



RAMZY KANAAN

MODERN COOKING FOR HEALTHY FORESTS IN MALAWI

FISCAL YEAR 2022 FIRST QUARTER REPORT (OCTOBER – DECEMBER 2021)

January 2022

This publication was produced for review by the United States Agency for International Development and the United Kingdom Foreign, Commonwealth and Development Office by Tetra Tech through USAID Contract No. 72061219C00005 or the Modern Cooking for Healthy Forests in Malawi Activity.

Cover Photo: Minister of Forestry and Natural Resources, Hon. Nancy Tembo, participating in a site visit to Thuma Forest Reserve, with Wildlife Action Group, December 07, 2021.

This report was prepared by:

Tetra Tech
159 Bank Street, Suite 300
Burlington, Vermont 05401 USA
Telephone: (802) 658-3890
Fax: (802) 485-0282
Email: international.development@tetrattech.com

Contacts:

Ramzy Kanaan, Chief of Party
Email: Ramzy.Kanaan@tetrattech.com

Anna Farmer, Project Manager
Email: Anna.Farmer@tetrattech.com

Rod Snider, Deputy Project Manager
Email: Rod.Snider@tetrattech.com

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ACRONYMS AND ABBREVIATIONS

ACB	Anti-Corruption Bureau
ADC	Area Development Committee
AE	Alternative Energies
AEJ	Association of Environmental Journalists
AMELP	Activity Monitoring Evaluation and Learning Plan
ANR	Assisted Natural Regeneration
AP	Accelerator Program
APS	Annual Program Statement
AWP	Annual Work Plan
CEPA	Centre for Environmental Policy and Advocacy
COVID-19	Novel Coronavirus Disease 2019
DFO	District Forestry Office
DoF	Department of Forestry
FCDO	Foreign, Commonwealth and Development Office
FE	Fuel-Efficient
FLR	Forest Landscape Restoration
FMP	Forest Management Plan
FR	Forest Reserve
FRL	Forest Reference Level
GoM	Government of Malawi
KAP	Knowledge, Attitudes, and Practices
KHP	Kawandama Hills Plantation
LPG	Liquified Petroleum Gas
LWT	Lilongwe Wildlife Trust
MAIIC	Malawi Agricultural and Industrial Investment Corporation

MCCF	Malawi Clean Cooking Fund
MCHF	Modern Cooking for Healthy Forests in Malawi Activity
MERA	Malawi Energy Regulatory Authority
MWK	Malawi Kwacha
MPS	Malawi Police Service
NACS II	National Anti-Corruption Strategy II
NCSC	National Cookstove Steering Committee
NFI	National Forest Inventory
NFS	National Forest Season
NMU	National Monitoring Unit
PEA	Political Economy Analysis
REDD+	Reducing Emissions from Deforestation and Forest Degradation
RFA	Request for Applications
UN SACCO	United Nations Sacco Society
USG	United States Government
SMBC	Social Marketing Behavior Change
SMEs	Small and Medium-Sized Enterprises
USAID	United States Agency for International Development
VNRMC	Village Natural Resource Management Committee
WG	Working Group
WRI	World Resources Institute

EXECUTIVE SUMMARY

CONTRACT PERIOD

The contractual period of performance for Modern Cooking for Healthy in Malawi Activity began on October 01, 2019 and will end on/around September 30, 2024. This report documents project implementation in the first quarter of Fiscal Year 2022 (October 1, 2021 – December 31, 2021).

GOALS AND OBJECTIVES

The Activity goal and corresponding objectives are listed below:

- **Activity Goal:** Promote sustainable forest management of selected landscapes and promote sustainable energy options in Malawi to sustainably maintain forest cover and reduce land-based emissions:
 - **Objective 1:** Alternative (cooking) energy sources and fuel-efficient cooking technologies adopted to reduce unsustainable wood fuel demand.
 - **Objective 2:** Local delivery of forestry services and sustainable use of forestry resources in targeted areas improved.
 - **Objective 3:** Regulatory and enforcement framework to support sustainable wood fuel production and use strengthened.
 - **Objective 4:** Government of Malawi's (GoM's) implementation capacity of low emissions development in REDD+ and/or other land use increased.
 - **Objective 5:** Interventions leveraged with other USAID and development partner resources.

ACHIEVEMENT HIGHLIGHTS IN THE FIRST QUARTER OF FY2022

Notable achievements from the first quarter of Fiscal Year 2022 (FY2022) are summarized below:

1. MCHF completed the initial round of targeted in-home consumer testing of alternative cooking energies (AE) and fuel-efficient cooking technologies (FE) and began sharing the results with our private sector partners/proponents. The testing included liquified petroleum gas (LPG, from two importers), improved charcoal cookstoves (from two companies) and legal licensed charcoal and charcoal briquettes (from four companies), which included selected households in Blantyre, Lilongwe, Mzuzu and Zomba. Over the next quarter, MCHF will use the quantitative results (documented changes in fuel consumption, cooking time and expenditures), qualitative feedback on the cooking experience, and the results of the Knowledge, Attitudes, and Practices (KAP) survey to inform the development of information and awareness materials, and social marketing and behavior change communications to assist our private sector partners to create demand for their respective AE/FE solutions.
2. Through the Malawi Clean Cooking Fund (MCCF), MCHF awarded three new performance-based grants to support private partners to introduce and scale cleaner cooking solutions. This includes two grants to legal licensed charcoal producers, which will result in a four-fold increase in the production and sale of legal licensed charcoal.
3. MCHF supported the Department of Forestry (DoF) to use data and to engage with stakeholders to inform development of draft Forest Management Plans for all three focal forest reserves in the MCHF Northern Landscape, and to revise and finalize the FMP for the Mualivulezi Forest Reserve in the Central Landscape.

4. Through the MCHF Accelerator Program (AP), MCHF continued to support incubation, acceleration and mentorship of twenty early-stage enterprises, cooperatives and associations operating in selected value chains, within the MCHF Central or Northern Landscapes.
5. Completed the Political Economy Analysis of the Charcoal Value Chain, presented the results to USAID and FCDO, and with partners began using the findings to inform development of a forest crime disruption strategy.
6. Supported the Government of Malawi (GoM) to complete fieldwork for the second phase of the NFI2021, which included entering, cleaning and initial analyzing of the data collected from 249 permanent sample plots established and inventoried in Kasungu National Park, Chimaliro, South Viphya, Mtangatanga, and Mkuwazi Forest Reserves.
7. MCHF provided technical and financial assistance to support the DoF to launch the National Forestry Season, which included the development of a wide range of communication materials including a Forestry Calendar, an Assisted and Natural Regeneration (ANR) Calendar, Guidelines for Successful Tree Planting and Forest Restoration in Malawi, and public service announcements. MCHF also translated the Forestry Calendar and ANR Calendar into Chichewa, Chitumbuka, Chitonga, Chilomwe, and Chiyao.

I.0 INTRODUCTION

MCHF is a five-year Activity funded by the United States Agency for International Development (USAID) and the United Kingdom Foreign, Commonwealth and Development Office (FCDO). The Activity is implemented by Tetra Tech in association with five subcontractors: Centre for Environmental Policy and Advocacy (CEPA), Lilongwe Wildlife Trust (LWT), mHub, Winrock International, and World Resources Institute (WRI).

I.1 BACKGROUND

The main threats to Malawi's forests include unsustainable harvesting for wood fuels to meet construction and energy needs (charcoal and firewood for cooking, fish smoking, brick making, and tobacco curing), agriculture and settlement expansion in forested areas, and harmful bushfires. High population density and growth are deteriorating the situation. Charcoal production is currently the single most significant driver of forest degradation. More than 96% of households rely on charcoal and firewood as their primary cooking fuel. Most research agrees that charcoal and firewood will continue to be a significant source of energy in Malawi for the foreseeable future, in large part due to the lack of available Alternative Energies (AE) for cooking, coupled with the population growth, rapid urbanization, and relative high prices of existing AEs. While local energy supply-demand imbalances have existed in parts of the country for years (especially around Blantyre and Lilongwe) it is projected that the national, annual demand for wood fuels exceeded sustainable supply in/around 2019.

The lack of income-generating opportunities in rural areas is the primary cause for urbanization in Malawi. While charcoal contributes to rural livelihoods, production is largely illegal and occurs increasingly within forest reserves and other critical water catchment areas. Illegal and unsustainable charcoal production, transportation, and marketing drive widespread corruption along the charcoal value chain. In addition to domestic charcoal, charcoal produced in Mozambique and Zambia is also illegally transported and marketed in Malawi to meet Malawi's urban wood fuel demand, especially in Blantyre and Lilongwe. Malawi needs to implement innovative solutions that balance citizens' energy needs and promote the proper management and utilization of forestry resources.

The MCHF Activity has been designed to promote sustainable forest management in Malawi in select landscapes, support sustainable cooking energy options in select urban demand centers, maintain forest cover, and to reduce land-based emissions. By increasing demand for alternative cooking energy options and efficient cooking technologies and increasing the supply of sustainable wood fuels from well-managed forest resources, MCHF will help Malawi reduce unsustainable tree cutting in both public and customary forests, improve forest cover, and conserve associated watersheds.

