Mid-term Progress Report

Mekong-ROK Cooperation Fund (MKCF) Mid-term Progress Report

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| 1. Brief Project Information
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| * 1. Project title
 | Demonstration of Model Community Forests to Promote Community Forestry Development and Improve Livelihood of Local Communities |
| * 1. Country (ies)/ region
 | Myanmar |
| * 1. Project area
 |
| * Infrastructure
* Information Communication Technology (ICT)
* Green Growth
* Water Resource Development
* Agriculture and Rural Development
* Human Resource Development
 |
|  Implementation start/end date |
| Implementation start date | 11/11/2020 |
| Implementation end date | 10/11/2022 |
| Project lifespan | 2 years |
| 1. Prepared by
 |
| Name:Title:Department:Name of Implementing Agency:Signature:Date: | - Mr. Sein Moe- Assistant Director- Forest Department- Extension Division, Forest Department4/10/2022 |
| 1. Update on progressive implementation of the project
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| This project aims for promotion of Community Forestry (CF) Development and Participatory Forest Management in Forest Conservation and Poverty Reduction. The project mainly focus on the capacity building to the communities, establishment of community forests based on different thematic areas such as Agroforestry, collection of non-timber forest products (NTFP) and community based tourism. The proposed project duration is 2 years, and it will be implemented by Internal Expert Team of Extension Division of Forest Department (FD) in coordination with FD Headquarter CF Unit and National Community Forestry Working Group (CFNWG).The main objectives of our proposed project are:1. To strengthen the participatory forest conservation and management as well as reduce poverty of local communities through livelihood improvement under Community Forestry
2. To promote Community Forest based Enterprise (CFE) development under CF in the country

This project is being implemented in Pyinmama Twonship, Nay Pyi Taw and Nyaung Shwe Twonship, Shan State to promote the community forestry with introduction of Community Forest Based Tourism-CBT in Lwenyint Community Forest, improvement of livelihood for local people based Non Timber Forest Products-NTFP and Agroforest system for upgrading the Community Forestry Enterprise-CFE.In Forest Department, for all the grant aid projects implemented in cooperation with international organizations, FD has internal monitoring system. In this project, project team is responsible to report the progress of the project monthly to Director General of Forest Department who is chairperson of Project Steering Committee-PSC. The Project Steering Committee-PSC was formed in 24-4-2022 and formulate the meeting in every six-month (2 time in one year).The Project Management Unit was formed in December 2021 including project staffs and field level staffs. The meeting conducts every monthly in field site or online in project period.Project Monitoring Team (PMT) has been formed with technical personnel under the Planning and Statistics Division of FD. For every project, PMT monitors the project implementation and use of project budget against the work plan and budget plan. Moreover, for the project related with community forestry, Headquarter CF Unit team chaired by Deputy Director General of FD monitors the project implementation and provides necessary guidance to the responsible focal of the project. The Project Implementation Agency has to make monthly presentation of the progress at the monthly CF Unit meeting held at FD Headquarter. Moreover, FD has to submit project progress report to Ministry of Natural Resources and Environmental Conservation (MONREC) on monthly basic, and that is forwarded to Ministry of Planning and Finance. There is also a Project Monitoring Committee chaired by Director General of FD, consisting of Directors of respective divisions from headquarter. PMC meetings are generally held biannually, and the committee overlooks the progress of all projects and coordinates as necessary. Moreover, as necessary, field inspection is carried out. Therefore, for the implementing of this project, stated internal monitoring systems would be applied.The activities of project were implemented in Year one briefly as follows:

