

A. Sector Analysis

1. Current situation and major challenges of the sector:

The environment and natural resources play a very significant role in influencing social and economic development at both household and national levels. Environment and natural resources form a bedrock of Malawi's agro-based economy. Malawi currently faces an environmental and natural resources cycle of decline and degradation. The challenges are complex and interrelated, but there are two underlying drivers behind this decline. Population growth places huge demands on natural systems with more land being converted to agriculture and more forests being harvested for the wood fuel supply. Climate change magnifies these impacts by putting greater strain on land and forests due to increased incidents of natural disasters and extreme weather events. The degradation of environment and natural resources has an effect on the economy of the country. Therefore, it is important to address the factors that lead to environmental degradation and restore the environment. It is against this background that Enabler 7 of Environmental Sustainability, in the Malawi 2063 is putting environmental sustainability at central in order to have a country that is clean, secure and safe sustainable environment.

Environment and natural resources comprise of many components. This paper mainly focuses on forest conservation and management. Forests provide essential services that are critical to preventing land degradation and climate change as well as conserve wetlands and fresh water systems, which are a foundation of rich biodiversity. Furthermore, forests support sustainable livelihoods. Despite that the country has been promoting forest conservation and management methods, deforestation is still high in Malawi. The main drivers of forest degradation in Malawi are charcoal production, firewood production, infrastructure development, timber production and agricultural expansion. Charcoal production and is currently the single most significant driver of forest degradation. According to the National Charcoal Strategy (NCS) 2017-2027, more than 96% of households in the country rely on charcoal and firewood as their primary cooking fuel. In Malawi, it is reported that deforestation is estimated to be responsible for the loss of about 33,000 hectares per year. As a result of these deforestations, Malawi continues to experience natural disasters, loss of soil and water due to unsustainable use of these forests. Furthermore, loss of soil and water cause the decline in their productivity to perform their functions. In Malawi, the loss of these resources affects the generation of electricity due to low water levels and silt deposits in Shire River. It is imperative that forests are sustainably managed. Basing on this, the government of Japan through JICA has been and continue to support the government of Malawi in natural resources conservation management technical projects. These projects among others include the project for Promoting Catchment Management Activities in the Middle Shire (COVAMS) I and II, Project for Conservation and Sustainable Management of Dzalanyama, Forest Conservation and Sustainable Management of Forest Resources in Southern Africa (SADC-JICA forestry project) and Project for Establishment of a Sustainable Community Development Model based on Integrated Natural Resource Management Systems in Lake Malawi National Park (IntNRMS). These project activities are supporting the government's efforts in the Malawi 2063, Enabler 7 of Environmental Sustainability.

2. Sector policy, strategic plan, priority areas:

a) The Malawi 2063 (MW2063)

The MW2063 has three main pillars and 7 enablers. One of the enablers is Enabler 7, which focuses on environmental sustainability. This enabler, is aimed at minimising depletion of natural

resources in order to have clean, safe, clean and secure environment. This is in line with Sustainable Development Goal (SDG) 13 that aims to '*Take urgent action to combat climate change and its impacts*'. In order to achieve this, there is need to promote sustainable management of the environment and natural resources.

b) National Forest Policy (2016)

The goal of this policy is to conserve, establish, protect and manage trees and forests for sustainable development. The policy aspires to control deforestation and conservation of forest resources. The management of forest reserves is one of the policy priority areas. This will assist to improve provision of forest goods and services thereby contributing to towards achievement of SDG13 and Enabler 7 of the MW2063.

c) National Charcoal Strategy (NCS) (2017-2027)

The goal of the NCS is to provide a framework that will address the linked problems of increased deforestation and increased demand for household cooking fuel. The NCS aims to promote, among others, alternative household cooking fuels, adoption of fuel-efficient cook stove technologies, thereby reducing forest degradation through unsustainable firewood and charcoal production.

d) National Resilience Strategy (NRS) (2018-2030)

The aim of this strategy is to break the cycle of food insecurity in Malawi. Therefore, there is an urgent need to restore and sustain the dwindling catchments. Through the NRS, the followings are some of the strategies that will be implemented to address the problem of forest degradation: (a) Increase forest cover; (b) Promote management systems and technologies that protect fragile land; (c) Integrate environmental management/resilience standards in infrastructure development; (d) Promote sustainable charcoal production and promote alternative and efficient sources of energy.

