA, gender equality and CCOs. Hence it does not provide clear guidance on the specific constraints and needs of women, youth, or PiVP including disabled people, and on how best the programme could support gender equality and human rights through its interventions. In 2022, ERET found that the HRBA strategy was updated and is expected to contribute to improved implementation. But also a need for further operationalisation of the HRBA strategy was identified for guiding the staff and service providers in their support to the specific programme activities. Based on the findings of the ERET 2022 review and the Socio-Economic Assessment (SEA) report, FORVAC decided to pilot a Gender Action Learning System (GALS) approach, aiming for empowerment of women and PiVP. Although the programme is considered responsive to the needs of the direct beneficiaries and the village government, the SEA clearly showed that there are still barriers for the PiVP and to a lesser extent women to fully participate and benefit. The relevance of the programme for those PiVP lies mostly in the benefits from community development projects and social services such as health facilities and insurance. The section on effectiveness provides further findings on the degree this has been achieved already.

Climate resilience, carbon forestry and biodiversity

Sustainable management of Miombo forests is expected to contribute to climate resilience and carbon sequestration through avoided deforestation. FORVAC did not intend to support the establishment of community carbon projects to aggregate voluntary emission reductions from its members and sell them according to internationally recognised standards.

Although the threats of biodiversity loss are much less in CBFM managed Miombo forests than in the exotic tree plantations, no specific attempts have been made to address biodiversity concerns or monitor changes. The VLUPs do not integrate biodiversity aspects and neither do the Forest Management Plans (FMPs).

RBMF

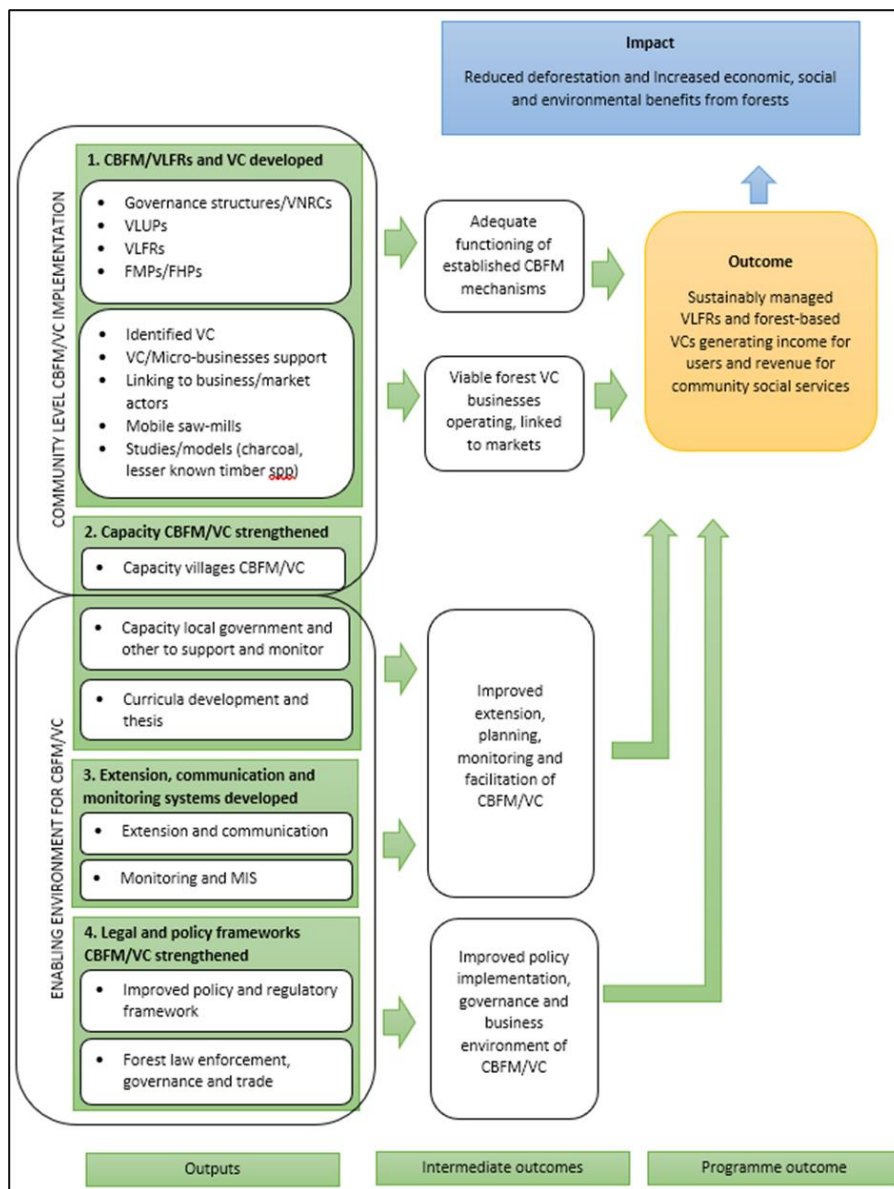
The ERET 2021 MTE found several weaknesses in the RBMF, which can be summarised as follows:

- Unclear vertical logic (cause-effect relationships between outputs, outcome and impact), including an ambiguous formulated outcome and indicators put at the wrong intervention level.

- Weak horizontal logic with capacity building (functional to different outputs) included as a separate output.
- Poor formulation of output 1, not referring to CBFM (which forms a major part of the interventions).
- Too many indicators of which most were not SMART and difficult to measure.
- HRBA and CCOs not well covered and very few indicators gender-disaggregated.
- Too ambitious targets (based on wrong assumptions, especially on the level of inputs required to support the CBFM processes). Overall, in its design, the programme was quite ambitious with respect to its objectives, expected outputs and large geographic area to be covered, especially considering the available resources.

While maintaining the overall structure of the RBFM, the ERET 2021 report proposed a simplified Theory of Change that distinguished between interventions aimed at supporting communities in the development and implementation of CBFM and activities aimed at improving the enabling environment (Figure 2). Output 2 on capacity building was split to distinguish between communities and government/service providers.

Figure 2 Reconstructed simplified Theory of Change FORVAC



Source: ERET 2021

The proposal was adopted and the RBMF was improved and included in the PD. Although it was decided not to change the outputs as such, several improvements were made to make the RBMF more realistic, concise, and logical (vertical cause-effect relationships).

2.1.4 TOSP

The TOSP projects focused on poverty reduction and job creation through the promotion of tree planting on private farmlands. The TOSP implementing institutions paid 50% of the TOSP expenses from their own resources, while MFA contributed the other 50%.

Most of the relevance aspects discussed for PFP2 also apply to the TOSP projects implemented by NFC and TTGAU, which support smallholder tree growers in the Southern Highlands in planting and managing pine and eucalyptus woodlots. Their scope of activities is much narrower and they only support tree growers and not SMEs. They use the same principles as PFP2, focusing on the application of good silvicultural practices to improve the quality of the woodlots. NFC and TTGAU also provide support to Tree Grower Associations (TGA). Other than PFP2, the TOSP projects focused on tree planting and provide improved seedlings to the beneficiaries.

KVTC is located in the Kilombero Valley and focuses on teak plantations. Although the environment and conditions are different from those in the Southern Highlands, the company also supported tree growers in planting and managing trees (teak). Similar to NFC and TTGAU, most outgrowers had previous experience with planting trees but lacked knowledge about good silvicultural practices and access to quality seedlings. KVTC did not provide support to the organisation of tree growers in TGAs.

TTGAU is slightly different from the other TOSP implementing agencies in the sense that it not a private company but an umbrella organisation (an association) that does not have a commercial interest. Their 50% contribution to TOSP derived from management fees included in contracts with other funding agencies. KVTC and NFC are companies that basically supported TOSP (their own contribution) as part of their corporate social services activities. However, they also have a commercial interest and expect that they will benefit from the sales of the trees from the supported tree grower plantations, once they are mature. This is especially evident from the KVTC approach, which in the contracts with the beneficiaries stipulated that the company would receive 20% of the value of the wood and also has the right to buy the wood for the price offered by other buyers. Whereas all TOSP projects provided free seedlings to the beneficiaries, KVTC also provided incentives (payments) to tree growers for applying silvicultural practices according to specified standards during the first years.

Interviewed beneficiaries of all TOSP projects confirmed that the programme is responsive to their conditions and needs. However, as was also observed by ERET, although many beneficiaries had a genuine interest in joining TOSP to increase their area of plantation and grow the trees to their potential, there was also a risk that some outgrowers were primarily interested in the incentives that were provided, especially the free seedlings, and in the case of KVTC, in the financial support for implementing silvicultural and management activities. Such motivation is likely to affect the effectiveness and sustainability of the support as the tree growers do not take good care of the plantation after the support stops and they could even be inclined to sell their trees before they reach maturity or convert the area to agricultural production. In the case of KVTC, the company felt the need to restructure TOSP with respect to the financial incentives and the 20% share, which created significant friction considering the company had no way of ensuring this condition. In 2021, KVTC management decided to suspend all new TOSP activities following an inspection which showed that the TOSP guidelines were not followed by some fraudulent staff.

As mentioned earlier, only NFC supported the development of a few VLUPs. The importance of this is illustrated in the case of KVTC where a large area planted was converted from natural woodlands (against KVTC's guidelines). In addition, as the woodlot audits showed, environmental guidelines were still not followed, with some woodlots being established close to water resources.

In addition, although all TOSP implementing agencies aimed at targeting women and youth, aspects of HRBA were less pronounced, and the proposals did not clearly indicate how the TOSP interventions would benefit people in vulnerable positions. On the other hand, criteria for social inclusion, especially related to people in vulnerable positions, were not clearly stipulated in the MFA TOSP requirements. Although in discussions with ERET, reference was made to beneficiaries living in vulnerable positions or below the poverty line, there has been no clear poverty or vulnerability assessment or disaggregated monitoring data on beneficiaries (other than gender and age). ERET consultations indicated that PiVP were mostly not represented.

It can be concluded that the TOSP projects' objectives are generally well aligned with the Tanzanian and Finnish policy objectives and beneficiaries' needs, but some aspects of the implementation strategies could be less relevant and ultimately affect the effectiveness and sustainability of the results.

2.2 Coherence

2.2.1 Coherence with the MFA Country Programme (internal coherence)

The internal coherence of the programmes with the MFA Country Programme for development cooperation Tanzania 2021-2024 can be analysed from two angles, i.e. (i) the interlinkages between the various supported forestry programmes, and (ii) the coherence of the reviewed forestry programmes with other interventions supported through the Country Programme. There are clear thematic linkages between the various forestry programmes. However, the level of collaboration varied as is discussed in the following paragraphs.

PFP2-TOSP

PFP2 and TOSP both focus on supporting smallholder tree growers in better managing their plantations of exotic tree species (pine, eucalyptus and teak) through capacity building on improved silvicultural practices. The programmes emphasise similar principles, such as the use of improved seeds and good silvicultural practices to enable smallholder tree-growers to produce high quality trees for timber and poles. Although PFP2 does not directly support tree growers in tree planting or establishing new plantations, the programme contributes to the production of seedlings of improved provenance through the seed orchards and provides training to nursery owners and operators. PFP2 and the TOSP projects (especially TTGAU and NFC) follow the MNRT technical order of 2021 to guide the promotion of best silvicultural practices and thus proper establishment and management of plantations and woodlots for achieving high quality and productivity. PFP2, TTGAU and NFC all support tree growers to organise themselves through TGAs.

Despite the thematic interlinkages, the level of collaboration between PFP2 and TOSP implementing agencies varies. The interaction with KVTC and NFC has been minimal. While NFC also supports TGAs, the approach to TGA institutional strengthening is less intensive than that of PFP2, which follows many steps in the TGA establishment and implementation process.

PFP2 has collaborated with TTGAU on several aspects, but the relationship is complex as it combines several activities that could create a conflict of interest, including (i) the provision of technical support to TTGAU, (ii) using TTGAU as a service provider, (iii) collaborating on some activities as equal partners, and (iv) evaluating TTGAU's performance on TOSP outgrower woodlot establishment. The nature of TGA registration (particularly the institutional anchoring) has been an intense issue of discussion for some time. While most newly established TGAs by PFP2 are registered with the LGAs, TTGAU would require them to be registered at the Ministry of Home Affairs (MoHA) in order to become a member of TTGAU. PFP2 has provided some support to that effect but not enough according to TTGAU management.

In addition, some strategies promoted by PFP2 have not been adopted by other TOSP agencies, such as the Integrated Fire Management (IFM) approach. Although the IFM approach has been formally adopted by the regional and district authorities, NFC and TTGAU apply their own methods, and there is need for harmonisation.

TOSP TTGAU-NFC-KVTC

There has been very little interaction between KVTC and other TOSP partners. Some collaboration has taken place between NFC and TTGAU with respect to TGA registration. In 2022, TTGAU supported NFC to facilitate the registration of TGAs at the MoHA but otherwise the collaboration has been limited. NFC mentioned that TTGAU did not follow up on the activities and further collaboration but according to TTGAU, NFC decided to support the MoHA registration themselves. However, after NFC did not get feedback from MoHA for 6 months, TTGAU facilitated the process further with MoHA. There has also been intentions of NFC and TTGAU to meet but that has not happened yet. In terms of strategies, the support provided by NFC and TTGAU are quite similar. To encourage tree growers not to harvest their trees when they are not yet mature, NFC supports the outgrowers with alternative income generating activities (IGA), such as planting fruit trees like avocado, conducting apiculture, and joining a Village Saving and Loan Association (VSLA). Although support to IGAs is not included in the TTGAU TOSP contract, TTGAU considers this a crucial missing element and through their other projects have supported tree growers with the production of avocados, potatoes and bee products.

PFP2-FORVAC

FORVAC has complementary functions to the other programmes supported by MFA, which focus more on plantation forestry. There are especially thematic interlinkages with PFP2 with regards to the following:

- Focus on forestry value chain and private sector involvement/business development for SMEs.
- Emphasis on smallholder/community organisations and inclusiveness. Both programmes encounter challenges in reaching the most vulnerable households.
- Effective land management through participatory land use planning (VLUP) processes and ensuring land rights. This also includes safeguarding of environmental and biodiversity concerns.
- Capacity building, technology transfer and extension delivery.
- Institutionalisation of approaches and strengthening of an enabling environment: integration into district systems, policies, education/curricula, and improved land use planning methodologies.
- Sawmilling, timber and wood value chains. The sources of materials are very different (PFP2 focusing on ‘soft woods’ - pine and eucalypts, and FORVAC on natural ‘hard woods’), but there are also common aspects.

Although the focus areas of the two programmes are different, with FORVAC focusing predominantly on natural forest management through CBFM and PFP2 on plantation development, there could be stronger collaboration in some areas such as on policy aspects, vocational training, saw milling technologies, and others. Both forestry programmes encountered challenges with value chain development and promoting market access for forestry products. There could be significant collaboration opportunities in this field through shared value chain expertise and market development efforts.

Moreover, the issues regarding VLUPs apply to both programmes. Although the programmes will no longer support the establishment of new VLUPs, they could team up and liaise with the NLUPC and other stakeholders in addressing the weaknesses of the current approach.

However, despite earlier ERET recommendations, the collaboration between the programmes remained limited. According to FORVAC, some attempts have been made to improve collaboration with PFP2, for

example, training and linking carpenters with buyers through the Afrifurniture project of PFP2, but the collaboration was never realized. FORVAC has also trained district officers and the service provider SEDIT on the ‘SME development manual’ that was prepared by PFP2. The principles of the manual have been applied in micro-business support activities. FORVAC also adopted the VLUP methodology developed and supported by the PFP2 land use planning expert. Finally, staff from FORVAC, including the new Chief Technical Advisor (CTA) have visited the Forest and Wood Industries Training Centre (FWITC).

Coherence of forestry programmes with other supported programmes

The forestry programmes contribute directly to Impact area 2 of the Country Programme, Improved forest-based livelihoods and climate resilience. Apart from the programmes, other initiatives in this area include:

- Policy dialogue bilaterally and as part of the EU and the donor community with focus on sustainable forest management, business environment, improving forest governance, low carbon development, improving coordination and access to data and knowledge.
- Synergies with some local, Finnish and international NGO activities as well as with some work of Finnish-Tanzanian academia and regional initiatives.

These support activities are extremely relevant in the context of the existing programmes and the new programme, as they relate directly to some of the identified challenges with respect to forest governance and implementation of Tanzanian forest policies to strengthen the enabling environment for forestry, a more effective value chain approach and business environment, and improved data of the forestry sector for planning and monitoring purposes. Furthermore, the linkages and synergy with other stakeholders, including supported NGOs, academia and other institutions are highly relevant. NGOs can play a stronger role in advocacy, which especially for CBFM is important.

However, the level of implementation of these activities separately from the programmes is not entirely clear. ERET got the impression that much of the bilateral policy dialogue has been undertaken directly in the context of the programmes. Also the collaboration with academia or Finnish institutions took mostly place in direct connection with- or as part of the programme implementation. On the other hand, the collaboration of the programmes with NGOs supported through Finnish development cooperation, such as WWF, does not appear very strong.

The relevance of the Country Programme activities related to Impact Area 1, Inclusive development through active citizenship, is high for the forestry programmes, including NGOs working to protect human rights and the civic space in Tanzania, support to gender equality and women empowerment, and support to increased tax efficiency. All these aspects are directly related to some of the forestry programmes’ support strategies (HRBA, CCOs, community-based institutional strengthening) and encountered challenges. Increased efficiency of taxes could contribute to greater reinvestment in the forestry sector, which will enhance sustainability of the programme results. Apart from the relevance of these activities for the programmes and the fact that both PFP2 and FORVAC work with NGOs, their direct connection with the Country Programme Impact 1 activities is not so clear¹⁶.

2.2.2 Coherence with other initiatives (external coherence)

PFP2 collaborates with many private and public sector institutions including government at regional, district and village levels¹⁷. The nature of collaboration varies. While some are direct stakeholders in implementation

¹⁶ During the early phase of FORVAC there have been some issues in the relationship with WWF regarding some activities but these were resolved. WWF recently organised a workshop on GN 417, for which FORVAC was not invited. This could have been an oversight or an indication that the relationship is still not strong.

¹⁷ Such as NLUPC, TFS/DSTP, FITI, FTI, TASAF, TTGAU, RLabs, SHIVIMITA, African Forestry, SUA, Mkaa Endelevu, SDHI, GRL, University of Finland, Finnpartnership (Leapfrog), FDT, TLTA, TAFORI, OSHA, VETA, SIDO, and others.

(or duty bearers), others are contracted as service providers. In addition, the programme participates in policy dialogue and networking platforms, for example having played a role in the Iringa Forest Investment Forum. Other development partners are not involved in supporting plantation forestry in a substantive manner. The Forestry Development Trust (FDT) used to provide support to smallholder tree growers and nursery owners, which, during PFP1 led to some issues due to conflicting approaches and duplication of activities. However, after the role of FDT had changed, there were no conflicts in development approaches¹⁸.

With respect to FORVAC, various other donors provide support to the natural resources sector, although Finland has been the major donor on forestry for many years. Currently, not many CBFM-related programmes are on-going, only the EU funded Beekeeping Value Chain Support Project (BEVAC) managed by the Belgian Development Agency (Enabel) and possibly others.

FORVAC collaborates with many other institutions through the organisation or participation in fora such as the Liwale Investment Forum, or MJUMITA's annual forum, but also through contracting organisations as service providers, such as Mpingo Community Development Initiative (MCDI), one of the prominent service providers on CBFM for FORVAC and implementing a group certification scheme under FSC for many years in Kilwa District, Lindi Region. MCDI is also one of the implementing partners for other donor organisations, including WWF Tanzania. By engaging with MCDI, FORVAC has supported the expansion of the MCDI protocols to a larger area in Tanzania. In addition, FORVAC has been collaborating with many other national institutions. The support and approach of FORVAC is well in line with other initiatives on CBFM in the country. Despite being unable to play a main role in lobbying for removing some obstacles to CBFM, such as the Government Notice 417, FORVAC liaises closely with NGOs and private sector organisations that represent the interest of communities involved in CBFM.

TTGAU, in its role as an umbrella organisation representing the interests of TGAs, is involved in various policy platforms and collaborates with different institutions. TTGAU is also supported by various funding agencies through different projects. Some of the projects, including TOSP, include aspects of institutional strengthening of TTGAU itself.

NFC and KVTC have their commercial partners but are also represented in other platforms, such as African Forestry (AF), a professional, non-governmental and non-profit member-based organisation aimed at the development of the forestry industry sector and responsible forest management.

2.3 Efficiency

2.3.1 PFP2

Implementation progress

The ERET 2021 review found that PFP2 experienced substantial delays in the start-up phase and the first year of implementation due to problems associated with the recruitment of staff and as a result of the spread of the COVID-19 pandemic. In addition, the strategy to start in the Makete forest industry cluster before extending to Mafinga and Njombe forest industry clusters contributed to a late start in the latter clusters. After a decision of the PSC in its third meeting (3 December 2020) to change the strategy, implementation in Mafinga and Njombe forest industry clusters was accelerated. However, the ERET 2021 report concluded that progress was still unsatisfactory. Some inception phase activities were still not finalised and at mid-way of the AWPB 2020/2021 implementation period, few activities were completed, and many others had not yet started.

¹⁸ FDT has now come to an end.

The 2022 MTE showed a quite different picture. Although Makete cluster still seemed advanced, because of its earlier start, programme implementation had improved in all clusters. The semi-annual progress report (July-December 2021) and ERET's observations clearly indicated that the pace of implementation had picked up. But the progress of result 1, related to plantation management, appeared more advanced than that of result 2, focusing on SME development. Due to delays in the first years, overall progress was still behind the planned achievements.

In 2022/23 further good progress was made. The PFP2 semi-annual progress report July-December 2022 indicates that most planned activities were on track, with some indicators already surpassing the annual target halfway through the year. However, a few activities were still delayed and underachieved. Although result 2, especially through the support of the contracted International Forest Products and Processing Expert (IFPPE) received more emphasis, the number of trained SMEs remained significantly lower than the annual targets that had been set. This was partly due to the applied strategy. The IFPPE first capacitated the PFP2 extension staff before training primary processing SMEs, focusing on basic but critical skills to increase safety and efficiency. As it was not considered practical to engage all the SMEs, only a select group in each cluster was identified using the PFP2 SME database. At the start of ERET 2023, four courses had been delivered in the three PFP2 clusters. In addition, another reported reason for the low numbers of trained SMEs is the priority the programme put on IFM in the first two quarters of 2022/23, which required major inputs from the PFP2 extension and training staff. On the other hand, the annual targets also seem very high, which were based on the balance of the overall programme targets that were not yet met in the previous years. The question is if these targets can be realistically achieved in the remaining period.

With respect to efficiency, it can be concluded that the Afrifurniture project¹⁹ was over-ambitious. Although most interviewed people do not consider it a failure, as important lessons have been learned and prototypes are ready to be further adopted by interested entrepreneurs, the fact is that the project required substantial inputs and resources from PFP2 that possibly could have been spent on other activities that are closer to the realities of most SMEs.

Cost effectiveness

Table 44 presents the budget and expenditures for the entire programme period and for AWPB 2022-2023, representing the costs until December 2022.

At 38% of the AWPB 2022-2023 implementation period (December 2022), 55% of the overall budget had been spent. The operational costs (activities only) stood at 51% with relatively more spent on result area 1. These figures are in accordance with the implementation progress reported. The following three budget lines were overspent:

- Output 1.1 due to operational costs related to TGA strengthening, mainly daily subsistence allowance (DSA) and transportation.
- Output 1.4 due to district councils assigning more extension for IFM training than was anticipated, and the costs of materials.
- Operational costs for vehicles due to increased fuel prices, maintenance required and unbudgeted insurance for the mobile training unit.

Although the expenses look high (the AWPB 2022/23 is actually 16 months) it should be noted that the programme will slow down towards the end to prepare for the exit with staff gradually staff being phased out.

¹⁹ The project aimed at designing a modern furniture selection for the young middle class customers in Dar es Salaam, based on eucalypt wood that could be produced by local carpenters and packed in flat packs for transportation. A market study was undertaken, and prototypes were designed.

At 79% of the entire programme implementation period (December 2022), 86% of the overall budget had been spent of which 91% of the (direct) implementation costs and 78% of the indirect costs (TA and admin). It is understood that some TA costs have not been reflected yet and will be included in the next quarter.

Overall, the utilisation rate of the funds appears more or less in line with the reported implementation progress, although slightly higher. It is a concern that the entire budget for output 1 and the operational vehicle budget was already utilized by December 2022, leaving 10 months until the end of the year (or at least six months until some staff contracts expire at the end of June). Some major causes and actually risks for the remaining period are the increased (doubled) daily subsistence allowance rates for government staff, and price inflation on fuel and living costs.

Table 4 Budget and expenses PFP2 in Euros

Description	Programme Budget	Expend. 2019/20	Expend. 2020/21	Expend. 2021/22	AWPB 2022/23			Cum. Exp.			
					Budget	Exp Dec 22	% Used	Balance	Cum. Exp.	Balance	% Used
Result 1: Tree growers establish and manage plantations	2,367,551	126,037	816,664	962,800	462,052	305,830	66%	156,222	2,211,331	156,220	93%
Output 1.1 Private forestry organizations are strengthened	567,207	59,785	352,327	124,101	30,994	34,097	110%	-3,103	570,310	-3,103	101%
Output 1.2 Stakeholders capacity in tree growing has been strengthened	1,088,326	64,799	260,089	481,516	281,922	168,312	60%	113,610	974,716	113,610	90%
Output 1.3 Tree growers' access to forest finance increased and diversified	6,179	977	1,309	1,694	2,200	0	0%	2,200	3,980	2,199	64%
Output 1.4 People have increased capacity and resources to manage fires	107,081	0	6,978	33,869	66,235	72,393	109%	-6,158	113,240	-6,159	106%
Output 1.5 Strengthened communication	234,714	476	86,372	91,965	55,901	23,987	43%	31,914	202,800	31,914	86%
Output 1.6 Institutionalization of private forestry	364,044	0	109,589	229,655	24,800	7,041	28%	17,759	346,285	17,759	95%
Result 2: SMEs establish and manage processing enterprises	1,651,808	52,303	258,361	682,248	658,897	269,705	41%	389,192	1,262,617	389,191	76%
Output 2.1 Capacity of SMEs and their employees strengthened	869,906	36,601	194,661	310,997	327,647	77,789	24%	249,858	620,048	249,858	71%
Output 2.2 Increased access of SMEs to financing	39,797	0	12,175	15,023	12,600	2,674	21%	9,926	29,872	9,925	75%
Output 2.3 Improved quality of products along the processing value chain	660,774	6,087	30,636	330,901	293,150	173,633	59%	119,517	541,257	119,517	82%
Output 2.4 Improved communication SMEs, wood producers and clients	81,331	9,615	20,889	25,327	25,500	15,609	61%	9,891	71,440	9,891	88%
Total operational	4,019,359	178,340	1,075,025	1,645,048	1,120,949	575,535	51%	545,414	3,473,948	545,411	86%
Procurement costs +operational costs vehicles	1,648,341	153,293	642,112	554,075	295,940	321,969	109%	-26,029	1,671,449	-23,108	101%
External audit	10,000			2,575	10,000	0	0%	10,000	2,575	7,425	26%
Tree outgrower scheme project	30,000	0	5,692	9,713	14,595	6,459	44%	8,136	21,864	8,136	73%
TOTAL IMPLEMENTATION	5,707,700	331,633	1,722,829		1,441,484	903,963	63%	537,521	5,169,836	537,864	91%
Contingency	0									0	
INDIRECT COSTS - TA all costs	3,692,300	470,442	869,025	895,661	1,398,474	655,847	47%	742,627	2,890,975	801,325	78%
TA fees	2,338,500	283,773	567,247	453,857	974,924	449,593	46%	525,331	1,754,470	584,030	75%
TA admin costs	1,353,800	186,669	301,778	441,804	423,550	206,254	49%	217,296	1,136,505	217,295	84%
TOTAL PROGRAMME COSTS	9,400,000	802,075	2,591,854	895,661	2,839,958	1,559,810	55%	1,280,148	8,060,811	1,339,189	86%

Source: Adapted from PFP2 (2023) Semi-annual report July – December 2022.

Assessing value for money is challenging as it would require assessing the adoption rates and quality of plantations with regards to result 1 and the improved business ventures of SMEs for result 2, and valuing the outputs now and in the future. In addition, other factors related to climate change mitigation and carbon offset, as well as social/livelihood benefits would have to be taken into consideration. It might be a useful exercise to be conducted at the end of the programme.

Management, including M&E

Human resources

Compared to other projects, PFP2 has contracted a relatively large number of staff and also supports and collaborates with LGA staff to play a role in the implementation. This seems to work out reasonably well. Positive comments and observations were made during ERET field visits. Extension officers remain well appreciated by beneficiaries and appear quite effective. District extension staff are actively involved in various aspects of the programme, such as community mobilization, TGA formation and strengthening, forestry extension and support to SMEs. The support to IFM by the Regional Commissioners (RCs), District Councils (DCs) and Town Councils (TCs) is particularly important to mention.

The programme activities are to some extent integrated into district plans and some districts facilitate access to interest-free loans for TGAs and SMEs, and help TGAs to prepare project proposals to apply to the Tanzania Forest Fund (TaFF) for grant funding. The involvement of the LGAs increases the sustainability of the programme approach, although several challenges remain, regarding funding and human resources to continue adequate forestry extension. A substantial part of the districts' internally generated revenues derive from the forestry sector (40% to 80%) but a minimal proportion is reinvested (around 2%). Although some improvement was reported this year, districts have very few resources for forestry extension and support.

Also the staff working with PFP2 such as District Forest Officers (DFOs) and Community Development Officers (CDOs) have limited mobility and are quite dependent on resources provided by the programme. Agricultural Extension Officers at village and ward level are also involved in the programme. Some are provided with project resources that have been useful, such as motorbikes. They are strongly supporting the TGAs, but also have to attend to their own agricultural programme and work plans. Nonetheless, the integration of LGAs in the programme can be considered very important.

Management

The ERET team considers that, although a few specific issues were identified in the first years, the programme implementation is well managed by the PMT. As also noted in the KPMG audit report of 2022, in many respects, PFP2 follows sound financial management practices and adheres to the requirements of the Programme Implementation Manual (PIM), the PD, and the MFA manuals and agreement. Compared to previous years, which were affected by delays, quite some improvement can be observed. The programme is catching up and the last year's replacement of the IFPPE has contributed to improved implementation of result 2, although the achievements are still below the targets.

The Programme Steering Committee (PSC) is regularly convening to guide the programme implementation. The twelfth PSC meeting was conducted on 17 February 2023. Although important issues are discussed, the ERET repeatedly found that there is a tendency of the PSC focusing too much on detailed aspects of the programme implementation instead of emphasizing strategic guidance and addressing key barriers at the higher policy level. According to the embassy, the PSC has lately started to play a more strategic role. The minutes of the 12th PSC meeting indicate that indeed detailed implementation issues were not part of the agenda. There are however many other key issues to be addressed at national level with respect to the sustainability of PFP2's results, which are not considered. These are the increasing complexity and costs for land use planning (of VLUPs that still have shortcomings on the integration of environmental and biodiversity concerns), the very low reinvestment of LGA revenues derived from forestry activities to the forestry sector and inadequate human resources, issues related to changes in wood industry markets and opportunities for EWP, and other factors related to creating a better enabling environment. There are many aspects that are beyond the mandate of the programme but that the PSC can support to bring to the political agenda.

M&E

The programme's M&E system is relatively well developed, guided by an M&E plan and including various data collection forms and tools with respect to TGAs, FMPs, demo plots, SMEs, training-related events and other activities. The data are recorded through different platforms/tools, ranging from ODK (Open Data Kit - Android based mobile) applications to hard copy forms. The M&E expert collaborates closely with the land use planning and IT experts, creating a competent team of experienced staff.

The data include spatial information and support reporting on RBMF indicators.

The improved RBMF requires to report on indicators at various levels of disaggregation (i.e. by cluster, gender, age, elected/public official, disability, vulnerability, and other criteria depending on the type of indicator). While this is a very good approach, reporting and monitoring of disaggregated data reflecting PiVP appears sometimes difficult.

The ERET 2022 recommendation to implement outcome surveys as mentioned in the M&E plan had been followed in 2022 and is planned for 2023. In order to understand the level of adoption and outcomes at beneficiary level, this is extremely important. It would also be needed to be able to differentiate the different adoption levels – including also adoption of Best Operational Practices (BOP) by the trained TGA members beyond their supported plots and also adoption by other non-TGA members.

2.3.2 FORVAC

Implementation progress

The ERET 2021 MTE found that FORVAC experienced substantial delays in the start-up phase and the first year of implementation due to a replacement of the CTA, the relocation of the programme office from Dar es Salaam to Dodoma and the COVID-19 pandemic. The inception period started in July 2018 and continued up until February 2019. In March 2019, a bridging period started (although officially part of the implementation phase), which ended in July 2019. The replacement of the CTA took several months and eventually the Value Chain Development Advisor (VCDA) was selected to assume the CTA position by the end of July. Implementation really took off from July 2019. The programme office was relocated to Dodoma within MNRT premises. Especially the CBFM activities and value chain development (output 1) were below the set targets. ERET concluded that the programme had established the foundation but given the short time remaining there was a considerable risk that the expected outcome would not be achieved. ERET therefore recommended to explore the options for extension of the programme for two years (starting from July 2022), making use of the option included in the contract with FCG, which allowed for an extension of a maximum of 24 months, using the existing contract and programme set-up to enable the current team to achieve sustainable results and make up for the delays experienced.

Although the RBMF, which was still used by the programme for the AWPB of 2021/22, provided serious limitations for monitoring progress, in 2022, ERET found that the programme implementation had accelerated and appeared on track for some activities. But overall, the implementation was still delayed and behind the targets and expected results. ERET concluded that without extension, many targets would not be achieved within the remaining programme period. The extension was formally approved shortly after the ERET report was submitted.

The ERET 2023 found that overall progress was satisfactory, despite a change of CTA. With respect to output 1, the reported progress on VLFR establishment and mobilisation was good, with most output indicators showing over 80% achievement against the programme targets. The planned value chain activities listed in the AWPB 2022/23 were also well on track although the number of forest-based businesses remained far below the targets. Timber production comprises the main value chain. While the Annual Work Plan and Budget (AWPB) did not establish any specific targets (as these are regarded more as outcomes of CBFM support activities), FORVAC successfully facilitated the production and sale of 5,074 m³ of timber, amounting to TZS 1,404,987,336 (EUR 561,995) in supported villages between July and December 2022. Nearly all (99.5%) came from the Lindi Cluster. The piloting of the sustainable charcoal model in Handeni District was planned to be undertaken in two villages but only proceeded in Kwedikabu Village as a conflict of land-use interests in Mazingara Village took place and the programme had to be abandoned.

Beekeeping was a major supported value chain in the Tanga Cluster. FORVAC continued collaboration with Swahili Honey, supporting beekeepers from Handeni, Kilindi and Mpwapwa Districts. With respect to micro-business support, beekeeping is also the main enterprise, comprising 62% of all supported groups, and 60% of all individual/shared enterprises. This is followed by carpentry and bamboo production.

Outputs 2, 3, and 4 also showed satisfactory progress, but some activities in the AWPB 2022/2023 were not reported on in the semi-annual progress report of July-December 2022 and others had not yet started. In addition, some of the tables in the report show some inconsistencies. This has been a recurrent issue in the FORVAC progress reports and provided monitoring data.

Cost-effectiveness

By the end of December 2022, 62% of the AWPB 2022/23 annual budget for operations and management was used, which shows a slight over-expenditure at 50% of the implementation of the AWPB. It is concerning that the budget for output 2 has already been completely used (113% of the annual budget spent).

However, for TA and project expenses/reimbursable costs, the expenditure was only 28% of the annual budget. The main reason seems to be under-expenditure on short term experts. Also, for the international Value Chain Development Advisor, only 25% was used. Other TA fees are more in line with expected use, mostly between 40-50% of the annual budget.