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| --- | --- | --- | --- | --- | --- |
| Sr. | Activities | Unit | Target | Completed | Remark |
| 1 | Development of community forest and Forest Restoration | Groups | 3 | 3 | 100 % |
| a. | Consultation for raising awareness meeting | Time | 6 | 11 | More than 100 % |
| b. | Measurement of selected area and boundary delineation of 2 CFs in Shan State. | CF | 2 | 3 | Completed |
| c. | Assessment of the needs of local communities and socio-economic condition for CF development | villages | 3 | 3 | Completed |
| d. | Establishment of Agroforestry | CF | 1 | 1 |  |
| e. | Conducting forest inventory to assess the existing resources | Nos | 2 | 3 |  |
| f. | Updating existing management plans in selected two CFs in Shan State | No. | 2 | 2 |  |
| 2 | Establishment of Nursery to produce seedlings for agroforestry in Nay Pyi Taw and forest restoration including non-timber forest product species in 2 sites of Shan state | No. | 2 | 3 | Three Project sites |
| 3 | Forest restoration using Agroforestry method in selected site at Nay Pyi Taw and forest restoration in Shan State | No. | 2 | 2 | completed |
| 4 | Training of Basic Course for CF and CFE development  | Time | 1 | 3 | completed |
| 5 | Training to CF Users for forest inventory and forest resource management in 2 sites of Shan  | Time | 1 | 3 | completed |
| 6 | Training to local FD Staffs and CF Users for market analysis and development  | Time | 1 | 2 | completed |
| 7 | Training to CF Users for value-adding technologies in non-timber-forest-products-based CF in Shan | Time | 1 | - | Not yet completed |
| 8 | Training for agroforestry development in Nay Pyi Taw Site  | Time | 1 | 2 | completed |
| 9 | Training for tourism development in tourism-based CF of Shan State  | Time | 1 | 1 | completed |
| 10 | Organize farmer to farmer exchange visits to successful CFs with similar approach  | Time | 1 | 1 | completed |
| 11 | Organize workshops to share experiences and lessons learned among CF Users from project sites and those from outside the project area | Time | 1 | 2 | completed |
| 12 | Analysis of potential CFE types, socioeconomic survey and market analysis in Selected Sites  | set | 1 | 1 | completed |
| 13 | Development of Enterprise Development Plans (Business Plans) for two CFs in Shan State (tourism-based and non-timber forest product based CFEs )  | set | 1 | 1 |  |

