Mpingo Conservation & Development Initiative

Strategy 2015 – 2017
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1. Background – Community Forestry in Tanzania

There is a pressing need for forest-adjacent rural communities across Tanzania to be able to sustainably manage and economically benefit from their natural forests. Nearly half of the country’s forests occur on village lands, and if local people realise the profitability of sustainably managing these forests, then they will work to prevent deforestation, forest degradation and the conversion of forests into agricultural land.

Appropriately, the Tanzanian government has developed a suite of land, local government, and forest laws that vest rural communities with well-defined rights to own, manage, and benefit from forest and woodland resources on their village lands. This approach is known as Participatory Forest Management (PFM), and comprises Community-Based Forest Management, where communities can secure the right to manage and benefit from local forests by establishing village forest reserves. Upon the development of a forest management plan, the responsibility of managing the enclosed forest is devolved to the village government, and in particular the Village Natural Resources Committee.

PFM has resulted in some 4.1 million hectares of natural forest coming under the direct legal management of some 1,400 villages, or under co-management between communities and the government, making Tanzania one of Africa’s leaders in community forest management. However, while the PFM programme has resulted in improved forest conservation and strengthened rights at local level, it has thus far resulted in only marginal or unclear economic gains for the communities conserving their forests. As a result the local economic and development value of forest resources remains untapped, and there is a lack of economic incentives for poor rural communities to continue conserving their existing forest lands, or to further expand the area under sustainable management and conservation.

A major opportunity and need exists to support communities to sustainably use their forests to generate income that is (at a minimum) sufficient to cover the costs of sustainable forest management. Ideally, the income from selling timber, other forest products (primarily charcoal and honey), and potentially ecosystem services (e.g. carbon offsets) under PFM will also derive substantial profit margins for communities and contribute to local development and livelihood improvement. A small number of initiatives started in Tanzania with the aim of supporting communities to derive sustainable and substantial revenues from their natural forests; the Mpingo Conservation & Development Initiative is a leading pioneer and service provider in this respect.

1 Another form of PFM practiced in Tanzania is Joint Forest Management, where communities and the government co-manage and benefit from state forest reserves.
2 This represents about 12% of the total area of 33.4 million hectares of forest and woodland in Tanzania, and about 12% of the roughly 12,000 villages in the country (many of which are not forest adjacent). An estimated 16 million hectares of forest and woodland that occurs on village lands has not yet come under formal community management. Blomley and Iddi (2009) Participatory Forest Management in Tanzania: 1993 – 2009. Lessons learned and experiences to date. Forestry and Beekeeping Division, Tanzania.
3 These costs include salaries for meetings and forest patrols, transport to and from the forest, field equipment (e.g. hand saws, steel-capped safety boots, and other safety equipment for sustainable timber harvesting), and office equipment for record keeping.
2. The Organisation

Mpingo Conservation & Development Initiative (MCDI) is a NGO based in Kilwa District, in south-eastern Tanzania. MCDI was established in 2004 with the aim of supporting the development of community forestry in south-eastern Tanzania. Specifically, MCDI:

- Supports communities to implement PFM on village land, so that they can own, manage and benefit from their forests;

- Facilitates certified, equitable and sustainable forest-based income generating opportunities – currently from sustainable timber harvesting and improved forest fire management, which will eventually yield carbon offsets under MCDI’s REDD\textsuperscript{4} project – as a basis for communities to benefit financially from responsibly managing their forests;

- Raises awareness about the socio-economic benefits that can come from sustainable forest management.

MCDI is named after its flagship tree species: the East African Blackwood tree (*Dalbergia melanoxylon*), which is called mpingo in Swahili. Mpingo is exported to make musical instruments, principally, clarinets, oboes and bagpipes. Although traded volumes are low, the wood’s unique characteristics means it commands extremely high prices of up to USD $20,000 per cubic metre of sawn wood in international markets. Mpingo is also used extensively locally, where it is the medium of choice of many traditional wood carvers. Over time MCDI has broadened out from its initial focus on Mpingo (still a species of major interest) to encompass other high value timber species and non-timber forest products and services that have significant commercial value.

\textbf{Figure 1: MCDI’s Work and Impacts.}

\begin{itemize}
\item Poverty Alleviation
\item Biodiversity Conservation
\item Improved Governance
\item Climate Change Mitigation & Adaptation
\item Timber Sales
\item Carbon Offsets (to follow)
\item Participatory Forest Management
\item Improving Governance
\end{itemize}

\textsuperscript{4}REDD stands for Reduced Emissions from Deforestation and forest Degradation.
2.1 Introducing the Forest and the Communities

MCDI’s work began and remains centred in Kilwa District and nearby districts in south-eastern Tanzania, which are home to some of the poorest rural communities in the country. All MCDI-supported communities predominantly rely on agriculture for their livelihoods. Until recently, these communities have had little access to infrastructure, with poor road networks and transport facilities, making the provision of forestry extension and support services, as well as effective forest product and service sales, particularly challenging. However, the situation has improved in recent years.

The forest area of Kilwa District and much of the rest of south-eastern Tanzania is dominated by miombo woodland, which has canopy heights rarely exceeding 15 metres. This is interspersed with smaller patches of floristically richer East African Coastal Forest – a global biodiversity ‘hotspot’ – with 30-35 metre emergents, particularly occurring on the two ridges that run the north-south length of the district. There are some twenty or more commonly occurring species of tree suitable for timber use, of which five are of particular interest because of their relative abundance and commercial potential (see Table 1 below). Other once-common species – such as Milicia excelsa – have been selectively harvested out and are unlikely to occur at commercially viable densities except in the remotest parts of the country.

