



# SEMI-ANNUAL PROGRESS REPORT— OCT. 08 – MAR 09

COMMUNITY PARTNERSHIPS FOR SUSTAINABLE  
RESOURCE MANAGEMENT (COMPASS II)

COVERING PERIOD: 1<sup>ST</sup> OCTOBER 2008 – 31<sup>ST</sup> MARCH  
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# **SEMI-ANNUAL PROGRESS REPORT— OCT. 08 – MAR 09**

## **DISCLAIMER**

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## ACRONYMS

Abbreviations and acronyms have been kept to a minimum in the text of this document. Where abbreviations or acronyms have been used, they are accompanied by their full expression the first time they appear, unless they are commonly used and generally understood abbreviations such as NGO, Kg, etc. However, in the many tables in this report, in the interests of brevity, many acronyms have been used, without explanation in the text. Their meaning will be found below.

ASNAPP	Agribusiness in Sustainable Natural Plant Products
BVC	Beach Village Committee
CBNRM	Community-based Natural Resources Management
CBO	Community-based Organization
COMPASS	Community Partnerships for Sustainable Resources Management in Malawi
DAI	Development Alternatives, Inc.
DNPW	Department of National Parks and Wildlife
FR	Forest Reserve
FRIM	Forest Research Institute of Malawi
GDA	Global Development Alliance
GOM	Government of Malawi
IR	Intermediate Result
LTTA	Long-term Technical Assistance
LEAD	Leadership in Environment and Development
MCPCU	Mzuzu Coffee Planters' Cooperative Union
MGS	Malawi Gold Standard
MK	Malawi Kwacha
NASME	National Association of Small and Medium Enterprises
NP	National Park
NRBE	Natural Resources-based Enterprise
NRC	Natural Resource College
NRM	Natural Resources Management
MEET	Malawi Environmental Endowment Trust
OP	Operating Plan
RAMSAR	The Ramsar Convention on Wetlands
RVC	River Village Committee
STTA	Short-term Technical Assistance
TA	Traditional Authority
USAID	United States Agency for International Development
VNRC	Village Natural Resource Committee
VNRMC	Village Natural Resources Management Committee
WESM	Wildlife and Environmental Society of Malawi

# PREFACE

Development Alternatives Inc. (DAI) was contracted by the United States Agency for International Development (USAID)/Malawi to implement the second phase of the Community Partnerships for Sustainable Resource Management (COMPASS II) under Contract # 690-C-00-04-00090-00. USAID and DAI signed the contract on April 30, 2004 with effective dates of May 1, 2004 to May 31, 2009, which includes a two-month no-cost extension period.

The contract engages DAI and its implementing partners<sup>1</sup> to assist USAID/Malawi in achieving progress toward the Strategic Objective of sustainable increases in rural income, and specifically the Intermediate Result of household revenue from community-based natural resources management activities increased.

The purpose of COMPASS II is to enhance household revenue from participation in community-based natural resource management (CBNRM) initiatives that generate income as well as contribute to safeguarding Malawi's natural resources. This is part of a strategy to mainstream community-based management of natural resources within a transformational development framework that progresses toward eventual graduation from developmental foreign aid, one of the USAID global operational goals for broad-based prosperity in stable, democratic countries such as Malawi. Building on solid foundations from previous investments by USAID and others of increased capacity among Malawian government and nongovernmental organizations to adopt strategies that ensure long-term economic and environmental sustainability, COMPASS II seek to accomplish three objectives:

1. To increase the decentralization of natural resource management,
2. To enhance rural communities' capacity to sustainably manage their natural resources, and
3. To increase sales of natural resource-based products by rural households.

Achievement of progress toward these objectives requires a multi-faceted approach toward devolving authority and responsibility to manage natural resources to field levels, facilitating the acquisition of skills and tools to dispatch that authority responsibly, and profiting from sustainable utilization of those natural resources as an incentive to manage the natural capital assets sustainably.

DAI is required by the contract to submit a Semi-Annual Report to USAID/Malawi, "updated every two-quarters" to guide fieldwork. The "progress report shall include...activities with indicators that relate to partial or complete fulfillment of each module expected results, training and implementation timelines, and expenditure for the period." This document is the 1<sup>st</sup> Semi-Annual Progress Report for 2009, covering the period October 1, 2008 through March 31, 2009, and represents the first and second quarters in the final year of implementation of COMPASS II (2004-2009)

This Progress Report consists of two sections. The first is an overview of COMPASS II activities and progress achieved to date, including a brief review of the achievement and challenges of CBNRM in Malawi, as well as a brief description of the strategies COMAPSS is employing to meet those challenges. The 2<sup>nd</sup> section details the specific activities undertaken between 1<sup>st</sup> October 2008 and 31<sup>st</sup> March, 2009, and, briefly, planned activities by the field team for the last two months of COMPASS II (1<sup>st</sup> April to 31<sup>st</sup> May, 2009). Detail on actions planned under each of the various contracted Tasks and Sub-Tasks is provided, as well as the expected resource requirements.

A set of Annexes provide the following: (1) Annex A is an end-of-period financial summary for USAID readers; (2) Annex B provides a summary table of performance monitoring indicators; and (3) Annex C is an updated list of COMPASS II publications.

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April 2009

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<sup>1</sup> Wildlife & Environmental Society of Malawi, and Spectrum Media



## COMPASS Activity Overview and Results

This document reports on progress achieved for the period from 01 October, 2008 through 31<sup>st</sup> March, 2009. This document constitutes the third and last Semi-Annual Progress Report of COMPASS II activity.

This section briefly presents an overview of the activity, as well as some of the main achievements and challenges experienced by COMPASS II during the past six months. It is intended to provide brief information to those unfamiliar with previous activity documents.

### INTRODUCTION AND BACKGROUND

The purpose of COMPASS II is to enhance household revenue from participation in community-based natural resource management (CBNRM) initiatives that generate income as well as provide incentives for sustainable resource use in Malawi. This is part of a strategy to mainstream community-based management of natural resources within a transformational development framework that progresses toward eventual graduation from developmental foreign aid, one of the USAID global operational goals for broad-based prosperity in stable, democratic countries such as Malawi. Building on solid foundations from previous investments by USAID and others of increased capacity among Malawian government and nongovernmental organizations to adopt strategies that ensure long-term economic and environmental sustainability, COMPASS II seek to accomplish three objectives:

1. To increase the decentralization of natural resource management,
2. To enhance rural communities' capacity to sustainably manage their natural resources, and
3. To increase sales of natural resource-based products by rural households.

Achievement of progress toward these objectives requires a multi-faceted approach toward devolving *authority* to manage natural resources to field levels, along with the responsibility to manage well; ensuring the *ability* to manage by facilitating the acquisition of skills and tools to dispatch management authority responsibly, and brokering the *incentive* to manage sustainably through profiting from sustainable utilization of those natural capital assets.

COMPASS began as a conservation-oriented effort aimed at sustainable use of natural resources, expanding awareness of CBNRM and supporting the Government of Malawi to implement a policy framework conducive to expansion of CBNRM. By conceptualizing COMPASS as a development initiative, USAID/Malawi encourages the Government of Malawi and partner organizations to embrace CBNRM not simply as an approach to conservation but also as a way to stimulate broader-based economic growth in rural areas. This goal reinforces Malawi's Growth and Development Strategy and USAID's Economic Growth Objective, specifically focusing on the Natural Resources & Biodiversity Element within the Environment Program Area.

The conceptual evolution of CBNRM from being conservation-oriented toward household income generation as the reason to conserve is ongoing, however, within government departments and at village levels. So, USAID/Malawi designed a follow-on activity to COMPASS that is more solidly focused on achieving sustainable increases in rural incomes and more openly advocating the use of natural resources utilization to first address community needs for livelihoods while still promoting local management as a means to achieve long-term conservation by demonstrating tangible direct benefits to managers.

COMPASS II is supporting widespread awareness of the conceptual evolution described above; put differently, **COMPASS II seeks to mainstream CBNRM as a viable rural development strategy for Malawi.** The expected result is that communities which are making significant income from natural resources stewardship have personal and collective incentives to ensure the long-term health of the resource base, which in turn secures the rural economic health.

## USAID/MALAWI CONTEXT: OPERATIONAL PLAN FRAMEWORK

Within the USAID draft Operational Plan framework for 2007 and beyond, the Economic Growth Objective is “Generating Rapid, Sustained, Broad-Based Economic Growth.” This objective is to be achieved through eight program areas, each composed of one or more program elements. These are:

1. Macroeconomic Foundation for Growth – composed of fiscal policy and monetary policy;
2. Trade and Investment – comprising trade & investment enabling environment and capacity;
3. Financial Sector – including financial sector enabling environment and financial services;
4. Infrastructure – composed of modern services in energy, communications, and transport sectors;
5. Agriculture – comprising the enabling environment and agriculture sector productivity;
6. Private Sector Competitiveness – including business enabling environment and productivity;
7. Economic Opportunity – composed of inclusive financial markets, policy environment for micro and small enterprises, micro-enterprise productivity, and economic law and property rights; and
8. Environment – comprising natural resources and biodiversity and clean human environment.

### PROGRAM ELEMENT 8.1: NATURAL RESOURCES AND BIODIVERSITY

The portion of the USAID/Malawi Operational Plan Framework that applies to COMPASS II is the Natural Resources & Biodiversity program element, which is composed of sub-elements covering natural resource policy and governance; sustainable natural resource management and production; biodiversity policy and governance; biodiversity conservation; international cooperation; and science, technology and information. Progress in achieving the objectives of these sub-elements is measured by seven indicators, as follows:

1. **Number of hectares under improved natural resource management**—defined by having a management plan completed and/or a management agreement signed between the local natural resource management organization and the relevant government department;
2. **Number of hectares in areas of biological significance under improved management**—defined by having a management plan completed and/or a co-management agreement signed between a local community and relevant management authority for an area included within a protected area, or area of recognized conservation value (e.g. Ramsar Convention);
3. **Number of hectares of natural resources showing improved biophysical condition as a result of US Government assistance**—with a definition of “improved condition” pending;
4. **Number of hectares in areas of biological significance showing improved biophysical condition**—disaggregated by terrestrial and “marine” (water-based) areas;
5. **Number of policies, laws, regulations promoting sustainable natural resource management and conservation that are implemented;**
6. **Number of people with increased economic benefits from sustainable natural resource management and conservation;**
7. **Number of people trained in natural resources management and/or biodiversity conservation.**

Data gathering, against these indicators, is ongoing, and preliminary results for FY2008 are reported in this and subsequent quarterly progress reports.

Summary Results toward OP indicators as of 31<sup>st</sup> March 2009

The following table summarizes the final performance data for these seven indicators in FY2008, and provides results to date against FY 2008/09 targets.

**Table 1: Progress on Operating Plan Indicators as of 31 March 2009**

INDICATOR		FY07 RESULTS <sup>2</sup>	FY08/09 TARGET	FY08/09 RESULTS <sup>3</sup>
# OF HECTARES UNDER IMPROVED NATURAL RESOURCE MANAGEMENT		34,608	61,500	35,377
# OF HECTARES IN AREAS OF BIOLOGICAL SIGNIFICANCE UNDER IMPROVED MANAGEMENT	MARINE	0	105,000	106,148
	TERRESTRIAL <sup>4</sup>	42,982	190,000	242,456 <sup>5</sup>
# OF HECTARES OF NATURAL RESOURCES SHOWING IMPROVED BIOPHYSICAL CONDITION <sup>6</sup>		9,877	35,000	35,377
# OF HECTARES IN AREAS OF BIOLOGICAL SIGNIFICANCE SHOWING IMPROVED BIOPHYSICAL CONDITION	MARINE	105,648	105,000	106,148
	TERRESTRIAL	60,263	220,000	221,547
# OF POLICIES, LAWS, REGULATIONS PROMOTING SUSTAINABLE NRM / CONSERVATION IMPLEMENTED <sup>7</sup>		249	400	340
# OF PEOPLE WITH INCREASED ECONOMIC BENEFITS FROM SUSTAINABLE NRM / CONSERVATION <sup>8</sup>	MALE	15,000	35,000	53,970
	FEMALE	10,200	25,000	23,190
# OF PEOPLE TRAINED IN NRM &/OR BIODIVERSITY CONSERVATION AS A RESULT OF USG ASSISTANCE	MALE	792	650	1,168
	FEMALE	454	350	402

### INTERMEDIATE RESULT 6.3: COMPASS ACTIVITY INDICATORS

Prior to Fiscal Year 2007, USAID/Malawi utilized a Strategic Objectives and Results Framework that placed the COMPASS II activity under Intermediate Result 6.3: “Household revenue from community-based natural resources management (CBNRM) activities increased.” This has been measured by four indicators that are reported in all previous activity documents. These indicators have been:

1. Total revenue <sup>9</sup> households receive from participation in community-based NRM activities
2. Number of communities adopting CBNRM practices
3. Number of households participating in CBNRM activities
4. Number of community members trained in CBNRM (M/F)

Data gathering methodology employed for monitoring and reporting consisted of field data gathering and assessments by COMPASS II staff members and regular reports from various partner organizations throughout the country. The data collection methods are detailed in Annual Reports.

### Summary Results toward IR indicators as of 31 March 2009

Table 2 (next page) summarizes the performance data for these four indicators since the USAID/Malawi Country Strategic Plan was approved in 2001.

<sup>2</sup> These are final results.

<sup>3</sup> Progress to date.

<sup>4</sup> Includes hectares within protected forest or grassland ecosystems

<sup>5</sup> As management plans begin to be implemented or NRBE is initiated, land in this category is included in the category of “Areas of biological significance showing improved biophysical condition”.

<sup>6</sup> In the absence of USAID/Washington guidance, defined to include reduced incidence of bushfires, poaching, or other practices leading to degradation of ecosystem health; increased forest or wildlife populations, including natural regeneration; or other verifying evidence of improvement to biophysical condition as a result of management. Area of land showing improved biophysical condition is *part of* area of land under improved natural resources management.

<sup>7</sup> Cumulative number under active implementation since a law or policy is not “implemented” in any one reporting period or fiscal year

<sup>8</sup> Cumulative number benefiting from ongoing enterprises rather than only new entrants within any one reporting period or fiscal year

<sup>9</sup> The SO Team has clarified the definition of “income” to include non-cash (i.e., in-kind) income that households receive.

**Table 2: Progress on Intermediate Result Indicators as of 31 March 2009**

INDICATOR	BASE LINE		2002	2003	2004	2005	2006	2007	2008/09 <sup>10</sup>
TOTAL REVENUE HOUSEHOLDS RECEIVE FROM PARTICIPATION IN COMMUNITY-BASED NRM ACTIVITIES (MEASURED IN US\$)	6,000 (2001)	TARGET	-	20,000	50,000	180,000	400,000	750,000	1,000,000
		ACTUAL	9,000	15,774	55,431	200,587	532,162	809,573	1,861,168
NUMBER OF COMMUNITIES ADOPTING CBNRM PRACTICES	315 (2001)	TARGET	300	350	500	650	900	1,000	1,000
		ACTUAL	457	599	642	714	1,293	1,659	2,405
NUMBER OF HOUSEHOLDS PARTICIPATING IN CBNRM ACTIVITIES	23,408 (2002)	TARGET		28,088	30,000	45,000	65,000	80,000	80,000
		ACTUAL		30,681	33,498	46,255	75,847	82,346	92,678
NUMBER OF COMMUNITY MEMBERS TRAINED IN CBNRM (M/F)	846 (2001)	TARGET	420	570	1,500	2,250	3,250	4,000	4,000
		ACTUAL	1,206	M: 1,363 F: 504	M: 1,363 F: 504	M: 2,736 F: 3,019	M: 3,066 F: 3,083	M: 3,741 F: 3,389	M: 4,909 F: 3,791

## HIGHLIGHTS OF COMPASS II STRATEGY

Three principal themes continue to underlie the strategy for continuing the progressively more sophisticated concepts behind efforts to see community-based management of natural resources become a genuinely mainstream development strategy. The following is an abbreviated version of information detailed in previous Quarterly Progress Reports and the Annual Report 2006 and 2007.

### SUSTAINABILITY

The first of these themes is to build the institutional strength across a wide range of institutions within Malawi for community-based management to continue after COMPASS II concludes. In order to avoid the familiar refrain of saying things will be sustainable, while not taking actions to make them so, the COMPASS team adopted a “**2010 Test**” to use in assessing sustainability. Simply put, this means that if we cannot find a way for an action or activity to continue beyond USAID support (which ends in March 2009), we keep searching for a different way to proceed.

Sustainability consists of three parts:

1. **ecological sustainability**—that the health of ecosystems – including their ability to provide a long-term supply of goods and services – at a landscape scale is resilient to disturbances, much as a human being is considered healthy if they are able to get well quickly when exposed to illness;
2. **economic sustainability**—that household financial and aggregate economic benefits from CBNRM are sufficient to encourage additional investments by private sector individuals and business, rather than rely on grants or other subsidized support; another aspect of economic sustainability is that the increased economic activity results in an expansion of the tax base, thereby providing the public sector with resources to maintain their support;
3. **social sustainability**—that tangible benefits from CBNRM accrue to a critical mass of households, to reduce or prevent conflicts over natural resource use and management while also encouraging those households to manage resources well; that the communities engaging in

<sup>10</sup> Year to date

CBNRM are empowered to more fully participate in their other development efforts; and that genuinely decentralized governance is progressing closer to management units.

These elements of sustainability may be summarized as economic development efforts supporting the transformation of a country toward “**graduation**” from donor support. COMPASS is working toward the graduation of natural resources management from its current dependency, toward the day when conservation can pay its own way.

## **DIVERSITY**

The second major theme of the COMPASS II strategy is to spread the natural resource conservation and economic development efforts to better insure against extraordinary risks that could lead to collapse. The need to diversify beyond wildlife hunting and photographic safaris is often cited by other CBNRM programs in southern Africa as a key challenge to their efforts to mainstream CBNRM into rural economies. For the COMPASS team, this is overlain by the wide range of contexts in different parts of the country. Therefore, we are focusing on two types of diversity:

1. **diversity of natural resources**—including fisheries, forests, and other biodiverse ecosystems within the realm of community-based management, and the full range of natural resource-based products and services that those ecosystems can produce; also includes the range of ownership or custodial regimes for these ecosystems, whether public sector protected areas, customary lands under traditional leadership, or privately held or titled lands;
2. **diversity of approaches**—recognizing the differences in both resource base and skills sets found among organizations in the target districts (see Figure 1 on page 6), applying a range of nuanced approaches to development rather than a standardized approach applied universally;

## **INTEGRATION**

The third theme for COMPASS II efforts to mainstream CBNRM as a viable rural development strategy recognizes that successful economic development, no less than successful ecosystem function, requires that each of the components be interlinked with other parts of the economic system.

This does not necessarily mean that skills building of beekeepers must be part of a company processing honey, or that the company must be vertically integrated from beehive to retail shop; rather, that authority to manage a piece of forest land, and the skills needed by a beekeeper to meet the processor’s quality standards, and support to growth of the honey industry are thematically and geographically integrated.

This integration is best achieved in consultation and collaboration with relevant government departments and the private sector, so that institutionalized service provision is more complete. CBNRM service provision must be integrated into the Malawian economy rather than the donor economy, meaning that fees for services are tied to the ability to pay of those procuring services. This last point is crucial to genuinely mainstreaming community-based management of natural resources that outlasts donor support.

## ACTIVITY DESCRIPTION

As noted above, the purpose of COMPASS II is to enhance household revenue from participation in CBNRM initiatives that generate income as well as provide incentives for sustainable resource use in Malawi. COMPASS II seeks to accomplish three objectives:

1. Increase the decentralization of natural resource management,
2. Enhance rural communities' capacity to sustainably manage their natural resources, and
3. Increase sales of natural resources-based products.

