

A.I.D. EVALUATION SUMMARY - PART I

1. BEFORE FILLING OUT THIS FORM, READ THE ATTACHED INSTRUCTIONS.
2. USE LETTER QUALITY TYPE, NOT DOT MATRIX TYPE.

IDENTIFICATION DATA

A. Reporting A.I.D. Unit: USAID/NEPAL

B. Was Evaluation Scheduled in Current FY Annual Evaluation, Start? Yes Stopped Ad Hoc

C. Evaluation Timing: Interim Final Evaluation Plan Submission Date: FY 0 Ex Post Other

D. Activity or Activities Evaluated (List the following information for project(s) or program(s) evaluated. If not applicable, list title and date of the evaluation report.)

Project No	Project/Program Title	First PROAG or Equivalent (FY)	Most Recent PACD (Mo/Yr)	Planned LCP Cost (000)	Amount Obligated to Date (000)
367-0156	Forestry Development Project	1989	1995	8.0 million	6.25 million

ACTIONS

E. Action Decisions Approved By Mission or AID/W Office Director

Action(s) Required	Name of Officer Responsible for Action	Date Action to be Completed
1. Develop Life of Project Strategy incorporating Management Assessment recommendations	FDP TA	6/1/93
2. Develop Project Work Plan for NFY 93-94, giving priority to tasks identified in Management Assessment.	FDP TA	6/1/93
3. Amend FDP TA contract to enable the project to address priority concerns and adjust to changes which have taken place since project inception.	USAID Project Officer	6/15/93
4. Establish closer working relationships and complementary activities with other donor-funded projects in the forestry sector. Develop position paper on this topic.	USAID/TFSC/FDP TA	9/93
5. Determine more appropriate means for FDP to support the objectives of USAID/Nepal's SIRE Program.	USAID Project Officer	10/93

(Attach extra sheets if necessary)

APPROVALS

F. Date Of Mission Or AID/W Office Review Of Evaluation: USAID/Nepal (Month) (Day) (Year)

G. Approvals of Evaluation Summary And Action Decisions:

Name (Typed)	Project/Program Officer	Representative of Borrower/Grantee	Evaluation Officer	Mission or AID/W Chief Director
	Batuk Upadhyay	Uday R. Sharma	Richard Buess	David Oot
Signature	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>
Date				

Summary Abstract: Do not exceed the space provided.

The main purpose of this Management Assessment was to identify the critical activities to be undertaken by FDP in support of Nepal's forestry development and in accordance with the objectives of USAID Nepal's Sustainable Income and Rural Enterprise (SIRE) Program. The other purpose of the study was to identify implementation problems and develop means for addressing and resolving these problems.

The FDP Management Assessment study has been carried out by a team consisting of HMG/N, USAID, and other concerned officials and the consultant. A series of meetings were held to discuss and finalize the basic principles, objectives, core activities and tasks to be carried out by FDP during the remaining life of the project.

The consultant has interviewed concerned officials of HMG/N, NPC, UNDP, FAO, and FAN/DA and gathered their views, observations and comments on how to make FDP implementation more productive, effective and efficient. The major observations are: the project document has not clearly spelled out the tasks required; the project provides support only at central level; and the project has concentrated on short-term bureaucratic requirements, and has not developed a long-term strategic approach to the sector.

The objectives and priorities of MFSC, the role and responsibilities of the Planning Division of MFSC, the progress of FDP to date, and the financial and human resources available to FDP are outlined in the report. District-level planning and development of District Forestry Development Plans have been identified as top priority areas for the Planning Division by the NPC and MFSC and thus for FDP. FDP performance to date has been satisfactory in spite of changes that have taken place within Nepal and the MFSC since its inception, and in spite of much turnover in both staff and counterparts for the project.

The major problems and constraints in implementation of FDP have been identified. These include frequent transfers of concerned professional staff of HMG/N and expatriate technical assistance consultants including the Chief of Party, and most importantly, lack of clear identification of core activities, and consequent lack of project focus.

The problems and constraints in planning and implementation of forestry programs in general are also identified, since these inevitably affect the operational environment for the FDP. Major problems and constraints in the sector include an overall top-down planning approach, lack of clearly defined roles, responsibilities and authorities for professionals at both planning and implementation level, lack of incentives to encourage field staff performance, slow rate of community forest handover to user groups, lack of criteria for allocating Government managed forests to different categories, which stifles planning at field level, overly centralized technical assistance, and generally slow decision making processes within the MFSC and HMG/N.

The summary of findings is presented in section 4 of the report. Management Assessment Study recommendations are given in section 5. This section includes agreed-upon basic principles, purpose and objectives, and major tasks to be undertaken during the remaining life of the project. The following activities are recommended as priorities for FDP:

- Strengthening MFSC's planning and budgeting system.
- Programming, strategic planning and project analysis.
- Support for policy, legal, and economic analysis.
- Training, and
- Planning Division support.

The core activities of FDP, emphasizing planning and policy to achieve the objectives of the Master Plan for the Forestry Sector, are outlined. An FDP implementation schedule for the remaining life of the project is attached in Appendix 1. The Management Assessment recommends that FDP assist MFSC to carry out the following tasks as priorities in the order given:

- Development and dissemination of methodology for district forestry development plans.
- Development of performance-oriented M & E system in collaboration with other donor assisted projects.
- Development and dissemination of criteria for the allocation of forests in appropriate categories, and
- Strengthening of planning and analytical capabilities of professionals working at treatment, regional and district levels in MFSC.

The Management Assessment strongly recommends that FDP develop a mechanism to provide rapid, responsive, on-call technical support to the Planning Division, MFSC. The Management Assessment also recommends that the need for advanced training for MFSC staff be recognized, and mechanisms be developed for addressing these needs beyond the FDP's LOP through the SIRE program.

The Management Assessment notes the critical need to develop criteria for allocation of Government forests to the most appropriate, productive, and socially just uses on an immediate basis. FDP resources should assist the Planning Division and the MFSC in this task. FDP should also support procedures for developing and implementing private forestry programs.

COSTS

1. Evaluation Team		Contract Number OR TDY Person Days	Contract Cost OR TDY Cost (U.S. \$)	Source of Funds
Name	Affiliation			
Manzoorul Haque			\$5000.00	Grant Agreement
2. Mission/Office Professional Staff Person-Days (Estimate) <u>24/person</u>		3. Borrower/Grantee Professional Staff Person-Days (Estimate) <u>24/person</u>		

SUMMARY

J. Summary of Evaluation Findings, Conclusions and Recommendations (Try not to exceed the three (3) pages provided)

Address the following items:

- Purpose of evaluation and methodology used
- Purpose of activity(ies) evaluated
- Findings and conclusions (relate to questions)
- Principal recommendations
- Lessons learned

Mission or Office:

Date This Summary Prepared:

Title And Date Of Full Evaluation Report:

See Attached

**MANAGEMENT ASSESSMENT
FORESTRY DEVELOPMENT PROJECT**

**By: M. Haque
Forestry Consultant**

**Prepared for
Forestry Development Project
HMGN/MFSC/USAID/ARD**

24 March 1993

ABBREVIATIONS

ARC	Agriculture Reform Commission
AWP	Annual Work Plan
CF	Community Forest Forestry
DFDP	District Forestry Development Plan
DFO	District Forest Officer
DOF	Department of Forests
DNPWLM	Department of National Park and Wildlife Management
DSC WSM	Department of Soil Conservation and Watershed Management
FAO	Food and Agriculture Organization
FINNIDA	Finnish International Development Agency
FMUDP	Forest Management and Utilization Development Project
FSCC	Forestry Sector Coordination Committee
FSISP	Forestry Sector Institutional Strengthening Program
FUG	Forest Users Group
HMG N	His Majesty's Government of Nepal
LF	Leasehold Forest
LOP	Life of Project
M & E	Monitoring and Evaluation
NF	National Forest
NP	National Park
NPC	National Planning Commission
PD	Planning Division of MFSC
PF	Private Forest
RFP	Request for Proposal
SIRE	Sustainable Income and Rural Enterprises
TOR	Terms of Reference
TA	Technical Assistance
UNDP	United National Development Program
USAID N	United States Agency for International Development for Nepal
WLR	Wild Life Reserve
WSM	Watershed Management

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EXECUTIVE SUMMARY

The main purpose of this Management Assessment was to identify the critical activities to be undertaken by FDP in support of Nepal's forestry development and in accordance with the objectives of USAID/Nepal's Sustainable Income and Rural Enterprise (SIRE) Program. The other purpose of the study was to identify implementation problems and develop means for addressing and resolving these problems.

The FDP Management Assessment study has been carried out by a team consisting of HMG/N, USAID/N, other concerned officials, and the consultant. A series of meetings were held to discuss and finalize the basic principles, objectives, core activities and tasks to be carried out by FDP during the remaining life of the project.

The consultant has interviewed concerned officials of HMG/N, NPC, UNDP, FAO, and FINNIDA and gathered their views, observations and comments on how to make FDP implementation more productive, effective and efficient. The major observations are: the project document has not clearly spelled out the tasks required; the project provides support only at central level; and the project has concentrated on short term bureaucratic requirements, and has not developed a long term strategic approach to the sector.

The objectives and priorities of MFSC, the role and responsibilities of the Planning Division of MFSC, the progress of FDP to-date, and the financial and human resources available to FDP are outlined in the report. District level planning and development of District Forestry Development Plans have been identified as top priority areas for the Planning Division by the NPC and MFSC, and thus for FDP. FDP performance to date has been satisfactory, in spite of changes that have taken place within Nepal and the MFSC since its inception, and in spite of much turnover in both staff and counterparts for the project.

The major problems and constraints in implementation of FDP have been identified. These include frequent transfers of concerned professional staff of HMG/N and expatriate technical assistance consultants, including the Chief of Party; and, most importantly, lack of clear identification of core activities, and consequent lack of project focus.

The problems and constraints in planning and implementation of forestry programs in general are also identified, since these inevitably affect the operational environment for the FDP.

Major problems and constraints in the sector include: an overall top-down planning approach; lack of clearly defined roles, responsibilities and authorities for professionals at both planning and implementation levels; lack of incentives to encourage field staff performance; slow rate of community forest handover to user groups; lack of criteria for allocating Government managed forests to different categories, which stifles planning at field levels; overly-centralized technical assistance; and generally slow decision making processes within the MFSC and HMG/N.

The summary of findings is presented in section 4 of the report. Management Assessment Study recommendations are given in section 5. This section includes agreed-upon basic principles; purpose and objectives; and major tasks to be undertaken during the remaining life of the project. The following activities are recommended as priorities for FDP:

- Strengthening MFSC's planning and budgeting system,
- Programming, strategic planning and project analysis,
- Support for policy, legal, and economic analysis,
- Training, and
- Planning Division support.

The core activities of FDP, emphasizing planning and policy to achieve the objectives of the Master Plan for the Forestry Sector, are outlined. An FDP implementation schedule for the remaining life of the project is attached in Appendix - 7. The Management Assessment recommends that FDP assist MFSC to carry out the following tasks as priorities, in the order given:

- Development and dissemination of methodology for district forestry development plans,
- Development of performance-oriented M & E system in collaboration with other donor-assisted projects,
- Development and dissemination of criteria for the allocation of forests in appropriate categories,
and
- Strengthening of planning and analytical capabilities of professionals working at department, regional and district levels in MFSC.

The Management Assessment strongly recommends that FDP develop a mechanism to provide rapid, responsive, on-call technical support to the Planning Division, MFSC. The Management Assessment also recommends that the need for advanced training for MFSC staff be recognized, and mechanisms be developed for

addressing these needs beyond the FDP's LOP through the SIRE program.

The Management Assessment notes the critical need to develop criteria for allocation of Government forests to the most appropriate, productive, and socially just uses on an immediate basis. FDP resources should assist the Planning Division, and the MFSC, in this vital task. FDP should also support procedures for developing and implementing private forestry programs.

1.0 INTRODUCTION

1.1 Background:

The Forestry Development Project (FDP) Grant Agreement was signed between His Majesty's Government of Nepal (HMG/N) and the United States of America through the Agency for International Development (USAID) on September 15, 1989. Pursuant to this agreement a Request for Proposal (RFP) was issued by USAID/Nepal on March 28, 1990 and the contract was awarded to Chemonics International Consulting Division, Washington D.C. to provide technical assistance, training and commodities needed to help HMG/N implement the FDP. The agreement between USAID and Chemonics was signed in October 1990. Chemonics fielded technical advisors in March 1991 to assist HMG/N to implement the FDP.

The goal of USAID's involvement in the implementation of the Master Plan for the Forestry Sector (MPFS) through FDP was to increase the productivity and sustainability of the forest production system. Its purpose was to strengthen the capabilities of the Ministry of Forests and Soil Conservation (MFSC) to implement the programs laid out in MPFS and to increase nation-wide use of improved stove models.

On September 14, 1992 HMG/N and USAID signed a Grant Agreement for the Sustainable Income and Rural Enterprises Program (SIRE) which incorporated FDP as one of its components. The SIRE requires FDP to contribute to increase rural household incomes through sustainable private sector forestry enterprises.

A number of significant changes have taken place since the FDP Grant Agreement was signed, including major changes in the political system with the initiation of democratic government; changes of counterpart personnel in MFSC; replacement of the FDP Chief of Party; enactment of the Forest Act 2049 (1992); and a series of changes in MFSC organizational structure. These changes created the need to conduct a Management Assessment. HMG/N and USAID/N convened the FDP mid-term Management Assessment in collaboration with officials from MFSC and USAID/N.

1.2 Purpose of FDP Management Assessment Study:

The main purposes of the FDP Management Assessment are as follows:

- To identify critical activities to be undertaken by the FDP with respect to a) the requirements of Nepal's forestry sector development and b) the objectives of the USAID/Nepal's SIRE program;

- To determine if FDP resources are being effectively applied to achieve the objectives stated in the project design and Logical Framework, and the SIRE Program Agreement.
- To provide opportunity for the implementors of the project to identify implementation problems and develop means for addressing and resolving these problems.

1.3 Terms of Reference (TOR)

The terms of reference for the FDP Management Assessment study are given below:

1. Identify critical activities to be undertaken by the FDP with respect to
 - a) The requirements of the MFSC in support of Nepal's forestry sector development; and
 - b) Objectives of USAID/Nepal's SIRE Program.
2. Determine priorities among the activities identified in Task Number 1.
3. Assess the resources available under FDP, and allocate these resources in support of priority activities.
4. Develop a Life of Project Strategy for mobilizing FDP resources in efficient and cost effective fashion to accomplish priority activities.
5. Determine modifications needed in project documentation to reflect decisions reached in this assessment.

