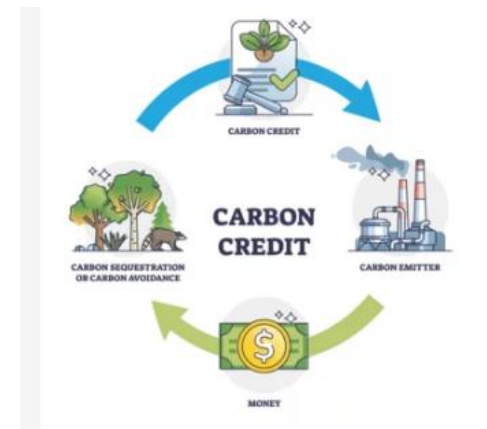
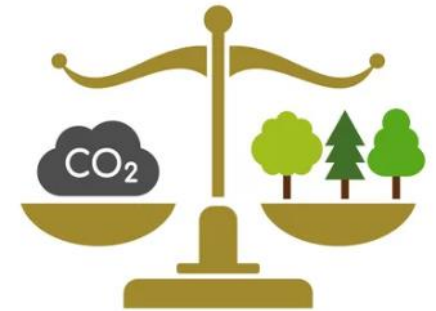


Potential of Commercial Forestry in Malawi



ScotlandMalawi
PARTNERSHIP



HENRY KADZUWA henry@scotland-malawipartnership.org



Why Malawi?



A dignified partnership of over 150 years

Today that **equal friendship** remains **unique**.....



94,000 Scots & 198,000 Malawians involved



46%

of Scots have a friend with a Malawi link

Scot & Mw

- Love forests (Pines) & green spaces.
- Parties to UNFCCC, CITES, CBD etc.



Key History of Forest Cover



1950s est., 1964 >53
mil ha-Viphya

1964s-1980s;
Government monopoly

1980s-1990s; Commercial
Concessions-Pvt. companies i.e.
VIPLY to RAIPLY & WICO etc.