The contract Statement of Work (section C) defines the specifications for the team in implementing the COMPASS II activity. In order to have implementation contribute toward the USAID/Malawi objective of **Sustainable Economic Growth**, and specifically, Intermediate Result 6.3: “**Increased household revenue from community-based natural resources management (CBNRM) activities**”, the following three Results Modules and 10 Tasks provide the contractual framework. Actual fieldwork is conducted in a more integrated manner, as discussed above.

**Table 3: Results Modules and Tasks specified in the COMPASS II statement of work**

RESULTS MODULE	TASKS
<b>More decentralized management of natural resources in Malawi</b>	
	1) Promote greater decentralization of key natural resource decision-making
	2) Increase district-level capacity to support CBNRM
	3) Improved CBNRM stakeholder coordination
<b>Enhanced community capacity for managing natural resources in a sustainable manner</b>	
	1) Increase capacity for natural resources management at the community level
	2) Strengthen the capacity of CBNRM service providers
	3) Increase public awareness and understanding of CBNRM roles and opportunities
	4) Strengthen knowledge and accountability of Traditional Authorities and related officials in CBNRM
<b>Increased sales of natural resource-based products by households</b>	
	1) Enhance market access by entrepreneurs, households, and community groups that produce natural products
	2) Identify production and harvesting opportunities for new natural resource-based products to be actively exploited on a sustainable basis
	3) Develop and strengthen partnerships between communities and the private sector

The COMPASS II activity supports the USAID/Malawi goal of reducing poverty and increasing food security through broad-based, market-led economic growth by addressing the constraints to CBNRM and working to increase household revenues earned from CBNRM. The specific constraints to be addressed include those related to policy implementation, community tenure and rights of access, local institutional capacity, and natural resource-based enterprise development.

Since 2007, COMPASS II has focused its resources on those districts that showed most promise in terms of being able to demonstrate the potential economic benefits of community-based natural resources management and how this incentive can lead to enhanced conservation of biodiversity. Since that period COMPASS has prioritized locations in ten districts, containing within them eight of the most important areas of natural resources in the country.

These priority districts are:

- **Rumphi, Karonga and Chitipa Districts**, specifically along the border of **Nyika National Park**, supporting the establishment of collaborative management and the concurrent

development of small-scale commercial honey production as well as improvement in smallholder coffee quality.

- **Nkhotakota District**, where a range of activities related both to participatory fisheries management in **Lake Malawi**, **Lake Chikukutu** and the **Bua River** and collaborative management of **Nkhotakota Wildlife Reserve**, including fish cage culture, honey production, mushroom cultivation and dried fruit production are taking place;
- **Phalombe, Zomba and Machinga Districts**, specifically the establishment of participatory fisheries management on **Lakes Chilwa** and **Chiuta**; and in the Chingale area, where pond aquaculture is being supported primarily through improvement in marketing and business development;
- **Nkhata Bay District**, around both **Mkuwazi Forest Reserve** and **Kandoli Mountain**, where community management of forest resources is being linked to honey production and eco-tourism; and
- **Mulanje District**, where the Global Development Alliance (GDA)-supported Mulanje Community Watershed Partnership Program combined watershed and biodiversity conservation with improved water supply (this activity is now completed);
- **Kasungu District** through the establishment of a successful beekeeping enterprise and consequent collaborative management at Ntchenda whose apiary is located in the northern part of **Kasungu National Park**.

During March 2008, a contract modification for COMPASS II, required due to reduced funding levels, was approved. Key performance indicators and targets specified in the modified COMPASS II contract Statement of Work for each of these Results Modules are the following:

- 7 districts in which NRM devolution plans are adopted and fully implemented;
- 1,000 communities adopting CBNRM practices;
- 80,000 households participating in CBNRM activities; and
- US\$ 1,000,000 in total revenue households receive from participating in CBNRM activities.

COMPASS II expanded sales of natural products by identifying commodities that have the greatest potential to generate employment, increase household income, and support sound natural resource management. This approach promotes cooperation and coordination among the various members of the value chain to reduce transaction costs, enhance product quality, and reduce risks and uncertainty for buyers and sellers.

The FY08/09 highlights are the introduction of **green credits** through the sale of reduced emissions from deforestation and degradation (REDD), or avoided deforestation and degradation of forest, credits from two pilot sites of Malawi: Mkuwazi Forest Reserve and Thazima, a slice of Nyika National Park. The successful sale of carbon credits in these two sites will contribute to creating value for carbon from standing forests. In addition, COMPASS also assisted Mzuzu Coffee Producers Cooperatives Union (MZCPCU) initiate the **Fair Trade certification process** of smallholder coffee and honey in an effort to increase value of smallholder products; MZCPCU's membership base is made up of 3,500 smallholder coffee producers, many of who are also beekeepers. COMPASS continued to support fisheries, tree seed oils, processed fruit, wild and cultivated mushrooms, and medicinal plants as high-potential commodities. COMPASS II is verifying the viability of markets for these products, and during FY08/09, COMPASS worked with the Ministry of Agriculture to develop and finalize the technical application required for accreditation from the EU to enable Malawi to export to the **European markets**. Once the application is approved, Malawi's honey can find many more larger and stable markets for honey among other products, thereby helping the country expand its menu of options to include other natural resource-based products.

COMPASS II also promotes sound stewardship of the wildlife reserves, national parks, and forests that make up more than one-fifth of Malawi. Lakes Malawi and Chilwa and many large rivers form vital watersheds that are an important part of the food production base for the national economy.

## OVERVIEW OF COMPASS STRATEGIC APPROACH IN FY08/09

The Annual Work Plan—2008/09 provides the strategic framework, for COMPASS activity for the final 18 months of the activity. It is based on experience gained during the first four years of field operations and the results of several studies. It is further strongly influenced by the reduction in funding levels leading to the consequent contract modification and significant reduction in staff numbers. Given this background, the management team has come up with a site-based and value-chain approach for the remainder of the program in order to better focus COMPASS II activities and ensure completion of all activities in a timely manner.

This site-based approach has targeted those locations, particularly areas of biological significance such as the Nyika National Park, Nkhotakota Wildlife Reserve, Mkuwazi Forest Reserve, Lake Chilwa (given that it is the only RAMSAR Site in Malawi) and Mulanje Forest Reserve, where COMPASS has been already working successfully in the past four years. COMPASS' value chain approach focuses on select products with high promise of success, increased sale, and expanded scope in terms of further facilitating sector growth, horizontally as well as vertically.

These strategies concentrated on providing all the necessary technical assistance in a synchronized manner to enable communities and enterprises in a site to establish local resource management institutions and form resource user groups. The formation of these village and multi-village-level institutions and resource user groups provide the communities the legal framework to sustainably manage and conserve their natural resources, while at the same time giving them the legal right to earn income from sustainable harvesting and primary processing of natural resource based products. The strategy requires that all technical personnel under the three components work as a team to ensure that rights and responsibilities of the communities, conferred through resource use agreements and/or resource management plans, within that site vis-à-vis the natural resource, are formalized and ready for implementation with minimal external assistance.

COMPASS necessarily sequenced its activities targeting first those sites that are most ready for “formalization” and signing of the management plans and resource use agreements. The formalization of agreements and plans will be essential for the operationalization of enterprises utilizing natural resources sustainably so that both household income and biodiversity conservation increase.

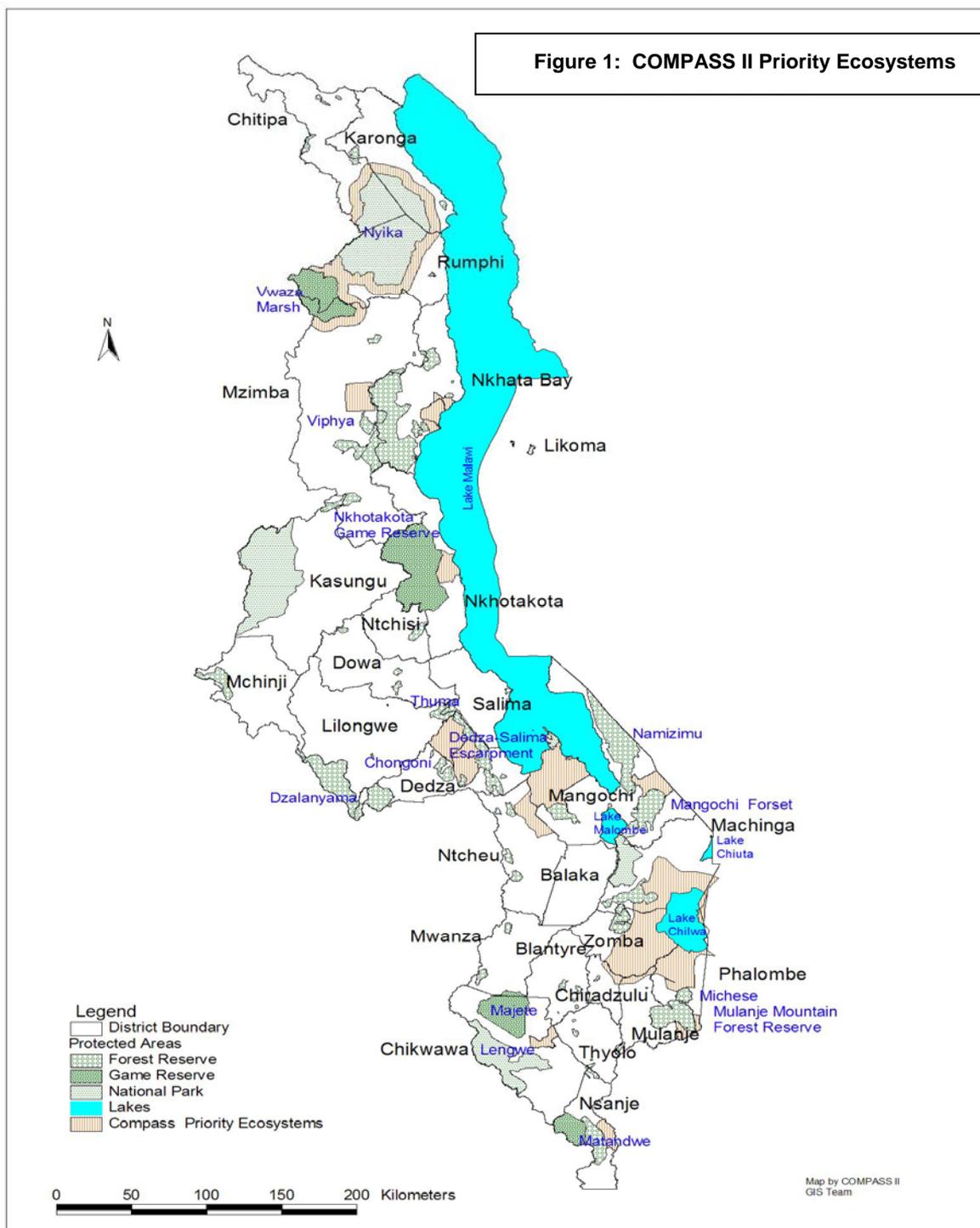
While COMPASS II has found it necessary in FY 2008/09 to apply a site-based approach to speed up the accomplishment of targets, the program continued to adhere to the value-chain strategy of focusing on products, linking production to conservation and building sustainable businesses. As in previous years, COMPASS has continued to focus on those products that have a strong national and international market and that provide substantial benefits to rural households. COMPASS has made use of the following criteria for selection of products to promote.

1. **Demonstrated market demand** – that the domestic demand for the product exceeds current supply, and that there are possibilities for regional or global export markets;
2. **Scale of impact** – that production, processing and trade in the product has the potential to significantly increase the income of hundreds or thousands of households in rural Malawi;
3. **Conservation incentive** – that there is a direct, identifiable link between profitable enterprises in the subsector and positive incentives for improved natural resource stewardship; and
4. **Non-exclusionary** – that the barriers to entry into the production, processing or trade in the product are low enough to not exclude participation by marginalized households such as those which are HIV-affected, women- or youth-headed, and others.

Many of the communities targeted for the site-based approach lie well within COMPASS II priority or strategic eco-systems, established early on in the life of the activity.

**STRATEGIC ECOSYSTEMS – MARRYING BIODIVERSITY CONSERVATION WITH ECONOMIC GROWTH**

Early in the first year of COMPASS II, a rapid appraisal of Malawi’s ecosystems delivered a six-category classification of the country as development pathways for conservation enterprise (high and normal priority); natural resources-based enterprise (high and normal potential); agriculture; and agro-industry. These development pathways formed the basis for selecting, with technical officers in target districts, priority ecosystems (see Figure 1) where COMPASS conducts fieldwork.



## HIGHLIGHTS OF PROGRESS THIS PERIOD

This subsection of the Semi-annual Report briefly summarizes progress made by the COMPASS II field team toward completing the tasks listed in Table 3.

The contract modification agreed in March 2008 reduced the number of COMPASS target districts from 15 to 7. Our areas of focus are in 8 locations in 10 districts where we can improve efficiency by increasing resources and, due in part to commitment from either district technical personnel or communities and traditional leaders or both, we can expect good results within the remaining period of COMPASS II operations. These locations are:

1. Nyika National Park (Rumphu, Karonga and Chitipa districts) – focusing on collaborative management (primarily through Resource Use Agreements) and honey production.
2. Nkhotakota Wildlife Reserve (Nkhotakota district) – focusing on collaborative management, an honey production, cage aquaculture, fruit drying and mushroom cultivation, among communities bordering the Reserve between the M18 and Bua River;
3. Lake Chilwa basin and Mpototo Lagoon (Machinga, Phalombe, and Zomba districts) and Lake Chiuta (Machinga District)– focusing on implementation of participatory fisheries management;
4. Nkhotakota lakeshore (Nkhotakota district) – focusing on participatory fisheries management, cage aquaculture where appropriate and, most recently, eco-tourism;
5. Mkuwazi Forest Reserve (Nkhata Bay district) – focusing on forest co-management and honey production and recently, eco-tourism;
6. Kandoli Mountain (Nkhata Bay district) – focusing on community forest management;
7. TA Laston Njema on Mulanje Mountain (Mulanje district) – focusing on water supply, water governance and watershed rehabilitation through the Coca-Cola GDA project, now completed;
8. The northern section of Kasungu National Park (Kasungu District) – focusing on resource use agreements and honey production for Ntchenda Beekeeping Enterprise
9. Chingale area (Zomba district) – focusing primarily on aquaculture through establishment of a modern commercial hatchery the will contribute to the development of the subsector.

### SPECIFIC HIGHLIGHTS FOR MORE DECENTRALIZED NRM

Three Tasks guide efforts to achieve Results Module #1: More Decentralized Management of Natural Resources in Malawi. These Tasks, and noteworthy progress attained this reporting period, are as follows:

#### PROMOTE GREATER DECENTRALIZATION OF KEY NATURAL RESOURCE DECISION-MAKING

1. The Deputy Director of National Parks and Wildlife (DNPW) signed resource use agreements for five beekeeping enterprises comprising 72 clubs and 742 beekeepers around Nyika National Park;
2. Collaborative management plans are complete for five wildlife community-based organizations (CBO) bordering Nkhotakota Wildlife Reserve;
3. A regional round-table meeting on collaborative management in protected areas of Malawi held in Lilongwe resulted in agreement on unification of the approach to implementing collaborative management and also on the need to create park management committees comprising representatives of communities, NGOs, district assemblies and private sector for each protected area.
4. The boundary survey and socio-economic survey for Kandoli Mountain Forest Reserve has been completed and the Local Forest Management Board (LFMB) established;

5. The LFMB for Mkuwazi Forest Reserve is established, the Strategic Forest Area Plan (SFAP) completed and a management plan and agreement signed by the Director of Forestry;
6. A final version of the Fisheries Management Plan for Lake Chilwa has been submitted to the Director of Fisheries for approval;
7. All five COMPASS-supported fisheries associations in Nkhotakota District have held annual general meetings;
8. All COMPASS-supported fisheries associations apart from Mwambo in Zomba District and Kambindingu and Liwaladzi in Nkhotakota District have now been registered under the Trusts and Trustees Incorporation Act.

#### INCREASE DISTRICT-LEVEL CAPACITY TO SUPPORT CBNRM

1. COMPASS supported an evaluation of participatory fisheries management throughout Malawi requested by the Department of Fisheries.

#### IMPROVE CBNRM STAKEHOLDER COORDINATION

1. One hundred and two (102) people participated in various study tours.

Key actions expected in the final two months of FY 2009 include the following:

- Sign resource use agreements for **45 clubs** in one beekeeping enterprises on the northern boundary of Kasungu National Park;
- Sign management agreements for **61 Beach Village Committees (BVC) and River Village Committees (RVC)** around Lakes Chilwa, Chiuta, Malawi and Chikukutu and the Bua River;
- Complete institutional arrangements for co-management of Mkuwazi Forest Reserve;
- Obtain endorsement for collaborative management agreements for five associations comprising some **70 villages** on the border of Nkhotakota Wildlife Reserve.
- Finalize strategic forest area plan for Kandoli mountain forest;
- Support Department of Fisheries review of legislation and policy;
- Conduct study tours for **220 people** from beekeeping clubs and enterprises, natural resource management associations and eco-tourism organizations

Details of these actions are provided in Section 2 of this report.

#### SPECIFIC HIGHLIGHTS FOR ENHANCED COMMUNITY CAPACITY

Four Tasks guide efforts to achieve Results Module #2: Enhance Community Capacity for Managing of Natural Resources in a Sustainable Manner. These Tasks, and noteworthy progress attained this reporting period, are as follows:

##### INCREASE CAPACITY FOR NATURAL RESOURCES MANAGEMENT AT THE COMMUNITY SLEVEL

At least **478** people trained this period on topics such as carbon stock assessment, developing *plan vivos* (conservation management plans driven by carbon credits), eco-tourism, beekeeping, improving honey quality, mango drying, organizational development, fish cage construction, mushroom drying, and survey methods.

##### STRENGTHEN THE CAPACITY OF CBNRM SERVICE PROVIDERS

During this period, a total of **25** participants from Nkhotakota, Ngala and Lake Malombe were trained in cage construction in order to create a cadre of fish cage builders. Many of these newly trained cage builders will in turn be able to provide their services to those fisherfolks interested in engaging in cage culture. This period also saw the training of **7** training of trainers in carbon stock assessment and monitoring. This training was provided with the aim of developing a cadre of service providers for future carbon stock assessment needs. Of the 7, 4 trainees came from the Forest Research Institute of Malawi (FRIM) and LEAD, an environmental organization based within Chancellor College. Both FRIM and LEAD provide technical services to MEET (Malawi Environmental Endowment Trust), to conduct the carbon stock assessment and monitoring.

#### INCREASE PUBLIC AWARENESS AND UNDERSTANDING OF CBNRM ROLES AND OPPORTUNITIES

A one minute jingle advertising cultivated mushrooms for sale was broadcast **56** times on Nkhotakota community radio in order to raise awareness about the goodness of consuming oyster mushrooms;

Community-based drama groups were also mobilized to convey messages on cage culture in Nkhotakota district, especially for those communities living around Lake Chikukutu in order arouse interest in cage culture as well as to transmit information on a new way of fishing.

#### STRENGTHEN KNOWLEDGE AND ACCOUNTABILITY OF TRADITIONAL LEADERS AND RELATED OFFICIALS IN CBNRM

Chiefs and TAs are always encouraged to participate in many of COMPASS activities and training events. For the cage construction training, 3 chiefs were also trained. For the carbon credit and developing *plan vivos*, 10 chiefs/TAs (8 chiefs, 1 sub-TA and 1 TA) were also trained.

Key actions expected in the last two months of FY 2009 include the following:

- Refresher training on honey quality improvement planned for Malawi Gold Standard service providers in order to further boost their skills level.
- Honey Processing Equipment Installation and operations training will be provided to the two Grantees who received funding to purchase and install two sets of improved processing plants, one in the north and one in the south. This should further expand the market's ability to "pull" honey from the rural areas thereby injecting much needed cash into the rural economy.
- Training through trade show participation of two (2) members of the Coffee Association of Malawi (CAMAL) will take place during the 21<sup>st</sup> SCAA convention to be held in Atlanta.
- Training in Fingerling production and commercial hatchery management of a total of four participants will take place in Thailand, on a commercial hatchery and fish farm.
- Final round of Training on Developing *Plan Vivos* will be carried out in the two pilot sites.