The detailed Terms of Reference for the management assessment are given in Appendix-1.

1.4. Methodology and Scope of the Management Assessment

The consultant reviewed the FDP Grant Agreement, Sustainable Income Rural Enterprise Program (SIRE) Agreement, Annual Work Plans (AWPs) and other documents published by FDP; and interviewed concerned officials of HMG/N, USAID, UNDP, FAO, and FINNIDA. National Planning Commission (NPC) staff were also consulted. A series of meetings were arranged at FDP office where detailed discussions were held to finalize the future course of action for the rest of the life of the project.

The scope of the FDP Management study includes the identification of implementation problems and identification of means to address and resolve these problems. The study is

also to provide direction for future implementation of the core activities of the project.

Lists of the persons interviewed and officials who participated in the FDP Management Assessment are given in Appendixes 2 & 3 respectively.

2.0. FDP Management Assessment Study

2.1 The Objectives and Priorities of the MFSC:

The objectives of MFSC are approved by HMG/N and are grouped in long, medium and short terms. The long term objectives are as follows:

- Meet the people's basic needs for fuelwood, fodder, timber, and other forest products on a sustained basis.
- Contribute to food production through effective interaction between forestry and farming practices.
- Protect the land against degradation by soil erosion, floods, landslides, desertification and other effects of ecological disturbance.
- Conserve the ecosystem and genetic resources.
- Contribute to the growth of local and national economics by managing the forest resources and developing forest-based industries, and by creating opportunities for increased income and employment.

The Medium Term Objectives:

- Promote people's participation in forest development, management and conservation.
- Develop the legal framework needed to enhance the contribution of individuals, communities, and institutions to forest resource development, management and conservation.
- Strengthen the organizational framework and develop the institutions of forestry sector to enable them to carry out their missions.

Short Term Objectives:

- Institute legal and institutional reforms which are preconditions for early and effective achievement of the above objectives.

The Eighth Five Year Development Plan (1992-97) has set the following objectives for the forestry sector:

- Bring about stability in the supply of fuelwood, timber, fodder and other forest products necessary for common people in day to day life.
- Increase the productivity of forest products and ensure the supply of raw materials to forest-based industries to contribute to the national economy.
- Increase income and employment opportunities from the forestry sector for weaker sections of the society.
- Develop National Parks, Wildlife Reserves and Protected areas for conservation of bio-diversity and to create recreational areas.
- Help maintain land fertility through conservation of soil and watershed areas.

To fulfill these objectives, the Eighth Plan has emphasized the participation of people in development, management and conservation of Community, Leasehold and Private forests, National Parks, Wildlife Reserves and Watersheds. The Eighth Plan has also put emphasis on the development of forest-based industries, promotion of private sector in sale of forest products, priority to be given to weaker sections of the society in allocation of leasehold forests, and people's participation in conserving soil and controlling soil erosion.

Past experience has also shown that public sector efforts alone are not enough to protect, develop and manage the forests. People's participation is essential to protect, develop, manage and conserve forest resources effectively and productively.

As legal and institutional reforms are prerequisites for early and effective implementation of forestry sector policy, the new Forest Act of 2049 (1993) has recently been approved. Rules and regulations are under preparation and the MFSC's revised organizational structure is in final stages of discussion and approval. These reforms will hopefully support more effective implementation of forest policies and programs.

NPC and MFSC have clearly indicated the priority needed to be given to the development of District Forestry Development Plans (DFDP) based on assessment of local forest resources, local conditions, needs, and priorities; effective participatory approaches; and identification of feasible programs as recommended by the MPFS. In the past MFSC concentrated on central level planning only. District level

planning based on clear output objectives must be developed and model district forestry development plans prepared. The techniques, procedures and formats for district level planning have to be developed, tested, modified and adopted as soon as possible.

2.2 Role and Responsibilities of Planning Division (PD) of MFSC:

The role of the Planning Division (PD) is three fold: planning, programming and budgeting of forestry development plans/activities on annual or periodic bases; review and analysis of foreign-assisted forest development programs; and co-ordination of these programs at national level inter-sectorally and with donors. The PD is also responsible for assisting the MFSC and other HMG/N agencies in policy formulation and drafting rules and regulations. The PD carries out its responsibilities under the guidance of the Secretary, MFSC and in close co-operation with the other departments under the MFSC. The description of the PD' functions, as described in the MPFS document titled "Institutional Development", is presented in Appendix IV(a). The detailed role and responsibility of the PD as defined in "A Review of the Policy, Planning and Programming Function of the MFSC" is given in Appendix V(b).

The PD has been responsible for collecting progress reports regarding annual programs, targets and achievements and reviewing progress. This function has since been transferred to the Monitoring and Evaluation (M & E) Division of MFSC.

The organizational structure of the MFSC, including the PD, was finalized while the MPFS was under preparation. The approved organizational structure was incorporated in the MPFS. But actual readjustment of the structure was not done according to the recommendations of the MPFS. The responsibilities and functions of the divisions were defined, but the authority to carry out the defined tasks was not delegated. This has adversely affected the timely implementation and performance of programs in the field.

Many changes have occurred since the inception of FDP, including a drastic change in Nepal's political system which resulted in a new democratic Constitution, policies and strategies. These changes led to the formation of a high powered Administrative Reform Commission (ARC) to review the existing administrative arrangements and organizations and recommend ways and means to make the administration democratic, development-oriented, efficient, productive and cost effective. The ARC recommended changes in structure, working style and procedures, delegation of authorities and other measures to be adopted by the sectoral Ministries. A committee has been set up to monitor the implementation of the

ARC's recommendations. The sectoral Ministries are now finalizing their new organizational structures; assessing manpower needs; and defining their functions, responsibilities and authorities in the changed context of democratic government.

The organizational structures, functions, responsibilities and authorities of the Divisions and Departments of MFSC are being discussed within MFSC. They were to be finalized by April 12, 1993.

In early 1992 FDP conducted a study " A Review of the Policy, Planning and Programming Functions of the MFSC " which recommended specific descriptions of the functions of planning units at Ministry and Departmental levels. This helped MFSC greatly in defining the roles and responsibilities of the PD and other MFSC planning units.

Although the PD's roles and responsibilities are defined and professionals are assigned to the PD, there still is hardly any planning system or procedure consistently and effectively followed at central, regional or district levels. Programs and budgets are formulated at the Center and the allocated budget is then distributed to districts, often based only on simplistic mathematical calculations. Targets and inputs at district level are assessed tentatively. Although the official planning policy mandates a participatory approach, it is still seldom followed, in part because the relations with elected local bodies are not yet clarified, or budget ceilings are not provided to the field offices in time. Moreover, local needs, conditions, and priorities are not adequately taken into consideration in current planning guidelines. Planning methodology, procedures and norms are yet to be standardized.

The Forestry Sector Co-ordinating Committee (FSCC) has been established in the MFSC with the following functions:

- To foster closer ties and co-operation among donors, and between donors and MFSC;
- To provide a mechanism for co-ordinating the activities of forestry development projects and programs;
- To advise the MFSC on issues related to the implementation of donor supported forestry programs;
- To provide a mechanism for information sharing on forestry development issues; and
- To identify and recommend ways of harnessing potential internal and external sources for financing well-balanced

forestry sector development.