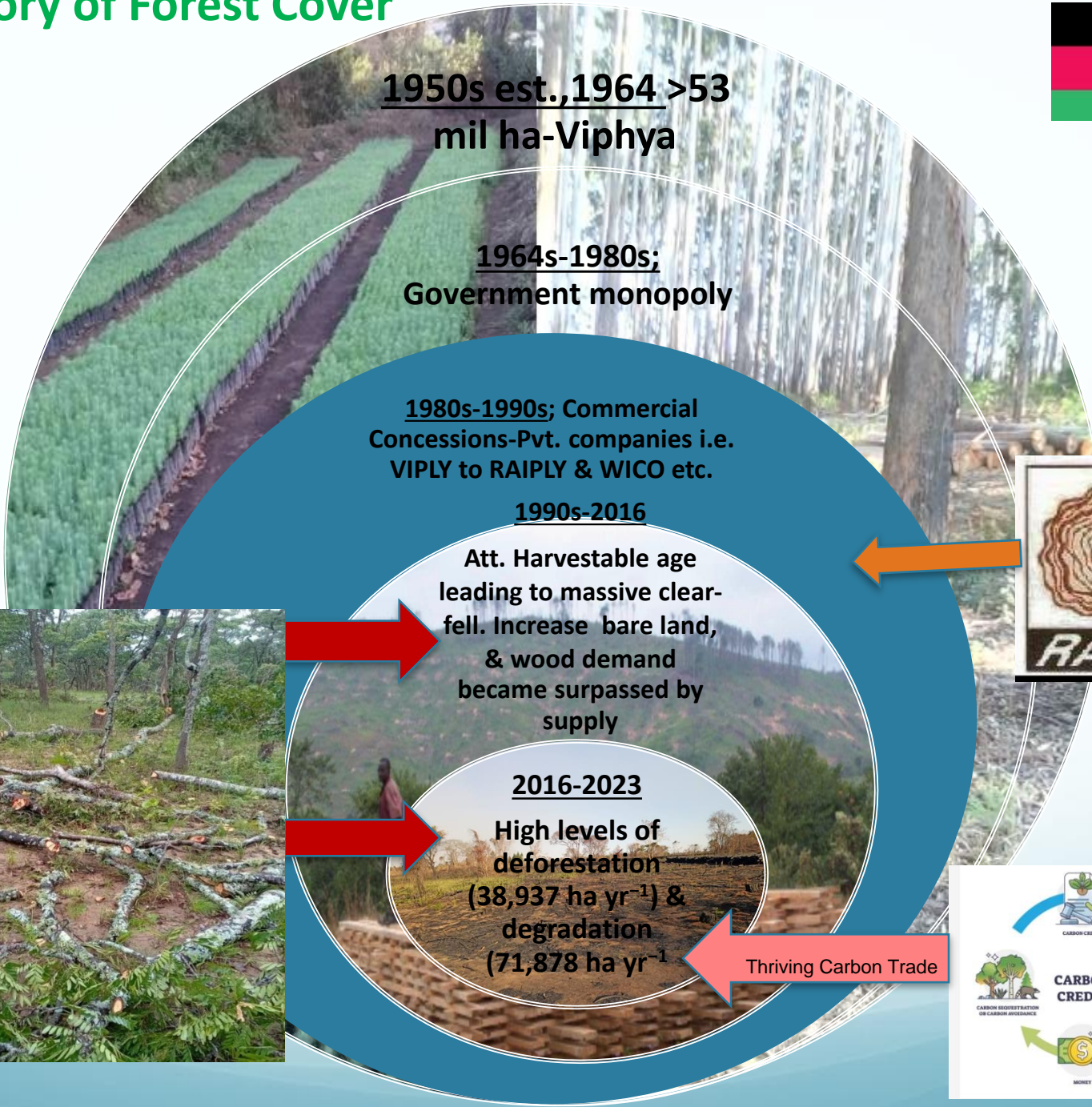
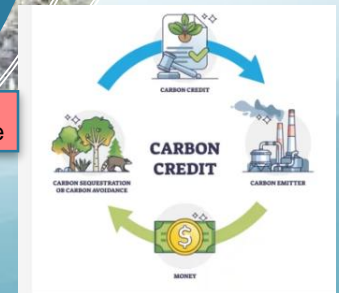
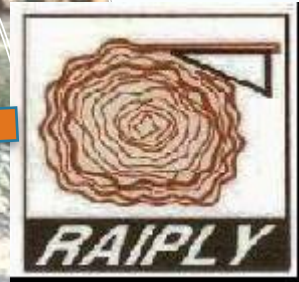
1990s-2016

Att. Harvestable age
leading to massive clear-
fell. Increase bare land,
& wood demand
became surpassed by
supply

2016-2023

High levels of
deforestation
(38,937 ha yr⁻¹) &
degradation
(71,878 ha yr⁻¹)

Thriving Carbon Trade



Current Statistics & Distribution of Forests



Forestry

in Malawi



94,080 km²
TOTAL LAND AREA

25%
FOREST COVER
23,677 km²

MIOMBO WOODLANDS COVER
22,857 km²

PLANTATION FORESTS COVER
820 km²



PINE AND EUCALYPTUS are the most common trees in plantations



BRACHYSTEGLIA is the most prevalent tree genus

THE MAJORITY OF MALAWI'S FOREST COVER IS FOUND IN GOVERNMENT OF MALAWI PROTECTED AREAS:

87 Forest Reserves **5** National Parks **4** Wildlife Reserves **3** Nature Sanctuaries

OTHER MAJOR FOREST COVER IS FOUND IN CUSTOMARY LAND IN THE NORTHERN REGION

OF MALAWI'S **17.6M** PEOPLE MORE THAN **96%** USE WOOD FUELS (CHARCOAL AND FIREWOOD) FOR HOUSEHOLD COOKING AND HEATING

16,984,000 PEOPLE USE WOOD FUELS TO COOK AND HEAT

93%

of rural households use firewood

62%

of urban households use charcoal

Malawi's growing demand for energy and agricultural land IS DRIVING FOREST COVER LOSS

Malawi's forests are being cut and degraded much faster than they are regenerating.