Details of these actions are provided in Section 2 of this report.

#### **SPECIFIC HIGHLIGHTS FOR SALES OF NATURAL RESOURCE-BASED PRODUCTS**

Three Tasks guide efforts to achieve Results Module #3: Increased Sales of Natural Resource-Based Products by Households. These Tasks, and noteworthy progress attained this reporting period, are as follows:

#### ENHANCE MARKET ACCESS BY ENTREPRENEURS, HOUSEHOLDS, AND COMMUNITY GROUPS THAT PRODUCE NATURAL PRODUCTS

1. Training on Carbon Credits to enhance communities'(near Mkuwazi Forest Reserve and Thazima, in Nyika National Park) access to the voluntary markets

2. Worked with the U.S. based **Talier Trading group** to help assess opportunities for opening up markets for Malawi products.
3. Introduced 5 new varieties of Mushroom spawn (4 diff oysters, 1 straw) to increase market share and access for mushroom producers (worked with ASNAPP on this).
4. Worked with a new processor (Chipunga Farms) to link with Tongole to sell dried mangoes and mushrooms.
5. Mobilized ecotourism–tour guides training in order to help access the lakeshore tourism market for rural communities; Mkuwazi Forest Reserve houses some unique birds and butterflies.
6. Continued support to Mzuzu Coffee for their interest in Fair Trade certification in order to enhance and expand market size for coffee and honey (since many coffee producers are also beekeepers).
7. Offered beekeeping training and honey quality improvement to assist communities to be part of the expanding honey market
8. Conducted training in fish cage building in order to enhance ancillary participants to benefit from the potential growth of cage aquaculture
9. Contributed to revising Fisheries policy, regulations and act in order to further expand opportunities for producers and players in the sector.
10. Initiated commercial hatchery establishment process at Domasi to enable the National Aquaculture Center (NAC) to produce 1 million mono-sexed fingerlings per month.
11. Initiated processing capacity expansion of two honey processors to enable stronger market pull of honey produced by beekeepers in rural areas.

#### IDENTIFY PRODUCTION AND HARVESTING OPPORTUNITIES FOR NEW NRB PRODUCTS AND EXPLOIT THEM ON A SUSTAINABLE BASIS

1. The Carbon Credits (REDD) initiative is a new product supported by COMPASS in two pilot areas
2. Introduced 4 new varieties of oyster mushrooms and 1 variety of straw mushroom. Straw mushrooms are more heat tolerant than oyster mushroom enabling smallholders and rural producers to engage in production and supply.
3. In order to further exploit the potential of aquaculture sector, COMPASS initiated the process to organize practical, on-farm training of 4 individuals in fingerling production and commercial hatchery management to take place in Thailand.
4. Successfully concluded the formal registration of the official industry association for honey processing called the **Malawi Bee Products Association (MBPA)**, which serves as the voice for processors, service providers and allied industry participants.
5. Contributed to the finalization of the DMS: 366, MBS honey standards for Malawi.
6. Continued working with existing associations and other groupings to help strengthen their organizational and business management skills.
7. Continued to conduct meetings with beekeepers, mushroom producers, and fish farmers associations and clubs in several locations on production and market opportunities.
8. Continued to brief beekeepers on honey and bees wax quality management, as part of the business management training provided by COMPASS.

## DEVELOP AND STRENGTHEN PARTNERSHIPS BETWEEN COMMUNITIES AND THE PRIVATE SECTOR

1. Helped MBPA develop a membership directory and registry of Credit and Sales Agreement
2. Collaborated with OIBM to link the micro-finance institution with fish cage growers to enable them to provide the financial support necessary to kick off cage culture in earnest in Malawi.
3. Brokered sales contracts between beekeepers in Nkhata Bay, Nyika, Thete, Salima, and Kasungu and Honey processors, namely Mzuzu Coffe, Chiwogoro Apiaries, Nyika Honey and Nali Ltd
4. Continued to collaborate with various partners such as the Department of Fisheries, Department of Forestry, Department of Parks and Wildlife, ASNAPP, C-Fish, Tikwere, and EU's Improved Forest Management program to review opportunities to better link communities with programs and the private sector.
5. Maintained contact with honey buyers/processors, potential mushroom buyers, and fish buyers in preparation for brokering sales contracts and innovative partnerships.

Key actions expected in the last two months of FY 2009 include the following:

- Finalize and submit last paperwork required by the Auditors for Fair Trade certification completion. This constitutes the final and last step in the process before receiving certification.
- Finalize the Plan Vivo Registration process, and assist with the external audit, which constitutes the final and last step in the process before registration can be deemed successful. Registration will permit the two project sites to officially "sell" carbon credits from REDD in the voluntary markets.
- Coordinate the official signing of Lake Chilwa Participatory Fisheries Management Plan submitted by 6 local Fisheries Associations around Lake Chilwa, a RAMSAR site.
- Assist in the official launch of the MBPA.
- Complete Installation of Improved modern Processing facilities in the north and south and train staff to operate the new processing machines in both Mzuzu and Blantyre.
- Complete installation of sachet machines in the central region to enable stronger market pull of honey from rural areas
- Complete installation of equipment for the establishment of a commercial hatchery in Domasi to produce mono-sexed fingerlings.
- Support training program for participants in fingerling production and commercial hatchery management in Thailand.
- Support the Coffee Association of Malawi (CAMAL) in its effort to better serve its members through provision of information on marketing as well as processing technology, in particular some of the members could use help in improving their coffee processing practices.

Details of these actions are provided in Section 2 of this report.



## Detailed Quarterly Performance and Task Updates

This section of the Semi-annual Progress Report provides a detailed description of actions taken and tasks completed during the reporting period. In addition to reporting on accomplishments, a narrative of progress as well as problems encountered and resolutions (actual or proposed) is provided. Section 2 also details planned actions, person(s) responsible, expected timelines, and resource requirements for the next two months.

Section 2 is organized according to the COMPASS II results modules, with each module subdivided into specific Tasks necessary for COMPASS to contribute toward achieving the Strategic Objective. The Tasks are in turn broken down into Sub-tasks identified in the Annual Work Plan. A table summarizing progress toward the Performance Indicators in the Annual Work Plan forms Annex A.

### RESULTS MODULE #1: MORE DECENTRALISED MANAGEMENT OF NATURAL RESOURCES IN MALAWI

In order to achieve success, conservation of biodiversity and natural resources by local communities must lead to improved livelihoods and enhanced income for them. For local governments to support CBNRM, it must provide them with an increase in revenue that can be used to support technical assistance and extension services to communities practicing CBNRM.

The focus for the decentralization team during this final year of COMPASS will be to consolidate participatory resource management efforts by communities by (i) ensuring that the institutions needed to provide legal and regulatory basis to their activities are in place; (ii) management plans are agreed and signed; and (iii) that the management plans are being implemented and the results monitored by the same communities to provide the information for adaptation of management regulations as needed.

The key performance indicator for this Module is the **number of districts in which devolution plans are adopted and fully implemented**. The modified target for this indicator is 7 districts by the end of the activity. Within the 2008/09 Work Plan period, the target is that all 7 target districts have begun the process of developing devolution plans.

Three tasks support this results module: (1) promote greater decentralization of key natural resource decision-making, (2) increase district-level capacity to support CBNRM, and (3) improve CBNRM stakeholder coordination.

#### TASK 1.1: PROMOTE GREATER DECENTRALIZATION OF KEY NATURAL RESOURCE DECISION-MAKING

The first task toward achieving decentralized NRM is to facilitate a process of engagement by the key natural resource sector agencies with district-level government, resulting in the latter obtaining responsibility — and accountability — for certain aspects of natural resources management.

Four sub-tasks contribute to facilitation of the process. These sub-tasks are: (1) develop guidelines for community management of natural resources; (2) promote devolution of authority to approve natural resource management agreements; (3) facilitate natural resource agreements between communities and district authorities; and (4) support efforts to harmonize sector legislation with decentralization policy. These are detailed below.

Within this Task, the COMPASS II team is focusing primarily on Sub-task 1.1.3. This sub-task is the core activity whose successful completion will enable small-scale commercial producers of natural resources-based products to legally access the raw materials they need to establish and operate successful businesses, while having the legal authority to conserve those resources for their own benefit. The other sub-tasks are essentially complete or, due to the very slow progress of political and fiscal devolution in Malawi, cannot be effectively carried any further forward.

**Sub-task 1.1.1: Develop guidelines for community management of natural resources**

This sub-task requires that the range of opportunities for small-scale commercial production of natural resources-related products and the actions needed to take advantage of these opportunities are made available in appropriate formats to a wide range of audiences. This task is substantially complete.

**Action this reporting period and Sub-Task update**

No actions this reporting period

**Problems encountered and actual or proposed resolution**

No problems encountered this reporting period.

**Performance indicator and planned actions for the next quarter**

In the overall COMPASS II Performance Monitoring Plan, the indicator and target for this sub-task is “to complete guidelines for all sectors and to ensure that the information is disseminated to all districts and all interested communities and support services.”

This task is complete.

**Table 4: Sub-Task 1.1.1: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
No activity planned			

**Sub-task 1.1.2: Promote devolution of authority to approve NRM agreements**

COMPASS considers this task substantially complete.

**Action this reporting period and Sub-Task update**

The most notable result related to this sub-task has been the agreement to gazette Kandoli Forest in Nkhata Bay District as a district, rather than national forest reserve. COMPASS is supporting the District and Regional Forestry Office to prepare the SFAP for the reserve. Once gazetted, this will be only the second district forest reserve in Malawi, and by far the largest.

After lengthy deliberations, an agreed format for participatory fisheries management plans and agreements has been agreed with the Department of Fisheries. This includes signatories representing traditional authorities and district assemblies.

Within the wildlife sector, in December 2008 a round-table meeting on collaborative management, supported by COMPASS, agreed that each protected area in Malawi should be managed through a Joint Management Committee, which would include DNPW, traditional leadership, local NGOs, technical officers of the district assemblies and the private sector.

**Problems encountered and actual or proposed resolution**

No significant problems encountered

**Performance indicator and planned actions for the next reporting period**

The goal for this sub-task is that “... by the end of 2008, the local authorities in priority districts are signatories to community natural resource management plans”.

**Table 5: Sub-Task 1.1.2: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
Continue to support the preparation of SFAP for Kandoli Mountain Forest	J. Dickinson, P. Munthali R. Bita	April	Subcontractor LTTA time, LTTA time, meetings,

**Sub-task 1.1.3: Facilitate NRM agreements between communities and district authorities**

This is a core task for COMPASS as establishment of small-scale commercialization of natural resources begins to accelerate. It is crucial that small commercial organizations have the legal right to harvest the resources on which their businesses are based *and* have the agreement of the wider community in situations where unallocated customary land resources are being used. For this reason, the technical team will continue to concentrate their efforts on this sub-task during this quarter. This sub-task also provides the foundation for tracking and reporting on the first four of the OP indicators for FY2007 and beyond (cf. pp 2-3).

**Action this reporting period and Sub-Task update**

In the fisheries sector, as reported above, the format for participatory fisheries management plans have now been agreed with the Director of Fisheries. All fisheries associations with the exception of Mwambo in Zomba District and Kambindingu and Liwaladzi in Nkhatakota District have now been registered under the Trusts and Trustees Incorporation Act.

The co-management agreement for Mkuwazi Forest Reserve in Nkhata Bay District has been signed by all parties. Seven villages, with almost 1,000 households, now have legal rights to access the reserve for bee-keeping, mushroom and wild fruit collection and eco-tourism activities.

In the wildlife sector, resource use agreements to provide legal access to the Park for all but one beekeeping enterprise around Nyika National Park have been signed between the enterprises and DNPW. This brings the total of beekeeping clubs with access to the park to over 140, comprising nearly 1,600 beekeeping households and puts almost 175,000 Ha. of Nyika National Park under improved management.

Table 8 on page 17 provides a summary of progress towards this sub-task to date.

**Problems encountered and actual or proposed resolution**

The protracted discussion with Department of Fisheries on the final format for participatory fisheries management plans have delayed final signing of the management agreements. Now concluded, it is expected that management agreements will be signed during May.

**Performance indicator and planned actions for the next reporting period**

The modified scope of work requires that “at least 400 agreements under implementation in the target districts” by the end of COMPASS II.

**Table 6: Sub-Task 1.1.3: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
<b>Fisheries Sector:</b> <ul style="list-style-type: none"> <li>• Sign management agreements for Lake Chilwa basin</li> <li>• Prepare revised management agreements for Nkhatakota fisheries and sign</li> </ul>	J. Dickinson, P. Munthali	April - May	Subcontractor LTTA time, LTTA time, signing ceremony, meetings, travel costs

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
<b>Forestry Sector:</b> <ul style="list-style-type: none"> <li>Finalize SFAP for Kandoli Mountain in Nkhata Bay;</li> <li>Ensure final institutional arrangements for Mukwazi Forest Reserve in Nkhata Bay are in place</li> </ul>	P. Munthali, J. Dickinson	April	Subcontractor LTTA time, LTTA time, survey costs, travel costs
<b>Wildlife Sector:</b> <ul style="list-style-type: none"> <li>Complete and sign resource use agreements for Fukafukani beekeeping enterprise in Karonga District;</li> <li>Complete and sign resource use agreements for Ntchenda Beekeeping Enterprise in Kasungu National Park</li> <li>Obtain Director's endorsement of collaborative management plans for 5 associations in Nkhotakota Wildlife Reserve</li> <li>Assist DNPW with preparing activity plans for collaborative management plan implementation in Nkhotakota Wildlife Reserve</li> </ul>	R. Bita, J. Dickinson, P. Munthali	April	Subcontractor LTTA time, LTTA time, travel costs, meetings

Sub-task 1.1.4: Support efforts to harmonize sector legislation with decentralization policy.

This task is substantially complete.

**Action this reporting period and Sub-Task update**

No action this reporting period

**Problems encountered and actual or proposed resolution**

No significant problems have been encountered.

**Performance indicator and planned actions for the next reporting period**

The modified contract scope of work states "The contractor must provide technical assistance to relevant GOM Departments to review the legislation and make adjustments to natural resource policies and legislation as appropriate". COMPASS will provide support to the Department of Fisheries during this period to hold a workshop to review fisheries policy and legislation.

**Table 7: Sub-Task 1.1.4: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
Support Department of Fisheries Act, Legislation and Policy review and Amendment/Reform	P. Munthali	April	LTTA time

**Table 8: Progress toward NRM agreements, by district priority area**

PRIORITY AREA	NAME OF ORGANIZATION	DISTRICT	TYPE OF AGREEMENT	#ORGANIZATIONS	HH INVOLVED	OP CATEGORY	AREA (HA.)
Nyika NP	Gamba	Chitipa	Resource Use Agreement	19 clubs	204	2b/4b	19,331
Nyika NP	Uledi	Chitipa	Resource Use Agreement	5 clubs	50	2b/4b	9,042
Nyika NP	Fulirwa	Karonga	Resource Use Agreement	8 clubs	119	2b/4b	46,129
Nyika NP	Sawi	Karonga	Resource Use Agreement	13 clubs	145	2b	20,909
Nyika NP	Thazima	Rumphi	Resource Use Agreement	16 clubs	139	2b/4b	36,548
Nyika NP	Henga	Rumphi	Resource Use Agreement	6 clubs	82	2b/4b	10,997
Nyika NP	South Phoka	Rumphi	Resource Use Agreement	19 clubs	268	2b/4b	12,543
Nyika NP	Chakaka	Rumphi	Resource Use Agreement	14 clubs	180	2b/4b	15,276
Nyika NP	Livingstonia	Rumphi	Resource Use Agreement	14 clubs	183	2b/4b	10,429
Nyika NP	Fingira	Rumphi	Resource Use Agreement	32 clubs	292	2b/4b	21,705
Nyika NP	Ngonga	Rumphi	Resource Use Agreement	8 clubs	77	2b/4b	10,135
Kandoli Mtn		Nkhata Bay	Co-management	35 villages (est)			18,000
Mukwazi FR		Nkhata Bay	Co-management	12 clubs	998	2b/4b	1767
Kabunduli		Nkhata Bay		42 clubs	615		6,000
Nkhata Bay Escarpment		Nkhata Bay		10 VNRM	500		280
Hora Mtn		Mzimba		16 VNRM			76
NKK WR	Kabululu	Nkhotakota	Collaborative management	13 villages	460	2b/4b	2,078
NKK WR	Kalirangwe/ Tongole	Nkhotakota	Collaborative management	18 villages	201	2b/4b	2,100
NKK WR	Mahkanjera	Nkhotakota	Collaborative management	17 villages	163	2b/4b	1,665
NKK WR	Kawarenga	Nkhotakota	Collaborative management	19 villages	239	2b/4b	1,107
NKK WR	Chanika	Nkhotakota	Collaborative management	14 villages	110	2b/4b	1,415
NKK WR	TANAREMA	Nkhotakota	Collaborative management	14 villages	5,292	2b/4b	3,159
NKK Lakeshore	Kambindingu	Nkhotakota	Participatory fisheries management	11 BVC	387	1/3	25,500
NKK Lakeshore	Liwaladzi	Nkhotakota	Participatory fisheries management	6 BVC	435	1/3	
NKK Lakeshore	Bua North	Nkhotakota	Participatory fisheries management	6 RVC	942	1/3	
NKK Lakeshore	Bua South	Nkhotakota	Participatory fisheries management	5 RVC		1/3	
NKK Lakeshore	Chikukutu	Nkhotakota	Participatory fisheries management	9 BVC	541	1/3	
Sendwe VNRM		Lilongwe	Community forest management	20 VNRM	600	1/3	73

PRIORITY AREA	NAME OF ORGANIZATION	DISTRICT	TYPE OF AGREEMENT	#ORGANIZATIONS	HH INVOLVED	OP CATEGORY	AREA (Ha.)
7 other communities		Lilongwe		7 VNRMC	632		112
Bwanje Valley		Ntcheu		36 VNRMC			91
Phirilongwe FR		Mangochi		25 VNRMC			1,318
Chowe area		Mangochi					
<b>Lake Chiuta</b>		<b>Machinga</b>	<b>Participatory fisheries management</b>	<b>15 BVC</b>	<b>1,095</b>	<b>1/3</b>	<b>6,325</b>
Lake Chilwa	Machinga East	Machinga	Participatory fisheries management	14 BVC	481	2a/4a	26,818
Lake Chilwa	Machinga West		Participatory fisheries management		614	2a/4a	
Lake Chilwa	Kuntumanji	Zomba	Participatory fisheries management	20 BVC/RVC	337	2a/4a	70,508
Lake Chilwa	Mwambo		Participatory fisheries management		457	2a/4a	
Lake Chilwa	Mkumbira		Participatory fisheries management		564	2a/4a	
Lake Chilwa	Phalombe	Phalombe	Participatory fisheries management	8 BVC/RVC	998	2a/4a	8,822
Mpoto Lagoon	Phalombe	Phalombe	Participatory fisheries management	4 RVC	330	1/3	3,108
Mulanje FR		Phalombe	Co-management	3 VNRMC	584	2b/4b	618
Mulanje FR		Mulanje	Co-management	3 VNRMC	1512	2b/4b	496
Chisongoli W/S		Mulanje		27 WUC			
Chisongoli W/S		Mulanje		5 VNRMC			8500
GVH Joseph		Chikwawa	Community forest management	7 VNRMC	45	1/3	371
Kasungu NP	Nchenda	Kasungu	Resource Use Agreement	45 clubs	400	2b/4b	15,007
<b>Totals</b>				<b>424</b>	<b>19,524</b>		<b>383,981</b>

- 1: Area under improved natural resources management  
2a: Area of biological significance under improved management – marine  
2b: Area of biological significance under improved management – terrestrial  
3: Area under improved natural resources management showing improved biophysical condition  
4a: Area of biological significance showing improved biophysical condition – marine  
4b: Area of biological significance showing improved biophysical condition - terrestrial

**TASK 1.2: INCREASE DISTRICT-LEVEL CAPACITY TO SUPPORT CBNRM**

This task is substantially complete. In 12 of the 15 districts where COMPASS has worked, district staff have received formal training and informal mentoring continues on the measures necessary to implement their respective policies on CBNRM.