<table>
<thead>
<tr>
<th>Latin Name</th>
<th>Local Name</th>
<th>Number of forests</th>
<th>Annual Quota (m$^3$)</th>
<th>Value (million TZS)</th>
<th>Value (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dalbergia melanoxylon</td>
<td>Mpingo</td>
<td>8</td>
<td>1,649</td>
<td>569.9</td>
<td>273,552</td>
</tr>
<tr>
<td>Millettia stuhlmannii</td>
<td>Mpangapanga</td>
<td>5</td>
<td>2,460</td>
<td>755.8</td>
<td>362,784</td>
</tr>
<tr>
<td>Acacia nigrescens</td>
<td>Msenjele</td>
<td>6</td>
<td>2,717</td>
<td>626.0</td>
<td>300,480</td>
</tr>
<tr>
<td>Pterocarpus angolensis</td>
<td>Mninga jangwa</td>
<td>8</td>
<td>2,418</td>
<td>742.9</td>
<td>356,592</td>
</tr>
<tr>
<td>Julbernardia globiflora</td>
<td>M kondoro</td>
<td>11</td>
<td>1,980</td>
<td>456.3</td>
<td>219,024</td>
</tr>
<tr>
<td>Afzelia quanzensis</td>
<td>Mkongo</td>
<td>6</td>
<td>718</td>
<td>220.5</td>
<td>105,840</td>
</tr>
<tr>
<td>Pterocarpus tinctorius</td>
<td>Mninga bonde</td>
<td>2</td>
<td>572</td>
<td>175.8</td>
<td>84,384</td>
</tr>
<tr>
<td>Bombax rhodogaphalon</td>
<td>Msufi pori</td>
<td>3</td>
<td>533</td>
<td>92.1</td>
<td>44,208</td>
</tr>
<tr>
<td>Baphia kirkii</td>
<td>Mkuruti</td>
<td>1</td>
<td>163</td>
<td>37.6</td>
<td>18,048</td>
</tr>
<tr>
<td>Bobgunnia madagascariensis</td>
<td>Msekesèke</td>
<td>2</td>
<td>77</td>
<td>23.5</td>
<td>11,280</td>
</tr>
<tr>
<td>Sterculia quinqueloba</td>
<td>Mwembeti</td>
<td>2</td>
<td>179</td>
<td>30.9</td>
<td>14,832</td>
</tr>
<tr>
<td>Spirostachys africana</td>
<td>Msagawi</td>
<td>2</td>
<td>22</td>
<td>5.2</td>
<td>2,496</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>7</td>
<td>13,489</td>
<td>3,736.5</td>
<td>1,793,520</td>
</tr>
</tbody>
</table>

National forest inventories conducted in selected forest blocks in eleven districts during 2005 revealed that Kilwa still has some of the highest densities of timber resources in southern Tanzania, with 10.5m$^3$/ha of harvestable timber in the surveyed blocks, second only to Tunduru District (12.2m$^3$/ha)$^5$, where MCDI expanded to in 2014 (see Section 2.5 Taking MCDI’s Growing Success to Scale). However, a significant proportion of the timber stocks in Kilwa are composed of hitherto less commonly exploited species; stocks of the most prized species are comparably low due to previous over-exploitation$^6$. Nonetheless, more than $150 million of standing stocks of hardwood timber

$^5$ Malimbwi et al. (2005) Kilwa District Forest Inventory Report. FORCONSULT/Forestry & Beekeeping Division, Tanzania.

$^6$ Ball and Gregory (2006) Rapid Stocks Assessment of Mpingo and Other Timber Species for Kilwa District. Mpingo Conservation Project.
remains across this landscape, to which rural communities could potentially lay claim. It is on this basis that MCDI is working with communities to institute sustainable timber harvesting in south-eastern Tanzania, helping them to derive sustained revenues from these well-stocked forests.

2.2 MCDI’s Niche

MCDI’s speciality and core area of expertise is in helping rural communities derive direct financial benefits from managing their local forests. Sustainable timber production is the primary revenue driver that MCDI has identified and developed to date in the miombo forests where it operates. MCDI also expects to support communities to sell carbon offsets in coming years; and it foresees that other products and markets could conceivably be identified and exploited later on.

MCDI’s work combines environmental, social and economic sustainability. Indeed, MCDI believes that if its work is not sustainable on any one of these axes, it will eventually fail. This is something that sets MCDI apart from many other organisations active in community forestry in the tropics. MCDI is primarily opportunity-led rather than problem-driven; it will expand its work into new areas based on the opportunity for sustainable community forestry to bring about significant economic benefits to communities, not based on the magnitude of threats faced or the biodiversity values present in the forest. In MCDI’s work with rural communities there must always be a clear rationale as to why they should be interested and how they will benefit.

2.3 How MCDI works with Communities and Other Partners

At every stage in MCDI’s work, it consults with local communities and other stakeholders, including the Tanzanian Government – with which it has a particularly strong and transparent relationship – as well as private sector partners and other NGO’s implementing community forestry initiatives in Tanzania. One way MCDI does this is through its popular annual stakeholders’ forums. It is through these forums that MCDI began exploring the ways that community forestry in south-eastern Tanzania can become self-supporting; it continues to discuss options for expanding this work and taking it to scale with a range of stakeholders.

MCDI also provides advice and support to communities in managing the revenues they earn from sustainably harvesting their timber, working to ensure that benefits are shared equitably within each community through a focus on strengthening village governance. Finally, MCDI monitors the impacts of its work on the forests (e.g. biodiversity, ecosystem health and carbon stock changes) and on communities (e.g. village governance and socio-economic impact on households), to ensure that it is having actual, tangible benefits for forest conservation and rural development.
MCDI facilitated the first commercial timber harvest from a community-managed forest area in Tanzania in 2009. Since then, communities that MCDI supports in Kilwa District have earned over $200,000 from timber sales; these were the first communities in the country to begin generating regular income from sustainably harvesting their native timber resources. Moreover, revenue generation through the initiative is growing; community sales of certified, sustainable timber during 2014 increased by more than 60% from the previous year.

MCDI certifies community forests with the Forest Stewardship Council (FSC), meeting the highest international standards of responsible forest management. The FSC certificate that MCDI manages is the only one of its kind for community-managed natural forest in the whole of Africa. It provides communities with a credible means to differentiate their timber against that which has been illegally or unsustainably felled and/or where beneficiaries have not gotten a fair price. As of 2015, there are 11 village forest reserves under the MCDI FSC group scheme, encompassing a total of 107,963 hectares of forest. MCDI originally pursued FSC certification in the expectation that it would drive international timber sales, especially of its flagship species, *Mpingo*, and to help timber from community forests to hold its value in a market dominated by illegally harvested wood. The FSC certificate has acted to increase demand for timber from certified community forests, and to boost the overall credibility of MCDI and its work. To date, however, communities have only generated a negligible premium for FSC-certified timber. Regional and international sales were also originally slow to take off. This is changing, however, and since MCDI employed a dedicated Timber Marketing Officer at the beginning of 2014, it has been receiving an increasing number of enquiries from national, regional and international buyers interested in FSC-certified wood.