THE RATE OF DEFORESTATION IS:

GoM ESTIMATION
2006-2016:
0.63% (+/- 0.10)
per year, for intact / dense forest areas, protected areas, and forest reserves

USGS ESTIMATION
2000-2017:
less than 1%
per year, for all forest areas

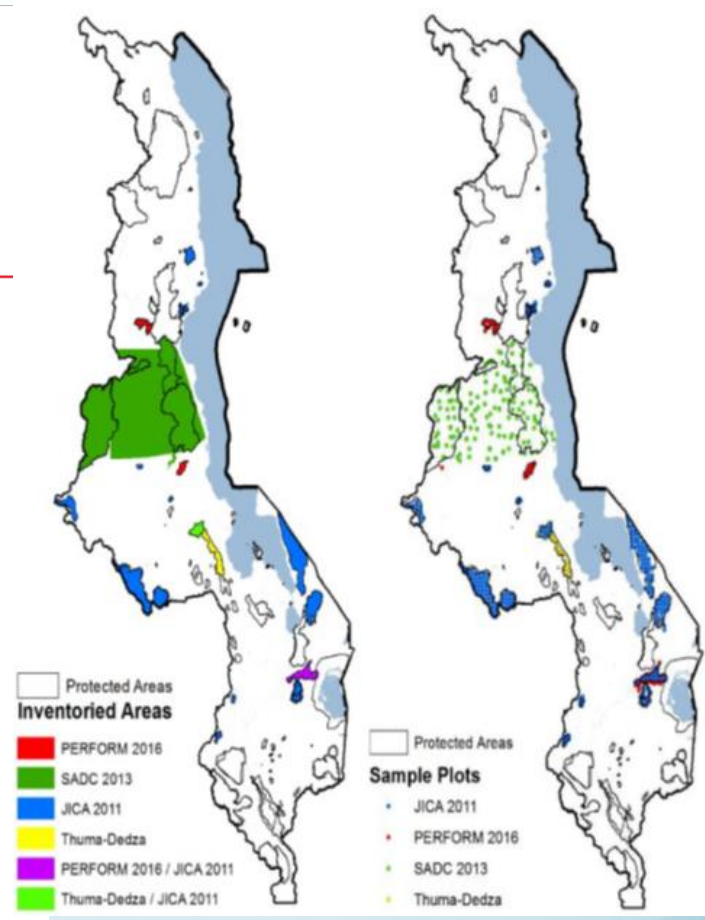
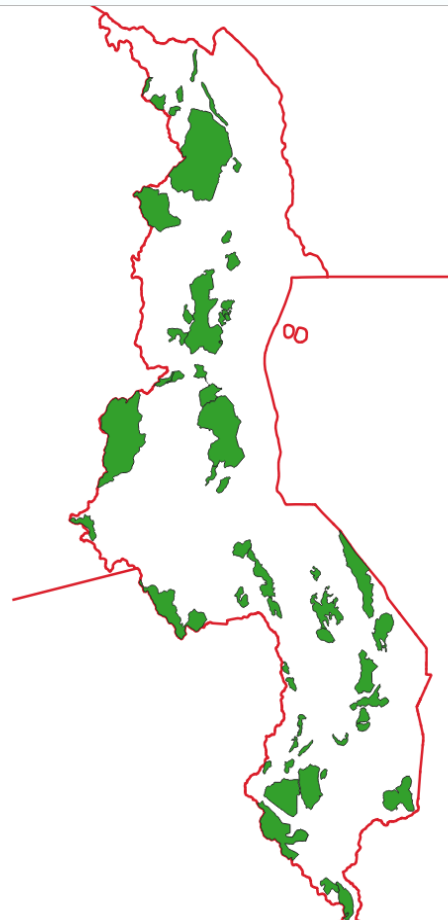
DID YOU KNOW?

On average, it takes 8-12kg of wood to make 1kg of charcoal. Improved charcoal stoves take 4-5kg of wood to make 1kg of charcoal

DID YOU KNOW?

There are only 3 licensed charcoal producers in Malawi

Based on a recent study, between **2019 & 2025** Malawi's demand for wood fuel will exceed sustainable supply.



Source: <https://cepa.rmportal.net/Library/inbox/forestry-in-malawi-fact-> & Malawi National Forest Inventory 2018 Analysis Report.

MAIN OBJECTIVE & KEY FOCUS AREAS



AREA 1.