Considering the financial performance of the entire programme budget and expenditures over the years, the following conclusions can be drawn (Table 5):

- At 75% of the programme period, over 89% of the operational budget on programme activities has been spent, and 70% of the programme management and other costs (of which management alone accounts for 81%). While the latter is in accordance with the expected expenditure level, the budget for the activities has almost been spent, especially for outputs 1 (91%) and 2 (93%), which comprise the bulk of the budget. The high expenditure rate is caused by several factors, of which some are similar to the ones mentioned for PFP2: e.g. (i) changes in the exchange rate change between Euro and Tanzanian shillings, (ii) increased inflation, and (iii) substantial increase in government DSA rates. In addition, capacitating villages to run a sustainable timber business required more resources than anticipated. Finally, some payments were carried forward from the previous year.
- Finally, the TA expenditure is at 71% of the budget and only 28% of the AWPB 2022/23. The main cited reason is that the programme had put emphasis on working through service providers whilst TA support was earmarked for later in the year. According to the programme, “the service provision contracts required significant managerial and administrative input from the small FORVAC team”. However, it is questionable if the TA will be (efficiently) used. While the operational budget is being spent rapidly, the TA budget might not be fully used before the end of the programme. Creative solutions should be sought to make effective use of the TA component.

Table 5 Financial performance until December 2022

Description	Budget	Used Years 1-4	Budget Year 5	Used Year 5	% used Year 5	Balance Year 5	Cumul. used	Cumul. % used	Cumul. Balance
CONTRACT									
<i>Programme activities</i>									
1. Improved VC and increased private sector involvement									
1.1 VLFR establishment and mobilisation	2,018,992	1,714,546	314,400	169,277	54%	145,123	1,883,823	93%	135,170
1.2 Value Chain Development	2,061,774	1,542,034	365,480	288,537	79%	76,943	1,830,571	89%	231,203
	4,080,767	3,256,580	679,880	457,814	67%	222,066	3,714,394	91%	366,373
2. Stakeholder capacity forestry VCD enhanced									
2.1 Capacities of VCs and VNRC to implement CBFM and VCD	1,212,578	936,342	190,800	278,455	146%	-87,655	1,214,797	100%	-2,219
2.2 Capacities to support and monitor CBFM/forest and VC	511,098	361,458	78,400	24,549	31%	53,851	386,007	76%	125,091
2.3 Forest VC/market systems and business in training institutes	241,146	214,032	13,600	16,823	124%	-3,223	230,856	96%	10,291
	1,964,823	1,511,833	282,800	319,828	113%	-37,028	1,831,660	93%	133,163
3. Functional extension, communication, monitoring & MIS									
3.1 Extension and communication	313,874	220,199	36,840	17,489	47%	19,351	237,688	76%	76,186
3.2 Monitoring and MIS	261,132	168,448	72,800	27,310	38%	45,490	195,757	75%	65,375
	575,006	388,647	109,640	44,798	41%	64,842	433,445	75%	141,561
4. Supportive legal and policy frameworks forest VC and SFM									
4.1 Improved policy and regulatory framework for forest VCD	538,784	423,872	79,300	23,012	29%	56,288	446,883	83%	91,901
4.2 Forest law enforcement, and trade legally sourced timber	98,168	12,807	24,000	29,003	121%	-5,003	41,810	43%	56,358
	636,952	436,679	103,300	52,015	50%	51,285	488,694	77%	148,259
Subtotal Programme activities	7,257,548	5,593,738	1,175,620	874,455	74%	301,165	6,468,193	89%	789,355
Management and other costs									
Programme management	1,956,654	1,451,920	291,960	125,926	43%	166,034	1,577,846	81%	378,808
Contingency and TA briefing	173,980	21,742	39,525	0	0%	39,525	21,742	12%	152,238
Support staff	578,813	259,562	160,000	39,047	24%	298,609	298,609	52%	280,204
	2,709,446	1,733,224	491,485	164,972	34%	205,559	1,898,196	70%	811,250
GRAND TOTAL CONTRACT	9,966,994	7,326,962	1,667,105	1,039,427	62%	506,724	8,366,389	84%	1,600,605
TA & REIMBURSABLE COSTS									
TA	3,184,929	2,105,977	645,005	166,810	26%	478,195	2,272,786	71%	912,143
Project expenses, reimbursable costs	998,077	568,538	142,400	50,885	36%	91,515	619,424	62%	378,653
TOTAL TA & REIMBURSABLE COSTS	4,183,006	2,674,515	787,405	217,695	28%	569,710	2,892,209	69%	1,290,797

Source: adapted from FORVAC Semi-annual report July – December 2022

Management, including M&E

Human resources

Compared to PFP2, FORVAC has relatively few TA and programme staff, and relies much more on the support provided by contracted service providers. The programme design poses some challenges for the efficiency of operations due to the huge geographic area, the relatively limited human resources, and the participatory approach, involving all districts in the planning aspects. Within the limitations of the design, the FORVAC PMT has used its resources and organised the work reasonably efficiently. The Cluster Coordinators play a key role in coordinating and facilitating implementation in their areas. The use of service providers for the implementation of the CBFM related activities can also be considered efficient although the quality of implementation varied (see section on effectiveness).

Although feedback from the ERET consultations generally showed satisfaction with the quality and support provided by FORVAC staff, ERET observed a few issues. The first is the fact that the added value of FORVAC compared to previous CBFM programmes is its increased focus on the value chain aspects, but this was not well reflected in the programme's allocated human resources. The international VCDA was only given a medium-term contract. Especially this area needed further development and high quality expertise to lead the process. The ERET 2021 and 2022 findings identifying a need for increased value chain TA were again confirmed in the 2023 review. Since the previous VCDA's contract expired, the part-time value chain advisor who was hired for some work in 2022 was an expert in community development and mind-set trainings, while the programme still lacked expertise in business development and market access.

Second, in the extension phase only two Cluster Coordinator positions, who are directly supervised by the National Forest Management Expert, were maintained. Given such a small programme, the efficiency of this set up can be questioned. Especially Lindi Cluster covers a huge area with many communities being supported on CBFM and where the most timber harvesting activities are taking place. It is very difficult for the Cluster Coordinator, based in Ruangwa District, to coordinate and monitor all activities with the service providers. Reportedly, he spends on average four days in Liwale District every month. Considering that many activities are happening in that district, covering 52 supported villages with the last half year already 25 villages having been involved in timber production and sales, the adequacy of the set-up can be questioned. The rationale for maintaining the National Forest Management Expert position while there is such a need for more staff in the field, is not clear. With such a small team, it might be more efficient to have one more Cluster Coordinator in Lindi Region instead, with one coordinator being based in Liwale District who could directly be supervised by the CTA. The current structure seems overly bureaucratic.

Management

Interviews with key stakeholders indicate that the PMT, despite the change of CTA, has been quite functional and many of the practical issues that hampered programme implementation have been adequately addressed. A review of the steering committee meetings minutes suggest that generally adequate follow-up was provided and action taken by the programme on the resolutions. However, the ERET review found that a number of the ERET recommendations were not followed up.

According to the data provided, nine steering committee meetings were conducted since the start of the programme. As mentioned in the ERET MTE and annual reviews, the steering committee meetings are more technical and detailed with respect to the programme strategies and implementation. The ninth PSC meeting shows representatives of value chain actors, including Tanzania Honey Council -THC, Tanzania Wood Working Federation – TAWOFE, Tanzania Forest Industries Federation – SHIVIMITA, and Tanzania Apiculture Development Support Organization and also Tanzania Forest Working Group - TFWG. These stakeholders are important but there are many issues to be debated of a more policy/regulatory nature. As also commented for the PSC of PFP2, there seems to be a tendency of the PSC to focus on detailed programme implementation issues at the expense of more structural aspects related to the enabling environment of CBFM, including the feasibility and sustainability of some processes like VLUP, FMP, or

VLFR gazettement, implications of policies and regulatory functions regarding timber harvesting and trade (GN 417, role of districts, pricing), and other aspects related to the value chain development.

M&E

In terms of M&E, the comments and observations made in the MTE and the 2022 review still applied for 2023. The programme had established a MIS system that covers monthly activity progress reporting by cluster and contributes to the quarterly reports. Although the system is useful in keeping track of the activities, it is also very descriptive.

Data management remained a very weak area throughout the FORVAC implementation. Despite recommendations made in all ERET reviews, the programme does not have a georeferenced database for each village that exactly tracks the relevant information regarding the village (population, geographic info, some basic data), VLFRs, VLUPs, FMPs, FHPs, VNRCs, VSLA's, VCs, status before the programme, support provided by FORVAC, etc. While it is appreciated that the programme has few resources, the excel files and tables presented in the progress reports and data provided by Cluster Coordinators or the villages themselves show several inconsistencies. Most of the monitoring data in the field are provided through progress reports by the service providers, which are also not linked to a programme database. Even simple maps with the names of the supported villages were not available. However, MCDI claims to have a georeferenced management information system, which could be filtered by donor funded programme. While ERET did not have an opportunity to review their system, according to MCDI, the system could be used by FORVAC.

Regarding monitoring activities in the field, Cluster Coordinators conduct some monitoring and occasional joint monitoring exercises are undertaken, but overall, programme monitoring remains rather weak. The service providers' work relatively independently, and there is limited information on their operations outside their progress reports. Cluster Coordinators have limited resources for monitoring in the field.

Finally, no outcome measurements are undertaken and furthermore, the programme includes several impact indicators that are difficult to measure and for which the programme does not have any data (neither baseline). Since the CBFM concept and effectiveness are questioned by some politicians and TFS, it is extremely important that the impact of CBFM as supported by FORVAC is clearly shown. It is acknowledged that the programme resources are limited but this area needs improvement and for a next phase more resources would be required on M&E.

2.3.3 TOSP - New Forest Company

Implementation progress

The ERET 2021 review showed that NFC experienced some delays in the programme implementation. Due to the COVID-19 pandemic, some field activities were suspended for some weeks and unusually high levels of rain also affected the implementation. Especially the plantation development (output 3) was negatively affected, resulting in approximately 300 ha being planted instead of the targeted 600 ha.

Good progress was made in 2021/22 to catch up with the shortfall of 2020/21. For most results, the planned and revised targets for the year were met and some achievements even surpassed the 2021 targets with respect to beneficiaries trained, seedlings distributed and woodlot areas planted. At two thirds of the programme implementation, most cumulative achievements were 66% or above. As a lesson learned from 2020/21, when NFC relied only on requests for seedlings by the outgrowers, which contributed to an overestimation of area to be planted, for 2021 pre-planting mapping of all plots was conducted to verify the exact size of the area to be planted and the quantity of seedlings required. Through the use of GPS, all outgrower woodlots were measured and the tree grower's expected planting area calculated. The data were entered into the Microforest application, so that growth and yield models of timber trees could be forecasted. The mapping provided a far more accurate base for seedling distribution.

In 2023, ERET was only requested to do a sustainability analysis, but the completion report of NFC, and consultations with NFC staff indicate that again good progress was made in the last year. All output indicators were achieved or exceeded, except for the establishment of TGAs (nine against targeted 20). This was basically due to unrealistic planning, as 18 TGAs existed already in the 18 supported villages and there was no scope for creating additional ones.

The NFC-TOSP project assisted tree out-growers in establishing plantations on their farmland while also implementing best silvicultural practices. The planting targets were exceeded. A total of 3,038,537 seedlings were provided against a target of 2,400,000 and over 1,849.32 ha of plantations were established. In total, the project trained 2,715 community members and supported 915 outgrowers (against a target of 800), comprising 694 men and 221 women.

Cost-effectiveness

The project had a total budget of EUR 1,458,980, co-financed by NFC and MFA for three years. In 2020, there was an under expenditure of EUR 82,152 due to the suspended activities that were affected by COVID-19 pandemic. In addition, some of the costs were considered by MFA as ineligible expenditure.

According to NFC's financial report during the 2021 financial year, the project had planned to utilize a total budget of EUR 573,168, of which EUR 327,767.86 deriving from MFA and EUR 245,400 from NFC's own contribution. Almost the entire budget was spent, 99% of MFA's contribution and 100% of NFC's budget.

By the end of the project a total of EUR 1,461,499.85 was spent, which is slightly above the budget. A total of EUR 732,235.85 was spent on the MFA budget while NFC's contribution was EUR 730,564.00.

Taking all MFA costs into account, EUR 396 were spent on each hectare of plantation establishment and management. Considering the value of the products at harvesting time, this can be regarded a good investment and value for money.

Management, including M&E

The project was managed under the Corporate Social Responsibility (CSR) department.

In 2020/21 the NFC TOSP got a new Outgrower Programme Manager. Although the set-up of the team appeared adequate, there had been issues related to the financial management, as discussed above. In order to improve data management a Database Administrator was contracted.

In 2021/22 apart from the Outgrower Programme Manager and Database Administrator, NFC had 12 dedicated staff to the TOSP. This includes a Community Development Officer, a Field Officer, a Silvicultural Officer who supports the entire extension team, and nine Community Liaison Officers. The woodlot mapping appeared more time consuming and resource demanding than anticipated but its relevance was acknowledged, also for follow-up monitoring.

The same team managed and implemented the project in the last year. Overall, management has been satisfactory.

In terms of M&E, the pre-planting and post-planting mapping contributed to a georeferenced database of beneficiaries, seedlings provided and area planted. Field staff was responsible for the day to day monitoring and assessments of adoption.

2.3.4 TOSP – TTGAU

Implementation progress

The ERET 2021 review found that due to various reasons (late start, the COVID-19 pandemic, and late disbursement of MFA funds) delays were encountered in the implementation and some achievements were below the expected targets, especially for plantation establishment, which stood at 1,347.6 ha for two planting seasons or 27% of the project target.

Due to delays and issues experienced in the first two years of implementation, most of the TOSP targets were revised and substantially reduced. Apart from the delays also limited financial and human resources of TTGAU were cited as a reason. For example, the expected area planted was reduced from 5,000 ha to 3,500 ha. But also indicator targets related to output 1 (institutional strengthening) were significantly lowered. In 2021, TTGAU changed its approach of nursery management from being managed by TGAs to contracting individuals to do the work. Initially, the idea was to support and train TGAs to establish and manage their own nurseries and consider the labour of the TGA members as their contribution to the programme. However, TTGAU found that the approach did not work very well due to low commitment and weak management resulting in poor outputs. The changed approach, with TTGAU supervising and paying for the nursery management, provided much better results and the ERET 2022 review found that good progress was made in seedling production.

After the ERET review in 2022, apparently the targets were further reduced, with planting targets now put at 3,000 ha. The change to the nursery approach increased the costs of implementation that might have affected other planned activities. Apart from the issues encountered, planning at the design stage might also have been over-optimistic, not adequately taking into account the resource requirements for implementation.

During the ERET 2023 review no final figures were known on the actual area planted in 2023, so it was not possible to assess progress on area planted. The number of seedlings produced had already surpassed the project target, but they were not all planted. TTGAU mentioned some challenges that caused mortality of seedlings. A delay in the onset of rains led to shorter planting time and most of tree seedlings were overgrown due to prolonged time at the nursery. This contributed to a loss of quality and mortality of seedlings. Transportation of seedlings contributed to further mortality. Although some issues were found in the reported figures, overall progress was considered satisfactory with most revised targets being met.

Cost-effectiveness

The 2021 ERET review found that there was some under expenditure of the MFA budget due to the delays. In 2022 about 88% of the MFA annual budget was spent and 79% of the TTGAU part was used. In 2023, ERET could not undertake a detailed analysis as the annual report is not very clear with respect to the financial aspects. The information provided in the budget and resources section is limited in the sense that it does not give an explanation of what was planned and used. According to TTGAU the implementation was affected by increased costs of fuel and the changed exchange rate between the Euro and Tanzanian shilling. One of the issues that is also mentioned in the KPMG audit reports is that TTGAU for its self-financing part of the TOSP project depends on the revenue generated from other projects. TTGAU has agreements with other donors to implement projects and charges a management fee for the work undertaken with the other donors, ranging from 15-30%. However, the self-financing capacity of TTGAU remains limited and the income received from other donors might not be sufficient to entirely cover the 50% co-contribution requirement. The KPMG audit reports indicate that that TTGAU's self-contribution was 27% in 2020 and 47% in 2021.

Management, including M&E

TTGAU is managed by a Board of Directors, which is responsible for quality control of the work and end result of the project and is accountable to an all members' Annual General Meeting (AGM). The Board sits once in every three months while the AGM is held once in a year. At organization level, the project is being managed by the executive committee (EC) on behalf of the Board. To ensure smooth functioning and delivery of services, the Board has delegated responsibilities to the Secretariat which is supervised by the general manager (GM). Although ERET was not able to assess the actual functioning of the Board and AGM, the KPMG audit listed a number of risks that needed to be addressed. The KPMG report of 2022 indicates that TTGAU has improved its capacity and processes since the previous KPMG review. This includes improved financial management routines. However, the report also indicates that TTGAU has not followed up on some of the 2021 recommendations. According to TTGAU, they have taken action but it was not possible for ERET to verify the extent to which the identified risks and recommendations have been addressed.

TTGAU collaborates with different stakeholders, such as local governments and TFS. TTGAU has extension staff only in certain areas. ERET found that TTGAU has dedicated but few extension staff and their mobility is compromised. TTGAU in general has limited capacity and resources to provide quality services to all TGAs and respond to all demands. ERET, from the field observations, has the impression that some activities are concentrated, combining support from different programmes in the same villages.

Although TTGAU receives support from various donor organisations, its capacity remains relatively limited. As compared to other TOSP programmes, TTGAU's area of operation is much larger while their resources are relatively small. Given the limited resources, implementation of TOSP has been satisfactory.

Monitoring is weak due to limited human resources. TTGAU keeps records of the TOSP beneficiaries, but a regular follow-up of all tree growers is not possible and pre- and post-planting mapping/verifications were not conducted. TTGAU discussed the issue with MFA, and it was agreed that due to the limited budget, the activity could not be undertaken.

2.3.5 TOSP - KVTC

KVTC was only reviewed by ERET in 2021 when the programme supported 46 beneficiaries in establishing plantations, covering an area of 111.5 ha. Half of them (23) comprised women, including four widows and one person with disabilities.

The project ran into several problems in 2020. The onset of COVID-19 slowed down all operations but more importantly some management-related issues arose that had a significant impact on the programme. In April 2020, management appointed teams of foresters to inspect the established areas as there were suspicions that the TOSP guidelines were not followed. Several issues were found:

- Not all the areas declared as planted had been planted.
- Some of the plots had been established on unsuitable sites, including land converted from natural woodlands.
- Inter-cropping occurred on some plantations.
- Weeding was done but not all of it was up to KVTC's standards and tree survival was generally low.

In addition, some project participants came forward and claimed that they had not been paid for work done. All these cases were investigated and project participants with valid claims were paid. The two foresters working on TOSP extension were subsequently dismissed. Management decided to suspend all new TOSP plantings and put in place strict control measures. Although the ERET 2021 reports provides further details on the management and costs, since the project was disbanded no further reviews were undertaken and therefore the synthesis report does not provide further information on KVTC TOSP.

2.4 Effectiveness

2.4.1 PFP2

Achievement of intermediate outcomes and adoption of good practices.

The ERET reviews show a clear progression of the achievements of results over the years. In 2021, the ERET report found that despite positive feedback provided by the districts on the programme, it was still too early to assess the level of adoption of good practices and contribution to the outcome. As mentioned in the section on efficiency, implementation was delayed and hence not much progress had been made.

The ERET 2022 report indicated that substantial progress had been made, especially with respect to result 1 (plantation management) in the fields of TGA strengthening, VLUP, capacity building of tree growers, and management of seed orchards and stands. It was found that the adoption of BOP by supported tree growers was relatively high for selected woodlots with Forest Management Plans but not on all their planted land as tree growers wanted to see the benefits first. However, it was also found that fire management required more attention as fire constituted a major threat. In addition, the achievements of result 2 (SMEs) were less evident. Several initiatives and support activities had been initiated for SMEs but the results and uptake were not clear yet.

In 2023, ERET found that further achievements had been made. The following summarises the main results and intermediate outcomes.

Result 1 – Tree growers establish and manage plantations

TGA strengthening

The systematic TGA strengthening approach contributes to stronger and more sustainable TGAs. Although most TGAs are still relatively young, the impression of ERET was positive. TGA leaders and members showed high commitment and a longer term vision and did not consider the TGA primarily as a tool for receiving programme support. Some TGAs embarked on income generating projects, obtained loans and started offering plantation management services such as preparing and maintaining fire lines, thinning and pruning, charging the beneficiaries for rendered services.

ERET also visited TGAs that were already part of PFP1. Whereas several TGAs had become dormant after PFP1 phased out, the visited ones still appeared active and continued to manage their plantation. However, not all members managed to adopt BOP as the plantations were located very far from the village and some TGA members could not afford to hire transport and organise labour. This has been a common issue found on the PFP1 TGA woodlots, which particularly for women and vulnerable/poor households posed some challenges. The visited TGAs which are doing well, are characterised by strong TGA leadership and committed village governments, which appear to be important factors.

It was also found that some TGAs appear more business minded, whereas others have a more social focus. Some smaller TGAs have a strong focus on income generating activities. They charge relatively high entrance and subscription fees that automatically exclude many other tree growers to join. Other larger TGAs, apply a more ‘social’ approach, charging very low membership fees, which in principle also enables more vulnerable members to join (although very few have been involved).

Despite the fact that TGAs are open to any community member who is involved in tree growing, the participation of PiVP remains relatively limited. The PFP2 semi-annual report July-December 2022 mentions that 8% of the TGA members are PiVP, but many visited TGAs did not include any.

While women comprise 35% of the members, the composition of women in TGA management bodies is reportedly even a bit higher at 36%. While some women are outspoken, ERET found that even those in

leadership positions were relatively shy in presenting their views, which might reflect a subdued role in the decision-making process.

TTGAU strengthening

One of the strategies mentioned in the PD is to institutionalize and ensure sustainability and capacity of TTGAU to provide services to clients. The activities reported by PFP2 include service provision contracts with TTGAU for strengthening 12 TGAs and for work on the seed orchards, training on woodlot management for TTGAU members, support to their Annual General Meeting, collaboration on the TGA development manual, and involvement in the IFM process. As mentioned earlier, some collaboration took place on the facilitation of TGAs to register with the MoHA.

Irrespective of the perception on the provided support, ERET found that the objectives and intentions as stated in the PD were far too ambitious for the resources and support allocated to this activity. Building TTGAU into a strong and sustainable umbrella organisation that provides services to the TGA members (collective marketing, networking, technical support, input/seed delivery, etc.) could be a project on its own.

VLUPs and CCROs

The following main observations were made:

- The **VLUP methodology** supported by PFP2 making use of satellite imageries reduces time and promotes participation. However, sustainability remains an issue. The process is expensive, complex, and the capacity of the districts remains limited. The **clustered landscape approach** is very useful and necessary, especially with respect to fire management, but PFP2 only supported few villages.
- The Certificates of Customary Rights of Occupancy (**CCRO**) **pilot** especially helped empowering women but the process was also considered expensive, despite the use of the Mobile Application to Secure Tenure (MAST).
- **VLUPs do not cover all forest ecosystem services** and aspects of **biodiversity and conservation of natural resources**. The VLUPs mainly focus on the designation of large land use areas for settlements, agricultural production, tree plantations (often also mixed zones with crops), grazing areas and natural forests or protected areas. Natural vegetation is usually covered in VLFRs, designated areas far from the village, mostly protected areas for water catchment. In other cases natural forests are set aside in the villages, but have not reached the stage of the land use planning process where the land is secured and management plan prepared. However, the management of natural vegetation, ecosystems and biodiversity concerns are not integrated within the large land use areas, especially those allocated for agricultural production. There is a need for mosaic land use planning within the larger areas to ensure that ecosystem services and biodiversity are maintained.
- **Monitoring of VLUP implementation is weak**. ERET found several plantations located close to water sources.

Woodlot management

TGA members were very positive about the support of the programme extension staff who were said to be well qualified and hardworking, visiting all the selected individual plots of the TGA members. The integration of LGA staff is also good but the level of support varies.

The ERET field visits indicate that the adoption of good silvicultural practices by supported tree growers is high, especially for woodlots with Forest Management Plans but thinning is challenging because of cost implication and labour requirements. On the other hand, thinning has been recently introduced and in the context of naturally regenerated and older woodlots tree growers showed interest in the model as poor performing thinned trees were being sold for timber, poles and fuelwood.

It is very encouraging that the adoption of BOPs is also taking place by other tree growers who are not TGA members or do not live in the same village. The demo plots play an important role in that respect.

With respect to the adoption of a longer rotation cycle, many tree growers indicated that they understand the economic rationale for that, but they want to harvest at 12-15 years instead of the recommended 18 years. There are some challenges. The local market prices do not always differentiate much on the quality of timber, there is also demand for small timber (2x2) and the growing veneer industry takes low quality logs (now also pine). An issue related to price is the fact that no formal grading system is applied. Some quality assessment is done on the local market, such as checking the wood for notches, length, and weight (indication of moisture) but no grading or other requirements for the end market are looked at. Although the Marketing Information System (MaIS) has increased the awareness of tree growers, middlemen can still bypass the system and buy trees for lower prices from those individuals who are prepared to sell.

Figure 3 Woodlot management



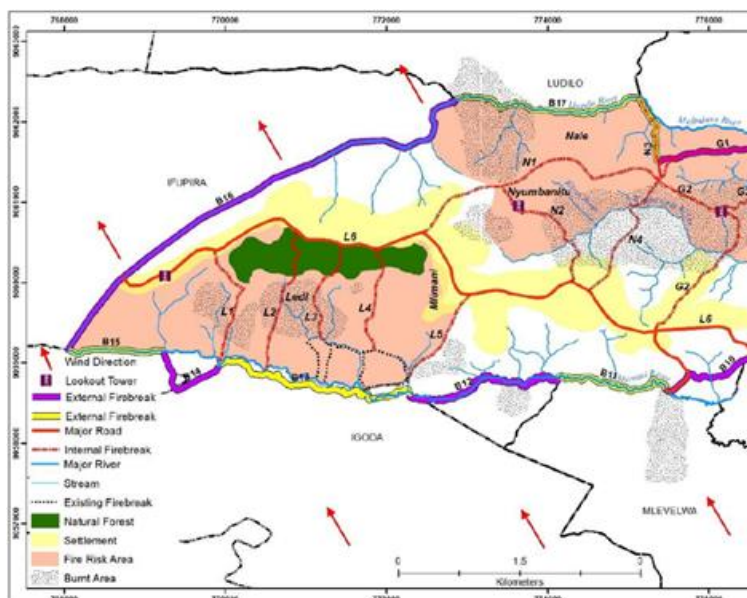
The adoption of good silvicultural practices is high, although less for thinning and for a long rotation cycle. There are some positive examples such as Mr Emilo Filipatali of Kidete village (left) who thinned his plot and plans to harvest the remaining trees at year 18. He could well explain the financial benefits for doing thinning and adopting a long rotation cycle.

Source: ERET 2022 and ERET 2023

Integrated Fire Management

The institutionalisation of the IFM system was given major emphasis in 2022/23. PFP2 worked through the regional administrations and district governments to ensure that the IFM agenda is prioritised in all planning and reporting meetings. Whereas in 2021 many woodlots were damaged by fire, in 2022 only a few incidences were reported and Iringa Region showed a reduction of 98.5%. Although this reduction cannot be entirely attributed to the introduced IFM approach, stakeholders consider that IFM played a major role in the PFP2 supported districts. Despite the success, there are still parallel fire management systems in place that need to be harmonised.

Figure 4 Participatory mapping of fire risk areas and infrastructures in Kidete village



Source: PFP2 presentation to ERET 2023

Seed orchards

The seed orchards are in good condition, well set-up and protected. Labelling of replications and plots is professionally done. Active technical support is provided by PFP2 and guided by a committed TA but management is entirely done by the programme while TFS only harvested a small portion of the harvestable seeds. There are many questions regarding the sustainability of the system, including transparency of the cost and benefit sharing arrangements, marketing, and capacity of stakeholders, which are further discussed in section 2.6.1.

Result 2 – SMEs

SME capacity building

In terms of capacity building of trainers, the service provision contract with Häme University of Applied Sciences (HAMK) to activate pedagogy and modernised professional skills started in January 2023 and the results are not yet known.

Apart from support to wood industries extension services, field days, demonstrations, and exchange visits, the programme has provided training to SMEs on different aspects that can be generally grouped into technical training and ‘soft skills/entrepreneurship’ training.

The SME capacity building shows positive results. The growth mind-set training is based on a good philosophy but could be more efficient by reducing some of the duplications in the modules and supporting stronger linkages with the technical SME training. The technical training of circular sawmillers (AMEC/dingdong owners) is highly relevant and shows good adoption except for the use of boron dip as an environmentally friendly technology to treat poles due to its high costs and low demand, as the market expects the more environmentally caustic Copper Chrome Arsenic (CCA).

Other technical support and training was provided through FWITC, which also facilitated innovations and development projects in primary timber processing and further wood processing. FWITC plays an important role in the PFP2 approach towards strengthening value addition and several innovations are being facilitated and piloted. However, the marketing and communication strategy of training and promotion materials could be improved. For example, videos on carpentry techniques are included on the PFP2 website but many people (and especially the intended target group) do not have easy access to those tutorials.

The SMEs trained on nursery management show high adoption on some aspects and low on others, related to constraints in accessing the materials (costs of improved seeds, and unavailability of trays and planting medium). The technical support to introducing technologies based on local materials and adapted to the skills and needs of SMEs is very good.

Some SME groups have been registered and were supplied with loans from the districts, which together with skills obtained from PFP2 have helped them to develop their businesses. Visited SME carpentry groups have bought some machines, and improved/build their workshops. In addition, as a result of practical training through relatively simple technological solutions and new techniques, they managed to improve the design and quality of their products. They also mentioned other marketing strategies, including making use of social media to attract new customers. The result has been increased production and income. One group mentioned that because of the increased business, some of their members could construct or buy their own houses or other assets.

However, for other SMEs, the training has not resulted in increased business. For example, while saw doctoring is highly needed the marketing is not well developed and one SME who had been trained and bought expensive equipment did not find customers.

Figure 5 SME support



PFP2 has supported various types of SMEs, including those working in timber yards (above left), saw doctoring (above right) and carpentry (left). Although the programme managed to achieve some good results, more emphasis is needed in this area. Much focus was put on primary and secondary production/processing but not so much on private sector collaboration and the marketing end of the value chain.

Source: ERET 2022 and ERET 2023

Afrifurniture

The objectives of the Afrifurniture business development process were too ambitious. A market assessment was conducted, excellent furniture products were designed, and local carpenters were trained to manufacture the products. Challenges in marketing and production management (including required skills and commitment of involved SMEs) and the lack of a business owner halted the process, and its continuation is unclear.

Value addition

One of the main strategies of the programme is to support tree growers and SMEs to improve the quality of their products to get higher profits. However, the focus on higher selling products is not easy if the market is not always very responsive. For example, while local carpenters understand the advantages of using dry wood, they also know that the local market is used to accepting products that are not perfect. Timber grading, seasoning and moisture control are not systematically done, which in the end affects the quality of the products. Possibly higher prices can be fetched if the quality of the products are improved and some value can be added but it also requires work at the demand and marketing side of the value chain. PFP2 has put much focus on primary and secondary production/processing but not so much on private sector collaboration, market access development and marketing end of the value chain. This is an area that probably needs more attention in the future (extension or next phase).

HRBA

The reviews of ERET showed a positive trend towards the successful integration of HRBA strategies in the programme. The first ERET review (early 2021) raised questions on the HRBA strategy and definition and identification of people in vulnerable positions, and on the implications of the programme on environmental concerns related to climate change adaptation and mitigation. The 2022 ERET MTE was more positive about the HRBA but still found some weaknesses regarding the operationalisation of the HRBA strategy. The MTE concluded that the programme needs commitment by all implementers, continuous adaptive management and a specific targeted approach for people in vulnerable positions.

The latest review (ERET 2023) found evidence that PFP2 has taken further steps towards improved integration of the HRBA, including studies that identified the awareness of especially women on the programme and challenges for their participation. The HRBA strategy has contributed to increased women's involvement in TGAs and in leadership positions.

PFP2's mobilisation, communication and awareness raising processes are in principle inclusive. Deliberate efforts are carried out to ensure the inclusion of PiVP and women. TGA mobilisation meetings are started at hamlet levels. The semi-annual report July-December 2022 indicates that 35% of the TGA members are women and 8% comprise PiVP (not further disaggregated). The participation of women in TGA management bodies increased from 29% in the baseline to 36%. Women, youth and disabled groups are assisted to apply for the LGA loans and women are represented to varying degrees in all trainings. However, despite their increased involvement, the PFP2 assessment in some villages showed that many women are not aware of the programme or the TGA. In addition, women still play a limited role in decision-making. PiVP still face barriers to their participation and their inclusion.

In 2021/22 women and PiVP were also encouraged to obtain CCROs. In the piloted village 50% of the unique CCRO beneficiaries were women, while 51 CCROs were provided to PiVP. However, no further support was provided to CCROs.

Overall, it has been difficult to involve PiVP and identify activities that would benefit them. There are psychological and other barriers for PiVP to join. When asked, TGA members often repeated that PiVP can join the TGA, but plantation areas are sometimes far from the villages and therefore disabled people are often not able to participate in tree planting. The membership fees of TGAs are also a barrier to poor people. Finally, TGAs do not necessarily see the need to include PiVP. Often reference is made to TASAF taking

care of PiVP already. PiVP were also included in the VLUM team, but it not clear what their influence is in the process.

Field visits and discussions with TGAs and district staff show that HRBA is not yet fully embedded in the implementation. Unfortunately, no programme targets were set for the proportion of women and PiVP being involved. However, despite the efforts made by PFP2, it is believed that there is room for additional improvements..

Achievement of outcome indicators

The programme outcome is “a socially sensitive, environmentally sustainable, financially profitable private forestry sector, including tree growers, SMEs as well as their organisations and service providers, exists in the Southern Highlands of Tanzania”.

Most of the indicators require surveys that will be done at the end of the programme.

In terms of adoption rates, the programme appears well on track. However, adoption only looks at the programme beneficiaries but maybe even more important is that also non-beneficiaries adopt some of the BOPs with respect to plantation management. It is too early to measure income increase for tree growers as many have not yet sold their trees, but some interviewed SMEs (carpenters) indicated that their business and revenue had increased. A visited carpentry group even claimed that the business had enabled their members to construct and buy new houses. Also trained sawmillers indicated a higher efficiency and safety of their operations, which contributes to increased income.

In terms of increased income of vulnerable households, no significant changes are expected as relatively few PiVP are involved in the programme.

2.4.2 FORVAC

Achievement of intermediary outcomes

The programme has been successful in promoting and supporting CBFM, especially in villages that have adequate forest resources. Although FORVAC can be credited for many of the achievements, the programme also benefitted from earlier support provided through other initiatives, including LIMAS and NFBKPII, and the continued functioning of the established CBFM systems in some of supported villages.

Good governance systems have been put in place and the visited VLFRs are well managed. The VNRCs are active, motivated and have a good gender balance. VNRC members are involved in patrolling the forest, supporting early burning and supervising and monitoring harvesting procedures. As VLFRs are often far from the village and large in area, the provision of motorbikes by FORVAC has helped the VNRC's mobility. Through the revenue from timber sales of which the VNRCs get a share of 30-40%, many VNRCs were able to procure additional motorcycles.

The Forest Management Plans (FMPs)/ Forest Harvesting Plans (FHPs) are used to guide the harvesting process but their preparation is also considered complicated and expensive and therefore unsustainable for villages with VLFRs that do not generate much revenue. As noted in the SEA, some people in the community, and especially PiVP, might not be aware of the contents of the FMPs and their rights with respect to the VLFRs, including the possibility of free use of NTFPs for domestic use.

Very few incidents of illegal activities and conflicts have taken place, although migrating pastoralists are considered a threat in many villages.

The timber value chain is of main interest to the villages, generating substantial revenue. According to FORVAC, up till December 2022, a total of 42 FORVAC-supported villages have started timber sales. Although only a fraction of the Annual Allowable Cut (AAC) is being harvested, and the demand of Lesser

Known Timber Species (LKTS) remains low, the visited villages managed to generate substantial revenue from the timber trade, with most obtaining between TZS 200 million and 400 million, approximately EUR 80,000-160,000. The revenue share of the VNRC (30-35%) is used for payment of VNRC operation as well as purchase of equipment and motorcycles to facilitate their operations. The VC share (50-60%) is used for community developments, such as the construction of community structures, including government offices, health centres, class rooms, water facilities, etc., but also provision of school meals for students or health insurance to VNRC members and PiVP. The decision-making process on the use of the revenue is transparent. The LGAs get usually 5-10% of the revenue and in Nachingwea District even 15%.

Figure 6 Newly constructed VC office and VEO house in Chigugu Village from timber revenue



Source: ERET 2023

Districts are participating well in the programme but FORVAC activities are not necessarily integrated into district plans and budgets.