The Chief Planning Officer, PD, has been appointed member/secretary of the FSCC.

2.3 FDP's Role as Perceived by HMG/N, USAID and Other Donors

FDP was designed before the finalization of MPFS but the Grant Agreement was signed immediately after the approval of MPFS by HMG/N. At that time the MFSC took responsibility for implementing MPFS's policy and programs to ensure long term systematic and sustainable forestry development in Nepal.

Major changes in Nepal's social, economic and political environment have occurred over the past few years. However, the new democratic Government has endorsed the forestry sector policies and programs embodied in the MPFS.

The MPFS was a planning exercise at the national level. Available data were gathered and processed. The district or operational level planning was not specifically addressed by the MPFS. District level planning was to be developed and carried out during the implementation phase.

The main purpose of FDP is to contribute to achieving the objectives of MPFS by increasing the capability of MFSC to implement the policies and programs set forth in MPFS through expansion and upgrading of planning capabilities at various levels. HMG/N, USAID, and other donors perceived that FDP would:

- Support district or operational level planning following the participatory planning approach incorporating local needs and priorities.
- Develop analytical capabilities in MFSC to screen and prioritize forestry projects within selected parameters.
- Monitor projects' financial performance.
- Coordinate foreign funded projects' activities.
- Support implementation of MPFS at all levels, i.e. both Ministry and Departments.

2.4 Observations and Comments on FDP

The consultant interviewed numerous persons directly or indirectly involved in implementation of forestry programs/activities. Their comments, and the "feedback"

received, are summarized below:

- FDP supports planning and coordination at Ministry level but not at Departmental, Regional and District levels. FDP should determine how it might provide support at Departments, Regional and District levels.
- FDP lacks long term perspective on a national strategic approach to the sector.
- FDP project document has not clearly spelt out the tasks to be undertaken. The project document should clearly define the tasks to be carried out by FDP.
- Annual Work Plans (AWP) are not realistic. It sets forth too many activities and tasks to be implemented. AWP activities overlap with the activities of other projects like Forest Sector Institutional Strengthening Program Component No.2. (FSISP/Component No.2) and Forest Management and Utilization Project (FMUDP). Close cooperation should be established between FDP and other foreign assisted projects in general, and FSSP-Comp 2 and FMUDP in particular.
- FDP tends to address individual program issues at a rather superficial level.
- FDP concentrates on short term bureaucratic requirements.
- Functions of FSCC seem limited to the problem solving approach rather than assisting donors to coordinate efforts toward systematic and sustainable development of over-all forestry sector. Some recommendations of Task Forces of FSCC have not yet been finalized and implemented.
- Policy is not clear on utilization of forest resources particularly in Terai. FDP should address this issue.
- It is difficult to separate planning from monitoring and evaluation. Let the planners monitor and evaluate.
- FDP should engage NGOs or private sector to carry out the district forestry development plan tasks as a test case in one district.
- FDP should give top priority to preparation and implementation of district forestry development plans.

2.5 FDP Performance to Date:

FDP has developed Annual Work Plans (AWP) after discussions with HMG/N officials, donors, and Non-Governmental Organizations and incorporating their suggestions, views, and comments. The AWP sets forth activities and tasks to be performed and the strategies to be followed to achieve the objectives of FDP. AWP's have been developed for 1991-91 and 1992-93 (Nepali financial year). The AWP-I has already been implemented and AWP-II is being implemented. The performance of FDP up to this point should be evaluated on the basis of the components of the AWP's.

FDP originally had three major components:

- (1) Forestry Policy and Planning;
- (2) Improved Stoves; and
- (3) Special local cost support through monetization of kerosene supplied to HMG/N during the 1989 trade and transit crisis with India.

Forestry Policy and Planning:

- a. Strengthening of Planning Function
- b. Institutionalization of Planning Capabilities
- c. Additional Analytical Capabilities
- d. Project Planning, Analysis and Evaluation
- e. Planning and Programming Information System

The Following Activities were set for the Second Component of FDP:

- Development, production and marketing of new stove models
- Cook stoves promotion
- On going cook stoves development

The third component of FDP set aside \$3.0 million dollars to fund local costs of Master Plan implementation.

The strategy adopted by FDP during AWP-1 was to build a foundation for achieving the objectives of the MPFS. FDP focused major attention on Component I: forest policy, legislation, planning, budgeting and program implementation. The strengthening of policy formulation was favored.

AWP-I initiated base line activities to provide an accurate picture of the current status of forest planning, programming and policy. Seven studies were suggested. The activities under each component and the tasks to be carried out in each

activity during AWP-I, and the corresponding achievements are given in Appendix-5.

Despite the delay in project start up and a number of personnel difficulties; ambitious targets; and many challenges due to repeated changes in HMG/N and FDP staff, accomplishments during AWP-I were substantially on target. Eighty per cent of planned deliverables were provided.

Components Two and Three, for improved stove and special local cost support, were completed during AWP-I. No further activities under these components are planned.

Activities under the Forestry Policy and Planning component have been taken up for implementation during AWP-II (1992-93). The project's strategy was to concentrate on the core functions of policy, planning and budgeting during AWP-II. The FDP also attempted to involve more counterparts from the Ministry and Departments, and tie FDP training to identified critical tasks. Priority was given to the development of project formulation procedures. A modern and sustainable system for planning was also proposed for initiation during the project's second year.

The tasks to be pursued during AWP-II were limited to six as compared to 22 during AWP-I. Achievements to date under AWP-II are quite satisfactory.

The overall performance of FDP to-date has been satisfactory in spite of many changes that have taken place during the short life of the project.

2.6 Financial Resources Available to FDP

The total authorized funding for FDP is \$8.0 million over the life of the project (LOP). The FDP Grant Agreement provided for an initial amount of \$3.80 million. Subsequent obligations have increased the total amount of funding for the project to \$_____ million. The balance of the authorized funding will be provided subject to the availability of funds from USAID/N. HMG/N's contribution directly to the project was estimated to be \$0.732 million, including in-kind expenditure. In addition, resources provided to HMG/N through other donor support to implementation of the MPFS are also credited as HMG/N support for FDP.

The SIRE Program Agreement states that subsequent increments of funding are possible, subject to availability of funds and negotiation between the two Governments. This means that activities initiated under FDP may, subject to successful performance, continue beyond the scheduled LOP of the FDP

"component activity" of SIRE.

Total expenditures for all project activities up to the end of 1992 amount to \$1.48 million, in addition to the \$3.0 million provided under the Special Local Cost component. A list of office equipment, vehicles and motorcycles provided by FDP is given in Appendix-6.

A total of approximately \$2.37 million thus remains available for future project activities.

2.7 Human Resources Available to FDP

FDP provides the services of the following foreign and local experts and support staff on full time basis in Nepal:

Chief of Party	- One	Expatriate	for 60 mm
Forest Economist	- One	Expatriate	for 60 mm
Adm. Officer	- One	local	for 60 mm
Office Secretary	- One	local	for 60 mm
Receptionist	- One	local	for 60 mm
Drivers	- Three	local	full time
Peon and Others	- Three	local	full time

FDP counterpart staff provided by MFSC include:

Chief Planning Officer	- One	part time
Asst. Planning Officer	- One	full time

Two professionals seconded to FDP by the MFSC on full time basis have gone abroad for higher studies under the project.