3. Donor activities and commitments:

Apart from JICA, the following are some of the major donors that are actively involved in environment management in order to achieve SDG13 and MW2063 of sustainable management of the environment and natural resources, combating climate change and its effects.

- **United States Agency for International Development and the United Kingdom Foreign, Commonwealth and Development Office** are funding a five-year project on Modern Cooking for Healthy Forests (MCHF) in Malawi. The MCHF 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.
- **World Bank** is assisting Government of Malawi with US\$ 234.59 million on Shire Valley Transformation Program (SVTP) 2017-2023. The program development objective for the SVTP is to improve the management and utilization of natural resources in a sustainable way to increase agricultural productivity and commercialization for targeted households in the Shire Valley.

4. Budget situation:

According to the 2022/2023 Financial Statement, the government allocated a total of about MK 9.6 billion (approximately US\$ 11.8 million¹) to Ministry of Natural Resources and Climate Change of which about MK 2.9 billion (approximately US\$ 3.55 million) is for development activities.

5. Dialogue structure of the sector:

The donors have a technical working group on Environment, Resilience and Climate Change. It is composed of various donors that are in programming areas of natural resources management. Their purpose is to provide results-oriented forum for development, continuously improve collaboration, share analytics, and deliver harmonized approaches. There has been good coordination and collaboration among the government, donor grouping and technical working group.

Basing on the 10 years implementation plan of the MW2063, the government through National Planning Commission, formed ten various Sector working groups and one such grouping is Environmental sustainability (Enabler 7). The grouping is composed of various stakeholders that have their programs/projects in environment and natural resources management. The purpose of the grouping to discuss sector planning and prioritization according to strategic plans and development programs of the country.

B. JICA's Position**1) History of JICA's cooperation:**

JICA has been assisting the GoM in the environment and natural resources sector in the areas as shown below.

【Environmental Policy】

- (Exp) Environment Impact Assessment and Pollution Control Advisor (2011 Sep - 2014 Mar)

【Soil and Water Conservation】

- (TC) The Project for Community Vitalization and Afforestation in the Middle Shire (2007 Nov - 2012 Nov)
- (TC) The Project for Promoting Catchment Management Activities in Middle Shire (Phase 2) (2013 Apr - 2018 Mar)

【Forest Conservation and Management】

- (Exp) Forest Management and Conservation Advisor (2012 Jan - 2016 Mar)
- (Regional) The project for Forest Conservation and Sustainable Management of Forest Resources in Southern Africa (2015 Jun - 2020 Sep)
- (TC) The project for Conservation and Sustainable Management of Dzalanyama Forest Reserve (2016 Aug - 2022 Dec)

¹ Note: 1\$=MK817.00 (as of 1st April 2022, Standard bank Malawi)

【Others】

•(SATREPS)² The Project for Establishment of a Sustainable Community Development Model based on Integrated Natural Resource Management Systems in Lake Malawi National Park (2021 Jun - 2026 Jun)

2) Major outcomes:

- **The project for Promoting Catchment Management Activities in the Middle Shire (COVAMS)** (TC: 2007 Nov to 2018 Mar) JICA assisted the GoM in reducing environmental degradation through COVAMS I and II projects. . These projects covered districts along the middle part of Shire River such as Blantyre, Balaka, Mwanza and Neno. The environmental degradation in the middle Shire districts resulted into soil erosion and huge amount of silt deposition into Shire River thus narrowing the capacity of power generation and supply of water in Blantyre city. In order to tackle the environmental degradation problem, the COVAMS projects promoted specific soil and water control techniques of tree growing, gully control and contour ridging that resulted into reduced amount of silt deposited in the Shire River and thereby assisted in improved power and water supply.
- **Project for Conservation and Sustainable Management of Dzalanyama Forest Reserve** (TC: 2016 Aug to 2022 Dec) Dzalanyama Forest Reserve is one of the most important forest reserves in Malawi. The forest reserve is the source of water that is supplied to Lilongwe City. However, due to deforestation, through illegal charcoal production, thus resulted into devastating effects on water quality and quantity. To avert the looming catastrophic water deficit for the Lilongwe City and deforestation of Dzalanyama, JICA is assisting the GoM with a five-year technical cooperation (it is extended until 2022 due to the COVID-19 pandemic). The project aims to utilize the long-term policy that was authorized by the Government of Malawi and improve the capacity of Government of Malawi.
- **Project for Establishment of Sustainable Community Development Model Based on Integrated Natural Resource Management System in Lake Malawi National Park (IntNRMS)**-(SATREPS: 2021 Jun to 2026 Jun) This project is aimed at resource management and conservation practices for sustainable community development based on integrated sustainable resource management systems. The project has seven main areas of focus and one of such areas is sustainable management of forest resources and implemented under the scheme of Science and Technology Research Partnership for Sustainable Development (SATREPS). SATREPS is a Japanese government program that promotes international joint research. It aims to develop new technology and applications to tackle global issues and capacity development of research institutions.
- **Project for Forest Conservation and Sustainable Management of Forest Resources in Southern Africa (SADC-JICA Forestry project)** (Regional: 2015 Jun to 2020 Sep) This is aimed at capacity development of SADC Secretariat and Member States for forest conservation and sustainable forest management. The capacity development focused on the main areas, namely forest information System, forest fire management and participatory forest

² (Exp) Expert, (GA) Grant Aid Project, (Regional) Regional Cooperation Project, (SATREPS) Science and Technology Research Partnership for Sustainable Development, (TC) Technical Cooperation Project

management. The government officials from department of forestry in the country benefitted from this project where they gained knowledge and skills in the fore mentioned project focus areas

3) Lessons learned:

Through the projects of COVAMS I and II and IntNRMS projects, they have and continue to promote integrated resource management systems. This led to sustainability of the project activities and imparting knowledge among the local communities and stakeholders.

4) Cooperation assets:

The production of the extension guidelines by COVAMS project which are still being utilized in tackling environmental degradation in the country.

JICA continue to provide short and long Knowledge Co-Creation Program (KCCP) training programme in Malawi. These trainings are vital for capacity development in the country in order to deal with knowledge gap on how to deal with the impact of environmental degradation and effects of climate change.

The Japan Overseas Cooperation Volunteers dispatched a volunteer to Lilongwe Water Board (LWB) who was specialised in environmental education and was working with schools around Dzalanyama forest reserve in disseminating messages on the importance of forest conservation.

5) Comparative advantage of JICA:

The sector recognises that capacity building, research development and knowledge transfer are some of the major challenges. The comparative advantage of JICA is that it provides short and long-term training courses to the counterparts. It is through these training programs that JICA is assisting the government of Malawi to achieve Enabler 5, Human Capital Development in MW 2063.

LWB has been engaged in the conservation of Dzalanyama Forest Reserve as the water resource for Lilongwe city. JICA is collaborating LWB by dispatching JOCV and supports the conservation of Dzalanyama Forest Reserve in several aspects in addition to the technical cooperation.

6) TICAD Process:

The Tokyo International Conference on African Development (TICAD) 7 in Yokohama 2019, pillar 2, subsection 2.3 focuses on *‘Enhance resilience against natural disasters exacerbated by climate change and promote sustainable and environmentally friendly urban development’* the plan of action by government of Japan is to implement climate mitigation and adaptation measures to avoid land degradation, desertification and deforestation. This will among others be fulfilled through the dispatch of experts and technical cooperation. It is expected that forest and land management will be improved.

7) Possible areas of future cooperation:

- JICA will continue to provide the short-term and long-term KCCP training programme on environment and natural resources to improve the human resource capacity.

*Idea Projects (Internal)

- The Dzalanyama Catchment Conservation Trust (DCCT) was established as an outcome of the project for Conservation and Sustainable Management of Dzalanyama Forest. Currently, the DCCT has not sufficient source of funding for its operations. Therefore, there is need to support Department of Forestry with an Advisor as a technical cooperation project. The Advisor will among others focus on assisting in resource mobilisation for the continued operation of the trust as well as project activities.