Although the project implementation was planned to begin in October 2021 according to the MoU, the activities could be initiated in January 2021 due to the lateness of fund transfer process. Since 2021 June, project implementation in Kayah State was ceased due to the instable political and security conditions. Therefore, Forest Department proposed Nyaung Shwe township of Shan State as a new project site to substitute Kayah state, and upon agreement of MI, the PIA commenced implementing the project activities in Nyaung Shwe in July 2021. The implementation in Pyinmana township of Nay Pyi Taw continued as planned.Currently, the PIA is implementing the project activities in accordance with the workplan and budget plan in **Pha Laung Village CF** in Pyinmana township of Nay Pyi Taw, and **Maing Thauk Village CF** and **Lwe Nyeint Village CF** in Nyaung Shwe township of Shan State. Regarding the monthly budget allowance and work plan, the implementation of the activities is also being closely monitored by the Project Monitoring Committee of Forest Department, making the account auditable for both internal and external audit. For better and more systematic implementation, monitoring and implementation of the project activities, Project Management Unit (PMU), which involves the project staff at both FD headquarters and the field level staff in the two townships and headed by the Project Director (Director of Extension Division), was formed in accordance with FD’s existing procedures. Moreover, the interested members of the CF Unit were teamed up as expert teams for implementing the project activities that are relevant with their expertise and professional backgrounds.Capacity building trainings, forest management and restoration activities, and monitoring and evaluation of the implementation are being carried out by the PMU without much difficulty, and monthly progress report and budget expenditure is regularly submitted to the Minister’s office of the Ministry of Natural Resources and Environmental Conservation through the Planning and Statistics Division and Finance Division of FD.On 28th August 2022, an audit team of the Ministry of Planning and Finance accompanied by the officials from Forest Department Head Office and Pyinmana Township FD, and representatives from Ministry of Foreign Affairs inspected the activities in Pha Laung CF in Pyinmana Township.The audit of the budget expenditure of the project from the beginning of the project to 2022 March has been completed. This mid-term progress report is prepared for the first term of the project implementation (from December 2021 to September 2022).The achievements and milestones reached to date under the grant are as follows:**Output 1: Development of three model CFs in different thematic areas and improvement of forest restoration in CF****Activity A.1**: **Development of Community Forests in 3 sites****Activity A.1.1**: **Consultation for raising awareness of the project; and Site selection**Six meetings (one in 2020 December and five in 2021 January) with local Forest Department staff and communities were held to select the sites that have the potential for fulfilling the objectives of the project. After a series of formal and informal discussions, Pyinmana Township in Nay Pyi Taw, and Loikaw and Demoso Township in Kayah State were confirmed as the project sites. Some activities such as community consultation and awareness raising have been completed in the project sites. However, due to the security conditions, project activities could not be implemented in Kayah State from 1st February 2021 until June 2021. Therefore, as a substitute for the project site in Kayah State, we proposed a new project site, Nyaung Shwe Township in Shan State, to the Mekong Institute. In July 2021, two virtual meetings were held to make discussions with Shan State FD, and Nyaung Shwe Township was confirmed as the new project site with the agreement of Mekong Institute.At present, the project is being implemented in Nay Pyi Taw and Shan State. In Nay Pyi Taw, project activities are implemented in Pha Laung Community Forest where a CF user group of 25 forest-dependent people manage an area of 130 acres in the Nan Cho Reserved Forest.The CF users of Phalaung CF are forest-dwelling communities who make a living by growing betel plants on the trees *(Erythrina uberosa Roxb.)* which are host to the climber betel-leaf plants. They earn income from selling the betel leaves at the local market in Pyinmana Township or sometimes they sell them to the traders in Bago Region through the brokers.According to the CF users, the yield of the betel leaves has decreased in the recent years due to pest infestation and climate change and caused a decline in their income.Therefore, the community needs an alternative option for their livelihood, and agroforestry promotion is considered as the most suitable solution that satisfies both the basic livelihood development and forest conservation in the Nan Cho Reserved Forest. In addition, agroforestry is the only option that can create a secure land use right while fulfilling the Forest Department’s target for increased forest cover.That is why the project is being implemented to establish an agroforestry-based CF in that area. Moreover, another key objective is to establish an ideal agroforestry-based CF in Nay Pyi Taw so that it will become a model CF for demonstration and research site for the trainees when trainings on CF/agroforestry are held in Nay Pyi Taw. In Shan State, project activities are implemented in two CFs, Maing Thauk Village CF, and Lwe Nyeint Village CF. The original objectives of the two CFs are to conserve natural forest for Inle Lake watershed conservation and to provide fuelwood for the nearby local communities. With the support of this project, the potential for initiation of community forest-based enterprises will be revealed in the two CFs in accordance with the Community Forestry Instructions of the Forest Department. To disseminate the basic information of the project and community forestry/agroforestry related procedure of Forest Department, pamphlets and posters were published and distributed to the CF users and relevant stakeholders such as CSOs in the project sites.In addition, the Community Forestry Instructions were published and shared at the capacity building trainings and workshops organized by the project.At the meetings, trainings and workshops organized by the project, T-shirts, water bottles, back packs and notebooks with project logos were also distributed to the CF users, interested local people and participants from line departments.It was learned from the site selection of the project that security condition should be considered for the long term so that project implementation and follow-up monitoring can be accomplished without any difficulty.**Activity A.1.2**: **Measurement of selected area and boundary delineation in selected sites**The activity was accomplished by the township FD staff (PMU members) with close monitoring of the project director and project manager. According to the measurements of the selected CF areas, it is recorded that the Maing Thauk CF covers an area of (1250) acres, Lwe Nyeint CF covers 600 acres and Pha Laung CF covers 130 acres respectively. In Pha Laung CF, boundary demarcation of the individual plots (150 acres in total) of the CF users was completed in January 2022. In addition, the sign boards and notice boards were erected in the individual plots. A total of 60 boundary pillars have been erected in the three CFs.**Activity A.1.3**: **Assessment of the needs and livelihood condition of local communities for CF development in selected sites** The information on the socioeconomic condition, forest related livelihood activities, knowledge and experience in CF, and the potential for CFE initiation of the CFs based on community forest-based tourism and non-timber forest products, and the potentials for agroforestry development could be assessed by the PMU team through household surveys and focus group discussions. A total of 121 respondents, 10 in Pyinmana township and 111 in Nyaung Shwe township, were involved in the survey, and recommendations on priority CFs and relevant activities were provided. The findings of the socioeconomic condition of the communities in the project sites could help the PMU to identify the desirable cash crops or tree species in the areas and prioritize relevant capacity building trainings and support for priority forest operations in the CFs. **Activity A.1.4**: **Establishment of Agroforestry based CF in Pha Laung village Nay Pyi Taw (New CF) (Certificate application stage)**Regarding the application for the certificate of 30-year land use right in accordance with the Community Forestry Instruction (2019) issued by the Forest Department, the PMU had conducted mobilization of the forest-dwelling community so that they can form a CFUG and complete the requirements of the application. Up to date, the 130 acres of land in the Compartment number 7 and 25 in the Nan Cho reserved forest, which is applied for CF by the group of 25 CF users, has already been specified and identified by the District Forest Officer. Natural regeneration, enrichment planting and other tending operations were carried out with the participation of the CF users. In addition, perennial cash crops such avocado, jackfruit and yam plants were provided for planting in the gaps in the individual plots of the CF users. For the long-term benefits, commercial trees such as teak and ***Acacia mangium*** are planted in blocks. The seedlings were raised by the CF users in their own nursery by applying the techniques demonstrated by the project field staff.The compulsory CF management plan has also been developed by the CFUG with the support of the PMU and Township Forest Department staff. The final version of the management plan was confirmed by the District Forest Officer and the Certificate was issued to the CFUG on 2nd October 2022. Therefore, the CFUG will be able to manage their CF with the full rights of the CF users by taking the responsibilities prescribed in the Community Forestry Instruction (2019).**Activity A.1.5**: **Conducting Forest inventory to assess the existing resources in the two CFs in Shan State**Forest inventory have been conducted in the three CFs by the CF users with the supervision of township FD staff after on-site trainings on the application of a simple forest inventory technique that can be easily used by the users themselves. Inventory data input and analysis was assisted by the PMU. The data and analysis results of the inventory were used in the management plans.As the CFUG members carried out the inventory with the supervision of project field staff, they became familiar with the inventory techniques, and they will know the actual resources of their CF. Therefore, they will be able to make better decisions on choice of trees, cash crops and suitable agroforestry designs for the long-term benefits.The forest resource inventory accomplished in Pyinmana township and Nyaung Shwe township are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Sr.** | **Date** | **Place** | **Number of plots** |
| 1. | 2021 December 27-28 | Pha Laung CF(Pyinmana) | 12 plots (66' x 66') |
| 2. | 2021 November 6-10 | Maing Thauk CF(Nyaung Shwe) | 125 plots (66' x 66') |
| 3. | 2021 November 6-10 | Lwe Nyeint CF(Nyaung Shwe) | 125 plots (66' x 66') |