Whereas the programme has been successful in promoting and supporting CBFM governance and timber trade, the support to other NTFP value chains and micro-businesses is not very effective. The programme primarily focuses on the production side without adequately considering other important aspects of the value chain, including access to markets and marketing efforts, which are an issue in many villages. The exception is the collaboration with Swahili Honey, a private company that has supported FORVAC in honey quality development and producer network development. The collaboration model has proven to be successful, providing sustainable income opportunities for farmers.

Figure 7 NTFP Value chain



The success of the NTFP value chain support was mixed. The collaboration with Swahili honey (factory picture left) has been a good example but the commercialization of other products, such as mushrooms (picture right) has been difficult.

Source: ERET 2022 and ERET 2023

Some micro-enterprises are not linked to forest management, which defeats the purpose of FORVAC incentivising communities to sustainably manage and use the forest by demonstrating its value, and not take value chains out of the forest to integrate them in other land uses. SMEs (carpenters) were provided with equipment and machines without being properly trained or able to replace spare parts, etc. In addition, the consulted SMEs did not source their timber from the VLFRs.

With respect to micro-financing, the support to the village loans and savings associations (VSLA) is appreciated and most of the groups consist predominantly of women. However, again the linkage with CBFM is very weak and the loans are usually not used for forestry-based enterprises but to cover some expenses or implement short term income generating activities.

With respect to FORVAC's support to legal and policy frameworks, the programme contributed to the development and approval of several key policy documents, notably the Charcoal Strategy and Action Plan and the Timber Legality Framework Handbook, the question remains how these documents are or will be used? Several challenges still exist for CBFM compromising the enabling environment and undermining sustainable CBFM, especially related to the timber and charcoal value chain. Frequently cited challenges are GN 417 (under review), price setting and levies to be paid, making timber from sustainably managed VLFRs more expensive, lack of support by TFS, interference of districts in the marketing and price setting of timber and generally low demand of LKTS.

HRBA

The HRBA section of the PD has been improved, which provides better guidance on HRBA. But it remains difficult to involve PiVP due to a combination of socio-cultural stigmatisation, self-exclusion, and other constraints.

PiVP benefit from the community development projects, which the VC implements from the generated timber sales revenue. Most of the benefits are indirect, aimed at improving overall service delivery by the village government and relevant institutions (construction or rehabilitation of village government offices, schools, health centres, teacher's houses, roads, etc.). Others are more direct, such as the provision of health insurance and free medication, or children benefitting from school meals. Very few PiVP are involved in supported micro-businesses or VSLAs. In addition, direct access to the VLFRs and their benefits are in some villages restricted, which makes it even for PiVP difficult to get for example firewood or mushrooms from the forest. Besides, many VLFRs are located far from the village and PiVP usually rely on the general village lands for forest products such as firewood, fruits, medicine, and mushrooms. In addition, as the SEA also indicated, PiVP are usually not much informed or involved in the communication processes. Many do not attend the village assemblies where main decisions are taken on the use of the VLFR and spending of the generated revenue.

The programme has been successful in promoting gender equality with women being increasingly involved in decision-making processes. Women appear well represented in most CBFM activities, including membership of VNRCs (35%), in which they participate in all activities, including patrolling. Although some aspects, especially those related to timber production are still considered the men's domain, women are increasingly being involved. Their participation in micro enterprise activities is also high (50% in phase II) and members of VSLAs are also predominantly women. Although in terms of leadership and decision-making, women usually play a minor role, ERET saw a positive trend. In 2023 ERET found that women in the meetings had become increasingly vocal, showing more confidence in sharing their views. ERET was also informed that women are increasingly involved in the decision-making processes and FORVAC was credited for that.

The GALS pilot training was considered useful but limited in scale. The approach is very intensive, which makes it difficult to replicate and upscale. It depends on 'champions' at village level and from service providers who would then take the concept further, but for now the results remain very local and limited.

Achievement of outcome indicators

The programme outcome is "sustainably managed forests and forest-based enterprises generating income for community members and revenue for community social services". Some outcome indicators require surveys that will be done at the end of the programme.

The main findings on the achievement of the outcome can be summarised as follows:

1. The programme has been most successful in promoting and supporting CBFM, especially in villages that have adequate forest resources. Good governance systems have been put in place and the VLFRs are well managed. Although the CBFM support process has taken longer and required more resources than anticipated (as wrong assumptions were made on villages with existing CBFM systems), the results are good and the target of the area under CBFM is likely to be met.
2. Despite the difficulties in marketing LKTS and the fact that the harvested timber volumes represent only a fraction of the AAC, the revenue obtained and invested in community social services is much higher than anticipated, providing direct and indirect benefits to community members, including PiVP. The timber production, and especially sawmilling provides additional employment to community members. In some cases, such as with Barikiwa Village in Liwale and Ngunichile Village in Nachingwea, the timber sales under FORVAC were a continuation of successful timber trade from the previous NFBKPII and LIMAS projects thus representing the longest uninterrupted period of commercially beneficial CBFM in Tanzania and possibly in all of East Africa. This has been very important in building a culture across these villages and districts that bodes well for the social and institutional sustainability of these activities.
3. The achievements on the results and income generated from the support to NTFP and micro-enterprise development fall far below the targets. ERET found that that no clear, strategic and

effective value chain approach was applied as the focus was primarily put on the production side without sufficiently considering marketing aspects and linking up with business partners.

4. The support provided on the policy documents does not have a major effect on improving the enabling environment, addressing some of the key challenges that undermine CBFM, especially with respect to the timber and sustainable charcoal value chains.

Figure 8 Saw milling



On the left side, a traditional pit saw milling activity in Barikiwa village, visited by ERET in 2023. Above, the mobile sawmill provided by FORVAC to communities that can use it on rotating basis. Although the technology is more efficient, the sustainability of the approach is not yet fully secured.

Source: ERET 2023 (left), and FCG (right)

2.4.3 TOSP

TOSP - TTGAU

The TTGAU TOSP outcome is enhanced asset value of smallholder's woodlots in five districts with at least 30% of TGA members adopting good plantation management.

The woodlot audits and TTGAU's own reports consistently showed that improved silvicultural practices were only partly adopted by the beneficiaries. Although the results of 2023 were slightly better, the management of the established woodlots remained at average level.

TTGAU's Annual report January-December 2022 indicates that only 5% of the TGA members in year 4 applied good silvicultural practices against a target of 25%.²⁰ TTGAU acknowledges that the low adoption of BOP is a concern, which is said to be due to constraints embedded in the socio-economic conditions of the smallholder tree growers amongst other reasons (Box 4). Furthermore, due to the limited resources, TTGAU

²⁰ The reported cumulative figure is 29% but it is not clear how this is calculated.

could not support all tree growers with the quantity of seedlings they requested and apparently some outgrowers resorted to mixing improved seedlings with other ones, which affected the quality and consistency of their woodlots.

Box 4 Reasons for low adoption of good silvicultural practices

TTGAU conducted assessment in Ludewa and Mufindi districts to assess the reason of low adoption of good silvicultural practices. Members mentioned the following reasons:

- Poor economic status of most of tree growers,
- Discouragement by forest fire and lack of firefighting equipment,
- Competition for time between forestry activities and other livelihood responsibilities (agriculture),
- Unattractive prices of trees/timber,
- Distance to woodlots (this was specific for TGAs with woodlots on common land).

Source: TTGAU 2022

It is not clear how the results of the assessment have been used by TTGAU in TOSP and how tree growers could be further incentivised to apply BOP and a longer rotation cycle. TTGAU seems to consider the TOSP approach inadequate if not combined with other incentives and support to IGAs. Through other projects, TTGAU supports TOSP beneficiaries with IGAs (beekeeping, potatoes, avocados). Although other income streams might help incentivising outgrowers to adopt a longer rotation cycle, it has not helped much yet in improving the quality of the woodlots and adoption of BOP²¹.

With respect to TGA institutional strengthening, TOSP had limited resources (only supported through TTGAU's contribution) and did not put much emphasis on this. Similarly, although TTGAU institutional strengthening was part of the TOSP, very few activities and resources were allocated to this. The output targets have been mostly met, but TTGAU's capacity, as well as its human and financial resources, remain limited²². Although the organisation has an ambitious vision, it cannot yet provide the intended expected services as a national umbrella organisation, i.e., facilitating supply of seeds and inputs, support marketing and representing the interests of TGAs at political level. The TOSP contribution has been limited in that respect.

Feedback from beneficiaries confirmed that they are satisfied with the support provided by TTGAU through TOSP, especially the provision of free seedlings. This was also mentioned as the main motivational factor for other community members wanting to join the TGA.

TTGAU recognises that there is low participation of women in tree planting activities, which is attributed to limited ownership of land by women from inheriting or buying. Nonetheless, in 2021, TTGAU's strategies to involve more women had contributed to a fairly good gender balance with 46% of the TOSP beneficiaries comprising women but in 2022 this decreased to 37%. Although this is still a good proportion, comparable to PFP2's results, the reason for the decline in the last year are not clearly explained.

TOSP - NFC

The NFC TOSP aims at contributing to poverty reduction, by increasing rural income through intensified private plantation forestry and related value chains. The NFC project completion report (2023) shows that all relevant output indicators were achieved. The targets of planting areas and supported outgrowers were exceeded.

²¹ The woodlots audits show consistently better results for NFC and based on ERET observations also adoption rates for PFP2 appear higher (although no hard data are available yet as the outcome survey is still pending). This indicates that there might be other reasons, possibly related to the extension approach and resources.

²² Even though TTGAU received support from various other programmes than TOSP and PFP2, its capacity and financial resources remain limited.

The woodlot audit exercises showed a good progression over the years with an above average performance of the woodlots and adoption of good silvicultural practices by many outgrowers in 2022. When asked about the benefits of the BOP, tree growers mention that the planting space of three-by-three meters contributes to faster and better growth. The benefits of weeding and pruning are also understood but weeding is sometimes compromised due to the labour requirements. The audit in 2022 demonstrated a further improvement in all aspects except for fire breaks. According to beneficiaries, making firebreaks is a major challenge as their woodlots are small and scattered and labour is expensive. In some villages, land is becoming scarce and there is a risk of planting trees in areas that are not suitable and already some woodlots are closely located to streams. NFC also provided outgrowers with avocado seedlings, as an income generating activity.

As supported outgrowers have not yet started selling their trees (or avocado fruits), the achievement of the outcome with respect to increased income cannot be assessed yet. Although there is no formal valuation of the established plantations, they hold substantial value. In addition, a large number of part-time jobs were created at various stages of seedling production and forest plantation establishment.

With respect to HRBA, the involvement of women in the programme, at 24% in 2022, was quite low. NFC acknowledges that the criterion of outgrowers having land is a constraint for women to participate. Youth represented 27% of the beneficiaries in the age range of 15-35 years. Although PiVP were said to be part of the beneficiaries, no data have been provided.

NFC can be credited for organising the tree growers and providing training to TGAs, but the approach was less extensive as compared to the strategy followed by PFP2. The quality of the TGAs varies and part of the motivation of tree growers for joining a TGA was to get access to the TOSP extension support. The fact that NFC also provided support to non-TGA members, confused this role. NFC supported TGAs to register with MoHA and encouraged them to join TTGAU. However, misleading information was provided, which gave the TGAs the impression that TTGAU was a government organisation and membership was obligatory. The collaboration with TTGAU has been delayed and TGAs remained confused about its role (and benefit of being a member).

2.5 Impact

2.5.1 PFP2

The overall objective is “to promote sustainable and inclusive private forestry that contributes to Tanzania’s economic growth and alleviates poverty”. The indicators have not been measured yet by the programme, but are expected to show considerable increase from the baseline. The data available by the end of June 2022 indicate that the absolute value of the private forestry sector and the proportion of its contribution to the Tanzanian economy had increased from EUR 906.2 million (baseline) to EUR 2,492 million. For some indicators it might be difficult to obtain good data that differentiate between the Southern Highlands and the rest of Tanzania.

Based on ERET’s observations, it can also be concluded that PFP2 is expected to make a major impact, especially with respect to the contribution to the increased availability of improved wood produced from better managed smallholder tree plantations, thereby contributing to improved livelihoods. With respect to the SME and value chain component, the impact is expected to be much lower.

2.5.2 FORVAC

The overall objective is “reduced deforestation and increased economic, social and environmental benefits from forests and woodlands”. The indicators have not been assessed and will be measured in the end line study in 2024.

It is expected (and quite likely) that through proper CBFM implementation, the forest cover area of the supported villages by FORVAC (especially in well forested villages involved in timber production) will be better than in areas that do not have any sustainable management regime. As no hard figures are available, and there is no clear consensus on the concept of CBFM (and especially timber production) with some (especially TFS) disputing the benefits, it is extremely important to conduct a good impact survey.

The impact for community members will be mostly related to improvement of their livelihoods from the community development projects ('social funds'), and not necessarily based on an increase of their income. The assumption that substantial revenue will be generated by individuals through forest-based enterprises is not valid. Although additional employment is created through CBFM, and some beekeeping enterprises (especially those linked to Swahili Honey) got a higher income, the impact from the micro-enterprise support will remain limited.

Apart from the social impact, sustainably managed forests will also contribute to environmental benefits, climate resilience and carbon off-sets (through avoided deforestation).

2.5.3 TOSP

Compared to PFP2, the scope of activities, number of beneficiaries and resources of TOSP were smaller, and hence the impact is also expected to be significantly lower. Whereas PFP2's budget is EUR 9.3 million, MFA's contribution to NFC was EUR 729,490 and to TTGAU EUR 274,121. Including TOSP partners' own contribution, the total budgets would double.

Interestingly, NFC's TOSP budget was higher than of TTGAU but according to the progress reports TTGAU reached more beneficiaries (the report of TTGAU shows different figures, but mostly around 3,000 against the reported 915 outgrowers of NFC). As the produced seedlings (3+ million) and established hectares (around 1,900) do not vary much, it would mean that NFC's outgrowers had on average bigger plots. NFC's coverage has also been smaller, supporting 27 TGAs (18 villages) against TTGAU's 43 TGAs (37 villages). On the other hand, the results of NFC have been consistently better, in terms of adoption of BOP and quality of woodlots. Obviously, NFC's extension support has been much more intensive, focusing on fewer beneficiaries in a smaller area, which has contributed to better results and effectiveness.

Whereas it is commendable that TTGAU has tried to reach as many tree growers as possible, given their relatively limited resources, the support has been dispersed. In the end, more people might have been reached but the quality of the results is less, which is likely to affect the overall impact. Depending on the market conditions and the willingness of the tree growers to wait for the trees to mature, NFC's outgrowers, having better managed woodlots, are more likely to sell their products at a higher profit and increase their income. Moreover, the impact on their income will be higher since, on average, they also have larger areas planted..

However, it is difficult to assess impact without having more data on the socio-economic background of the beneficiaries, the areas planted by each beneficiary and whether the right target groups have been reached. This could be part of a follow-up study.

2.6 Sustainability

2.6.1 PFP2

Although measures for sustainability are embedded in the programme's support and extension approach, the sustainability of several established mechanisms is not secured yet.

TGAs and TTGAU

TGAs vary in capacity and in their development process. The more thorough TGA strengthening approach by PFP2 (as compared to PFP1) could lead to higher sustainability. The fact that during ERET 2023 many consulted beneficiaries did not perceive their TGA primarily as a means to get extension and support from the programme but rather an organisation that represents their interests, is a good sign. Some of the stronger TGAs even started selling their services. But for many TGAs it is still early.

The support to TTGAU through PFP2 has been relatively limited. TTGAU has still low capacity and remains largely dependent on donor support, as their income stream from services or membership fees is limited. This forces them to engage in various activities that do not directly contribute to or support their overall role as an umbrella organisation. For the next phase of MFA support a critical question will be how the PFP2 achievements will be sustained and what the role of TTGAU will be in this process.

VLUP, CCROs

While the VLUPs contribute to improved land use, the process is expensive and over-regulated. Due to the high costs, it is unlikely that communities will be able to finance the renewal of their VLUPs after they expire. In addition, the VLUPs do not adequately integrate ecosystems and biodiversity concerns which might affect environmental sustainability. The CCROs enhance sustainability by providing greater tenure security, but again the process appears expensive and might be difficult to replicate without donor support. There is need for coordinated national consultation on the effectiveness and sustainability of the VLUP approach.

Plantation management

Improved silvicultural practices, leading to better quality products, and generating higher income provide good potential for sustained operations. However, the adoption of good silvicultural practices depends largely on the perceptions of the smallholder tree growers on the costs (labour requirements and competition with other productive and social tasks) and benefits of good woodlot management. For sustainability, a conducive environment and favourable market conditions are required but currently the local market is not very sensitive to quality (depending on the products and tree species).

Integrated Fire Management

The system is being implemented in many villages. The LGAs are supportive but the fire index update depends on the programme. Parallel systems are in place and there is need for harmonisation. The sustainability of the newly introduced Village Fire Management Committee has been questioned by some respondents as there are already existing structures in the village that deal with environmental issues, including fire threats. Finally, the sustainability of the Fire Management Plan implementation is in doubt as it would require the financial support of investors. Although some villages have identified and approached outsiders who have plantations in the area, funding of the management activities has not been secured yet.

Seed orchards

The MoUs between TGAs, TTGAU and village councils are signed but there are still several risks for sustainability. These risks include transparency of the cost and benefit sharing arrangements, unclear marketing opportunities/arrangements and cost recovery over time, capacity of TFS to support the process including detailed monitoring and recording, and limited capacity of TTGAU. The Director of Tree Seed Production (DTSP) under TFS showed concerns about the viability and sustainability of the TGA-managed

seed orchards: “Markets will be a problem for remote seed orchards. After the costs of cleaning, processing and transportation the seeds might not be profitable”.

FWITC

While the importance of FWITC has been well recognised, its continuation and sustainability of operations is still not clear. In the last SVB meeting, the Permanent Secretary announced that MNRT will purchase the land. However, MNRT does not have the resources and relies on TFS to buy the land.

SME development

While the programme has trained SMEs in several topics, it is unclear how many of the SMEs are able to continue and grow their operations in the future unless their access to markets improves. In addition, many SMEs suffer from limited availability of good quality tools, and spare parts for their machines. On the other hand, many micro enterprises managed by youth or women have benefitted from improved access to finance through targeted interest free loans provided by district councils and have been able to upscale their operations through purchase of machinery and materials. Relatively good results have been gained from supporting established companies that are ready to employ staff.

LGA service provision

FPF2 has worked closely with LGAs in the implementation of the programme. Extension officers have been trained and are involved in the programme implementation. However, the LGA resources and budgetary allocation to the forest sector are limited. In addition, high staff turnover affects the capacity in the districts.

2.6.2 FORVAC

The support to the CBFM process shows promising results. Especially in villages that are engaged in timber harvesting, sustainable forest management is likely to be continued. VNRCs are paid for their services and managed to purchase motorcycles and equipment that makes it easier for them to continue their services. Community members appreciate the village development projects and see the value of their forest. This reduces the risk of conversion of the VLFR for other land use purposes, especially agriculture. Some villages have even begun to fund their own FMP and FHP review processes.

The sustainability of the mobile sawmills maintenance and continued services provision through the joint account of registered villages in an association is not clear yet. The implementation might be complex and there could be a risk of interference by the districts.

As the support to many micro-enterprises has not been very effective, doubts arise regarding their sustainability. The relationship of beekeepers with Swahili honey is expected to continue and a good model for replication.

Sustainability of the outputs, especially of the timber value chain will also depend on a stable enabling environment, including coherent policy interpretation and incentives for the beneficiaries, such as good pricing and markets for their products, an equal playing field and full support at the political level. Several challenges have been identified that need to be addressed. In the end, timber produced through CBFM should be awarded and not have to compete with timber obtained through unsustainable and less regulated practices.

For communities that have few forest resources or options for timber trade, sustainable management is more complex. Opportunities for diversification on other emerging market niches are not easy but might exist, including ecosystems services, sustainable charcoal and value addition for LKTS (including offcuts for carvings, briquettes etc.), which have not yet been well explored. Carbon financing projects might be an

option but this would require a very cautious approach, combined with a high level of capacity building to all stakeholders.

2.6.3 TOSP

TOSP - TTGAU

Consulted tree growers are likely to continue tree production and want to expand their woodlots. However, practicing BOP after TOSP is not guaranteed. In addition, TTGAU believes that without other IGAs, tree growers might not adopt a longer rotation cycle. If the performance of the woodlots is compromised, the quality of the end products will be affected, providing less revenue. Tree growers might still continue but the intended effects and impact will be reduced.

The revised seedling production strategy of contracting individuals to manage village nurseries instead of relying on voluntary TGA support resulted in a higher output, but without further business plans and clientele, the continuation of the nurseries beyond TOSP is doubtful. In the case of PFP2, some TGA members have set up nurseries that are commercially run. Despite encountering issues, these nurseries appear to sustain their business operations.. It might be good to conduct a survey and do a proper cost/benefit and marketing analysis to identify the feasibility of community based/TGA nurseries, as was recommended by ERET in 2022.

The sustainability of the TGAs beyond the programme depends on the perceived role of the associations by their members and the status of the plantations. Some strong TGAs, with motivated members and good leadership, are likely to continue but for others, especially those that are mainly considered by the members as a means to get access to TOSP or other project support, sustainability is doubtful.

The future and sustainability of TTGAU will depend on the services they can deliver to their member TGAs. The sustainability of TTGAU is uncertain as the union does not have a steady income flow and cannot sustain itself from the few member contributions. TTGAU has limited capacity and resources to play its intended role as an umbrella organisation. Currently TTGAU is dependent on donor funding, which is used for different types of specific support activities in selected villages. Although TTGAU management recognises that there is still a long way to go, it is also ambitious. But with the current slow progress and growth of the organisation, this might take long. There is a risk that member TGAs might get demotivated if no services are forthcoming, while they still have to pay for membership.

TOSP - NFC

The consulted tree growers confirmed that they will continue planting trees and managing their woodlots. Although they indicate that they will continue applying good silvicultural practices, the full adoption is not guaranteed. Some of the BOP, such as recommended planting distances or pruning will be sustained, but the continued implementation of other good silvicultural practices, including a longer rotation cycle will depend on many other factors. For TOSP outgrowers to adopt BOP and ensure that their product meets the required quality standards, the anticipated secure market and higher prices from NFC are a strong motivational factor. Feedback from beneficiaries indicated that they understand the benefits of producing high quality products. Some participated in study tours to the NFC plantation, sawmill, and treatment plant, which showed them the requirements and benefits of better-quality materials. Tree growers also indicated that the current price of low-quality trees is not good whereas improved trees attract a better market. With NFC next door, they hope to have a secure market that will provide a better price for their products.

The sustainability of the TGAs is not clear yet. The quality of the supported TGAs varies and part of the motivation of tree growers for joining a TGA was to get access to the TOSP extension support. The fact that NFC also provided support to non-TGA members, confused this role. It is expected that some TGAs will

continue but others might become dormant or phase out. The future will also depend on the follow-up steps on the linkage with TTGAU and the support that will be provided. Consulted TGAs indicated that they might not be prepared to pay relatively high membership fees while not seeing any tangible benefits.

2.7 Aid effectiveness

The Paris Declaration (2005) lays out five principles to improve the quality of aid and its impact on development, i.e. ownership, alignment, harmonisation, managing for results, and mutual accountability. Many of these principles have already been discussed as part of the other evaluation criteria and will be briefly summarised.

Ownership

The Government of Tanzania (GoT), especially through the MNRT has a strong sense of ownership of PFP2 and FORVAC and is closely involved in coordinating their implementation. The MNRT chairs the Steering Committee and the Supervisory Board, while other government representatives are also involved (PORALG and regional/district representatives, TFS). Discussions of ERET and the identification mission with the MNRT representatives clearly indicated that the GoT considers PFP2 and FORVAC to be their own programmes, fully in line with the country's priorities and policies²³. The programmes have also worked closely with the LGAs and made use of Tanzanian service providers to carry out some of the activities, including government agencies. However, there are also slight differences. FORVAC's main programme office is located in Dodoma. This has the advantage of having easy access to the decision-making powers and being more closely integrated with MNRT. However, there are also risks in terms of efficiency and independence of programme management, in terms of decisions taken on the use of resources, which might not be considered the most cost-effective. The fact that most FORVAC activities took place very far from Dodoma was also not very efficient. In contrast, PFP2 office, was located closer to the area of operation. However, that does not imply a diminished sense of ownership on the part of the government. The support provided to plantation development is considered highly relevant, and PFP2 is also considered as an integral component of the government's approach.

The GoT's sense of ownership of the TOSP has been much lower as these projects have been directly organised and coordinated by the Embassy of Finland with the implementing partners.

Alignment

As described in detail under the 'relevance' section, all programmes are well aligned with the development policies and strategies of the GoT. With respect to using local institutions, both PFP2 and FORVAC actively engage local service providers, while also collaborating with and enhancing the capacity of district staff. FORVAC, in particular, depends on the use of service providers for implementation. In addition to contracting their own extension staff, PFP2 closely collaborates with LGAs and service providers for TOSP, the implementing agencies (KVTC, TTGAU, and NFC) directly undertake the implementation, albeit in collaboration with LGAs as well..

Harmonisation

In terms of harmonisation, some comments were made in the section on coherence. Development partners collaborate through the Development Partners Group on Environment on projects related to natural resource

²³ Despite the sense of ownership, it is also noted that (similar to LGAs) little of the estimated TZS 150 billion – TZS 170 billion that TFS collects per year through royalties into forestry development, is being reinvested in the sector, relevant to the development of smallholder tree plantations and CBFM.

management, environment and climate change. Collaboration existed between the main donors and organisations involved in supporting private forestry development and CBFM in the past, but most donors have pulled out of the forestry sector and MFA Finland remains the main donor. Some support is provided through NGOs or development organisations. In the past some duplication of efforts or incompatible development strategies were found, for example between PFP1 and FDT. Although there is no conflict in terms of current approaches, as discussed in the section on coherence, there is room for improved collaboration between the MFA supported programmes, including FORVAC and PFP2.

Managing for results

In all programmes efforts have been made towards planning and managing for results. The RBMFs have been developed and are used for planning and monitoring. The section on relevance, related to the design and the discussions of efficiency with respect to M&E systems, indicate that most RBMFs had some weaknesses, which reduced their usefulness for M&E. The RBMFs fell short in terms of their horizontal and vertical logic, and inadequate formulation of intervention elements and indicators. Much focus was put on the output level while the attainment of some outcomes remained difficult to measure. This was reflected in the ERET 2023 report and the section on effectiveness in this report, which relied largely on observations made by ERET. However, it should be noted that some improvements were made to some of the RBMFs and the frameworks have been used for reporting and the formulation of AWPBs.

Mutual accountability

With respect to mutual accountability, the Finnish MFA and the GoT take joint responsibility for the implementation and coordination of the main programmes. This is evident through frequent interactions between the MNRT and the Finnish embassy/MFA, as well as their active involvement and co-chairing of the Steering Committee.

2.8 Conclusions and lessons learnt

Relevance:

1. The programmes are **highly relevant**:
 - They are **well aligned with the Tanzanian national policies and priorities** by focusing on poverty reduction, job creation and climate resilience and respond to the priorities of MNRT.
 - They are **well aligned with and responsive to the development objectives and priorities of the Government of Finland**, as well as the Finland country strategy and country programme for Tanzania. All programmes also adhere to the HRBA and CCO principles, but vary in their approaches and level of integration. They contribute to climate resilience and carbon sequestration. Although ERET reviews show a clear evolution of the HRBA strategies over the years, the involvement of PiVP remains challenging.
 - They **respond well to the needs of the beneficiaries**.
2. The programmes' designs were **based on a solid analysis** of the sector and constraints, supported by several studies, and built on the lessons learnt of previous programmes, but in the case of FORVAC the design was based on the **wrong assumption** that CBFM governance systems were already well established in many villages²⁴. In addition, the **strategies on some aspects were not clearly elaborated**

²⁴ Although it cannot be denied that there were already several NFBKP and LIMAS-supported villages that had established CBFM systems in place and that some had even participated successfully, albeit at small levels, in timber

in the PFP2 and FORVAC programme documents (and certainly TOSP proposals). Based on ERET's recommendations several updates and improvements were made, including on the HRBA strategies.

3. All programmes had **shortcomings in their RBMF**, of which some were addressed but not all. This also underlines the importance of including experienced and well trained logframe analysis experts in the formulation and appraisal teams.
4. Despite their relevance and alignment to key policies, several **challenges in the enabling environment** were identified, including low reinvestment of central government and district councils in forestry extension and impromptu taxes (all programmes), lack of consensus and support to CBFM, especially on timber and sustainable charcoal production (particularly from TFS), and several other constraints related to marketing, price setting, and government notices hampering CBFM. For the new programme it is of crucial importance that these issues are discussed at the high political level prior to the approval of the proposal, to ensure that the implementation is not hampered by internal inconsistencies within the enabling environment.

Coherence:

5. Despite the thematic interlinkages, the level of **collaboration between the programmes varied but was generally low**. Collaboration could have increased the cost-effectiveness of some strategies. The relationship between PFP2 and TTGAU was complex as it combined several activities that could create a conflict of interest. There has been minimal interaction between the TOSP projects and also the collaboration between PFP2 and FORVAC has been very limited.
6. In terms of external coherence, the **programmes have collaborated with many other stakeholders** and participated in several fora and platforms. The programmes were in line with other initiatives. The collaboration with service providers has strengthened their positions.

Efficiency:

7. All programmes experienced **substantial delays during the start-up phase and in the first year of implementation**. Even PFP2, which followed on PFP1 and retained the same key management staff and established office, faced substantial delays due to its changed strategy. The COVID-19 pandemic affected all programmes. A valuable lesson learnt is that four year's programmes are effectively implemented for approximately two and a half to three years. The first year is dedicated for starting up and establishing the programme structure and strategies, while the last half year is devoted to exit preparation. Although the programmes made some progress in catching up, both FORVAC and PFP2, required extensions as part of the same contract to enable them to achieve their intended results.
8. In line with the delays during the start-up and increased implementation efforts at the later stages, the **programmes showed uneven expenditure levels** throughout the years. The first year experienced under-expenditure followed by substantial expenditures in the following years, leaving a **relatively low budget for the last year**. By 2023, both PFP2 and FORVAC had already used most of their operational budget (respectively 86% and 89%). The key activities within these programmes had almost completely used their allocated budget, reaching 79% and 75% of their implementation period, respectively. This trend was primarily driven by the increased (doubled) daily subsistence allowance rates for government staff, and price inflation on fuel and living costs. This requires the programmes to be very strategic in their final AWPB.
9. The **cost-effectiveness of the value chain development** support by PFP2 and FORVAC, **has been relatively low**.
10. Despite some specific issues, **PFP2 and FORVAC have been reasonably well managed**, even though that FORVAC has seen two replacements of the CTA.

trade, the PMT of FORVAC had not expected to spend much time in the renewal of many FMPs and establishment of VLUPs.

11. The **PSCs of PFP2 and FORVAC have been active** and convening their meetings regularly. However, ERET observed that there has been a **tendency of micro-managing** the programmes at the expense of playing a more strategic role, including discussing issues of the enabling environment affecting the programmes. Following the recommendations of ERET some improvements were made.
12. In terms of **human resources** there exists a notable difference between PFP2 and FORVAC. While **PFP2 has contracted a relatively large number of staff, FORVAC mostly relies on the support of service providers**. Whereas PFP2 showed higher internal technical capacity, the approach of FORVAC may prove more sustainable, depending on the quality and continuation of the service providers. The advantages and disadvantages of both approaches need to be well analysed for the next programme.
13. **M&E has been relatively weak** for FORVAC and most TOSP projects (TTGAU and KVTC). Although the system of PFP2 was slightly better, it still fell short on providing key data on outcomes and impact. For the new programme, this is an area that requires more emphasis, especially for providing hard data, supported by remote sensing on the impact of the interventions.
14. The **efficiency of the TOSP projects varied**. Due to the issues of mismanagement by KVTC forest officers, the programme was prematurely ended. TTGAU had an ambitious coverage but because of limited institutional capacity, the TTGAU TOSP output targets were drastically reduced. NFC was most efficient and showed the best results, although for less beneficiaries.

Effectiveness:

15. The main programmes, **PFP2 and FORVAC, have been quite effective**, showing high levels of adoption in some key areas but less in others:
 - **PFP2 has been most effective with respect to result area 1**, including TGA strengthening, capacity building of tree growers, resulting in high levels of adoption of BOP, institutionalisation of the IFM system, and management of seed orchards. The outcomes of result area 2 are less pronounced, although some positive results were achieved. These include the management of the FWITC and provided support to selected SMEs, enabling them to improve their businesses. However, the scale of these outcomes remained relatively limited.
 - **FORVAC has been successful in promoting and supporting CBFM and the timber production**, especially in villages that have adequate forest resources. Good governance systems have been put in place and the visited VLFRs are well managed. The VNRCs are active, motivated and have a good gender balance. However, the support to NTFP value chains and micro-businesses has been less effective, and not well linked to sustainable forest management. Moreover, the effect of the support provided on the policy documents appear to be limited with regards to improving the enabling conditions.
 - Both programmes have **struggled establishing effective value chain development strategies**, putting main focus on primary and secondary production/processing but not so much on the marketing end of the value chain and value addition aspects. This is expected to get major focus in the new programme.
16. **FORVAC and PFP2 have contributed to increased revenue and income from forestry and additional employment**. FORVAC: The high revenue obtained from CBFM timber provides direct and indirect benefits to community members, including PiVP. PFP2: As most tree growers have not yet sold their trees, their income cannot yet be measured, but as adoption of BOP is high, it is likely that they will fetch a higher price for their higher quality products (if the market remains stable). Interviewed SMEs (carpenters) indicated that their business and revenue had increased.
17. In terms of HRBA, the programmes, and especially FORVAC has been **successful in promoting gender equality** with women being increasingly involved in decision-making processes. However, both PFP2 and FORVAC had **difficulties involving PiVP**. They benefit directly or indirectly from the CBFM community social funds.

18. Regarding TOSP, **NFC beneficiaries showed relatively good adoption** of BOP (with their woodlots performing above average) but the quality of the TGAs varies and the **involvement of women was quite low**. For TTGAU, **adoption rates were lower** (woodlots performing at average level), but the **representation of women higher**.

Impact:

19. Although many impact indicators are not yet measured, both **PFP2 and FORVAC are expected to contribute to high impact** with respect to **area under improved plantation/forest management and improved livelihoods**. In the case of PFP2, increased income from plantations will also depend on the development of the market, which needs to be well monitored in the next programme to also understand the opportunities for EWPs and other developments. In the case of FORVAC it is important to realise that the assumption that substantial revenue will be generated by many individuals through forest-based enterprises is not valid. Improved livelihoods will mainly derive from community development projects ('social funds') and employment in forest management, with relatively few people benefitting from NTFPs, primarily honey production.

Sustainability:

20. For **FORVAC, the results of the CBFM governance and timber harvesting are considered sustainable**. As the communities generate substantial revenue from timber production, they can pay for the management costs of the forests and use the money for community development, which is an important motivational factor to continue sustainable management. The sustainability of the micro enterprises is less secured.
21. For **PFP2, tree growers are likely to continue applying BOP**, depending on their perception of the costs and benefits of producing high quality wood, which is largely determined by the market conditions and price factors. Leading people in the industry believe that the demand for better quality wood will increase, but on the other hand the market is also changing with the upcoming veneer industry accepting low quality trees. There might be other opportunities arising (such as Engineered Wood Products) but the developments need to be well monitored.
22. Although measures for **sustainability are embedded in PFP2's support and extension approach, the sustainability of several established mechanisms, including FWITC and seed orchards/stands is not secured yet**. Many of the measures that PFP2 could take to enhance sustainability will be part of the extension phase and probably have to be taken further in the new programme.
23. Land use planning can be an important means to ensure environmental sustainability and safeguarding biodiversity concerns but the current **VLUP approach has many weaknesses** and is too expensive for communities to renew after it expires.

3 Recommendations for the current programmes

The recommendations for the remaining period of implementation of the reviewed programmes have been described in detail in the ERET 2023 report. In this section the main recommendations are summarised, while the table of detailed findings and recommendations are included in Annex 3.