Current status of Mw's forest industry, (forest cover & preferred commercial species inclusive)

Main Objective

Investigate the potential of investing in commercial forestry in Mw which does no harm, (i) but rather supports climate-friendliness, (ii) ethically sound, (iii) culturally acceptable, (iv) fits into a country's setting, (v) environmentally and commercially sustainable, and (vi) stands to provide a return on investment.

AREA 4.

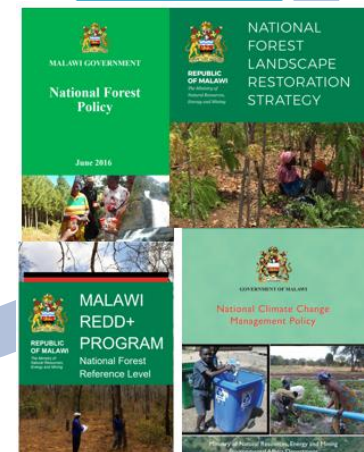
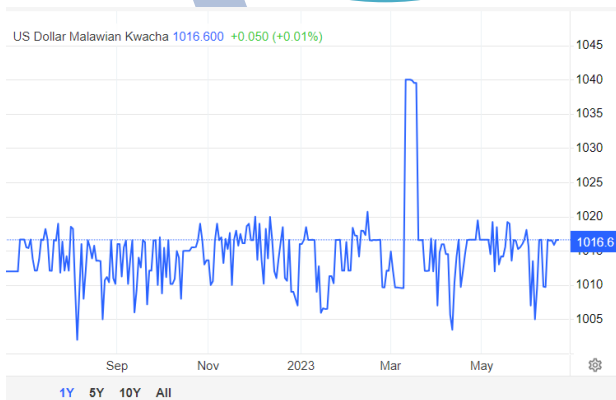
Prospects/forces/risks/impacts of running commercial forestry

AREA 2.

Legal & Regulatory Policy Framework supporting commercial forestry

AREA 3.

Socio-economic, cultural & environmental benefits-associated with commercial forestry



Key Findings & Considerations



1.0 Species-Site-matching

- *Pinus* & *Eucalyptus*- key species suitable for commercial forestry in Mw

2.0 Political Will/Vision for Forestry-Enabling Environment

- National Tree Planting Season Prog. (every year Dec.15-Apr.15)
- Supporting policy framework;
- ✓ National Forest Policy,
- ✓ Climate Change Policy,
- ✓ Fore LandscR Prog. (350 million ha of trees globally) 4.5mil ha of trees for Mw by 2030)
- ✓ Malawi Youth Forest Restoration Program
- ✓ REDD+ Prog, & Modern Cooking for Healthy Forests Project.



H.E Dr. Lazarus Chakwera the President Malawi leading by example. Source: Dept. of Forestry NTPS Archive.



Govt. call out for Plantation concessions

14 **ADVERTISING** WEEKEND NATION

THE GOVERNMENT OF THE REPUBLIC OF MALAWI
**MINISTRY OF NATURAL RESOURCES AND CLIMATE CHANGE,
 DEPARTMENT OF FORESTRY**

REQUEST FOR EXPRESSION OF INTEREST TO ESTABLISH FOREST PLANTATIONS IN SELECTED FOREST RESERVES AND CUSTOMARY ESTATES OF THE DELINEATED CATCHMENTS OF MWASIP UNDER PERFORMANCE BASED GRANTS

1. BACKGROUND

The Government of Malawi has established a multi-year grant from the International Development Association (IDA) to support efforts in landscape restoration and forestland management in the State. This includes through the implementation of the Malawi Forestry Sector Improvement Project (MFSIP). The project is designed to be implemented over a period of 10 years and will target to cover the upper and middle basins where priority value products of Upland Miombo, Miombo, Upland Miombo, Miombo and Miombo (MFSIP) through performance-based grants. The grant objective is to improve the adoption of sustainable landscape management practices and improve associated services to targeted sub-sectors.

The performance-based grants for private sector individuals, small to medium forest enterprises, community groups or wood producer associations to establish and plantations in the target catchments to complement the restoration efforts by Forestry Management Committee (FMC) and Village Natural Resource Management Committee (VNRMC).