MCDI is also piloting a REDD project to develop new forest-based revenues for communities. It will allow them to sell carbon offsets from improved fire management in community-managed forests on the voluntary carbon market. Together with its partners, MCDI developed an entirely new methodology for quantifying carbon emission reductions from fire management in miombo woodlands. This was accepted as a new standard methodology under the Verified Carbon Standard (VCS) in 2015, opening up a whole new frontier in REDD opportunities for communities residing in miombo woodlands that stretch across some 2.8 million km

As communities have seen the success of carrying out Participatory Forest Management as a means to own, manage and benefit from their forests, they are willing to dedicate an increasingly greater proportion of their village land to sustainable forest management. The success of MCDI’s work is thus evident in the area of forest that communities feel comfortable in choosing to set aside as a village forest reserve. The first two communities that MCDI worked with in 2006/2007, Kikole and Kisangi,
set aside 454 hectares and 1,966 hectares respectively; whereas in 2010 Nainokwe village set aside 15,512 hectares of forest, and in 2012 Nanjirinji A village set aside 61,505 hectares of forest.

2.5 Taking MCDI’s Growing Success to Scale

Until recently, all of MCDI’s operations have been focused on Kilwa District, where it works closely with Kilwa District Council to support an increasing number of villages – currently ten – to enable them to derive sustainable revenues from their forests by means of sustainable timber harvesting and (in future) the generation and sale of certified carbon offsets through improved fire management. In addition, since 2009 MCDI has been working with two villages in Rufiji District (where timber harvesting has yet to occur because of administrative delays). In 2013, in partnership with LIMAS, MCDI began operations in the 140,000 hectare Angai forest in Liwale District, and as of 2015 it has supported ten of the 24 communities whose village lands comprise this forest to legally designate areas of forest for sustainable management. Working in partnership with the World Wide Fund for Nature (WWF), MJUMITA and Tunduru District Council, MCDI also extended its work to Tunduru District in 2014, where it is initially supporting two villages to establish and generate sustainable revenues from managing their forests sustainably. Overall, it is expected that by the end of 2015 MCDI will be working with at least 26 villages across four key forest-rich districts in south-eastern Tanzania (see Map 1 overleaf), with at least 15 villages scheduled to be deriving sustainable forest-based revenues, and the remainder in process of doing so.

Figure 3: Past Trends and Planned Expansion in FSC-Certified Forest and Timber Sales

7 LIMAS stands for Lindi and Mtwara Agribusiness Support, a project funded by the Finnish Embassy in Tanzania.
8 MJUMITA stands for Mtandao wa Jamii wa Usimamizi wa Misitu Tanzania (Community Forest Conservation Network of Tanzania).
Planned expansion villages in Liwale and Tunduru Districts have not been formally agreed upon, and so this map provides an indication of the potential area of MCDI’s project coverage in three years time, rather than the precise location villages in which it plans to be working.
3 MCDI’s Principles

Over MCDI’s initial ten years of existence, it has developed a core set of principles that guide how the organisation works to achieve its vision and how it operates on a daily basis. These principles are:

**PEOPLE AND INSTITUTIONS**

- Developing long-term partnerships with forest adjacent communities that are consultative and transparent, and built on trust and local capacity building.
- Building constructive relationships with local and central government, other NGOs, the private sector and other stakeholders in advancing community forestry.
- Investing in people as the key agents of change and providing them with the support they need to fulfil their potential in a strong team environment and in their contribution to MCDI’s vision and mission.
- Wherever possible and appropriate, adopting a collaborative approach to all its initiatives and work activities.

**SCIENTIFIC METHOD AND RIGOUR**

- Designing and carrying out all community forestry work based on strong science and empirical processes, supported with detailed analysis, documentation and peer review.
- Adopting conservative and robust models to underpin sustainable use and ecosystem services provision, guided by the precautionary principle, ensuring that these models are regularly reviewed.

**ETHICS**

- Maintaining high ethical standards of practice within the organisation and in all its transactions and relationships, and promoting these standards among the communities it supports and other partners.
- Growing in a sustainable and measured manner, and delivering on all commitments and promises made.
- Only engaging in community forestry initiatives / projects / activities in an accountable manner that leads to direct and sustained revenue flows to communities.
4 MCDI’s Vision, Mission and Theory of Change

3.1 Vision
MCDI’s vision statement is as follows:

*Rural communities in Tanzania are sustainably managing their forests to support their livelihoods and economies.*

3.2 Mission
MCDI’s mission (purpose) statement is as follows:

*To advance forest conservation and community development in Tanzania by facilitating sustainable and socially equitable utilisation of forest resources.*

3.3 Our Theory of Change

*Engaging communities in forest conservation requires that local people derive substantial long-term benefits from managing the forest, and that they can do so on their own terms.*
Nearly half of Tanzania’s forests occur on village lands, and forested areas are home to some of the poorest rural communities in which people rely heavily on forest products to support their livelihoods. However, these forests have long been owned and controlled by the government; rural people historically have not had clear rights to manage or benefit from these resources. They have thus had little incentive to care for forests on village lands, instead leaving them open to overexploitation and illegal practices.

In order to bring forest destruction and degradation to a lasting halt, MCDI believes that it is not only necessary to allow communities to own their forests, but also to provide a sustained flow of benefits from their management efforts. These incentives need to be large enough in value and managed such that they benefit everyone in the community. In the case of the forests of south-eastern Tanzania, the most valuable resources are hardwood timber.

By generating sustainable revenue flows from forest products, strong incentives are created for conservation and sustainable use. Locally and sustainably managed forests that generate substantial and equitable revenue will improve the welfare and future prospects of rural communities. Better off communities who clearly understand how improvements in their lives are derived from sustainable management of their local forests will proactively ensure that these are conserved and utilised for the benefit of both current and future generations.
5 Strategic Framework: Realising MCDI’s Theory of Change

MCDI is evolving rapidly as a pioneering service provider for sustainable community forestry in Tanzania. Having developed certified community-based timber harvesting under its FSC group certificate, MCDI is now taking its community forestry services to scale in different parts of Tanzania. In addition, it pioneered a new methodology for REDD – and it is expected that partner communities will start to derive REDD-based revenues in addition to timber revenues from 2016 onwards.