Especially regarding PFP2 and FORVAC, it is recommended that MFA, if the resources are available, supports the implementation of an impact study that can also serve as a baseline for the new programme. Preferably, such study would also consider the predecessor programmes (PFP1, LIMAS and NFBKPII), including a geographic analysis of changes in plantation/forest cover and their relation with the different types of forest management implemented in those villages. The study should include quantitative and qualitative analysis. Considering that the study should feed into the final design of the new programme, it should be undertaken early 2024. TOSP TTGAU will finish this year, and time and resources will be limited to implement the recommendations. But FORVAC will have another year of implementation and PFP2 is likely to be extended under the current contract for one year, although with reduced scope and coverage. As ERET has undertaken its last review in 2023, the recommendations are supposed to cover the implementation until the end of the programmes. In the case of PFP2 there might be some overlap between the ERET 2023 recommendations and those of the appraisal report of the PFP2 extension plan. FORVAC and PFP2 are also constrained in terms of resources and will have to prioritise their activities to achieve the highest impact and sustainability.

3.1 PFP2

As a one year extension is likely, possibly followed by a next phase as part of the new programme, the remaining months and next year could be considered a bridging period that would help consolidating the achievements and also strategizing the next phase support, laying the foundation.

While ERET 2023 found that the programme has made considerable progress in all areas, showing positive results and adoption levels, result area 2, SME development and especially the business and marketing side of the value chain, still requires more emphasis. It is therefore recommended **to review the strategies and allocation of resources and budget (both of the remaining period of PFP2 and for the extension plan) to increase the emphasis on result 2.** Instead of spreading the support thin to reach as many SMEs as possible, it might be more effective to intensify the support, focusing on a reduced number of SMEs who are likely to adopt the introduced improved practices.

In terms of HRBA, it is recommended to **further develop and document the operationalisation of the HRBA strategy** and follow up on the findings of the campaign for improved communication and mobilisation of women and improve the inclusion of PiVP through **specific targeting and adaptive management.** For the extension plan it was also recommended to continue targeted training to women and men to increase women's opportunities and skills in decision making processes.

While PFP2's intervention contribute to climate resilience and carbon sequestration, environmental and biodiversity concerns are insufficiently addressed. Land use planning should play a major role but the VLUP process does not adequately address those issues and besides is complex and expensive, making it unsustainable. Although PFP2 does not intend to support the establishment of more VLUPs, it is recommended that the programme in collaboration with FORVAC and other stakeholders **liaises with the National Land Use Planning Commission (NLUPC) to support simplification and better integration of environmental and biodiversity concerns in the guidelines and implementation.**

In terms of the RBMF, it is recommended that some improvements are made and that **clear targets at outcome level** are included, as well as some relevant additional indicators for result 2 for the extension phase are identified.

It is recommended to **improve collaboration with FORVAC, TTGAU and possibly NFC**. Given the limited time remaining, the collaboration topics should be prioritised, also taking into consideration the extension phase. A meeting with TTGAU is needed to discuss and agree on the collaboration during the remaining period, and as part of the exit strategy.

With respect to marketing opportunities that incentivise tree growers to adopt BOP and longer rotation cycles, it is recommended to **assess how (informal and more formal) quality assessments and grading, based on the requirements of the industry can be introduced to ensure that quality of timber is better reflected in the price**. For the extension plan, regarding the identified risk of reduced demand for sawn timber and/or a reduction in prices, it was recommended to explain the **strategies for value addition and improving the quality of sawn timber products**.

Regarding sustainability, it is recommended to **put increased efforts on enhancing the sustainability of all interventions** (harmonisation of IFM, TGAs, SMEs, extension support LGAs, VLUPs, FWITC and seed orchards). The extension phase provides an opportunity for further consolidating the results and the sustainability of the introduced mechanisms.

3.2 FORVAC

FORVAC has been most successful in supporting CBFM governance and timber production, but much less NTFP value chains and micro-businesses. It is therefore recommended to **strengthen the overall value chain approach**, including **links between community level enterprises and the private sector** regarding VLFR products and value addition, and ensure that supported **value chains and micro businesses are linked to the managed VLFRs** and deprioritise support to NTFPs that are less effective. Business driven efforts to support market creation for timber from CBFM, especially lesser known timber species, could be further developed to match with private sector needs and interests. It is also recommended to identify and **contract a good value chain expert** with relevant business experience to support this process.

Due to the limited budget it is recommended to **prioritise the activities that are most strategic for enhancing the sustainability of the processes** and especially addressing the issues and challenges of the timber value chain.

It is also recommended (if funds allow) to **support MNRT and main stakeholders in the timber value chain in organising a national dialogue** to discuss the challenges in the enabling environment hindering timber production and trade from VLFRs and the required steps to overcome them. For the new programme, it is crucial that the government speaks with one voice and that TFS and established government regulations support CBFM, including timber (and preferably also sustainable charcoal) production.

With respect to **HRBA**, similar recommendations as for PFP2 are provided. It is also recommended to **identify how the GALS approach could be upscaled** and if it has potential for the future programme.

In terms of coherence, the recommendation for PFP2 on **improved collaboration**, including dialogue on VLUP with the NLUPC also applies to FORVAC.

For efficiency and better coordination and monitoring purposes, it is recommended to **review the role of the National Forest Management Expert and see if he can take over some of the functions of the Coordinator in Lindi Cluster, specifically for Liwale District**.

Several recommendations were made for the **improvement of the M&E system**, including identifying options for adopting relevant parts of the MCDI MIS or developing a **simple georeferenced system for tracking CBFM progress** in supported villages, as well as **undertaking simple outcome measurements**. It is also recommended that **MFA commission an impact study** towards the end of FORVAC, that will comprehensively analyse the impact of the programme (and its predecessor programmes LIMAS and NFBKPII), including a geographic analysis of changes in forest cover and their relation with the different types of forest management implemented in those villages.

With the next programme in mind, it is recommended that within the limitations of the budget, **opportunities and risks/challenges are identified for diversification for communities that have relatively few forest resources** and cannot generate high revenue from timber production. In addition, it is recommended to identify lessons learned from the FORVAC programme and priorities for the future programme, and start developing a robust exit strategy, in close collaboration with key stakeholders, including LGAs.

3.3 TOSP

For TTGAU, given the limited time and resources left, the recommendations are very specific and include for example improved explanations on how indicators are measured and finances are reported, and identifying options for improved monitoring and data management. It is recommended to continue **collaboration with key stakeholders and especially consult with NFC and PFP2** for strengthening and supporting their TGAs and harmonising strategies, including on fire management, and collaborate with PFP2 in developing exit strategies for PFP2 and identifying areas of interventions that could be supported by TTGAU after PFP2 comes to an end. The limited institutional capacity of TTGAU remains a major challenge, which cannot be resolved effectively through TOSP or through the current PFP2 support.

With respect to effectiveness and sustainability, the question on the relatively low adoption of BOP by out growers remains. TTGAU identified some challenges (mostly based on the socio-economic situation) and found a need for providing support with other IGAs. However, the findings of NFC and PFP2 are slightly different with higher adoption levels. If funds allow, it would therefore be recommendable if **MFA can commission a comprehensive study on approaches applied by TTGAU, NFC and PFP2 to incentivise tree growers to adopt good silvicultural practices and a longer rotation cycle and the results**. This could possibly be combined with an impact study of PFP2 that could also function as a baseline for the next programme.

In terms of sustainability, it is also recommended that TTGAU supports the **development of a sustainable business model for decentralised seedling production** that could be pilot tested in areas with good marketing potential. Access to improved seedlings is considered a major obstacle for improving the quality of plantations and the initial support through TOSP with TGAs establishing and managing their own nurseries did not work out. On the other hand, some SMEs have established functioning nurseries, including some that received training from PFP2.

4 Recommendations for the new programme

In November 2022, MFA of Finland, commissioned an identification study to be conducted for a new forest sector and climate change related programme in Tanzania²⁵. The new programme is expected to be the only major forestry sector intervention of Finland during the next country programme period. Among the various options that were studied, MFA in consultation with the GoT, decided to continue with further consolidating and expanding the initiatives and programmes that have been supported by Finland over the past years, in particular smallholder plantation forestry in the Southern Highlands (PFP2) and CBFM of Miombo forests in the south-eastern regions (FORVAC). The new programme should particularly focus on the aspects that need further strengthening, including additional strategies to adapt to the changing conditions and opportunities.

Following the identification study, a formulation mission was conducted in May 2023 by another team of consultants²⁶. At this point of time the final formulation report has not been released yet. The intention of this chapter is to highlight some of the aspects that, based on the ERET reviews, need to be considered for the new programme.

4.1 Overall principles and aspects to be considered

Based on the lessons learnt of the programmes supported by Finland and other development partners, the following cross cutting aspects should be considered:

- Sustainability of approaches and results. Apart from financial, environmental and social sustainability, this would include supporting and strengthening existing institutions and service providers and linking up with the private sector, especially in relation to business development.
- Governance and enabling environment of the forestry sector. The programme should support strengthening the enabling environment in terms of governance and policy implementation and increase the capacity of institutions at all levels to implement and enforce the policies and regulations. Especially with respect to CBFM, there is need for improved institutional and regulatory arrangements.
- Value chain development. The programme should follow a market-led approach, focusing on the integration in the markets and linkage to value addition and processing enterprises. For the plantation forestry, the emerging EWP market could offer opportunities. At community level, primary focus should be paid on creating access to markets and increasing sales volumes for sustainable timber from village forests and plantations. Markets and experience in sales of primary products can pave the way for further value addition at community level in the future.
- Improved strategies for mainstreaming and operationalising HRBA. The current programmes already improved their strategies, but barriers remain for people in vulnerable positions to actively participate and benefit. Although many women are involved in tree growing and CBFM, their influence in the decision-making processes could be further improved through targeted actions, including information and encouragement of women at hamlet level, putting quota for participation in decision-making structures, identifying activities that are closely related to their needs, providing targeted training and upscaling GALS and other gender equality learning methods. However, realistic targets and strategies must be established, given the socio-cultural conditions, based on the lessons learnt of the existing programmes.

²⁵ The study was commissioned through the Framework Agreement for Programme Planning (FAPP) and included the ERET team leader and core consultants in addition to a fourth Finnish consultant.

²⁶ The formulation mission was also conducted through FAPP.

- Mainstreaming climate change resilience and mitigation and financing. Especially for CBFM (for communities with no options for timber production), opportunities of climate mitigation, carbon offsets, biodiversity credits or payment for environmental services could be explored and communities and local stakeholders prepared. However, the risks and possible negative implications of carbon initiatives must be well assessed and the programme should focus on facilitation and capacity building of the government, districts and NGOs in Tanzania to better understand the dynamics of the carbon project proponents so as to better advise communities.
- Increased focus on biodiversity conservation, including in the land use planning and in the forest management plans.
- Improved and sustainable land use planning. The current VLUP approach must be improved as it is over-regulated, complex, expensive and does not adequately integrate environmental and biodiversity concerns. Besides, monitoring and enforcement are weak. Landscape (cluster) level planning and integrated approaches should be supported to address the drivers of deforestation and degradation.
- Building on existing practices. Although the introduction of new technologies could be beneficial in certain circumstances and for specific types of beneficiaries, often the improvement of existing practices is more cost-effective and sustainable. For example, PFP2's focus on improving the efficiency of mobile circular saw benches (AMEC/Ding Dong) is very relevant as they comprise by far the majority of the saw mills in the Southern Highlands.
- M&E, research and forest inventories. M&E is key to understanding the performance and achievements of the programme and requires adequate emphasis and resources. As the forestry sector is mostly devoid of good data that can be used for effective planning, monitoring, and advocacy for good practices, the programme could support relevant research and forest resources monitoring through the use of innovative approaches and remote sensing of (open source) high resolution satellite imagery data. Routine monitoring (and where possible, real time monitoring) of the implementation of forest management plans should result in improved management, better forecasting and therefore more effective planning. In addition to the programme's internal M&E, external reviews would still be needed. The ERET type of approach could be considered, based on the findings and recommendations provided in this report (chapter 5).
- Skills development. This is another cross-cutting aspect that might be very specific for the different forestry components and levels of intervention. However, in general, options could be further explored on how to strengthen more practical training, preparing actors in the value chain with the skills that are required in the industry. Developing internships and apprenticeships programmes with woodworks and construction private sector should be developed. Curricula for the treatment and handling of LKTS should be introduced into FTI, FITI and FWITC in addition to non-governmental vocational training centres.
- Cost-effectiveness. The programme will be quite large in terms of scope and geographic area, combining support to tree plantations and CBFM, building on the results and lessons learnt from PFP2 and FORVAC. The budget will have to be wisely used, prioritising interventions that are most cost-effective. Lessons should be learnt from the current programmes on activities that were costly but less effective or relevant.
- Good and logical RBMF. ERET found that all programmes had issues with their RBMF, which affected their planning and M&E. It is important that the established RBMF is of good quality.

Although there are many common aspects of the support to CBFM and tree plantations, they also require specific interventions. It is important that these are well developed in the new programme document. Some of the specific aspects, based on ERET findings are presented hereafter.

4.2 Support to treeplantations in the Southern Highlands

The strategies and interventions should build on the lessons learnt from PFP2 (and PFP1 and TOSP). There is still a need for further consolidation of the introduced approaches and results to make them more sustainable. The following are some key areas that need further strengthening:

- TGA strengthening. Many of the supported TGAs are relatively new and require further support. Especially with respect to their role in business development and marketing, linking the TGA with input suppliers and buyers, establishing stable markets, bargaining for higher prices for their members' products, etc. they have not reached their potential. In order to increase their bargaining power and benefit from economies of scale, collaboration and networking of TGAs is needed, which was the rationale for establishing TTGAU. However, TTGAU's capacity remains very limited and its set up, requiring member TGAs to register at the MoHA and also pay for membership fees is costly. Without clear support and services being provided, many TGAs appear not motivated to join or pay their annual contribution. The support provided to TTGAU in previous programmes has been relatively limited. The question is if further assistance to TTGAU is feasible to strengthen its capacity and make it sustainable. This would require substantial support and it is not likely that the new programme can bring the institution to a level that it can sustain itself and provide good services to its members. On the other hand, bypassing TTGAU would also not be a good option. But a decision has to be taken to what extent the programme should invest in this, or alternatively work with individual TGAs primarily and help them to establish local networks.
- Village-based forestry extension. Although PFP2 has been successful in encouraging tree growers in adopting BOP, the results must be further consolidated and upscaled. The programme should continue strengthening forestry extension to help smallholders increase the productivity of their plantations, support integrated fire management, and foster local SMEs.
- Grading. In order for quality of timber to be better reflected in its price on the local market, the programme could explore and support the establishment of quality assessments and grading, based on the requirements of the industry.
- Seed production. The supply of good planting materials and of improved seed for decentralized commercial nurseries is still a challenge. The programme could link up with Tanzanian seed companies to develop market driven capacity to source, package and distribute improved tree seed. In addition, the seed orchards/stands require further support to ensure that they can operate on a sustainable basis with clarity of the roles of the various stakeholders, pricing, benefit sharing, marketing, and continued management.
- Seedling production. Further support to decentralized commercial nurseries is needed through capacity building and facilitating the (affordable) access to improved materials.
- Institutionalisation of IFM. The results of the IFM approach needs to be further consolidated and through the consultation with relevant stakeholders institutionalised to avoid different parallel systems being promoted.
- SME strengthening. This would be a key area of support and further build on the experiences of PFP2 with more emphasis on the market end of the value chain and value addition aspects. Attention should be paid on understanding the needs and opportunities of value chain development and addressing those to improve SMEs' access to markets. Much of the support will be provided through FWITC, while some training can be provided through extension and field based courses. The support will combine improving existing practices as well as introducing new technologies, relevant to the SMEs.
- Market opportunities. Changes in the wood markets and especially the emergence of EWP processing has created new opportunities for tree-growers and SMEs that have not been sufficiently explored yet. There continues to be a strong underlying demand for building products due to a

booming construction sector, which is currently absorbing imported Medium Density Fibreboard (MDF), block board and other EWP. While the manufacture of some EWPs requires more capital expenditure than most SMEs can afford, EWPs such as veneer, plywood, and finger jointing are within the reach of leading local SMEs. Close coordination and alignment of SME development policy with the EWP framework is critical. It is feasible to improve work practices, eliminate bottlenecks, and enhance efficiency at most processing sites. Production of different grades of plywood is possible with a proper market and capacity development work. Improved EWP-related skills training and education can be offered through FWITC.

4.3 Support to CBFM in Lindi and Ruvuma Regions

The strategies and interventions should build on the lessons learnt from FORVAC (and LIMAS, NFBKPII and other CBFM support). There is still a need for further consolidation of the introduced approaches and results to make them more sustainable. The following are some key areas that need further strengthening:

- VLFR establishment and CBFM governance. The ERET consultations indicated that in the programme area there is scope for replicating and upscaling the CBFM approach to other communities. In areas that have good opportunities for timber harvesting, especially in Liwale District, community awareness on resource ownership is high and protection from various threats including TFS timber off-takes from the village land is being pushed back. Some of the CBFM related processes should be assessed and possibly be improved to make them more effective and sustainable, including the FMPs.
- Timber value chain. Although the ERET reviews showed that the timber production from CBFM VLFRs can generate substantial revenue and benefits for the community, there are several aspects to be further developed and improved, and challenges to be addressed:
 - Promotion of LKTS from a business perspective; this could also include introducing LKTS into sawmilling and carpentry programmes at FTI, FITI and FWITC;
 - Facilitating national dialogue to address issues hampering the timber value chain (GN 417, price fixing, harvesting committee bureaucracy, support of main stakeholders including TFS, 10% additional taxes paid to districts, LGA interference on the markets, and other known issues);
 - Sawmills - villages get higher revenues from selling sawn timber as compared to standing tree sales but the sustainability of the mobile sawmills is not clear yet and the number is small, especially in Liwale District;
 - Creating access to markets even for standing trees;
 - Facilitating marketing by facilitating linkages in the value chain with the industry (for example furniture design) and identify options for value addition and efficiency to make better use of wood waste from timber processing. More innovative options could be explored, such as considering the possibility of veneer (plantation forest core with natural forest face/back based veneer) or live edge products²⁷.
- Sustainable charcoal. Depending on the political willingness and support to the further development of sustainable charcoal, this could have great potential, provided that GN 417 is changed. However

²⁷ Live edge refers to a style of woodworking where the carpenter incorporates the natural edge of the wood into the design of the finished product, often a piece of furniture, such as a table with a live edge top. It is the periphery of wood not altered by hand tools or woodworking machinery. As a result, the untouched end of slabs and furniture retains the original characteristics of a tree, its shape, and bark.

its demand is also subject to the distance to the high-demand and lucrative markets in cities and towns.

- NTFP/micro-enterprises. The support to this must be in function of incentivising communities to sustainably manage the forest. Hence there must be a clear link to the forest. Second, a market-driven approach must be followed, facilitating linkages in the value chain with the industry, adopting the model of Swahili honey. Only micro-enterprises should be supported that have good potential. Possibly the method used by PFP2 for identifying SMEs should be followed rather than the call for proposals, which carries a risk of supporting groups that do not have experience in the business, basically making it a social exercise, which has little potential for sustainability.
- Land use planning and monitoring. Although the need of VLUPs in relation to CBFM can be debated, at least at landscape/cluster level this could be useful. Biodiversity concerns should be integrated in the land use plan but also in the FMP and resource monitoring. This would not just entail setting aside natural forest reserves but actually consider biodiversity conservation aspects within the main designated land use areas. Real time or routine monitoring of forest resources and land use changes is imperative to the long term sustainability of CBFM.
- Identifying options for communities with less forest resources. The success of CBFM depends on tangible benefits for the community. If timber trade is not an option, the generation of revenue will be more complex. The programme could support MNRT in developing and possibly even piloting a few strategies. Carbon offsets, biodiversity credits or payment for environmental services could be explored. However, the risks and possible negative implications of carbon initiatives must be well assessed and the programme should not get directly involved in carbon projects but focus on facilitation and capacity building of the government, districts and NGOs in Tanzania to better understand the dynamics of the carbon project proponents so as to better advise communities.

5 Lessons learnt from the ERET approach

5.1 The ERET model

The ERET model can be considered a type of real-time evaluation approach²⁸ whereby the evaluators combine annual external reviews with providing some technical assistance to the programme's RBMF framework and M&E system.

The idea of the ERET approach is to improve the effectiveness of the evaluation, especially with respect to accountability and learning. The overall ToR of the current ERET mention the following objectives: *'The External Review and Evaluation Team (ERET) is contracted both for accountability and learning purposes. The team is expected to carry out annual reviews to facilitate constant learning and assessment of Finland's forest programmes in Tanzania. ERET will support programme leadership and MFA with feed-back and analysis of different approaches. ERET will support strategic learning in the programmes and produce recommendations for strengthening sustainability. ERET should also provide programme leadership and MFA with long term strategic recommendations on how to best continue and direct support to the Tanzanian forestry sector in a sustainable, strategic and comprehensive way.'*

The ERET type of approach was already piloted during PFP1. The first ERET (further referred to as "ERET 1") comprised a team of three experts that started already during PFP1's inception phase in 2014, facilitating the development of the RBMF's overall structure and indicators, and reviewing the inception report, programme document, M&E system, baseline methodology, and overall implementation approach. ERET 1 further conducted annual reviews in 2015 and 2016 and a mid-term evaluation in 2017²⁹. ERET 1 had a significant impact on PFP1 as many changes were made in the implementation approaches and models, following the evaluation's findings and recommendations.

The lessons learnt and the positive experience of ERET 1³⁰ presumably led to the replication of the model with the contracting of another ERET (further referred to as "ERET 2") for the annual reviews and MTEs of PFP2, FORVAC and TOSP programmes in the period 2021-2023. This time the team comprised four experts, covering three programmes, of which the TOSP included three different projects.

However, other than ERET 1, the mobilization of ERET 2 only started when all programmes were already under implementation (the first ERET 2 exercise actually included the MTE of FORVAC). Therefore, the evaluation team had less influence on the conceptual design and M&E systems, although the team leader provided some limited technical support to PFP2 and FORVAC.

In terms of review and evaluation methodology, the ERET approach does not differ significantly from other types of reviews or standard MTEs. Both ERETs used a theory-based evaluation approach (using the RBMF as a reference), following the OECD/DAC evaluation criteria. The main difference is the frequency of reviews. While the majority of evaluations are typically carried out once, or occasionally twice, throughout the programme's existence, ERET consistently conducts annual reviews of the programmes. This is expected to contribute to the accumulation of knowledge, institutional memory and a deeper understanding of the programmes and forestry sector. It is also supposed to increase the effectiveness of the reviews as the evaluation builds on the observations and recommendations provided in the previous year(s). The annual reviews enable the team following up the progress, developments and action taken based on ERET's recommendations every year. In addition, the frequent reviews allows the evaluation team to cover more

²⁸ MFA evaluation manual p.55- <https://um.fi/development-cooperation-evaluation-manual>.

²⁹ Both ERETs had the same team leader.

³⁰ In October 2016, the team leader travelled to Helsinki to present and discuss the model with MFA advisors and senior officers of the Department for Africa and the Middle East, and the Evaluation Unit, including BEAM programme evaluators, as well as Aalto University scholars. The experience was assessed positively.

communities/beneficiaries over the programme’s duration, while also monitoring the ongoing developments within the same villages over time.

Table 6 provides an overview of potential advantages and risks/disadvantages of the model.

Table 6 Advantages and risks/disadvantages of the ERET model

Advantages of the ERET model	Risks, disadvantages
The frequent consultations, provide the evaluators with a good understanding of the programmes and their developments, which enhances the relevance of their findings, recommendations and the overall effectiveness of the review/evaluation approach.	The model requires substantial resources. The advantage of deeper understanding only works if the consultancy team, or at least its core, remains the same. As most consultants are contracted freelancers there is a risk that the composition of the team changes over the years.
The annual reviews enable the programmes to take corrective actions annually and ERET to follow up the progress, developments and action taken on previous year’s recommendations.	The multi-annual approach complicates the reporting process if findings must be presented on the same evaluation criteria – which poses a risk of duplication if no major changes have happened.
The evaluation team can cover more communities and beneficiaries over the programme period and monitor developments in the same villages over time.	Spending much time at the community level may result in missing some issues at the national, strategic and policy level.
The provision of TA support to conceptual aspects and M&E can be useful if done at an early stage, preferably inception phase (as in ERET1 – in ERET 2 not much TA was provided)	The combination of external reviews and provision of TA on programme conceptual aspects and M&E may risk ERET’s independence or create a conflict of interest. (although in ERET 1 and ERET 2 this did not happen).
The findings and recommendations of the ERET reviews can be integrated into the programme’s AWPB, thereby improving the programme’s planning and performance.	The ERET data collection in Tanzania was scheduled for February-March, which coincided with the rainy season. In addition, the reporting requirements might delay the process (for ERET 2, extensive reporting was done annually on all evaluation criteria for each programme and project).

Source: ERET 2023

5.2 Experiences of ERET 2 and lessons learnt

5.2.1 Experiences from the ERET 2 implementation process

The implementation and methodology of ERET 2 was already explained in the introductory chapter. The following section discusses the positive experiences and challenges encountered during the implementation.

The lessons learnt from ERET 2 combine aspects that are related to the ERET model as well as the specific situation of evaluating multiple programmes simultaneously. The latter provided additional challenges that are not necessarily related to the ERET model. For the analysis of a possible future replication of the ERET model these aspects should be separated. Regarding the specific experiences of ERET 2, the following aspects can be highlighted:

Table 7 ERET 2 experiences

Key aspect	ERET 2 experience
<i>Allocation of time and resources, especially for reviewing multiple programmes simultaneously</i>	<p>Combining the reviews of several programmes by the same team might have advantages in terms of efficiency but requires sufficient time and resources for the review of each programme.</p> <p>Although the team had an adequate number of experts, the allocated time and resources were limited for covering three programmes, of which TOSP comprised in fact three different projects. The allocated days for field work to cover all the three programmes were essentially not very different from a normal MTE of a single project. Combined with the huge geographic area covered by the programmes, this put a very heavy strain on the consultants, trying to combine consultations with stakeholders at national, regional and district levels with visits at community level. The latter was considered important to get feedback from beneficiaries and assess the quality of implementation and results on the ground. The logistics of ERET field work posed challenges, particularly with extensive travel requirements. Splitting the team, based on roles or by programme was not considered a good option and impracticable. Consequently, the team travelled mostly together but split up during the field consultations and interviews with stakeholders or individual programme staff. However, this approach required the consultants to travel and work in the field continuously for about three weeks without a break, making very long days and writing field notes in the evenings.</p>
<i>COVID-19</i>	<p>The first review was conducted during the COVID-pandemic, which prevented the team from travelling to Tanzania and doing field work. Consequently, the consultations were conducted remotely through video conferencing and phone calls. Selected beneficiaries were brought to a central place with video connection. The experience was surprisingly good, and despite a few technical internet challenges, the team managed to consult many stakeholders. As the programmes were mostly still in their initial stages, the lack of field observations was not considered a major disadvantage.</p>
<i>Team composition and stability</i>	<p>The composition of ERET 2 was good, with a combination of international and Tanzanian expertise. ERET 2 was blessed with having some of the most knowledgeable and respected Tanzanian forestry consultants, whose expertise complemented the international experience of the team leader, making a strong core team. However, in terms of skills, the team composition could have been more diverse, especially with respect to the business and value chain aspects and HRBA.</p> <p>The team leader and the Tanzanian consultants comprised the core team of ERET 2 that remained stable throughout the three years. However, for different reasons, the Finnish consultants were replaced every year, which affected the continuity of the team with the incoming team members having a knowledge gap compared to the other members³¹. On the other hand, this could bring in new views, while the institutional memory remained within the core team.</p>
<i>Availability of documentation prior to the start of the mission</i>	<p>As the ERET findings had to be integrated into the programmes' AWPBs, the ERET reviews started in February. But in many instances, crucial programme documents, such as latest progress reports were not ready yet, which affected the proper preparation (desk study), prior to the start of the field work in Tanzania. This affected the efficiency of the reviews as the team had to be briefed on the achievements by the programmes without having the supporting documents as a reference that could have guided them in preparing specific questions, especially on aspects that require detailed information.</p>
<i>Information provided by programmes' M&E systems</i>	<p>ERET 2 relied partly on M&E data provided by the programmes. However, in most programmes the M&E systems were relatively weak, which limited their use for ERET 2. Although PFP2 performed a bit better in that respect, even their systems did not provide much information on outcomes, such as adoption levels, until the last year's review. The</p>

³¹ This was less the case for the second year as the consultant had previously worked as a counsellor at the Finnish embassy in Tanzania, knew the programmes and also spoke Swahili.

Key aspect	ERET 2 experience
	<p>TOSP M&E systems varied. NFC had a relatively good database of supported outgrowers and areas planted, after they introduced the pre-planting and post-planting woodlot mapping. But KVTC and especially TTGAU had very weak M&E systems. On the other hand, the woodlot audits undertaken by PFP2 for TOSP proved very useful to understand the level of adoption of good silvicultural practices by the TOSP beneficiaries.</p> <p>The weaknesses in the programmes' internal M&E systems further underlined the need for doing field consultations at community level to get first hand feedback and observations on the quality of implementation and results. The importance of field consultations became evident as they provided crucial information and findings that would have been missed otherwise. However, the need to spend much time in the field also meant that there was less opportunity to have consultations with many stakeholders at national level and the right balance had to be found³².</p>
Timing of field work	<p>The timing of the field work (February-March) coincided with the rainy season, which complicated travelling to the remote areas. Combined with the limited time, this contributed to a certain bias in the selection of the consulted communities. However, since the programmes should integrate the ERET recommendations in the new AWPB and also have the semi-annual progress report ready at the start of the review, there are few other options.</p>
Reporting requirements	<p>The reporting requirements were extensive. Apart from the overall ToR, additional specific ToR were prepared annually that highlighted some of the key aspects that were considered most relevant for that year. However, this meant that in addition to the overall evaluation criteria, many specific listed issues had to be addressed. Although the consultancy team discussed each year with MFA the ToR, including the emphasis of the reviews with respect to the different evaluation criteria, in practice it still meant that comprehensive reports had to be written on all five evaluation criteria for each reviewed programme and project. This contributed to the following challenges:</p> <ul style="list-style-type: none"> • Delays in the submission of the reports. The ERET 2022 review was preceded by the SEA, of which the report had to be prepared prior to the start of the ERET 2022 review. For the ERET 2023 report an additional requirement was included for the appraisal of the PFP2 extension plan. As this report had priority, the final ERET report was only submitted early June. • The team leader spent several additional days on preparing the reports as the allocated time was relatively short and he did not want to compromise on the quality of the report. • Extensive and lengthy reports that might not be easily readable for some of the decision makers who have limited time. Although the findings and recommendations were included as a summary, for a good understanding the explanations in the text would have to be read. • Risk of repetition. For some evaluation criteria, such as relevance, the changes over the years were only limited.
Administrative set-up of ERET	<p>Another question was the appropriateness of the integration of ERET 2 into the "Framework arrangement for Evaluation Management Services" (EMS) contract of MFA with the Particip-Niras Consortium. The framework basically focuses on centralized evaluations of MFA programmes, which requires a rigorous QA system. However, the ERET team leader considered the system a bit overambitious for the ERET type of decentralized evaluation approach. After the inception report, a more practical approach was adopted, which worked well. The other question was whether the structure was not causing a potential conflict of interest as one of the consortium members (NIRAS) was also involved in one of the evaluated</p>

³² In 2023, especially the core consultants considered that the emphasis on fieldwork was crucial as most of the stakeholders had been consulted already in previous years and during the identification study (with little changes in their views), and the ToR emphasised the assessment of outcomes.

Key aspect	ERET 2 experience
	programmes (PFP2, responsible for contracting the local staff). However, because ERET 2 was led by Particip and no Niras staff took part in the evaluations, this was not considered an issue by both MFA and the consortium.

5.2.2 Effectiveness of ERET 2 approach

The effectiveness of ERET 2 can be assessed in terms of its contribution to increased accountability and learning, and the uptake of the recommendations by the programmes and policy makers.

Perception of programme management on ERET

The success of the ERET approach depends first of all on the perception of the programme management and main stakeholders on ERET and their acceptance of the findings and willingness to integrate the recommendations. The more relevant the findings and recommendations are found, the more receptive the programme staff and other stakeholders will be to continue working with ERET over the years, considering it a valuable M&E mechanism.

The ERET 2 experience indicates that overall, the main stakeholders, including the Embassy of Finland, MNRT and programme management teams were quite positive and supportive of ERET 2. Feedback provided by the CTAs of PFP2 and FORVAC clearly confirm their positive perception on ERET 2.

Box 5 Statements of PFP2 and FORVAC programme managers on ERET 1 and 2

The CTA of PFP2 was also involved in PFP1 and hence also refers to ERET 1: *“Your [ERET team leader’s] long-term involvement with both PFP 1 and PFP 2 provides you with an in-depth understanding of the programme as well as credibility. It leads us to take your suggestions seriously, even when we don’t initially agree. Your active support for PFP 1 was invaluable, and this mix of evaluation and assisting the programme in improving its RBFM and monitoring systems was very beneficial. Your missions have always been too short, while your familiarity with the programme has helped you to compensate in certain ways. More time spent in the field and discussing observations with the PMT, MNRT, and PORALG (as well as the SvB and PSC) would be beneficial.”*

The new CTA of FORVAC also showed his appreciation of the ERET 2 findings: *“many thanks to you and the team for the excellent, insightful and well written evaluation. Amazing what you achieved to glean in a short period. Very useful in terms of timing for the AWP process too.”*

The FCG programme manager for FORVAC further commented that *“ERET has been helpful for the implementation of FORVAC and the recommendations have been used by the programme team to direct the implementation and to justify the changes done towards the programme decision making bodies. My view is that ERET work has been done professionally and considering well the significance of FORVAC work (and the sector), both the country level and the village level. The ERET reviews and the proposals for alterations in the implementation have been done with justification and considering the views of FORVAC team. I find it good that the ERET team remained more or less the same, so that there are elements of continuity and perseverance in the evaluations. I also found it good that the 2022 review focused on socio-economic issues. Such specific focus should be practiced also in the future, and the focus could vary (e.g. socio-economic issues, climate change, etc.)”*.

While appreciating the work he also questioned the frequency of the reviews and the resources required: *“The reviews have consumed working time of the project team also, especially when in the field, thus it’s not fully ‘external exercise’. It would be good to make a analysis what would be the ‘right’ pace, however I assume it also depends on the programme, and there isn’t only one suitable model for all projects.”*

The CTAs of both programmes recognize the challenges of ERET with respect to the limited time available for the reviews. However, this is partly due to the fact that ERET 2 had to cover multiple programmes. In the case of one programme, time can be used more efficiently.

For a new programme, the CTA of PFP2 also emphasizes the need for more sophisticated internal M&E, including the use of remotely sensed data and highly sophisticated analysis procedures that would enable improved forest resource monitoring, integrated fire management and programme impact monitoring. In addition, as the programmes are expected to report against the embassy's RBMF, establishing a clear link between the high-level monitoring of the embassy and the subsidiary-level monitoring of the programmes would be needed.

Cost-effectiveness

While the frequency of the reviews and continuity of the ERET team are considered advantages that have helped improving the implementation and performance of the programmes, at the same time the system is heavy in terms of resources, requiring extensive preparations, consultations, reporting and comment rounds every year, involving all stakeholders. Several options could be considered for increasing the efficiency, while maintaining the advantage of continuity of the reviews:

- Reducing the reporting burden by focusing on the aspects and evaluation criteria that are most relevant for the period of review, for example emphasis on relevance, including design aspects and coherence in the first year, efficiency and implementation progress in the following year(s), and effectiveness, sustainability and indicative impact at the later stages of implementation.
- Reducing the reporting burden by writing less comprehensive reports, summarising the main observations without going into many details.
- Alternating 'light' annual reviews with more in-depth evaluations (possibly MTE and/or end evaluation). For ERET 2 the difference between the annual reviews and the MTEs was limited.
- Alternating programme reviews with thematic reviews, focusing on specific relevant aspects, such as the SEA. Although the SEA was conducted in addition to the ERET review, it proved a very useful exercise that could be well integrated in the programme's implementation strategies. Possibly such studies could be undertaken in conjunction with a light review for that same year.