MCHF applies a landscape approach that incorporates interventions across multiple geographic scales and land use types, including urban and peri-urban areas, forest reserves, plantations, customary land, and smallholder farms, to address wood fuel supply and demand dynamics holistically. The activity also builds system-level resilience through an integrated land use management framework that seeks to integrate policies across sectors in order to harmonize development and conservation objectives.

The MCHF strategy (Figure 1) will reduce unsustainable wood fuel demand, increase sustainable wood fuel supply, and strengthen Malawi's business and regulatory enabling environment by:

1. **Implementing a landscape approach** that addresses wood fuel supply and demand and reduces underlying drivers of forest cover loss;
2. **Developing inclusive and sustainable market systems across AE, sustainable charcoal, and forestry value chains** by engaging a wide range of actors within each value chain, identifying leverage points that overcome market constraints, and facilitating market-based solutions that utilize local systems and resources;
3. **Engaging the private sector and mobilizing financing, investment, and additional resources** that activate and increase investments for alternative fuels, fuel-efficient (FE) technology, and improved forest governance and Forest Landscape Restoration (FLR);
4. **Building on and advancing key Government of Malawi (GoM) policies and strategies**, particularly the Malawi Growth and Development Strategy III, Malawi 2020 Vision Document, National Charcoal Strategy, National Energy Policy, National Forestry Policy, Forestry Act, National Cookstoves Program Roadmap, National Forest Landscape Restoration Strategy, National Resilience Strategy, and Malawi Renewable Energy Strategy; and,
5. **Strengthening local capacity for self-reliance and sustainability** by prioritizing local partners, working with and through GoM institutions, implementing facilitative market system approaches, and supporting human and institutional capacity development.

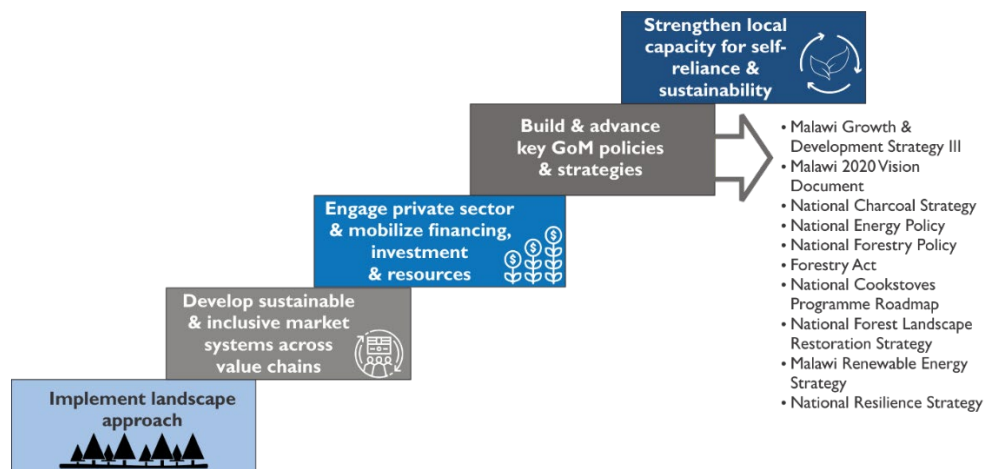


FIGURE 1: MCHF STRATEGY

1.2 KEY OPERATING ASSUMPTIONS AND RISKS

Through the development of the MCHF Life of Activity Performance Work Statement, the Activity Monitoring, Evaluation, and Learning Plan (AMELP), and the FY2021 Annual Work Plan (AWP), MCHF has identified the key assumptions and risks with the greatest potential to impact MCHF implementation and achievement of results. The key operating assumptions are summarized as follows:

- The success of Objective I is premised on the performance of a viable market systems approach. This assumes the macroeconomic performance does not deteriorate significantly.

- The success of Objectives 2 and 4 requires consistent and meaningful commitment from the Department of Forestry (DoF). This includes a commitment to increasing staffing levels, both at the District-level (nationally the DoF staffing vacancy rate exceeds 50%, and is much higher at the subdistrict/forestry assistant level), and at the national level (specifically for the Monitoring Unit), and a commitment to allocate financial resources to support implementation of key activities, including but not limited to the National Forest Inventory (NFI) and FLR monitoring.
- Objective 3 assumes maintaining sustained political will and commitment to address illegal and unsustainable charcoal production, transportation, and marketing from multiple GoM Ministries/Departments/Services, at various scales.
- Objective 5 targets for integration activities and leverage are considerable, and MCHF has proposed to work with a wide range of partners to achieve and meet these targets.

Presently, the ongoing Novel Coronavirus Disease 2019 (COVID-19) pandemic continues to be the most immediate risk to MCHF implementation, results, and sustained impact. In the reporting period, Malawi was impacted by the fourth wave of the pandemic. All existing restrictions to curtail the spread of the virus remain in place, including restrictions on local government meetings, size of public gatherings, and the continued use of facemasks and the provision of guidance on enhanced hand washing/sanitizing. However, on November 28, 2021, the GoM introduced additional preventive measures in response to emerging trends of the pandemic in the country, region, and the world. The new measures include additional requirements for entry into Malawi such as presenting a valid electronic COVID-19 vaccination certificate at points of entry and reducing the COVID-19 vaccination age limits to 12 years and above. It is still not possible to predict with any certainty the course of the COVID-19 pandemic in Malawi, or the duration of the disruption. MCHF continues to implement activities included in the final FY2022 AWP, which reflects anticipated impacts resulting from the pandemic.

At the time of writing this quarterly report, the number of confirmed COVID-19 cases had reached 77,629 in Malawi. In effort to comply with GoM restrictions and Tetra Tech corporate guidance, MCHF continues to update and implement its COVID-19 Contingency and Response Plan, designed to advance implementation while taking appropriate measures to safeguard project staff, counterparts, and beneficiaries. This includes:

- Limited visitation of MCHF offices: The office is now open to all MCHF staff, whilst continuing to observe all COVID-19 prevention measures such as wearing of face masks, social distancing, and sanitation. All staff and limited visitors entering the office are required to use face masks properly and wear them at all times in shared/open spaces. MCHF employs a zero-tolerance policy regarding improper use of face masks. In addition, the project continues to practice social distancing and to implement enhanced sanitation and hygiene practices in its offices and project vehicles.
- MCHF continues to verbally screen all staff via questionnaire (consistent with U.S. Center for Disease Control guidelines) for symptoms, possible contact with others who may have shown symptoms or were otherwise confirmed COVID-19 positive before entry is permitted. This questionnaire is also administered to persons participating in project activities.
- Enforcing office procedures to be followed in the event a member of staff has tested positive for COVID-19 (or has been in close contact with a COVID-19 positive individual) and has been at an MCHF office and in contact with other staff members.

Beyond the COVID-19 pandemic, donor commitment to MCHF focal areas and private sector interest in the Malawian market are tied to Malawi's continued stability and security. In addition, MCHF implementation and delivery of results may be influenced by weather/climatic factors well beyond the control of MCHF (as was the case with the El Niño-related drought in 2015/2016). The inability to predict with precision future extreme weather and climate-related shocks presents a degree of uncertainty that may impact project results and require programming adjustments.

2.0 PROGRESS AND ACHIEVEMENTS

During the first quarter, MCHF began implementing scheduled activities as defined in the FY2022 AWP. This section summarizes progress made in implementation during the quarter.

2.1 PROJECT DELIVERABLES

During the reporting period, MCHF submitted all project deliverables on schedule. An updated Deliverable Tracker is included in Appendix I.

2.2 STAFFING

During the reporting period, MCHF welcomed six new staff members:

- Forestry Field Coordinators: Ms. Thokozire Kachali, Mr. Joseph George, Mr. Ponsilio Bwalo, Mr. Hastings Chikoko, Mr. Edward Mulenga, and Mr. Richard Swirah

2.3 MCHF STAFF ORIENTATION AND TRAINING

MCHF organized a staff orientation and training for the full MCHF Team, which included orientation and training on the MCHF Employee Manual, the Safety and Security Manual and other regulations, policies, and associated procedures. This also provided an opportunity for staff to raise questions and request clarifications, to help ensure a common understanding. Notably, this was the first time since the start of the COVID-19 pandemic for all MCHF staff to meet face-to-face, which allowed the team to interact and strengthen existing work relationships.