3.0 PROBLEMS/CONSTRAINTS IN PLANNING AND IMPLEMENTATION OF FORESTRY PROGRAMS

3.1 Problems/Constraints Concerning FDP. The following issues have emerged in the course of the FDP Management Assessment. Although the Assessment focused on implementation of the FDP and on development of a strategy for improving its operations over the remaining life of the project, those participating in the Assessment felt that FDP is significantly affected by issues and problems in the general environment of forestry sector activities.

3.1.1 Frequent Transfer of HMG/N Professional Staff

Frequent transfers of HMG/N professional staff working in FDP have adversely affected the progress of the project. The project director has been changed three times in two years. In addition, there have been numerous shifts in high-level staffing within the MFSC, which have hampered implementation of projects within the sector as continuity is lost and actions are delayed.

3.1.2 Changes in USAID Consultants

The FDP Chief of Party was terminated in Spring 1992. His replacement did not begin work in Nepal until nearly six months later. The interim COP had to cope with the demands of his work as Forest Economist in addition to his new duties. Although he did very well, inevitably the implementation of the project was affected.

3.1.3 Lack of Focus

The Project Document defined activities to be performed but the core activities were not adequately defined. As a result FDP has suffered from lack of focus and could not concentrate adequately on high-priority concerns.

3.1.4 Political Uncertainty

From the inception of FDP, the dramatic and far-reaching changes in Nepal's political system and the administration of its government have created serious uncertainty which has continued to the present, even after the elected government was formed.

3.1.5 Policy Formulation and Implementation

More emphasis is given to general formulation of policy than to developing procedures for its implementation. The operational responsibilities for implementation are not explicitly assigned. Legislative and policy directives are not translated into effective operational guidelines. Links between the policy levels in the government, and field-level executive offices, are poorly defined. Communication between levels, and among offices in both the field and the Ministry, is intermittent, slow, and poor in quality. Critical resources are not provided in adequate amounts and on time for effective implementation of sector activities.

3.1.8 Resources Data Base

A resource management data base system is being developed at national level but little efforts are being made to develop area specific descriptive information and analysis required to assess needs at the field level. Co-ordination between all agencies using resources data must be developed in order to minimize overlapping and duplication of efforts.

3.2 Problems/Constraints in Forestry Programs Implementation

3.2.1 Top Down Planning Approach:

There is hardly any discernable planning procedure in the accepted sense of the term followed at either central or district levels. "Planning" is, for the most part, simplistic input budgeting. Allocation of programs and budget is done in each district by field staff, with little coordination either among themselves, or with local elected officials. Decentralization has yet to work in practice. More efficient, effective, and participatory approaches in planning need to be put in place urgently.

3.2.2 Functions, Roles, Responsibility and Authority not Clearly Defined:

The functions, roles, responsibilities and authorities of professionals and technicians at central, regional and district levels have not been clearly defined. Implementation progress and effective performance are seriously hindered by these deficiencies.

3.2.3 Late Budget Release:

Budget releases are seldom in time. The procedure for

the annual release of budget is tied up with the request for reimbursement and audit by the District Finance Controller's office. The statement of previous year's expenditure, which must be obtained prior to budget release, is difficult to obtain from the districts due to difficulties in communication.

3.2.4 Lack of Incentives to Field staff:

There are hardly any incentives available to encourage field staff. Travel and daily subsistence allowances are inadequate, and do not match the actual costs incurred in the field. This becomes an effective disincentive to field workers.

3.2.5 Lack of Co-ordination:

There is a lack of intersectoral co-ordination between Ministries and Departments because of organizational conflicts of interest. At regional and district levels mechanisms for sectoral coordination do not exist. For example, CF projects in the field operate independently of Community Forest Development Division (CFDD). This situation is further complicated by the variety of operating procedures, staffing patterns, and individual objectives of a multitude of donor-funded field projects, which cannot be effectively coordinated by the MFSC.

3.2.6 Slow Rate of Handover of Community Forest (CF) to the Forest Users Groups (FUG):

The rate of hand over of CF is very slow. Only about 80,000 ha. of forests ha' been handed over to about 1900 users groups by the end of December 1992. During the Eighth Five Year Plan period 252,000 ha. are targeted to be handed over to Forest Users Groups (FUG). The target cannot be achieved unless the rate of hand over is increased. The slow rate of hand over is due to the lack of clear-cut instructions, delegation of authority, and provision of effective incentives to the MFSC's field staff, and to a lack of coordination between HMG/N officials and local elected officials under the new government. The policy decisions for handing over Terai forests to users groups, which must take into account complicated economic, social, and political factors, have yet to be made.

3.2.7 Centralized Technical Assistance (TA)

Most donor-supported Technical Assistance programs are concentrated at the central level of the MFSC. TA support at regional and district levels is deficient

except in the cases of Rapti Integrated Rural Development, Koshi Hill Area Development and Nepal/Australia Community Forestry Development Projects.

3.2.8 Encroachment and Illicit Cutting in Government Managed Forests

Due to a wide variety of historical factors, Nepal's forests are considered almost a free commodity to the majority of the people. Encroachment and illicit cutting in Government managed forests are major problems which lead to deterioration of forests and decline in productivity. Efforts to manage Government forests on a sustainable basis have been fragmented and not successful. The technical, financial and trained manpower resources provided are insufficient. The forests are subjected to increasing pressure to meet the local needs for fuelwood, fodder, timber and other forest products.

3.2.9 Handing over of the Terai Forests to Forest Users Groups (FUG)

No policy decision has yet been made regarding the nature and extent of public forest hand over to users groups in Terai and Siwaliks regions.

3.2.10 Allocation of Forests to Different Categories

The allocation of forests to NF, CF and LF in the Terai and Siwaliks is a prerequisite for the development of Forestry in these economically important regions. It is crucial to develop criteria for allocation of existing forests into different categories, and then to delineate the different categories on the ground to facilitate the implementation of these programs. Without such allocation, it is inappropriate and risky to carry out further development activities.

3.2.11 Forest Based Industries

The private sector involvement in forest based industries is not very encouraging. The industries are interested only in obtaining raw-materials, and not in planting trees to meet their future needs. Non-wood based industries in both private and public sector are in operation. But wood-based industries in both public and private sector are not operational, in part because of lack of raw materials. Despite decisions to reduce or eliminate its activities, the highly inefficient Timber

Corporation of Nepal (TCN) still has the monopoly of harvesting and sale of timber and fuelwood from public forests.

3.2.12 Watershed Management (WSM)

Watersheds are not managed on systematic or priority bases. The actual watershed conditions are not considered in overly-centralized procedures for allocating resources for watershed management programs. Even in the catchment area of rivers where hydro-electricity generation projects are constructed, no priority is given to conservation programs.

3.2.13 National Parks (NP) & Wildlife Resources (WLR)

There are always potential conflicts between people and park personnel. Such conflicts are aggravated by the lack of proper policies. The needs of the local people, and their participation in management and conservation of the parks or reserves within or near which they live, have not been considered except in the case of Annapurna Conservation Area which is managed by a local NGO. Little attention has yet been given to issues related to conserving fauna and flora in forest areas under the jurisdiction of DOF.