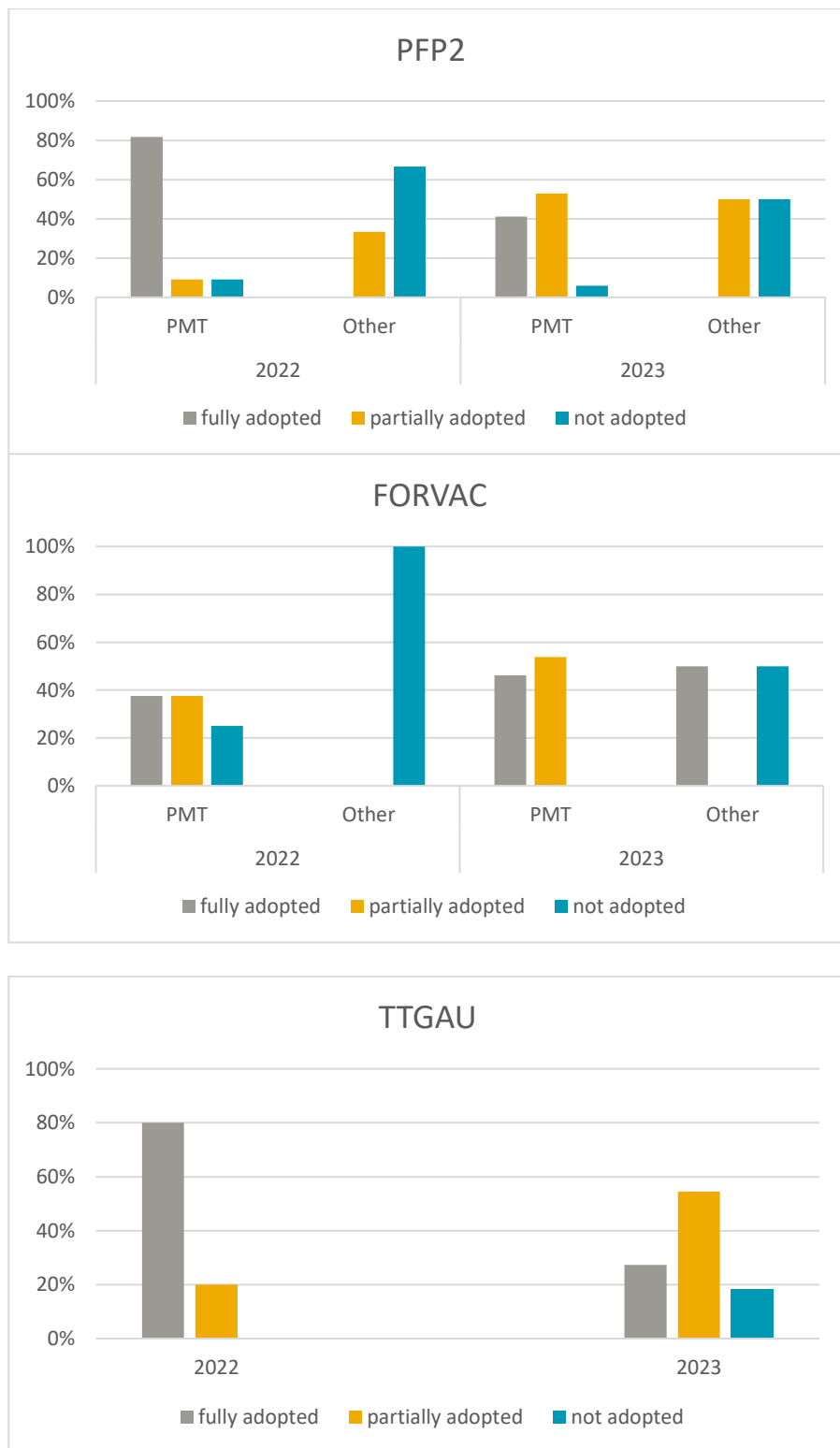
Adoption of recommendations

Although the PMTs were positive about ERET 2, their action taken on the recommendations varied. Figure 1 provides an overview of the actions taken by the various programmes on the ERET recommendations of 2021 and 2022. However, the interpretation of the results requires caution as some recommendations were very specific and relatively easy to implement whereas others were more strategic. The recommendations that were partially adopted range from limited action to near-full implementation with minor omissions. Taking into account all aspects, the overall implementation of recommended actions could be around 70%. Recommendations that received insufficient action were included again in the subsequent year's review report. However, if a programme considered the recommendation not very relevant, the likelihood of taking action in the following year remained low. This explains why in some cases, the adoption levels decreased from 2022 review to the 2023 review.

Although most recommendations were directed to the PMTs, some were supposed to be addressed by the PSCs, national stakeholders (MNRT, PORALG) or MFA. However, as the figures indicate, the response of these 'other' stakeholders have been much lower. However, MFA has adopted some of the key recommendations. First, the recommendation to extend the FORVAC programme for two years, based on the clause put in the contract with FCG, was approved. In addition, a one-year extension of PFP2 under the

current contract, was also approved. These recommendations allowed both programmes to catch up with the experienced delays and consolidate some of the key results.

Figure 9 Action taken on recommendations



Source: ERET 2022, ERET 2023

Finally, the follow-up mechanism could have been clearer. Although some programmes made reference to the ERET recommendations in their AWPB, others did not provide any feedback. In addition, even those that

made reference, did not always consider the entire set of recommendations or did not clarify why certain recommendations were not being considered. There might be valid reasons for not implementing some recommendations, but these should be clearly stated. In addition, for the recommendations to other institutions, also no clear follow-up and feedback mechanism was included.

Timing of ERET reports for feeding findings and recommendations into the AWPB

Although some delays were experienced in the submission of the final reports, this did not negatively affect the use of the findings and recommendations by the programmes. ERET 2 had several interactions with the programmes' PMTs and sometimes other staff on the findings before the final report was submitted. First, at the end of each review period in Tanzania, ERET provided debriefing sessions to the programmes individually, at least PFP2 and FORVAC and to the embassy/MFA and MNRT (TOSP debriefings were mostly done remotely after returning back from Tanzania). In addition, presentations were provided to the PSC meetings (either in Tanzania or remotely) and in some cases to the Supervisory Board. Furthermore, the PMTs and main stakeholders received the draft reports on time (April-early May) for the preparation of their AWPB. The final reports were mostly submitted in June.

5.3 Conclusions and recommendations

Based on the lessons learnt from both ERET 1 and ERET 2 the following conclusions and recommendations³³ can be drawn for a future ERET or similar approach:

1. The **ERET model can be very useful. ERET 2 has been effective** and has been appreciated by the reviewed programmes because of the consultants' knowledge of the forestry sector and programmes at the start and their improved understanding of the developments during the programme implementation. This increased the relevance and timeliness of the findings and recommendations, which the programmes were able to integrate in the AWPBs. The approach contributed to the improved implementation of the programmes, as issues were corrected annually. However, **adequate time and resources are required** to consult relevant stakeholders and beneficiaries at various levels and conduct field observations. The specific requirements for ERET 2, reviewing multiple programmes and projects within a short period and preparing comprehensive reports based on extensive ToRs, were overambitious, putting a very heavy strain on the consultants. From the point of view of delivering high-quality results of the evaluation to MFA, the described practice increased the risk of quality gaps and delays. In the case of ERET 2, the risk was managed to a great extent by the dedication of the evaluation team but this may not always be the case, and the strategy to stretch the consultants' limits is not necessarily optimal nor sustainable. Such approach is not feasible for replication unless sufficient time and resources are allocated. The next phase of MFA support to Tanzania will probably comprise one programme, which makes it a bit easier but still different types of forestry support (plantation forestry and CBFM) are combined that are implemented in different agro-ecological zones. This still requires substantial field work and travel.

Recommendation 1: MFA must allocate adequate time and resources for ERET or any similar approach to undertake field work, consultations with stakeholders, and reporting. In case of multiple programmes to be evaluated, sufficient time is required for the review of each programme.

2. The **timing of the ERET implementation is important** as the findings and recommendations need to be integrated into the programme's following year's annual plans. Based on the ERET 2's experience, the entire process can easily take three to four months, including preparation, review in-country and debriefings, further analysis and preparation of the draft report, and preparation and submission of

³³ The recommendations are made with the new programme in Tanzania in mind but could also be considered for reviews in other countries. In that case 'Tanzania' should be replaced by the other country of implementation.

final report. This requires the planning to start already in January or even earlier. The national consultants can be used to conduct some consultations with national level stakeholders in the period before the entire team meets in Tanzania for the field work. Many of these pre-field work consultations could be conducted online at low cost but could also involve travel to stakeholders in Morogoro (SUA and TAFORI) and Arusha/Moshi (FTI, FITI). In the case of one programme, the process could possibly be done a bit quicker, but still adequate time is required. However, ERET 2 encountered also issues with programme progress reports not yet being available and field work coinciding with the rainy season. Some of these challenges are difficult to overcome and **good planning is required.**

Recommendation 2: The planning of the ERET or any similar review must be undertaken at an early stage and programmes must be encouraged to prepare their semi-annual progress reports and other relevant data on time to ensure that ERET can start the relevant desk work prior to the field work. Consultations with key stakeholders could be undertaken before the start of the field work, through online meetings or by national consultants.

3. The **ERET approach can provide useful insights** into the performance and results of the programme, **but additional M&E data are required** to complement the findings of ERET, which are mostly based on observations and consultations with selected stakeholders and beneficiaries. In addition, the programmes should have high quality RBMFs. M&E has been relatively weak in most programmes and the RBMFs had many issues. For a future MFA supported programme much more emphasis must be put on the proper RBMF design and M&E, including remote sensing and outcome/impact surveys.

Recommendation 3: The (new) programme(s) must put adequate M&E systems in place, including remote sensing methods that would enable improved forest resource monitoring to complement the findings of ERET or any similar approach. In addition, MFA could decide to support the implementation of independent outcome/impact surveys, or as part of the ERET or any similar approach contract.

4. In addition to conclusion 3, as envisaged in the model, **ERET could provide some technical support to the development/improvement** of the RBMF and related M&E systems, provided that the team has highly qualified and experienced experts on those aspects. In ERET 1 the team made an important contribution in that sense. But a conflict of interest must be avoided.

Recommendation 4: ERET or any similar approach should review the conceptual design and M&E and if necessary, provide technical support at the early stage of programme implementation, provided that the team includes a highly qualified and experienced M&E specialist. ERET or any similar approach would only have an advisory role and must avoid a conflict of interest between combining TA and independent evaluation.

5. The **ERET 2 implementation and report writing could have been more efficient**, focusing on the evaluation criteria that are most pertinent for the phase of programme implementation. At the initial phases major emphasis could be put on the design aspects, relevance and efficiency, whereas in later stages the criteria of effectiveness, impact and sustainability would be more important. The reporting requirements could also be adjusted in that sense.

Recommendation 5: ERET or any similar approach should put major emphasis on the evaluation criteria that are most relevant for the particular phase of programme implementation and only address other criteria for which some changes have occurred. The reporting requirements should be reduced to avoid lengthy reports.

6. The ERET 2 implementation was combined with a few additional exercises, including the SEA in 2022 and the appraisal of the PFP2 extension plan in 2023. Although this added further responsibilities and required more time of the Team Leader, those exercises were very useful and could be well integrated in the ERET 2 reviews. Combining the reviews with thematic evaluations/assessments could add value.

Recommendation 6: In the planning of ERET or any similar approach the option of combining the annual reviews with thematic evaluations should be integrated.

7. The **team composition** of ERET and the **continuation of the same members are of crucial importance**. In terms of team composition, the integration of national experts cannot be overemphasized, considering their knowledge of the local situation, language skills and their network. As ERET members are usually freelance consultants, the risk of some of them not being available is considerable. Possibly, ERET could have a small core team of an international team leader and one or two national experts and the option to include specialists on a part time basis for the analysis of specific topics. The knowledge of the international experts of the local language (in this case Swahili), would have an added advantage.

Recommendation 7: ERET or any similar approach should have a good balance of national and international experts with complementary expertise and substantial (field) experience, preferably in Tanzania (or any other country of the review). Measures should be put in place to encourage the continuity of the same core team, while experts on specific aspects could be contracted on a part time basis, depending on the specific needs during the period of review.

References and documents consulted

- Enabel (2020 a.) Certificates of Customary Rights of Occupancy (CCRO) in connection with implementing Natural Resources Management for Local Economic Development in Kigoma Region (NRM4LED), The Belgian Development Agency
- Enabel. (2020 b). Village Land Use Planning (VLUP) in connection with implementing Natural Resources Management for Local Economic Development in Kigoma Region (NRM4LED): Policy Brief. Enabel. The Belgian Development Agency.
- FREL, (2016). Tanzania's Forest Reference Emission Level submission to the UNFCCC. The United Republic of Tanzania.
- ERET/ Remme et.al (2021): External Review and Evaluation Services of Forestry Programmes in Tanzania. Report of Programmes Assessments 2021: Mid-Term Evaluation FORVAC and annual reviews of PFP2 and TOSP.
- Government of Finland. (2019). Inclusive and competent Finland – a socially, economically and ecologically sustainable society [Programme of Prime Minister Sanna Marin's Government]. Government of Finland.
- Groome, M. (2019). Exploring opportunities for Engineered Wood Products (EWP) value chain development in Tanzania.
- Hunting Technical Services LTD. (1997). National reconnaissance Level Land Use and Natural Resources Mapping.
- International Institute for Environment and Development. Rural Planning in the Developing World with a Special Focus on Natural Resources (2000) <https://www.jstor.org/stable/pdf/resrep18122.16.pdf>
- Johnsen F. H. (1999). Burning with enthusiasm: fuelwood scarcity in Tanzania in terms of severity, impacts and remedies, *Forum for Development Studies*:1, pp. 107-131.
- JUHUDI Development (2012). Risk Assessment Study in the Forestry and Fishery Sub-Sectors for Taxation Purposes. For the Tanzania Revenue Authority. Dar es Salaam, Tanzania.
- Malimbwi, R.E. and Zahabu, E. (2008). The analysis of sustainable fuelwood production systems in Tanzania. Source unknown (available at <http://www.fao.org/3/i1321e/i1321e09.pdf>)
- Massay, G. (2016). Tanzania's Village Land Act 15 years on. *Rural 21*.
- MFA Finland. (2015a). Human Rights Based Approach in Finland's Development Cooperation, Guidance Note.
- MFA Finland. (2015b). Results Based Management (RBM) in Finland's Development Cooperation – Concepts and Guiding Principles.
- MFA. (2016). LIMAS Project Completion Report 2010-2016.
- MFA Finland. (2016). Government Report on Development Policy: One World, Common Future – Toward sustainable development. Ministry for Foreign Affairs of Finland (MFA).
- MFA Finland. (2016). Manual for Bilateral Programmes. Version published 1 September 2016.
- MFA Finland. (2017). Country Strategy for Development Cooperation Tanzania 2016-2019.
- MFA Finland. (2018). Manual for Bilateral Programmes. Updated version. 15 September 2018.
- MFA Finland / Talvela & Mikkolainen. (2019). Tanzania country case study. Evaluation of the Agriculture, Rural Development and Forest Sector (ARDF).
- MFA Finland. (2020). Guideline for the Cross-Cutting Objectives in the Finnish Development Policy and Cooperation.
- MFA Finland. (2020a). Theories of Change and Aggregate Indicators for Finland's Development Policy 2020. Ministry for Foreign Affairs of Finland (MFA). 01.03.2020.
- MFA Finland / Laaksonen et al. (2021). Tanzania country case study. Evaluation of Economic Development, Job Creation and Livelihoods.
- MFA Finland (2021). Finland's country strategy for Tanzania 2021-2021.
- MFA Finland (2022). Updated ToC of Tanzania country programme.
- Millington, A., and townsend, J. (eds.) (1989). Biomass assessment. Woody biomass in the SADC region. Earth scans Publication Ltd. London. UK
- MNRT (2015). National Forest Resources and Monitoring Assessment (NAFORMA). Forestry and Beekeeping Division (FBD) of the Ministry of Natural Resources and Tourism

Mnzava, E.M. (1983). Tree Planting in Tanzania: A voice from the villagers. Forest and Beekeeping Division, Dar es Salaam, Tanzania.

MoFP (2012). The Economic Survey 2010 Ministry of Finance and Planning. The United Republic of Tanzania.

NBS (2019). National Accounts of Tanzania Mainland (2007 – 2017). National Bureau of Statistics. Ministry of Finance and Planning. Dodoma.

TEITI (2014). Scoping Study of the Forestry Sector for the purpose of including the industry in Revenue Disclosure through the Tanzania Extractive Industries Transparency Initiative

Transtec/Remme H, Muyambi F, Kamoto J, Dengu E. (2015). A technical review of community based forest management on both customary land and forest reserves (Participatory Forest Management).

UNDP. (2020). Human Development report Briefing note for countries on the 2020 Human Development Report Tanzania (United Republic of). Retrieved from http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/TZA.pdf

UNIQUE. 2017. Tanzanian Wood Product Market Study Final Report for the Forestry Development Trust (FDT).

URT (1977) Constitution.

URT (1999a) Village Land Act.

URT (1999) Land Act.

URT (2002) Forest Act No. 14.

URT (2010). National Strategy for Growth and Reduction of Poverty II (NSGRP II / Mkukuta II), Dar es Salaam, Vice President's Office.

URT (2011) Public Procurement Act amendment 2016.

URT (2011) Guidelines for Participatory Village Land Use Planning, Administration, and Management in Tanzania. National Land Use Planning Commission.

URT (2016). TASAF III Vulnerable Groups Planning Framework. Final: President's Office, TASAF Management Unit Dar es Salaam – Tanzania 2016.

URT (2018) PPP Amendment Act 2018.

URT. (). Intended nationally determined contributions (INDCs), Retrieved from. <https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/The%20United%20Republic%20of%20Tanzania%20First%20NDC/The%20United%20Republic%20of%20Tanzania%20First%20NDC.pdf>

FORVAC:

Government of the Republic of Finland & Government of United Republic of Tanzania. (2017). Agreement on the Co-operation in the Forestry and value Chains Development Programme (FORVAC). 29 November 2017.

FCG International Ltd & FCG Swedish Development AB. (n.d.). Technical Tender - Forestry and Value Chains Development (FORVAC) (28235796): Workplan.

FORVAC. (2018). Draft Programme Work Plan and Budget up to July 2019. 16 November 2018.

FORVAC. (2018). Market Systems Analysis: A Market Diagnosis for FORVAC. 21 December 2018.

FORVAC. (2018). Minutes of the First Steering Committee Meeting. 16 November 2018.

FORVAC. (2019a). Forestry and Value Chains Development (FORVAC) 2018 – 2022. Programme Document – Inception Phase Edits. For Ministry for Foreign Affairs, Finland and the Ministry of Natural Resources and Tourism, Tanzania. April 2019.

FORVAC. (2019b). Training Needs Assessment & Action Plan. Final Report.

FORVAC. (2019). Inception Report: Forestry and Value Chain Development (FORVAC) Programme. February 2019.

FORVAC. (2019). Minutes of the First Supervisory Board Meeting. 25 April 2019.

FORVAC. (2019). Minutes of the Second Steering Committee Meeting. 12 March 2019.

FORVAC. (2019). Minutes of the Second Supervisory Board Meeting. 24 October 2019.

FORVAC. (2019). Minutes of the Third Steering Committee Meeting. 19 June 2019.

FORVAC. (2019). Programme Implementation Manual. For Ministry of Foreign Affairs, Finland and the Ministry of Natural Resources and Tourism, Tanzania. 25 March 2019.

FORVAC. (2019). Workplan for the Period From 1 March To 30 June 2019. 14 February 2019.

FORVAC. (2020a). Baseline survey report. 8 June 2020.

FORVAC. (2020). Annual Report for the period from 1 July 2019 to 30 June 2020. 6 June 2020.

FORVAC. (2020). Minutes of the Fourth Steering Committee Meeting. 6 March 2020.

FORVAC. (2020). Minutes of the Fifth Steering Committee Meeting. 18 June 2020.

FORVAC. (2020). Minutes of the Third Supervisory Board Meeting. 6 November 2020.

FORVAC. (2020). Semi-Annual Report for the period from 1 July 2019 to 31 December 2019. 3 February 2020.

FORVAC. (2020). Draft Workplan and Budget for the period from 1 July 2020 to 30 June 2021. 5 June 2019.

FORVAC. (2020). Workplan and Budget for the period from 1 July 2020 to 30 June 2021. 13 July 2020.

FORVAC. (2020). Proposed institutional framework for the establishment of community based forest management (CBFM) apex body in Tanzania.

FORVAC. (2020). Workshop Report. CBFM Annual Stakeholders Forum. 28th Dec.2020.

FORVAC. (2021). Forestry and Value Chains Development (FORVAC) 2018 – 2022 with Extension Phase (23 July 2022 to 22 July 2024) -edits. Ministry for Foreign Affairs, Finland and the Ministry of Natural Resources and Tourism, Tanzania. November 2021.

FORVAC. (2021). Draft Semi-Annual Report for the period from 1 July 2020 to 31 December 2020.

FORVAC. (2021). Presentation at the International Scientific Conference on Forest and Honeybee Products Value Chains, Dar es Salaam, 23 February 2021.

FORVAC (2021) Monthly Reports (MIS) October – November 2021.

FORVAC/ KPMG (2021) Forestry Value Chains Development (FORVAC) Audit.

FORVAC (2022) Draft Semi-Annual Report Jul - Dec 2021.

FORVAC (2022) Semi-annual Report July-December 2021.

FORVAC (2022) Programme Document.

FORVAC (2022) FORVAC Annual Report 2020-2021.

FORVAC (2022) Workplan and Budget for the Period From 1 July 2021 To 30 June 2022.

FORVAC & Remme et al. (2022): Socio-Economic Assessment. Poverty, Vulnerability, Gender & Community Based Forest Management supported by FORVAC.

FORVAC (2022) Annual report for the period from 1 July 2021 to 30 June 2022

Minutes and associated documents pf relevant Steering Committee Meetings

PFP 2:

Government of the Republic of Finland & Government of United Republic of Tanzania. (2019). Agreement on the Cooperation in the Participatory Plantation Forestry Programme Phase II (PFP II). 18 July 2019.

PFP. (2016a). Forest Sector Financing Study

PFP. (2016). Ruvuma Private Forestry Investment Opportunities – Site Profiles

PFP. (2017). Financial and Economic Analysis of Private Forestry Investment Opportunities in Ruvuma Region.

PFP. (2018a). Draft Programme Document. 25 June 2018.

PFP. (2018). Investment Opportunities in the Tanzanian Forest Industry and Bioenergy Sectors.

Remme et al. (2017). PFP Mid-Term Evaluation – FCG.

FDT. (2019). Forest Private Public Partnerships in Tanzania – Situation Analysis

PFP. (2020). Draft PFP 2 Annual Work Plan and Budget for 1 July 2020 to 30 June 2021. July 2020.

PFP. (2020). Draft Programme Implementation Manual. 29 June 2020.

PFP. (2020). Human Rights Based Approach and Gender Situational Assessment: A Case Study of Makete District. Iringa, Tanzania.

PFP. (2020). Minutes of the First Steering Committee Meeting of the Participatory Plantation Forestry Programme Phase 2 (PFP 2) – Expanded Version. 6 March 2020.

PFP. (2020). Minutes of the First Steering Committee Meeting of the Participatory Plantation Forestry Programme Phase 2 (PFP 2) – Resolution Version. 6 March 2020.

PFP1

PFP2. (2021). Draft revised PFP 2 annual work plan and budget for 1 July 2020 to June 2021.

PFP2. (2021). Participatory Plantation Forestry Programme (PFP 2) Quarterly Progress Report for the Period from 1 October 2020 to 31 December 2020.

PFP2 (2021) Assessment of woodlots and forest-based enterprises. PFP2 baseline data collection.

PFP2. (2021). AfriFurniture. Transitioning towards a more sustainable and resilient furniture market in Tanzania. Phase 1 Status Report 3.

PFP2 (2021) Human Rights and Gender Situation Assessment of Forest Rich Villages in the Southern Highlands Tanzania.

PFP2 (2021) PFP2 Annual Work Plan and Budget for 1 July 2021 to 30 June 2022.

PFP2 (2021) UTII B Sawmill Assessment.

PFP2 (2021) Quarterly Progress and Expenditure Report for the Period from 1 July 2021 to 30 September 2021.

PFP2 (2021) Rapid Assessment of Carpentry SMEs in Mafinga, to inform Terms of Reference for Furniture Design Sprint.

PFP2 (2021) Draft Revised Programme Implementation Manual.

PFP2 (2021) Revised Programme Document.

PFP2 (2021) Maelekezo ya uendeshaji wa Vikundi vya Wakulima wa Miti.

PFP2 (2022) Draft Semi-annual Progress and Expenditure Report from 1 July to 31 December 2021.

PFP2 (2022) Monitoring and Evaluation plan.

PFP2 (2022) Presentation for External Review and Evaluation Team.

PFP2 (2022) Quarterly Progress and Expenditure Report from 1 January to 31 March 2022.

PFP2 (2022) Draft Annual Progress and Expenditure Report from 1 July 2021 to 30 June 2022.

PFP2 (2022) Draft Revised Programme Implementation Manual. December 2022.

PFP2 (2022) Draft Revised PFP 2 Annual Work Plan and Budget for 1 July 2022 to 30 June 2023.

PFP2 (2022) Quarterly Progress and Expenditure Report for the period 1 July to 30 September 2022

PFP2 / KPMG (2022) Performance Audit of the Participatory Plantation Forestry Programme 2

PFP2 (2023) Draft Extension Plan: November 2023 – October 2024.

PFP2 (2023) Semi-annual progress report July-December 2022.

Minutes and associated documents related to the 8th, 9th, 10th, 11th and 12th PSC meeting

TOSP:

Ministry for Foreign Affairs of Finland & Tanzania Tree Growers Association Union (TTGAU). (2019). Contract on the Financing of Tree Outgrower Support Programme. 23 August 2019.

Ministry for Foreign Affairs of Finland & The New Forests Company. (2019). Contract on the Financing of Tree Outgrower Support Programme. 21 August 2019.

PFP. (2021). Verification of the Woodlots Established through NFC's Out-Grower Support Programme in 2019/2020: Final Report. January 2021.

PFP. (2021). Verification of the Woodlots Established through TTGAU's Out-Grower Support Programme in 2019/2020: Final Report. January 2021.

Tanzania Tree Growers Association Union. (2020). Tree Outgrower Support Programme: Annual Report. November 2020.

Tanzania Tree Growers Association Union. (2020). Tree Outgrower Support Programme: Semi-Annual Report for the period October 2019 – April 2020. April 2020.

Tanzania Tree Growers Association Union. (2020). TTGAU Comments on findings identified by verification team for Woodlots Established through TTGAU Out-Grower Support Programme in 2019/2020.

Tanzania Tree Growers Association Union. (n.d.). Tree Outgrower Support Programme: Activity schedule for 2019/2022 plantation establishment and tending.

Tanzania Tree Growers Association Union. (n.d.). Tree Outgrower Support Programme: Budget 2019-2020.

The New Forests Company. (2020). NFC Outgrower Scheme: Semi-Annual Progress Report for the period Jan-June 2020. July 2020.

The New Forests Company. (2020). NFC Outgrower Scheme: Semi-Annual Progress Report for the period July-Sep 2020. October 2020.

The New Forests Company. (2020). The New Forests Company Response to the Findings and Recommendations Identified During Verification of the Woodlots Established Through NFC's Out-Grower Support Programme in 2019/2020.

The New Forests Company (2021) Annual Report 2021.

The New Forests Company (2021) Bi-Annual Report Jan – June 2021.

The New Forests Company (2021) Annual work plan and Budget from 1st of January to 31st of December 2022.

The New Forests Company / KPMG (2022) The New Forests Company Tanzania Financial Review in Relation to the Tree Outgrowers Support Programme Period 1 January – 31 December 2021

The New Forests Company (2022) NFCT-TOSP 2022 Biannual Report 2

The New Forests Company (2023) Project Completion Report

Tanzania Tree Growers Association Union (2021) Bridging phase report September – December 2020.

Tanzania Tree Growers Association Union (2021) Semi annual Report January – June 2021.

Tanzania Tree Growers Association Union (2022) Annual Report January – December 2021.

Tanzania Tree Growers Association Union (2021) TOSP Financial Report 2021.

Tanzania Tree Growers Association Union / KPMG (2022) Tanzania Tree Growers Associations Union Financial Review in Relation to the Tree Outgrowers Support Programme Period 1 January – 31 December 2021

Tanzania Tree Growers Association Union (2022) Tanzania Tree Growers Associations Union Tree Outgrower Support Programme (TOSP) 2019-2022 Semi Annual Report January – June 2022

PF2 (2022) Verification of the Woodlots Established through NFC's Tree Out-Grower Support Programme in 2021/2022

PF2 (2022) Verification of the Woodlots Established through TTGAU's Tree Out-Grower Support Programme in 2021/2022

Websites:

Afrobarometer. (2021). Gender equality in Tanzania: Uproar and perceived progress; Retrieved from https://afrobarometer.org/sites/default/files/publications/D%C3%A9p%C3%Aches/ab_r7_dispatchno237_gender_equality_in_tanzania.pdf

IDS. (2020). DID Tanzania SITAN. Retrieved from https://opendocs.ids.ac.uk/opendocs/bitstream/handle/20.500.12413/15509/DID%20Tanzania%20SITAN%20_%20June%202020.pdf?sequence=1&isAllowed=y

ILO. (2021). Social Protection Retrieved from https://www.ilo.org/africa/countries-covered/tanzania/WCMS_549369/lang--en/index.htm

Tanzania Invest (2021). Retrieved from <https://www.tanzaniainvest.com>.

UN Women (2021). Global Database on Violence against Women Tanzania. Retrieved from <https://evaw-global-database.unwomen.org/en/countries/africa/united-republic-of-tanzania#1>

Worldbank (2016). Cash Transfers and Health Evidence from Tanzania <http://documents1.worldbank.org/curated/en/535371478531675550/pdf/WPS7882.pdf>

Worldbank. (2021, a). Africa can end poverty. Retrieved from <https://blogs.worldbank.org/africacan>.

Worldbank. (2021, b). Retrieved from <https://www.worldbank.org>.

Annex 1: Terms of Reference and ERET mission 2023

TERMS OF REFERENCE

EXTERNAL REVIEW AND EVALUATION SERVICES of forest programmes in Tanzania

Draft 13.11.2020

The Ministry for Foreign Affairs of Finland (MFA) is contracting consultancy services to conduct reviews and evaluations alongside the implementation of three different Forestry Programmes in Tanzania. These are a) the Participatory Plantation Forestry Programme phase 2 (PPF2), b) the Forestry and Value Chain Development Programme (FORVAC) and c) the Tree Outgrowers Support Programme (TOSP). The reviews and evaluations will be conducted for accountability and learning purposes as well as for supporting strategic and adaptive management of MFA funds.

I BACKGROUND OF FINNISH SUPPORTED FORESTRY PROGRAMMES

One of the main goals of Finland's upcoming country strategy for development cooperation in Tanzania will be to improve livelihoods and climate resilience for the rural population in Tanzania through sustainable management and use of existing forests and establishing forests where there is none. This is a response to the widespread poverty in the country and the increasingly more urgent need to adapt to challenges caused by climate change. There is a long history of cooperation in the forestry sector between Tanzania and Finland, and the cooperation benefits from solid Finnish expertise and know-how.

The Finnish support to the Participatory Plantation Forestry Programme (PPF2), Forest and Value Chain Development (FORVAC) and Tree Outgrowers Support Programme (TOSP) aims at increasing rural income, social and environmental benefits in Tanzania thereby reducing poverty and inequality. This will be achieved through developing sustainable plantation forestry, sustainable management and utilization of natural forests, and value addition including employment creation in the entire forest production value chain. The interventions will support sustainable land-use planning, plantation development (including facilitation of smallholder out-growers), community-based forest management, facilitation of local organisations, including Tree Growers Associations (TGAs), and capacity building of tree growers, small and medium sized enterprises (SMEs), service providers (extension and business services) and other stakeholders involved in the forest value chain.

The key beneficiaries are private tree growers, village land forest reserve owners, and wood processing micro, small and medium sized enterprises (MSMEs). Beneficiaries include members of already existing and new Tree Growers Associations (TGAs), and villages with forest reserves. Inclusive and equal participation in TGAs and management of village land forest reserves will be promoted. The rights of people in vulnerable situations will be strengthened through their involvement in the land use planning processes, by supporting their employment in value chains and promoting income generation. To ensure environmental sustainability, the programmes integrate biodiversity conservation in land-use planning and improved biodiversity management in plantation development and village land forest management.

The rationale to support private plantation forestry and natural forest and value chain development in Tanzania is based on the following:

- 1) A significant supply-demand deficit of round wood is anticipated in Tanzania shortly with severe long-term implications if plantation development is not accelerated.
- 2) Higher deforestation of natural forests is occurring as a result of increased population and poor agricultural practices.

- 3) Right now, there is a great momentum to accelerate expansion of forest plantations among small-, medium and large-scale tree growers in Southern Highlands area as plantation development is already strongly emerging.
- 4) Availability of village land use plans has potential to secure forest resources and biodiversity whilst addressing land use conflicts and ensuring equality in resource ownership and management.
- 5) Plantation forestry, sustainable utilization of natural forests, and wood-based processing are financially sustainable if done in a proper way.
- 6) Private plantations, sustainable natural forest management and value-added production can have positive economic, social and environmental impacts at local and national levels.
- 7) Private plantation forestry and sustainable management of village land forest reserves can generate economic growth and employment in rural areas and have major potential for reducing poverty.
- 8) Climate change mitigation and adaptation are also objectives in forest projects. In FORVAC OECD/DAC markers and estimated shares are for climate change mitigation 30% and for adaptation 10%, and in TOSP mitigation 30%.

II PRESENTATION OF THE CURRENT FORESTRY PROGRAMMES

Finland supports the Tanzanian forestry sector through three different interventions presented below. The MFA recognizes the importance to integrate evaluation and its results into the management and decision-making bodies of the three different programmes and to promote synergies between them.

PFP2

The overall objective of the Participatory Plantation Forestry Program phase II is to promote sustainable and inclusive plantation forestry that contributes to Tanzania's economy and alleviates poverty through increased rural income by intensified private plantation forestry and related value chains from seeds to market, based on sustainable land use. While supporting especially the income and employment of those rural households in the Southern highlands area that have potential for plantation forestry, PFP2 will also safeguard the rights of vulnerable groups and support their participation in the value chain. PFP phase II will focus on the consolidation of the achievements of phase I while taking a people centred approach through facilitation, communication and inclusiveness with the aim of building greater sustainability.

To respond to the needs, the project will accelerate plantation development and benefit local economies through two main result areas:

- 1) Tree growers support in establishment of higher quality plantation.
- 2) Support to small and medium sized enterprises in efficient wood processing and wood based business administrations.

PFP2 is a four-year project that commenced in November 2019 and is expected to end in 2023. Finland's funding is 9.4 million euros, and Tanzania's contribution is 470,000 euros. PFP is implemented by the Government of Tanzania through the Ministry of Natural Resources and Tourism. Indufor Oy has been contracted to provide technical assistance.

The Supervisory Board is the highest decision-making body meeting annually. Its members include the competent authorities (representatives from Finland and Tanzania with whom the agreement is done). The Supervisory Board agrees and approves the strategic and policy issues of the Project and all changes in the Project Document. The Steering Committee is the body responsible for guiding project implementation on the basis of the contract, project document and annual work plans. It is a monitoring as well as an advisory and decision-making body meeting quarterly. The Steering Committee is comprised of representatives of the competent authorities, the implementation agency, key beneficiaries and other stakeholders. The Programme Management Unit is responsible for practical management and consists of the international and national technical assistance team. It works closely with the Forestry and Beekeeping Division of the Ministry of Natural Resources and Tourism.

FORVAC

The overall objective of the Forestry and Value Chain Development Programme (FORVAC) is to increase economic, social and environmental benefits from forests and woodlands through improved forest sector market / value chains contributing to sustainable forestry and forest-based livelihoods. The programme works in three regions: Tanga, Lindi and Ruwuma. FORVAC has four result areas in order to attain this objective:

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

FORVAC is implemented in 2018–2022. Funding contribution from Finland is 9.95 million euros and 200,000 euros from Tanzania. The Government of Tanzania is represented by the Ministry of Natural Resources and Tourism. Technical assistance is provided by a consortium of FCG International and FCG Sweden.

As described above about PFP II, the Supervisory Board is the highest, strategic decision-making body and the Steering Committee responsible for guiding implementation. These bodies are working separately for PFP II and FORVAC, even though their participants are almost the same and the meetings may be organised in coordination. Possibilities for further integration and synergies may be further explored. As in PFP II, the FORVAC Program Management Unit is responsible for practical management and consists of the international and national technical assistance team. It works closely with the Forestry and Beekeeping Division of the Ministry of Natural Resources and Tourism.