3.0 ACTIVITIES

3.1 OBJECTIVE I: ALTERNATIVE COOKING ENERGY SOURCES AND EFFICIENT COOKING TECHNOLOGIES ADOPTED TO REDUCE UNSUSTAINABLE WOOD FUEL DEMAND

3.1.1 TARGETED IN-HOME CONSUMER TESTING OF COMMERCIALY VIABLE ALTERNATIVE ENERGY AND FUEL-EFFICIENT COOKING TECHNOLOGY PRODUCTS

During the quarter, MCHF continued its efforts to enhance consumer demand for alternative cooking energy sources and FE cooking technologies in priority urban areas of Zomba, Blantyre, Mzuzu and Lilongwe. Specifically, MCHF completed field-based implementation of the targeted “in-home” consumer testing activity in the cities of Blantyre, Zomba, and Mzuzu. Prior to the end of the quarter, MCHF also completed data cleaning and analysis, and the dissemination of results from Lilongwe. MCHF provided the results to each of the private sector partners with AE/FE tested in Lilongwe. MCHF will complete the data cleaning and analysis and will disseminate the results from the Blantyre, Zomba, and Mzuzu testing early in the second quarter. Over the next quarter, MCHF will also use the quantitative results (documented changes in fuel consumption, cooking time and expenditures), qualitative feedback on the cooking experience, and the results of the Knowledge, Attitudes, and Practices (KAP) survey to inform the development of information and awareness materials, and social marketing and behavior change communications to assist these private sector partners to create demand for their respective AE/FE solutions.

3.1.2 MALAWI CLEAN COOKING FUND

In FY2022 Q1, MCHF continued to manage Request for Application (RFA) 001, released through the Malawi Clean Cooking Fund (MCCF). The RFA was designed and released to help increase the supply of, and demand for, alternative cooking energies and fuel-efficient cooking technologies in major urban areas of Malawi. In the reporting period, MCHF signed three performance-based grant agreements with: 1) Kawandama Hills Plantation (KHP) - supporting KHP to increase annual production and sale of legal licensed charcoal from 350 metric tons/year to more than 1,000 metric tons/year; 2) Phata Cooperative - supporting the grantee to increase annual production and sale of their legal licensed charcoal from less than 50 metric tons/year to more than 450 metric tons/year; and, 3) Maeve - supporting distribution of fuel-efficient firewood cookstoves to households adjacent to the Dzalanyama Forest Reserve, the Bunganya Forest Reserve, the Kaning’ina Forest Reserve, and the Perekezi Forest Reserve. Additionally, in December, MCHF finalized pre-award processes with Dziwani Investments and received approval from USAID to award the performance-based grant. This will be the sixth grant awarded under the MCCF, which will be signed in early January and will support Dziwani Investment to increase the production and sale of an improved charcoal cookstove.

3.1.3 CONSUMER FINANCING

During the quarter, MCHF continued its efforts to enhance urban demand for and adoption of AE/FE. MCHF engaged several large employers and financial institutions (including: FINCOOP Ltd, United Nations Sacco Society [UN SACCO], St Gabriel’s Hospital, National Registrational Bureau) to explore development of end-user financing instruments. MCHF will continue conversations with larger employers and financial institutions in the coming months, in collaboration with our private sector partners, to secure opportunities to deploy end-user financing to help incentivize and drive adoption of cleaner cooking solutions.

Much of this engagement was completed in tandem with a private partner (265 Energy), who supplies Liquefied Petroleum Gas (LPG). We learned from our interactions with SACCOs that while they administer loan deductions from members, they lack the funds to pay the upfront cost to the supplier on behalf of their respective members. With this in mind, the SACCOs approach can only work if: i) the supplier is willing to take the risk of collecting monthly deductions from the SACCOs that administer such deductions (which was not the case in this instance); or, ii) the deductions are treated as “lay-by/lay-away”, in which case the product would only be delivered when the lay-by payment has been fulfilled. MCHF will continue to explore this second option with SACCOs, and with their members. In addition, MCHF is in discussion with several larger employers of urban-based, middle/upper-middle income employees to explore the willingness of the employers to either: i) provide employees with loans; or, ii) to offer a direct salary deduction to support their employees to procure cleaner cooking solutions.

3.1.4 BUSINESS DEVELOPMENT SUPPORT

During the quarter MCHF assisted EcoGen to finalize their Business Plan, and to develop and finalize a Business Case for biogas. EcoGen was then able to successfully use the Business Plan to secure their first ever commercial loan (MWK20M), from the Malawi Agricultural and Industrial Investment Corporation [MAIIC]. In the second quarter, EcoGen will begin using the Business Case to solicit interest from commercial and private customers, as well as from the targeted donors.

3.1.5 ACCESS TO FINANCE

During the quarter, MCHF continued to assist early-stage entrepreneurs under the MCHF Accelerator Program (AP) Cohort I in completing applications for business loans from MAIIC, a development financial institution with which MCHF has a Memorandum of Understanding. Four applications were submitted to MAIIC but were not successful. In addition, MCHF engaged with two companies, Pyxus Agriculture Malawi (Pyxus) and 265 Energy, to identify specific opportunities to assist them in leveraging finance/investment to grow and sustain their planned AE/FE expansions. MCHF and Pyxus discussed opportunities for MCHF to provide focused technical support to Pyxus [e.g., studies that substantiate the viability of biomass energy (pellets/briquette/carbonized briquette/charcoal)] to assist them to unlock finance for these developments. MCHF also introduced Pyxus and 265 Energy to the MCHF point of contact for the Spark+ Africa Fund, and MCHF also introduced 265 Energy to MAIIC to further broaden access to finance.

Furthermore, building on previous integration with the Investment Support Facility, MCHF met and assessed five possible business development/transaction support service providers to support MCHF cooperating enterprises to become “investment ready.” Through the Tetra Tech home office, MCHF continued to engage with a private investment fund to explore opportunities to secure financing (through an intermediary emerging fund manager) to support private sector partners in Malawi, Zambia, and the Democratic Republic of Congo.

3.1.6 ENGAGEMENT WITH THE NATIONAL COOKSTOVE STEERING COMMITTEE WORKING GROUPS

In the reporting period, MCHF continued to support the National Cookstove Steering Committee (NCSC) Working Groups (WGs) which have been established to serve as Communities of Practice cum “Trade Associations” for fuel/stove specific value chain actors. Specifically, MCHF continued to provide technical and financial support to WG3 (focused on LPG) and WG2 (focused on improved charcoal cookstoves). This included support for three meetings. The first meeting was for WG3,

which was held in-person on November 22, 2021 at Ufulu Gardens in Lilongwe. The meeting was organized to solicit ideas on how the WG could better support importers/distributors to expand their businesses. In addition, the meeting provided an opportunity for LPG importers and distributors to engage directly with the regulator (Malawi Energy Regulatory Authority [MERA]), and to raise concerns over the regulatory framework. The meeting was attended by key private sector actors in the LPG value chain, as well as MERA, Department of Energy Affairs, the United Nations Development Programme, and others.

The other two meeting were organized for WG2 (to better serve members, the WG divided in two subsets, one focused specifically on improved charcoal cookstoves, and the other focused on legal licensed charcoal). Both WG2 meetings, conducted virtually, were held on December 9. The meetings were attended by improved charcoal stoves producers and distributors [including as Promotion for Cleaner Cooking Company, Dziwani Investments, UpEnergy, and Mbambande Quick Fast] and licensed charcoal producers [including KHP, Pyxus, Forest and Garden Services, Malasha, and Infinity Energy]. The improved charcoal cookstoves meetings focused discussion on areas for support to grow the market for improved charcoal cookstoves, including support for awareness and marketing. The legal licensed charcoal meeting focused discussion on the need for awareness and communication to create demand. Participants also discussed the need to more effectively lobby the Government of Malawi to create incentives to help foster growth of the sector. Some of the possible incentives included introduction of green tariffs to reduce the cost of production of legal licensed charcoal and charcoal briquettes, pellets, and other biomass energies.

FY2022 QUARTERLY, CUMULATIVE, AND TARGET RESULTS FOR OBJECTIVE I INDICATORS

PERFORMANCE INDICATOR	1 st QUARTER FY2022	CUMULATIVE FY2022 TO DATE	TARGET FY2022
Number of improved technology products that are commercially viable and provide an alternative to illegal charcoal promoted in Malawi as a result of MCHF assistance (Output) A	1	1	3
Percent of households in/around targeted forest reserves that have adopted efficient cooking technologies (Outcome) Biennial	0	0	25%
Percent of households in urban areas that have adopted alternative cooking energy sources and/or efficient cooking technologies (Outcome) Biennial	0	0	8%
Percent of sampled target audience reporting exposure to messages on AE sources and FE technologies on radio, TV, electronic platforms, or in print (Outcome) Biennial	0	0	25%
Number of firms receiving United States Government (USG)-funded technical assistance for improving business performance (EG 5.2-1, Output) A	0	0	18
Increase in annual sales of firms doing business in AE options and efficient cooking technologies (Outcome) A	0	0	US\$410K
Number of tons of sustainable charcoal or alternative biomass energy produced (Outcome) A	0	0	0

3.2 OBJECTIVE 2: LOCAL DELIVERY OF FOREST SERVICES AND SUSTAINABLE USE OF FORESTRY RESOURCES IN TARGETED AREAS IMPROVED

3.2.1 DEVELOPMENT OF FOREST MANAGEMENT PLANS FOR KANING'INA, BUNGANYA, AND MUA LIVULEZI FOREST RESERVES

During the quarter, MCHF supported the DoF to plan and conduct a series of stakeholder consultations to inform development of Forest Management Plans (FMP) for three forests reserves, each of which is presented below:

Kaning'ina Forest Reserve: MCHF supported the GoM to plan and facilitate a series of stakeholder consultations between October 18-23, 2021. These consultations were designed to engage and solicit inputs from relevant stakeholders, including the DoF Zone Office, Nkhata Bay District Forestry Office [DFO], Mzuzu Urban DFO, Traditional Authorities and their Group Village Heads, local forest organizations, Village Natural Resource Management Committees [VNRMCs], Area Development Committees [ADCs], Village Development Committees, surrounding communities, and the private sector—including the Northern Region Water Board, the Chikwina-Mpamba Water Users Association, among others. These consultations solicited stakeholder perceptions on the benefits people derive (or had previously derived) from Kaning'ina Forest Reserve (FR); documented challenges and concerns with the current management of the FR; and, obtained stakeholders' perspective on the actions that need to be taken to address deforestation and forest degradation. These consultations also provided an opportunity for MCHF to present the specific results from the NFI 2020 for the Kaning'ina FR, including biomass density and species diversity and distribution across the FR. MCHF also shared information on the extent of degradation in the FR, and in adjacent areas.