3.2.14 Monitoring & Evaluation (M & E)

There is hardly any field oriented monitoring and evaluation in operation at present. Every agency seems to be busy in developing its own system, without coordination with others.

3.2.15 Transparency

Democratization in decision making is needed for MFSC staff to answer the questions raised by people, especially in the current context of democratic government and participatory resource management. Complete transparency in decision making at all levels is essential in a democratic society to establish credibility.

3.1.18 Institutional Factors

The HMG bureaucracy is too centralized. The decision making process is very slow. Intersectoral coordination is poor. Managers are reluctant to delegate authority. Top down management of the entire sector is

characteristic. The entire system responds to only orders and directives from the top instead of encouraging initiatives from field staff. Management support and incentives are lacking. Devolution and delegation of authority are needed if officially-stated policies are to be effectively implemented.

4.0 SUMMARY OF FINDINGS

4.1 Despite the delay in project start-up, changes in Nepal's political system, and frequent changes of project personnel and HMG counterpart staff, the achievements of FDP to date have been substantially on target. With clear and appropriate strategy, and focus on priority objectives, FDP could be effective in supporting the MFSC to achieve MPFS goals during the remaining period of its implementation.

Improved Stove and Special Local Cost Support components of FDP were completed satisfactorily during the first year of implementation.

4.2 District level planning and development of District Forestry Development Plans have been given top priority by NPC and MFSC. FDP has selected five districts: Ilam, Chitwan, Palpa, Bardiya and Kanchanpur to collect information for development of methodology and techniques for formulation of DFDP.

4.3 The basic principles, objectives, activities and tasks under each activity of FDP over the remaining LOP must be reviewed in the light of changes which have occurred, the evolving needs of MFSC, and the resources available. The objectives of the FDP need to be incorporated in the SIRE program.

4.4 The objective of the SIRE program is to increase household income through involvement of private sector and forestry enterprises, but FDP does not directly support private sector/forest enterprises in forestry activities.

4.5 Too many tasks under each activity were planned to be implemented during previous AWP's. The tasks under each activity must be reduced and prioritized.

4.6 Frequent transfers of staff have affected the project's performance and continuity. Roles, responsibilities, functions and authority of all involved in FDP need to be clearly defined to make implementation more effective and productive.

4.7 Formation of FSCC has been a positive development as a mechanism for coordinating forestry development activities/programs at central level. Efforts of FSCC have been successful in addressing some of the implementation, incentives and budgeting problems. FSCC

has not been effective in identifying and recommending potential internal and external sources for financing a well balanced forestry sector development in Nepal.

- 4.8 Some tasks, including development of resource information system, training, and planning at district level require close coordination with other projects involved in implementation of similar activities like FSISP - Component No.2, FMUDP, Training, and Monitoring and Evaluation Divisions of MFSC.
- 4.9 FDP supports planning, budgeting and coordination functions only at the Ministry level, not at the Departmental, Regional and District levels. Planning and analytical capabilities at department, regions and district levels need to be developed. FDP should determine whether its resources are adequate to address these needs, and, if not, suggest alternative means for doing so.
- 4.10 The resources allocated to on going institutional strengthening and capabilities building through donor-assisted projects in forestry sector need to be channelized in such a way that duplication is avoided and resources are utilized more efficiently and effectively. A greater proportion of resources should be made available for action oriented field programs. FDP should examine this issue together with PD, and suggest policies and procedures for MFSC to address these issues.

5.0 MANAGEMENT ASSESSMENT RECOMMENDATIONS

The FDP Management Assessment study was carried out by a joint HMG/N - USAID/N team (see Appendix- III) through a series of discussions facilitated by an external consultant. During the first meeting the Chief of Party of FDP presented his views regarding FDP's purpose, objectives, activities and tasks. The consultant also presented his views on how the FDP can contribute to the development of forestry in Nepal.

Team members provided their comments regarding the approach to be taken to make the implementation of FDP more effective and oriented toward the needs of MFSC. Everybody expressed concern regarding better support to be provided to the implementation of sectoral programs as embodied in MPFS.

In the second meeting the officers of the planning units of the Departments under the MFSC were invited to participate to make the discussion broad based and involve them in decision making. They also contributed to discussions regarding the FDP's future line of action. The participants noted that the type of support provided by FDP to the PD is also needed at Departmental levels.

The basic principles, purpose, and objectives, prioritized activities and tasks, steps to be followed and work schedule were finalized in a third meeting. These are presented in the following sections.

5.1 Basic Principles to be Followed for FDP Life of Project Strategy

Recognizing the limited resources available to FDP and the broad scope of forestry policy and planning needs, it was agreed upon by all concerned that the project should be implemented according to the following principles:

- Concentrate resources on a few key activities;
- Design tasks to be mutually supporting;
- Prioritize needs, and schedule tasks accordingly;
- Design tasks to provide results that can directly be implemented, rather than leading to further analysis;
- Market output through seminars and official publications to insure the greatest impact; and
- Maintain ability to respond to un-anticipated needs, and flexibility to revise plans to match changing conditions.

5.2 Purpose and Objectives

The purpose of the FDP is to assist MFSC's Planning Division to guide the forestry sector to achieve the objectives articulated in the MPFS, while accommodating to the changes

that have taken place in Nepal.

The objectives of FDP must reflect the current needs of MFSC and Nepal's forestry sector and to be incorporated in objectives of SIRE.

Objectives

The objectives of FDP for the remaining LOP as determined by the Management Assessment are:

- Assist in developing forest policy and programs that encourage greater user and private sector involvement in protecting, managing and utilizing forests on sustainable basis;
- Institutionalize and strengthen the planning system in MFSC by incorporating changes that result in more efficient use of resources, decentralized decision making, responsiveness to forest users, and public accountability;
- Strengthen MFSC's project formulation, appraisal and analytical capability through training, development of information management capability, and conducting policy and economic studies.

5.3 FDP Activities

The core activities of the FDP are now focused on forestry planning and policy. The following five activities, listed in order of priority, will be pursued over the LOP to meet the FDP's objectives.

- Strengthening of MFSC Planning and Budgeting system,
- Programming, strategic planning and project analysis,
- Policy, law and economics,
- Training, and
- Planning Division support.

Each of these activities will have definite tasks to be carried out whose steps are scheduled for the remaining LOP over three Nepalese fiscal years. The implementation schedule is attached in Appendix - VII. The schedule is specific for years 1992-93 and 1993-94 but flexible for year 1994-95. The schedule is indicative and may be amended as needed during the remaining LOP, through mutual agreement between HMG/N and USAID/Nepal.

The detailed AWP will be developed jointly by HMG/N and USAID/N and approved prior to the start of each Nepali fiscal year. The AWP-III will specify the nature and timing of

tasks, steps, the amount and type of human resources needed, and expected outputs. A training plan will be attached to AWP-III indicating types, purpose, timing and participation in each training activity.