TOSP

TOSP builds on the overall objective of the Private Forestry Programme (PFP1, 2014–2019) which was to contribute to poverty reduction by increasing rural income through intensified private plantation forestry and related value chains from seeds to market, based on sustainable land use. TOSP is a continuation of outgrower activities carried out within PFP1. While supporting especially the income and employment of those rural households in the Southern highlands area who have potential for plantation forestry, TOSP seeks also to safeguard the rights of people in vulnerable situations and support their participation in the value chain.

TOSP provides support to smallholder tree plantations via companies or other organisations in order to establish economically viable, sustainable and inclusive plantation forestry in Tanzania. Activities include all tree-growing activities, starting from site preparation and ending to thinning of the stands. The purpose is to

help develop commercial tree growing and strengthen plantation forestry by smallholder tree growers as sustainable livelihoods, and hence increase wealth in the Southern Highlands of Tanzania.

TOSP funding has been granted to three companies: Kilombero Teak Valley Company (164 351 euros 2019–2020), New Forests Company (729 490 euros 2019–2022) and Tanzania Tree Growers Associations Union (274 121 euros 2019–2022). The competent authority is MFA represented by the Embassy of Finland in Tanzania, which is responsible for guiding the project implementation based on the Act on Public Procurement and Concession Contracts, signed agreements, application documents, annual work plans and reports. MFA is a monitoring as well as an advisory and decision-making body of TOSP. At an organisation or company level, there is a dedicated focal person for practical management. The focal person works closely with the administration of that particular company or organisation

III PREVIOUS EVALUATIONS

Private Forestry Programme (PFP1, 2014–2019), to which PFP2 is continuation, had an External Review and Evaluation service. Two annual reviews (2015 and 2016) were implemented, and a mid-term evaluation (in May 2017) was conducted, of which the findings and recommendations were integrated in the design of PFP2. Tree outgrower activities were reviewed as part of PFP1.

FORVAC is a continuation to the Extension of Support to National Forest and Beekeeping Programme implementation (NFBKP II), which was implemented in 2013–2016. However, no evaluation of NFBKP was carried out.

IV RATIONALE, PURPOSE AND OBJECTIVES OF THE SERVICES

The External Review and Evaluation Team (ERET) is contracted both for accountability and learning purposes. The team is expected to carry out annual reviews to facilitate constant learning and assessment of Finland's forest programmes in Tanzania. ERET will support programme leadership and MFA with feedback and analysis of different approaches. ERET will support strategic learning in the programmes and produce recommendations for strengthening sustainability. ERET should also provide programme leadership and MFA with long term strategic recommendations on how to best continue and direct support to the Tanzanian forestry sector in a sustainable, strategic and comprehensive way.

The consultancy will assess programme progress based on programme indicators but also assess the programmes using standard evaluation criteria, including relevance, impact (positive and negative changes produced by the interventions, directly or indirectly, intended or unintended), effectiveness, efficiency, sustainability, coherence and aid effectiveness. The consultancy should define a number of common indicators for the TOSP implementers.

The objectives of this assignment are to:

- support the Finnish and Tanzanian decision-makers by assessing the relevance, impact, effectiveness, efficiency and sustainability, coherence and strategic aspects of the programmes;
- provide technical advice to the Programme Management Teams of PFP2 and FORVAC in the development and improvement of internal monitoring and evaluation systems for continuous learning and programme management, and for providing periodically important data on the results and outcomes for the external annual evaluations;
- support the Programme Management Teams of PFP 2 and FORVAC with feed-back and analysis that can be utilised in the annual planning;
- analyse the programmes in terms of vocational education and skills development and provide recommendations for strengthening this area further;

- assess the synergies, coherence and level of collaboration between the programmes and of the sector support in Tanzania;
- provide support for successful implementation, including risk management, and recommendations for improvements;
- provide analysis and insights for the Supervisory Boards of PFP 2 and FORVAC to support strategic dialogue about programme risks, synergies and directions forward; and
- ensure that the cross-cutting objectives of Finland’s development policy are considered and applied.

Special attention needs to be paid to systematic monitoring and evaluation of the impacts and results of the programmes:

- Firstly, even though the programmes will be implemented in close coordination with the Tanzanian Authorities – the Ministry for Natural Resources and Tourism (MNRT) and the Tanzanian Forest Service (TFS) – most of the activities will be implemented by private sector and third sector organizations and institutions, such as CSOs.
- Secondly, especially in the case of FORVAC, different kind of approaches and methods are piloted and tested.
- Thirdly, a systematic risk monitoring and assessment is required to monitor the socio-economic impacts, especially on stakeholders in vulnerable positions. Socio-economic impact assessment relates especially to how the Village Land Use Planning (VLUP) processes are carried out and land use rights are ensured, how employment opportunities or other benefits are extended also to people in vulnerable situations, and how the tree-growers associations and community-based organisations are developed.
- Fourthly, monitoring short- and long-term climate and environmental risks is part of the assignment.

In terms of monitoring and evaluating especially socio-economic impacts and risks, the key questions include the following:

- What positive impacts/results are achieved and who benefits from them? How?
- How to reach the easily marginalized beneficiaries?
- Who does not benefit and/or are in risk to face negative impacts? What kind of negative impacts?
- How does the management systems in programmes provide feedback and corrective measures to planning, implementation and monitoring?
- Which of the developed approaches could function as best practices for wider application? What is required for replication?

V SCOPE OF THE EXTERNAL REVIEW AND EVALUATION SERVICES

The services will be carried out in 2020–2023. They will include the following:

1. Annual reviews of the three programmes
2. ‘Strategic evaluations at mid-term’, in-depth studies
3. Final synthesis report

The evaluation team will make an annual field mission in the beginning of the calendar year. The following analysis will feed into the preparation of the programme annual plans that are presented to the steering committee and supervisory board. PFP II and FORVAC will each have a supervisory board, of which the members are mostly the same and the meetings would be arranged one after another. In connection with the meetings, there would be a session covering both programmes, in which the evaluation team would present

insights and recommendations and where strategic issues, risks and possibilities, and synergies would be discussed between the programmes. The evaluation team would attend either in person or virtually.

1. Annual Review

PPF2, FORVAC and TOSP implementing companies and organizations are responsible for the operational planning. This means setting annual targets and results with measurable indicators, activities and resource allocations. They prepare annual plans consisting of work plans and required resources. They are themselves responsible for monitoring the results by collecting data on specific indicators and reporting on the results and progress to the decision makers. They provide reports for the Steering Committee of PPF2 and FORVAC, while TOSP reports directly to the Ministry for Foreign Affairs of Finland. To conclude, the programmes are responsible for monitoring whereas the role of the ERET consultancy is to bring additional value and promote the idea of constant learning in the programmes.

The ERET will conduct reviews annually to assess the progress of the programmes against the set objectives and suggest corrective and improving measures when necessary. The annual reviews will look at the following evaluation aspects:

- Relevance of the programmes. This refers to the extent to which the objectives of the program are consistent with the beneficiaries' needs, country priorities and the partner's and Finland's policies. The consultancy has also to assess the relevance and effect of technical assistance given to the programme as well as to the beneficiaries.
- Impact which describes to what extent each programme has succeeded in contributing to its wider, overall objective, i.e. impact for its final beneficiaries, including promotion of human rights and gender equality, reduction of inequalities and promotion of climate resilience and low emission development . The review of impact covers intended and unintended, short-term and long-term, positive and negative impacts.
- Effectiveness describes if the results have furthered the achievement of the programme purpose or are expected to do so in the future. Evaluation of promotion of human rights and gender equality, reduction of inequalities and promotion of climate resilience and low emission development shall be integrated in the analysis.
- Efficiency, which describes how well the various activities have transformed the available resources into the intended results in terms of quality, quantity and timeliness. Use of resources to promote human rights and gender equality, reduction of inequalities and promotion of climate resilience and low emission development shall be integrated in the analysis. Annual reviews will also help accountability function and to that extent comparison should be made against what was planned and whether the programmes have utilised funds as per approved work plans. Furthermore, the management and administrative arrangements are analysed as well as the role of the Steering Committee and whether the committee is optimally being used for decision-making.
- Sustainability refers to the likely continuation of the programme achievements. The sustainability of programme interventions in terms of their effect on environment will also be assessed. Other important aspects are ownership/commitment, institutional, socio-economic and technical aspects, financial considerations, and governance/enabling environment.
- Coherence, both internal and external, of the different programmes, their approaches, methods, goals and implementation. Efficiency and effectiveness in networking with local and national stakeholders, service providers and NGOs will also be analysed.

The relative focus on these evaluation criteria in each review will depend on their relevance for the specific programme phase of implementation. An assessment of relevance, effectiveness and efficiency of approaches is more appropriate at the early stage while the analysis of the actual outcomes, impact and sustainability should be emphasised at the later stages.

The reviews will preferably be conducted in the month of February to allow programme incorporation of the recommendation from ERET in annual planning. This will be done by:

- review of the consecutive progress reports of the programmes; and
- a field mission to verify and validate the results and progress of the field activities on a sample basis.

In between annual review missions, the evaluation team will also be regularly in contact with the Management of the programmes to provide advice on M&E systems, follow-up provided progress reports, review M&E data and other documents, and be informed on important activities, issues and changes.

The desk review, prior to the field work will include a preliminary analysis on the relevant evaluation criteria and will propose more detailed review questions for the annual review mission. For the first annual review in 2021, the preliminary analysis is included as part of the inception report.

Each annual review mission will focus on specific issues, problems and selected evaluation criteria. It will provide in-depth analysis of monitoring information as well as complementary information to monitoring. It will address acute problems and provide recommendations to solve them. Implementation challenges may relate, for example, to the piloting of new approaches, special studies, participation of easily marginalized groups, implementation of training component, role of tree-growing incentive scheme or income generating activities.

A detailed work plan for each annual review mission will be agreed upon in consultation with the Program Management Units as well as competent Finnish and Tanzanian authorities. The work plan for each mission, study and evaluation, including allocated days for the task, will be separately approved by the MFA.

The information of the annual reviews will be used by the Program Management Units, the Steering Committee(s), Companies and NGOs engaged through TOSP as well as the Supervisory Board(s) to improve the performance of the programmes. The ERET Consultancy will report to the Steering Committee(s) and Supervisory Board(s).

The timing of the annual review mission will ideally be in February, to be agreed so that it will best serve annual work planning and that its recommendations can be integrated to annual work plans before their approval. The programmes and ERET follow the Tanzanian fiscal year beginning 1st July.

As a deliverable the mission will produce a report with clear analysis on the following:

- Findings – data, facts, evidence relevant to the indicators of the evaluation progress
- Conclusions – assessment of the progress or lack of it based on the findings
- Recommendations – proposed changes to the next year work plan and/or to the result-based logical framework, improvements, action to remedy problems in performance or to capitalize in strengths.
- Programme specific and sector-wide risks – how have they been identified and responded to, recommendations for further action
- The flow from findings to conclusions and from conclusions to recommendations must be clear and logical
- Strategic recommendations for the programmes as well as for MFA forestry sector support more generally.

2. 'Strategic evaluations at mid-term', in-depth studies

Given the fact that most projects are already mid-way of their implementation period and considering the continuous learning objective of the evaluation services, the mid-term evaluations could be integrated in the annual reviews, focusing on key areas that are of specific strategic relevance for the respective programmes. If needed, additional studies on specific topics could be conducted, providing input on key questions that are integrated in the annual review reports.

Considering that FORVAC and TOSP end in 2022, the first annual review should already integrate a first discussion of the future/next phase of these programmes. A more in-depth exercise can be undertaken as soon as the COVID-19 pandemic enables the full ERET team (including international consultants) to participate in the field work (probably late 2021 or early 2022), looking at strategic questions of future sector support in Tanzania, and if/how a possible next phase of the programmes could look like, drawing on the findings of the annual reviews and other policy evaluation reports. Such analysis should already be started at a relative early stage to feed into the planning process of the next phase support by the MFA and avoid a large gap in implementation.

The strategic analysis of the 2022 annual review will feed into the final synthesis report but a preliminary report could already be prepared for the planning of the possible continuation of programmes.

In case FORVAC and TOSP are not extended after 2022, the 2023 annual review should also include an ex-post evaluation of sustainability of the achieved outputs and outcomes of these two programmes.

3. Synthesis report

The synthesis report will summarize the analysis, recommendations and lessons learned throughout the ERET consultancy. Lessons learned will provide final information for the planning of possible next phases. It should follow the evaluation criteria described above (in the context of the annual review) but also include:

- Aid effectiveness (effectiveness of aid management and delivery) which refers to how the programme has implemented the commitments to promote ownership, alignment, harmonization, management for development results and mutual accountability.
- Coherence referring to issues beyond development cooperation focusing on contradictions or mutual reinforcement with other policies to achieve the development objectives.

The synthesis report will be prepared using the MFA Evaluation Manual directions, including the reporting outline (Annexes 2 and 3). The synthesis report will include a concept note for the planning of the possible continuation of programmes. MFA will prepare separate terms of reference for the synthesis report to clarify focus and exact tasks.

VI APPROACH AND METHODOLOGY

The approach and working modality will be participatory, consultative and inclusive, and concentrate on the idea of constant learning. The external evaluation will serve both planning and decision-making needs.

The main method used will be document review combined with field visits to the programme areas and interviews of different stakeholders in Tanzania and Finland. Multiple methods (both quantitative and qualitative) should be used. Particular attention is paid to the adequate length of the field visit to enable sufficient collection of information.

A theory-based evaluation approach will be used, building on the Theories of Change (ToC) of the programmes. The reviews will be conducted in an objective, impartial, open and participatory manner and in close consultation with key stakeholders. In as far possible triangulation of findings and substantiation of outcomes (and contribution analysis) will be undertaken through the verification by independent sources and field observations.

ERET will provide some technical advice to the programmes in setting up/improving their internal M&E systems, and relevant data should be periodically made available by the programmes that could serve as an input to the ERET reviews. Due to the limited time ERET can spend in the field, relevant surveys must be undertaken by the programmes with respect to measuring results and outcomes. For accountability purposes the quantitative achievements and attainment of the indicators will be measured, but a major focus of ERET

will be to assess the qualitative aspects, outcomes and lessons learnt of the approaches through discussions with beneficiaries and stakeholders (including private sector and CSOs) and through field observations on the status of plantations/forests, processing/value chain aspects and business instruments.

The main instruments will be reviews of materials (including internal M&E data), meetings and key informant interviews (KII) with main stakeholders, Focus Group Discussions (FGD) with beneficiaries, and field observations. Adequate survey instruments will be prepared with key questions.

Evaluation criteria will be sequenced according to their relevance with focus on the relevance, effectiveness and efficiency of approaches at the early stage and the analysis of the actual outcomes, effects and sustainability more at the later stages. In addition, within the framework of the evaluation criteria, specific issues and evaluation topics will be determined at the start of each annual review, based on the relevant developments and issues.

A practical but also strategic approach will be followed. The key focus is on enhancing ‘constant’ learning (providing practical advice on approaches to make them more effective), but with the overall strategic goal in mind that the programmes should contribute to sustainable mechanisms and practices that will be continued after the programmes have come to an end.

A specific issue that could affect the methodology is the COVID-19 pandemic, which might restrict the possibilities for international experts to travel or even Tanzanian members to do field work. The implications will be further discussed during the inception phase. The detailed methodology and workplan will be included in the Inception report.

VII SERVICE DELIVERY PROCESS AND DELIVERABLES

The service delivery will take place during 2020/2023. It began in September 2020 by launching the process for identifying Team Leader candidates. The evaluation will be carried out within the Evaluation Management Services (EMS) framework implemented by Particip-Niras consortium. Each deliverable is subjected to specific approval. The ERET team can only move to the next phase after receiving a written statement of acceptance by the MFA.

As preparatory phases for actual implementation, the service delivery process comprises of the start-up phase and inception phase. The implementation comprises of annual reviews and strategic evaluations at mid-term’, in-depth studies, leading to synthesis report at the end of service delivery.

1. Start-up phase

A start-up video conference meeting was held on 2 November 2020. The purpose of the start-up meeting is to have initial discussions on the background and objective of the programmes, monitoring and evaluation process including practical issues related to the field visits, reporting and administrative matters. Discussions were held based on the draft terms of reference prepared by the MFA, and will continue more in detail during the inception phase.

Based on the discussions, the Team leader finalized the ToR for the approval of the MFA. This is followed by the recruitment of the other evaluation team members.

2. Inception phase

2.1 Inception Report (Draft and final)

The inception report consists of the desk study and overall work plan for the service delivery. It includes the following: Context analysis; Initial findings of the desk study consisting of a preliminary analysis of the documents, such as progress reports and guidelines; Review of the programmes’ theories of change; Finalization of the methodology, evaluation questions, methods for data collection and analysis; Final overall work plan and division of work between team members; Data gaps; Implementation plan for stakeholder

consultations (for the first annual review); interview questions/guides/notes, preliminary list of stakeholders and organizations to be contacted; and Budget.

Defining of the specific focus, evaluation questions, a specific work plan and a timetable for the first field mission will be done in consultation and cooperation with the programmes and is part of the inception report. The draft inception report will be discussed in the inception meeting. The structure of the annual review reports shall also be agreed upon in the inception meeting. The inception report has to be approved by the MFA prior to the field mission.

3. Annual Reviews

3.1 Field missions

The field mission is expected to take place annually and serve programmes' work planning processes. At the beginning of the field mission, the ERET team will meet the relevant Tanzanian and Finnish decision makers. The purpose of the field visit is to reflect and validate the results of the desk study phase, assess the situation on the ground in the light of policy and programming analysis and gather evidence for hypothesis. The purpose of the field visit is to make further assessments and fill any gaps in the information. The field visit will contain gathering local information as a key element.

The results of the annual mission will be reported to the Steering Committees and Supervisory Boards. However, the ERET team will work with the programme management units and TOSP contact persons in order to integrate the recommendations already to the annual plans.

VII WORK PLAN AND RESOURCING

A tentative overall work plan will be included in the inception report. It is expected that apart from the start/up and inception phases in 2020 and early 2021, altogether three annual reviews (including strategic evaluations at mid-term', in-depth studies; and an extended annual review of 2023 in order to allow for preparation of the final synthesis of the consultancy) will be carried out as part of the service delivery process (2021, 2022, 2023). The plan is subject to change depending on the implementation of the programmes.

ERET will comprise four core consultants, two international and two Tanzanian experts. The team will comprise of a mix of expertise, including M&E, forestry, value chain, socio-economic aspects/gender, etc. as stated in the Chapter X.

Because of the COVID-19 pandemic, it is assumed that for the first annual review scheduled for February 2021 international experts will not be able to travel to Tanzania and will only conduct interviews with key informants through virtual means while field work will be undertaken by Tanzanian consultants. For that reason, another Tanzanian evaluator is added for the first review.

It is also assumed that the international consultants will be able to travel and take part in field work of the second annual review in 2022 and therefore the involvement of a third Tanzanian evaluator is not considered necessary. This review will be a key one, already looking at the future of the programmes and sector support. It will comprise a more in-depth exercise that could feed into a discussion on the planning of the next phase.

During the third review 2023, only PFP2 will be in operation (unless there is some extension without costs for FORVAC/TOSP) but the ERET can still do an 'ex-post' evaluation of FORVAC and TOSP and especially analyse aspects of sustainability (and 'impact' on beneficiaries) of the project interventions. The third mission will further contribute to the final planning of the next phase and the preparation of the synthesis report.

Apart from the annual reviews, 4 days per year are reserved for the Team leader to provide some technical advice on internal M&E systems, review reports and data and consult programme management and key stakeholders on emerging issues and developments.

A detailed cost-calculator will be submitted separately to MFA for approval. It includes the overall budget, task division of team members and maximum amount of days required to carry out the tasks. Exact days required for each mission will be decided before each mission according to the scope of evaluation questions and work plan. Both are subject to the MFA approval.

VIII MANAGEMENT OF THE EVALUATION

The Department of the Africa and Middle East/Unit for the Horn of Africa and Eastern Africa will be responsible for the overall management of the service delivery process from the MFA's side.

There will be one Management Team responsible for the overall coordination of ERET. This consists of the Evaluation Manager/Unit for the Horn of Africa and Eastern Africa, ERET Team Leader and the EMS Coordinator. A reference group will be established and chaired by the responsible Unit. The mandate of the reference group is to provide quality assurance, advisory support and inputs to the evaluation, e.g. through participating in the planning of the evaluation and commenting deliverables. .

The ERET team will be managed from distance by the Team Leader. This requires careful planning to ensure that a common, consistent approach is used, in order to achieve comparability of the data gathered and the approach used in analysis. The Team Leader will develop a set of clear protocols for the team to use and will convene regular online team meetings to discuss the approach. During the process particular attention should be paid to strong inter-team coordination and information sharing within the team.

The evaluation team is responsible for identifying relevant stakeholders to be interviewed and organizing the interviews. The Ministry and embassies will not organize these interviews or meetings on behalf of the evaluation team, but will assist in identification of people and organizations to be included in the evaluation.

IX QUALITY ASSURANCE

The consortium will put in place a three-layer system of quality assurance for all products/reports: at the level of the Team Leader, through the EMSC and through in-house senior QA advisors.

Layer 1. The Team Leader will be the main (if not sole) author of the individual reports and intermediary products, building on the team's input to produce deliverables. This ensures a harmonised writing style with clear and coherent structures from the very beginning of the drafting process. At the same time, the Team Leader is responsible for supervising and controlling outputs delivered to him/her by the team, paying particular attention to the consistency and coherence of individual members' contributions and ensuring that findings reported are substantiated by supporting evidence before proceeding with the formulation of more generalised conclusions.

Layer 2. The EMSC will work with the Team Leader during the entire drafting stage to identify potential challenges early in the process. They will provide guidance on MFA's principles, standards and practices to ensure that the products fulfil the expectations of the MFA. They will also ensure accumulated learning. They will conduct a first review of the completed draft reports.

Layer 3. If the deliverable is deemed of sufficient quality by the EMSC, she will pass it on to the in-house QA advisor(s), who will be assigned by the individual evaluation manager. Particip, as Consortium Lead, assumes responsibility for a final QA of all deliverables before submission to the Client.

The consortium Particip-Niras is in charge of the impeccable quality of English texts of the reports and related proofreading.

The tentative structure of the annual reports and synthesis report shall be agreed upon jointly with the Client. The Synthesis report shall be of publishable quality. The evaluation team should make their best efforts not to exceed the total length of 80 pages for the main evaluation report.

X EXPERTISE REQUIRED

The proposed evaluation team members should be independent, they should not have been involved in the planning or implementation of the projects that will be monitored, nor should they be contracted by Niras Oy due to the company's role in one of the projects.

The experts shall have solid experience and knowledge in the following fields:

- Evaluations of development cooperation projects or programs; expertise and experience in developmental evaluation is considered a strong asset.
- Sustainable plantation and natural forest management
- Private and third sector cooperation and value chain development in forest sector
- Result-based management of development cooperation projects or programmes
- Human rights-based approach
- Climate and environmental risks in forest sector
- Integration of cross cutting objectives of Finland's development policy in development cooperation projects or programmes and evaluations
- Socio-economic impact and risks in forest sector programmes or in other development cooperation programmes

XI BUDGET

The final budget will be attached to the Inception Report. It should not exceed 513 000€.

XII MANDATE

The evaluation team is entitled and expected to discuss matters relevant to this evaluation with pertinent persons and organisations. However, it is not authorized to make any commitments on behalf of the Government of Finland. The evaluation team does not represent the Ministry for Foreign Affairs of Finland in any capacity.

The evaluation team has no immaterial rights to any of the material collected in the course of the evaluation or to any draft or final reports produced as a result of this assignment.

ANNEXES:

1. Country strategy for development cooperation Tanzania 2016–2019:

<https://um.fi/development-cooperation-tanzania>

2. MFA evaluation manual:

<https://um.fi/development-cooperation-evaluation-manual>

3. Outline of the Evaluation Report

https://um.fi/documents/384998/0/Template_Outline_Evaluation_report_2020.docx/0e6fc25d-8941-7b9d-4401-4c569d6eb248?t=1592335667928

4. Evaluation report quality checklist (OECD/DAC and EU standards)

https://um.fi/documents/384998/0/Checklist_Quality_Evaluation_Report_2018.docx/dbc2768f-bb8c-5b49-f242-7b0f5733dc0a

TERMS OF REFERENCE

EXTERNAL REVIEW AND EVALUATION SERVICES of forest programmes in Tanzania (ERET): ANNUAL REVIEW 2023, SYNTHESIS and ASSESSMENT OF PFP2 EXTENSION

I INTRODUCTION

The Ministry for Foreign Affairs of Finland (MFA) has contracted consultancy services to conduct reviews and evaluations alongside the implementation of three Forestry Programmes in Tanzania since 2021. The services have been contracted within the MFA framework agreement for evaluation management services 2020-2024. The reviews and evaluations are conducted for accountability and learning purposes as well as for supporting strategic and adaptive management of MFA funds.

ERET supports the forestry programmes' leadership and MFA with feed-back and analysis of different approaches. ERET also supports strategic learning in the programmes and produces recommendations for strengthening sustainability. ERET should also provide programme leadership and MFA (and the stakeholders) with *long term strategic recommendations* on how to best continue and direct support to the Tanzanian forestry sector in a sustainable, strategic and comprehensive way. This final task will be an important element of the synthesis of the reviews.

This ToR sets the frame for the final annual review (2023), the synthesis, and assessment of the Participatory Plantation Forestry Programme phase 2 (PFP2) extension phase plan. General instructions regarding the assignment and background information of the three Forestry Programmes have been outlined in the Terms of Reference of the External Review and Evaluation Services of forest programmes in Tanzania (November 2020).

II SCOPE OF THE EXTERNAL REVIEW AND EVALUATION SERVICES in 2023

The services will be carried out in early 2023. They will include the following:

1. Annual review of the three programmes, PFP2, FORVAC and Tree Outgrowers Support Programme (TOSP), focusing on PFP2 and Forestry and Value Chain Development Programme (FORVAC)
2. Final synthesis report of three ERET reviews (2021, 2022, 2023)
3. Appraisal of PFP2 Extension Phase Plan³⁴.

III ANNUAL REVIEW

The evaluation team will make an annual review mission in March 2022, focusing on PFP2 and FORVAC. An assessment of the actual outcomes, impact and sustainability, and how to strengthen them in the current and future interventions, should be emphasised during this last round of ERET. It is however understood that the review will have its limitations and can only capture indicative/potential impacts.

The findings and recommendations of the evaluation will feed into the preparation of the programme annual plans that are presented to the steering committee and/or to the supervisory board (SVB) of PFP2 and FORVAC.

The ERET mission will **assess the progress of the programmes (PFP2 and FORVAC) and TOSP project by TTGAU (<https://www.ttgau.or.tz>) against the set objectives and indicators**. It will suggest corrective and improving measures when necessary. With focus on effectiveness, indicative impact and sustainability, aspects and questions that were already extensively covered in the previous reports, related to relevance but also other aspects with regards to efficiency, will only be covered with regards to major issues if any.

The ERET 2023 will also assess the level to which the previous recommendations and guidance of ERET and the relevant key findings of KPMG audit of PFP2 and TOSP (especially TTGAU) have been taken on

³⁴ This would be the first task due to the time frame as the plan is expected to be ready by mid Jan 2023.

board, in the management of the programmes, as well as functioning of the steering mechanisms, including quality control by Home Offices and the PSC.

Apart from relevance and most aspects of efficiency, the annual review 2023 will address the evaluation aspects that have also been addressed (at varying depths) in most of the earlier ERET rounds and that are outlined in the general ToR of ERET in 2020.

Following considerations will be taken on board and addressed in the annual review of 2023:

- While cognisant of the review limitations, assessing *indicative impact* will be important in PFP2 – PFP through its different phases will have been in operation for 9 years partly in the same landscapes (Southern Highlands), including PFP1 and PFP2. While in the context of FORVAC, it is understood that most operations are in sites not covered by the predecessors such as LIMAS and NFBKP II, some continuity can be identified, and focus of assessing indicative impact should be on those sites where both the predecessor programmes have made efforts and taken steps towards CBFM. The review should also aim at identifying reasons for positive and negative impacts (or lack of them) to help in addressing these in the possible next intervention.
- Assessing indicative impact is linked to assessing *sustainability*, and it will be important to study the extent to which the capacities of Tanzanian government agencies, business actors, associations of tree growers or businesses, and other key stakeholders in the forest sector have been enhanced and these entities have taken up roles or functions that have been supported or made possible by the programmes (especially PFP1, PFP2 and FORVAC) and their level of buy in and self-financing and/or investment in the activities. An ex-post sustainability analysis of NFC TOSP would be part of the assignment.
- Other issues to be analysed and addressed within the review limitations include:
 1. Progress in developing the forestry, including timber and NTFP value chains. This includes support to micro and SMEs, incl. changes in their access to finance and markets (especially in FORVAC & PFP2);
 2. Results-Based management of the programmes/projects, how it has progressed, possible gaps or areas to address;
 3. M&E systems, quality and their use for managing the programmes and learning;
 4. In relation to FORVAC, as part of the impact analysis, the level to which the communities have benefited from the revenue from the sale of timber in their areas (VLFRs), focus in Lindi cluster
 5. In relation to TTGAU and TGAs, their capacity, business plans, role/potential role and gaps
 6. The support to skills development at different levels, incl. capacity building of educational institutions (co-operation with HAMK) and VET courses and training at FWITC,
 7. The level to which ERET recommendations and KPMG audit recommendations have been taken on board (the latter esp. in PFP2)
 8. Assessing how the risks and assumptions have been addressed and managed by the programmes, and identifying needs for possible adjustments.

IV APPROACH AND METHODOLOGY

The approach and working modality will be participatory, consultative and inclusive, and concentrate on the idea of constant learning. The work in Tanzania would start on the second week of March and the report would be available by the end of April so that the programmes can make use of it effectively in their planning.

The annual review will include at least the following:

- **review of the consecutive progress reports of the programmes; and**
- **a review mission to verify and validate the results and progress of the activities of the programmes and projects on a sample basis.**

- **consultation of the competent authorities (MFA & MNRT). Ideally, at the beginning of the review mission in Tanzania, the ERET team will meet the relevant Tanzanian and Finnish decision makers.**
- the team should also have an exit meeting with the programme teams when they are done with the data collection before leaving the sites, to settle any unclear issues

The desk review, prior to the work in Tanzania will include a preliminary analysis on the relevant evaluation criteria and will propose more detailed set of questions for the 2023 review and evaluation mission. In support of the desk review, the programmes should gather relevant information on outcomes and indicative impact as much as possible as an input to ERET. For example, FORVAC should prepare an updated list of villages that have sold timber with all detailed figures on the sales and use of revenue, and probably also figures on micro-enterprises. The M&E Officer and Cluster Coordinators should prepare such and other information that can be used by ERET and also help the team in identifying villages to go to for validation and further analysis. Similarly, PFP2 could provide relevant data on the supported communities, quality and performance of TGAs and SMEs. The review would have to be in a position, more than during the previous years, to rely more on data to be provided by the programmes with respect to physical and financial progress and reduce the sections (details) in the report by focusing on the main findings. This would require the programmes to have their draft progress reports ready before the field work of ERET commences.

A detailed work plan for the review mission will be agreed upon in consultation with the Program Management Units as well as competent Finnish and Tanzanian authorities. The work plan for the mission, study and evaluation, including allocated days for the task, will be separately approved by the MFA ahead of the mission. The deliverables of the annual review are the same as for previous ERET rounds (see ToR).

The annual review should also include an ex-post evaluation of sustainability of the achieved outputs and outcomes of the NFC TOSP project.

The team leader (and possibly other team members) of the evaluation team are expected to attend at least the Steering Committee meeting, and ideally also the SVB meeting, either in person or virtually, to share the report, receive feedback and respond questions. The results of the annual review will be reported to the Steering Committees and Supervisory Boards. ERET team will work with the programme management units and TOSP contact persons in order to integrate the recommendations already to the annual plans.

V SYNTHESIS REPORT

The synthesis report will summarize the analysis, recommendations and lessons learned throughout the three years of ERET consultancy. The synthesis will assess the trends in the progress and level of achievements in the programmes and projects during the three years of ERE reviews. It should also provide strategic recommendations and priority list of issues to be addressed during the remaining time of the ongoing programmes. It should also provide recommendations that can be used in the planning of a new intervention or phase, as well development of systems to review and evaluate development co-operation programmes.

It should follow the evaluation criteria described in the general ToR for ERET (Nov 2020) but also include the following:

- *Aid effectiveness* (effectiveness of aid management and delivery) which refers to how the programme has implemented the commitments to promote ownership, alignment, harmonization, management for development results and mutual accountability.
- *Coherence* referring to issues beyond development cooperation focusing on contradictions or mutual reinforcement with other policies and key factors, such as institutions and markets, influencing the sector to achieve the development objectives.

The synthesis report will be prepared using the MFA Evaluation Manual directions, including the reporting outline (Annexes 2 and 3).

In the synthesis, the focus should be on the strategic questions of forest sector support in Tanzania, identifying possible gaps as well as thematic areas, actors and processes where MFA support would be most needed and would bring most added value in the future.

The synthesis of the evaluations is expected to feed information into the planning of a new forest sector intervention by MFA, to take place in the first half of 2023. It is to identify the critical activities or processes within the PFP2 and FORVAC that would need to be addressed in the new programme, possible risks that have to be considered, and best practices to continue applying and/or scaling up in the future as well as areas to improve. This is based on the assumption that elements of both PFP2 and FORVAC can be embedded in the new programme.

In addition, it should identify where and how possible future Finnish support to Tanzanian forest sector (e.g. next programme or phase) could better strengthen synergies with and advance the growth of trade between Finland and Tanzania, including local and international companies operating in Tanzania and in the region.

In addition, it should provide recommendations and identify best practices, lessons learnt, and areas to focus on in the future forestry sector support in Tanzania. A list of recommendations should be produced that will then feed into the planning of the possible continuation of some elements / processes / approaches of the programmes. The synthesis may also provide suggestions or recommendations of how such long term evaluation and review assignments can be best designed and made use of in contexts where Finland has several bilateral or multi-bilateral programmes in a given sector.

The synthesis report should be ready by mid-June.

VI Extension Plan of PFP2

This assignment will include conducting an assessment of the quality, including feasibility, focus areas and resource efficiency of the Extension Plan of PFP2 for 2023-2024. It will also provide feedback (if relevant) on the Extension Plan, and how it can make (better) use of the findings of the ERET.

The Extension Plan document and tentative budget will be produced by a short term consultant in collaboration with the programme team during November 2022-January 2023. The plan is expected to be available by mid January 2023 (see ToR, annex 5).

VII WORK PLAN AND RESOURCING

ERET annual evaluation will comprise four core consultants, two international and two Tanzanian experts. The team will comprise of a mix of expertise, including M&E, forestry, value chain, socio-economic aspects/gender.

During the third review 2023, PFP2 and FORVAC as well as TTGAU TOSP will be in operation. In addition, the ERET team is to conduct an 'ex-post' evaluation of NFC TOSP and especially analyse aspects of sustainability, 'indicative impact' on beneficiaries of the project. The mission will further contribute to the preparation of the synthesis report.

The team leader of ERET will produce the synthesis report and conduct an appraisal of the extension phase plan of PFP2 (appr. 3-4 days).

A detailed cost-calculator will be submitted separately to MFA for approval. It includes the overall budget, task division of team members and maximum amount of days required to carry out the tasks. Exact days required for the mission will be decided before each mission according to the scope of evaluation questions and work plan. Both are subject to the MFA approval.

VIII MANAGEMENT OF THE EVALUATION AND QUALITY ASSURANCE (QA)

The Department of the Africa and Middle East/Unit for the Horn of Africa and Eastern Africa will be responsible for the overall management of the service delivery process from the MFA's side. The roles and responsibilities, including QA, are detailed in the ToR on ERET of November 2020.

The evaluation team is responsible for identifying relevant stakeholders to be interviewed and organizing the interviews. The Ministry and embassies will not organize these interviews or meetings on behalf of the evaluation team, but will assist in identification of people and organizations to be included in the evaluation.

The consortium Particip-Niras is in charge of the impeccable quality of English texts of the reports and related proofreading. The Synthesis report shall be of publishable quality. The evaluation team should make their best efforts not to exceed the total length of 80 pages for the main evaluation report.

IX EXPERTISE REQUIRED

The expertise required has been outlined in the ToR on ERET of November 2020.

X BUDGET

The final budget will be attached to the Inception Report. It should not exceed 176 612 €.