**Activity A.1.6:** **Updating existing management plans in two CFs in Shan State (Validation in progress)**Three consultation meetings were held in Nyaung Shwe Township to make modifications of the existing management plans of Maing Thauk CF and Lwe Nyeint CF in line with the Community Forestry Instruction (2019).To develop the management plans that comply with the information/contents of an ideal management plan as prescribed in the CFI (2019), it is important that the plans involve fund management schemes, benefit sharing system, and reinvestment ratio for community development programs. In addition, ratio and system designated for revolving fund are included in revising the existing management plans.As the project will support revolving fund to the CFUGs for CFE development, the ratio and system designated for revolving fund are included in revising the existing management plans in line with the CFI (2019). This will help the CFUGs to manage the fund in a systematic and sustainable manner for the long term.The rules and regulations prescribed for the CFUG members will be of great help to control undesirable conflicts among the members and monitor the future leadership, participation and decision making in forest management as well as financial management.The maps and basic information required for the management plans were provided by Nyaung Shwe Township Forest Department.**Activity A.2**: **Forest restoration (Implementation of restoration activities in CF Management Plans)****Activity A.2.1**: **Establishment of nursery to produce seedlings for agroforestry in Nay Pyi Taw and forest restoration in Shan State*** As per the original workplan, the project supported 15000 forest tree seedlings and 500 seedlings of perennial trees (avocado) to the nursery in Loikaw Township Forest Department to distribute to the CFUGs of the two project CFs in January 2022.
* As per the revised work plan after selecting the new site in **Shan State**, two forest nurseries could be established to product the seedling over 3000 seedling annually in Nyaung Shwe township, one in Lwe Nyeint CF (Permanent Nursery) and another one in Maing Thauk CF (Temporary Nursery).
* A nursery (20' x 24') was established for 30000 seedling production capacity in Pha Laung CF, and an 800-gallon brick water tank (4'x 4'x 8') was built to provide water for the nursery.
* A 2000-feet-long inspection road and a temporary wooden bridge were built for checking the nursery in the Pha Laung CF.
* Up to date, the project could provide a total of more than (5000) seedlings of (5) tree species.
* Specifically, the project could provide (2000) seedlings of commercial tree species such as Teak and (2000) seedlings of fast-growing species for forest cover increase and watershed conservation such as Acacia Mangium and Avogado perennial species.
* In all three nurseries, the CFUG members were employed as nursery workers in the works ranging from ground preparation and building the nursery to raising tree seedlings and maintenance, giving a sense of ownership and opportunity for employment and participation of the CF users.