The grant will provide grants to community individuals and groups and will be used as a first step in establishing an initiative. The grants are available to establish and plant only within certain specified forest reserves and customary estates. Non-plantation grants are allocated to other approximately 50% of performance-based grants for the first 3 years which will be provided by the grant to beneficiaries. Applicants under Performance Based Grants for Forest Plantations will be required to have their own startup funds.

Land eligible for planting will include private land, demarcated forest areas, customary estates, and white land reserves, unpopulated or partially populated forest, and the delineated catchment areas of delineated land within forest reserves in the State. The grant will be used to establish and plant tree nurseries with private sector beneficiaries by the Department of Forestry. The land grants will be placed in parcels of the quantity to be identified based on planting objectives and site specific conditions. The activities will include land clearing, marking for planting, planting, site management, seedling, nursery, soil planting, training, the management among others.

The Ministry of Natural Resources and Climate Change through the Department of Forestry therefore seeks to solicit expressions of interest from private sector individuals and small to medium forest enterprises, community groups or wood producer associations to engage in a three-year performance-based grant agreement to plant and manage a:

2. OBJECTIVES OF THE PERFORMANCE CONTRACT

a. To implement forest management activities according to the approved management plan and forestry code of practice.

b. To carry out all silvicultural activities operations for the management.

c. To plant and manage the plantation under the grant.

d. To use planting, 2000 liter certified seed and certified seedlings for forestry management of Miombo (MFSIP) and Land Reserve Areas.

e. To maintain the plantation in accordance with social and environmental standards laid out in the EMR and Marketable Code of Practice.

3. SCOPE OF THE PERFORMANCE CONTRACT

The interested applicant will develop other things, be required to:

- a. Analyze and manage of land plots within the allocated areas, using suitable forest species for a period of three (3) years.
- b. Develop and implement a management plan which will be reviewed and approved by the Director of Forestry.
- c. Identify other necessary requirements including purchase of seeds and seedlings.

4. SELECTION CRITERIA

- a. Financially sound to receive and manage a forest plantation within the allocated time frame will be required to have their own startup fund.
- b. For category a, the applicant should be not less than 18 years of age.
- c. For category b, the applicant should have a minimum of 5.5 ha available to plant continuous forest and minimum of 300 ha identified by applicant on customary estates within the delineated catchments of projects. Applicants will be given 14 days to complete environmental history objectives.
- d. At least two years' experience in forest plantation management.
- e. Close review of interaction with the Department of Forestry.
- f. The applicant is required to submit alongside the list

of land inventory, evidence of financial soundness to start up and evidence of experience in plantation management.

The area submitted for the contract will be subject to verification. Land use areas with high priority for regeneration will not be considered.

Further information can be obtained at the address below during office hours from 0900 to 1630 hours from Monday to Friday:

**The Director,
 Ministry of Natural Resources and Climate Change,
 Department of Forestry,
 P.O. Box 30348
 Lilongwe 3,
 Malawi**

Tel: +265 99 7 773 999
 Fax: +265 99 7 774 268
 E-mail: malawi@malawi.gov.mw, info@malawi.gov.mw, forestry@malawi.gov.mw

Expressions of interest to a small amount costs, under "Expressions of interest to establish forest plantations in selected forest reserves under MFSIP performance-based grants" should be delivered to the address below on or before 31 May, 2023, or 16:00 hours. Late submission will not be considered.

**The Chairman,
 District Procurement and Logistics of Assets Committee (DPAC),
 Ministry of Natural Resources and Climate Change,
 Private Bag 226,
 Lilongwe
 Malawi**

Expressions of interest to a small amount costs, under "Expressions of interest to establish forest plantations in selected forest reserves under MFSIP performance-based grants" should be delivered to the address below on or before 31 May, 2023, or 16:00 hours. Late submission will not be considered.