In line with the more focused approach taken by COMPASS, the three sub-tasks contributing to the skills acquisition process are slightly redefined as follows: (1) build awareness of opportunities for small-scale commercialization of natural resource-related production; (2) build district- and local-level capacity to support and deliver technical and business skills training and services; and (3) enhance district capacity to evaluate the potential of resources for small-scale commercialization and to monitor and track the development of natural-resource related business. These are detailed below.

**Sub-task 1.2.1: Build awareness of opportunities for CBNRM (especially commercial NRBEs)**

Through its radio and television broadcasts and extensive field work over the past four years, COMPASS has considerably expanded the awareness of the opportunities for and from CBNRM. This sub-task is complete.

**Action this reporting period and Sub-Task update**

None

**Problems encountered and actual or proposed resolution**

None.

**Performance indicator and planned actions for the next reporting period**

In the modified scope of work “The contractor must build on these efforts, particularly in relation to disseminating information and printed materials and training district staff on how to engage local community leaders in sharing this information”.

**Table 9: Sub-Task 1.2.1: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
No activity planned			

**Sub-task 1.2.2: Build district level capacity to support and deliver natural resources management services**

As local level, small-scale natural resources-related enterprise begins to take off, so the demand for services of several kinds, technical training, bookkeeping, business related services and equipment provision will also rise. These services must be provided by a range of different organizations from the private sector, including individual service providers, through NGOs, to district technical personnel.

COMPASS’ task is to help these various service providers to be able to fulfill their respective functions, to coordinate their activities and to be able to meet changing demands (cf. 3.1.3).

**Action this reporting period and Sub-Task update**

At the request of the Department of Fisheries, COMPASS supported an evaluation of participatory fisheries management throughout Malawi.

**Problems encountered and actual or proposed resolution**

None

**Performance indicator and planned actions for the next reporting period**

In the overall COMPASS II Performance Monitoring Plan, this sub-task was originally classified as two sub-tasks: one for district level capacity to support CBNRM, and the other on district-level capacity to deliver CBNRM services. As agreed during 2005, these two sub-tasks were combined into the present one. Rather than seek a formal modification to the contract to effect this slight change, COMPASS II is continuing to perform toward achieving the original targets for both sub-tasks. These are as follows:

1. For district-level capacity to support natural resources management, under the modified contract, “success shall be measured in terms of the number of districts where technical personnel are providing regular technical services to rural communities”
2. For district-level capacity to deliver natural resource management services, “success shall be measured in terms of the number of communities receiving high-quality services from the districts. The goal shall be for at least 2,000 communities in the target districts to receive top-quality services by 2008.”

**Table 10: Sub-Task 1.2.2: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
No activity planned			

**Sub-task 1.2.3: Build database of CBNRM best practice sites**

There is a need to document sites where “best practice” is evident in order that others can emulate these practices. Best practice has a wide definition and can encompass communities that are implementing well-developed management plans, which have effective CBNRM institutions, which are succeeding in small-scale business and so on. COMPASS intends to catalogue as many of these as possible.

**Action this reporting period and Sub-Task update**

Site profiles for all sites where COMPASS is now operating have been compiled. These contain the key information required by future

**Problems encountered and actual or proposed resolution**

No significant problems have been encountered.

**Performance indicator and planned actions for the next reporting period**

In the overall COMPASS II Performance Monitoring Plan, the target for this sub-task is to “expand the database of best practices to at least 70 sites.

During the coming quarter COMPASS will complete a database ready for publication.

**Table 11: Sub-Task 1.2.3: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
Continue to document best practice sites and complete and publish database	J. Dickinson, P. Munthali. R. Bita	April to May	Subcontractor LTTA time, LTTA time, field travel time

**TASK 1.3: IMPROVE CBNRM STAKEHOLDER COORDINATION**

In line with COMPASS’ emphasis on small-scale commercialization of natural resources-related production, stakeholder coordination focuses on enhancing the abilities of producers and buyers to efficiently develop their industries.

Industry councils, comprising private sector firms that *do* have a financial interest in the natural resources their businesses rely on, are likely to be more willing to provide the funds they need to operate, increasing the chance of long-term sustainability. Such groups can act not only as business fora but also as lobbying groups, pressuring government to support the emergence of small-scale commercial businesses that provide the raw materials for natural resources-based products.

Three sub-tasks contribute to improved coordination and lessons sharing. These are to: (1) strengthen national coordinating bodies; (2) strengthen district coordinating bodies; and (3) strengthen local coordinating bodies. These are detailed below.

#### Sub-task 1.3.1: Strengthen national coordinating bodies

##### Action this reporting period and Sub-Task update

At national level, the Bee-products Association has been launched. COMPASS support to this organization is explained under the section describing Result Module 3.

##### Problems encountered and actual or proposed resolution

No problems were encountered.

##### Performance indicator and planned actions for the next reporting period

In the modified Scope of Work for COMPASS II, we are required to “Support the establishment of the National CBNRM Forum and endeavor to provide technical services as warranted.

**Table 12: Sub-Task 1.3.1: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
No activity planned			

#### Sub-task 1.3.2: Strengthen district coordinating bodies

As has been mentioned in many previous reports, the district environmental sub-committees, which were the original target of this sub-task, do not meet on any regular basis in any of the districts in which COMPASS is working. Informal coordination takes place in many districts but until funding of the districts' fisheries and forestry offices is channeled through the district assemblies, its effectiveness will continue to be limited.

##### Action this reporting period and Sub-Task update

No specific actions.

##### Problems encountered and actual or proposed resolution

No specific problems were encountered.

##### Performance indicator and planned actions for the next reporting period

In the modified COMPASS II Scope of Work, the “goal [for this sub-task] is to channel resources to the best performing districts and thereby achieve the long-term goal of having 400 natural resource management agreements under implementation by 2008.”

**Table 13: Sub-Task 1.3.2: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
No activities planned			

#### Sub-task 1.3.3: Strengthen local coordination bodies

Now that clear benefits from natural-resources related enterprise are becoming visible, exchange visits and study tours are coming into their own as very effective ways of raising awareness of the potential for small-scale commercialization.

##### Action this reporting period and Sub-Task update

During the reporting period, the COMPASS facilitated an exchange visits as follows:

- Ntchenda Bee-keeping Enterprise, Kasungu National Park, to Thazima Enterprise, Nyika National Park – 26 participants;

- Mwalatongole Natural Resources Management Association, Nkhotakota Wildlife Reserve, to Fulirwa Enterprise, Nyika National Park – 24 participants;
- Takwonda Natural Resources Management Association, Nkhotakota Wildlife Reserve, to Fulirwa Enterprise, Nyika National Park – 23 participants;
- Mkuwazi Eco-tourism Association to Takwonda Natural Resources Management Association, Nkhotakota Wildlife Reserve – 8 participants;
- Lake Chikukutu Fisheries Association to Kambindingu Fisheries Association – 8 participants
- Mkuwazi Beekeeping Clubs to Livingstonia Beekeeping Enterprise, Nyika National Park – 13 participants.

#### Problems encountered and actual or proposed resolution

No problems encountered

#### Performance indicator and planned actions for the next reporting period

In the modified COMPASS II contract, the “goal [for this sub-task] is to expose at least 500 people to best practices in CBNRM and enterprise development.”

During April and May, representatives of Lake Chikukutu and Kambindingu Fisheries Associations who are involved in initiating eco-tourism activities, will be taken to Lake Chilwa to meet with and learn from the Lake Chilwa Bird-hunters association who are guiding tourist on Lake Chilwa for bird-watching. Also Kawarenga Natural Resource Management Association will be taken on a study tour to Fulirwa Bee-keeping Enterprise in Nyika National Park

**Table 14: Sub-Task 1.3.3: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
Organize and facilitate study tours for Kambindingu and Lake Chikukutu Fisheries Association to Lake Chilwa Bird Hunters Association	J. Dickinson, P. Munthali	April	LTTA time, field travel costs, transport and other costs for participants
Organize study tours for Kawarenga, Makhanjera, Kabululu and Kalirangwe NRMA and beekeepers from Nkhotakota WR to Nyika to meet with beekeeping enterprises	R. Bitu, J. Dickinson	April - May	Sub-contractor time, LTTA time, field travel costs, transport and other costs for participants
Organize and conduct study tours for a second group from Mkuwazi Eco-tourism Association and for Kambindingu Eco-tourism group	J. Dickinson	April - May	LTTA time, field travel costs, transport and other costs for participants
Organize and conduct study tours for Majete Beekeepers to Sapitwa Beekeepers Association and to Nali Ltd. honey processing plant	S. Munthali	April	LTTA time, field travel costs, transport and other costs for participants
Organize and conduct study tours for Nyika beekeepers and Kabunduli beekeepers to Mzuzu Coffee honey processing plant	S. Munthali	April - May	LTTA time, field travel costs, transport and other costs for participants
Organize and conduct study tours for Sapitwa beekeepers to modern processing plant and apiary in Luchenza	S. Munthali	May	LTTA time, field travel costs, transport and other costs for participants

## **RESULTS MODULE #2: ENHANCED COMMUNITY CAPACITY**

### **FOR MANAGING NATURAL RESOURCES IN A SUSTAINABLE MANNER**

This section of the Quarterly Report highlights actions carried out in the first and second quarters and those planned for the remaining last 2 months of the 3<sup>rd</sup> quarter of FY 2009 towards achieving COMPASS II targets in the number of communities adopting CBNRM practices, and the number of households participating in CBNRM activities. New USAID (Operating Plan) indicators relevant for this section include:

1. Number of people with increased economic benefits derived from sustainable natural resource management and conservation as a result of USG assistance (disaggregated by M/F); and
2. Number of people trained in natural resources management and/or biodiversity conservation as a result of USG assistance (disaggregated by M/F)

Four activities are required to accomplish the enhancement of community capacity for managing natural resources in a sustainable manner and these are: 1.) increase capacity for natural resource management at the community level; 2.) strengthen capacity of CBNRM service providers; 3) increase public awareness and understanding of CBNRM roles and responsibilities; and 4) strengthen knowledge and accountability of traditional leaders and related officials in CBNRM.

#### **TASK 2.1: INCREASE CAPACITY FOR NATURAL RESOURCES MANAGEMENT AT COMMUNITY LEVEL**

Sub-task 2.1.1: Train community representatives participating in VNRMCS and BVCs

During 2008/09, this task has focused on developing business, marketing and enterprise-related training, workshops and events to broker the transfer of skills and information necessary for households and producer group enterprises to be successful, while espousing sustainable approaches to safeguarding Malawi's natural resources.

The primary focus has been on products that have strong local markets: honey and beeswax, wild and cultivated mushrooms, and farmed or captured fish. However, that said, products such as Carbon Credits (REDD) from avoided deforestation and degradation have been promoted in order to contribute to slowing the rate of forest-cover and biodiversity loss.

The underlying goal of the task is to enhance and develop capacity and skills so that small-scale producers learn to operate their businesses efficiently, effectively, and sustainably. In addition to the business modules, COMPASS is also supporting training on organizational development and group strengthening to help enterprise leaders, managers, and their boards better understand their own roles and responsibilities and manage businesses with a commercial orientation.

There also is a need to continue enhancing skills in institutional development and financial management, particularly in fisheries organizations that are beginning to accumulate money from fines and sales of permits, but also among communities involved with honey, mushroom and fish production. Specifically, the development of small-scale businesses based on natural resources requires that the institutions that govern their use and the functions of village-level organizations that act as regulators are very well understood. COMPASS' approach is to work closely with district and relevant NGO personnel to ensure that skills are provided through field-based training, peer learning and exchange visits.

#### **Action this reporting period and Sub-Task update**

Communities around Mkuwazi Forest Reserve have organized themselves into an eco-tourism association. Wilderness Safaris, with COMPASS support, provided training to the 14 tour guides selected

by the communities and COMPASS has trained 18 members of the Mkuwazi Eco-tourism Association on financial management and roles and responsibilities.

Fisheries extension staff for Lakes Chilwa and Chiuta have received training on financial management for BVCs, RVCs and fisheries associations, to enable them to provide advice to these organizations.

A group of 25 fishermen from Nkhotakota and Lake Malombe area have been trained in fish cage construction in Nkhotakota.

The Mzuzu Coffee Planters Cooperative Union (MCPCU) trained 16 members of the Awoniyepo beekeeping club at Mkuwazi in technical aspects of beekeeping.

Under the carbon credit scheme, PlanVivo trained at least 50 community members around Mkuwazi Forest Reserve and Nyika National Park (the two pilot areas – see RM 3) on issues related to climate change and resource assessment.

**Problems encountered and actual or proposed resolution**

None

**Performance indicator and planned actions for the next reporting period**

In the overall COMPASS II Performance Monitoring Plan, the target for this sub-task is “to serve at least 500 communities in both sectors—at least 350 Village Natural Resource Management Committees VNRMCs and 150 BVCs.”

For 2008/09, the target is that at least 150 village natural resource management committees (VNRMC), BVCs, RVCs, or village natural resource committees<sup>11</sup> (VNRC) have the skills to regulate resource access and use within their area and/or community members are demonstrating skills in small-scale commercialization of natural resource-based products.

This task is essentially complete.

**Table 15: Sub-Task 2.1.1: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
No activity planned			

**TASK 2.2: STRENGTHEN THE CAPACITY OF CBNRM SERVICE PROVIDERS**

The second task under CBNRM Capacity Building is to build the ability of Malawian service providers to continue supporting CBNRM beyond COMPASS II and without relying on external support. The objective of this task is to build a critical mass of local organizations and institutions at district level that can provide ongoing organizational strengthening, technical expertise, or business support services at market-based (i.e., not donor-priced) rates. The goal of this is that community-based organizations and natural resource-based enterprises have access to local services of good or better quality at prices they can afford and are willing to pay.

Two sub-tasks contribute to strengthening CBNRM service providers: (1) promote participation of qualified local firms and organizations; and (2) strengthen and support local NGOs.

**Sub-task 2.2.1: Promote participation of qualified local firms and organizations**

COMPASS has initiated the development of private service providers to train and provide extension back-up to small-scale commercial beekeepers. During 2008/09, COMPASS has consolidated the private service provider model. The geographical spread for beekeeping extension service providers is contributing to increased production of marketable volumes of honey – at least 110 tonnes in the formal market, this last season.

<sup>11</sup> Village or group village committees set up for collaborative management of protected areas under the 2004 Wildlife Act Amendment

In the area of Carbon Credit estimation, and Plan Vivo management, COMPASS II is working with the Malawi Environmental Endowment Trust (MEET) to help communities manage the Plan Vivo pilot projects in readiness to be able to sell the credits in the voluntary markets. COMPASS assisted MEET in being trained as the Malawi Project Coordinator. As the project coordinator, MEET will be responsible for liaising with the Plan Vivo Foundation and the carbon credit buyers. In addition to MEET, COMPASS is also working with other local institutions such as FRIM and LEAD to identify a cadre of technical experts to work as technical service providers, particularly in the area of carbon stock assessment and monitoring.

In the specialty coffee sector, continued to provide support to CAMAL with provision of information materials, market linkages, buyer identification, as well as equipment support. COMPASS II has provided CAMAL equipment to set up its coffee tasting and coffee quality assessment laboratory to enable CAMAL to provide better support to its members and help the industry improve its coffee quality. While the equipment (formerly transferred from SALES Malawi) such as a roaster, grinder and coffee maker are on loan, it is envisaged that at the end of project closure, these assets should be transferred to CAMAL to continue its role as service provider to its membership base.

#### Action this reporting period and Sub-Task update

COMPASS worked with the Plan Vivo Foundation to train MEET on how to become a project coordinator and to assist MEET espouse its new role to facilitate communication and management between buyer and the two pilot projects in Nyika and Mkuwazi.

#### Problems encountered and actual or proposed resolution

None

#### Performance indicator and planned actions for the next reporting period

In the overall COMPASS II Performance Monitoring Plan, the target for this sub-task is to “make preferential use of local organizations for training and targeted technical assistance at the community and district levels.” During April, refresher training on honey quality management will be given to around 55 Malawi Gold Standard (MGS) beekeeping service providers. MEET, together with FRIM and LEAD will be receive refresher training on developing Technical Specifications and preparing the Project Development Document, which are essential for validation and final registration. Additionally, COMPASS is working with CAMAL, a local industry organization to improve its knowledge on specialty coffee. As a result, COMPASS will be supporting the participation of CAMAL at the SCAA convention.

**Table 166: Sub-Task 2.2.1: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
Train MEET, FRIM, and LEAD on Technical Specification and PDD development	B. Sherchand	April-May	LTTA time, STTA time
Support the participation of CAMAL Members in the 21 <sup>st</sup> SCAA convention to be held in Atlanta, USA	CAMAL representatives (2)	April	Participant training costs
Support the training program of participants from the National Aquaculture center (Domasi) and the Innovative Fish Farmers' Network	National Aquaculture Center (NAC), and Innovative Fish Farmers' Network	April	Participant Training costs
Train MGS service providers on honey quality management	S. Munthali, B. Sherchand	April	LTTA time, STTA time

#### Sub-task 2.2.2: Strengthen and support local NGOs

The capacity and ability of most local NGOs to move away from the donor-funded mentality and to focus on small-scale commercialization of natural resources management has been disappointing. This sub-task has been accorded a low priority during the past period.

**Action this reporting period and Sub-Task update**

No action this period

**Problems encountered and actual or proposed resolution**

No significant problems.

**Performance indicator and planned actions for the next reporting period**

In the overall COMPASS II Performance Monitoring Plan, the target for this sub-task is to “make preferential use of local organizations for training and targeted technical assistance at the community and district levels.” This is being done on an ongoing basis.

**Table 177: Sub-Task 2.2.2: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
No further activity planned			

**TASK 2.3: INCREASE PUBLIC AWARENESS AND UNDERSTANDING OF CBNRM ROLES AND OPPORTUNITIES**

The third task under CBNRM Capacity Building is to support an effective, broad-based public awareness program using a wide variety of communication tools, targeted at all levels of Malawian government and population, with special emphasis on rural audiences. The objective is to promote a transformational shift in the way people at all levels understand community-based natural resource management as a strategy for rural development through small-scale commercialization of natural resource-based products.

COMPASS has developed a range of messages for delivery to a variety of target audiences at different levels – from farmers, villagers and community-based organizations, to district-level leaders and government extension agents, up to senior Ministers and top political leadership – using the most appropriate medium for each message and audience. We employ a suite of communication tools, from low-tech resources, e.g. a poster or pamphlet or drama troupes that travels from village to village using music and skits, to workshops and trainings, to presentations on DVD incorporating video and graphic elements, and radio and television programs.

The fundamental pieces of the design are to: (1) identify information deficits; (2) craft messages that will support the target audience(s) in overcoming deficits; (3) design communications products to deliver the messages using the tools described above; and (4) identify and develop synergies with partner organizations to leverage effectiveness of message delivery.

Three sub-tasks contribute to increasing public awareness about CBNRM: (1) expand environmental education program through school clubs; (2) develop a public relations outreach program in TV and radio; and (3) establish a website for environment and CBNRM activities.

**Sub-task 2.3.1: Expand the environmental education program through school clubs**

A common justification for encouraging sustainable management of natural resources is that these resources must be conserved for future generations. However, children are commonly excluded from discussion and decision-making regarding resource management. By working through schools and encouraging the formation of environmental clubs, school children can gain skills and knowledge that will enable them to understand the potential benefits to them of proper resource management and may allow them to influence decisions made by their parents.

The Wildlife and Environmental Society of Malawi (WESM) has been running a school environmental education program for a number of years. COMPASS assisted WESM to undertake an independent assessment of this program.