**Activity A.2.2**: **Forest restoration using agroforestry method in the CF in Nay Pyi Taw and forest restoration (block planting/Enrichment Planting/Natural Regeneration) including selected non-timber forest species in 2 CFs in Shan State (Implementation Stages)**The CF operations accomplished under this activity in the three CFs are described as follows:1. **Pha Laung Village CF (Pyinmana township)**
* Weeding operation was carried out in the (50) acres of the CF to encourage the growth of forest trees and to prevent the forest fire during the dry season.
* About 3000 trees (teak, pyinkado, mangium etc..) were planted as enrichment planting in the gaps of CF.
* Supporting 300 viss (500 kg) of yam to pant in CF area and to get income in short term and medium.
* Support fire protection of CF.
1. **Lwe Nyeint Village CF (Nyaung Shwe Township)**
* Support for construction of 3000-feet long fire protection road and 2000-feet-long Inspection Road in the CF
* Support for Assisted Natural Regeneration operation in 35 acres in the CF area
* Support fire protection in summer season
* Renovation of meeting hall
* Renovation of Signpost
1. **Maing Thauk Village CF (Nyaung Shwe Township)**
* Support for construction of 3000-feet long fire protection road and 2000-feet-long Inspection Road in the CF
* Support for Assisted Natural Regeneration operation in 35 acres in the CF area
* Support fire protection in summer season
* Renovation of Viewpoint
* Renovation of Signpost

**Output 2: Improvement of capacity of CF Users and Local FD Staff for CF and CFE Development****Activity B**: **Capacity building to CF Users and FD Staff and sharing of lessons and experiences in local as well as regional workshop****Activity B.1**: **Training of basic course for CF and CFE development**The following (3) basic trainings could be conducted in Pyinmana and Nyaung Shwe township during the first term of the project: (64) participants and (32) FD staff joined the trainings.**Pyinmana Township**

| **Sr.** |  **Training** | **Date** | **Subjects** | **Benefits** |
| --- | --- | --- | --- | --- |
| **Training for CFUGs** |
| 1. | Basic training on Community Forestry | 2021 December | * CF concepts and related laws, policy, instructions, and Standard Operating Procedures
* Fund management and conflict management for CF Users
* Information that should be included in a management plan
* Leadership and bylaws
 | Better understanding of the role of CF in livelihood development, knowledge of the procedure of CF application, the importance of management plan, financial management and decision making |
| **Training for FD Staff** |

**Nyaung Shwe Township**

| **Sr.** | **Training** | **Date** | **Subjects** | **Benefits** |
| --- | --- | --- | --- | --- |
| **Training for CFUGs** |
| 1 | Two Trainings on Community Forestry | 2021 December&2022 May | * CF concepts and related laws, policy, instructions, and Standard Operating Procedures
* Fund management and conflict management for CF Users
* Information that should be included in a management plan

Leadership and bylaws | Better understanding of the role of CF in livelihood development through initiation of CFE based on the products and services of CF (i.e., non-timber forest products and community forest-based tourism)-Enhanced knowledge of the procedure of CF application, revision of management plans by identifying the objectives for CFE and related matters, financial management and decision making. |

**Activity B.2**: **Training to CF Users for forest inventory and forest resource management in 3 CFs** * For the assessment of the forest resources, the application of simple forest inventory guidelines was introduced to the CF Users so that the villagers can conduct the inventory by themselves and know the status of forest resources in their village CFs.

**Pyinmana Township**

| **Sr.** | **Training** | **Date**  | **Subjects** | **Benefits** |
| --- | --- | --- | --- | --- |
| **Training for CFUGs** |
| 1. | Training on Forest Resource Inventory in CF (Pyinmana) | 2021 December 25-26 | * Objective and benefits and basic concept of forest inventory
* Inventory in natural forest and plantation
* Identifying the tree in the plots
* Inventory data input and analysis