Building on the results of the forest inventory, forest assessments, and the results of these recent consultations, MCHF developed a first draft FMP, which was presented in December and revised to reflect feedback. The team will present the draft final Kaning'ina FMP to DoF leadership, and then more broadly to stakeholders in January 2022, before finalizing it in February 2022.

Bunganya Forest Reserve: During the quarter, MCHF supported the GoM to plan and facilitate a series of stakeholder consultations to inform development of an FMP for Bunganya FR. These consultations were conducted during November 2021, in communities surrounding Bunganya FR. Consultations engaged relevant stakeholders, including the DoF Zone Office, Mzuzu Urban DFO, Traditional Leaders, surrounding communities, and interested groups such as Mphalayi Beekeeping Cooperative, and solicited their perceptions on the benefits people derive (or had previously derived) from Bunganya FR; documented challenges and concerns with the current management of the forest reserve; and, obtained stakeholders' perspective on the actions that need to be taken to address deforestation and forest degradation. These consultations also provided an opportunity for MCHF to present the specific results from the NFI 2020 for the Bunganya FR. MCHF then used the results of these recent consultations, the forest inventory results, and the recent forest assessments to inform development of a draft FMP, which will be presented to the DoF for review in January 2022, after which it is expected to be revised and finalized in the second quarter.

Mua-Livulezi Forest Reserve: The Mua-Livulezi draft FMP, developed prior to the end of FY2021, was presented in November to the DoF Senior Management, and then later to the full group of forest co-management stakeholders, including traditional leaders, local forestry organizations, the District Council, Malawi Police Service (MPS), and Magistrates for feedback and comment. The FMP was subsequently revised to incorporate feedback and recommendations, prior

to being presented to the DoF for endorsement in December. We expect the FMP will be approved in January, after which it will be translated. In addition, over the next quarter, we expect to finalize development of the forest co-management agreement, including its translation, endorsement and dissemination (together with the approved FMP).

3.2.2 REVISION OF THE FOREST MANAGEMENT PLAN AND FOREST CO-MANAGEMENT AGREEMENT FOR PEREKEZI FOREST RESERVE

During the quarter, MCHF conducted a series of stakeholder consultations designed to review and solicit feedback on implementation to date of the Perekezi FMP and the Forest Co-Management Agreement. MCHF then organized a consultative stakeholder meeting on December 9, 2021 at the Mame hotel in Mzimba to present and discuss the results of these consultation. This was attended by the Director of Agriculture Environment and Natural Resources on behalf of the District Commissioner, ADC Chairperson for Mzikubola, Traditional Leaders, DFO and DoF, MPS, the Judiciary (Magistrate) and non-governmental organizations having an interest in conservation of Perekezi. This also provided an opportunity for MCHF to present the results of NFI 2020 for the Perekezi Forest Reserve, including a comparison with the 2016 inventory to understand carbon stock (and other) changes within the forest reserve. The outputs from these consultations, together with the update forest inventory data—complete with trends—are being used to update the Perekezi FMP and may also be used to strengthen the forest co-management agreement.

3.2.3 PROMOTING FOREST LANDSCAPE RESTORATION IN MCHF IDENTIFIED OF DEGRADATION/RESTORATION HOTSPOTS

In FY2022 Q1, MCHF continued to support implementation of prescribed forest management interventions, namely Assisted Natural Regeneration (ANR) and fire prevention activities in identified degradation/restoration sites (hotspots) in Dzalanyama, Mua-Livulezi, and Kaning'ina Forest Reserves. Over the quarter, MCHF Forestry Field Coordinators continued to support DoF extension staff, VNRMCS and community representatives to expand the application of ANR and fire prevention within the 15 degradation/restoration hotspots established in FY2021. These 15 hotspots total approximately 1,970 hectares and are located either within these FRs or in adjacent areas on customary land. In addition, during the quarter MCHF Forestry Field Coordinators worked with the DoF to identify and verify additional degradation/restoration hotspots in the target FRs of Kaning'ina, Bunganya, Perekezi, and Mua-Livulezi. In total, 15 additional hotspots were identified in these forest reserves, with an additional eight hotspots identified outside the Thuma and Dedza-Salima Escarpment FRs (totaling approximately 2,400 hectares). Beginning in FY2022 Q2, MCHF will support stakeholders to develop and implement action plans for each of these identified hotspot areas (each hotspot will be map-out with the potential restoration hectarage documented using Collect Earth).

3.2.4 CHARCOAL KILN MAPPING IN MCHF TARGETED FOREST RESERVES

During the reporting period, MCHF continued implementing the charcoal kiln mapping exercise, which included mapping and analysis of over 1,000 charcoal kilns digitized in Dzalanyama and Perekezi Forest Reserves in Google Earth Engine web application using high resolution satellite imagery. The baseline dataset was created using segmentation and pixel classification methods to identify all the charcoal kilns present in the high-resolution DigitalGlobe imagery (50 cm) for September 2018 obtained from the GeoCenter. This dataset then served as the basis for further investigation and analysis to examine whether the near-infrared patterns in Sentinel-2 imagery are distinct enough to be used to detect charcoal kilns in the lower resolution (10m) imagery. This initial

analysis focused on a few test sites that had many distinct kilns. Next, the initial findings from the exploratory analysis will be used to create a new dataset of charcoal kilns from the Sentinel-2 imagery. This will use the baseline established in the first step in conjunction with the dataset created during the map-a-thon with the MCHF team to expand the analysis to a more recent time period (2021) to be completed in FY2022 Q3.

3.2.5 MCHF ACCELERATOR PROGRAM COHORT 2 (FFE/FLR EARLY-STAGE ENTERPRISES)

During the quarter, MCHF continued efforts to implement a market systems approach that strengthens promising FFEs/FLR enterprises and value chains, around targeted forest areas. Specifically, MCHF conducted business development trainings to build the capacity of 20 ventures (early-stage enterprises, cooperatives and associations) participating in the MCHF AP Cohort 2. The trainings were designed to enhance business management skills of the entrepreneurs, particularly focused on business growth and scale. Two sessions were held covering the following topics: registration/formalization of cooperatives; models of land restoration; forest and land restorative movement; building a climate resilience business model; and, strategic planning in business and company impact (design, monitoring, and marketing). This first phase training was held from 13-14 October in Mzuzu using a hybrid approach (nine enterprises attending in person and the other 11 attending virtually) to accommodate participants unfamiliar with online technology. The second phase of the trainings was held from October 27-28 in Mzuzu and covered the following topics: financial modeling, product development, and supply chain management. All training materials were translated into Chichewa to benefit participants who do not understand English. The trainings continued through the quarter. Upon completion, each participant in the MCHF AP was matched with a mentor with relevant knowledge and experience in their respective value chain to further foster business skills and increase knowledge to support them to grow and sustain their businesses. The mentorship component of the MCHF AP is expected to be completed in the second quarter of FY2022.

3.2.6 SUPPORT TO MCHF PARTNERS TO APPLY FOR FUNDING THROUGH TERRAMATCH

In the first quarter of FY2022, MCHF assisted several partners including the Wildlife Action Group (WAG), KHP, and Sustainable Farming Solutions to apply for the second phase of the TerraMatch funding window. The three organizations are among 24 restoration businesses from Malawi invited to the second phase. If successful, these enterprises could access as much as US\$50,000 to US\$150,000 for early-stage projects and entrepreneurs and between US\$250,000 to US\$500,000 for growth stage projects and enterprises. MCHF has also been collecting information on companies engaged in Forestry Friendly and Forest Land Restoration activities to compile a database in advance of the WRI Land Accelerator and TerraMatch call for applications in FY2022.

