

**Biodiversity Challenge Funds Projects  
Darwin Initiative, Illegal Wildlife Trade Challenge Fund, and Darwin Plus  
Half Year Report**

**Note: If there is any confidential information within the report that you do not wish to be shared on our website, please ensure you clearly highlight this.**

**Submission Deadline: 31<sup>st</sup> October 2023**

<b>Project reference</b>	DARNV010
<b>Project title</b>	Scaling evidence-based Inclusive Conservation Finance models in Uganda and Tanzania
<b>Country(ies)/territory(ies)</b>	Uganda and Tanzania
<b>Lead partner</b>	Fauna & Flora International
<b>Partner(s)</b>	MCCC Ltd (renamed from Mwambao Coastal Community Network) from Tanzania and Private Forest Owner Associations (PFOA) from Uganda
<b>Project leader</b>	Kiran Mohanan, Fauna & Flora International
<b>Report date and number (e.g. HYR1)</b>	31 Oct, 2023 HYR2
<b>Project website/blog/social media</b>	

**Outline progress over the last 6 months (April – Sept) against the agreed project implementation timetable (if your project has started less than 6 months ago, please report on the period since start up to end September).**

**Output 1:** Governance and equity of at least 20 ICF (Inclusive Conservation Finance) groups and at least 4 CBNRM (Community-based Natural Resource Management) institutions in Zanzibar (Tanzania) and Uganda is improved before scaling up.

Activity 1.1: Ongoing

First governance assessment was completed in year-1 in both Tanzania and Uganda. Second assessment is planned in February 2024.

Activity 1.2: Completed in year 1

Activity 1.3: Ongoing

**Uganda:** Planned in the second half of the year.

**Tanzania:** Mkuba leaders, management committee members, and Shehia Fisheries Committee (SFC) members have received governance training in both Fundo and Tumbatu. The training focussed on women and youth representation in the Mkuba committees in addition to other key gaps identified in the governance assessment earlier this year, such as accountability and transparency. A total of 84 participants (52 women and 32 men) attended the training. Notably, 8 new women and 5 new youth members are now taking leadership roles in management committees, marking a significant outcome of the training. Detailed reports are enclosed in **Annex 1**.

Activity 1.4: Ongoing

**Uganda:** The performance of management sub-committees established within the PFOAs, comprising representatives from various VSLA groups, was evaluated using focus group discussions (FGDs). Thirty participants (9 female and 21 male) engaged in discussions about their roles, activities, and challenges encountered in carrying out their responsibilities within enterprise and environment, finance and planning, loan management, marketing, and disciplinary sub-committees. Challenges such as restricted funds within PFOA, record keeping within VSLAs, agriculture supply chain, delays in loan recovery, lack of funds for environment activities etc were discussed and solution identified. A comprehensive report detailing these findings is attached as **Annex 2**.

**Tanzania:** Management committees were established in Fundo and Tumbatu, regions where they were previously absent. Leaders were democratically elected, and comprehensive constitutions were developed for these committees. The membership of these committees is diverse, including representatives from the Shehia Fishers Committee, individuals from various Mkuba groups, religious leaders, women, and members from the broader community beyond Mkuba. This inclusive approach ensures a wide range of perspectives and expertise, fostering community engagement and collaborative decision-making processes.

#### Activity 1.5: Ongoing

**Uganda:** The evaluation of VSLAs established within the three PFOAs was conducted through FGDs. A total of 73 VSLA members (24 female and 49 male) participated in the discussion, sharing their insights on the inclusive conservation finance, environmentally friendly activities it promotes, and potential solutions. They discussed some challenges and solutions to address hostile behaviour of some non-VSLA members towards nature conservation, deliberate firing of restoration areas, climate change impact, poverty driven overextraction of resources, risk of accidents with Chimpanzees, lack of cooperation between leaders and community etc. For a comprehensive overview, please refer to the detailed report enclosed as **Annex 3**.

**Tanzania:** Regular monitoring and support to Mkuba groups was extended by reviewing financial records. Some gaps identified in passbooks were discussed with the members and rectified. Eco-compliance activities such as mangrove restoration and income generation in Fundo were observed to be progressing well. Mkuba members were trained to record photographs of restoration work using mobile phones provided by the project. More details will be made available in the annual report.

