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**A RECOMMENDATION TO REVISE THE
ENVIRONMENTAL PLANNING AND MANAGEMENT
COOPERATIVE AGREEMENT BETWEEN THE
INTERNATIONAL INSTITUTE FOR ENVIRONMENT
AND DEVELOPMENT AND THE U.S. AGENCY FOR
INTERNATIONAL DEVELOPMENT**

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The Environmental Planning and Management Project is a cooperative agreement between the International Institute for Environment and Development and the U.S. Agency for International Development to respond to requests for assistance from developing countries in a variety of environmental and natural resource management problems.

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11

TABLE OF CONTENTS

Section

- I. BACKGROUND, SUMMARY, AND RECOMMENDATIONS
- II. PROJECT DESCRIPTION
 - A. Goal
 - B. Purpose
 - C. Detailed Description
 - (1) AID's Environmental Strategy
 - (2) Environmental and Planning Project
 - (3) Justification for the Amendment
 - (4) Activities to be funded under the Amendment
 - D. Log Frame
- III. PROJECT ANALYSTS
- IV. IMPLEMENTATION
- V. BUDGET
- VI. EVALUATION
- VII. APPENDICES
 - A. Agency initiatives in environment and natural resources (cable from the Administration to Mission Directors)
 - B. Summary report of the annual meeting of Agency Environmental Staff, Dec. 13-16, 1983, Annapolis, MD (cable from the Administration to AID world wide)

PROJECT PAPER REVISION TO PROJECT NO. 936-5517
Environmental Planning and Management

I. BACKGROUND, SUMMARY AND RECOMMENDATIONS

A. Background

The United States Agency for International Development (AID) addresses the environmental and natural resource aspects of development assistance based on the authority of Section 118 of the Foreign Assistance Act of 1961, as amended, Regulation 216, and P.D. 6. The current policy is:

"To assist the less developed countries (LDCs): (1) in building the institutional and scientific capacity required for identifying, assessing, and solving their critical environmental and natural resource problems; and (2) with establishing programs to address natural resource management problems.

To ensure environmental soundness and long term sustainability of A.I.D. assistance programs and projects.

To promote environmentally sound development projects funded by multi-lateral and bilateral development assistance organizations."

The EPM project began in FY 82 with an estimated LOP of \$3.5 million over four years using Selected Development Activities funds (\$1.85 million--FNR and \$1.65 million--from other sources). The project provides short-to-medium term advisory services to missions, a pilot activity to develop a national or regional (subnational) natural resource strategy in selected countries, and dissemination of occasional analyses of LDC environmental issues based on field experience.

AID chose to implement this project through a cooperative agreement with IIED, which permitted a more open-ended relationship than is typical of contracts. Also, this arrangement permitted AID to call upon an existing global network of scientific and technical expertise from the Union for the Conservation of Nature and Natural Resources' (IUCN) worldwide network of scientific and technical experts and at the same time strengthen IIED as it carried out these activities.

In November and December 1983, cables were sent to AID worldwide (STATE 321872 and STATE 365159, Attachments 1 & 2) stating that good information on each country's natural resources should be obtained through preparation of Country Environmental Profiles (CEP), Energy and Natural Resource Sector Assessments (ENRSA), National Conservation Strategies (NCS) or other methods. Further, funding should be identified for these studies by Regional Bureaus and Missions as

well as for periodic updating of the information through continuing activities. The attached Project Revision addresses the need to obtain natural resources information and makes available funding for the planning efforts.

B. Summary

The Project Revision is a three-year undertaking to provide assistance for the critical planning phase of the natural resources assessment process whether the method used is a CEP, ENRSA or NCS. This activity will identify advisors and fund their salaries to help Missions tailor the assessments to their country. Missions will normally share the cost of the planning teams and will fund the actual assessments. Agreement with PPC has been reached to make \$750,000 in additional FN funding available over three years starting in FY 84.

The original project is funded from the SD appropriation. This new component will be FN funded. S&T/FNR anticipates these natural resources assessments will be used primarily as the basis for improved planning of agriculture programs which integrate concerns for renewable natural resources (including forestry) and for watershed and river basin planning. It is appropriate that FN funds be used to promote these activities (see para. 3B(2) of STATE 365159, Appendix B). Attached is an Advice of Program Change to inform Congress of this funding addition and all other changes described in the Project Revision.