Demonstration in the sample plots | The CF users gain the knowledge of the basic concepts and importance of forest inventory, the systematic and easy inventory techniques can be applied by the CF users on their own, and they can know the status of their forest resources and adjust the inputs for agroforestry and natural forest conservation. |
| 2. | Training on Community Forestry for FD Staff | 2022 August | -Introduction of the project- The policy, laws, and instructions related with CF, and Standard operating procedures of CF-The important information prescribed in CFI (2019) -The important role of forest resource inventory in CF implementation-The facts to be considered in developing a management plan in line with CFI (2019)- Community participation in community forestry- Inventory data input and estimation/calculation of the volume of timber in a CF-Inspection of the CFs and reporting* - Practical demonstration of forest resource inventory
 | The staff will be able to conduct the forest resource inventory and monitor the inventory of CF users. They will better understand the steps of CF management plan development in line with CFI (2019) and will be able to help the CF users to develop new management plan or revising the existing plans.The staff will also realize the systematic reporting of the progress of CF establishment and the findings of their inspection. |

**Nyaung Shwe Township**

| **Sr.** | **Training** | **Date** | **Subjects** | **Benefits** |
| --- | --- | --- | --- | --- |
| **Training for CFUGs** |
| 1. | Training on Forest Resource Inventory in CF (Nyaung Shwe) | 2021 November7-8 | * Objective and benefits and basic concept of forest inventory
* Inventory in natural forest and plantation
* Identifying the tree in the plots
* Inventory data input and analysis

Demonstration in the sample plots | The CF users gain the knowledge of the basic concepts and importance of forest inventory, the systematic and easy inventory techniques can be applied by the CF users on their own, and they can know the status of their forest resources and adjust the inputs for agroforestry and natural forest conservation.  |

**Activity B.3**: **Training to local FD Staff and CF Users for market analysis and development in Shan State (Staff in Taunggyi District)*** One Training on Market Analysis and Development for CFUG was organized in Pyinmana Township, Nay Pyi Taw in June 2022 (20 of participants) and (3) staff joined in the training.
* Two trainings on Market Analysis and Development were organized in Shan State, one for Taunggyi District Forest Department staff (2022 February) and one for CF Users of Maing Thauk CF and Lwe Nyeint CF (2022 July). (20of participants) and (3) staff joined in the trainings.

**Pyinmana Township**

| **Sr.** | **Training** | **Date** | **Subjects** | **Benefits** |
| --- | --- | --- | --- | --- |
| **Training for CFUGs** |
| 1. | Training on CFE and Market Analysis | 2022 June | -Basic concept of CFE and the stages of CFE development-The view of CF users on CFE and the approaches for becoming a CFE- Market analysis on the products and services of CF -The basic requirement of a CF to perform market analysis-Excursion to the value-added bamboo business and agro- business in Pyinmana township. | The CF users got an opportunity to learn the basic concepts and requirements for a CFE through group discussions, exercises and developing action plans based on the existing resources in their CF.By participating in the excursion, they got an insight into a broader scope of value addition and commercialization of agroforestry products. They also got knowledge on how to generate income from seasonal crops, perennial plants and trees, and selection of agroforestry designs. |

**Nyaung Shwe Township**

| **Sr.** | **Training** | **Date** | **Subjects** | **Benefits** |
| --- | --- | --- | --- | --- |
| **Training for CFUGs** |
| 1. | Training on CFE and Market Linkage for CFUG  | 2022 July | -Basic concept of CF and CFE, and the role of CFE in livelihood development-Phases of CFE development-Identification of CF products and services for initiating a CFE-Approach for sustainable livelihood through CFE development-Value chain analysis for CFE development- Identification of limitations and opportunities encountered in value chain analysis in CFE development-Assumptions and vulnerability in CFE development | The CF Users will be able to analyze the most profitable products (non-timber forest products) and services from their CFs. They will be able to identify current linkages with local market and vulnerability of the products and services.  |
| **Training for FD Staff** |
| 2. | Training on CFE and Market Analysis for FD Staff  | 2022 February | -Basic concept of CF and CFE, and the role of CFE in livelihood development-Phases of CFE development-Identification of CF products and services for initiating a CFE-Approach for sustainable livelihood through CFE developmentThe features of an ideal CFE-Value chain analysis for CFE development- Identification of limitations and opportunities encountered in value chain analysis in CFE development-Assumptions and vulnerability in CFE development | The local FD staff will be able to facilitate and support CFE initiations and market linkage.They will be able to contribute more realistic and feasible recommendations for establishment of two different model CFs that can successfully transform into CFEs in Nyaung Shwe township.This will have many positive impacts on the success of the project and livelihood development of the CF Users. |

**Activity B.5**: **Training for agroforestry development in Nay Pyi Taw*** Two trainings on agroforestry were organized for 20 participants in Pha Laung Village in Pyinmana Township in March and July 2022. Basic concepts of agroforestry, agroforestry designs practised in Myanmar and other countries, and the selection of trees and crops in the agroforestry plots were taught in the trainings.

