

**SPEECH OF MS. JUDY O’CONNOR, THE WORLD BANK COUNTRY
DIRECTOR, DELIVERED DURING THE INAUGURATION OF THE EASTERN
ARC MOUNTAINS CONSERVATION ENDOWMENT FUND (EAMCEF) -
MOROGORO, FRIDAY 31ST MARCH, 2006**

Hon. Anthony M. Diallo (MP), Minister for Natural Resources and Tourism,
Hon. Major General (Rtd) Said Kalembo – Regional Commissioner, Morogoro,
Hon. Regional Commissioners,
Hon. Members of Parliament,
Your Excellencies, Ambassadors and Members of the Diplomatic Corps,
Regional Administrative Secretaries,
Hon. Prof. Romanus Ishengoma – Mayor of Morogoro Municipality
Dr. Aloyse Tango – Acting Director of Forestry and Beekeeping,
Prof. Said Iddi - Chairman of the EAMCEF Board of Trustees,
EAMCEF Trustees and Staff,
Distinguished Guests,
Ladies and Gentlemen,

Honourable Guest of Honour,

I feel very honoured and privileged to be here today to witness a very important occasion in conservation efforts in Tanzania. The Eastern Arc Mountain forests are well known for their biological as well as hydrological importance to the local, national and global communities. They are recognised by conservation experts as one of 34 biodiversity hotspots and centres of plant diversity of the world. The importance of the forests prompted the Forestry and Beekeeping Division of the Ministry of Natural Resources and Tourism in 2001 to come up with an idea of creating a reliable funding mechanism for supporting the management of the forests. The noble idea was subsequently fully supported by the World Bank and the Global Environment Facility (GEF).

Honourable Guest of Honour,

The major objective of establishing the Eastern Arc Mountains Conservation Endowment Fund (EAMCEF) was to support the protection of the unique biologically important rainforests of the Eastern Arc Mountains while improving the livelihood of local communities residing adjacent to the forests through funding activities for protected areas management, community development and applied biodiversity research relevant to the conservation of the important mountain forest resources.

The financial resources for implementing the first phase of EAMCEF have come from a generous contribution by the Government of Tanzania of US\$ 2 million out of the US\$ 31 million credit it received from the World Bank to finance the Tanzania Forest

Conservation and Management Project (TFCMP). Honourable Minister, this is one unique and unparalleled example whereby the Government of Tanzania spearheaded the establishment of EAMCEF, a non-governmental organization. I sincerely commend your Government for its commitment which has made possible the achievements we are witnessing today.

Honourable Guest of Honour,

As earlier informed, currently EAMCEF operates as a component of the World Bank financed larger project under your Ministry, the TFCMP. During the five years (2002-2007) of the first phase, the establishment phase, EAMCEF is supposed to concentrate mainly on getting the Endowment Fund Secretariat in place and functional. This entails recruitment of staff, procurement of essential equipment and basic supplies and establishment of operational procedures.

Honourable Guest of Honour,

Granting of funds especially for community development activities was planned to begin at a pilot level during the first phase of EAMCEF. I'm very pleased to have been one of the witnesses to the first funding given out to beneficiaries a few minutes ago. I commend the EAMCEF Board of Trustees and the Endowment Fund Secretariat for the achievement recorded.

Honourable Guest of Honour,

During the planning phase of EAMCEF, the Global Environment Facility (GEF) made a commitment to provide a grant of US\$ 7 million to capitalize the endowment contingent upon successful attainment of eight benchmarks. The second phase of EAMCEF, the implementation phase, will mainly be financed out of incomes which will be generated from the investment of the endowment capital secured from the GEF commitment. The eight benchmarks which were set for the release of the capital money from GEF were the following:-

- Establishment and effective functioning of the Endowment Fund Secretariat.
- Finalization, adoption and use of the EAMCEF's Financial, Operations and Management Manual.
- Establishment and effective functioning of the Board of Trustees.
- Establishment and effective functioning of at least one (1) Local Advisory Committee (LAC).
- Adherence to the Principles of the Trust Deed.
- Receipt of Co-financing for EAMCEF activities.
- Development and launching of the Fundraising Strategy.

Honourable Guest of Honour,

Please allow me to put on record the fact that your handing over cheques for the first grants and your having launched the Fundraising Strategy this morning, completes the attainment of the last two benchmarks.

Honourable Guest of Honour,

In front of you Honourable Minister and in front of everybody here, I now wish to use this opportunity to officially declare the EAMCEF's successful attainment of all the eight benchmarks for the release of the US\$ 7.0 million capital endowment from GEF. I commend members of the EAMCEF Board of Trustees and staff of the Endowment Fund Secretariat, for managing to accomplish the enormous task within the first three years out of the five years originally planned. Efforts are now well underway to recruit the Investment Asset Manager for the capital endowment so that the secured money can be invested before the end of June this year.

Honourable Guest of Honour,

We estimate that for the EAMCEF to be able to sufficiently finance the activities necessary for conservation of all the Eastern Arc Mountains it needs a capital investment of at least US\$ 30 million that will generate the US\$ 1.5 million required annually. This amount is more than four times larger than the US\$ 7.0 million capital from GEF. Honourable Minister, this is the greatest challenge EAMCEF is facing, it is a challenge to all of us. I am however optimistic that the Fund will be able to attract additional resources from various sources in the next two years or so.

Honourable Guest of Honour,

In conclusion, I wish to reiterate the World Bank's full commitment in working with the Government of Tanzania in the conservation of her natural resources in general and in particular, in conservation of the Eastern Arc Mountain forests.

**Honourable Guest of Honour,
Ladies and Gentlemen,**

Thank you for listening.