C. Recommendations

1. That you approve Project Revision #1 to the EPM project by signing PAF Part II and that you approve a Cooperative Agreement with IIED to implement the Project Revision as well as the procurement of services from the free world (Geographic Code 935) by signing PAF Part II.
2. That you sign the Advice of Program Change which permits FN funding for this component of the project.

II. PROJECT DESCRIPTION

A. Goal

The proposed amendment to the project paper is consistent with the original goal of the project; that is, to assist LDC's improve their capability to conserve and manage their natural resources and environment.

B. Purpose

The purpose of the Amendment is to provide advisory services to AID Missions requesting assistance in the planning and preparation for the development of _____ (acronym)

C. Detailed Description

(1) AID's Environmental Strategy

The basis for AID's policy on the environment rests on the following foundation:

"That the achievement of long-term benefits to the world's poor, whether they be in urban or rural settings, must be based on environmentally sound planning and on a clear understanding of a country's natural resource potentials and limitations. The natural resources of LDC's are today subject to stresses of unprecedented magnitude. These pressures are brought about in large part by rapid population growth which results in increasing numbers of poor people struggling for food, fuel and other necessities of life. Because the health, nutrition, and general well-being of these people is directly dependent on the integrity and productivity of their natural resources, the capability of governments and of the people themselves to manage their resources effectively over the long term is of paramount importance. The effectiveness of the Agency's policy and strategy in support of family planning activities in developing countries is critical to the achievement of the Agency's goal in this area as well."¹

The environmental policy that has evolved over time in the Agency focuses on the following three objectives:

1. ensuring the environmental soundness and long-term sustainability of all AID assistance programs and projects;
2. assisting LDCs through programs to build the institutional and scientific capacity to identify and solve their environmental and natural resource problems; and
3. promoting environmentally development projects funded by other donors.²

AID has chosen to implement this policy through a strategy which focuses on the following six areas:

1. Environmental Analysis
2. Improving Host Country Environmental Policy
3. Building Human and Institutional Capabilities

4. Technology and Information Transfer
5. Environmental Research
6. Cooperation with Other Donors

The means for implementation have varied. In some cases AID has funded activities which originated within the Agency designed specifically to assist the Missions in carrying out environmental strategy. In other cases the Agency has funded host-country activities or projects of NGO's whose goals are compatible with that of the Agency's.

Examples of these various implementation approaches include the following:

Country Environmental Profile (CEP). The concept of the CEP originated inside the Agency in 1977 and evolved into a 2-step process by 1979 consisting of a desk study (Phase I) followed by a field data collection effort (Phase II). Since that time there have been approximately 47 Phase I's completed and 12 Phase II's. In general, these documents are designed to be used by AID personnel, national planners, and the environmental community for the better management and use of the countries' resources. These documents specifically attempt to synthesize the existing information on the country's natural resources and environmental problems; identify significant existing or potential problems concerning natural resources and environmental management; stimulate action towards finding solutions to these problems; and identify areas of opportunity in the area for AID or other donor assistance.

Within the Agency there exists at least one other approach which shares similar objectives with the CEP. This is:

Energy and Natural Resource Sector Assessments (ENRSA). In recognition of the limitations of single sector assessments of natural resource and environmental problems REDSO/ESA developed an integrated-multi-sectoral approach which stressed as a goal the development of national capabilities and capacities in the area of natural resource policy making and management as the key to developing long-term solutions. ENRSAs are viewed as a first step in a problem-solving process involving information about energy/natural resource problems, government institutions responsible for dealing with these problems, the interventions carried out by those institutions, and the activities of the communities involved in these interventions. The specific purpose of an ENRSA is to provide the information needed to measure the magnitude of, and to determine the interactions among, major energy/natural resource problems, to formulate needed policies, to identify and design the required interventions, establish priorities for the use of scarce institutional

resources, and to measure progress and monitor the effects of ongoing programs. To date only one assessment has been completed (Sudan). Based on this example however, the principal difference between the CEP and the ENRSA appears to be the flexibility in the latter approach to be applied on a sub-national scale as well as a national one.

Outside of the Agency another approach sharing similar goals with the CEP and ENRSA is the:

National Conservation Strategy (NCS). When the world Conservation Strategy was launched in 1980, a recommended path toward achieving sustainable development was through the preparation of NCSs. The goal of these NCSs is to institutionalize the sustainable yield management of natural resources into every aspect of the country's social and economic development. The NCS process consists of 4 overlapping phases. These are:

- o the initial promotion of the NCS concept;
- o the definition of a conceptual framework and focus of institutional arrangements, assemblage and collating of the data and preparation of the NCS;
- o and the implementation, monitoring and reviewing of progress of the NCS. NCSs have been completed or are in varying stages of completion in more than 20 countries.

