

INTRODUCTORY REMARKS BY PROF. SAID IDDI, CHAIR OF THE EAMCEF BOARD OF TRUSTEES DURING THE INAUGURATION OF THE EASTERN ARC MOUNTAINS CONSERVATION ENDOWMENT FUND (EAMCEF) ON FRIDAY 31ST MARCH, 2006 IN MOROGORO.

Hon. Anthony M. Diallo (MP), Minister for Natural Resources and Tourism,

Hon. Ministers and Regional Commissioners,

Hon. Members of Parliament,

Your Excellencies, Ambassadors and Members of the Diplomatic Corps,

Hon. Major General (Rtd) Said Kalembo - Regional Commissioner, Morogoro,

Permanent Secretaries and Regional Administrative Secretaries,

Madam Judy O'Connor, World Bank Country Director,

Hon. Prof. Romanus Ishengoma – Mayor of Morogoro Municipality

EAMCEF Trustees and Staff,

Dr. Aloyse Tango – Ag. Director of Forestry and Beekeeping,

Distinguished Guests,

Ladies and Gentlemen.

Honourable Guest of Honour,

On behalf of the Board of Trustees and the EAMCEF Secretariat, I wish to take this opportunity to warmly welcome you Honourable Guest of Honour and all invited guests at the office premises of the Eastern Arc Mountains Conservation Endowment Fund (EAMCEF). We thank you sincerely Honourable Guest of Honour for accepting our request to you to officiate the inauguration of EAMCEF. We are aware of your tight work schedule. We therefore feel greatly honoured, inspired and encouraged by your being with us here today. I wish also to thank all invited guests for sparing their valuable time to participate in this memorable event.

Honourable Guest of Honour, allow me, on behalf of EAMCEF to congratulate you for being elected Member of Parliament and for being appointed Minister for Natural Resources and Tourism in the fourth phase government. We know that under your leadership conservation of natural resources in Tanzania will be strengthened further.

Honourable Guest of Honour,

The Eastern Arc Mountains Conservation Endowment Fund (EAMCEF) is a Trust Fund which was established as a mechanism to provide long term, reliable and sustainable funding for fostering conservation of biodiversity in the Eastern Arc Mountains of Tanzania through investment in community development projects, protected areas management and applied research programmes that create greater conservation impact, improved welfare of the adjacent communities and enhanced stakeholder's participation. The EAMCEF was officially registered in Tanzania on 6th June 2001, under the Trustees' Incorporation Ordinance No. 375 of 1956. It was set up as a joint initiative of

the Government of Tanzania, the World Bank and the Global Environment Facility (GEF). The EAMCEF operates as a Not-for-Profit Non-Governmental Organization (NGO). It is governed by a Board of Trustees, and it is managed on a day to day basis by an Endowment Fund Secretariat based here in Morogoro and headed by an Executive Director.

Honourable Guest of Honour,

Currently, EAMCEF operates as a component of the World Bank financed larger project under the Ministry of Natural Resources and Tourism, the Tanzania Forest Conservation and Management Project (TFCMP). The Fund is using a US\$ 2 million credit facility under the TFCMP to finance activities and operations of its first phase, the establishment phase. This phase was planned to last for five years (2002-2007) and mainly concentrate on getting the Endowment Fund Secretariat in place and functional. This has involved staff recruitment, securing office accommodation, procurement of essential equipment, basic supplies/materials and establishment of operational procedures. Some funding, especially for community development activities was also planned to begin at a pilot level during this phase.

Honourable Guest of Honour,

We thank the Government of Tanzania sincerely for playing a central role in the establishment of EAMCEF and in particular for its generous contribution of the start up funds and providing free office accommodation. For the first two years EAMCEF was hosted by the MNRT in DSM (TFCMP Offices) and later by TAFORI in Morogoro until September last year when it moved into the present offices. We highly treasure this support by the MNRT, TAFORI and Regional Secretariat of Morogoro for the invaluable support. We also thank the World Bank and the Global Environment Facility (GEF) for their invaluable support.

Honourable Guest of Honour,

The Eastern Arc Mountains cover a total area of approximately 348,204 hectares and spread over fifteen Districts in five Regions of Tanzania as follows:

Districts	Region	Mountain Blocks
Muheza, Mkinga and Korogwe	Tanga	East Usambara
Korogwe and Lushoto	Tanga	West Usambara,
Kilindi	Tanga	Nguu
Mwanga	Kilimanjaro	North Pare
Same	Kilimanjaro	South Pare
Mvomero,	Morogoro	Nguru
Kilosa	Morogoro	Ukaguru, Malundwe and Rubeho
Kilombero	Morogoro	Udzungwa
Ulanga	Morogoro	Mahenge
Kilolo and Mufindi	Iringa	Udzungwa
Morogoro	Morogoro	Uluguru
Mpwapwa	Dodoma	Rubeho

Honourable Guest of Honour,

The Eastern Arc Mountains are one of 34 globally important and rich biological regions in the world known as biodiversity 'hotspots'. They are characterized by high concentrations of endemic species now under great threat. In the Eastern Arc Mountains of Tanzania there are at least 85 vertebrates, 800 plants and over 100 species of invertebrates found nowhere else in the World. The biodiversity of the Eastern Arc Mountains is of great value locally for mitigating the impacts of rural poverty. Surveys indicate that about 40% of total household consumption in some forest adjacent communities in these mountains is accounted for by forest and woodland products such as firewood, construction material, medicinal herbs, wild fruits and other food materials.