As these initiatives grow, MCDI has reviewed its strategic direction and how the organisation should build on its achievements to date. This Strategic Plan provides MCDI with a clear direction and set of outcomes and targets to be achieved going forward, to ensure that MCDI continues to be a leader in creating and responding to key opportunities in community forestry in Tanzania. The Strategy has five components, the first of which focuses on scaling-up community forestry and forest-based revenues for MCDI’s partner communities. Although MCDI is largely recognised for its work in innovating and rolling out community-based sustainable forest management, it also engages in a wider range of support activities described in Components 2 – 4. The final component – Organisational Development – focuses on how MCDI intends to develop internally, so that it can continue improve the quality of services provided to rural communities. A key focus of this component is how MCDI expects to transition to a more financially sustainable operating model, generating sufficient internal revenues to fund an increasing proportion of its work. MCDI views this as crucial for building successful and sustained community forestry and forest conservation outcomes in southern Tanzania – and further afield – that are not completely reliant on donor funding.

MCDI’s work and growth over the next three years will be structured around these five strategic components. Key activities for each component are laid out in the sections below, followed by specific targets that have been identified to measure MCDI’s progress in each of the component areas.

5.1 Scaling up Community Forestry

MCDI will continue to pursue the gradual expansion of the area of community-managed natural forest, and the number of communities under its support. It will ensure as a priority that the continued expansion is fully underpinned by parallel (or greater) growth in revenues for its partner communities, primarily generated by sustainably harvesting and selling hardwood timber, but also through selling REDD-based carbon offsets in coming years. In this regard, MCDI will pursue three strategic goals:

- Gradually expand sustainable community forestry
- Promote strong growth in community forestry revenues
- Provide technical advice and support consultancy services

The rationale for each of these goals is provided below to further describe what each means, why it is important, and what must be done to achieve it.
5.1.1 Gradually Expand Sustainable Community Forestry

Expanding the area and integrity of forest protected by communities in village forest reserves is important as it will increase available stocks of timber, as well as carbon and other marketable forest products, and thus the potential earnings and incentives for communities to practice sustainable forest management. Likewise, increasing the number of communities engaged in Participatory Forest Management will achieve greater impact. In addition to bringing economic benefits to local people, there are also significant environmental benefits to expanding the area of forests under the protection of rural communities, such as conserving biodiversity and wildlife habitat.

For these reasons, MCDI will continue to maintain, expand and develop the area of forest under community management (Target 1 below) by:

1. Providing sustained support to communities that are already engaged in PFM, including maintaining existing village forest reserves, through:
   - Assisting with resolution of land disputes and mitigating encroachment;
   - Providing technical support during repeat inventories of timber stocks and revision of forest management plans as they reach the end of their five-year validity; and
   - Expanding the area of forest under sustainable management by supporting communities to expand existing and/or set aside additional village forest reserves.

2. Engaging with new communities to increase awareness about and support them in realising their rights to own, manage and benefit from forests.

In the process of supporting communities to identify and designate village forest reserves, MCDI also helps them to establish different management units within them, including productive forest (where timber harvesting takes place) and no-take conservation zones. No-take zones are chosen for their high conservation value in terms of the unique biodiversity they contain (e.g. patches of high conservation value coastal forest), key ecosystem service provision (including water sources) and/or because they contain key habitat types representative of the forests in the area. These areas are therefore in themselves an important indicator for MCDI to monitor (Target 2). The area of high conservation value forest under community protection in no-take zones will increase as a result of expanding village forest reserves, but also through MCDI supporting communities to identify, value and protect these important habitat types.

As more forest-adjacent people are vested with rights to manage and benefit from their forests, they will be incentivised to protect them. Scaling-up community forestry is therefore critically dependent on the number of communities engaged within the Participatory Forest Management framework (Target 3), as well as the number of people who are benefiting from sustainably managing their forests (Target 4). This may be simply through better knowledge about their rights and the importance of their forests, or through direct income and/or better access to water, education and health care as a result of local development projects funded using forest revenues. MCDI will measure its success in terms of this strategic goal using the four targets below.
Table 2: Targets - Sustainable and gradual expansion of community forestry

<table>
<thead>
<tr>
<th>No</th>
<th>Community Forestry Targets</th>
<th>Start 2015</th>
<th>End 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Area of village forest reserves supported by MCDI</td>
<td>193,400ha</td>
<td>270,915ha</td>
</tr>
<tr>
<td>2</td>
<td>Area of high conservation value forest under community protection</td>
<td>19,500ha</td>
<td>28,000ha</td>
</tr>
<tr>
<td>3</td>
<td>Number of communities engaged in Participatory Forest Management</td>
<td>23</td>
<td>52</td>
</tr>
<tr>
<td>4</td>
<td>Number of people benefiting from sustainably managing their forests</td>
<td>40,025</td>
<td>65,525</td>
</tr>
</tbody>
</table>

5.1.2 Promote Strong Growth in Community Revenues

Supporting communities to establish village forest reserves through Participatory Forest Management vests them with the formal responsibility to manage the forest sustainably. However, it is only once local people start generating tangible economic benefits from the forests that concrete incentives to manage them sustainably are realised. Forests have a number of valuable resources which can be leveraged to deliver exactly these incentives. Yet, for financial incentives to succeed, they must be large enough in value to be noticed and appreciated by the entire community; people need to feel significantly better off as a result. Where forests are the clear source of these revenue flows, communities will be incentivised to care for them.

Accordingly, MCDI will facilitate strong growth in community revenues from sustainably managing their forests through:

**Effective Sales and Marketing**

MCDI will guard against geographical expansion that is not accompanied by an increase in demand for the forest products and services it helps communities to sell. Without being cautious and strategic, expansion could dilute benefits among more people whilst costs are increased, creating a net loss to communities overall, even if now there are more beneficiaries. Change will happen when forest management focuses on the most valuable resources subject to local market constraints, and on lifting such constraints (e.g. through seeking new markets) as far as possible. MCDI will thus work to expand demand and sales for both community timber and carbon offsets by:

- Developing new and strengthening existing commercial relationships with key customers on behalf of and with its community partners;
- Facilitating the sales link between villages and timber buyers, including shepherding timber purchases, harvesting, licensing, processing and export;
- Providing training to Village Natural Resources Committees in business skills, entrepreneurship, sales and marketing so that they are better positioned to negotiate with and respond to the needs of their customers, and to develop their capacity to market their own timber locally;
Performing market research and using findings to expand sales of key and less well known timber species rapidly into new market segments, including local and regional markets, while continuing to seek opportunities in higher value international markets; and,

- Supporting communities to secure the best revenue possible from their timber (and carbon) resources by promoting MCDI’s community forestry brand, profile and reputation for quality, reliability, efficiency, sustainability, integrity and equitability as well as a source of FSC-certified timber at a premium.