**Action this reporting period and Sub-Task update**

No action this reporting period

**Problems encountered and actual or proposed resolution**

None.

**Performance indicator and planned actions for the next reporting period**

In the overall COMPASS II Performance Monitoring Plan, the target for this sub-task is to “support an expanded effort in primary and secondary school environmental education and various other clubs.”

**Table 188: Sub-Task 2.3.1: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
No activities planned			

**Sub-task 2.3.2: Develop a public relations outreach program in TV and radio for Malawi**

Since December 2004, COMPASS has produced 131 editions of the successful weekly radio program *Chuma Chobisika* (Hidden Treasure), broadcast on Malawi Broadcasting Corporation (MBC) Radio 2 FM. The program was also rebroadcast in five community radio stations on a weekly basis. Beginning in April 2006, COMPASS also produced more than 50 television programs featuring messages more focused on products, opportunities for small-scale commercialization, fundamentals of operating a business, and stories relating to improvements of household income through the narrators' efforts and development of natural resource-based products. In addition, the *Chuma Chobisika* broadcasts disseminated information about the policies and legislation relating to how rural producers should go about legalizing their natural products businesses. COMPASS also contributed articles regularly to the national press.

Having achieved its targets and aim of increasing awareness of the opportunities for CBNRM and the income earning potential of natural resources-based products, regular broadcasting has ceased. COMPASS will however continue to produce radio and TV programmes as necessary to highlight crucial issues, products and approaches, to a wide audience.

**Action this reporting period and Sub-Task update**

In an effort to bank on the previous success of radio programs, COMPASS contracted Nkhotakota community radio to utilize previously developed radio jingles to promote the sale of mushrooms produced by mushroom production clubs in the Nkhotakota area. The aim was to increase awareness of the goodness of mushrooms from a taste as well as health perspective.

**Problems encountered and actual or proposed resolution**

None.

**Performance indicator and planned actions for the next reporting period**

In the overall COMPASS II Performance Monitoring Plan, “the target [for this sub-task] is to raise the production of Nantchengwa to 10,000 per issue and work toward placing one hour of natural resource management and conservation programming per month on TV and four hours per month on radio.” This task is substantially complete. However, the radio jingle will continue for the month of April

**Table 199: Sub-Task 2.3.2: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
Continued broadcast of Radio Jingle to promote mushroom consumption and sales	P. Munthali	April	ODC costs

**Sub-task 2.3.3: Establish a web-site for Malawi environmental and CBNRM activities**

The COMPASS web site was initially hosted on the FRAME website. It is currently being migrated to USAID's Resource Management Portal.

**Action this reporting period and Sub-Task update**

No action this period

**Problems encountered and actual or proposed resolution**

None

**Performance indicator and planned actions for the next reporting period**

In the COMPASS II Performance Monitoring Plan, the indicator for this sub-task is that a website is up and running and accessible by various stakeholders. The 2008/09 target is that the COMPASS II website is completed and hosted by FRAME.

**Table 20: Sub-Task 2.3.3: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
Finalize content for the COMPASS website	J. Dickinson, B. Sherchand	April to May	LTTA time

**TASK 2.4: STRENGTHEN KNOWLEDGE AND ACCOUNTABILITY OF TRADITIONAL LEADERS AND RELATED OFFICIALS IN CBNRM**

The sustainability of CBNRM efforts in Malawi requires active participation and support of traditional leadership. Traditional leaders form the key governance structure at local level over customary land and its resources. It is important therefore that traditional leaders are engaged in collaborative discussions on issues related to CBNRM. The COMPASS team has engaged substantively with traditional leadership structures on all field activities, and prefers that traditional leaders be fully integrated into management planning and implementation of agreements, rather than segregated, to promote greater transparency and accountability while reducing potential sources of conflict.

Two sub-tasks contribute to accomplishing this Task: (1) train traditional leaders in CBNRM; and (2) host the annual traditional authority conference. The COMPASS II field implementation team recommended in the 2007 Annual work Plan that the second sub-task be removed. USAID has agreed with this recommendation.

**Sub-task 2.4.1: Train traditional leaders in CBNRM**

Malawi’s traditional leadership still plays a major role in rural life and their functions are essential if natural resources management institutions are to operate with the authority they need. During the first two years of COMPASS II, traditional leadership has been engaged at many levels from paramount chiefs to village headmen. This engagement has primarily been integrated into engagement with communities, rather than separate activities that tend to cause suspicion among the rural population.

The role of traditional leaders in the commercialization of natural resources use is less obvious. The team continues to engage traditional leaders and ensure that they are apprised of developments in relation to natural resources management, institutional development, and commercialization of natural products.

**Action this reporting period and Sub-Task update**

Continuing with COMPASS policy, traditional leadership are involved in all aspects of COMPASS filed operations. The study tour for Lake Chikukutu eco-tourism to Ngala included six traditional leaders. The meeting to finalize the Mkuwazi Forest Reserve co-management plan included six traditional leaders, including TA Mankhambira.

**Problems encountered and actual or proposed resolution**

None

**Performance indicator and planned actions for the next reporting period**

The traditional leaders will continue to be encouraged to participate in upcoming training events and exchange tours so that they are better able to contribute to the development of their areas.

**Table 21: Sub-Task 2.4.1: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
Continue to involve and encourage participation of TA in training events and exchange visits	LTTA time – ALL	April	LTTA time

**Sub-task 2.4.2: Host the annual Traditional Authority conference**

In the COMPASS II Performance Monitoring Plan, the original contractual target for this sub-task is to “facilitate an annual forum or conference of traditional authorities involved in CBNRM activities... [with]...specific focus on the key policy issues affecting CBNRM implementation.” An event was held in 2006, but with little discernable result that can be attributed to the conference. The COMPASS II team reached a consensus that segregating traditional leaders from other individuals and organizations involved in CBNRM provides little return on the investment, and may instead contribute to suspicion in some communities about traditional leaders’ motivations and actions. The team prefers that traditional leaders be fully integrated into management planning and implementation of agreements, as we have been doing, to promote transparency and accountability while reducing potential sources of conflict.

The COMPASS II field implementation team recommended in the 2007 Annual Work Plan that this sub-task be modified on the understanding that national, regional, district, or local events related to CBNRM and growth of the natural products industry incorporate to the greatest practical extent as many traditional leaders as relevantly may be involved in such events. USAID/Malawi technical managers have agreed with this recommendation, and this sub-task has been modified to read: Host a traditional authority conference – facilitate an annual forum or conference of traditional authorities in CBNRM activities. The conference held in 2006 accomplishes this target result.



## **RESULTS MODULE #3: INCREASED SALES OF NRB PRODUCTS BY HOUSEHOLDS**

The performance indicator for this Results Module is **total revenue households receive from participating in CBNRM activities**. The life-of-project target was US\$750,000 earned by households by the end of COMPASS II. The revenue target for 2007 (\$750,000) was exceeded by approximately 7.8%, bringing the total revenue households received to US\$809,573. For FY08/09, COMPASS expected to achieve at least US\$1 million in household revenue by the end of the project. By the end of FY08 (as of September 31, 2008), COMPASS II had already recorded and even surpassed the target of US\$1 million by approximately US\$272,803, bringing the total cumulative revenue households received to **US\$1,272,803**. At the end of this reporting period (March 2009), the cumulative total household revenue earned from participating in CBNRM activities was **US\$ 1,861,168**. This growth has arisen primarily from four sources:

1. Increased relationships leading to increased transactions between private sector firms buying from producers belonging to the same value chain, selling natural resources based products on a formal and preferably long-term basis.
2. Increased quantity and quality of honey entering the domestic formal market—due to the expansion of beekeeping on a commercial basis at the smallholder level. Increased quantity of specialty coffee entering the US specialty coffee market, primarily smallholder coffee.
3. Expanded line of natural products through direct investments by COMPASS in co-financing (i.e., through the Enterprise Fund described below), as well as selecting new candidate products for promotion and extension publications after screening and analysis of the market, product, and harvest sustainability aspects of the candidate.
4. Greater number of communities and households participating in CBNRM activities—two of the other primary indicators of COMPASS success. The number of communities adopting CBNRM during FY2007 was 1,659 (Table 2), with approximately 82,346 households engaged in CBNRM activities. As of March 2009, an additional 746 communities have joined the CBNRM fold, bringing the total households to 92,678. This means that each household, on average, earned at least US\$ 20.

Three tasks support increasing sales of natural products by households: (1) enhance market access by entrepreneurs, households, and community groups that produce natural products; (2) identify production and harvesting opportunities for new natural resource-based products and actively exploit them on a sustainable basis; and (3) develop and strengthen partnerships between communities and the private sector.

### **TASK 3.1: ENHANCE MARKET ACCESS BY ENTREPRENEURS, HOUSEHOLDS, AND COMMUNITY GROUPS THAT PRODUCE NATURAL PRODUCTS**

The COMPASS II team's approach to increasing sales of natural resources-based products by households continues to be based on small-scale commercialization of the enterprises linked to promising value-chains with a strong and stable end-market. This is crucial for rural households shifting from subsistence-level extraction of natural resources to profit-making incentives to safeguard those resources so that they are able to sustainably benefit from its use. All through FY2008/09, and through the end of the project, the field team will continue to follow a series of well-defined steps to encourage small-scale commercialization along identified value-chains in order to strengthen the flow of product(s) as well as the value-chain itself. COMPASS has incorporated the added steps to engage firms, whether small or medium sized, more directly with their supplier-base vis-à-vis communities in order to further promote the concept of value-chain partners vs. suppliers with scant long-term interest in the success and growth of the sector itself. COMPASS will also work with SMEs to improve and strengthen their businesses and production/processing systems so that they are better able to withstand competition, whether local or global, and are able to increasingly contribute to "market pull." The steps that have been used and will continue to be used are:

1. Identify existing or new natural products that have potential national and/or international market;
2. Provide increased firm-level technical, marketing and innovative financing support to Malawi's Small and Medium Enterprises (SME) so that they are better able to conduct the "market-pull" of products from the nation's rural supply-bases and transform those same products through better processing, packaging and marketing to meet market demand, domestically and internationally.
3. Continue to provide technical support to producers and processors in developing market linkage where necessary;
4. Continue to assist producers in organizing themselves into groups to improve market access, gain economies of scale and add value to their products;
5. Continue to increase producers' access to skills that will help them to increase their production volumes while improving quality;
6. Continue to promote products to encourage more producers, processors and buyers to enter the market;
7. Continue to facilitate innovative financing possibilities for production, processing, packaging, and marketing or for the development of new, untested products, input supply chains, or business services provision

In the 2008/09 Annual Work Plan, four sub-tasks are required to enhance market access for existing products. These are: 1) identify clusters and complete sub-sector analyses for key natural products; 2) organize national and regional natural product conferences; 3) promote sustainable business development services; and 4) build capacity for monitoring and sustainable monitoring. A fifth sub-task from the 2005 work plan: "implement small grants program" was combined under sub-task 3.3.2 "explore and promote sustainable financing strategies" beginning with the 2006 Work Plan year.

#### Sub-task 3.1.1: Identify clusters and complete sub-sector analyses for key natural products

As of FY08, a total of 8 subsector analyses and 17 market assessments and surveys had been conducted, thereby meeting the target established for the project. This year, under the FY08/09 workplan, however, COMPASS carried out an additional subsector analysis/assessment focusing on the possibility of generating revenue from contribution made toward reduced emissions from deforestation and forest degradation. Recent developments and opportunities particularly relating to deriving financial benefits from sale of carbon credits in the voluntary markets, have required us to look into the bio-sequestration sector as a potential revenue source to reinforce the mechanism for safeguarding Malawi's Parks and Reserves.

Over the last few years, COMPASS has been promoting the expansion of such non-timber forest products (NTFP) as honey through formal establishment of apiaries in for example Nyika National Park and forest reserves. While we strongly believe that income from sale of NTFPs will contribute to household income, we are of the opinion that more income derived from these same resources (Park/Reserve) will assure their survival and sustainability, thereby helping prevent habitat loss and protect biodiversity. It is for this reason that we are looking to bring on board green credits as another natural product to further supplement and assure sustainability of the income stream for rural households particularly those living on the periphery of Parks and Reserves.

COMPASS views green credits to be a natural product, and both communities and government departments have the potential of benefiting financially from it once a revenue-sharing frame-work is finalized and established. Furthermore, given that deforestation/forest degradation is noted to be the cause of a fifth of man-made CO2 emissions – second to power sector—an analysis of the subject area was considered to be well-worth the investment since it also has direct links to communities COMPASS is working with. The subsector analysis/ assessment carried out under this sub-task in FY08/09 also determined the compensation derived from avoided deforestation and similar green credits sold in the voluntary markets. While not *the silver bullet*, this "product" nevertheless is said to have the potential of

providing opportunities to significantly enhance rural household incomes, and increase incentives for natural resource conservation in Malawi. Besides the study on green credits, and steps required to carry the Plan Vivo System through to the end, whereby two identified pilot communities are successfully registered to enable them to place carbon credits in the market, this task is substantially complete.

### Action this reporting period and sub-task update

#### CARBON CREDITS

At the start of FY09, COMPASS carried out the 9<sup>th</sup> and last subsector analysis of the potential of benefiting from carbon credits made available especially through avoided deforestation and degradation. Based on a feasibility carried out at the close of FY08, a carbon stock estimation exercise was carried out in two protected areas, which served as pilot sites. The estimation exercise contributed to evaluating and determining the amount of carbon benefits (emission reduction) that could be generated through avoided deforestation in the two pilot sites: Mkuwazi Forest Reserve and Thazima, a block within Nyika National Park. For Mkuwazi Forest Reserve, the potential carbon benefits (after adjusting for leakage) derived from conservation was estimated around **99,404 tons**; for Thazima the estimated figure is about **357,977 tons**. The current value of carbon credits in the voluntary market ranges from \$5 to \$20 per ton. The table below summarizes the carbon stocks, possible emissions reductions, and potential (ex-post & ex-ante) benefits for the two pilot sites.

**Table 22: Potential Carbon Benefits and Annual Ex-Post or Ex-Ante Payments for Emissions Reductions from Forest Conservation**

Table 22. Potential carbon benefits and annual ex-post or ex-ante payments for emissions reductions that could result from forest conservation activities in Mkuwazi forest reserve and the Thazima region of Nyika National Park

	Mkuwazi	Thazima
Carbon stock of forested land (tC) <sup>a</sup>	188,195	875,061
Carbon stock of deforested land (tC) <sup>b</sup>	63,939	427,589
Potential carbon benefits of forest conservation (tC) <sup>c</sup>	99,404	357,977
Tradeable emissions reductions credits (tCO <sub>2e</sub> ) <sup>d</sup>	328,331	1,182,398
Annual ex-post payments for emissions reductions (USD) <sup>e</sup>	\$39,400	\$141,888
Annual ex-ante payments for emissions reductions (USD) <sup>f</sup>	\$197,000	\$709,438

<sup>a</sup> Lower 95% confidence limit of estimated carbon stock

<sup>b</sup> Assuming a carbon stock of deforested land equal to the upper 95% confidence limit of customary land in Thazima (18.46 tC), and a loss of 75% of forest area as even in the most severely threatened forest areas 100% deforestation is unlikely to occur

<sup>c</sup> Assuming that project activities prevent 80% of deforestation

<sup>d</sup> After converting tC to tonnes of carbon dioxide equivalent (tCO<sub>2e</sub>), and removing 10% of credits as a risk buffer to insure against the permanence of emissions reductions

<sup>e</sup> Assuming annual payments over a 50 year period at a carbon price of \$6 per tCO<sub>2e</sub>

<sup>f</sup> Assuming annual payments over a 10 year period at a carbon price of \$6 per tCO<sub>2e</sub>

Source: COMPASS II Technical Report, November 2008.

Given the community based approach promoted strongly by COMPASS, the Plan Vivo System was utilized as the most appropriate system and protocol to assess, develop, and package carbon credits for sale. Plan Vivo is a system for planning and implementing community based sustainable energy projects, and the system provides the framework through which activities can be evaluated for their ability to offset carbon emissions. The Plan Vivo System is governed and overseen exclusively by the Plan Vivo Foundation whose activities include registering and reviewing projects and issuing Plan Vivo Certificates, which can then be placed in the voluntary markets for sale. COMPASS II began working with Plan Vivo Foundation to help us move the above two pilot sites to successful registration, enabling the communities to eventually sell the tradable emission reduction credits to potential buyers.

In addition to the carbon stock estimation, COMPASS also worked with Plan Vivo Foundation and the local coordinator for Plan Vivo Projects, the Malawi Environmental Endowment Trust (MEET) to raise awareness about carbon credits, its benefits and forest conservation among members of the communities living in the two pilot sites. Several training sessions have been carried out to enable community members to understand not just what carbon credits are, but also to comprehend what the Plan Vivo system is and how they can work together to benefit from conservation efforts. These trainings were provided in partnership with MEET. In addition to training communities at the grassroots level, COMPASS also provided training opportunities to technical staff from MEET, the Forest Research Institute of Malawi (FRIM) and Leadership for Environment and Development (LEAD), a local NGO, based in Chancellor College. Training focused on technical aspects, such as carbon stock estimation, evaluation, and monitoring carbon stock. The technical training were provided in order to create a cadre of technical service providers to enable Malawi to conduct its own technical measurements of carbon stock, assessment and monitoring necessary for estimating carbon credits and potential emission reductions required by future buyers.

Furthermore, COMPASS is working with several key stakeholders to evaluate the advantages of creating a virtual network of individuals interested in continuing the dialogue on REDD issues vis-à-vis Malawi. The aim of the network would be to provide strategic input and share new ideas and disseminate information regarding REDD so that all participants and players in Malawi are up to date on Global REDD developments. Consultations are ongoing at present.

## HONEY

In the honey sector, COMPASS focused on further strengthening this value chain through support provided to not only beekeepers through regular training, but also to processors to enable them to expand their processing capacity and increase “market pull.” At the production level, COMPASS continued to provide technical training directly to the beekeepers and also through the MGS service providers who were trained to serve as private extensionists in beekeeping. Training on business management and organizational development were also continued to further strengthen the community-based beekeeping enterprises, who act as consolidators and market-link on behalf of the clubs and their members. As of the end of this reporting period, a total of 200 enterprises were actively working to increase their honey production to supply their markets, the major processors in Malawi. COMPASS facilitated the linkage between processors and these enterprises in order to reinforce the supply-base for the processors and strengthen markets for the beekeepers. Such relationships were sealed with formal sales agreements signed by both processors and the beekeeping enterprises.

During this period, COMPASS also facilitated the finalization of the industry organization, the Malawi Bee Products Association (MBPA). MBPA’s mandate is to serve as the voice of the industry and help the sector move forward. A total of 11 formal processors serve as members, with the organization being guided by a 5 member board of trustees. In addition to maintaining a list of processors and other industry partners such as packaging companies, bee-suit manufacturers, smoker makers etc, the association also houses a registry of formal relationships established by its members with beekeeping enterprises and their respective clubs. The **Registry** focuses on keeping a formal record of two instruments: (1) credit facilities in place between processor and beekeeping communities, and (2) sales agreements in force between processor and beekeeping communities. The establishment of a registry is to prevent future conflicts among members created by side-selling and side-buying from areas where someone else has made an investment. The formal launch of the MBPA is planned for early next month.

COMPASS’ continued support to beekeepers is provided with the aim of helping them increase production. In this area, COMPASS is working with processors who understand the value of making investments through provision of top-bar hives to members, guaranteed by their respective clubs and enterprise. To date, a total of 6,300 hives have been distributed through processors to beekeeping clubs, with participating households receiving 10 hives each. Of the 6,300 hives, 2,200 were facilitated through grants provided by COMPASS. The honey production expansion program seems to be working since this season the processors absorbed approximately 110 tons from beekeepers, up from 55 tons in

2005/06. Furthermore, farm gate price for honey has also come down steadily, ranging from MK150 to MK250. Beekeepers on the other hand, having noted the honey flow into the market, are clamoring for more hives to increase their production and income. Indications are that the production is going to increase at least by another 30% next year.