FY2022 QUARTERLY, CUMULATIVE, AND TARGET RESULTS FOR OBJECTIVE 2 INDICATORS

PERFORMANCE INDICATOR	1 st QUARTER FY2022	CUMULATIVE FY2022 TO DATE	TARGET FY2022
Number of hectares of degraded landscapes under improved natural resources management as a result of USG (Outcome) A	0	0	3,500
Hectares of land that have received sustainable land management practices as a result of International Climate Finance (KPI 17)	0	0	18,087.77

PERFORMANCE INDICATOR	1 st QUARTER FY2022	CUMULATIVE FY2022 TO DATE	TARGET FY2022
Number of forest-friendly enterprises with documented increases in sales (<i>Outcome</i>) A	0	0	4
Number of people receiving livelihood co-benefits (monetary or nonmonetary) associated with implementation of USG sustainable landscape activities (<i>EG 13-5, Outcome</i>) A	0	0	15000
Number of people trained in climate change adaptation supported by USG assistance (<i>EG.11-1</i>) Output Q	49	49	810
Number of laws, policies, regulations or standards addressing climate change adaptation formally proposed, adopted or implemented as supported by USG assistance (<i>EG.11-3, Output or Outcome</i>) Q	0	0	6

3.3 OBJECTIVE 3: REGULATORY AND ENFORCEMENT FRAMEWORKS STRENGTHENED TO SUPPORT SUSTAINABLE WOODFUEL PRODUCTION AND USE

3.3.1 DEVELOPMENT OF CHARCOAL REGULATIONS AND FORESTRY CRIMES SENTENCING GUIDELINES

During the quarter, MCHF continued to support the DoF and the Ministry of Forestry and Natural Resources to follow-up with the Ministry of Justice regarding the vetting of the Charcoal Regulations (finalized and officially submitted by the Ministry of Forestry and Natural Resources to the Ministry of Justice in the fourth quarter of FY2021) and the draft Sentencing Guidelines (submitted by the Ministry of Forestry and Natural Resources to the Ministry of Justice in the fourth quarter of FY2021). Based on feedback received in early January 2022, we expect the Charcoal Regulations to be approved and finalized in the second quarter of FY2022, and the draft Sentencing Guidelines to undergo a process of technical review and stakeholder consultation in the second quarter of FY2022, prior to be finalized.

3.3.2 IMPROVED CAPACITY FOR FOREST LAW ENFORCEMENT

In FY2022 Q1, MCHF continued to support the DoF and the MPS to strengthen the legal and regulatory framework and build associated capacity for improved regulation and enforcement. Specifically, MCHF engaged with several law enforcement agencies to strengthen the regulatory and enforcement framework as follows:

- In October, MCHF supported the DoF to engage with the Interagency Committee on Combatting Wildlife Crime. This enabled DoF to present an update on their law enforcement strategy, and to highlight progress and obstacles to-date. Also in attendance was the Anti-Corruption Bureau (ACB) who presented the National Anti-Corruption Strategy II (NACS II). The meeting concluded with a joint recommendation that the DoF should establish an Institutional Integrity Committee to comply with Malawi's NACS II. Following this recommendation (and pending confirmation from the DoF Director), MCHF agreed to collaborate with the ACB to support the DoF to set-up an Institutional Integrity Committee as a way of equipping both agencies to begin addressing institutional corruption within the forestry sector.

- In November, MCHF worked with the Senior Assistant Chief State Advocate in the Directorate of Public Prosecutions to develop training materials to assist partners to better interpret and inform the application of the asset forfeiture provisions in the amended Forestry Act. The materials were used in training provided to regional prosecutors in December (Southern Region at Crossroads Hotel in Blantyre, from December 2-3, 2021; Central Region at Linde Hotel in Mponela, from December 6-7, 2022; and, Northern Region at Grand Palace Hotel in Mzuzu, from December 9-10, 2022). Eighty-two prosecutors participated in the training and were provided with copies of the manual for model charges and other source/reference documents to support improved prosecution of forestry and wildlife offences in Malawi.

In addition, MCHF worked with the DoF's law enforcement focal point to discuss options to better support the DoF (and other actors) to further improve regulation and enforcement, including:

- Joint coordination for movement of exhibits to court for proceedings (e.g., motor vehicles seized as instruments of crime);
- Working closely with MPS investigators to confirm ownership of seized vehicles;
- Working with journalists to investigate cases of apparent political interference;
- Working with the ACB to periodically report cases involving political interferences and institutional corruption; and
- Working with investigative journalists and the media to report on forestry law enforcement successes.

3.3.3 FORESTRY CASE CONVICTION RATE BASELINE AND FY2021 REPORTING

In early FY2022, MCHF finalized the baseline and FY2021 reporting for the percent change in the annual conviction rate for illegal charcoal and other forestry crimes performance indicator. During the calculation process, MCHF discovered limitations in the current Performance Indicator Reference Sheets, which reads, "the conviction rate will be expressed as a percentage, where the numerator is number of convictions and the denominator is the number of people charged" (noting that "the conviction rate will only consider people charged with or convicted of violations to the 1997 Forestry Act and/or its Amendment or subsidiary legislation/regulations"). This definition neither considers acquittals and unresolved / pending cases nor adequately reflects the accuracy of the results, nor of the actual change realized in FY2021. To accurately measure changes in the conviction rate, MCHF consulted USAID on possible ways forward. There are two proposed options: revise the indicator definition or design an alternative way to measure the indicator. MCHF began exploring the possibility of using a scorecard, which would allow the project to report on other important aspects, possibly including:

- Change in the percentage of people convicted and receiving a fine; and, the change in average value of the fine;
- Change in the percentage of people convicted and receiving custodial sentences; and, the change in the average duration of the custodial sentence;
- Change in the percentage of people convicted and receiving community service; and, the change in the percentage of people convicted and receiving suspended sentences; and

- Change in the percentage of people acquitted;
- Change in the number of vehicles (and other assets) forfeited.

MCHF anticipates working with USAID and FCDO to conclude revisions to the “conviction rate indicator” in the second quarter of FY2022 (which will be included in the revised MCHF AMELP).

3.3.4 POLITICAL ECONOMY ANALYSIS

In the reporting period, MCHF finalized the Political Economy Analysis (PEA) of the charcoal value chain and presented the findings/results to of USAID and FCDO on December 16, 2021. The study found prevalent corruption in the charcoal trade, which often involves political and bureaucratic elites. The study proposed a mutually inclusive approach in addressing illegal charcoal production, transportation and sale through increased regulation and enforcement, promotion of AE/FE, livelihoods promotion, increased production of legal licensed charcoal, and identification and promotion of local champions advocating for reform. Given the limitations faced in undertaking this study, there remain some unanswered questions and analytical gaps that warrant further investigation once the situation in Malawi allows. These gaps include:

- Although the PEA report outlines broadly the stakeholders within the charcoal value chain and their interests, a more granular level of detail regarding the connections and relationships between certain stakeholders and institutions would provide a more comprehensive understanding of the political landscape.
- There appears to be some indication of the emergence of “brokers” in the value chain. Further investigation into where these brokers are, the reasons for their emergence, and what this might mean for the charcoal sector is critical. A greater understanding of this could reveal new opportunities for MCHF intervention or support.
- The landscape-level research did not find clear triangulated evidence on the dynamic between forestry personnel and police staff at the local level; that is, whether there are entrenched, intentional collaborations across the institutions, or individualized, ad hoc instances of corruption. It is worth investigating further the dynamic between Malawi Police Service (MPS) and Forestry staff at the roadblocks—the jurisdictional boundaries and power relations—but also evidence of corrupt collaboration supporting the illicit charcoal trade.
- To ensure that program delivery continues to take account of the political realities on the ground, and that any potential opportunities are seized when they arise, it is important that the MCHF team keep apprised regarding the social, political, and economic landscape in Malawi. Thus, on a routine basis and at key points in the program cycle—for example when drawing up a new annual work plan—it is important to take stock of the political landscape and update any previous analysis based on any changes to these factors.
- Using the information now available about stakeholders and their interests, including information on potential champions, existing and emerging change-makers who can influence MCHF outcomes can be identified on an ongoing basis.

3.3.5 SOUNDING THE ALARM: MALAWI'S FORESTS ON THE BRINK (AN INVESTIGATIVE DOSSIER, PART ONE)

In a strategic effort to raise awareness of the growing deforestation crisis, and to begin tackling the issues of systemic institutional corruption and political interference, MCHF worked with the Association of Environmental Journalists (AEJ) to co-design an activity that supports journalists to undertake fact-based reporting and investigative journalism on the forestry sector. Through this

cooperation an initial group of six journalists were selected and supported with data/contacts and other relevant information. Each journalist conducted independent research and worked with their respective editors and media houses to publish investigative reports. This included reporting in print and online newspapers, radio and television, profiling aspects of the growing deforestation crisis, with multiple journalists highlighting the issue of systemic institutional corruption.

By the end of the quarter, MCHF and the AEJ expect to finalize the compilation of the various investigative reports, together with facts and figures on the forest sector, and expert opinion pieces into a dossier (titled “Sounding the Alarm: Malawi’s forests on the brink”). The dossier is expected to be released in February 2022, in a high-profile event that will bring together the media and sectoral specialists with a range of high-level stakeholders to draw attention to the crisis and foster commitment to take action. Participants in the launch event are expected to include: Parliamentarians, the Director General of the Anti-Corruption Bureau (Ms. Martha Chizuma, who was recognized by the U.S. Dept. of State as one of 12 international Anticorruption Champions); the Minister of Forestry and Natural Resources, Honorable Nancy Tembo; Departmental Directors; Malawi Police Service; the media; and, other civil society stakeholders.