5.4 Recommendations for FDP

The following recommendations were made during the Management Assessment, with the intention that they be incorporated into the Life of Project Strategy and workplans for implementation by FDP, subject to availability of resources and appropriately agreed-upon prioritization of efforts:

- The district level planning activity must be given top priority. FDP should develop a methodology and techniques to formulate District Forestry Development Plans (DFDP) based on data collected from five districts. The methodology and techniques should be tested before they are recommended to MFSC for country-wide adoption.
- FDP should give second priority to the development of a performance oriented Monitoring and Evaluation (M & E) system based on volume of work done, quality of work, cost and time taken. This must be coordinated closely with other M & E efforts in MFSC, under the direction of the Planning Officer.
- FDP should give third priority to the development and implementation of private forestry programs to achieve the objective of the SIRE program of which FDP is a component. Conceptualization of new approaches which may be supported by external donors should be accompanied by review of ongoing activities in this sector.
- As an essential element in its support to the PD and the MFSC, FDP should develop criteria for the allocation of Government managed forests into different types such as CF, LF and NF in Tarai and Siwaliks to facilitate the delineation of these forests on the ground and implementation of economically and socially significant programs.
- FDP should analyze and develop recommendations to MFSC on how funds from TA components of on-going projects and programs may be channelized in such a way that the funds are better utilized, not only support central level but also regional and district levels, and minimize overlapping and duplication.
- FDP should assist in strengthening the planning and analytical capability of professionals working at

departmental, regional and district levels.

- FDP may assist FSCC to identify and recommend potential internal and external sources for financing systematic development of forestry sector in Nepal.
- FDP should study the impacts of sustainable management practices by measuring bio-mass production together with the cash income and employment opportunities provided by a given CF at least five years old. The results of such study should be made public and disseminated to all concerned. This study will help future planning and programming for sustainable approaches in FUG managed community forest programs.
- FDP should undertake the planning and policy studies identified as needed to enhance the performance of the programs of MPFS.
- The professionals working in PD and planning units of MFSC and the departments under it should be involved in planning and policy studies.
- FDP, in collaboration with USAID/Nepal, should develop procedures and mechanisms to respond more rapidly to the un-anticipated needs of MFSC, as the Ministry seeks to adjust to rapidly-changing circumstances and development in the forestry sector.
- FDP should take advantage of the expertise available at the Institute of Forestry and utilize the services of national consultants.
- Higher studies, i.e. M.S. Degree level, as identified in the FDP project document, should be continued beyond the LOP using the SIRE Program mechanism.
- In order to strengthen the planning and analytical capabilities in the Ministry, at least two professional from each of the DOF, DSCWSM and NPWLM working in planning units should be sent abroad for Master's degree in forest planning and economics. This may be accomplished under USAID/Nepal's Development Training Project if nominations to USAID/Nepal are sent from HMG/N.
- Short-term training opportunities in forest economics and marketing for public and private sectors, including NGOs involved forestry activities, should be identified by FDP working with USAID/Nepal's Training Office.
- FDP should design and develop special mechanisms for MFSC

through the PD, to encourage both HMG/N and donor support for more efficient and effective field level implementation, including better logistic support, financial and other resources.

- FDP should make active efforts for closer coordination with agencies and projects involved in the implementation of similar activities, such as FSISP component 2, FMUDP, M & E and Training Divisions.

5.5 General Recommendations

- MFSC should insure the adoption and implementation of methodology and techniques developed for the formulation of District Forestry Development Plans. MFSC should also implement the performance-oriented M&E system also developed by FDP.
- MFSC should aim at developing complete transparency all decision making levels to establish credibility and encourage enthusiastic participation by its staff. Democratization in decision making process should also be an official MFSC objective, and acted on in practice.
- MFSC should define clearly the functions, roles and responsibilities and authorities of professional and technical staff at policy and implementation levels and announce these in the Nepalese Gazette. MFSC should strictly follow and monitor them. Decentralization and delegation of authorities should be encouraged.
- MFSC should reward field staff on the basis of performance, recognize their services and provide incentives to them.
- The organizational structure and strength of the MFSC and its departments should be finalized as soon as possible according to the recommendations of the ARC.
- The function of the Regional Forest Directorate, as recommended by ARC, should be confined to Monitoring and Evaluation of all forestry programs and activities within the region including NP, WLR, Plant and Forestry Research. Regional Directorates should function as field offices responsible to MFSC.
- MFSC should provide necessary support for the delineation of different types of forests such as CF, NF and LF through its concerned departments on the basis of criteria developed by FDP.

- Efforts should be made to increase the rate of handover of the CF to FUGs by delegating authorities to field officers or by declaring certain districts as CF districts, Private Forestry districts, or National Forest districts depending on the local conditions.
- MFSC should provide guidance to revise and update the district forest management schemes and working plans and reinforce them with full financial, technical and logistic support to the districts.
- Encroachment and illicit cutting the forests should be stopped. A high powered commission is already working to solve encroachment problems. But commitment by the government and political parties and awareness among the people will help resolve these problems. MFSC should launch a campaign to address these problems by generating support from local organization, village leaders and NGOs.
- The watershed conditions should be considered as basis for selection of watershed conservation and management programs. The catchment areas of the rivers where hydro-electricity generation projects are under construction or going to be constructed should be given priority.
- The MFSC should develop mechanisms for analyses of conflicts between park staff and people, and how the needs of the people surrounding NP and WLR might be fulfilled to provide incentive for the local people to protect and conserve the NPs and WLRs. For example, a percentage of the income of NP and WLR might be allocated for the welfare of the local people surrounding the NP and WLR as incentive to protect and conserve the NPs and WLRs.
- Frequent transfer of professionals and technicians at policy and implementation levels greatly hinders effective forestry sector management, and should be stopped.
- Better record keeping systems should be developed to provide quick information and status of development in a given district.
- Harvesting and logging should be handed over to private forestry enterprises on competitive basis. The sale of forest products collected in depots should be on open competitive bidding by the DOF.

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11. HMG/N - USA, 15 Sept. 1991 Project Grant Agreement for FDP
12. HMG/N - USA, 14 Sept. 1992 Project Grant Agreement for SIRE
13. HMG - USAID, 1991 and 1992 Trimester Accomplishment Report
(to date)

Appendix - I.

TERMS OF REFERENCE

The terms of reference for the FDP Management Assessment study are given below:

1. Identify critical activities to be undertaken by the FDP with respect to
 - a) The requirements of the MFSC in support of Nepal's forestry sector development; and
 - b) Objectives of USAID/Nepal's SIRE Program.

Steps:

- a. Review the FDP Grant Agreement and Annual Work Plans.
 - b. Discuss FDP performance to date.
 - c. Discuss the objectives and priorities of the MFSC.
 - d. Review the role and responsibilities of the Planning Division.
 - e. Review the SIRE Agreement.
 - f. Discuss FDP's role as perceived by various key actors (MFSC staff, USAID staff, other donors).
 - g. Based on results of (a) thru (f) above, revise the FDP purpose and objectives.
 - h. Identify critical FDP activities using a prepared list as a starting point.
2. Determine priorities among the activities identified in Task Number 1.
 - a. Review the level of financial and human resources available in FDP.
 - b. Differentiate between core and supporting activities.
 - c. Identify proposed tasks under each priority activity.
 - d. Determine how to build in flexibility and responsiveness to unanticipated needs.
-
3. Assess the resources available under FDP, and allocate these resources in support of priority activities.
 - a. Review the level of financial and human resources available in FDP, including proposed contract amendment.
 - b. Determine the resources required to accomplish proposed tasks under each priority activity.
-

- c. Identify shortfalls in effort or funds.
 - d. Balance needs with resources by reducing tasks or increasing resources.
4. Develop a Life of Project Strategy for mobilizing FDP resources in efficient and cost effective fashion to accomplish priority activities.
- a. Develop a conceptual basis for the LOP strategy.
 - b. Schedule activities over the LOP and assign tasks accordingly.
 - c. Decide on the format and contents of annual work plans.
 - d. Make necessary revisions in AWP-II.
5. Determine modifications needed in project documentation to reflect decisions reached in this assessment.