To keep up with progress made in production, COMPASS provided grants to two processors to increase their processing capacity to enable them to further absorb the increased production. Mzuzu Coffee Planters Cooperative Union (MZCPCU) in the North and Nali Ltd in the South were selected to receive grants primarily consisting of modern state-of-the-art processing equipment imported from France. These equipments will be installed and operational next month. With the added machinery, for example MZCPCU's capacity will increase by 600 fold, increasing their bottling capacity from the current 400 bottles per day to 2,880 bottles per 8 hour day, processing 1,440 kgs per day. If, for example, MZCPCU were to produce at capacity, it would require roughly 350 tons of honey per year. If both processors were to produce at capacity, then the demand for honey from beekeepers will be roughly 700 tons per year.

Malawi's demand for honey rests around 150 tons per year. While Malawi is yet to satisfy the internal demand, COMPASS is already working with processors to help them look outward in order to further expand their sales. Requests for Malawi honey from importers in Europe and the Middle East have been rising especially for **Fair Trade** honey. However, given the inability of Malawi to supply the volume required, export sales have not yet been realized. Furthermore, in order to export to the EU, Malawi needs to be formally accredited by the EU commission in Brussels. Foreseeing this need, in early FY2009, COMPASS worked with the Ministry of Agriculture to help them prepare the obligatory technical documents required by the EU before **accreditation** can be concluded. However, while the submissions have been made it will take time for the approval to come. We anticipate that this will only happen after project closure.

Additionally, COMPASS also worked with the Malawi Bureau of Standards (MBS) during this reporting period to further refine the **Honey Standards**. The final technical meeting, planned for next month, will finalize the standards (**DMS: 366**) before being processed into law.

## AQUACULTURE

COMPASS contributions in the aquaculture sector span across not only technical assistance and training, but also in policy review/reform. During this period, COMPASS worked closely with the Department of Fisheries in their effort to review and revise several key policy documents that are central for the growth and development of the Fisheries sector, which includes aquaculture. The country's **National Fisheries and Aquaculture Policy** has not been amended since 2001, yet many key issues are emerging that need to be addressed at the policy level. Emerging issues such as climate change, introduction of exotic species, use of hormones, and even introduction of cage culture at the smallholder level are issues that are not in the 2001 policy document. COMPASS assisted the Department address these issues and ensure that they are in conformity with applicable international as well as regional legal instruments (of which Malawi is a part of). Once amended, the revised Policy should provide a more comprehensive framework for priority setting by the Department. We expect the Policy review to be completed by April 2009.

In addition to the 2001 National Fisheries Policy Review and amendment, COMPASS also supported the Department conduct a review of two other key policy implementation documents: (1) Fisheries Conservation and Management Regulations, 2000, and (2) the Fisheries Act, 1997. Both amendments are expected to be complete and finalized through consultations with all relevant stakeholders by April 2009.

Aside from policy constraints, the aquaculture sector is also fraught with various challenges. The largest drag on the growth of aquaculture at the moment is the absence of good quality, mono-sex fingerlings. The few hatcheries in place in Malawi do not offer good quality fingerlings, nor do they have a system of ascertaining parentage or sex of fingerlings to assure fish-grow-out/business success. Observing the dire need for a modern, hatchery able to produce mono-sex fingerlings, COMPASS worked with the National Aquaculture Center (NAC) to first, conduct a feasibility assessment of their current facility to operate a

modern hatchery. Based on the assessment, COMPASS engaged a **commercial hatchery** and fingerling production farm (based in Thailand) to provide technical guidance to NAC to set up a modern hatchery. To date, the design and layout, including management and operation issues have been established and agreed with NAC, through the Department of Fisheries. In addition, four participants (1 private farmer; and three NAC staff) will soon be traveling to Thailand to learn, hands-on, all about fingerling production and commercial hatchery management. While in Thailand, the participants will also visit small-scale Thai cage fish-farmers so that their understanding of cage culture is further enhanced. These same participants (the NAC Staff) have been identified by the Department of Fisheries as the staff, who will be managing the commercial hatchery once the equipments have been installed in April 2009. Once operational, the aim is to produce 1 million male-fingerlings per month for sale. It is also envisaged that the hatchery will be managed as a commercial operation.

The availability of quality fingerlings should be able to boost the aquaculture sector. Malawi currently has approximately 7,000 ponds languishing with dismal production record, while cage culture is only now gaining in speed. With the operationalization of the hatchery, cage culture as a commercial effort is poised to benefit multiple folds since each cage, on average, will require at least 500 fingerlings to be attractive and profitable.

Since launching the pilots on cage culture at the smallholder level in Lake Chikukutu and Unaka Lagoon, several lessons have been learned. One key lesson was that for cage culture to be successful, it requires mono-sexed fingerlings, since male-fingerlings have higher growth rates. Fast growth rate is important for a fish grow-out business since profits can be registered with increased turnover. To further encourage the development of cage aquaculture, COMPASS in partnership with OIBM established a **cage culture expansion loan scheme**. Under this scheme, a total of 150 small-scale fish farmers will be able to kick-start their cage culture business in Nkhotakota district.

During this reporting period, COMPASS also collaborated with the Department of Fisheries to conduct a fish cage construction workshop in order to create a cadre of cage builders to respond and profit from increased demand from fish farmers. As a result of this collaboration, 25 interested entrepreneurs (mostly fish farmers themselves with carpentry skills) from Lake Chikukutu, Unaka Lagoon, and Lake Malombe were trained in **cage construction** using locally sourced materials.

#### AGROFORESTRY HOME GARDENS (FIELD TRIALS USING DRIP IRRIGATION TECHNOLOGY)

No Action this reporting period.

#### MUSHROOMS

This reporting period COMPASS continued to work with ASNAPP (based in South Africa) to provide technical support to the Natural Resources College (NRC) to become the spawn-supplier of choice. COMPASS has continued to link NRC to communities interested in growing mushrooms for the local market. For example, twenty two (22) mushroom production clubs from Lilongwe and Mchinji, under the National Association of Small and Medium Entrepreneurs (NASME) signed spawn sales agreements with NRC. Through these sales contracts, NRC is expected to supply these 22 clubs with spawn for mushroom production. Last year, NRC received a full complement of equipment to establish the College as the supplier of high quality spawn. Mushroom was another sector that saw its growth stunted primarily as a result of lack of quality spawn. With a grant through USAID/Pretoria channeled via ASNAPP, NRC is now able to produce and multiply quality-spawn. Sales record from NRC show demand rising but not at a very high rate. A quick analysis indicates that there may be marketing problems, mainly in terms of access to fresh oysters; at the production level, shortage of substrate is cited as a key challenge. Given this constraint, COMPASS worked with NRC to experiment with water-hyacinth as substrate. NRC results indicate that water-hyacinth actually make good, productive base to grow oyster mushrooms. However, NRC is yet to transfer this information and know-how to the communities at large.

Communities in Kawerenga, Lozi Village and Tongole in Nkhotakota District continue their mushroom production activities. These communities were linked to Lakeshore Lodges to facilitate marketing of their

mushrooms. However, it appears with increased number of communities producing mushrooms, bigger market outlets in the surrounding districts of Salima, Kasungu or even Lilongwe will need to be explored. This provided the impetus for COMPASS to assist the communities in increasing their sales by airing community radio jingles covering Nkhhotakota district. As a result of this radio advertisement, 17 potential buyers have shown interest.

To give consumers wider options, COMPASS and ASNAPP worked further to introduce 4 new varieties of oyster mushrooms (pink, yellow, abalone and brown) and 1 variety of **straw mushroom**. Straw mushrooms are more heat-tolerant, fruiting in temperatures as high 40°Celsius. At present, both NRC and Bvumbwe research station are testing the multiplication of straw mushroom spawn. Once ready, these should be available for farmers.

In the wild mushroom area, communities around Chikangawa pine plantation were mobilized into forming mushroom collecting clubs. At present, 15 such clubs made up of 237 members have been formed to gather wild mushroom to sell to processors. The absence of a reliable buyer/processor has been a serious constraint in taking this chain forward even though the export market has been available and willing. COMPASS recently identified Chipunga Farms, who is interested in investing in this sector and keen on meeting the export demand of 1 ton of dried porcini mushroom from the UK.

### SPECIALTY COFFEE

COMPASS continued to work with CAMAL, providing technical as well as marketing support in order to further strengthen the organization. COMPASS assistance to CAMAL has focused not only on improving coffee bean and cup quality, roasting, brewing but also in the area of better serving its membership base. In the area of improving its service, COMPASS recently equipped CAMAL with a complete set of coffee testing and tasting equipment, which includes a roaster, grinder and brewer so that the association is better able to add value to its services. This reporting period, market linkages established particularly with US buyers have resulted positively in increasing coffee sale for especially MZCPCU. Sales have been made to such buyers as Atlas coffee and Pete's Coffee, who together have bought close to 6 containers of Malawi coffee.

To further expand the understanding and vision of CAMAL, COMPASS is preparing to send two participants from Malawi to experience the SCAA convention to be held in Atlanta in April 2009. It is hoped that with exposure to one of the world's largest specialty coffee meet, the participants will be able to learn and appreciate the value of naturally enhancing and protecting coffee cup quality for consumers.

### DRIED MANGOES

While the production of dried mangoes doubled this year to 70 kgs from last year, two challenges prevented the producers from making the most of this new technology. First, technical problems related to the solar dryer delayed a timely start of the activity, and secondly, the mango season started early catching many by surprise. With regards to the technical problem, help from a local alternative energy company made it possible to operate the solar panel and run the fan, which pushes warm air into the drying house. Towards the end of the mango season, the dryer was running efficiently and effectively. So much so that other development organizations have now replicated the dryer to produce dried fruits and mushrooms. The throughput of the dryer is estimate at 2 Kg. of dried mangoes per hour. Despite the delay in starting drying mangoes, the communities managed to dry about 70 Kg. of mangoes. This dryer can be used for other products such as other fruits, mushrooms and vegetables to maximize its use. A small trial/demonstration for mushroom drying was conducted in cooperation with the Tongole Mushroom Club.

#### **Problems encountered and actual or proposed resolution**

None

**Performance indicator and planned actions for the next quarter**

In the COMPASS II Performance Monitoring Plan, the target for this sub-task is that at least 8 sub-sector analyses be completed for target commodities, on “constraints and opportunities in the way value chains are organized and operate (linkages), as well as the quality and availability of skills, knowledge, interests, policies, technologies, and supporting industries and institutions (microeconomic conditions).”

The project target of 8 such analyses has been surpassed. No more activities are planned under this subtask.

**Table 23: Sub-Task 3.1.1: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
No activities planned			

**Sub-task 3.1.2: Organize national and regional natural products conferences**

These are forums where various actors in natural resource based enterprises meet and interact. They help in creating awareness about where the product exists, where the markets are and the requirements necessary for increasing competitiveness. These meetings also help to establish relationships by linking not only producers and processors, but also other important players that have an influential and critical role in moving the sector forward.

**Action this reporting period and sub-task update**

This reporting period, several marketing promotion and small-scale commercialization meetings were organized focusing on mushroom, honey and dried mango production. Radio spots were also aired in order to raise awareness among consumers and bulk buyers.

While this fiscal year, COMPASS did not fund the 2009 Dubai Participation, some of the participants from last year, headed by *Mulli Brothers* nevertheless spent their own money to participate in this year’s event as well. They report success in further identifying buyers and increasing their understanding of market dynamics in the Middle East. For Specialty Coffee, COMPASS is preparing plans on how CAMAL will represent its industry in the upcoming SCAA convention to be held in Atlanta later this calendar year.

**Problems encountered and actual or proposed resolution**

No noteworthy problems of a technical nature were encountered this reporting period.

**Performance indicator and planned actions for the next quarter**

In the COMPASS II Performance Monitoring Plan, the target for this sub-task is to “identify public and private sector partners to help organize and promote Natural Products Competitiveness and help to establish business relationships between the private sector and community groups, entrepreneurs and households that produce natural products.”

CAMAL is looking to COMPASS support for their participation in the upcoming SCAA convention to be held in April 2009. COMPASS is thinking of supporting 2 participants representing the sector in order to further raise awareness about the specialty coffee market in the US as well as the importance of coffee quality

**Table 24: Sub-Task 3.1.2: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
SCAA convention and Trade show participation by CAMAL	CAMAL representatives	April	ODC costs

**Sub-task 3.1.3: Promote sustainable business development services**

The natural resource based enterprises sector is still lacking confidence in their ability to pay for reliable business development service providers. Such weak demand threatens continuity of activities initiated by projects and other donor initiatives. In an effort to change this trend, COMPASS strives to promote involvement of the private sector in delivery of quality services so that the activity can be self sustaining. Efforts are continually being made to identify various business development service providers who would be more readily accessible, preferably from within their own communities, to the various enterprise owners and groups across the regions.

**Action this reporting period and sub-task update**

This reporting period, COMPASS focused on developing a cadre of service providers in two areas: (1) Carbon Credit technical assessment and monitoring, and (2) on commercial hatchery management. In the carbon credit arena, COMPASS provided training opportunities to technical staff from MEET, the Forest Research Institute of Malawi (FRIM) and Leadership for Environment and Development (LEAD), a local NGO, based in Chancellor College. Training focused on building a cadre of service providers so that those communities and organizations interested in moving into carbon credits are able to call upon these service providers to conduct carbon stock estimation, assessment and the necessary monitoring. For hatchery management, COMPASS in partnership with the Department of Fisheries identified 4 individuals to participate in a month-long training activity so that they are able to return back to Malawi to operate a hatchery, who aim it will be to supply fingerlings for a fee.

**Problems encountered and actual or proposed resolution**

None of noteworthy nature.

**Performance indicator and planned actions for the next quarter**

In the COMPASS II Performance Monitoring Plan, the contract target for this sub-task is to “develop sustainable mechanisms for providing basic business development and financial management training to entrepreneurs and local user groups” through “identifying a sustainable source of competent technical assistance which could be provided by strategic partners in the value chain (through embedded services), approved [accredited] business service providers, local government extension staff, and NGOs.”

The plan is to support the participation of 4 individuals in a month-long on-farm fingerling production and hatchery management training in Thailand. It is anticipated that these four individuals will be able to better serve the customers by producing high quality fingerlings and training other trainers engaged in fish nursery development as a business and fish farming.

**Table 25: Sub-Task 3.1.3: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
Training of trainers in Thailand on fingerling production and hatchery management.	NAC Participants	April	ODC costs

**Sub-task 3.1.4: Build capacity for monitoring and sustainable harvesting**

As described in previous COMPASS II reports and work plans, a three-tiered “pyramid” of monitoring efforts has been used throughout implementation, consisting of the following levels:

1. “Top of the pyramid” landscape-scale monitoring of ecosystem health or natural resource condition;
2. Middle- or Program-level monitoring of progress toward the various targets listed throughout this Annual Work Plan, and
3. “Bottom of the pyramid” community-level participatory monitoring as part of the adaptive management plans that are the basis for natural resource management agreements (see 1.1.3).

COMPASS has been investing in developing capacity among the sector agencies and district government to determine sustainable harvest rates, based on the reproductive capacity of a given resource. Progress

has been very slow, given the low base of knowledge among technical personnel, and absence of any incentive for regular monitoring of growth rates by government agencies. The monitoring burden shifts to the resource users and producers so they can verify to the government improved resource conditions.

In October 2006, USAID/Malawi provided further impetus to fully implementing the tiered monitoring and evaluation structure. Beginning in 2007, the COMPASS II team will be required to report on the changes in biophysical condition being experienced on hectares that are under improved natural resource management, and on hectares of biological significance which are under improved management.

In FY2009, COMPASS continued to work with the fisheries, forestry, wildlife, and environment sectors to support improvements to their monitoring systems, including district-level databases of customary forestland management agreements, participatory fisheries management areas under agreements, collaborative management areas in and around national protected areas, and so forth (see sub-task 1.2.3). As a result, for example, 13 Department of Fisheries staff, 2 Department of Forestry, and 3 Department of Parks and Wildlife staff were trained in survey and monitoring methods.

**Action this reporting period and sub-task update**

During the quarter, COMPASS continued to share important messages and information with the various communities in all three regions in order to help them incorporate sustainable monitoring and harvesting practices. As mentioned above, this reporting period, COMPASS worked with the two departments on training 13 department of fisheries staff on survey methods, 2 department of forestry and 3 department of parks and wildlife on carbon credit estimation assessment and monitoring methods.

In addition, this reporting period, a new set of communities was also brought on board by COMPASS for mobilization into clubs in Chikangawa in order to guide them on sustainable harvesting of wild mushrooms for sale to processors and other buyers. The mobilization was carried out in preparation for linking these communities with a new processor (Chipunga Farms Ltd) interested in working with them to process (dry) and market wild mushrooms on their behalf to Europe. The 15 clubs comprised of 237 members are now eager to harvest porcini mushrooms from the surrounding pine plantations in Chikangawa. Both the Department of Forestry and Raiply, who owns the concessions of the plantation have been brought on board. Both are eager to get this activity going since much of the wild fires set off by vandalism are being initiated by disgruntled community members and staff. Both Raiply and DOF agree that if the community members benefit financially, vandalism could be reduced. After discussing with COMPASS II, Raiply is now also seriously considering providing hives to these same members to engage them in beekeeping. COMPASS has also identified a honey processor to link to these communities for pine honey sale.

**Problems encountered and actual or proposed resolution**

None reported.

**Performance indicator and planned actions for the next quarter**

The target is largely complete. During the remainder of the activity, COMPASS II will continue to disseminate information and guidelines on sustainable harvesting and resource-base monitoring. Training is essentially complete but refresher courses will be offered to participants from MEET, LEAD, FRIM, and Department of Forestry District staff to carry out carbon credit assessment and monitoring exercises.

**Table 26: Sub-Task 3.1.4: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
Refresher course on Carbon Credit assessment and Monitoring	FRIM, MEET, LEAD, DOF participants	April	ODC costs; LTTA time

**TASK 3.2: IDENTIFY PRODUCTION AND HARVESTING OPPORTUNITIES FOR NEW NATURAL RESOURCE-BASED PRODUCTS AND ACTIVELY EXPLOIT ON A SUSTAINABLE BASIS**

The purpose of this task is to encourage expansion of the range of natural resource-based products on the markets in Malawi and perhaps externally. Several tactics are being used in order to accomplish this expansion of the natural resource-based product line. One is the specific parts of the Enterprise Fund design that target new products for pre-commercial refinement of the product or better definition of its market (e.g., through a feasibility analysis) or pilot commercialization for a product that is ready to be tested in the marketplace. These co-financing windows were widely advertised during the 2004-2007 period throughout eastern and southern Africa, to solicit ideas and investments from neighboring countries. However, due to reduction in available resources, COMPASS II downsized considerably the size of the overall fund. This is covered in more detail under sub-task 3.3.3 below.

Four sub-tasks contribute to accomplishing this task: (1) to provide technical assistance in performing natural products inventories and train local service providers in inventory techniques, (2) to provide market analysis and other information to entrepreneurs and associations, (3) to create and support producer associations, and (4) to establish quality standards and control procedures.

**Sub-task 3.2.1: Provide technical assistance in performing natural products inventories and train local service providers on inventory techniques**

This task is largely complete. However, as indicated in previous sections, the opportunity to safeguard Malawi’s forests and biodiversity is emerging through carbon sequestration. Consequently, COMPASS is treating carbon credit as a new “natural product” given that the market for carbon credits, particularly in the voluntary markets, is opening up for developing countries like Malawi. As a result, COMPASS has been working closely, this reporting period, with the communities surrounding two pilot reserves (Mkuwazi Forest Reserve and Thazima within the Nyika National Park) to help them understand what carbon credits are, why it is important to preserve the reserves and how to work with various local players such as MEET, LEAD and FRIM. Trainings have been conducted several times on different aspects of carbon sequestration and resource assessment over the reporting period in readiness for successful registration and eventual carbon sale.