XI MANDATE

The evaluation team is entitled and expected to discuss matters relevant to this evaluation with pertinent persons and organisations. However, it is not authorized to make any commitments on behalf of the Government of Finland. The evaluation team does not represent the Ministry for Foreign Affairs of Finland in any capacity.

The evaluation team has no immaterial rights to any of the material collected in the course of the evaluation or to any draft or final reports produced as a result of this assignment.

ANNEXES:

1. Country programme for development cooperation Tanzania 2021-2024: <https://um.fi/documents/35732/0/country-programme-for-development-cooperation-tanzania-2021-2024.pdf/8beae465-9d09-a10e-eadb-56fa390bdbb4?t=1624283993759>
2. MFA evaluation manual: <https://um.fi/development-cooperation-evaluation-manual>
3. Outline of the Evaluation Report: <https://um.fi/documents/384998/0/Template Outline Evaluation report 2020.docx/0e6fc25d-8941-7b9d-4401-4c569d6eb248?t=1592335667928>
4. Evaluation report quality checklist (OECD/DAC and EU standards): <https://um.fi/documents/384998/0/Checklist Quality Evaluation Report 2018.docx/dbc2768f-bb8c-5b49-f242-7b0f5733dc0a>
5. TOR of PFP2 Extension Planning
6. Terms of Reference of ERET (2020)
7. Guideline for the Cross-cutting Objectives in the Finnish Development Policy and Cooperation: <https://um.fi/documents/35732/0/Guideline+for+the+Cross-cutting+Objectives+in+the+Finnish+Development+Policy+and+Cooperation.pdf/e9e8a940-a382-c3d5-3c5f-dc8e7455576b?t=1618230452564>

8. Practical tips for addressing cross-cutting objectives in evaluations: https://um.fi/documents/384998/0/Practical_tips_Cross-cutting_objectives_Climate_change_environment.pdf/169bbeb0-47f0-59a0-1c90-0bd7cb3752a0?t=1648783016982
9. The Implementation of the Human Rights–Based Approach; and Gender Equality and Non-Discrimination - including Persons with Disabilities: https://um.fi/documents/384998/0/Practical+tips_Cross-cutting_objectives_Human_rights.pdf/a6e64d70-30ef-282d-0d87-42e4ee1941a3?t=1648782885207

Annex 3: The Evaluation Team

Core team members

Henk Remme is the Team Leader of this assignment. He is an M&E specialist and trained Rural Sociologist having over 34 years of experience in rural development, mostly related to natural resources management. He has worked extensively in forestry, including in the South-East African region. During his career, he has gained extensive experience in participatory/community-based forest management, including agroforestry and NTFP.

Kahana Lukumbuzya is part of the core team. Mr. Lukumbuzya has more than twenty five years of experience in Tanzania's forestry sector. During the period 1996 – 2000, he worked for the Forest Research Institute (TAFORI). He went on to work for the Danish Embassy as programme officer where he supported a large bilateral programme working on environment and natural resource management. In 2007, he began working as director of a consultancy company, undertaking assignments for a range of clients. Since 2010, Kahana has participated in several assignments, assessing different aspects of Community Based Natural Resources Management (CBNRM); Forest Law Enforcement, Governance and Trade (FLEGT); Independent Forest Monitoring (IFM); and Adaptation and Mitigation of Climate Change Impacts.

Additionally, the team was supported by:

Isaac Malugu supported the team during the data collection process. He is a senior expert in natural resource management, has got twenty-five years of forestry and wildlife management experience. He has in-depth knowledge in strategic project and program planning, implementation, and monitoring, and evaluations. He is knowledgeable on global policies and certification standards, based on the FSC system that promotes sustainable forest management. He has extensive knowledge of linking social development with conservation, as well as gender and indigenous people's aspects. Isaac has worked extensively in Tanzania, in the East Africa region as well as in Europe.

Paula Tommila supported the team during the data collection process through her methodological and thematic expertise. She is a senior expert with vast experience in sustainable business development, private sector financing instruments in development context and climate change mitigation and adaptation.

Evaluation Management Services (EMS). Beyond the core team, the EMS Coordinator Sari Laaksonen supports evaluation quality and liaises between the team, the EMS consortium, and the MFA.

All contracts arrangements for the evaluation team are managed by the EMS consortium company **Particip GmbH** which also provide additional quality assurance.

Annex 2: Overview of programmes

FORVAC

The Forestry and Value Chain Development Programme (FORVAC) aims at contributing to increased economic, social and environmental benefits from forests and woodlands, and reduced deforestation. The Programme supports commercialization and improvement of the value chains together with the private sector, local communities and non-governmental organisations (NGOs) under a Community Based Forest Management (CBFM) regime. After the recommendation of ERET (2021) the four-year programme (7/2018 - 6/2022) was granted a two-year extension.

FORVAC aims at strengthening community-based forest management towards sustainable utilisation of forest resources and development of forestry value chains. The programme also focuses on strengthening the institutional framework and enabling environment for the private sector stakeholders to manage and utilise natural forest sustainably. Adoption of a market-driven value chain approach is at the core of the programme as is linking up with business development providers and private sector.

The implementing agency is the Forest and Beekeeping Division (FBD) of the Ministry for National Resources and Tourism (MNRT). The Programme works in close cooperation with Tanzania Forest Service (TFS) and the President’s Office Regional Administration and Local Government (PO-RALG). Technical assistance is provided by a consortium of Finnish Consulting Group (FCG) International and FCG Sweden.

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

In the first four years the Programme was implemented in three clusters in five regions:

- Tanga cluster, covering Handeni and Kilindi Districts in Tanga Region, the District of Mpwapwa located in Dodoma Region and Suledo Community Forest in Kiteto District of Manyara Region;
- Lindi cluster, covering Liwale, Ruangwa and Nachingwea Districts; and
- Ruvuma cluster: covering Namtumbo, Tunduru, Songea, Mbinga and Nyasa Districts).

But for the extension period the main focus is put on Lindi cluster and Ruvuma cluster. The programme is funded by the Government of Finland (9.95 million Euros) and the GoT (200,000 Euros).

Table 8 Factsheet FORVAC

Programme title:	Forestry and Value Chains Development (FORVAC)
Sub-sectors:	Forestry Development; Private Sector Development
Geographical coverage:	<p>Tanzania – Institutional development component nationwide</p> <p><u>Original coverage 2018:</u> 8 districts in 3 regions (Tanga cluster: Handeni and Kilindi; Lindi cluster: Liwale, Ruangwa and Nachingwea; Ruvuma cluster: Namtumbo, Mbinga and Songea Districts); Headquarters in Dar es Salaam</p> <p><u>Annual Workplan 7/2019-6/2020:</u> 10 districts in 4 regions (Tanga cluster: Handeni and Kilindi in Tanga region and Mpwapwa in Dodoma region; Lindi cluster: Liwale, Ruangwa and Nachingwea; Ruvuma cluster: Namtumbo, Mbinga, Songea and Nyasa Districts); Headquarters in Dodoma.</p> <p><u>Annual Workplans 7/2020-6/2021 and 7/2021-6/2022:</u> 12 districts in 5 regions (Tanga cluster: Handeni and Kilindi in Tanga region and Mpwapwa in Dodoma region and Suledo Community Forest in Kiteto District in Manyara region; Lindi cluster: Liwale,</p>

	<p>Ruangwa and Nachingwea; Ruvuma cluster: Namtumbo, Mbinga, Songea, Nyasa and Tunduru Districts); Headquarters in Dodoma</p> <p><u>Extension phase 7/2022-7/2024</u>: 8 districts in Lindi (Liwale, Ruangwa and Nachingwea) and Ruvuma (Namtumbo, Mbinga, Songea, Nyasa and Tunduru) clusters (regions); limited operations in Kilindi and Handeni Districts in Tanga region</p>
Duration:	Four years (7/2018–7/2022); Extension phase: (7/2022-7/2024)
Programme financing:	<p>Government of Finland € 9.95 million + € 4,200,000 (extension phase 2022-2024)</p> <p>Government of Tanzania in kind contribution (salaries, operating expenses and office space) € 200,000</p> <p>Programme Total Budget € 14,350,000</p>
Competent authorities:	Ministry for Foreign Affairs, Finland and Ministry of Natural Resources and Tourism, Tanzania
Impact:	Increased economic, social and environmental benefits from forests and woodlands, and reduced deforestation
Results of the Programme (revised for extension period)	<p>Expected outcome: Sustainably managed forests and forest-based enterprises generating income for community members and revenue for community social services.</p> <p>Output 1: Sustainable Forest Management mechanisms established, forest-based Value Chains developed and Private Sector Involvement in the forest sector increased.</p> <p>Output 2: Stakeholder capacity on CBFM and forestry value chain development enhanced.</p> <p>Output 3: Functional extension, communication, monitoring systems and Management Information System in place.</p> <p>Output 4: Legal and policy frameworks for CBFM and forest value chains strengthened</p>

Source: FORVAC April 2019, FORVAC November 2021

Figure 10 Programme Area FORVAC



Source: FORVAC April 2019

The FORVAC builds on the activities, experiences and lessons learned from three bilateral programmes in Tanzania financed by Finland: the National Forest and Beekeeping programme (NFBKP II, 2013–2016), the Lindi and Mtwara Agribusiness Support (LIMAS, 2010–2016), and the Private Forestry Programme (PF, 2014–2019).

NFBKP II and LIMAS worked under the Community-Based Forest Management (CBFM) regime to advance sustainable forest management and generate income and employment to communities from declared Village Land Forest Reserves (VLFR). The Private Forestry Programme worked in plantation forests but created valuable experiences to share in value chain development, mobilization of rural communities for economic activities, and developing training and extension services for small-scale forest enterprises.

The Programme document (PD) mentions various reasons for the launching of the FORVAC programme. The NFBKP II and LIMAS projects showed that the basic opportunities for financially viable, as well as, socially and environmentally sustainable Community-Based Forest Management are well in place in Tanzania and the market demand for the most desired timber species is very high. However, communities face many obstacles, which hinder unlocking the business potential available from VLFRs. Financial feasibility and profitability of timber sold from VLFRs is generally low. Apart from the pricing system and competition from illegal logging, communities often lack adequate market/value chain knowledge and business strategies and skills for increasing local capture of forest value. Very little value addition is created at village level, mostly through pit-sawing with wasteful resource use and very meagre profits. Weaknesses of an enabling framework include non-harmonized legal and policy framework, weak governance and law enforcement on illegal logging, inadequate monitoring systems and poor data availability, and weak extension mechanisms, contributing to low private sector involvement (FORVAC 2019a, FORVAC 2021).

In order to address those challenges, the programme focuses on interventions that are expected to contribute to the achievement of the programme's outcome³⁵: *Sustainably managed forests and forest-based enterprises generating income for community members and revenue for community social services*. The following four outputs and main interventions, modified for the extension phase are listed in the Programme document (PD):

Output 1: Sustainable Forest Management mechanisms established, forest-based Value Chains developed and Private Sector Involvement in the forest sector increased.

The interventions under this output focus on (i) the establishment and mobilization of Village Land Forest Reserves (VLFR), which also includes land use planning and development of forest management plans, and (ii) support to the development of forest value chains. FORVAC support is addressed to producer groups within target villages as well as responsible private sector involvement.

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

FORVAC aims at strengthening institutional and management capacities at all levels to plan, support, manage and monitor CBFM and forest value chains development, and especially of Village Councils and VNRCs. The programme also intends to incorporate forest products value chains/market system and business development skills in curricula of relevant training institutes.

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

Under this output the programme aims at enhancing extension and communication services and supporting monitoring systems and Management Information Systems (MIS).

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

The programme provides support to improved policy and regulatory framework for forest value chain development, and for forest law enforcement, forest governance and trade of legally sourced timber.

The programme started with the Inception period from July 2018 to February 2019, had a bridging period from March to June 2019 when the team leader was replaced, and started full implementation from July 2019. From July 2022 an extension phase will start for a period of two years.

PFP2

The Participatory Plantation Forestry Programme (PFP2) comprises the second phase of a conceived sixteen-year intervention to be delivered in four phases focusing primarily on the Southern Highlands – eight districts in three regions: Iringa (Mufindi and Kilolo), Njombe (Makete, Njombe TC, Njombe DC, Ludewa, Wang'ing'ombe) and Ruvuma (Madaba). PFP2 is a four-year programme (11/2019-11/2023) that aims at promoting sustainable and inclusive private forestry that contributes to Tanzania's economic growth and alleviates poverty. PFP2 follows on the first phase, then called the Private Forestry Programme (PFP), which started in January 2014. It was eventually extended to 30 April 2019 that was followed by a two-month bridging phase and an additional four-month continuation that took it up to 31 October 2019. The PFP2 started with the inception phase on 1 November 2019 and actual implementation started from July 2020 (overlapping with inception phase activities).

The implementing agency is the Forest and Beekeeping Division (FBD) of the Ministry for National Resources and Tourism (MNRT). Technical assistance is provided by a consortium of Indufor and NIRAS.

The decision-making system includes a Supervisory Board (SB), the Programme Steering Committee (PSC) and the Programme Management Team (PMT). At local level coordination arrangements are managed by

³⁵ For the extension phase the Results Based Management Framework was revised and the original outcome and outputs formulations were modified. In this report we will refer to the modified version.

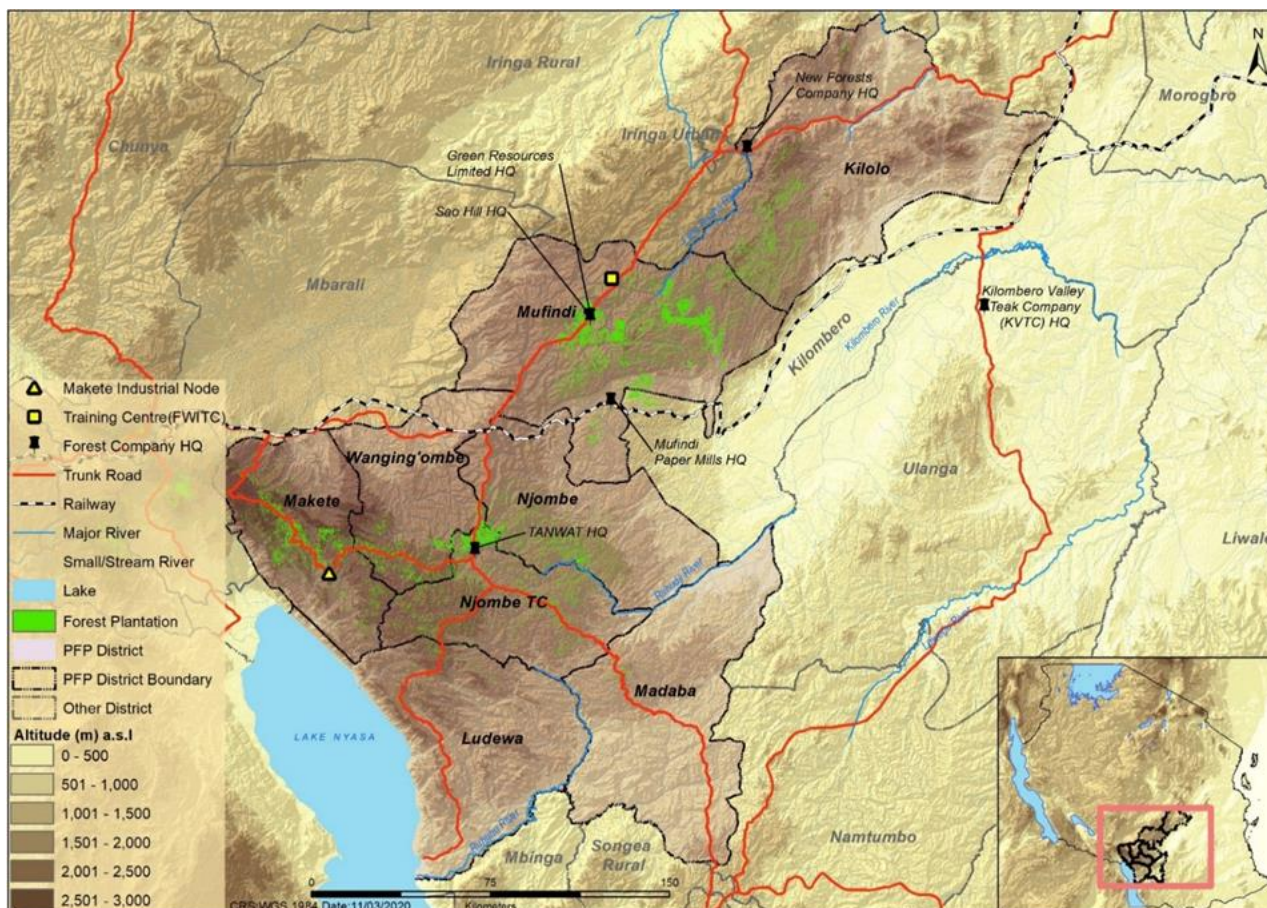
Forest Industry Cluster Development Coordinators in close collaboration with district councils in three territorial clusters in Njombe, Makete and Mafinga/Mufindi.

Table 9 Factsheet PFP2

Programme title:	Participatory Plantation Forestry Programme Phase 2 (PFP2)
Sub-sectors:	Forestry, private sector development, wood industries, SME development
Expected impact:	Sustainable and inclusive plantation forestry that contributes to Tanzania's economic growth and poverty alleviation
Programme Outcome:	A socially sensitive, environmentally sustainable, financially profitable private forestry sector, including tree growers, SMEs as well as their organisations and service providers, exists in the Southern Highlands of Tanzania
Geographical coverage:	8 districts in the Southern Highlands of Tanzania in three regions: Iringa (Mufindi and Kilolo), Njombe (Makete, Njombe TC, Njombe DC, Ludewa, Wang'ing'ombe) and Ruvuma (Madaba)
Duration:	Four years: From 1 st November 2019 to 31 st October 2023
Programme financing:	GoF: EUR 9,340,000 of which technical assistance (TA) fees EUR 2,338,500 and TA reimbursables EUR 1,358,800. GoT: EUR 470,000 (in kind)
Competent authorities:	<ul style="list-style-type: none"> • Ministry of Natural Resources and Tourism, Tanzania • Ministry for Foreign Affairs of Finland
Right holders	<ul style="list-style-type: none"> • Private tree growers • Vulnerable people • Urban based tree growers • SMEs • Private forest companies • Nursery owners
Duty bearers	<ul style="list-style-type: none"> • Forest and Beekeeping Division (FBD)/MNRT • Tanzania Forest Service (TFS)/MNRT • Local government (Regional and district authorities) • Training institutions (FTI, FITI, FWITC)
Private sector organisations	<ul style="list-style-type: none"> • Tree Growers' Associations (TGAs) • Tanzania Tree Growers' Association Union (TTGAU) • SHIVIMITA (Local sawmillers association – SAFIA, – Northern Forestry Industries Association NOFIA and Urban Water and Sanitation Authority – UWASA) • Africa Forestry
Other stakeholders	<ul style="list-style-type: none"> • Forestry Development Trust (FDT) • Sokoine University of Agriculture (SUA) • Forestry Training Institute (FTI) • Forest Industries Training Institute (FITI) • Tanzania Forest Research Institute (TAFORI) • Worldwide Fund for nature (WWF) • We Effect • Tanzania Private Sector Foundation (TPSF) • Southern Agricultural Growth Corridor of Tanzania (SAGCOT) and its partners • Private secondary processing companies (e.g. sawmills, plywood industry, building and construction, carpentry) • Service providers • Tanzania Forest Fund (TaFF) • Tanzania Forest Service (TFS)

Source: PFP2 April 2019

Figure 11 Programme Area PFP2



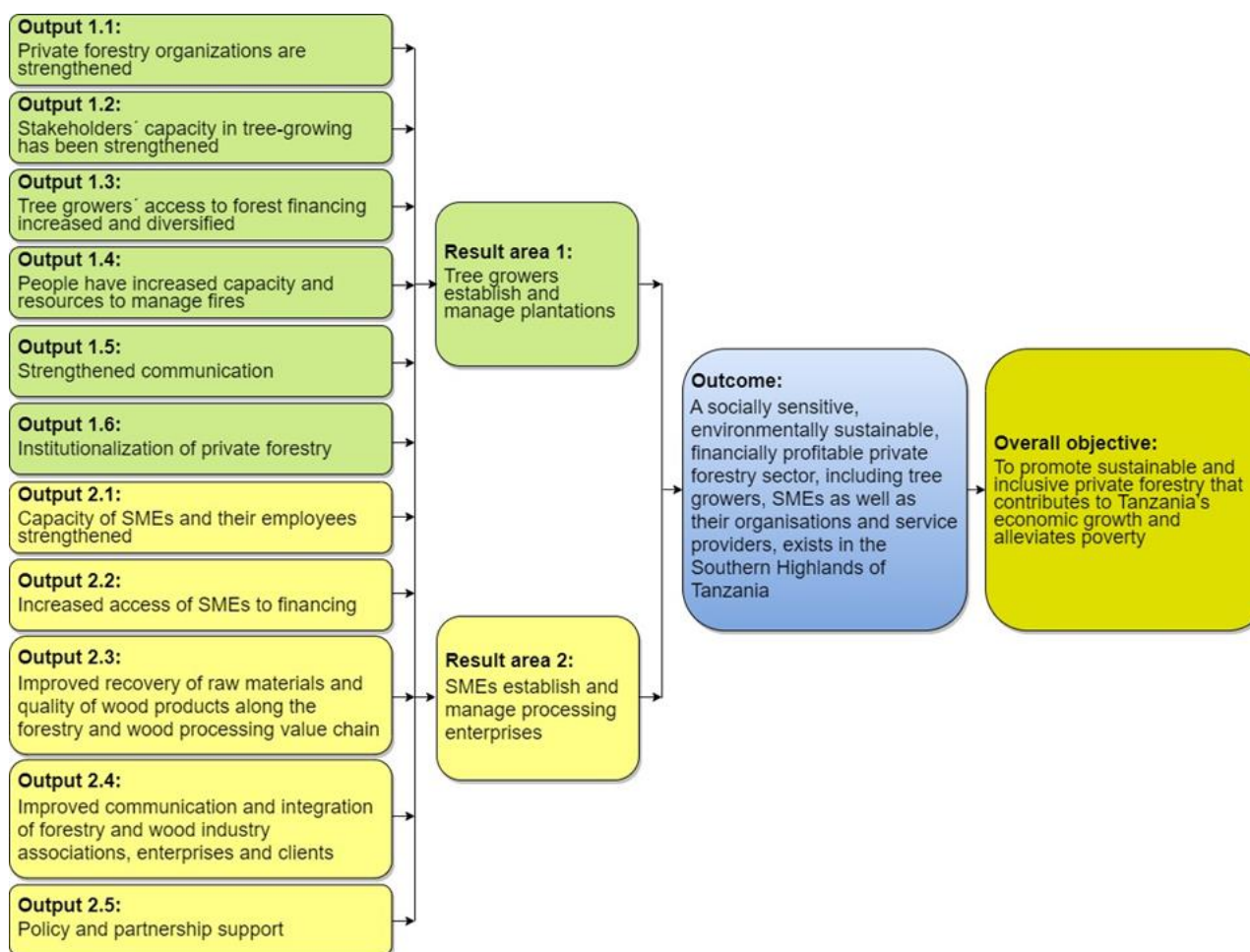
Source: PFP2 April 2019

PFP2 focuses on the consolidation of the achievements of Phase 1 while taking a more people-centred approach through facilitation, communication and inclusiveness with the aim of building greater sustainability. Compared to first phase, the programme has shifted its approach from direct operations towards greater facilitation, involving and supporting existing institutions, including those that were established during PFP1, such as the Forestry and Wood Industries Training Centre (FWITC) and Tanzania Tree Growers' Association Union (TTGAU), to achieve sustainability.

PFP2 addresses the key challenges that were identified in Phase 1: security of land tenure, technical forestry and processing expertise, biodiversity, low income from timber sales to tree growers, access to improved seedlings, new technologies and finance, management of wildfires, support to vulnerable people, need for complete gender mainstreaming and meaningful participation, communication, coordination and decision-making with the participants in the forestry sector. PFP2 will focus on potential forest industry clusters and groups of forest-rich villages where improved forestry and wood processing can generate sustainable poverty reduction in the short and medium term for smallholders and SMEs.

The intended outcome of PFP2 is a socially sensitive, environmentally sustainable, financially profitable private forestry sector, including tree growers, SMEs as well as their organisations and service providers, exists in the Southern Highlands of Tanzania. This is expected to be achieved through 11 outputs that are grouped into two result areas, one related to plantation development and management, and the other related to improved small and medium forest processing and business enterprises (Figure 12).

Figure 12 Results chain PFP2



Source: PFP2 April 2019

TOSP

TOSP is a continuation of outgrower activities carried out within PFP1. While supporting especially the income and employment of rural households in the Southern highlands area who have potential for plantation forestry, TOSP seeks also to safeguard the rights of people in vulnerable situations, primarily women and youth and support their participation in the value chain.

TOSP provides support to smallholder tree plantations via companies or other organisations in order to establish economically viable, sustainable and inclusive plantation forestry in Tanzania. Activities include all tree-growing activities, starting from site preparation and ending to thinning of the stands. The purpose is to help develop commercial tree growing and strengthen plantation forestry by smallholder tree growers as sustainable livelihoods, and hence increase wealth in the Southern Highlands of Tanzania.

TOSP funding has been granted to three companies/institutions:

- Kilombero Teak Valley Company (KVTC) – 164,351 Euros 2019–2020 (TOSP funding ended),
- New Forests Company (NFC) – 729,490 Euros 2019–2022, and
- Tanzania Tree Growers Associations Union (TTGAU) – 274,121 Euros 2019–2022).

The implementing institutions co-finance the project for at least 50%. The competent authority is MFA represented by the Embassy of Finland in Tanzania, which is responsible for guiding the project implementation based on the Act on Public Procurement and Concession Contracts, signed agreements, application documents, annual work plans and reports. MFA is a monitoring as well as an advisory and

decision-making body of TOSP. At an organisation or company level, there is a dedicated focal person for practical management. The focal person works closely with the administration of that particular company or organisation. PFP2 was commissioned to audit the 2019/2020 and 2020/21 TOSP-supported woodlots of the implementing institutions. KVTC did not participate in the 2020/21 season and was not assessed in this report. A description of the KVTC TOSP is included in the 2021 ERET report.

TTGAU

TTGAU is an umbrella organisation of TGAs with the objective to ‘promote socio-economic benefits of smallholder tree growers for increased net income at harvest of woodlots’ (TTGAU April 2019). It was set up with the support of PFP1 to provide services and represent the interests of TGAs. Membership to TTGAU is open to registered TGAs. In March 2021 TTGAU had 146 member TGAs with 9,554 tree growers (3,078 women and 6,326 men). Apart from MFA, the TTGAU also receives support from other partners for its activities, namely FAO, WeEffect, AgriCord, local government authorities and TFS. Recently, also a business initiative “One Million Trees” has started to co-operate with TTGAU in small holder tree planting (<https://www.miljoonapuuta.fi/>).

Establishment of new plantations (woodlots) will be undertaken in 52 villages that have land use plans of which some were operating under PFP1. The aim is to improve plantations’ productivity and quality before harvesting. The project covers Iringa, Njombe and Ruvuma regions in the following districts, Mufindi, Njombe, Ludewa, Makete and Madaba.

The project intends to enable tree growers to have access to improved planting materials, advisory and extension services by creating awareness and build a show case on the interdependence of improved seeds, management practices and extended rotation age on asset value of woodlots. It also supports the organisational development of TTGAU and TGAs. For sustainability of the results, the project supported TGAs members (women, young people and men) to formulate/strengthen village savings and lending associations (VSLAs) to enhance equitable access to finance for re-investing in forestry and other alternative sources of income which will provide for household when waiting for trees to mature. But this support was stopped in 2021/22.

NFC

The company started establishing new plantations in Kilolo District in 2009 (5,000 ha) and has since 2012 supported over 1,000 outgrowers to plant over three million trees. NFC also took part in the outgrowers support programme of PFP1.

NFC targets 18 villages for the TOSP, with 800 outgrowers registered (women and young men were specifically targeted) with a total area of 1,800 ha ready for planting. The agreement included annual targets of 600 ha additional trees planted with supported trainings through Outgrowers Associations to address quality of trees, survival of trees and safety from fires and other risks. The members must have their own land, to be located close to each other to establish strategic firebreaks and ability to support each other, and not further than 10 km from the NFC plantation (to act as a buffer).

The NFC TOSP includes the following four outputs:

- Output 1: Outgrower associations established and well-functioning.
- Output 2: Outgrower associations have adopted responsible forestry management.
- Output 3: Increased afforestation through distribution of quality seedlings to outgrowers.
- Output 4: Extensive extension support provided to outgrowers.

NFC offers outgrowers a guaranteed market to buy back trees (if meeting NFC’s quality criteria). Apart from pine and eucalyptus, the project also provides fruit trees, such as avocado. Livelihoods development for tree growers and sharing of timber market information are also key to sustainability of the Outgrower program (NFC June 2020).

Annex 3: Detailed key findings and recommendations from ERET 2023

PFP2 – Key Findings and Recommendations

Findings	Recommendations
Overall finding and recommendation	
<p>Overall finding:</p> <p>The programme has made considerable progress since last year, showing positive results and adoption levels. It is encouraging that also non- Tree Growers’ Association (TGA) members are showing interest and have adopted some of the good silvicultural practices.</p> <p>More emphasis was put on result 2, but still relatively few processing enterprises have been strengthened. The focus on improving efficiency of existing practices and adapted innovative technologies is good but value chains, and especially market access development for SMEs require further development.</p> <p>The quality of implementation and technical support is good, but concerns remain with respect to the sustainability of some of the results. The expected one year extension with a limited budget will offer a good opportunity for consolidating some of the achievements.</p>	<p>Overall recommendation:</p> <p>Within the limitations of the remaining budget, continue providing support to result 1, contributing to wider adoption of best operating practices (BOP), but put major focus on result 2 with more emphasis on the market end of the value chain. Specific attention should be paid on understanding the needs and opportunities of value chain development and addressing those to improve SMEs’ access to markets.</p> <p>As a one year extension is likely, possibly followed by a next phase, the remaining months and next year could be considered a bridging period that would help with consolidating the achievements but can also be used for strategizing the next phase support, laying the foundation.</p>
Specific findings and recommendations	
<p>RELEVANCE</p> <p>Finding 1: The programme remains well aligned with, and responsive to, the development objectives, policies, and priorities of the Government of Tanzania and the Government of Finland.</p>	<p><i>No action required</i></p>
<p>Finding 2: The ERET 2022 review found that PFP2 had taken important steps to improve inclusion and non-discrimination but also noted that it proved difficult to involve persons in vulnerable positions (PiVP) and increase the involvement of women in decision-making. As a response to the review, the PFP2 AWPB 2022/23 states that the HRBA strategy would be strengthened but does not elaborate further on how this will be done. ERET 2023 found that</p>	<p>Recommendation 1: Further develop and document the operationalisation of the HRBA strategy and follow up on the findings of the campaign for improved communication and mobilisation of women. If possible, given the budget limitations, continue regular training of programme and district staff in HRBA and gender issues. Develop targeted training to women and men to increase</p>

<p>some activities were undertaken, including a special campaign in some villages, to increase the involvement of women. The actions have not been clearly documented and the campaign showed that there are still improvements to be made with respect to gender.</p>	<p>women’s opportunities and skills in decision making processes. Improve the inclusion of PiVP through specific targeting and adaptive management (recommendation 1 ERET 2022).</p>
<p>Finding 3: Through the support to various measures such as tree planting for a longer rotation cycle, improved silvicultural practices, integrated fire management, diversification of species of better provenance, land use planning and improved recovery of raw materials, PFP2 contributes to management of better tree stocks, building climate resilience among the tree growers and increased above ground carbon sequestration. However, biodiversity and conservation of water source concerns were not addressed, not even in the Village Land Use Plans (VLUPs) and these measures do not contribute to safeguarding biodiversity and environment. ERET found in several villages that land was being prepared and tree seedlings were planted right up to the river bank.</p>	<p>Recommendation 2: (refer also to recommendation 11 ERET 2022): In collaboration with FORVAC, and in consultation with relevant stakeholders, liaise with the National Land Use Planning Commission (NLUPC) to support simplification and better integration of environmental and biodiversity concerns in the guidelines and implementation within the main designated land use areas, especially those allocated to agriculture and plantation development.</p> <p><i>This recommendation was also included in the appraisal report of the PFP2 extension plan. It could therefore be initiated during the extension phase. As both PFP2 and FORVAC have not planned further support to the development of new VLUPs, the rationale of this recommendation was questioned by programme management. But with the formulation of a new forestry programme in mind, the idea is not to develop a new VLUP system but to discuss the issues and options with the NLUPC so that already a foundation can be laid that can be further built on by the new programme. This is a serious issue that requires some action.</i></p>
<p>Finding 4: The programme is responsive to the conditions and needs of the beneficiaries in the Southern Highlands as it builds on the existing practices of both tree growers and SMEs, whose businesses are based on sub-optimal production processes and practices. The support strategies to SMEs have started relatively late.</p>	<p><i>No action required</i></p>
<p>Finding 5 (related to design): The overall design, based on the lessons learned from PFP1, remains logical with a focus on improvement of existing smallholder plantations and the involvement of local government in the implementation.</p>	<p><i>No action required</i></p>
<p>Finding 6 (related to design): The relationship with the Tanzania Tree Growers’ Association Union (TTGAU), combining the provision of technical support to TTGAU, using them as a service provider, collaborating on some activities and also evaluating their performance on outgrower woodlot establishment, is complex and the activities can create a conflict of interest.</p>	<p>Recommendation 3: Organise a meeting with Tanzania Tree Growers’ Association Union (TTGAU) to discuss and agree on the collaboration during the remaining period, and as part of the exit strategy. Suggested aspects could be harmonisation of integrated fire management, roles in the seed orchard management and seed distribution, TGA registration and PFP2 activities that can be assumed by TTGAU after the programme ends.</p>
<p>Finding 7 (related to design): The results-based management framework (RBMF) still raises a few concerns, including a lack of outcome targets.</p>	<p>Recommendation 4 (refer to recommendation 3 ERET 2022): Address some of the gaps identified in the results-based management framework (RBMF),</p>

	especially the setting of clear targets at outcome level. Targets could be proposed and presented at the Project Steering Committee (PSC) for approval.
COHERENCE	Recommendation 5 (refer to recommendation 5 ERET 2022): Improve collaboration with FORVAC, TTGAU and possibly NFC. Given the limited time remaining, the collaboration topics should be prioritised, also taking into consideration the extension phase.
Finding 8: The programme is coherent and has complementary functions with the other programmes supported by the Ministry for Foreign Affairs (MFA) of Finland, which also look at value chain aspects and improved silvicultural practices. However, there is room for strengthening certain areas of common interest. Especially for PFP2 and FORVAC, the two programmes should complement each other and jointly contribute to their common objectives rather than conducting similar activities independently.	<ul style="list-style-type: none"> • FORVAC – discussion on VLUP (recommendation 2) – other aspects also with new programme in mind: value chain and private sector involvement, sawmilling, design and marketing furniture and other wood products, HRBA. • New Forest Company (NFC) on integrated fire management (IFM). • TTGAU – see recommendation 3.
EFFICIENCY	Recommendation 6: Within the remaining period put emphasis on the support and implementation of result 2. Instead of trying to reach as many SMEs as possible, it might be better to focus on a reduced number and consolidate the results with supported SMEs that would provide the most potential for impact and sustainability.
Finding 9: In 2022/23, the programme made overall good progress and is on track to reach most Annual Work Plan and Budget (AWPB) output and activity indicators. The support activities of result 2 have increased, but the number of SMEs trained is far below the annual (and programme) target. The reported reasons for underachievement are the approach applied for the gradual training of SMEs, starting with selected groups in each cluster and the priority put on IFM in the first two quarters of 2022/23. While the staff think the targets can still be met in the remaining period, they appear very ambitious.	
Finding 10: The support to registration of additional TGAs with the Ministry of Home Affairs (MoHA) was not successful. As many TGAs had difficulties in complying with MoHA regulatory requirements and the process required substantial resources of PFP2, the Programme Management Team (PMT) took a decision to discontinue the active facilitation process and only train TGAs that were willing and ‘ready’ to be registered at MoHA, leaving it up to the TGA to process the application further. As MoHA registration is considered a precondition for TGAs to become TTGAU members, TTGAU is dissatisfied with the current arrangement.	Recommendation 7: Get legal advice on the registration requirements of TGAs, including the requirement for TTGAU members to register with MoHA and analyse and discuss the implications with TTGAU and supported TGAs.
Finding 11: As of December 2022, 55% of the AWPB 2022-2023 was spent. For a normal year this would be expected halfway implementation, but the last year is longer and goes up to October 2023 (although costs in the last months will be reduced). At 79% of the entire programme implementation period, 86% of the overall budget has been spent. The budget	Recommendation 8: Closely monitor the implementation costs and take strategic decisions on how to most efficiently use the resources for the remaining months.