**Pyinmana Township**

| **Sr.** | **Training** | **Date** | **Subjects** | **Benefits** |
| --- | --- | --- | --- | --- |
| **Training for CFUGs** |
| 1. | Two trainings on Agroforestry | 2022 March&2022 July | * - Different agroforestry designs practiced in different parts of Myanmar and neighboring countries
* - Agroforestry framework for CF development
* - The facts to be considered in selection of multi-purpose tree species for Agroforestry
* - The concept of agroforestry and phases in agroforestry practice

- The facts to be considered in selection of agroforestry designs | The CF users get increased knowledge of agroforestry and selection of agroforestry designs, tree species and cash crops suitable with their CF. They get enough capacity to practice agroforestry by taking into consideration the framework and possible difficulties. |

**Activity B.6**: **Training of basic course for tourism development in tourism-based CF in Shan State*** One training on Community Forest based Tourism Development was held in Nyaung Shwe Township for 18 participants of community forest users. The main subjects delivered in the training are the concepts of ecotourism, the linkage between tourism and community forests, the potential for Enterprise Development and local livelihood development based on community forests in Nyaung Shwe Township.
* Although this training is the activity of Year-2 according to the original approved workplan, we conducted it in the first term to comply with the work plan and budget estimation (2021-2022 Fiscal Year) of the Forest Department.

**Nyaung Shwe Township**

| **Sr.** | **Training** | **Date** | **Subjects** | **Benefits** |
| --- | --- | --- | --- | --- |
| **Training for CFUGs** |
| 1. | Training on Community Forest Based Tourism Development | 2022 March | * - The concepts of tourism and its links to community forestry
* - The potential for tourism development based on the CFs in Nyaung Shwe Township
* -The requirements for initiation of community forest-based tourism (CBT)
* -The challenges and opportunities the CFUG may encounter in CBT

-The status of development of relevant guidelines and procedures of FD to support CBT  | The participants got knowledge on the possibilities of CBT initiation based on their forest resources in collaboration with local tourism businesses and tour companies.The CF Users also got an insight into promotion of unique cultural and traditional features in community forest-based tourism so that job opportunity and income for the CF users can be revealed. |

**Activity B.8: Organizing farmer to farmer exchange visits to successful CF with similar approach**In June 2022, an excursion with 10 community forest users was organized for the **CF Users of Pha Laung Village CF** to three successful Agroforestry-based CFs in Titekyi Township and Hmawbi Township in Yangon Region so that they get new ideas and knowledge on the agroforestry designs, income generation from agroforestry, market linkage and selection of suitable trees and crops. Considering the Covid-19 pandemic restrictions, ten CF Users participated in the trip.The CFUGs learned diverse agroforestry designs such as forest tree-fruit, perennial plants-forest trees, seasonal cash crops- forest trees, bamboo, and fast-growing tree plantation. Based on their feedback on the excursion, seedlings of some perennial trees such as jackfruit and avocado were distributed for trial planting in their plots.The exchange visit for CFUGs in Nyaung Shwe Township have not been accomplished yet due to the security conditions and covid-19 restrictions.**Activity B.9: Organize workshops to share experiences and lessons learned among CF Users from project sites and those from Outside the project area**Two workshops, one in Pyinmana Township and one in Nyaung Shwe Township, could be held in December 2021. About 50 participants attended in each workshop and the key discussion points of the participants were the challenges encountered in CF management, CF related policy, laws and instructions, the status of CF implementation in Pyinmana township and Nyaung Shwe township, and the support of the project for forest restoration and livelihood development.**Workshop held in Pyinmana Township**

| **Title** | **Date and Place** | **Participants** | **Objectives** | **Benefits** |
| --- | --- | --- | --- | --- |
| Workshop on Community Forestry | - 31 December 2021-San Thit Lwin Village, Pyinmana Township | 50 participants- CF Users in PyinmanaTownship- Dekhina District FD staff | -To exchange experience of CF management of CFUGs-To share knowledge on the procedures of CF application, and the important role of management plan-To obtain the ideas and suggestions of the CF users, local FD staff and relevant stakeholders in CF and CFE development, and reveal the possible supports by the project in line with the workplan and budget plan | -The participants got knowledge on the role of CF in achieving the targets of national forestry master plan.-The status of CF management, policy, laws, and instructions related with CF.- The participants will understand the rights of CF users and prohibitions in CF implementation, and the activities that are carried out with the support of the project. |