**Problems encountered and actual or proposed resolution**

None

**Performance indicator and planned actions for the next quarter**

In the COMPASS II Performance Monitoring Plan, the contract target for this sub-task is to “provide technical assistance in performing seven (7) natural products inventories in the targeted districts to identify those products that exist and in what quantities and train local service providers in natural products inventory techniques to ensure that local capacity will exist even after the end of the activity.”

This task is largely complete. However, COMPASS will be providing some refresher courses as the communities move toward concluding their Plan Vivos with the assistance of MEET and Plan Vivo Foundation next month.

**Table 27: Sub-Task 3.2.1: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
Formulation of action plans for carbon sequestration and benefits	B. Sherchand	April to May	LTTA Time; ODC costs

**Sub-task 3.2.2: Provide market analysis and other product information to entrepreneurs, associations and other potential investors**

In line with the strong belief that small-scale commercialization of natural products can only be successful if the products respond to the markets, COMPASS must help producers and processors/buyers access information about those markets into which they are selling. Under this sub-task, COMPASS identifies

markets for products (concurrent with the screening process described above under 3.1.1), and gathering as much detail as can be determined regarding product specifications, quality, and other information.

During FY2009 COMPASS focused on tightening relationships and concluding market linkages for the various value chains that are being supported by the project. Product information included information on equipment as well as technologies to further improve efficiency and profitability.

**Action this reporting period and sub-task update**

COMPASS continued to take a demand-driven approach assisting those that sought our guidance. During this reporting period, the project facilitated the linkage and sale of more mushroom from the Natural Resources College (NRC), the entity assisted with equipment to increase spawn availability. Members of the National Association of Small and Medium sized Enterprises (NASME) have ordered over 300 bottles to engage in mushroom production. In addition, through COMPASS and ASNAPP, 4 new varieties of oyster mushroom and 1 variety of straw mushroom were introduced in order to expand choice for consumers.

This period, COMPASS helped two processors identify affordable yet good equipment to improve their honey quality and increase throughput. Another processor was linked to a source of honey packing machines to increase consumption of product. This season, COMPASS also linked *Chipunga Farms Ltd.* to an alternative energy service provider regarding new information and technology on mushroom drying.

COMPASS continued to assist various beekeepers by collecting samples and sharing them with key buyers. This reporting period, a new processor joined the COMPASS circle of partners, Mac Bee Honey, who is keen on purchasing close to a ton of honey a month. However Mac Bee Honey insists on quality, and will only buy from beekeepers that send in samples first. Beekeepers have been informed of this step required of them prior to concluding sale.

**Problems encountered and actual or proposed resolution**

None

**Performance indicator and planned actions for the next quarter**

In the COMPASS II Performance Monitoring Plan, the contract target for this sub-task is to “provide additional market analysis and information about potential products and their markets to entrepreneurs and associations interested in investing in these products.”

COMPASS will be working with members from CAMAL to prepare for the upcoming SCAA convention and trade show, where they will be able to better understand market development and consumer demand.

**Table 28: Sub-Task 3.3.2: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
None planned			

**Sub-task 3.2.3: Create and support producer associations**

The underlying goal of this subtask is to assist the development and/or strengthening of producer organizations to enable them to better operate and manage their organization whether they are associations, clubs, or cooperatives. Better management entails applying sound business principles and operating along commercial lines. It also calls on the organizations to work with a clear vision and shared commitment to making the value chain they are part of robust and successful.

**Action this reporting period and sub-task update**

During this reporting period, COMPASS continued to work with the honey processors to formalize the registration of their industry organization called the Malawi Bee Products Association (MBPA).

COMPASS also supported with the registration requirements for the formalization of the National Mushroom Industry Association (NAMIA).

COMPASS’ support for CAMAL involved providing training to members as well as supporting their participation in regional and international coffee events in order to help them compete with other coffee producing country and to be a better service provider to its own membership.

**Problems encountered and actual or proposed resolution**

None

**Performance indicator and actions planned for the next quarter**

In the COMPASS II Performance Monitoring Plan, the contract target is to “work to strengthen existing associations and create new ones.” This period, COMPASS will continue to support the 14 enterprises and 11 associations created at the community level with financial and management training; while at the meso level, COMPASS will continue to support members of CAMAL, MBPA and NAMIA.

**Table 29: Sub-Task 3.2.3: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
<b>Honey subsector: Collect honey samples and link Kabunduli beekeepers with MacBee Honey</b>	<b>S. Munthali</b>	<b>April – May</b>	<b>LTTA time; ODC costs</b>
<b>Support Nali and Mzuzu Coffee with conclusion on equipment installation</b>	<b>B. Sherchand</b>	<b>April - May</b>	<b>LTTA time</b>

**Sub-task 3.2.4: Establish standards and quality control procedures**

The driving force behind establishing standards and quality control measures is to improve quality and hygiene of food products so that consumer confidence in food quality and food safety is maintained. COMPASS will continue to work with natural products industry representatives and Malawi Bureau of Standards to help develop products standards and criteria for grading a range of products. Once established, these will be communicated as widely as is practical.

**Action this reporting period and sub-task update**

This reporting period, COMPASS continued to work in partnership with the honey industry to finalize the Honey Standards (DMS:366) before it is presented to the MBS Technical Committee for consultation and concurrence. COMPASS also worked with Mzuzu Coffee Planters and Cooperatives Union (MZCPCU) on completing the standards and steps required to be in place by FLO-CERT, the Fair Trade Umbrella organization who has the sole mandate of approving/certifying fair trade producers. Upon approval or certification, MZCPCU can officially utilize the Fair Trade Logo on their coffee products and honey. Fair Trade logo informs consumers that certain socially fair, environmentally sound and technically good standards have been put in place.

In addition to the above, COMPASS also conducted a capacity assessment of institutions responsible for inspections and certification for entry of imported animal products, primarily of processed fish. The purpose of this assignment was to assess and map Malawi’s various public and private institutions, agencies and facilities involved in and responsible for monitoring and controlling imports of food products of animal origin (specifically fish products) from a food safety and quality control perspective

**Problems encountered and actual or proposed resolution**

The finalization of the honey standards and grades was being held up for various reasons.

**Performance indicator and actions planned for the next quarter**

In the COMPASS II Performance Monitoring Plan, the contract target for this sub-task is to “ensure that producers meet the quality requirements of domestic and international markets for natural products and provide training on quality control to build awareness and capacity throughout the value chain.”

Contribute toward the conclusion of the Fair Trade Certification requirements and the honey standard consultations.

**Table 30: Sub-Task 3.2.4: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
Contribute to the conclusion of the Fair Trade Certification effort	B. Sherchand	April to May	LTTA time
Contribute to consultations on Honey Standards (DMS:366) finalization	B. Sherchand	April	LTTA time

**TASK 3.3: DEVELOP AND STRENGTHEN PARTNERSHIPS BETWEEN COMMUNITIES AND THE PRIVATE SECTOR**

The purpose of this Task is to facilitate linkages between producers and buyers of natural resource-based products, with emphasis on preparing Malawian small-scale commercial entrepreneurs for entry into formal domestic and international markets. This task consolidates and replicates the individual success of the tasks above that concentrate on existing and new natural resource-base products. The basic strategy here is to facilitate and broker continued strengthening of linkages between and among various parts of the value chains for the different products based on mutual needs, whether it be firm to firm or firm to farmers group. Such linkages and alliances have direct impact on cost structures of industries and firms and are critical to competitive advantage and gaining greater market share.

Four sub-tasks are specified toward accomplishing this Task: (1) to broker partnerships, (2) to explore and promote sustainable financing strategies, (3) to increase understanding of the marketing chain among rural households, and (4) to encourage innovative partnerships between communities, entrepreneurs, and one or more potential partners. The first and fourth sub-tasks were combined beginning in 2007 since they are fundamentally the same activity.

**Sub-task 3.3.1: Broker partnerships**

This sub-task emphasizes the importance of facilitating partnerships and securing linkages between buyers and rural natural products-based enterprises as a way to foster demand and expand markets for smallholder production. Such linkages and partnerships create opportunities to not only serve as ready markets, but in the process can also help enhance smallholder capacity to participate more formally and equitably when integrated as a partner into the value chain of championed by commercial companies.

**Action this reporting period and sub-task update**

This reporting period, COMPASS brought on board another processor into its fold: MacBee Honey based in Blantyre. MacBee honey is one of the larger, vertically integrated honey producing and processing companies in Malawi; its target market is the Middle-East. After discussions with MacBee honey, COMPASS II is now in the process of linking and finalizing relationships between MacBee honey and beekeeping clubs in Kabunduli, Mkuwazi and Balaka. With commercial relationships in place, the communities will be able to find a more stable market with ease. Further, since quality is of extreme importance, MacBee honey has been willing to provide technical training to MGS service providers covering those areas. In addition to MacBee honey, African Parks has also come on board in the partnership. African Parks has solicited COMPASS assistance to link the communities surrounding their parks in Majete to commercial processors. In this area, COMPASS linked Nali with Majete beekeepers in order to help African Parks safeguard the resources within the Park. Vandalism and unwarranted bush-fires have plagued this area; increasing the number of hives, which are viewed as personal assets, hopefully will reduce the number of such fires.

Communities around Mkuwazi were also encouraged to form an Ecotourism Association since at least 12 individuals from 4 different GVHs had been trained as tour guides. This reporting period, these members of the ecotourism clubs were linked to area Lakeshore lodges and hotels to increase tourist traffic in Mkuwazi Forest Reserve, the domain of a rare bird species called the *Gunning’s Akalat*, and some 14 unique, endemic species of butterflies. Butterfly Lodge from Nkhata Bay took the lead in establishing a relationship the group, and has agreed to make Mkuwazi forest one of the sites it was going to promote amongst its guests.

In Nkhotakota, COMPASS continued to support area enterprises. For example, this reporting period, COMPASS identified another processor to link up with Tongole Mango Drying club to serve as the buyer. Chanterella Ltd turned out to be an unreliable buyer, often failing to meet its responsibilities and even commitments. Consequently, the communities decided to terminate their relationship with Chanterella Ltd. Chipunga Farms Ltd, the producer of Malawi’s only organic coffee, Chipunga Coffee, has branched into other healthy products such as mushrooms and dried fruits as a strategy to increase its product lines. Chipung Farms Ltd was also linked to the 15 clubs mobilized around Chikangawa Pine Plantation. These clubs will be harvesting wild mushrooms from the plantations for sale to Chipunga, who in turn will process them prior to selling it to the end-market in the UK. COMPASS also linked Chipunga Farms ltd with several buyers based out of the UK.

Lastly, this period, COMPASS supported the **Talier Trading Group**, a US Based sourcing company, it its interest to identify Malawi products that could be sold in the US markets. COMPASS organized plant visits and consultations between the Talier Trading Group and local private businesses, such as Tambala Foods, Commodity Processors Ltd, Dairiboard, Rab Processors, CAMAL, Tea Association of Malwi, Satemwa Estates, Makandi Tea Estate, Nali ltd., and Sable farms for macadamia. Target products included spices, processed fruits, peanut products, tea, coffee and macadamia nuts. While no tangible trade deals have occurred, samples have been sent to the buyer.

**Problems encountered and actual or proposed resolution**

No noteworthy problems of a technical nature were encountered this reporting period.

**Performance indicator and actions planned for the next quarter**

In the COMPASS II Performance Monitoring Plan, the target for this sub-task is to broker 500 producer-buyer sales contract agreements by 2009. The contract target, however, states simply that “success will be measured by the value in US dollars of natural products marketed by Malawian producers and local communities through these linkages.”

**Table 31: Sub-Task 3.3.1: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
Finalize sales agreements between Mkuwazi and Kabunduli with MacBee honey	S. Munthali	April- May	LTTA Time

**Sub-task 3.3.2: Explore and promote sustainable financing strategies**

During 2005, COMPASS designed an innovative financing program to facilitate access to capital for natural resource-based enterprise start-ups without replicating the disadvantages of counter-productive grants. The Enterprise Fund is a combination of five financial products in two categories:

1. Loan financing to producers, processors, or traders of natural products through two loan products, capitalized at reduced risk to commercial banks and microfinance institutions
  - a. Microfinance loans of \$2,500 or less to community-based enterprises, and
  - b. Investment loans of \$5,000 to \$50,000 to SME-scale natural products enterprises

2. Support for prospective producers of new natural products through co-financing to facilitate entry into the market
  - a. Pre-commercial feasibility analyses to finalize product specification, market analyses, etc., in amounts up to \$50,000 each with at least 35% applicant co-financing;
  - b. Pilot commercialization of new products that are ready to be tested in the marketplace, in amounts up to \$100,000 each with at least 50% applicant co-financing; and
  - c. Innovation window for introducing new technologies into Malawi that can increase capacity, efficiency, and profitability for processors of new or existing natural products; also includes provision of technical or business services to the natural products industry, as long as the service design is innovative and likely to be sustainable beyond the co-financing support.

The first category uses risk-reduction through lowered cost of capital to commercial lending institutions as an encouragement to invest in previously under-represented parts of their portfolio, specifically natural resource-based production, processing and trade. The second category is implemented through an Annual Program Statement, by which COMPASS II solicits investment ideas and business concepts from new or existing businesses. The NRBE co-financing (termed the Enterprise Fund) is summarized below:

**Table 32: Summary of Natural Resource Based Enterprise Fund Categories and Parameters**

CO-FINANCING PRODUCT	PURPOSE OF PRODUCT	RANGE OF CO-FINANCING	TIME FRAME	INVESTOR CONTRIBUTION
PILOT COMMERCIALIZATION	Market testing of new products to demonstrate commercial viability	MK1.4 – MK14m	24 months to complete pilot operations	At least 50% of pilot operation financed by sources other than US govt. sources
PRE-COMMERCIAL SUPPORT	Business planning for new NRBPs; product/supply chain development; feasibility	MK350,000–MK7m	12 months to complete study & business planning	At least 35% of project costs financed by sources other than US govt. sources
NRBP INNOVATION SUPPORT	Introduction of new technology/process for NRBP production, trade or business services	MK350,000–MK7m	12 months to complete installation of technology or provision of services	At least 35% of project costs financed by sources other than US govt. sources

The intent of this design effort is that the banks may continue making loans to rural NRBEs once the viability of those enterprises has been demonstrated—effectively subsidizing the cost of lowering risk levels to the point that investing in NRBEs becomes attractive for the banks, while also subsidizing investors’ entry into production of new products that are not yet proven commercially viable.

Implementation of the Enterprise Fund may have other, indirect benefits to the natural products sector in line with the objectives of this sub-task. For example, other banks and MFIs may invest in Malawi Gold Standard production systems. In addition to the NRBE Fund having a leveraging effect on lenders, it also has potential for increasing investor confidence in natural resource-based products.

**Action this reporting period and Sub-Task update**

The agreements between DAI/COMPASS II and the two commercial banks continued to be operational. As part of the agreement, one of the banks had already begun to revolve the grant returns to encourage more private sector engagements in the natural products sector. As of March 09, a combined total of US\$485,130 had been disbursed through the two banks. The following table provides some details on the progress achieved in approving loans and collecting repayments by the two banks.

In addition to the loans disbursed through the two banks, COMPASS II awarded grants to 5 additional grantees this reporting period amounting to a total of US\$145,182 to assist in unlocking barriers preventing growth of a few value chains. A large proportion of these grants targeted the honey value

chain, while two grants focused on unlocking the aquaculture value chain. One of the two grants was awarded to the Opportunity International Bank of Malawi (OIBM), who will on-lend to 150 borrowers/entrepreneurs interested in engaging in cage culture.

**Table 33: Summary of Commercial Bank Loan Account Status (as of March, 2009)**

NAME OF BANK	TOTAL NO. OF LOANS	TOTAL VALUE OF LOAN DISBURSED	NUMBER OF LOANS REPAID	PRINCIPAL REPAID	PROBLEM ACCOUNTS
National Bank	60	58,108,818	5	17,606,306	5
NBS Bank	28	10,052,000	0	2,904,814	2

**Problems encountered and actual or proposed resolution**

No significant problems are being reported. However, the banks are finding non-repayments of few loans to be problematic, while a few others have restructured their loans.

**Performance indicator and actions planned for the next quarter**

In the COMPASS II Performance Monitoring Plan, the target for this sub-task is to implement 100 grants [or loans] by project closure. Since the target has been met (reaching 116 loans/grants), no additional loans or grants will be made, except through the window opened through OIBM, who having facilitated 19 loans (for cage culture expansion), is planning on facilitating 131 more such loans targeting cage culture aquaculture production.

**Table 34: Sub-Task 3.3.2: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
None planned			

**Sub-task 3.3.3: Increase understanding of the marketing chain among rural households**

The driving force behind this subtask is to provide rural communities a better understanding of the process and resources required to transform raw materials into marketable products. The aim of this subtask is to also help rural households understand the importance of being market-oriented, even as partners in larger value chains.

**Action this reporting period and sub-task update**

As before, this reporting period too, COMPASS continued to provide information to increase transparency and understanding in new topics such as Carbon credits, procurement, pricing, and quality establishment. These meetings and exchange visits were developed with the aim of establishing trust and understanding between producers and buyers; in the case of carbon credits, facilitators, which is what MEET's role is going to be. A total of 213 community club and enterprise members were introduced to different parts of the country on study tours. These study tours and exchange visits have helped producers to understand the requirements of a successful market chain and functionality. After participating on these tours and visits to processors, markets, or exchanges with other successful producers like themselves they begin to understand their role and possibilities.

**Problems encountered and actual or proposed resolution**

None encountered this period.

**Performance indicator and actions planned for the next quarter**

In the COMPASS II Performance Monitoring Plan, no specific target for this sub-task was specified. The contract, however, states that COMPASS must “help rural households and others in the marketing chain gain a greater understanding of the quality demand of the global marketplace and position themselves to better respond to profit opportunities in CBNRM products.” Several study tours and exchange visits to not only best practice sites but also to processors are being envisaged.