FY2022 QUARTERLY, CUMULATIVE, AND TARGET RESULTS FOR OBJECTIVE 3 INDICATORS

PERFORMANCE INDICATOR	1 st QUARTER FY2022	CUMULATIVE FY2022 TO DATE	TARGET FY2022
Number of laws, policies, regulations, or standards addressing sustainable landscapes formally proposed, adopted, or implemented as supported by USG assistance (EG13-3, Output or Outcome) Q	2	2	14
Percent change in annual conviction rate for illegal charcoal and other forestry crime activities (Outcome) A	0	0	15%
Number of organizations that have advanced their advocacy capacity A	0	0	2

3.4 OBJECTIVE 4: GOVERNMENT OF MALAWI’S IMPLEMENTATION CAPACITY OF LOW EMISSIONS DEVELOPMENT IN REDD+ AND/OR OTHER LAND USE INCREASED

3.4.1 SUPPORT THE GOM TO CARRY OUT THE NATIONAL FOREST INVENTORY

During the quarter, MCHF continued to support the GoM with the NFI2021. Specifically, the project supported the GoM to finalize field implementation of the second phase of the NFI2021 (co-financed by the DoF and MCHF). In total, 249 plots were established and inventoried in Kasungu National Park, Chimaliro, South Viphya, Mtangatanga, and Mkuwazi Forest Reserves. In addition, MCHF supported the DoF with data entry and analysis. The analysis will be completed in January and the draft report is expected to be circulated for review in the first week of February. Prior to the end of the quarter, MCHF also supported the DoF to develop standard operating procedures to guide the generation of the NFI sample points. These SOPs are under review and are expected to be finalized, endorsed, and integrated into the operations of the National Monitoring Unit in the second quarter. In addition, MCHF worked with the DoF to finalize development of a “flipbook” to be used for training community members and other stakeholders on the NFI. Lastly, MCHF initiated the formation of a small, focused technical working group to support the improvement of Malawi’s

Forest Reference Level (FRL). The constitution and establishment of the FRL working group is expected to be completed and the work initiated in the second quarter of FY2022.

3.4.2 CONTINUE SUPPORTING WAG TO ENGAGE IN AND BENEFIT FROM REDD+

Throughout the quarter, MCHF continued efforts to support the WAG to engage in and benefit from REDD+, either through development of a jurisdictional REDD+ project, or by informing their partnership with a REDD+ carbon project developer. This included:

- Development and review, with WAG of an initial rapid assessment of potential carbon benefits from the Thuma Forest Reserve and the Dedza-Salima Escarpment Forest Reserve.
- With WAG, an iterative compilation of data needed to inform development, which included but was not limited to:
 - A list of any activity implemented/to be implemented that could increase, decrease, or reduce the decrease of forest biomass (e.g., forest protection activities, plantings)
 - For each activity, the area (size and location) where it is / will be implemented
 - For each activity, the implementation timeline (e.g., when is the first year, is it a recurring activity, is it maintained in perpetuity vs a one-time action)
 - Brief justification of why the activity is expected to increase, decrease, or reduce the decrease of forest biomass
 - Brief description of how this activity might affect biomass increase or decrease outside the project area (e.g., fuelwood collection is halted in the project area because of patrolling but can be expected to increase in a nearby forested area, vs fuelwood collection is halted in the project area because alternatives to fuelwood are provided and fuelwood needs are met without increasing collection elsewhere)
 - The area (size) expected to be impacted by the project (i.e., project area), indicating if it is within the Forest Reserve or other “official” forest designation
 - Identification of the stakeholders involved and/or affected by the project (e.g., who is responsible for managing the project area, who is using the project area, who is driving the current increase or decrease in forest biomass)
 - Insights on whether similarly managed forest areas can be found outside the project area, or whether there are forests that could represent how the forests in the project area would look like in the absence of the project activities

In addition, using the NFI2020 results for the two forest reserves, and the results of the deforestation assessment for the Central Landscape, MCHF produced preliminary deforestation estimates for the two reserves, which will be reviewed, revised and finalized in the second quarter of FY2022.

3.4.2 BUILDING GOM'S FOREST MONITORING CAPACITY BY EQUIPPING THE NATIONAL MONITORING UNIT

During the quarter, MCHF continued to support the DoF to institutionalize the National Monitoring Unit (NMU). MCHF supported the DoF in standardizing tools and approaches for the NMU, as well as subnational resource management entities like the Zone Offices and the DFOs. MCHF supported the DoF to develop a draft standard operating procedure for plot allocation and NFI data analysis, which will be finalized in the next quarter. A report on the National Forest Monitoring System Strategy was circulated to key stakeholders to obtain feedback on the priorities earmarked for the five NMU pillars: 1) Long-Term Land Cover Change in All Lands, 2) Forest Management and Landscape Restoration, 3) Biomass Energy Chains, 4) Safeguards, and 5) Documentation and

Archiving. In addition, MCHF worked with the DoF to compile a list a of hardware, software, forest inventory equipment and office/lab furniture needed to fully operationalize the NMU. MCHF will solicit quotes for these items and expects to present a plan to equip the NMU before the end of the second quarter.

FY2022 QUARTERLY, CUMULATIVE, AND TARGET RESULTS FOR OBJECTIVE 4 INDICATORS

PERFORMANCE INDICATOR	1 st QUARTER FY2022	CUMULATIVE FY2022 TO DATE	TARGET FY2022
Number of institutions with improved capacities to address sustainable landscapes issues as supported by USG assistance (EG 13-2, Output) Q	0	0	13
Number of discrete approaches developed and implemented for forest landscape management and monitoring (Outcome) Q	0	0	1
Number of people trained in sustainable landscapes supported by USG assistance (EG 13-1, Output) Q	126	126	1,550

3.5 OBJECTIVE 5: INTERVENTIONS LEVERAGED WITH USAID AND OTHER DEVELOPMENT PARTNERS

In the first quarter of FY2022, MCHF continued engaging with a range of development partners, implementing partners, counterparts, private entities, and other actors to identify strategic integration opportunities that will leverage resources (material, technical and financial), expand implementation, and help to sustain activities and results. These integration activities will continue to evolve over the balance of FY2022; we highlight several below:

3.5.1 ENGAGEMENT WITH DOF (SUPPORT FOR THE INAUGURATION OF THE NATIONAL FORESTRY SEASON, NFS 2021/2022)

In FY2022 Q1, MCHF continued to collaborate with the DoF in preparation for the inauguration of the National Forest Season (NFS). Specifically, MCHF provided technical and financial assistance to support the DoF to develop and produce communications materials, including a Forestry Calendar, an ANR calendar, Guidelines for Successful Tree Planting and Forest Restoration in Malawi, and public service announcements. MCHF also translated the Forestry Calendar and ANR Calendar into Chichewa, Chitumbuka, Chitonga, Chilomwe, and Chiyao. In addition, MCHF commissioned Homeline Media for a three-video documentary film series on charcoal-driven deforestation as part of the communications materials in support of the NFS.

3.5.2 ENGAGEMENT WITH THE ASSOCIATION OF ENVIRONMENTAL JOURNALISTS

During the quarter, MCHF supported the Association of Environmental Journalists (AEJ) in planning for the Association's Annual General Conference which took place from 9-11 December 2021 in Lilongwe. Over 80 journalists from national and community media houses including community radio stations from the MCHF landscapes participated in the event. MCHF supported to the AEJ included the venue, visibility materials (e.g., banners), and a digital camera for the Green Media Award ceremony that took place on the evening of 10 December where the Minister of Forestry and Natural Resources, Honorable Nancy Tembo was the guest of honor. During the Green Media Award ceremony, MCHF supported the AEJ to conduct a panel discussion focusing on the deforestation crisis and Government's efforts to address the situation. The panelists included Dr.

Clement Chilima (Director of the DoF), Dorothy Tembo Nhlema (Director of Programs at the LWT), and Mr. Saidi Banda (Assistant Director at the Department of Energy).

FY2022 QUARTERLY, CUMULATIVE, AND TARGET RESULTS FOR OBJECTIVE 5 INDICATORS

PERFORMANCE INDICATOR	1 st QUARTER FY2022	CUMULATIVE FY2022	TARGET FY2022
Number of discrete integration opportunities successfully implemented with USAID and other development partner activities (<i>Output</i>) Q	1	1	9
Amount of investment mobilized (in USD) for sustainable landscapes as supported by USG assistance (<i>EG 13-4, Outcome</i>) Q	0	0	US\$ 2.2M

4.0 CROSS-CUTTING PROJECT SUPPORT

In accordance with the FY2022 AWP, MCHF made considerable progress advancing cross-cutting project support activities throughout the first quarter of FY2022, including the efforts described below:

4.1 MONITORING, EVALUATION, AND LEARNING

During the quarter, MCHF continued to implement its approved AMELP. On December 3, 2021, the MEL Specialist delivered a MEL refresher training to all MCHF staff as part of the staff orientation and training. The objective of the training was to reinforce the systems, processes, and responsibilities for monitoring data collection. This also enabled the MEL Specialist to emphasize MEL aspects addressed as part of the recent data quality assessment conducted by USAID.