MCDI will measure its success in marketing and selling timber with and on behalf of its community partners based on the number of new sales leads and buyers generated each year (Targets 1 and 2 below), and on its ability to retain these customers (Target 3 below).

**Ensuring Productivity of Growth**

For Participatory Forest Management to be sustainable, the economic returns must be sufficient to cover all management costs to both communities and their support agents. Thus, whilst monitoring gross community income is an important means for MCDI to monitor its success in boosting market demand and sales of timber on behalf of communities (Target 4), a key area requiring management focus will be the productivity of MCDI’s growth. Until MCDI has a fully operational REDD project, through which communities are generating and selling certified carbon offsets, a particularly important indicator will be net income from timber sales per hectare of coverage (i.e. the income that communities generate from timber per hectare, after deducting costs of managing the forest) (Target 5).

**Providing Logging Support**

Once communities have established village forest reserves, they still need support from MCDI to undertake sustainable timber harvesting. Key support services that MCDI provides include:

- Training on legal and health and safety procedures for felling trees inside the forest;
- Provision of harvesting equipment and safety gear, although communities are expected to fund this themselves once they have begun generating sufficient income from timber sales;
- Logging supervision during harvesting to ensure reliable contractual fulfilment by communities, with support to troubleshoot and resolve issues where they arise; and,
- Liaising with Government Authorities to act and resolve any issues requiring their attention and which cannot be resolved by the villages alone.

MCDI will monitor its success in mobilising communities to process and sell timber directly (Target 6) and by tracking the volume of lumber processed and sold by communities each year (Target 7). This is also an important means for MCDI to ensure that villages are harvesting within sustainable limits set out in their harvesting plans.
Maintaining FSC Certification

MCDI certifies community forests with the Forest Stewardship Council as a means to drive timber sales by increasing demand for sustainable timber, and in some cases securing a premium for this timber. Particularly in 2014/15, MCDI has been receiving increasing numbers of enquiries from buyers interested in FSC-certified timber. MCDI will therefore maintain its FSC certificate and support communities to comply with FSC principles and criteria, which ensure sustainable and equitable practices in the forest management process. Enlarging the total area of certified forest and associated timber stocks by bringing more communities under the MCDI FSC group scheme is extremely important as it increases the level of attractiveness to large buyers, who demand substantial volumes and need long-term security in order to switch over to a new supplier, and therefore is an important indicator for MCDI to monitor (Target 8).

Promoting Resilient and Pro-active Forest Management

MCDI supports communities to manage their forests in a way that restores, maintains and enhances the integrity of the miombo woodlands. Specifically, it:

- Implements an enrichment planting programme where communities are supplied with and plant indigenous and economically valuable timber trees to improve the future productivity of their village forest reserves; and,

- Supports communities to mitigate the most significant driver of forest degradation in MCDI’s project area: fire, which stunts forest growth (and therefore is important to the success of enrichment planting), kills off large trees, and is likely to become more prevalent with climate change.

These programmes deliver both environmental and socioeconomic benefits by restoring miombo woodlands that have previously been degraded by fire, increasing valuable timber stocks, and thus maximising community revenue potential per hectare of forest. Although economic returns from these activities will only be realised in several decades, MCDI regards them as crucial to long-term sustainability of community forestry for future generations. The number of seedlings planted in the forest will eventually result in proportional growth in future timber stocks and revenues, and therefore will be important to monitor (Target 9). In the shorter-term, once MCDI’s REDD project is validated, fire management will provide communities with an additional means to generate income through selling carbon offsets. Communities’ ability to start generating revenues from REDD depends on MCDI and partners’ ability to market and sell these on their behalf, which will be monitored through Target 10 below.

Table 3: Targets - Strong Growth in Community Revenues

<table>
<thead>
<tr>
<th>No</th>
<th>Growth in Community Revenue Targets</th>
<th>Start 2015</th>
<th>End 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Number of sales leads per year</td>
<td>23</td>
<td>46</td>
</tr>
<tr>
<td>2</td>
<td>Number of buyers of timber per year</td>
<td>15</td>
<td>50</td>
</tr>
<tr>
<td>3</td>
<td>Return customer rate</td>
<td>45.5%</td>
<td>75%</td>
</tr>
</tbody>
</table>
5.1.3 Provide Technical Advice and Support Consultancy Services

Other organisations interested in investing in the expansion of community forestry in Africa, such as the WWF, LIMAS and Government Agencies, may choose to draw upon MCDI’s expertise and experience to do so. Examples include inviting MCDI to act on a consultancy basis to implement Participatory Forest Management, or requesting technical support to review management plans and undertake timber inventories. Providing technical advice and consulting services has provided MCDI with a valuable means to scale up community forestry practices in areas beyond its core area of operations in Kilwa District, as well as to boost Tanzania’s local, regional and international reputation for sustainably sourced timber from community-managed natural forests. It has also increased MCDI’s credibility as a regional/national organisation rather than a small site-based project, demonstrating to others – and to MCDI – that the business models it has developed and refined in Kilwa District are replicable, and that it has the capacity to make them work elsewhere. This lowers the perceived risk and transaction costs for prospective ethical commercial partners doing business with MCDI’s partner communities. For these reasons, MCDI views providing technical advice and consultancy services as crucial to its goal of scaling-up community forestry; it will thus continue to provide these services in Tanzania and, if such opportunities arise, in Africa more broadly. In addition to monitoring the increase in demand for these services (Targets 1 and 2) and new areas accessed as a result (Target 3), MCDI track the quality of the services it provides, based on whether organisations request additional or ongoing support (Target 4).
Table 4: Targets - Technical Advice and Support Consultancy Services

<table>
<thead>
<tr>
<th>No</th>
<th>Technical Advice and Consultancy Targets</th>
<th>Start 2015</th>
<th>End 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Number of organisations that have secured services from MCDI in implementing sustainable community forestry</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>2</td>
<td>Number of Participatory Forest Management support projects successfully undertaken for partners</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>3</td>
<td>Number of new geographical areas covered through consultancy services</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>4</td>
<td>Number of organisations requesting continued or additional support</td>
<td>2</td>
<td>5</td>
</tr>
</tbody>
</table>