Honourable Guest of Honour,

The Eastern Arc Mountain forests cover several major catchment areas which collectively provide water for many regions such as Morogoro, Dodoma, Iringa, Coast, Tanga and Dar es Salaam and most of the major industries in the country. In total, these mountain catchments supply water to over 25% of the Tanzania mainland population. About 60% of Tanzania's hydroelectricity is generated by Kidatu, Kihansi, Nyumba ya Mungu, Hale and Mtera hydropower stations. These hydropower stations use water whose sources are the Eastern Arc Mountain forests. Thus the bulk of hydroelectricity energy production in Tanzania is heavily dependent on maintaining the integrity of these forests. Due to high rainfall and fertile soils the Eastern Arc Mountains are famous for large scale agriculture, e.g. sugar cane, tea and coffee estates. The Eastern Arc Mountains harbour a great number of wildlife and they are the areas with a lot of tourist attractions.

Honourable Guest of Honour,

Despite their unique values and importance, the Eastern Arc Mountain forest resources are under serious threat. Estimates by Conservation International have revealed that the Mountains have lost over 70% of their original forest cover during the last 200 years. A recent study by Sokoine University of Agriculture gave an even more alarming picture. In a span of thirty years (1970 to 2000), the Mountains lost over 38,530 hectares. This is equal to a loss of more than 1000 hectares of forest a year and more than 3 hectares of forest land daily in a limited geographic area of only 0.6% of Tanzania's land area. The continuous loss of forest cover in the area is principally due to cultivation, fire, charcoal making, illegal logging for poles and timber. The Fund was thus established to contribute to government efforts of saving these vital ecosystems.

Honourable Guest of Honour,

Since its inception up to now, EAMCEF has managed to accomplish some important milestones namely:

- Establishment and official registration of EAMCEF.
- Establishment and strengthening of the Endowment Fund Secretariat – recruitment of competent and well committed staff, acquisition of sufficient office accommodation, procurement of sufficient transport equipment, office machines and other working facilities.
- Establishment and adoption of operational procedures.
- Establishment and operationalisation of procedures and guidelines for grants making activities.
- Establishment and adoption of Financial, Operations and Management Manual for EAMCEF.
- Establishment and effective functioning of the Board of Trustees.

- Signing of a Project Agreement with the World Bank and signing of a Subsidiary Grant Agreement with the Government of Tanzania.
- Formation and effective functioning of two (2) Local Advisory Committees (LACs).
- Management and operation of EAMCEF according to the Principles of the Trust Deed.
- Receipt of co-financing from other stakeholders for EAMCEF activities.
- Formulation and adoption of a Fundraising Strategy for EAMCEF.
- Formulation and operationalisation of a long term Strategic Plan for EAMCEF.
- Start up and finalization of the process to issue first grants for field activities.
- Start up of the recruitment process of the Investment Asset Manager for the capital endowment from the Global Environment Facility (GEF).

Honourable Guest of Honour,

These achievements include the successful attainment of all the benchmarks necessary for release of the capital endowment of US\$ 7.0 million from GEF. The benchmarks have been attained within the first three years out of the five years originally planned.

Honourable Guest of Honour,

Having made these milestones, EAMCEF thought that it would be befitting that the Fund is inaugurated officially. Thus, in this inauguration ceremony, we will request you to kindly perform the following functions:

- (i). Launch EAMCEF officially as an institution.
- (ii). Launch the Fundraising Strategy Document for EAMCEF.
- (iii). Issue the first grants for projects funded by EAMCEF

Honourable Guest of Honour,

The Fund has prioritized Udzungwa and East Usambara Mountains for the first round of grants. It has set aside more than 46 million Tanzanian shillings for the purpose for the April – June 2006 period to be spent in Muheza, Korogwe, Kilombero, Kilolo and Mufindi Districts where the two mountain blocks lie.

Honourable Guest of Honour,

Starting July this year, EAMCEF will be issuing grants totalling US\$ 200,000.00 per year for conservation, community development and research activities in the priority areas. This level of funding is the only capacity that will be available now and during the second phase (year 2008 and beyond) which will be financed out of incomes that will be generated from the investment of the US\$ 7.0 million capital endowment from GEF. This represents a mere 20% of the annual minimum requirement for the whole of the Eastern Arc Mountains.

Honourable Guest of Honour,

A recent study by the University of East Anglia and the United Nations Development Programme (UNDP) have indicated that, excluding carbon sequestration, soil conservation and many other

important services, the Eastern Arc Mountains of Tanzania supply water, non-timber forest products and electricity with a total value of US\$ 175 million per annum. This amount is equal to more than 330% of the amount the Government of Tanzania provides for the management of the Eastern Arc Mountains. The government contribution when combined with the support from development partners equals no more than 0.9% of the monetary value of the services the Eastern Arc Mountains provide per year.

Honourable Guest of Honour,

What our nation is now going through in power rationing, widespread drought and expansion of desert-like conditions are a result of environmental degradation. We need to act now and reverse the situation. This is a huge challenge that calls for investment of more resources. We appeal to the government to consider the possibility of extending additional funding to EAMCEF activities through the provision of annual matching funds and through other avenues. We also appeal to private businesses, individual organisations and development partners to support EAMCEF activities through contribution to the endowment or through direct funding of its programme activities.

Honourable Guest of Honour,

In the Subsidiary Grant Agreement which was signed on 18th May, 2005 between EAMCEF and the Government of Tanzania, among other things, the Government made a commitment to provide EAMCEF with permanent office premises. We therefore humbly request the Government to fulfil the commitment by officially and legally transferring the ownership of Plot No. 30, Kingalu Road in Morogoro Municipality to EAMCEF. We need this piece of land and we need all the office buildings here for conservation of the Eastern Arc Mountains in the longer term perspective.

Honourable Guest of Honour,

Let me conclude my remarks by thanking you once again, for being with us today. I also once again thank everybody gathered here today for their tremendous support.

Thank You for Listening,

Thank You All.

AHSANTENI SANA.