In addition, during the reporting period, MCHF provided assistance to International Business & Technical Consultants, Inc., who was contracted by USAID to carry-out an independent verification exercise for the one fee-tied indicator with a result reported in FY2022: *Percent change in annual conviction rate for illegal charcoal and other forestry crime activities.*

4.2 GRANTS MANAGEMENT

In FY2022 Q1, MCHF continued to manage its first solicitation under the MCCF, released on November 26, 2020. The MCCF is a \$1.1M Performance-Based Grant fund designed to increase the supply of, and demand for alternative cooking energies and fuel-efficient cooking technologies in Malawi, as well as the supply of sustainable wood fuels from well-managed forest resources. The MCCF is structured to support and improve adoption of market-based improved cookstove and sustainable fuel supply chain solutions in urban areas of Malawi (Window 1), and the delivery and adoption of fuel-efficient cooking technologies in select rural areas (Window 2).

In the quarter, MCHF signed grant agreements with three grantees (KHP, Maeve, and Phata Cooperative) bringing the total number of grants awarded by MCHF to five. Currently MCHF is working on finalizing a grant agreement for Dziwani Investments (the grant package: budget, negotiation memorandum, and Environmental Review Form have already been approved by USAID).

MCHF is also working to award small matching grants under the mHub Accelerator Program. MCHF will complete its request for approval packages for RFA002 applicants under the matching grant program (negotiation memorandum, draft grant agreement, and environmental review) for USAID approval in the month of January. In addition, MCHF drafted an Annual Program Statement (APS), an instrument to be used to solicit concept papers and proposals from the private sector. Selected firms will be provided with bundled support to selected value chain actors operating within the MCHF target landscapes. The APS aims to assist these private sector value chain actors in scaling up their operations in the buffer zones of MCHF-targeted forestry reserves.

4.3 COMMUNICATIONS AND OUTREACH

The MCHF Communications Strategy supports implementation of activities across project objectives and intermediate results to support achievement of MCHF objectives and indicator targets. Specifically, implementation of the Communications Strategy aims to: a) increase information, awareness and promote adoption of AE/FE cooking technologies; b) increase information and raise awareness of the role and benefits of forest management as well as FLR; c) raise awareness of the

Forestry Amendment Act, associated regulations and guidelines to deter illegal forest activities; and d) enhance use of data and analyses from the forestry and restoration sectors in policy and decision making. During the quarter, MCHF continued to implement the strategy and below is a summary of key activities implemented under Objectives 1, 2, and 3.

4.3.1 OBJECTIVE 1: SOCIAL MARKETING BEHAVIOR CHANGE

MCHF Social Marketing Behavior Change (SMBC) interventions mainly support implementation of activities under Objective 1 to reduce urban household demand for illegal and unsustainably produced charcoal. The activities aim to: i) raise awareness of the linkage between illegal and unsustainably produced charcoal and energy security as well as other impacts brought about by deforestation; ii) increase knowledge on the benefits of adopting AE and FE cooking technologies in the urban areas of Blantyre, Zomba, Lilongwe, and Mzuzu; and, iii) improve skills and motivation on use of AE and FE cooking technologies through cooking demonstrations, and fuel and cookstove testing. The goal of MCHF SMBC activities is to raise awareness, address barriers including affordability, accessibility, and acceptability to influence positive change in current cooking related KAP on AE sources and FE cooking technologies and drive adoption of clean cooking methods in the urban centers of charcoal demand.

In FY2022 Q1, MCHF developed a brochure designed to raise awareness and support adoption of LPG by urban households. The brochure provides information on: (a) how to safely transport a LPG cylinder; (b) how to use a gas burner for cooking; and, (c) what to do in case of a gas leak. The brochure, developed with inputs from LPG value chain actors (including importers, distributors, and the regulator) to address key barriers to adoption (including safety-related fears). The brochure was provided to partners and subsequently disseminated by multiple LPG importers and distributors, as well as by MERA.

4.3.2 OBJECTIVE 2, 3, AND 4: ADVOCACY AND AWARENESS

In line with activities contained in the Communications Strategy, during the quarter, MCHF continued to use a variety of advocacy strategies to inform and motivate policy and decision makers to strengthen the enabling environment for the forestry sector. This included a series of panel discussions supported by MCHF (but led by partners) to inform and educate various target audiences. A panel discussion on the energy-forestry nexus was conducted at the Zodiak Broadcasting Station (both radio and television) in Lilongwe on October 14, 2021. The discussion targeted urban households, presented challenges, and discussed the role of urban charcoal consumers in driving deforestation and forest degradation. In December, MCHF (through its subcontractor CEPA) recorded a second panel discussion on Malawi Broadcasting Corporation Radio 1, which aired on December 1, 8, and 15. The discussion targeted urban households with a focus on the impacts of charcoal-led deforestation and forest degradation. This also touched on the transition to cleaner cooking solutions, and discussed the penalties associated with various crimes under the amended Forestry Act,

As part of its advocacy and outreach strategy, MCHF supported the development and airing of two public service announcements on Zodiak Broadcasting Station intended to: (1) raise awareness of the revised penalties for forest crimes; (2) discourage communities from buying and cooking using illegal charcoal to help reduce deforestation; (3) promote use of licensed and sustainably produced charcoal; and (4) encourage communities around forest reserves to report suspected illegal forest activities.

Furthermore, MCHF supported the Association for Environmental Journalists to facilitate a panel discussion on October 22, 2021 as part of the Green Climate Awareness March, which focused on advocating for the climate finance pledged by developed countries under the Paris Agreement to assist in climate adaptation and mitigation efforts in lesser developed countries.

4.3.3 MCHF ACTIVITY LEVEL COMMUNICATIONS

In October, MCHF designed and facilitated a consultative communications workshop with key stakeholders and partners (including DoF, MPS, ACB, CEPA, LWT, mHub and WRI). This event enabled MCHF to present the Communications Strategy, which included the goal and objectives; communication priorities segmented by target audience; and, key messages, communication channels and tools. The consultation aimed to solicit input to strengthen the MCHF Communications Strategy and leverage partner experience, resources, and engagement to enhance the quality and scale of delivery across project objectives. One output of the workshop was a proposal to design and deliver coordinated outreach, advocacy, and trainings—both regionally and with the traditional leader level—within the MCHF Landscapes. These outreach and training activities, which will engage DoF, MPS and ACB, among others, to publicize and orient local-level stakeholders to the amended Forestry Act, raise awareness of forest values and the impacts of deforestation, define corruption and present options to notify the responsible authorities of corrupt practices. This suite of integrated communication activities are expected to begin rolling-out in the second half of March 2022.

As part of MCHF’s activity level communications, in the reporting period, MCHF drafted three success stories that will be finalized and disseminate in early FY2022 Q2. The success stories will focus on: the progress in strengthening law enforcement to protect Malawi’s forests; start-up accelerator support to early-stage entrepreneurs in the cooking energy subsector; and, building of demand for and enhancing production of legal licensed charcoal.

FY2022 QUARTERLY, CUMULATIVE, AND TARGET RESULTS FOR CROSS-CUTTING INDICATORS

PERFORMANCE INDICATOR	1 st QUARTER FY2022	CUMULATIVE FY2022	TARGET FY2022
Percent of female participants in USG-assisted programs designed to increase access to productive economic resources (assets, credit, income, or employment) (GNDR-2, Output) A	0	0	50%
Number of youth-led enterprises supported with USG assistance (USAID/Malawi Country Development Coordination Strategy, Outcome)	0	0	5