Are District Contact Engineering MFSIP grant

Do:

**The Director,
 Ministry of Natural Resources and Climate Change,
 Department of Forestry,
 P.O. Box 30348
 Lilongwe 3,
 Malawi**

Tel: +265 99 7 773 999
 Fax: +265 99 7 774 268
 E-mail: malawi@malawi.gov.mw, info@malawi.gov.mw, forestry@malawi.gov.mw

Lot No.	Location (Site)	Area (Ha)
1	Upland Miombo Plantation	1000.0
2	Upland Miombo Plantation	1000.0



SCOPE OF WORK - District FLR Data Collection and Verification Consultant

Scope

Malawi is targeting to restore 4.5m hectares of degraded forests by 2030. Convenient and sustainable monitoring tools are critical in monitoring progress towards such goals and targets. Similarly, enhancing capacity to utilize such tools is highly critical. Modern Cooking for Healthy Forests (MCHF), a project co-funded by USAID and UKaid, is seeking a consultant to lead the capacity building, data collection and reporting process of Forest Landscape Restoration (FLR) progress.

The Consultant(s) will collaborate with the Deputy Chief of Party, as well as Objective 2 and 4 leads, to facilitate the integration of district FLR data into the Forestry Data Management System (FDMS) under the Forest and Landscape Restoration Monitoring Unit (FLRMU) or National Monitoring Unit (NMU). The consultancy will build upon existing initiatives by engaging in a consultative process through MCHF with the NMU; FLR District

3.0 Land Ownership and Forest Policy



- Land ownership in Mw (private, customary, public/state-owned)

Advantage

- Govt. Forest Concessions-'**clean land tenure agreements**'
- -assured of no land-ownership wrangles since govt./state controls proprietorship
- Guarantees investment security, concessions ranging from 15 to 60 yrs (lease), with provision of extension.

4.0 Carbon Market Policy within the Mw context

- REDD+ & Voluntary Carbon **Markets (VCM) systems,-UNFCCC.**
- **Malawi Carbon Market Initiative- MK6bn (£4,000,000) fortune to be tapped**

- Launched;

23-06-2023





➤ Success stories on carbon market in MW;

(a) Trees of Hope (South)-2011

(b) Forest Conservation Project in Mkuwazi & Nyika PA (North)-REDD+ Scheme-2008; UK-based Plan-Vivo

Challenges

- Requires dev. of NFMS, MRV & certification systems- tedious & expensive
- Limited buyers

5.0 Certification & Export of Forest Produce

- Costly for small-scale forest operators

6.0 Forest Fire

- Causes;(i) land clearing, (ii) hunting/honey harvesting etc. (Accidental);
 & (iii) incendiarism;
- Incendiarism-rivalries & conflict of interest btwn. communities surrounding the forests & forest operators

Advantage

- Avoidable/manageable

Mitigation Approaches (viable for Dept. of Forest., Tafika, Umodzi)

- **1-Psychological** –Awareness, good rapport (buy-in from the surrounding communities), i.e., employment; security guards, nursery/forest mgt. operations
- **2-Silvicultural practices-** weeding, slashing/boundary clearing, firebreaks etc.
- **3-Agroforestry-** bee keeping, coffee or vegetable growing i.e., tomatoes, onions or cabbages etc. **Rapport & reduction of fire hazard**

7.0 Theft

- Mitigated through the same approach as fire.

8.0 Cash Flow Level and Capital Investment

Requires sufficient funds/capital investment & knowledge and skills in finance mgt.

9.0 Pests and Diseases;

- **(A) *Aphids and Grasshopper Infestations***

(i) Grasshoppers-1970s

(ii) Woolly pine needle aphid

-1980s,

(iii) Cypress aphid- 1990s

(iv) Pine shoot beetles

(v) Red gum lerp psyllid, (*Glycaspis brimblecombei*)-2016-current



(B) *Pine Amelia merea* & Cypress canker diseases

➤ Forestry Research Institute of Malawi successfully controlled these;.