**Workshop held in Nyaung Shwe Township**

| **Title** | **Date and Place** | **Participants** | **Objectives** | **Benefits** |
| --- | --- | --- | --- | --- |
| Workshop on Community Forestry | - 20December 2021- Paradise Hotel, Nyaung Shwe | 50 participants- CF Users in Nyaung Shwe Township- Taunggyi District FD staff | -To exchange experience of CF management of CFUGs-To share knowledge on the procedures of CF application, and the important role and components of an ideal management plan.-To obtain the ideas and suggestions of the CF users, local FD staff and relevant stakeholders in CF and CFE development, and reveal the possible supports by the project in line with the workplan and budget plan | -The participants exchanged their experience in CF management including leadership, decision making and benefit sharing. -They got the opportunity to discuss with FD officials and ask for clarification about CF related matters such as application and permission for CF establishment, the rights, and responsibilities of CFUGs, assistance from FD, and prohibitions.-The PMU and FD staff also had a chance to share information and knowledge on the current and upcoming activities of the project in Nyaung Shwe township. |

**Activity C.: Initiation of CFE development in 2 CFs of Shan State****Activity C.1: Analysis of potential CFE types and socioeconomic survey and market analysis in 3 CFs** The expert team of Forest Department has conducted an analysis on the potential for CFE and market analysis based on the products and services of the CFs in Nyaung Shwe Township in from January to March 2022. (The report is the attached file)**Activity C.2: Development of Enterprise Development Plans (Business Plans) in the three CFs** The enterprise development plan was developed by the expert team so that community forest enterprises can be initiated by promoting the products and services of community forests in Nyaung Shwe Township and Pyinmana Township. (The report is the attached file) |
| 1. Problems Encountered/Deviations
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| The main problems encountered in the implementation of the project from 2021 January to 2022 September) are described as follows:1. Security problems in Kayah state has interfered with the continuation of the project implementation, and as a solution, Forest Department has made negotiation with the Mekong Institute for changing the project site to Shan state.
2. Due to the security conditions and Covid-19 outbreak in the project areas, some activities such as excursion were accomplished with limitations. The meetings were held virtually and trainings were organized with limited number of participants in line with the Covid-19 restrictions and protection measures.
3. Regarding the security conditions, negotiations were made with local authorities and FD staff in advance of the field inspection and trainings, and strictly follow their recommendations. Therefore, the project activities are being implemented without any serious difficulty.
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| 1. Workplan for the remaining activities

- The Study tour program of the farmer-to-farmer exchange will be conducted in November 2022.- The workshop of Community Forest Based Tourism-CBT under the community forestry development program will be held in November 2022 to promote the Community Forest based Enterprise-CFE with the support of CBT and non-timber forest based including market linkage.- The meetings monthly meeting, project management unit meeting, project steering committee meeting, project monitoring meeting will be held monthly or timely.- Project Team will implement the activities of project in accordance with work plan and schedule.- Site inspection and field implementation will be conducted in monthly or timely.- The audit from Union Auditor General checks the financial documents in two times with financial regulation of government rule from January 2021 to March 2022. But the audit team do not give the report.- Therefore, the external audit will be assigned in December 2022 to check and inspect the activities of project and financial regulation under policy of government with guidance of project manual for project period.- The project team implemented most of activities except the Training to CF Users for value-adding technologies in non-timber-forest-products-based CF in Shan State. We will conduct this training on November 2022.- According to workplan of project proposal, the budget is US $ 142636 for activities of the year. The project expended only US $ 107291(75% of target). - The remaining budget US $ 35345 have to use the remaining activities and the continuous activities of the project with workplan and schedule in project period.- The revised budget proposal will be submitted for one year of no cost extension period in accordance with workplan of Year Two.- Finally, the most activities of project are implemented in period of project not year one of project, but the project team took about 2 year for year one of project proposal with many limitation of COVID 19 pandemic, security, etc…- We hope the remaining activities will implement in No Cost Extension period. |