**Output 2:** ICF group members' conservation commitments to deliver biodiversity impact and linkages with local CBNRM institutions are formally agreed through a participatory process

#### Activity 2.1: Completed in year 1.

#### Activity 2.2: Completed

**Uganda:** An in-depth research study was undertaken, involving 75 community members (44 female and 31 male) from three PFOAs. Through six FGDs, the study aimed to grasp the intricacies of utilizing natural resources by the PFOA members. Communities identified agriculture expansion, poverty, charcoal burning, hunting, bush burning, firewood extraction, lumbering as some of the drivers of unsustainable resource extraction. Expansion of VSLA, training, community sensitisation, alternate livelihoods, law enforcement and community bylaws were identified as actions that would enable shifting from unsustainable to sustainable resource use. For more details of the analysis conducted, please refer to **Annex 4**.

**Tanzania:** Completed in year 1.

#### Activity 2.3: Completed

**Uganda:** Completed in year 1.

**Tanzania:** In the first year of the project, partnership agreements were formulated between Shehia Fisheries Committees (SFC) and Mkuba groups (**Annex 6a**), and these agreements have recently been officially signed in Tumbatu, Jongowe, and Fundo, Pemba. The terms defining the relationship between these two community groups are detailed in these agreements. Copies of the agreements can be found in **Annex 5 and 6**.

#### Activity 2.4: Ongoing

**Uganda:** An awareness training session on the sustainable use of biodiversity engaged 138 members (66 male and 72 female) from three PFOAs including those who had participated in activity 2.2, PFOA and VSLA leaders. The discussions centered around Uganda's National Biodiversity Strategy and Action Plan II (2015-2025) and other relevant references. Participants actively asked questions and shared their experiences to enhance their understanding of sustainable biodiversity utilization. These trained members are expected to share the knowledge and message with rest of 1082 PFOA members and beyond. For a detailed overview, please refer to the enclosed report in **Annex 7**.

**Tanzania:** Awareness strategy is being developed and will be made available in the next annual report.

**Output 3:** Innovative digital record keeping tools adopted by at least 20 ICF groups and at least 4 CBNRM institutions in Uganda and Zanzibar (Tanzania) to accurately and transparently manage eco-credit processes and monitor/report on participation in conservation action.

#### Activity 3.1: Completed in year 1.

#### Activity 3.2: Ongoing

**Uganda:** Following the conclusion of the partnership with Greenfi, Fauna & Flora has taken charge of developing a mobile app for VSLA record-keeping in Uganda. The loan record system has been created

using Kobotoolbox, a widely used open-source and free of charge platform for data collection, management, and visualization. **Annex 8** contains the digital member register, while **Annex 9** includes the loan application forms developed on Kobotool.

**Tanzania:** Similarly, Mwambao is in the final stages of negotiations to implement the CHOMOKA app for Mkuba, developed by CARE International for VSLA groups. This app offers financial tracking services; however, the functionality to monitor eco-compliance by the groups is yet to be incorporated. Both organizations are awaiting the completion of agreements to officially launch the finance tracking app with Mkuba groups. The inclusion of an eco-compliance feature in the app will be explored in subsequent stages and a framework was developed as part of activities 3.3 and 3.4.

#### Activity 3.3: Ongoing

**Uganda:** Training sessions on utilizing the Kobo Toolbox mobile application were held in Kidoma and Kesenene PFOAs, involving 297 participants (149 female and 148 male). The communities were instructed on inputting data, editing forms, and accessing the dashboard using mobile phones provided by the project. Valuable feedback from these sessions was integrated into the digital forms. Comprehensive training materials and a report are available in **Annex 10 and 11**.

**Tanzania:** CARE CHOMOKA facilitated training to train the community-based trainers (CBT). CBTs. It covered topics such as meaning of CHOMOKA, key features of the app, registration of group members, amendment of group by-laws, group member's savings records, social fund records, individual member payouts etc. They also had practical exercises on transfer of files from one mobile phone to the other, creation of user id, password, managing of records etc using CHOMOKA app. It was attended by five CBTs, one village leader and two Shehia Fishers Committee members. A detailed report is enclosed as **Annex 12**.

#### Activity 3.4: Ongoing

**Uganda:** First testing of mobile app was to understand the familiarity of members in using android phones were completed in year 1. Further testing of kobotoolbox was conducted with members as detailed in **Annex 11**.