(i) intro. biological/natural enemies,

(ii) resistant spp.,

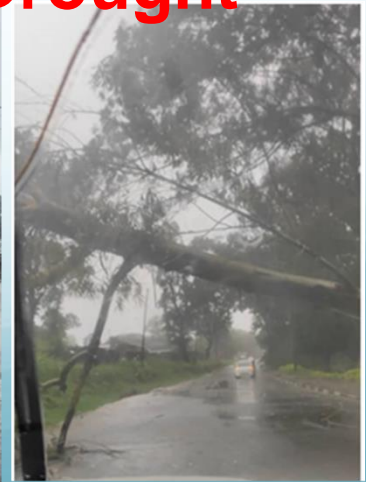
(iii) perfect spp.-site matching, &

(iv) use of chemicals

10. Natural disasters-i.e **Cyclones/Storms/Drought**

(i) spp.-site matching,

(ii) breeding spp. that **can adapt**



Other factors to Consider

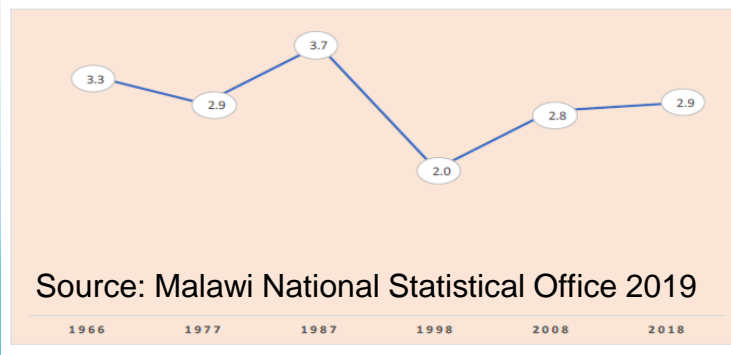
Key drivers of deforestation & degradation

- (i) Booming population (17 mill. in 2016 to 20.5 mill. 2023) affecting demand of wood resources (>available stock)
- (ii) Cost of living/Food security/Energy demands leading to overdependence on forests for livelihood

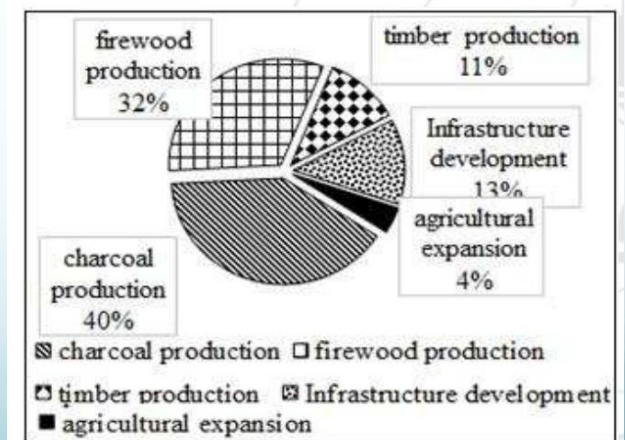
Table 2.1: Total population 1966-2018

Year of Census	Total Population	Average Annual/Intercensal Growth Rate
1966	4,039,583	3.3
1977	5,547,460	2.9
1987	7,988,507	3.7
1998	9,933,868	2.0
2008	13,077,160	2.8
2018	17,563,749	2.9

Figure 2.1: Annual intercensal growth rates 1966-2018



Drivers of deforestation and forest degradation



Source: Katumbi et al., 2015



Benefits of Commercial Forestry in Malawi

- **Key Socio-Economic Benefits**

- (i) revenue generation,

- (ii) job creation,

- (iii) forex,

- (iv) maintenance of ecosystem services, &

- (iv) growth of infrastructure & development of value-added wood products.

- All contribute to **33%** of Malawi's **GDP**, 'Agric., Water Dev. & CC' key priority area-MGDS

Conclusion & Recommendations

- Commercial forestry is a viable enterprise in Mw, capable of generating >100% financial returns

To realise its full potential;

- Make informed choices on spp., sites & understand the legal & regulatory policy framework supporting it, otherwise huge political will available,
- Understand challenges faced by small-scale operators & foreign investors,
- Include community involvement in mgt. plans

Recommendations

- Let SMP in collabo. with MaSP & Edinburgh Climate Change Institute (through Prof. Woodhouse), assist-identify carbon markets & brokering such deals.
- Newly launched **Market Initiative** in Mw –tap the **6bn MK Carbon Credit Facility**

Limitation

- Scant literature on commercial forestry initiatives pursued in Mw, worse-still on carbon market-relatively new concept.



Acknowledgement



- Thankful to the SMP for entrusting me with such a noble responsibility.
- Grateful to all the individuals/officers consulted, &
- those that supported the interest of this work.



THANK YOU
ZIKOMO



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