

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. However, the degradation of the environment and natural resources in Malawi is due to many factors including deforestation, decreasing soil fertility and increasing erosion, water depletion, loss of biodiversity, increasing pollution and increased vulnerability to climate change. The degradation of the environment and natural resources continue to be a major threat to the social and economic development of Malawi. The success of many important sectors of the economy relies on environment and natural resources to enhance their productivity. It is estimated that Malawi is losing about \$190 million annually due to unsustainable use of natural resources. Therefore, it is important to address the factors that lead to environmental degradation and work to conserve and restore the environment.

Environment and natural resources comprise of many components. This paper mainly focuses on forest conservation, with emphasis on soil and water conservation. The main drivers of forest degradation in Malawi are charcoal production, firewood production, infrastructure development, timber production and agricultural expansion. 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. The soil and water conservation play an important role in supporting sustainable livelihoods and reducing environmental degradation. Malawi continues to lose soil and water due to unsustainable use of these natural resources. Improved land management practices like soil and water conservation have been suggested as a key strategy to reduce land degradation and sustain soil quality. The loss of soil and water cause the decline in the productivity of these resources capacity to perform their functions. This among others, affects the generation of electricity due to low water levels and silt deposits in Shire River. Improved land management practices like soil and water conservation have been suggested as a key strategy to reduce land degradation and sustain soil quality.

It is imperative that natural resources are sustainably managed to reduce environmental degradation. Basing on this, the government of Japan through JICA has been and continue to support the government of Malawi in environment and 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, Southern Africa Development Community (SADC)-JICA forestry project and Science and Technology Research Partnership for Sustainable (SATREPS). This is in line with government's efforts in the Malawi Growth Development Strategy (MGDS III) of promoting sustainable management of the environment and natural resources.

2. Sector policy, strategic plan, priority areas:

a) Malawi Growth and Development Strategy III (MGDS III) 2017-2022: The MGDS III identified Agriculture, Water Development and Climate Change Management as some of the developmental key areas for Malawi. The goal is to achieve sustainable agricultural transformation and water development that is adaptive to climate change and enhance ecosystem services. 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. This will result into contribution to national food security status, nutrition enhancement, environmental management, agro-processing and value addition, manufacturing and trade.

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 SDG 13 and MGDS III.

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 Sustainable Development Goals (SDGs) goal 13 and MGDSIII of sustainable management of the environment and natural resources, combating climate change and its effects.

- **World Bank:** World Bank is assisting GoM 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
- **UNDP:** The UNDP received a project grant of about US\$12.3 million from Green Climate Fund (GCF). The funding is used to implement a project on 'Modernized Climate Information and Early warning Systems (M-CLIMES)' 2017-23. This project is working with communities in food-insecure districts to co-develop tailored weather- and climate-based agricultural advisories to be disseminated through ICT/mobile, print and radio channels.

4. Budget situation:

According to the 2020-21 National budget allocation, the Ministry of Forestry and Natural Resources was allocated about MK404 million (US\$505,000). The Department of Forestry has

been allocated about MK285 million, with an increase of about 8% from the 2019-20 budget. The government has also allocated about MK150 million (US\$187,500) to the project for Conservation and Sustainable Management of Dzalanyama Forest Reserve, with about 4% decrease from the 2019-20 budget allocation to the same project. However, in 2019-20 budget, the government under the Public Sector Investment Programme (PSIP), allocated about MK206 million (US\$274,666) to the project for Conservation and Sustainable Management of Dzalanyama Forest Reserve.

5. Dialogue structure of the sector:

The donors and the government have Technical and Sector working groups on Environment, Resilience and Climate Change. These forums meet quarterly and are composed of various stakeholders that are in program areas of natural resources management. The Sector and Technical Working groups 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, technical and sector working groups.

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.

Area of support	Type	Years																		
		07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Environmental Policy	Advisor					Environment Impact Assessment and Pollution Control														
Soil and Water Conservation	TC	Promoting Catchment Management Activities in the Middle Shire (COVAMS I)						Promoting Catchment Management Activities in the Middle Shire (COVAMS II)												
Forest Conservation and Management	TC	Project for Conservation and Sustainable Management of Forest Resources in Southern Africa																		
	TC	Project for Conservation and Sustainable Management of Dzalanyama Forest Reserve																		
	Advisor	Forest Conservation and Management																		
Other	SATREPS														Sustainable Community Development Model Harmonized with Valuable Nature in Lake Malawi National Park, the World Natural Heritage Site					

2) Major outcomes:

- **The project for Promoting Catchment Management Activities in the Middle Shire (COVAMS, 2007 to 2017)** JICA assisted the GoM in reducing environmental degradation through the Technical Cooperation projects of Promoting Catchment Management Activities in the Middle Shire (COVAMS I and II) 2007-2012 and 2013-2018, respectively. 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 (2016 to 2021)** 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. 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 Forest Conservation and Sustainable Management of Forest Resources in Southern Africa (SADC-JICA Forestry project, 2015 to 2020).** This is aimed at capacity development of SADC Secretariat and Member States for forest conservation and sustainable forest management. The capacity development focuses on forest information System, forest fire management and participatory forest management.

3) Lessons learned:

In an effort to tackle environmental degradation, the projects of COVAMS I and II promoted utilization of local resources that are available within the target area. This leads to sustainability of the project activity as it is done within their communities, open to everyone and is repeated to encourage more residents to participate, hence the local resident has knowledge and skills of the soil and water conservation even though the project phased out

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 (JOCV) who are specialised in environmental education had been working with schools around Dzalanyama forest reserve in disseminating messages on the importance of forest reservation.

5) Comparative advantage of JICA:

The sector recognises that capacity building, research development and knowledge transfer as some of the major challenges. The comparative advantage of JICA is that it provides short training courses to the counterparts, hence does not affect the operations of the government in terms of shortage of staff.

The collaboration of SADC-JICA project for Forest Conservation and Sustainable Management of Forest Resources and project for Conservation and Sustainable Management of Dzalanyama Forest (COSMA-DFR) strengthens regional collaboration and information sharing on forest management among SADC member states. Lilongwe Water Board has been engaged in the conservation of Dzalanyama Forest Reserve as the water resource for Lilongwe city. JICA and Lilongwe Water Board have good relationship and is supporting to implement the project of strengthening the capacity of Non-Revenue Water Reduction.

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:

- The Government of Japan will assist the Government of Malawi with a project on ‘Sustainable Community Development Model Harmonised with Value Nature in Lake Malawi National Park, the World Natural Heritage Site. The project is under Science and Technology Research Partnership for Sustainable (SATREPS) and is for five years from 2021 (Experts were planned to come from 2020 but due to the COVID-19 pandemic, their arrival was delayed). The purpose for this project is to integrate sustainable resource management systems in order to promote environmental conservation and improve quality of life.
- JICA will continue to provide the short-term and long-term Knowledge Co-Creating training programme on environment and natural resources to improve the human resource capacity.