5.2 Village Governance and Capacity Building

Fair and transparent forest governance and financial management systems are vital as communities begin earning more from forest product sales. Ineffective use and mismanagement of these revenues can undermine and, if not taken in hand, ultimately lead to the collapse of sustainably community forestry in affected villages. Conversely, strong forest governance and effective use of forest revenues will further incentivise and strengthen forest conservation outcomes, as reinforced by broad-based, tangible and impactful economic and social benefits at the local level. MCDI therefore supports its community partners to develop the requisite systems and safeguards to ensure that forest revenues are spent wisely to deliver the best possible benefits for the collective community and individual good, and that risks of elite capture are avoided as far as possible and effectively addressed whenever they occur. It does this by promoting the uptake and implementation of widely accepted systems and practices by village institutions that lead to well governed community forests and associated revenue streams, broad community support for sustainable forest management and conservation, and a level of active local cooperation and accountability that minimises illegal forest use and poor governance practices. Specifically, MCDI work to improve forest governance by:

Providing Leadership and Accountability Training

MCDI provides training and support to the Village Council and Village Natural Resources Committee in each community to improve their ability to govern forest resources in an equitable, transparent and accountable manner, ensuring that the needs of vulnerable and marginalised community members (e.g. women, children, residents of sub-villages) are considered in decision making. MCDI measures improvements in leadership and accountability using an index which it designed in partnership with researchers from the University of East Anglia. The index is based on a scoring system (good, +1; medium, 0; poor, -1) which enables MCDI to quantify the performance of each village based on series of indicators under nine criteria covering different aspects of good governance. Using this system, MCDI are also able to deduce an average score for each village, and across all villages, to monitor overall performance (Target 1).
**Encouraging regular Village General Assembly meetings**

MCDI focuses on the Village General Assembly (VGA) – a community-wide meeting which is important for transparent decision making and, by law, should occur quarterly in each village – as a key mechanism to improve village governance. Village Councils and Village Natural Resources Committees are taught to represent their constituents effectively by using VGAs as a key avenue to listen to and understand villagers’ concerns, and to report back to constituents on the outcome of meetings and activities which concern the community. The frequency of VGA meetings in communities, which prior to MCDI’s intervention rarely met the target of four per year, is a key measure of good governance (Target 2). Moreover, the efficacy of these meetings is highly dependent on the attendance of community members, and so the percentage of local people attending community meetings is also important to measure (Target 3).

**Providing Training on Financial Record Keeping**

Transparency in financial management is one of the most important requirements of good governance; basic financial planning skills are a necessity if village revenue is going to be used to the greatest benefit of the whole community. Accordingly, MCDI trains members of Village Natural Resources Committees to (a) understand how to keep simple, auditable financial records, and (b) to prepare annual budgets and work plans that have been presented to and endorsed by the Village Council and Village General Assembly. This training includes guidance on reinvestment in forest management, and coaching for leaders to facilitate community decisions about how collective and individual benefits should be structured. The financial accountability of MCDI’s community partners will be measured by assessing the average percentage of profits from sustainable forest management accounted for in the annual financial audits MCDI provides (Target 4). Under the Tanzanian Local Government Act, villages are also entitled to financial audits with the District Treasurer’s department; MCDI will provide communities with advice and support to secure this service.

**Supporting Community Development**

Ultimately, MCDI aims to help communities to progress out of poverty by supporting economic development, and it needs to be able to track progress towards this critical goal. Advising communities to spend forest product revenues to implement village development plans, which set out a road-map for the improvement of key services and/or infrastructure that provide strong benefits for the public good, is one means by which MCDI supports community development. MCDI will monitor its impact in this respect by measuring the number of village developments with widespread community benefits (Target 5).

As a trusted partner of the communities it works with, MCDI may sometimes be asked to provide them with support in more traditional development projects (e.g. bee-keeping or microfinance schemes). In such instances, MCDI will endeavour to link communities with partners that have the appropriate resources and expertise to see the projects through, thus averting the risk of diverting resources away from its core strategy.
5.3 Monitoring and Research

5.3.1 Monitoring

Effective monitoring enables MCDI to empirically evaluate the validity of its theory of change by measuring the nature and extent of our ecological and socio-economic impact. It will therefore continue to build and refine its monitoring programmes, which allows MCDI to deliver on other strategy components, to identify challenges at an early stage if progress is not as had been anticipated, and to course-correct if it is no longer moving in the direction of attaining its key targets. This is particularly important for maintaining MCDI’s credibility and legitimacy among communities, government and investors / donors, and is also a requirement of certification standards.

Monitoring Forest Outcomes

MCDI will maintain and continue to develop effective monitoring that provides the ecological data required to track its progress and to demonstrate and evaluate impact. For example, it monitors permanent sample plots in partnership with the University of Edinburgh to track tree and forest growth rates. MCDI also monitors the environmental impacts of community-forestry by assessing forest health, and using electronic mapping of forests to mark important features in relation to the location of timber harvests.

A regular and cost-effective means through which MCDI monitors the impacts of its activities on forest outcomes is through participatory patrols for illegal activities and surveys of avian biodiversity. These are carried out regularly by the Village Natural Resources Committee in FSC-certified communities, and so the procedures are necessarily simplified, which is important because this type of monitoring presents a crucial means for communities themselves to understand what is happening in their forests. The frequency of monitoring is a valuable indicator as it reflects local commitment to sustainable forest management (*Target 1*).