S&T/FNR views these approaches as compatible with the Agency's stated policy objectives on the environment as well as representative examples of appropriate areas for implementing that policy. It was this viewpoint which provided the justification for the project described below.

(2) Environmental Planning and Management Project

As a result of the Agency's continuing successful implementation of environmental policy, there has been a growing demand by Missions and Regional Bureaus for technical expertise in newly emerging environmental and natural resources management issues which cannot be met by direct line personnel or PSCs.

In response to this growing demand, S&T/FNR put into place a core support program which was composed of the following projects:

- o Environment and Natural Resources Expanded Information Base
- o Forest Resources Management
- o Natural Resources Management Training

o Environmental Planning and Management (EPM)

The EPM is composed of three essential elements. They are:

Advisory Services - Short to mid-term assistance provided to Mission on a cost-sharing basis with the intention to integrate environmental expertise at an early stage of development assistance focusing on three major areas:

- o environmental policy, legislation and institutional development;
- o natural resources management; and
- o natural resources inventories and assessment.

A Pilot Activity - which would fund a NCS attempting to incorporate environmental objectives into the development planning process on a systematic basis.

Information and Analysis - documentating advisory services and the finding of state-of-the-art papers addressing areas of common concern and/or comparing approaches to solving similar development problems.

AID chose to implement this project through a cooperative agreement with IIED, which permitted a more open-ended relationship than is typical of contracts. Also, this arrangement permitted AID to call upon an existing global network of scientific and technical expertise from the Union for the Conservation of Nature and Natural Resources' (IUCN) worldwide network of scientific and technical experts and at the same time strengthen IIED as it carried out these activities.

(3) Justification for the Amendment

In November and December 1983, cables were sent to AID worldwide (STATE 321872 and STATE 365159, appendices A & B) stating that good information on each country's natural resources should be obtained through preparation of Country Environmental Profiles (CEP), Energy and Natural Resource Sector Assessments (ENRSA), National Conservation Strategies (NCS), or other methods. Further, funding should be identified for these studies by Regional Bureaus and Missions as well as for periodic updating of the information through continuing activities.

In light of the large number of requests originating from the Missions and regional bureaus for advisory services funded under EPM in the project's first two years and the Administrator's recent cables to the Missions, there is an urgent need to amend EPM to meet anticipated demand.

(4) Activities to be Funded Under the Amendment

The specific activities funded under the proposed amendment will be the provision of advisors to Missions upon request to assist in the planning and preparatory stages leading up to the development of CEP, NCS, ENRSA or other similar environment and natural resources assessment approaches.

IV. IMPLEMENTATION

Project implementation will occur over a 3-year period extending from FY 84 - FY 86. An estimate of a maximum of ten 2-person months planning missions per year has been calculated will be needed to respond effectively to Mission requests. This level of support will remain constant throughout the 3-year period.

It has been determined that the easiest and most cost-effective way for S&T to respond to Mission requests is to amend the ongoing Environmental Planning and Management Project (No. 436-5517). This conclusion is based on the following considerations:

- o access to a wide range of expertise which can be provided by IIED through the Joint Environmental Services (JES) and IUCN is the primary capability needed to respond adequately to Mission requests;
- o IIED's experience in identifying and fielding technical expertise to AID Missions developed over the past two years under the Advisory Services of the EPM project; and
- o EPM represents an existing vehicle through which AID can quickly request an additional level of effort.

Due to the anticipated demand for the amendment's services satisfactory implementation will require the hiring of an additional middle-to-senior level manager by IIED and subsequent increase in administrative support.

It is understood that while the project goal under this amendment may be similar to that provided under the advisory services component of the EPM project, the nature of the services will be substantially different and as such, will remain separate and distinct from the project's other activities.

The mechanics of implementation will be the same as for the Advisory Services' component of the EPM project. Requests (in the form of a cable or letter of inquiry) for assistance in planning a project would be initiated by the Missions (or by host governments working through the Missions or Regional Bureaus) and channeled through the Regional Bureau Environmental Officer and the Project Manager (AIDPM) to the appropriate IIED staff member responsible for implementing the provisions of the amendment.