Appendix - 2.

LIST OF PERSONS MET

1. Dr. R.P. Yadav Member, Agriculture & Forestry, NPC
2. Mr. D.P. Dhakal Secretary, MFSC
3. Dr. U.R. Sharma Chief Planning Officer/Project Director, MFSC/FDP
4. Mr. D.P. Parajuli Director General, Department of Forests
5. Mr. K.R. Kanel Planning Officer, MFSC
6. Dr. Uday B. Gurung Director, APROSC
7. Mr. K.R. Pandey Deputy Director, APROSC
8. Dr. H.S. Plunkett Deputy Chief, ARD, USAID/Nepal
9. Mr. B.P. Upadhaya Project Officer, USAID/Nepal
10. Dr. James Schweithelm Chief of Party, FDP
11. Dr. Jerry Canonizado Forest Economist, FDP
12. Mr. S.S. Madhi Resident Representative
FAO/Nepal
13. Ms. Naheed Haque Deputy Resident Representative
UNDP/Nepal
14. Mr. Megh R. Shakya Senior Program Officer, UNDP/Nepal
15. Mr. Keith Garratt Environment Specialist, UNDP/Nepal
16. Mr. Kalevi Aati Charge d' Affairs, Embassy of Finland
17. Mr. Pertti Vaijaleinen Team Leader, FSISP/Component No.2.
18. Mr. R. Anti Technical Advisor, FSISP/Component No.2.

Appendix - 3.

LIST OF PARTICIPANTS IN FDP MANAGEMENT ASSESSMENT STUDY

1.	Dr. U.R. Sharma	Chief Planning Officer/Project Director,	MFSC/FDP
2.	Dr. H.S. Plunkett	Deputy Chief, ARD	USAID/N
3.	Mr. B.P. Upadhaya	FDP Project Officer, ARD	USAID/N
4.	Dr. James Schweithelm	Chief of Party	FDP
5.	Dr. Jerry Canonizado	Forestry Economist	FDP
6.	Mr. Keshav R. Kanel	Planning Officer	MFSC
7.	Mr. Tej B.C.	Forest Officer	FDP
8.	Mr. J. Baral	Forest Planning Officer	DOF
9.	Mr. M. Wagle	Planning Officer	DSCWM
10.	Mr. Raja Baral	Asst. Planning Officer	MFSC
11.	Mr. K.B. Shrestha	Asst. Planning Officer	MFSC
12.	Mr. M. Haque	Forestry Consultant	FDP

Appendix - 4a

JOB DESCRIPTION OF THE CHIEF OF THE PLANNING DIVISION, MRQ

1. The person in charge of this division will be under the supervision of the Secretary and he is responsible for looking after the works of Plan Formulation, Foreign aid, Program Review and Plan Coordination Section and also responsible for their control, guidance and coordination under the general supervision of the secretary.
2. Responsible for formulating forest development plans identifying the long-term and short-term programs of the forestry sector, analyzing the forest development project, working out the annual and periodic programs, getting their approval and preparing the program budget.
3. Responsible for formulating programs required for executing the instructions given by His Majesty the King, making necessary budgetary allocations and operating them for the implementation of the approved forest development programs, and coordinating with other allied agencies in agreeing the annual targets within the given resources.
4. Responsible for collecting progress reports on annual programs and targets, reviewing the progress and executing the decisions.
5. To coordinate various development projects carried out in the forestry sector.
6. Responsible for managing the resources available for the development of the forestry sector and regulating the foreign financial sources.
7. Responsible for managing the foreign training and scholarships required for operating the development projects of the forestry sector under the Ministry.
8. Responsible for evaluating the performance of the staff under him, submitting proposals for awards or punishments to higher level for approval, except for study, extraordinary and special leaves.
9. Responsible for doing other works and directed from time to time.

Appendix - 4b

ROLE, RESPONSIBILITIES AND AUTHORITY OF
CHIEF PLANNING DIVISION, MFSC

OFFICE: PLANNING DIVISION, MINISTRY OF FORESTS AND ENVIRONMENT

POSITION: DIVISION CHIEF (Joint Secretary)

REQUIRED QUALIFICATIONS:

GENERAL DESCRIPTION OF JOB:

The Division chief heads of Planning Division in the Headquarters of the MOFE. He supervises national forest policy and plan formulation, program coordination, and foreign aid coordination activities of the Ministry. The Division Chief coordinates with the National Planning Commission in formulating national forest policy and programs. He coordinates with the MOFE Monitoring and Evaluation Division, the Forest survey and Statistics Division, and Departments to collect, keep, and evaluate information for forest sector policy and plan formulation. he supervises provision of guidelines and technical assistance to MOFE Department, Divisions, and Offices in drafting periodic and annual plans, including budget and operational plans.

SPECIFIC DUTIES, RESPONSIBILITIES, FUNCTIONS:

- 1) The Chief of the Planning Division supervises all planning functions carried out by the Planning Division of the Ministry of the Forests and Environment.
- 2) Supervises, reviews and approves national forest policy and programs formulation by the Planning Division.
- 3) Supervises, reviews and approves guidelines to Departmental planning units for the preparation of periodic and annual plans.
- 4) Supervises, reviews and approves preparation of budget ceilings for MOFE programs and for the Departments and offices carrying out the programs.
- 5) Supervises, reviews and approves compilation and evaluation of periodic and annual plans and budgets from MOFE units.

- 6) Supervises, reviews and approves the preparation of final MOFE periodic and annual plans and budgets.
- 7) Responsible for meetings and correspondence with foreign aid representatives.
- 8) Responsible for coordinating planning activities throughout the MOFE.
- 9) Responsible for coordinating planning activities with other government agencies.
- 10) Appraise foreign aid project proposals and assist in negotiations with foreign aid donors.
- 11) Prepare personal annual and quarterly work plans and monitor own progress.
- 12) Perform any other duties requested by the Secretary, MOFE.

POSITION WITHIN BUREAUCRACY:

REPORTS TO: Secretary of MOFE

DIRECTLY SUPERVISES: All Planning Division Staff

COORDINATES WITH:

DEPUTY ARRANGEMENTS: Undersecretaries (for Policy and program Formulation and for Program Coordination) are deputized to the Chief, Planning Division.

RESTRICTIONS IN AUTHORITY:

- Receives instructions from the Secretary
- Can work with lower ranking officials in other divisions or departments (such as DFOs) only with the approval of

**FUNCTIONAL RELATIONS WITH EXTERNAL OFFICES/
ORGANIZATIONS:**

OTHER MOFE OFFICES:

Chief, Monitoring and Evaluation Division
Chief, Forest survey and Statistics Division

OTHER HMG OFFICES:

National Planning Commission
Ministry of Finance

OTHERS (I.E., NGO'S DONORS, UNIVERSITIES):

Foreign donors to MOFE programs
NGOs involved in MOFE projects
University staff supporting Planning Division
training