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Table 5: Targets – Village Governance and Capacity Building

<table>
<thead>
<tr>
<th>No</th>
<th>Village Governance and Capacity Building Targets</th>
<th>Start 2015</th>
<th>End 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mean village governance and leadership accountability index</td>
<td>+0.3</td>
<td>+0.6</td>
</tr>
<tr>
<td>2</td>
<td>Average number of Village General Assembly meetings per year</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>3</td>
<td>Average percentage of adult villagers attending village meetings</td>
<td>45%</td>
<td>60%</td>
</tr>
<tr>
<td>4</td>
<td>Average percentage of profits from forest product sales accounted for in annual financial audits</td>
<td>97%</td>
<td>99%</td>
</tr>
<tr>
<td>5</td>
<td>Number of village developments using profits from forest product sales with widespread community benefits (^9)</td>
<td>18</td>
<td>30</td>
</tr>
</tbody>
</table>

\(^9\) *Widespread* is interpreted as a development that has potential (direct or indirect) benefits to >40% of the community, e.g., a school classroom, dispensary, water borehole, etc.
**Monitoring Community Outcomes**

MCDI will continue to monitor governance and livelihood outcomes in the villages in which it is active, and will continuously strive to refine such monitoring where appropriate to deliver the most useful information in the most cost effective manner. This information will be used for both internal management purposes to guide adaptive engagement and for external reporting and communications. Specific key activities will include internal audits of village forest product revenue expenditure (Target 2) and monitoring village governance and forest management effectiveness using a unique participatory scoring system that MCDI developed with partners at the University of East Anglia (see Section 5.2 Village Governance and Capacity Building for a description of the system) (Target 3). As part of developing more in-depth and holistic understanding of improvements in community livelihoods, MCDI also monitors household well-being and Most Significant Change to identify qualitative impact information, including success stories and lessons learned.

**5.3.2 Strategically Important Applied Research**

MCDI will continue to carry out collaborative applied research as part of improving its community forestry model, knowledge and practices. MDI is a credible local partner for universities and other research institutions, and will support and work with relevant research programmes that fit with its overall strategy. Research will be restricted to areas in which the findings can help MCDI to improve its support to communities, outcomes for forest conservation, and/or to supplement and improve its ongoing monitoring programmes (Target 4).

**Table 6: Targets – Monitoring and Research**

<table>
<thead>
<tr>
<th>No</th>
<th>Monitoring and Research Targets</th>
<th>Start 2015</th>
<th>End 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Average number of correctly completed community forest patrol and biodiversity monitoring records (per village per year)</td>
<td>24</td>
<td>36</td>
</tr>
<tr>
<td>2</td>
<td>Number of villages with consecutive annual financial audits</td>
<td>2</td>
<td>15</td>
</tr>
<tr>
<td>3</td>
<td>Number of villages with consecutive annual governance assessments</td>
<td>2</td>
<td>15</td>
</tr>
<tr>
<td>4</td>
<td>New research findings that enable MCDI to improve our work</td>
<td>0</td>
<td>2</td>
</tr>
</tbody>
</table>

**5.4 Communication and Advocacy**

MCDI will strengthen its brand and profile locally, regionally and internationally as a leading community-based sustainable forestry organisation in East Africa, to attract continued investment in and support for community forestry and forest products. Communication will be an important means to achieve this, through securing broad consensus and buy-in from local communities, the private sector, donors and investors, and the government. MCDI will develop and implement a well-formulated communication strategy, which will lay out in detail key messages and mechanisms through which it will communicate to and maintain links with its target audiences and key clients: communities, timber buyers, and investors, as well as the Government of Tanzania, research institutions, forest conservation organisations, and other partners and stakeholders.
Key mechanisms through which MCDI communicates currently include: its website (Target 1) and social media pages (Target 2), attending and presenting at conferences and holding annual stakeholders’ forums, as well as additional formal and informal meetings with stakeholders during the year. Mentions of MCDI in external communications, including national and international media, are also a key indicator of the organisation’s success at drawing attention to its work (Target 3). MCDI values the quality of its relationship with the local, regional and national government departments, and will also measure external support for expansion of community forestry by recording instances of support for MCDI from political leaders in Tanzania (Target 4). Securing this support will be a key means of reducing political risk to MCDI as it transitions to a more sustainable modal of operating through charging for service provision. Through its communications, as and when necessary, MCDI will also engage at local and national levels on key advocacy initiatives and issues aimed at safeguarding the interests of MCDI and partner communities, particularly in relation to its role in sustainable forestry and forest-based ecosystems services.

Table 7: Targets – Communication and Advocacy

<table>
<thead>
<tr>
<th>No</th>
<th>Communication and Advocacy Targets</th>
<th>Start 2015</th>
<th>End 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Number of website visits (per year)</td>
<td>~220,000</td>
<td>450,000</td>
</tr>
<tr>
<td>2</td>
<td>Number of clicks anywhere on Facebook posts and Twitter tweets (per year)¹⁰</td>
<td>920</td>
<td>3,500</td>
</tr>
<tr>
<td>3</td>
<td>Mentions in national and international media (per year)</td>
<td>26</td>
<td>50</td>
</tr>
<tr>
<td>4</td>
<td>Recorded instances of support for MCDI from senior government officials or political leaders in Tanzania</td>
<td>17</td>
<td>50</td>
</tr>
</tbody>
</table>

5.5 Organisational Development

5.5.1 Financial Sustainability and Resourcing

Fundraising

To date, MCDI has been reliant on donor funding for the large majority of its core activities. However, with multiple major donors ceasing or winding-down funding over the period 2014 to 2016, a key focus for MCDI over the coming three years will be to raise sufficient additional funding to cover the organisation’s core costs as it transitions to a more sustainable operating model, governed through a three-year Business Plan (see below: Transition to a Sustainable Enterprise). MCDI is in the process of developing a three-year Fundraising Strategy to address this need. The strategy will be closely linked with its Communication Strategy once it is developed later in 2015. It will map MCDI’s key fundraising priorities in relation to the strategic goals detailed here, including the actions that MCDI will take and donors it will pursue to ensure that these are met. The Fundraising Strategy itself will set out detailed targets and benchmarks for MCDI’s fundraising efforts, and so for the purpose of this

¹⁰Facebook and Twitter term this metric ‘post consumption’ and ‘tweet engagement’, respectively; it includes: link clicks, photo views, and video plays, as well as likes, comments and shares (Facebook), retweets, replies, follows and favourites (Twitter).
organisational strategy, MCDI will monitor its success more broadly through the percentage of planned core funding needs met each year (Target 1).