**Tanzania:** Further to the training facilitated to CBTs, a field trip was organised where the CBTs trained and tested CHOMOKA App with 125 Mkuba group leaders in five communities including Pongwe, Marumbi, Chwaka, Mtende, and Tumbatu, Jongowe. Some language barriers and technical challenges were identified in the app and action plan was developed to make language adaptations, develop feedback mechanism and provide hands on training the community users. A detailed report is enclosed as **Annex 13**.

#### Activity 3.5: Completed in year 1.

Activity 3.6: Planned in the second half of year 2.

**Output 4:** Market system approach adopted, and systemic barriers identified and addressed reducing the current high dependency on grant funding for the ICF model to scale up

#### Activity 4.1: Ongoing

**Uganda:** A list of micro-finance institutions and banks in Hoima was compiled to assess the compatibility of banking products and the alignment of interests in promoting biodiversity-friendly activities through PFOAs. This assessment is currently in progress and is anticipated to be finalized in the latter half of the year.

**Tanzania:** The list of micro-finance institutions in Pemba and Tumbatu is being drawn up. It will be made available in the next report.

#### Activity 4.2: Ongoing

A tool for assessing potential partnerships with banks and micro-finance institutions was created. This tool can be found in **Annex 14** for reference.

**Uganda:** Discussions are currently ongoing with banks and micro-finance institutions based out of Hoima and Masindi. Some microfinance institutions are showing some interest to partner with PFOAs on financing their activities as per their conservation finance protocol. Analysis of the findings to be available in the next report.

**Tanzania:** Planned in second half of year 2.

#### Activity 4.3: Ongoing

**Uganda:** The existing training materials for VSLA is being updated to include biodiversity compliance part. The modules will be made available along with training report in the annual report.

**Tanzania:** The requirement to update existing Mkuba training module is currently being explored. More details will be available in the next report.

Activity 4.4: Planned in second half of year 2.

Activity 4.5: Planned in second half of year 2.

**Output 5:** Potential for ICF model to contribute to biodiversity and social impacts is widely communicated, and scale-up strategy designed

Activity 5.1: Ongoing

A graduate student pursuing an MPhil degree from the University of Cambridge visited the programs in Uganda and Tanzania. Her objective was to formulate a methodology for evaluating the ICF model and its potential scalability. Results of this assessment will be submitted with the annual report next year. Additionally, terms of reference for an external consultant who will lead the development of an academic paper based on the project's learnings are currently under development.

Activity 5.2: Planned for April – June 2024

Activity 5.3: Planned for April – June 2024

Activity 5.4: Planned for April – June 2024

**2. Give details of any notable problems or unexpected developments/lessons learnt that the project has encountered over the last 6 months. Explain what impact these could have on the project and whether the changes will affect the budget and timetable of project activities.**

Registration of PFOAs as savings and Credit cooperative societies (SACCOs) has taken longer time than expected. This is due to complex registration procedures and preparations required for registration. However, this delays has provided ample time for consultation and preparing the PFOAs leaders and membership to undertake the registration process.

**3. Have any of these issues been discussed with NIRAS and if so, have changes been made to the original agreement?**

Discussed with NIRAS: Yes

Formal Change Request submitted: Yes

Received confirmation of change acceptance Yes

Change request reference if known:

4a. Please confirm your actual spend in this financial year to date (i.e. from 1 April 2023 – 30 September 2023)

Actual spend: £ [REDACTED]

4b. Do you currently expect to have any significant (e.g. more than £5,000) underspend in your budget for this financial year (ending 31 March 2024)?

No  Estimated underspend: £0

4c. If yes, then you need to consider your project budget needs carefully. Please remember that any funds agreed for this financial year are only available to the project in this financial year.

If you anticipate a significant underspend because of justifiable changes within the project, please submit a re-budget Change Request as soon as possible. There is no guarantee that Defra will agree a re-budget so please ensure you have enough time to make appropriate changes if necessary. Please DO NOT send these in the same email as your report.

NB: if you expect an underspend, do not claim anything more than you expect to spend this financial year.

5. Are there any other issues you wish to raise relating to the project or to BCF management, monitoring, or financial procedures?

Not Applicable