APPENDICES

APPENDIX I: MCHF DELIVERABLE TRACKER

	REPORT/DELIVERABLE TITLE	DATE DUE	REVISED DUE DATE (IF ANY)	DATE SUBMITTED	DATE OF USAID COMMENTS (IF ANY)	DATE OF FINAL SUBMITTAL (IF ANY)	DATE APPROVED (WRITTEN)
FY2020							
	Mobilization Plan	30-Oct-19		30-Oct-19			26-Nov-19
	Monthly Update Report (October 2020)	15-Nov-19		15-Nov-19			19-Nov-19
	Draft FY2020 Annual Work Plan	29-Nov-19		29-Nov-19	18-Dec-20		N/A
	Environmental Mitigation and Monitoring Plan (EMMP)	29-Nov-19	09-Jan-20	09-Jan-20	13-Feb-20 20-Mar-20	23-Feb-20 14-May-20	21-May-20
	Monthly Update Report (November 2020)	15-Dec-19		12-Dec-19			12-Dec-2019
	Quarter 1 Accruals	15-Dec-19		13-Dec-19			N/A
	Activity Monitoring, Evaluation, and Learning Plan (AMELP)	29-Dec-19	09-Jan-20	07-Jan-20	31-Jan-20 31-Mar-20 21-May-20	24-June-20	03-Jul-20
	Final FY2020 Annual Work Plan	29-Dec-19	20-Jan-20	20-Jan-20	25-Mar-20 21-May-20	12-June-20	25-Jun-20
	Baseline Report	29-Dec-19	09-Jan-20	09-Jan-20			04-Mar-20
	Grants Under Contract (GUC) Manual	29-Dec-19	09-Jan-20	07-Jan-20	25-Feb-20 (verbal) 03-Mar-20 (written)	05-June-20	31-July-20
	Quarter 1 Progress Report	31-Jan-20		30-Jan-20			12-Feb-20
	Quarter 1 Financial Report	31-Jan-20		30-Jan-20			12-Feb-20
	Monthly Update Report (January 2020)	15-Feb-20		15-Feb-20			18-Feb-20
	Monthly Update Report (February 2020)	15-Mar-20		15-Mar-20			16-Mar-20
	Quarter 2 Accruals	16-Mar-20		16-Mar-20			N/A
	Quarter 2 Progress Report	30-Apr-20		30-Apr-20			19-May-20
	Quarter 2 Financial Report	30-Apr-20		30-Apr-20			30-Apr-20
	Monthly Update Report (April 2020)	15-May-20		15-May-20			19-May-20
	Monthly Update Report (May 2020)	15-Jun-20		14-June-20			15-Jun-20
	Quarter 3 Accruals	16-Jun-20		16-June-20			N/A
	Quarter 3 Progress Report	31-Jul-20		30-July-20			18-Aug-20
	Quarter 3 Financial Report	31-Jul-20		29-July-20			4-Aug-20
	Monthly Update Report (July 2020)	15-Aug-20		15-Aug-20			17-Aug-20
	Monthly Update Report (August 2020)	15-Sep-20	18-Aug-20	18-Aug-20			18-Aug-20
	Quarter 4 Accruals	15-Sep-20		09-Sept-20			N/A

REPORT/DELIVERABLE TITLE	DATE DUE	REVISED DUE DATE (IF ANY)	DATE SUBMITTED	DATE OF USAID COMMENTS (IF ANY)	DATE OF FINAL SUBMITTAL (IF ANY)	DATE APPROVED (WRITTEN)
FY 2021 Annual Work Plan	30-Sep-20		16-Sep-20	30-Sep-20	01-Oct-20	25-Jan-21
FY 2020 Annual Activity Report	30-Oct-20	04-Nov-20	04-Nov-20	04-Dec-20	N/A	26-Jan-21
Monthly Update Report (October 2020)	15-Nov-20		14-Nov-20			17-Nov-20
Monthly Update Report (November 2020)	15-Dec-20	16-Dec-20	16-Dec-20			26-Jan-21
FY2021 Quarter 1 Progress Report	30-Jan-21		29-Jan-21			16-Apr-21
FY2021 Quarter 1 Financial Report	30-Jan-21		29-Jan-21			03-Feb-21
Monthly Update Report (January 2021)	15-Feb-21		15-Feb-21			25-Feb-21
Quarter 2 Accruals (FY2021)	15-Mar-21		12-Mar-21			N/A
Monthly Update Report (February 2021)	15-Mar-21		15-Mar-21			
MCHF Site-Based Forest Inventory Analysis (NFI2020)	N/A		24-Mar-21			09-Apr-21
Ethanol Cooking Scoping Report	N/A		23-Apr-21			02-Jun-21
Urban Cooking Energy Consumer Market Research and Baseline Survey	N/A		24-Apr-21			02-Jun-21
Quarter 2 Progress Report	30-Apr-21	03-May-21	03-May-21			02-Jun-21
Quarter 2 Financial Report	30-Apr-21		30-Apr-21	04-May-21		19-May-21
Monthly Update Report (May 2021)	15-Jun-21		14-Jun-21	15-Jun-21	N/A	27-Jul-21
Quarter 3 Accruals (FY2021)	17-Jun-21		17-Jun-21			N/A
EMMP Amendment One			28-Jun-21			20-Jul-21
Quarter 3 Progress Report	30-Jul-21		29-Jul-21	19-Aug-21	21-Aug-21	25-Aug-21
Quarter 3 Financial Report	30-Jul-21		29-Jul-21			08-Aug-21
Monthly Update Report (July 2021)	15-Jun-21		14-Jun-21			14-Sept-21
Monthly Update Report (August 2021)	15-Aug-21					14-Sep-21
Draft FY2022 Annual Work Plan	31-Aug-21		31-Aug-21			N/A
FY 2022 Annual Work Plan	30-Sep-21	06-Oct-21	06-Oct-21		28-Oct-21	02-12-21
Forest Friendly Value Chain Assessment	N/A		10-Oct-21			03-12-21
Quarter 4 Financial Report	30-Oct-21	08-Nov-21	08-Nov-21			16-Nov-21
FY2021 Annual Activity Report	30-Oct-21	08-Nov-21	08-Nov-21			TBD
Monthly Update Report (October 2021)	15-Nov-21		13-Nov-21			TBD
Monthly Update Report (November 2021)	15-Dec-21		13-Dec-21			TBD
FY2022 Quarter 1 Progress Report	30-Jan-22		30-Jan-2022			TBD

APPENDIX 2: COMMUNICATIONS OUTPUTS (ILLUSTRATIVE)

Happy Mother's day

This Mother's Day
treat your mother
to a cleaner cooking
experience;
and treat Mother
Malawi at the
same time.

#saveourforests
#cookcleaner

USAID FROM THE AMERICAN PEOPLE

UKaid From the British people



PRODUCTION AND DISTRIBUTION OF UNLICENSED CHARCOAL IS A CRIME PUNISHABLE BY LAW!



Fines of up to **MWK10,000,000.00**



Up to **20 years imprisonment**



Forfeiture of vehicles used in the transportation of illegal charcoal.

REPORT FOREST CRIMES. SAY NO TO ILLEGAL CHARCOAL!



#OurForestsOurFuture

www.cepa.org.mw



DEPARTMENT OF FORESTRY

Guidelines for Successful Tree Planting and Forest Restoration in Malawi

1. **PROTECT EXISTING FORESTS FIRST:** Keeping forests in their original state is always preferable; undamaged old forests soak up carbon better and are more resilient to fire, storm and droughts.
2. **USE NATURAL FOREST REGROWTH WHEREVER POSSIBLE:** Letting trees grow back naturally with limited assistance (and protection) is often cheaper, more efficient and more effective than planting trees.
3. **SELECT THE RIGHT AREA FOR REFORESTATION:** Plant trees in areas that were historically forested but have become degraded, rather than planting trees in other natural habitats (such as grasslands, wetlands, etc.). And strategically plant elsewhere for specific purposes (e.g., soil fertility on farm, fruit on farm/homestead, wind breaks, stream bank protection, etc.).
4. **SELECT THE RIGHT TREE SPECIES FOR THE RIGHT LOCATION:** Where tree planting is needed, picking the right trees is crucial. Scientists advise a mixture of tree species naturally found in the local area, including some rare species and trees of economic importance, but avoiding trees that might become invasive.
5. **MAKE SURE THE TREES ARE RESILIENT TO A CHANGING CLIMATE:** Use tree seeds/seedlings that are suitable for the local climate and how that may be expected to change in the future.
6. **MAKE TREE-PLANTING DEMAND-DRIVEN:** Local stakeholders must drive and own tree planting efforts. It is often local people who have most to gain from looking after the trees planted in the future (and similarly, it is local people who are at greatest risk from unwanted tree planting).
7. **PLAN AHEAD:** Plan well in advance to ensure you can source seeds, sow seeds, establish nurseries, prepare transplanting pits and outplant trees early in the rainy season (see DoF Forestry Calendar for recommendations). But first, work with local people to define the planting/reforestation goals, confirm the timeline, management requirements, and roles and responsibilities. Lastly, plan to plant only what you can manage (to reduce waste).
8. **PLAN AND COMMIT FOR THE LONG-TERM:** Tree planting is not a one-off-event, it is a long-term commitment that may require 5, 10 or 20 years to “pay-off”. Ensuring that planted trees are well managed, survive, and are able to deliver the desired products/services requires a long-term commitment.
9. **LEARN BY DOING:** Combine scientific knowledge with local knowledge. Ideally, small-scale trials should take place before planting large numbers of trees. Monitor, learn, adapt, then scale-up where and when feasible.
10. **MAKE TREE PLANTING PAY (AND MAKE IT PAY OVER-TIME):** The long-term success of tree planting depends to a large extent on the ability of the tree planting effort to provide multiple benefits to key stakeholders (and especially local stakeholders), over time. This can include livelihood (non-monetary) benefits and monetary benefits. Generally, speaking stakeholders must value these benefits over changing the landuse (e.g., from forest to agriculture).

Adapted from Briggs, H. (January 26, 2021). “Scientists address myths over large-scale tree planting,” BBC. Available: <https://www.bbc.com/news/science-environment-55795816>



U.S. Agency for International Development

1300 Pennsylvania Avenue, NW

Washington, DC 20523

Tel: (202) 712-0000

Fax: (202) 216-3524

www.usaid.gov