It will be the responsibility of the AIDPM and IIED manager to review requests and determine through concensus if they fall within the scope of the amendment.

If the request is judged to be appropriate to the EPM amendment, the IIED manager will, with the aid of his/her staff and other organizations (where needed), initiate preliminary individual (or team) identification and selection procedures.

The proposed individual (team) shall be reviewed by the AID Project Manager and the Regional Bureau Environmental Officer and submitted to the Mission for approval. From this point, the IIED manager may coordinate directly with the Mission on logistical details of the response. All communications with the Missions shall be cleared by the Project Manager and the Regional Bureau. If final PIO/Ts for the services to be provided are required, they shall be prepared by the Mission or Regional Bureau and submitted to the Project Manager for approval and transmittal to the Contracts Office. IIED will identify, select and field the team within the shortest possible time unless the requesting Mission or Regional Bureau specifies some other time period. The recipient will be responsible for an orientation/briefing of individuals or teams sent to the field prior to their departure.

V. BUDGET

The amendment will provide services on a cost-shared basis. FNR's portion of costs will cover the expenses associated with identification and salaries of technical advisors while the Missions will be expected to cover travel and per diem costs.

FNR's total costs will be \$250,000 per year for a total LOP cost of \$750,000 (Table 1). Agreement has been reached with PPC to make these funds available over the 3 years beginning in FY 84.

VI. EVALUATION

Evaluation procedures and timing will coincide with these described for the unamended EPM project.

LOG FRAME FOR PROJECT PAPER REVISION

Project Design Summary

NARRATIVE SUMMARY

OBJECTIVELY VERIFIABLE INDICATORS

MEANS OF VERIFICATION

IMPORTANT ASSUMPTIONS

Program or Sector Goal

To assist LDCs to better manage and conserve their natural resources and environment.

Measures of Goal Achievement

Improved land-use planning and natural resources management capabilities in Missions and LDCs.

Project Review and Evaluation of Activities Initiated

Achievement of Goal Targets

Natural resource assessments are needed for sound development activities.

Project Purpose

To provide advisory services to Missions to assist in the development of CEPs, NCSs, and NRSAs.

End of Project Status

Mission and LDCs will have increased understanding and capability to initiate their respective CEPs, NCS, and NRSAs.

Number of CEPs, NCSs & NRSAs

or other related activities completed by Missions subsequent to advisory services.

Achievement of Purpose

Advisory services are needed for the planning and development of CEPs, NCSs, and NRSAs by the respective Missions.

Outputs

Short-term advisory Missions composed of natural resource sector specialists.

Magnitude of Outputs

Planning and mobilization of experts and performance of requested advisory services (estimated):

FY 84	10 Missions
FY 85	10 Missions
<u>FY 86</u>	<u>10 Missions</u>
	30 Missions

Communications related to

requests and mobilization of experts, documents completed related to CEPs, NCSs, and NRSAs debriefing and trip reports.

Achievement of Outputs

Requests from Missions will be forthcoming.

Inputs

1. Obligations

FY 84	FY 85	FY 86
250,000	250,000	250,000

Implementation Target

30 advisory Missions

Internal Reports and Vouchers

Providing Inputs

Subsequent funding for FY 85 86 will be forthcoming Contractor will fulfill requests

Table 1. SCHEDULE OF DISBURSEMENTS X 000

ACTIVITY	FY 84	FY 85	FY 86
Advisory Missions	250	250	250

Table 2. PROPOSED BUDGET FOR EPM AMENDMENTS

	FY 84	FY 85	FY 86
	<hr/>	<hr/>	<hr/>
Estimated Need	250,000	250,000	250,000
Advisory Service Demand*	100,000	100,000	100,000
IIED Staff Support**	59,666	59,666	59,666
Other Expenses***	7,000	7,000	7,000
	<hr/>	<hr/>	<hr/>
Subtotal	166,666	166,666	166,666
Overhead (50%)	83,334	83,334	83,334
	<hr/>	<hr/>	<hr/>
Total	250,000	250,000	250,000

*Approximately 10 missions/yr at \$5,000/2 person-months/mission

**12 person-months

***Eq. comparative analysis of profiling, survey experience

FOOTNOTES

¹AID Policy determination #6: Environmental and Natural Resource Aspects of Development Assistance, April 26, 1983.

²AID Environmental Strategy, October, 1983.