**Transition to a Sustainable Enterprise**

Nearly all of MCDI’s support to communities to date has been funded through grant-based funding from a range of generous donors, such as Comic Relief, the Norwegian Government and the WWF; these donors have been instrumental for MCDI and its partner communities achieving the progress they have to date. However, this arrangement is not sustainable, as there is little guarantee that MCDI will be able to continue to raise sufficient funds from donors to maintain the current levels of support to the communities it works with. MCDI therefore recognises the need to transition to a new social-enterprise type of operating model in which it will generate sustained revenues from the services provided to rural communities, timber buyers, and investors in community forestry. MCDI has developed a three-year Business Plan which delineates a clear value proposition, services and payment models for each of these three client groups, providing a road map of how MCDI will start to be paid for the services it provides. The three primary ways in which MCDI will generate revenue are through:

- Securing service provision payment arrangements with all its partner communities that generate revenues to MCDI for the key support services it provides, including facilitating village forest reserve establishment, sales and marketing of forest products, logging support, and FSC certificate maintenance;

- Providing market chain support to timber buyers, including facilitating timber purchases, harvesting, licensing, processing and export, that is charged at cost; and,

- Taking up consultancy contracts and securing investment from conservation organisations and private sector partners to pay for community forestry expansion in lieu of future returns, either in terms of improved forest conservation outcomes and/or returns on capital investment from timber and ecosystem services.

This transition will enable MCDI to ensure as much as possible that its core activities are financially viable in the long-term. Although the Business Plan itself includes annual milestones and performance targets for an initial three-year period, MCDI will also monitor its progress towards increased financial sustainability by the percentage of core costs that are generated through service provision payments (Target 2).

**5.5.2 Organisation Structure and Staffing**

MCDI will strive to transition to a more sustainable organisational model in which an increasing proportion of its core costs are paid for by internal revenues generated by charging for our community forestry and related services. If and when MCDI generates surplus revenues, these will be used to fund further expansion of community forestry into new communities and geographies, thus expanding the enterprise and potential future revenues.

Key to the success of this organisational design will be building the capacity of a strong mid-level managerial cadre comprising the Project Managers and functional team leaders (in the Monitoring, Communication and Finance departments). This will free up the time of senior management to focus
on strategic management and quality control. The Director of Field Operations, with various Project Managers reporting to him, would oversee the practical implementation of Component 1: Scaling up Community Forestry and Component 2: Village Governance and Capacity Building. Components 3 and 4 would be managed out of the head office by the Monitoring and Research Managers and the IT and Communication Staff respectively, reporting directly to the CEO and with support from the Technical Adviser. The CEO would have overall responsibility for all components and direct responsibility for Component 5: Organisational Development, with appropriate elements delegated to the Finance Officer.

In time, and when sufficient funds become available, MCDI will also recruit a Director of Enterprise Development, who should have a mixture of business development and financial management experience, to guide the organisation in its transition to a social enterprise. This individual will work with the Finance Officer on long-term financial planning and finance systems design to ensure a continued ability to support the hybrid organisation.

MCDI concentrates on recruiting junior staff, who have often recently graduated, and then training them up. This approach enables MCDI to develop staff whose working culture and values fit with its strong internal culture of commitment to strategic goals, and flexibility in the face of challenges. MCDI have an excellent track record of retaining such staff, having only lost one in the past four years. Nonetheless, retaining staff is likely to become more challenging, as MCDI operates in an environment in which the talent pool is relatively small, and where there is acute competition for high quality staff that can be expected to intensify with the ongoing development of the oil and gas sector in coastal Tanzania. MCDI will therefore monitor staff retention as an indicator of its ability to maintain staff in an increasingly competitive sector (Target 3).
Figure 2: MCDI Organisational Structure, including prospective Director of Enterprise Development
5.5.3 Legal Form

MCDI has considered a range of institutional forms as set out in the separate *MCDI Institutional Scenarios* document. For now, it expects to remain a NGO as defined under Tanzanian law; this is both the simplest solution, involving the least work, and contains the least immediate risks to MCDI’s reputation and work. However, this option is not also without risks, as few people in Tanzania are accustomed to dealing with NGOs in the forestry sector that operate in the more business-orientated way MCDI propose to in coming years. Therefore, an important early task will be to obtain expert legal advice with respect to the legal and political environment, including potential changes to laws pertaining to NGOs, how MCDI should best position itself, and what changes to its institutional registration may be appropriate in the future.

5.5.4 Governance and Advisory System

At present MCDI’s governance is very simple: it has a Governing Board, with the CEO acting as secretary, and two standing committees covering Finance and Administration, and Human Resources issues. Previously, MCDI’s Governing Board comprised 13 members; the attendance and/or participation of different members during meetings was variable, and so it was decided to reduce the size of the (core) Board to a more pragmatic number of seven, with six advisory members who can be approached for advice on technical issues for which they have appropriate expertise. MCDI will monitor the attendance of its seven Board members during meetings, as an indicator of the vigour of the organisation’s governance and advisory system (*Target 4*). Board members serve as standard for three year renewable terms, so Board membership will naturally evolve over time. An Alumni Group will be established to keep informed board members who stepped down but still have a lot to contribute.

Obtaining seasoned business advice and mentoring will be particularly helpful and prudent, particularly for an organisation not traditionally involved in business. Thus, to support its Board, MCDI will explore the possibility of co-opting one or more advisory members, with a priority focus on those who can serve as Social Enterprise Advisors. The co-opted members will have a specific remit of providing advice and guidance to both staff and Board on the development of MCDI’s social enterprise. It is expected that it will be possible to recruit a small group of highly capable advisors to provide advice to MCDI *pro bono* or at no more than logistical cost. Detailed terms of reference will be developed as a necessary first step.

Table 8: Targets – Organisational Development

<table>
<thead>
<tr>
<th>No</th>
<th>Organisational Development Targets</th>
<th>Start 2015</th>
<th>End 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Percentage of planned core funding needs met</td>
<td>50%</td>
<td>80%</td>
</tr>
<tr>
<td>2</td>
<td>Percentage of core costs self-generated through payments for service provision and other means</td>
<td>1%</td>
<td>20%</td>
</tr>
<tr>
<td>3</td>
<td>Percentage of paid staff retained each year</td>
<td>89%</td>
<td>95%</td>
</tr>
<tr>
<td>4</td>
<td>Average percentage of Board members attending meetings</td>
<td>95%</td>
<td>98%</td>
</tr>
</tbody>
</table>
Creating economic incentives for rural Tanzanians to manage their forests sustainably – for their own benefit, for future generations, and for the world.

“Before, local people weren’t aware of the importance of the forest, now they are more conscious, because of education in the village... I know the value of the forest, so I will protect it.”

Mama Hadija Makokoto, aged 46, is a resident of Nainokwe village in Kilwa District, one of the first villages to begin generating income from certified timber with MCDI’s support.