<p>for output 1, as well as the operational vehicle costs have already been entirely used. Major risks for the remaining period are the increased daily subsistence allowance rates for government staff, and price inflation on fuel and living costs.</p>	
<p>Finding 12: PFP2 has many human resources, including dedicated extension staff and also supports and collaborates with Local Government Authority (LGA) staff, which has worked out well. The programme appears well managed by the PMT. The PSC is active and has focused more on strategic aspects since the previous review.</p>	<p>Recommendation 9: (Project Steering Committee /PSC members): The PSC should continue playing a strategic role, focusing on major issues in the programme design, implementation and enabling environment.</p>
<p>Finding 13: The M&E system is well developed, but monitoring of disaggregated data reflecting PiVP remains difficult. Following the ERET 2022 recommendation an outcome survey was conducted and another one is planned for 2023.</p>	<p><i>No action required</i></p>
<p>EFFECTIVENESS</p> <p>Finding 14: The systematic strengthening approach appears to be contributing to stronger and more sustainable TGAs. Although they are still young and overall their capacity seems to vary, the impression of ERET is positive. TGA leaders and members show high commitment and a longer term vision. Some TGAs embarked on income generating projects, obtained loans and started offering plantation management services not only to their own members but also to other, non-TGA tree growers as well.</p>	<p>Recommendation 10: Within the budget limitations continue TGA strengthening and extension approach focusing on good silvicultural practices and involvement of LGA extension staff.</p>
<p>Finding 15: With respect to the strengthening of TTGAU, the objectives and intentions as stated in the PD appear far too ambitious for the resources and support allocated to this activity, and the effects remain limited. In addition, several challenges exist for the registration of TGAs with MoHA.</p>	<p>See recommendation 3</p>
<p>Finding 16: PFP2 did not provide further support to Village Land Use Plans (VLUP) or issuance of Certificates of Customary Right of Occupancy (CCRO), aimed at providing greater land tenure security for tree growers. While the adapted methodologies of PFP2, making use of satellite images for VLUP and mobile applications for CCROs are more efficient and participatory than the traditional approaches, the processes are expensive and over-regulated. In addition, environmental and biodiversity concerns are not adequately integrated in the VLUPs and their implementation is usually not well monitored. Even if PFP2 will no longer support new VLUPs, there is need for coordinated national consultation on the effectiveness and sustainability of the VLUP approach in view of the future programmes.</p>	<p>See recommendation 2</p>
<p>Finding 17: The ERET field visits indicate that the adoption of good silvicultural practices by supported tree growers is high, especially for woodlots with Forest Management Plans but thinning is challenging because of cost implication and labour requirements. On the other</p>	<p><i>No action required</i></p>

<p>hand, thinning has been recently introduced and in the context of naturally regenerated and older woodlots tree growers showed interest in the model as thinnings were being sold for timber, poles and for fuelwood. Adoption of BOPs is also taking place by other tree growers who are not TGA members or do not live in the same village. The demo plots play an important role in promoting BOP.</p>	
<p>Finding 18: Many tree growers indicated that they understand the economic rationale for a long rotation cycle, but they want to harvest at 12-15 years instead of the recommended 18 years. There are some challenges. The local market prices do not always differentiate much on the quality of timber, there is also demand for small timber (2x2) and the growing veneer industry takes low quality logs (now also pine). An issue related to price is the fact that no formal grading system is applied. Although the MaIS has increased the awareness of tree growers, middlemen can still bypass the system and buy trees for lower prices from those individuals who are prepared to sell.</p>	<p>Recommendation 11: Assess how (informal and more formal) quality assessments and grading, based on the requirements of the industry can be introduced to ensure that quality of timber is better reflected in the price.</p>
<p>Finding 19: The institutionalisation of the IFM system was given major emphasis in 2022/23. Whereas in 2021 many woodlots were damaged by fire, in 2022 only a few incidences were reported and Iringa Region showed a reduction of 98.5%. Although this reduction cannot be entirely attributed to the introduced IFM approach, stakeholders consider that IFM played a major role in the PFP2 supported districts. Despite the success, there are still parallel systems in place that need to be harmonised.</p>	<p>Recommendation 12: Continue providing support to IFM and facilitate the harmonisation of the different approaches.</p>
<p>Finding 20: The seed orchards are in good condition, but management is entirely done by the programme while Tanzania Forest Service (TFS) only harvested a small portion of the seeds. There are many questions regarding the sustainability of the system.</p>	<p>See recommendation 17</p>
<p>Finding 21: The SME capacity building shows positive results. The growth mindset training is based on a good philosophy but could be more efficient. The technical training of circular sawmillers (AMEC/ dingdong owners) is highly relevant and shows good adoption except for boron dip due to high costs and low demand, as the market expects Copper Chrome Arsenic (CCA). The SMEs trained on nursery management show high adoption on some aspects and low on others, related to constraints in accessing the materials (costs of improved seeds, and unavailability of trays and planting medium). The technical support to introducing technologies based on local materials and adapted to the skills and needs of SMEs is very good.</p>	<p>Recommendation 13: Continue supporting/making use of the Forest and Wood Industries Training Centre (FWITC) to its full potential and facilitate the possible adoption and sustainability of the introduced technologies, including availability of materials for improved nursery development.</p>
<p>Finding 22: The objectives of the Afrifurniture business development process were too ambitious. A market assessment was conducted, excellent furniture products were designed, and local carpenters were trained to manufacture the products. Challenges in marketing and</p>	<p>Recommendation 14: Identify potential local business owners that could take on the production of the Afrifurniture prototypes tapping the middle class markets.</p>

<p>production management (including required skills and commitment of involved SMEs) and the lack of a business owner halted the process, and its continuation is unclear.</p>	
<p>Finding 23: PFP2 has put much focus on primary and secondary production/processing but not so much on the marketing end of the value chain. This is an area that probably needs more attention in the future (extension or next phase).</p>	<p>Recommendation 15: Put increased emphasis on result area 2 with respect to value chain and enterprise development and especially the marketing end of the value chain. This is an area that needs more attention in the future (extension or next phase). Intensify relevant parts of the soft skill trainings on mind-set change and innovations for cultivating sustainability aspects beyond the project.</p>
<p>Finding 24: PFP2 has taken further steps towards improved integration of the HRBA, including assessment of the awareness of women on the programme and challenges for their participation. Although the HRBA strategy has contributed to increased women’s involvement in TGAs and in leadership positions, they still play a limited role in decision-making and PiVP still face barriers to their participation and their inclusion.</p>	<p><i>No action required</i></p>
<p>IMPACT</p>	
<p>Finding 25: The measurement of impact indicators requires additional data, which are mostly not available yet. However, based on the ERET (qualitative) findings, PFP2 is on the right track to contribute to economic growth and poverty alleviation. The woodlot and SME support are already contributing to increased efficiencies, quality and income and improved livelihoods. The impact indicator on the area of plantation forests is not considered adequate as it does not reflect the quality aspects of BOP.</p>	<p>Recommendation 16. (MFA/MNRT) Commission an impact study towards the end of PFP2, that will comprehensively analyse the impact of the programme (PFP1 and PFP2).</p>
<p>SUSTAINABILITY</p>	
<p>Finding 26: Although measures for sustainability are embedded in the programme’s support and extension approach, the sustainability of several established mechanisms is not secured yet. Many of the measures that PFP2 could take to enhance sustainability will be part of the extension phase and are included in the appraisal report’s recommendations.</p>	<p>Recommendation 17: Put increased efforts on enhancing the sustainability of all interventions (IFM, TGAs, SMEs, extension support LGAs, VLUPs) – see also other recommendations.</p> <p>The formulation report and the extension phase should identify how the PFP2 achievements will be sustained and what the role of TTGAU will be in this process. Take extra initiatives on biodiversity and watershed conservation considerations as a precursor for further expansion of woodlots by farmers and work with district environmental officers for provision of guidance. In-depth monitoring of biodiversity and watershed aspects should be part of the M&E systems for the next phase.</p>

Finding 27: The sustainability of the seed orchards is in doubt with respect to the cost and benefit sharing arrangements, marketing opportunities/arrangements and cost recovery over time, capacity of TFS to support the process including detailed monitoring and recording, and capacity of TTGAU.	Recommendation 18: Put increased efforts on enhancing the sustainability of the seed orchards together with all main stakeholders, i.e. TFS, TTGAU, TGA and VCs. Assess the opportunities for involving the private sector in the management to absorb some of the costs.
Finding 28: For the next phase of MFA support a critical question will be how the PFP2 achievements will be sustained and what the role of TTGAU will be in this process.	See recommendation 3.
Finding 29: Environmental and biodiversity concerns are not well integrated in the land use planning process and the further expansion of plantations might have a negative impact on these elements.	See recommendation 2.
Finding 30: For sustainability of BOP, a conducive environment and favourable market conditions are required but currently the local market is not very sensitive to quality (depending on the products and tree species). The changes in the market will have to be closely followed as new opportunities for value addition might arise. There is a great disparity between the income districts obtain from forestry activities and their reinvestment in the forestry sector, resulting in inadequate resources for forestry extension and support.	Recommendation 19: (PSC - President's Office Regional Administration and Local Government and MNRT): bring the disparity between LGA income and reinvestment in the forestry sector to the decision makers' agenda to ensure that adequate resources are ploughed back to the forestry sector to ensure sustainability.
Finding 31: Despite the success of IFM, the sustainability of some of the introduced mechanisms are in doubt.	See recommendation 12.
Finding 32: Sustainability of the SMEs vary. Many SMEs have benefitted from capacity building but still lack access to markets. Some SMEs have been able to expand their operations thanks to improved access to finance. Training of staff and managers of bigger SMEs, such as timber treatment companies, has allowed the companies to scale up and hire new staff.	See recommendation 6.
Finding 33: While the importance of FWITC has been well recognised, its continuation and sustainability of operations is not fully secure yet. The project staff mentioned that MNRT intends to purchase the land but the resources will have to come from TFS.	Recommendation 20: (MNRT): Ensure that after purchase of the land, the courses remain relevant and appropriate for the intended target group of SMEs. See also recommendation 13.

FORVAC – Key Findings and Recommendations

Findings	Recommendations
Overall finding and recommendation	

Findings	Recommendations
<p>Overall findings:</p> <p>FORVAC is most successful in supporting Community Based Forest Management (CBFM) governance and timber production, but much less on Non-Timber Forest Products (NTFP)/ Non-Wood Forest Products (NWFP) value chains and micro-businesses.</p> <p>The success of CBFM largely depends on the community's perceived value of the VLFR and the tangible benefits generated. Visited communities in Liwale District managed to get substantial revenue from timber trade, which are used for community projects and payment of forest governance and management services. Sustainability is high. However, for communities that have fewer forest resources or options for timber trade, sustainable management is more complex.</p> <p>The support to NTFP value chains and micro-businesses is not very effective due to the approach, primarily focusing on the production side without considering the marketing aspects and linking up with business providers and provision of equipment without much training and coaching. The exception is the collaboration with Swahili Honey company which provides a good model. In addition, many enterprises are not linked to forest management, defeating the purpose of FORVAC incentivising communities to sustainably manage and use the forest by demonstrating its value.</p> <p>The burning rate of the operational budget has been very high, which limits the options for support activities in the last year.</p>	<p>Overall recommendations:</p> <p>Due to the limited budget prioritise the activities that are most strategic for enhancing the sustainability of the processes and especially addressing the issues and challenges of the timber value chain.</p> <p>Strengthen links between community enterprises and the private sector regarding Village Land Forest Reserves (VLFR) products/value addition. Support local government and service providers in developing exit strategies.</p> <p>In collaboration with other public and private sector stakeholders and partners, support the establishment of a national dialogue on CBFM.</p>
<p>Specific findings and recommendations</p>	
<p>RELEVANCE</p> <p>Finding 1: The programme is well aligned with and responsive to the development objectives, policies, and priorities of the Government of Tanzania and the Government of Finland. Global experience with CBFM shows that FORVAC's approach – linking forest management to livelihood improvement and income as a key incentive for sustainable use – is the best option for conservation.</p>	<p><i>No action required</i></p>
<p>Finding 2: While the Forest Policy strongly supports CBFM, there is lack of consensus on the implementation. Consulted district and community representatives complained about TFS not supporting the CBFM process, especially the timber value chain. This undermines the enabling</p>	<p>Recommendation 1: If funds allow support MNRT and main stakeholders in the timber value chain in organising a national dialogue to discuss the challenges in the enabling environment hindering timber production and trade from VLFRs and the required steps to overcome them. Provide support to a study on the constraints to private sector involvement in natural</p>

Findings	Recommendations
<p>environment and could ultimately affect the impact of FORVAC and have implications for the decision on further support to CBFM by the MFA of Finland.</p>	<p>forest management – possibly FORVAC could initiate the first steps for the preparation of the ToR and plan while implementation could be further funded by other stakeholders or future programme.</p>
<p>Finding 3: Based on the findings of the ERET 2022 review and the SEA report, FORVAC decided to pilot a Gender Action Learning System (GALS) approach, aiming for empowerment of women and PiVP. The programme relies on ‘champions’ to take the process further, but up-scaling of the approach is not expected in the remaining period.</p>	<p>Recommendation 2: Identify if/how the GALS approach could be further scaled up or integrated into the trainings and services provided for the remaining time.</p>
<p>Finding 4: The two-year extension of the programme has a relatively small budget, which will reduce the impact.</p>	<p>See overall recommendation and recommendation 5</p>
<p>COHERENCE</p> <p>Finding 5: The programme has complementary functions with the other programmes supported by the MFA, especially PFP2, which also looks at value chain aspects. Despite common interests there has been little collaboration. There is room for strengthening some areas of common interest and ensure that the two forestry programmes complement each other, contributing to their common objectives rather than conducting similar activities independently. FORVAC is also coherent with other initiatives in the forestry sector and involves local institutions.</p>	<p>Recommendation 3: Improve collaboration with PFP2 on common relevant aspects. Given the limited time remaining, the collaboration topics should be prioritised, also with the new programme in mind: VLUP (liaise with the NLUPC to support simplification and better integration of environmental and biodiversity concerns in the guidelines and implementation), value chain and private sector involvement, sawmilling, design and marketing furniture and other wood products, HRBA.</p> <p>See also comment on PFP2 recommendation 2 regarding VLUP.</p>
<p>EFFICIENCY</p> <p>Finding 6: Despite a change of CTA, overall progress is satisfactory.</p> <p>Output 1: The reported progress on VLFR establishment and mobilisation is good, with most output indicators showing over 80% achievement against the programme targets. The planned value chain activities listed in the AWPB 2022/23 are also well on track although the number of forest-based businesses remain far below the targets.</p> <p>Outputs 2, 3, and 4 also show satisfactory progress, but some activities in the AWPB are not reported on and some have not yet started.</p>	<p>Recommendation 4: Follow up on the AWPB 2022/23 activities that were not yet implemented.</p>

Findings	Recommendations
<p>Finding 7: The programme shows rapid expenditure of the operational budget due to increased costs for DSA, deteriorated exchange rate and high inflation. At 75% of the programme period, over 89% of the operational budget on programme activities has been spent. The budget for the activities has almost been used, especially for outputs 1 (91%) and 2 (93%), which comprise the main part of the budget.</p>	<p>Recommendation 5: Assess the budget and options for reallocation of operational funds and discuss with MFA the options to ensure that activities for outputs 1 and 2 can be continued.</p>
<p>Finding 8: The current structure with two Cluster Coordinators who are supervised by a National Forest Management Expert (NFME) appears heavy and not very efficient for a small programme. While supervision could also be done by the Chief Technical Advisor (CTA) more resources are needed in Lindi Cluster, covering a huge area with many CBFM communities and timber harvesting taking place that need to be more intensively monitored.</p>	<p>Recommendation 6: Consider changing the position of the National Forest Management Expert to include one more Coordinator in Lindi Cluster to be located in Liwale District. The Coordinators should all report to and be supervised by the CTA. If administratively not possible, consider the NFME taking over some coordination tasks in Lindi Cluster.</p>
<p>Finding 9: The ERET 2021 and 2022 findings on need for increased value chain TA still apply. The part-time value chain advisor hired for the work is an expert in community development and mindset trainings, while the programme still lacks expertise in business development and market access</p>	<p>Recommendation 7: For the remaining TA input on value chain support identify a value chain expert with relevant business experience to support the linkage to business partners and marketing.</p>
<p>Finding 10: M&E and data management remains an area that needs improvement. Despite recommendations made in all ERET reviews the programme does not have a geo-referenced database for each village that tracks the relevant information. Inconsistencies are found in provided data. In addition, monitoring of the work and results of Service Providers in the field remains limited (see also finding 8). Finally, no simple outcome data are available, such as amounts spent by communities on different community development activities and beneficiaries (for example number of PiVP receiving health insurance).</p>	<p>Recommendation 8: Assess the CBFM database developed by Mpingo Conservation and Development Initiative (MCDI) and identify options for adopting relevant parts of the system. If not possible, develop a simple georeferenced system for tracking CBFM progress in supported villages. See also recommendation 6 on more resources for monitoring in Lindi Cluster. While the programme plans to undertake an impact study at the end in 2024, in the meantime some simple outcome measurements could be undertaken by the M&E Officer.</p>
<p>EFFECTIVENESS</p> <p>Finding 11: The programme has been successful in promoting and supporting CBFM, especially in villages that have adequate forest resources. Good governance systems have been put in place and the visited VLFRs are well managed. The VNRCs are active, motivated and have a good gender balance. The Forest Management Plans (FMPs)/ Forest Harvesting Plans (FHPs) are used to guide the harvesting process (but are also overly complicated and expensive). Very few incidents of illegal activities and conflicts have taken place, although migrating pastoralists are considered a threat in many villages.</p>	<p>Recommendation 9: While it is acknowledged that the programme does not have adequate resources to come up with proposals for improving the FMP process to make it more efficient and sustainable, through collaborative arrangements with other CBFM supporting organisations and through the identification of good practices in other countries, FORVAC could play a role in exploring options for improvement of FMP procedures, which could be further built on by the new forestry programme.</p>

Findings	Recommendations
<p>Finding 12: The timber value chain is of main interest to villages. Although only a fraction of the AAC is being harvested, and the demand of lesser known timber species (LKTS) remains low, visited villages managed to generate substantial revenue from timber trade, with most obtaining between TZS 150 and 400 million. The revenue share of the Village Natural Resources Committees (VNRC) (30-35%) is used for payment of VNRC operation as well as purchase of equipment and motorcycles to facilitate their operations. The VC share (50-60%) is used for community development, such as the construction of community structures, including government offices, health centres, class rooms, water facilities, etc., but also provision of school meals or health insurance to VNRC members and PiVP. The decision-making process on the use of the revenue is transparent. The LGA get 5-10% of the revenue.</p>	<p>Recommendation 10: Continue providing support to CBFM and focus on enhancing the sustainability of the processes and especially addressing the issues and challenges of the timber value chain, including enhancing improved linkages to private sector businesses.</p>
<p>Finding 13: Districts are participating well in the programme and some of the District Forest Officer (DFOs) and Community Development Officer (CDOs) are well known in the visited villages. But FORVAC activities are not necessarily integrated into district plans and budgets.</p>	<p>For a follow-up programme the activities should be better integrated in the district plans and budgets.</p>
<p>Finding 14: The support to other NTFP value chains and micro-businesses is not very effective: The programme primarily focuses on the production side without considering other important aspects of the value chain, including marketing, which is an issue. The exception is the collaboration with Swahili Honey, a private company, which is a good model, providing sustainable income opportunities for farmers.</p> <p>Some micro-enterprises are not linked to forest management, which defeats the purpose of FORVAC incentivising communities to sustainably manage and use it the forest by demonstrating its value, and not take value chains out of the forest to integrate them in other land uses.</p> <p>SMEs were provided with equipment and machines without being properly trained or able to replace spare parts, etc.</p>	<p>Recommendation 11: Strengthen the overall value chain approach, including links between community level enterprises and the private sector regarding VLFR products and value addition. Ensure that supported value chains and micro businesses are linked to the managed VLFRs and deprioritise support to NTFPs that are less effective.</p>
<p>Finding 15: The HRBA section of the programme document (PD) has been improved, which provides better guidance on HRBA. It remains difficult to involve PiVP due to a combination of socio-cultural stigmatisation, self-exclusion, and other constraints, but PiVP benefit from the VC social funds projects directly and indirectly from improved service delivery and the provision of health insurance and free medication, or children benefitting from school meals. The programme has been successful in promoting gender equality with women being increasingly involved in decision-making processes.</p>	<p>See recommendation 2 on GALS.</p>
<p>Finding 16: With respect to micro-financing, the support to the village loans and savings associations (VSLA) is appreciated and most of the groups consist predominantly of women.</p>	<p>For a future programme it will be important to ensure that micro financing solutions are well linked to CBFM and use of the VLFR.</p>

Findings	Recommendations
<p>However, the linkage with CBFM is very weak and the loans are usually not used for forestry-based enterprises but to cover some expenses or implement short term income generating activities.</p>	
<p>SUSTAINABILITY</p> <p>Finding 17: The CBFM process shows promising results. Especially in villages that are engaged in timber harvesting, sustainable forest management is likely to be continued. VNRCs are paid for their services and community members appreciate the village development projects and see the value of their forest.</p>	<p>Recommendation 12: Identify lessons learned from the FORVAC programme and priorities for the future programme, and start developing a robust exit strategy, in close collaboration with key stakeholders, including LGAs.</p>
<p>Finding 18: The sustainability of the mobile sawmills maintenance and continued services provision through the joint account of registered villages in an association is not clear yet. The implementation might be complex and there could be a risk of interference by the districts.</p>	<p>Recommendation 13: Closely follow up on the initiative regarding a joint account for an association of registered villages to ensure that the system is practical and sustainable.</p>
<p>Finding 19: Sustainability of the outputs will also depend on a stable enabling environment, including coherent policy interpretation and incentives for the beneficiaries, such as good pricing and markets for their products, an equal playing field and full support at the political level. Several challenges have been identified that need to be addressed.</p>	<p>See recommendation 1 on enabling environment (finding 18).</p>
<p>Finding 20: For communities that have few forest resources or options for timber trade, sustainable management is more complex. Opportunities for diversification on other emerging market niches are not easy but might exist, including ecosystems services, carbon financing / trade³⁶, sustainable charcoal and value addition for LKTS (including offcuts for carvings, briquettes etc.), which have not yet been well explored.</p>	<p>Recommendation 14: Within the limitations of the budget, identify opportunities and risks/challenges for diversification for communities that have relatively few forest resources, which cannot generate high revenue from timber production (preferred species). The analysis could be valuable and built on further by future programmes.</p>
<p>IMPACT</p> <p>Finding 21: It is expected that proper CBFM implementation will contribute to reduced deforestation and better forest cover. However, the impact for community members will be mostly related to improvement of their livelihoods from the community development projects ('social funds'), and not necessarily show an increase of their income. Although additional</p>	<p>Recommendation 15. (MFA/MNRT) Commission an impact study towards the end of FORVAC, that will comprehensively analyse the impact of the programme (and its predecessor programmes LIMAS and NFBKPII), including a geographic analysis of changes in forest cover and their relation</p>

³⁶ A cautious approach on carbon financing is needed as the carbon trade market is also a speculative and volatile sector, which incurs many risks and might be counterproductive to CBFM if requirements to forego timber harvesting are included. Future support could focus on helping relevant stakeholders in better understanding the carbon trade and advising communities that are the forest/plantation owners, rather than providing direct support to the establishment of carbon financing projects.

Findings	Recommendations
employment is created through CBFM, and some beekeeping enterprises (especially those linked to Swahili Honey) get a higher income, the impact from the micro-enterprise support will remain limited.	with the different types of forest management implemented in those villages. See also various recommendations above.

TOSP– Key Findings, and Recommendations

The findings, and recommendations for TOSP are presented for each implementing institution: Tanzania Tree Growers’ Association Union (TTGAU), and New Forest Company (NFC).

Findings	Recommendations
TTGAU	
RELEVANCE (few changes from ERET 2022)	Recommendation 1: Continue with the current programme design but focus on sustainability aspects.
Finding 1: The programme is well aligned with the development objectives, policies, and priorities of the Government of Tanzania, by focusing on poverty reduction and job creation through the promotion of tree planting on private farmlands.	
Finding 2: The programme is well aligned with the 2016 Finnish development policy and Finland’s Country Strategy and Country Programme for Tanzania 2021–2024. The HRBA strategy is not much pronounced, but the requirements are also not explicitly stipulated in the TOSP ToR. TTGAU is targeting women and youth and encourages village government and families to allocate land for women.	<i>No action required</i>
Finding 3: Interviewed beneficiaries confirmed that the programme is responsive to their conditions and needs. Most tree growers have previous experience with planting trees but lack knowledge of good silvicultural practices and access to quality seedlings. The relevance of being organized in a TGA was also highlighted, although mostly in relation to its function of linking up with external support programmes, such as TOSP.	<i>No action required</i>
Finding 4: The programme is logically set-up and builds on previous experiences. Further changes were made in the seedling supply approach. Management of the nurseries is done directly by TTGAU through the contracting and payment of either individuals or TGAs. This has improved production but might not be sustainable beyond TOSP.	(see recommendation 10 on nurseries)

Findings	Recommendations
<p>Finding 5: Income generating activities were not part of the programme design and budget. However, TTGAU considers this a highly relevant aspect, enabling beneficiaries to diversify their income streams, which is expected to contribute to a longer tree rotation cycle, even though this approach was tried in PFP1 and not considered successful nor sustainable.</p>	<p><i>No action required</i></p>
<p>Finding 6: On the results framework, the question remains on how some indicators, such as good governance, are assessed. In addition, output 1.2.1 Number of plantations established and outcome indicator 1.1, are identically reported - showing the hectares planted. Furthermore, it is not clear how some cumulative figures are calculated.</p>	<p>Recommendation 2: Explain in the annual report how some indicators, such as good governance are assessed, and how the cumulative figures are calculated. For output 1.2.1 report on the number of plantations instead of hectare (which is a duplication of outcome indicator 1.1)</p>
<p>COHERENCE</p> <p>Finding 7: The programme is coherent and has complementary functions with the other programmes supported by MFA. Some collaboration has taken place with NFC on TGA registration, but little follow up was made. TTGAU also continued collaborating with PFP2 but the support to TGA registration at MoHA has stalled. Some differences in strategies are observed, including on fire management.</p> <p>TTGAU collaborates with various other institutions through different programmes and is also involved in policy platforms.</p>	<p>Recommendation 3: Continue collaboration with key stakeholders and especially consult with NFC and PFP2 for strengthening and supporting their TGAs and harmonising strategies, including on fire management.</p>
<p>EFFICIENCY</p> <p>Finding 8: Based on the revised and scaled down TOSP targets, progress is satisfactory.</p>	<p><i>No action required</i></p>
<p>Finding 9: ERET did not undertake a financial analysis as the section in the annual report is not very clear. The self-financing capacity of TTGAU, based on management fees from other projects remains limited.</p>	<p>Recommendation 4: Improve the financial section in the annual report, providing more details and clearly indicating what was planned, used and major changes in the budget.</p>
<p>Finding 10: TTGAU has a few but dedicated extension staff, whose mobility is compromised. Given the limited capacity and resources, implementation is satisfactory. Activities from different projects seem to be concentrated in the same villages.</p>	<p>(Beyond TOSP: Collaborate with partners, combining resources, including transport for extension services and monitoring of TGAs).</p>
<p>Finding 11: Monitoring is relatively weak. TTGAU keeps records of the TOSP beneficiaries, but as agreed with MFA pre- and post-planting mapping were not conducted due to a lack of funds.</p>	<p>Recommendation 5: Within the limits of the resources, identify options for record-keeping (by TGA) and monitoring of the implementation of each beneficiary.</p>
<p>EFFECTIVENESS</p>	<p>(see recommendation 6 – and continue capacity building of outgrowers though extension)</p>

Findings	Recommendations
<p>Finding 12: Improved silvicultural practices were only partly adopted by the beneficiaries. The audit shows a slight improvement from last year's findings but the management and quality of the established woodlots remains at average level.</p>	
<p>Finding 13: Several reasons for low adoption of good silvicultural practices were identified in a study undertaken by TTGAU. However, it is not clear how the results have been used in TOSP and how tree growers can be incentivised to apply good silvicultural practices and a longer rotation cycle. TTGAU seems to consider the TOSP approach inadequate if not combined with other incentives and support to IGAs. However, in PFP2 adoption also takes place without such incentives (although the effect on longer rotation cycle is not yet known).</p>	<p>Recommendation 6: If possible, adapt the implementation strategies based on the study findings on reasons for partial adoption of good silvicultural practices, and explain how the study is used.</p> <p>Recommendation 7: (MFA :) Commission a comprehensive study on approaches applied by TTGAU, NFC and PFP2 to incentivise tree growers to apply good silvicultural practices and a longer rotation cycle.</p>
<p>Finding 14: The capacity of TGAs varies. There is a wide range of TGAs of which some are very active, strong, viable and independent. While others are relatively weak and are basically perceived by the members as an instrument for receiving free seedlings and extension support. But TOSP had limited resources and did not put much weight on institutional strengthening of TGAs. Therefore, little can be said about the effectiveness of TOSP in this area.</p> <p>Similarly, although TTGAU institutional strengthening was part of the TOSP, very few activities and resources were allocated to this aspect. The output targets have been mostly met, but TTGAU's capacity and human and financial resources remain limited.</p>	<p>Recommendation 8: Within the limitations of the budget, intensify TGA institutional strengthening as part of the TOSP activities, focusing on key areas that are not supported by other organisations.</p>
<p>Finding 15: TTGAU's strategies to involve more women had contributed to a fairly good gender balance in 2021 with 46% of the TOSP beneficiaries comprising women, but this decreased in 2022 to 37%. Although challenges for women's involvement in tree growing are mentioned the decline is not explained.</p>	<p>Recommendation 9: Analyse and explain the reasons on the decline of women's participation in the project since 2021.</p>
<p>SUSTAINABILITY</p> <p>Finding 16: Consulted tree growers are likely to continue tree production and want to expand their woodlots. However, practicing good silvicultural management after TOSP is not guaranteed. In addition, TTGAU believes that without other IGAs, tree growers might not adopt a longer rotation cycle (although the findings from PFP2 indicated that for many tree growers this is not a precondition). If the performance of the woodlots is compromised, the quality of the end products will also be affected, providing less revenue.</p>	<p>(see recommendation 6)</p>
<p>Finding 17: The revised seedling production strategy of contracting individuals to manage village nurseries instead of relying on voluntary TGA support resulted in a higher output, but without further business plans and clientele, the continuation of the nurseries beyond TOSP is doubtful.</p>	<p>Recommendation 10: Support the development of a sustainable business model for decentralised seedling production that could</p>

Findings	Recommendations
	be pilot tested in areas with good marketing potential, both as part of the TOSP and other TTGAU support.
<p>Finding 18: The sustainability of the TGAs beyond the programme depends on the perceived role of the organisation by their members and the status of the plantations. Some strong TGAs with motivated members and good leadership are likely to continue but for others, especially those that are mainly considered by the members as a means to get access to the TOSP or other project support, sustainability is doubtful.</p>	(see recommendation 8)
<p>Finding 19: The future and sustainability of TTGAU will depend on the services they can deliver to their member TGAs. The sustainability of TTGAU is uncertain as the union does not have a steady income flow and cannot sustain itself from the few member contributions. TTGAU has limited capacity and resources to play its intended role as an umbrella organisation. Currently TTGAU is dependent on donor funding, which is used for different types of specific support activities in selected villages. Although TTGAU management recognises that there is still a long way to go, it is also ambitious. With the current progress and growth of the organisation, this might take long and TTGAU members might get demotivated if no services are forthcoming, while they still have to pay or membership.</p>	<p>Recommendation 11: Collaborate with PFP2 in developing exit strategies for PFP2 and identify areas of interventions that could be supported by TTGAU after PFP2 comes to an end.</p>
NFC	
<p>Finding 1: NFC's extension support in TOSP has contributed to above average performance of the woodlots and initial adoption of good silvicultural practices by many outgrowers. The tree growers will continue planting trees and managing their woodlots. Although they indicate that they will continue applying good silvicultural practices, the full adoption is not guaranteed. Some of the BOP, such as recommended planting distances will be sustained, but the continued implementation of other good silvicultural practices, including a longer rotation cycle will depend on many other factors. For TOSP outgrowers to adopt BOP and ensure that their product meets the required quality standards, the anticipated secure market and higher prices from NFC are a strong motivational factor.</p> <p>Finding 2: NFC can be credited for organising the tree growers and providing training to TGAs, but the approach was less extensive as compared to the strategy followed by PFP2. The quality of the TGAs varies and part of the motivation of tree growers for joining a TGA was to get access to the TOSP extension support. The fact that NFC also provided support to non-TGA members, confused this role. The sustainability of the TGAs is not clear yet. It is expected that some will continue but others might become dormant or phase out. The future will also depend on the follow-up steps on the linkage with TTGAU and the support that will be provided. NFC supported TGAs to register with MoHA and encouraged them to join</p>	<i>No action required</i>

Findings	Recommendations
TTGAU. As no follow-up was provided TGAs might not be prepared to continue paying relatively high membership fees while not seeing any tangible benefits.	

Annex 4: The ERET Team

Core team members

Henk Remme was the Team Leader of this assignment. He is an M&E specialist and trained Rural Sociologist having over 34 years of experience in rural development, mostly related to natural resources management. He has worked extensively in forestry, including in the South-East African region. During his career, he has gained extensive experience in participatory/community-based forest management, including agroforestry and NTFP.

Kahana Lukumbuzya was part of the core team. Mr. Lukumbuzya has more than twenty five years of experience in Tanzania's forestry sector. During the period 1996 – 2000, he worked for the Forest Research Institute (TAFORI). He went on to work for the Danish Embassy as programme officer where he supported a large bilateral programme working on environment and natural resource management. In 2007, he began working as director of a consultancy company, undertaking assignments for a range of clients. Since 2010, Kahana has participated in several assignments, assessing different aspects of Community Based Natural Resources Management (CBNRM); Forest Law Enforcement, Governance and Trade (FLEGT); Independent Forest Monitoring (IFM); and Adaptation and Mitigation of Climate Change Impacts.

Isaac Malugu is a senior expert in natural resource management with twenty-five years of forestry and wildlife management experience. He has in-depth knowledge in strategic project and program planning, implementation, and monitoring, and evaluations. He is knowledgeable on global policies and certification standards, based on the FSC system that promotes sustainable forest management. He has extensive knowledge of linking social development with conservation, as well as gender and indigenous people's aspects. Isaac has worked extensively in Tanzania, in the East Africa region as well as in Europe.

Additionally, the team was supported by:

Kirstiina Mikkola supported the team during the first review year. She is a Finnish development professional with 30 years of experience. Her professional experience includes forestry, natural resources management and biodiversity conservation. In recent years she has divided her time between programme formulation and evaluation assignments in Africa and Asia.

Angela Ifunya supported the team during the data collection process of the first review year with her gender expertise. She holds a Master's degree in Social Science Research Methods from Sheffield Hallam University, United Kingdom. She has been conducting research and evaluating projects relating to child rights, human rights, gender equality, access to justice, access to education, and violence against women and girls, for over 15 years

Merja Mäkelä supported the team during the data collection process of the second review year through her methodological and thematic expertise. She is a senior expert with more than thirty years of experience in a variety of different fields such as forest policy, natural resources management and biodiversity, and climate change mitigation and adaptation.

Paula Tommila supported the team during the data collection process of the third review year through her methodological and thematic expertise. She is a senior expert with vast experience in sustainable business development, private sector financing instruments in development context and climate change mitigation and adaptation.

Evaluation Management Services (EMS). Beyond the core team, the EMS Coordinator Sari Laaksonen supported evaluation quality and liaised between the team, the EMS consortium, and the MFA.

All contracts arrangements for the evaluation team are managed by the EMS consortium company **Particip GmbH** which also provide additional quality assurance.