**Table 35: Sub-Task 3.3.3: actions for period April-May 2009**

ACTION	PERSON RESPONSIBLE	EXPECTED TIMELINE	RESOURCES REQUIRED
Conduct study tours and exchange visits by small-scale producers to increase their understanding of the market chain and the requirements for market functionality	J. Dickinson S. Munthali P. Munthali	April - May	LTTA time, field travel costs

Sub-task 3.3.4: Encourage innovative partnerships among stakeholders

This subtask has been combined with sub-task 3.3.1

# **ANNEX A: END-OF-QUARTER FINANCIAL SUMMARY TABLE**

# **ANNEX B: 2008/09 ANNUAL WORK PLAN PERFORMANCE MONITORING TABLE**

**Table 35: 2008/09 Annual Work Plan Performance Monitoring Table—results modules, tasks and sub-tasks, indicators**

WORK PLAN TASK	SUB-TASK	PERFORMANCE INDICATOR	TEAM MEMBER(S) RESPONSIBLE	EXPECTED COMPLETION DATE
<b>Results Module #1: More Decentralized Management of Natural Resources in Malawi</b>				
<b>Task 1.1. <i>Promote greater decentralization of key natural resource decision-making</i></b>	Develop guidelines for community management of natural resources	Guidelines completed and disseminated in 15 districts on methodologies for community and producer group institutional development in all NR sectors	<b>Asst. Decentralization Specialist<sup>12</sup></b> <i>NRM Decentralization Specialist</i>	Complete
	Promote devolution of authority to approve natural resource management agreements	Management plans / agreements for at least 250 communities endorsed by district executives in at least 10 districts	<b>NRM Decentralization Specialist</b> <i>Asst. Decentralization Specialist</i>	Complete
	Facilitate natural resource agreements between communities and district authorities	400 agreements approved and being implemented by end of 2008	<b>NRM Decentralization Specialist</b> <i>Asst. Decentralization Specialist</i> <i>Protected Areas Extn. Officer</i>	Ongoing through 2008/2009 for total target of 500 agreements
	Support efforts to harmonize sector legislation with decentralization policy	Draft revisions (if appropriate) of Fisheries Conservation and Management Act and Forestry Act as well as Policy Procedural guidelines for sectors completed	<b>NRM Decentralization Specialist</b> <i>Asst. Decentralization Specialist</i>	Ongoing through 2008/009 for review and amendment/reform of Fisheries Act, Regulations, and Policy.
<b>Task 1.2. <i>Increase district-level capacity to support CBNRM</i></b>	Build awareness of the opportunities for community-based management of natural resources	[original contract target reached] Level of demand for extension services demonstrably increased	<b>Asst. Decentralization Specialist</b> <i>NRM Decentralization Specialist</i> <i>NRBE Development Specialist</i> <i>Protected Areas Extn. Officer</i>	Complete
	Build district capacity to support and deliver natural resources management services	At least 10 target districts have capacity to support CBNRM with quality services; and At least 50 private service providers operating in support of natural products enterprises Mulanje CWPP forestry extension support provided	<b>NRM Decentralization Specialist</b> <i>Asst. Decentralization Specialist</i> <i>Protected Areas Extn. Officer</i>	Complete

<sup>12</sup> Team Member Responsible in **bold** text = primary responsibility; team member in *italics* text = secondary responsibility in declining order of accountability for results

WORK PLAN TASK	SUB-TASK	PERFORMANCE INDICATOR	TEAM MEMBER(S) RESPONSIBLE	EXPECTED COMPLETION DATE
	Build a database of CBNRM Best Practice sites	At least 10 target districts have capability to collect, manage, and analyze data on natural resources distribution and utilization	NRM Decentralization Specialist	Complete by end of FY 2008/09
<i>Task 1.3. Improve CBNRM stakeholder coordination</i>	Strengthen national coordinating bodies	National organization of honey industry established & operating on sustainable funding basis		Complete
	Strengthen district coordinating bodies	At least 6 districts have demonstrably improved coordination across sectors	Asst. Decentralization Specialist <i>NRM Decentralization Specialist</i>	Complete
	Strengthen local coordinating bodies	500 people exposed to small-scale commercialization of natural products through exchange visits  Mulanje CWPP support to increased water supply and water user associations	Asst. Decentralization Specialist	Complete by end of FY 2008/09
<b>Results Module #2: Enhanced Community Capacity for Managing Natural Resources in a Sustainable Manner</b>				
<i>Task 2.1. Increase capacity for natural resources management at the community level</i>	Train community representatives participating in VNRMCs and BVCs	At least 150 committees (100 VNRMCs/forest stakeholders; and 100 BVCs/RVCs/fisheries stakeholders) in 6 target districts have skills to regulate resource access and use  Small-scale commercialization skills demonstrated by community members  At least 27 water user groups in T/A Njema, Mulanje CWPP	CBNRM Training Specialist <i>NRBE Development Specialist</i> <i>Protected Area Extension Officer</i>	Complete
<i>Task 2.2. Strengthen the capacity of CBNRM service providers</i>	Promote participation of qualified local firms and organizations	High-quality technical and business extension services available in at least 6 districts  Award 3 sub-agreements CWPP	<i>NRBE Development Specialist</i>	Complete

WORK PLAN TASK	SUB-TASK	PERFORMANCE INDICATOR	TEAM MEMBER(S) RESPONSIBLE	EXPECTED COMPLETION DATE
	Strengthen and support local NGOs	At least 6 districts have high-quality business development training available to producers Mulanje CWPP partners strengthened	<i>Protected Areas Extn. Officer Asst. Decentralization Specialist NRBE Development Specialist</i>	Complete
<i>Task 2.3. Increase public awareness and understanding of CBNRM roles and opportunities</i>	Expand the environmental education program through school clubs	Assess effectiveness of current environmental education efforts and complete an action plan	WESM	Complete
	Develop a public relations outreach program in TV and radio for Malawi	10,000 copies distributed of <i>Nantchengwa</i> per issue One hour NRM/conservation programming per month on TV	<i>WESM (Nantchengwa) Asst. Decentralization Specialist NRM Decentralization Specialist</i>	Complete
	Establish a website for Malawi environment and CBNRM activities	COMPASS II website online (with portal for variable content)	<i>NRM Decentralization Specialist IT Officer / Data Manager</i>	Complete by end of FY 2008/09
<i>Task 2.4. Strengthen knowledge and accountability of Traditional Authorities and related officials in CBNRM</i>	Train Traditional Authorities in CBNRM	Traditional leaders demonstrably supporting commercialization of natural products in 10 districts Mulanje CWPP in T/A Njema	<i>entire COMPASS II team</i>	Complete
	Host the annual Traditional Authority conference	<i>Recommended for removal from Work Plan (objective met by ongoing field integration of traditional leaders)</i>	n/a	Complete
<b>Results Module #3: Increased Sales of Natural Resource-Based Products by Households</b>				
<i>Task 3.1. Enhance market access by entrepreneurs, households, and community groups that produce natural products</i>	Identify clusters and complete sub-sector analyses for key natural products	8 subsector analyses completed; 1 more subsector analysis on Green Credits conducted; Small-scale commercialization underway in at least 4 districts	NRBE Development Specialist	Ongoing throughout 2008/09 Market screening: Q3 Aquaculture Gold Standard: Q3 Honey commercialization: Q1-Q4 Cage aquaculture: Q1-Q4
	Organize national and regional natural product conferences	Local natural products conference or similar event held	NRBE Development Specialist <i>Sr. NRBE Specialist (COP)</i>	A regional or national conference on natural products held: Q4 or Q5

WORK PLAN TASK	SUB-TASK	PERFORMANCE INDICATOR	TEAM MEMBER(S) RESPONSIBLE	EXPECTED COMPLETION DATE
	Promote sustainable business development services	Developed and introduced a BDS service mechanism to link BDS providers with in at least 6 districts serving producer group enterprises	NRBE Development Specialist	Ongoing throughout 2008/09
	Implement small grants program	<i>Combined with sub-task 3.3.2 in 2005 approved Work Plan</i>	n/a	n/a
	Build capacity for monitoring and sustainable harvesting	Continued to support and train producers and producer organizations in better monitoring and sustainable harvesting in at least 6 districts	Sr. NRBE Specialist (COP)	Ongoing throughout 2008/09
<b>3.2. Identify production and harvesting opportunities for new natural resource-based products and actively exploit them on a sustainable basis</b>	Provide technical assistance in performing natural products inventories and train local service providers on inventory techniques	Inventories conducted for 10 marketable natural products; Local service providers trained through joint inventory conduct Mulanje CWPP hydro surveys	<i>NRBE Development Specialist Protected Areas Extn. Officer</i>	COMPLETE for natural products;
	Provide market analysis and other product information to entrepreneurs, associations and other potential investors	Market assessments and surveys successfully conducted for 17 NR-based products and Results of analyses disseminated.	NRBE Development Specialist	COMPLETE
	Create and support producer associations	16 producer/ processors associations created and 249 PGEs/clubs supported. Continue supporting PGEs/Clubs	NRBE Development Specialist <i>NRM Decentralization Specialist Asst. Decentralization Specialist</i>	Ongoing throughout 2008/09
	Establish standards and quality control procedures	Established one quality control procedures / standards and grading system for at least one natural resource-based product.	NRBE Development Specialist	Identification and process begin: Q3 – Q4.
<b>3.3. Develop and strengthen partnerships between communities and the private sector</b>	Broker partnerships	Producers of at least 4 NR-based products in 15 target districts negotiated 335 sales contracts	NRBE Development Specialist	Ongoing throughout 2008/09

WORK PLAN TASK	SUB-TASK	PERFORMANCE INDICATOR	TEAM MEMBER(S) RESPONSIBLE	EXPECTED COMPLETION DATE
	Explore and promote sustainable financing strategies	Access to start-up or working capital does not constrain business-oriented NRBEs \$350,00 in grants facilitated and awarded to at least 32 different entities	Sr. NRBE Specialist (COP)	Ongoing throughout 2008/09
	Increase understanding of the marketing chain among rural households	Continue working on increasing and improving understanding of marketing chain among rural Households.	<i>NRBE Development Specialist</i> <i>Asst. Decentralization Specialist</i>	Ongoing throughout 2008/09 Business training: start Q1-Q4 Study tours: beginning Q3-Q4 Radio drama: beginning Q3-Q4
	Encourage innovative partnerships between communities, entrepreneurs, and one or more potential partner(s)	<i>Recommended to combine with 3.3.1 in this and subsequent Work Plans – objectives and methodology of achieving are virtually identical</i>	n/a	n/a

## **ANNEX C: COMPASS II Publications**

SERIES / No.	TITLE	AUTHOR(S)	No. PAGES	PUBLICATION DATE
<b>CBNRM Occasional Paper series</b>				
#1	COMPASS Development Pathways	Watson, A. (with R. Godwin)	35	September 2004
#2	Community Resources Mapping: land-use mapping for the people, by the people	Bouvier, R.; Bouvier, I. and Kafakalawa, W.	37	October 2004
#3	Decentralisation and CBNRM: framework for a review of progress, challenges and opportunities	Seymour, T.	44	November 2004
#4	Decentralisation and Fisheries: a review of progress, challenges and opportunities for CBNRM in the fisheries sector	Seymour, T.	41	March 2005
#5	Communities Building Upon What They Do Best: an appreciative inquiry approach to community-based natural resources management	Svensden, D. and Moyo, N.	51	April 2005
#6	Introduction to Appreciative Inquiry: a manual for training community development facilitators	Svensden, D.; Msukwa, C, and Moyo, N.	137	June 2005
#7	Report on the 2006 Natural and Organic Products Expo-East, Baltimore	Sherchand, B	13	April 2005
#8	Decentralisation and Forestry: a review of progress, challenges and opportunities for CBNRM in the forestry sector	Anton, A. and Chimzukila, N.	50	May 2005
#9	Valuing the Resources of Mulanje Mountain: study design	Hecht, J.	41	July 2005
#10	Addressing the Business Service Needs for Rural Natural Resources-Based Enterprises in Malawi	Foan, L.; Kahatano, D.; Mohane, H. and Grant, W.	86	July 2005
#11	Directory of CBNRM and NRBE Service Providers: first edition	Namale, B.	49	August 2005
#12	Preliminary Assessment of the Resource Base of <i>Jateorhiza</i> species (Calumba root) in Malawi	Kambewankako, Y.E.	65	October 2005
#13	Analysis of Biodiversity Threats and Opportunities in Malawi: phase 1 – assessment of current status	Millington, S.J. and Kaferawanthu, M.	58	November 2005
#14	Valuing the Resources of Mulanje Mountain: current and projected use under alternate management scenarios	Hecht, J.	43	April 2006
#15	Biodiversity Assessment for Malawi: analysis of threat and opportunities	Millington, S.J. and Kaferawanthu, M.	67	April 2006
#16	Enhancing Economic Opportunities: promoting business linkages, partnerships, and multiplier effects for communities in the honey, mushroom and aquaculture sectors in Malawi	Sherchand, B.	61	May 2006

SERIES / No.	TITLE	AUTHOR(S)	NO. PAGES	PUBLICATION DATE
<b>Technical Reports</b>				
	CBNRM Situational Analysis at District and Community Level: Part 1 – results, analysis, discussion and recommendations	Mauambeta, D. and Chadza, W.	36	September 2004
	Situation Analysis and Gender Mainstreaming Action Plan: module II enhanced community capacity for management of natural resources in a sustainable manner	Omambia, D.	31	September 2004
	COMPASS II HIV/AIDS Integration Plan	Irwin, B.	27	September 2004
	CBNRM Situational Analysis at District and Community Level: Part 2 – the districts	Mauambeta, D. and Chadza, W.	78	October 2004
	Honey Subsector: initial report	Pratt, J.; Munthali, S. and Agar, J.	50	February 2005
	Doing Well by Doing Good – Promoting Increased Income for Men and Women Through conservation of Malawi’s Natural Resources: analysis and proposed actions concerning gender mainstreaming and enterprise development in COMPASS II	Blumberg, R.L.	76	March 2005
	Communications Strategy for Malawi Department of Fisheries	Simon, J.	29	May 2005
	Northern Capture Fishery Subsector Analysis: line fishery for <i>ncheni</i> at Nkhata Bay	Seymour, T.; Munthali, S.; Saiti, D. and Agar, J.	47	May 2005
	The Nkhotakota Lake Fishery: a strategy for participatory fisheries management, institutional development and development of the offshore fishery	Seymour, T.	51	January 2006
	Nyika-Vwaza Preliminary Situation Analysis Report	Sichinga, K.	60	March 2006
	Malawi Gold Standard Beekeeping Trainer’s Guide (includes set of 7 DVDs in Chichewa)	Chadza, W.; Banda, A. and Mweso, J. (illustrated by R. Mwale; video by P. Mphaka and E. Neudel)	61	July 2006
	Malawi Gold Standard Beekeeper’s Handbook (English or Chichewa)	Simon, L.; Banda, A. and Mweso, J. (illustrated by R. Mwale)	91	July 2006
	Malawi Gold Standard Beekeeping Business Management Plan	Johnson, T.; Neudel, E.; Simon, L.; Simon, J. and Namale, B. (illustrated by R. Mwale)	29	August 2006
	Measuring Your Own Progress: participatory monitoring and evaluation for adaptive management – revised 2 <sup>nd</sup> edition manual for facilitators	Mpezeni, M.	59	September 2006
	Malawi Gold Standard Fish Farming Trainer’s Guide – <i>Pond Aquaculture</i> (includes set of 6 DVDs in Chichewa)	Jamu, D.; Kambewa, P.; Kaluwa, B.; Nagoli, J.; Unyolo, S.; Nkhonjera, W.; Chirwa, B.; Nikoloma, F. and Hunga, H. (illustrated by R. Mwale; edited by L. Simon & T. Johnson; video by P. Mphaka)	55	March 2007

SERIES / No.	TITLE	AUTHOR(S)	NO. PAGES	PUBLICATION DATE
	Malawi Gold Standard Fish Farmer's Handbook – <i>Pond Aquaculture</i> (English or Chichewa)	Simon, L.; Nagoli, J. and Unyolo, S. (illustrated by R. Mwale)	60	March 2007
	Malawi Gold Standard Fish Farming Business Management Plan – <i>Pond Aquaculture</i>	Namale, B.; Simon, L. and Johnson, T. (illustrated by R. Mwale)	31	March 2007
	<i>Chuma Chobisika</i> (Hidden Treasure) Natural Resource Enterprise Broadcasts – Report of a National Survey on Listenership and Effectiveness	Sichinga, K.; Manda, L.; Sosola, B. and Johnson, T.	30	April 2007
	Charcoal – The Reality: A study of charcoal consumption, trade and production in Malawi	Kambewa, P.S., Mataya, B.F., Sichinga, W.K. and Johnson, T.R.	72	July 2007
	Lake Chilingali and Unaka Lagoon Water Quality Assessment	Moses Banda, Geoffery Kanyerere, Maxim Ngochera, and Lawrence Makwinnja	22	September 2008
	Estimating Carbon Stocks: Toward Forest Conservation in Mkuwazi Forest Reserve and Thazima Region of the Nyika National Park	Nicholas J. Berry, Catriona J. Clunas, & Richard Tipper	15	November 2008
<b>Contract Deliverables</b>				
	Annual Work Plan: 2004–2005	Johnson, T.	68	May 2004
	Getting Past Tick-Boxes: gender mainstreaming plan for COMPASS II	Luché-Thayer, J.; Omambia, D. and Blumberg, R.L.	52	September 2004
	Annual Work Plan: 2005	Johnson, T. et al.	96	October 2004
	Annual Progress Report—2004	Johnson, T. et al.	31	November 2004
	Quarterly Progress Report: 1 <sup>st</sup> quarter 2005 (01 October—31 December 2004)	Johnson, T. et al.	73	January 2005
	Quarterly Progress Report: 2 <sup>nd</sup> quarter 2005 (01 January—31 March 2005)	Johnson, T. et al.	71	April 2005
	Quarterly Progress Report: 3 <sup>rd</sup> quarter 2005 (01 April—30 June 2005)	Johnson, T. et al.	74	July 2005
	COMPASS II Monitoring & Evaluation Plan	Sambo; E.Y.; Wilson, J.; Flaming, L. and Sichinga, K.	72	August 2005
	Annual Progress Report—2005	Johnson, T. et al.	40	October 2005
	Annual Work Plan: 2006	Johnson, T. et al.	68	October 2005
	Quarterly Progress Report: 1 <sup>st</sup> quarter 2006 (01 October—31 December 2005)	Johnson, T. et al.	77	January 2006
	Quarterly Progress Report: 2 <sup>nd</sup> quarter 2006 (01 January—31 March 2006)	Johnson, T. et al.	83	April 2006
	Quarterly Progress Report: 3 <sup>rd</sup> quarter 2006 (01 April—30 June 2006)	Dickinson, J. et al.	91	July 2005

SERIES / No.	TITLE	AUTHOR(S)	No. PAGES	PUBLICATION DATE
	Annual Progress Report—2006	Johnson, T. et al.	50	October 2006
	Annual Work Plan: 2007	Johnson, T. et al.	71	October 2006
	Quarterly Progress Report: 1 <sup>st</sup> quarter 2007 (01 October—31 December 2006)	Johnson, T. et al.	98	January 2007
	Quarterly Progress Report: 2 <sup>nd</sup> quarter 2007 (01 January—31 March 2007)	Johnson, T. et al.	90	April 2007
	Quarterly Progress Report: 3 <sup>rd</sup> quarter 2007 (01 April—30 June 2007)	Johnson, T. et al.	91	July 2007
	Annual Progress Report - 2007	Dickinson, J. et al	52	October 2007
	Annual Work Plan – 2008/09	Sherchand, B. et al	36	March 2008
	Quarterly Progress Report: 1 <sup>st</sup> quarter 2008 (01 October-31 December 2007)	Sherchand, B. et al	59	January 2008
	Semi-annual Progress Report: Oct 2007 to March 2008	Sherchand, B. et al	63	April 2008
	Annual Progress Report - 2008	Sherchand, B. et al	44	October 2008
	Annual Work Plan – 2009	Sherchand, B. et al	35	January 2009
<b>Workshop Proceedings</b>				
	National CBNRM Stakeholders Consultation: proceedings of a workshop held 22-23 September 2004 in Blantyre	N. Moyo and T. Chitaukali (eds.)	31	October 2004
	Regional CBNRM Stakeholders Consultation – Part 1 Southern Region: proceedings of a workshop held 09-10 November 2004 in Zomba	P. Munthali (ed.)	24	December 2004
	Regional CBNRM Stakeholders Consultation – Part 2 Southern Region: proceedings of a workshop held 11-12 November 2004 in Zomba	N. Moyo and T. Chitaukali (eds.)	22	December 2004
	Regional CBNRM Stakeholders Consultation – Central Region: proceedings of a workshop held 16-17 November 2004 in Lilongwe	N. Moyo and T. Chitaukali (eds.)	15	December 2004
	Regional CBNRM Stakeholders Consultation – Northern Region: proceedings of a workshop held 23-24 November 2004 in Mzuzu	N. Moyo and T. Chitaukali (eds.)	26	December 2004
	Traditional Authorities Conference on Community-Based Natural Resource Management: proceedings of a conference held 19-20 October 2005 in Lilongwe	N. Moyo (ed.)	40	January 2006
	Proceedings of a Roundtable Meeting on Collaborative Management of Protected Areas in Malawi held December 11-12, 2008	James R. Seyler	122	January 2009
<b>Internal Reports</b>				
	Software Application Training Manual for COMPASS II	Campbell, M.	20	September 2004

SERIES / No.	TITLE	AUTHOR(S)	No. PAGES	PUBLICATION DATE
	Internet Mapping: user's guide to the COMPASS II interactive mapping application	Bouvier, I.	19	December 2004
	COMPASS II Natural Resource-Based Products Venture Fund Design	Humpal, D. and Namale, B.	37	December 2004
	Report on Training of the COMPASS II Public Awareness Team	Simon, L.	23	August 2005